

IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE EITHER (1) QUALIFIED INSTITUTIONAL BUYERS (“QIBs”) (WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”)) OR (2) NON-U.S. PERSONS (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) OUTSIDE THE UNITED STATES.

IMPORTANT: You must read the following before continuing. The following applies to the Offering Memorandum following this page, and you are advised to read this carefully before reading, accessing or making any other use of the Offering Memorandum. In accessing the Offering Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE LAWS OF OTHER JURISDICTIONS. ANY NOTES TO WHICH THIS OFFERING MEMORANDUM RELATES (THE “NOTES”) ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA (“EEA”). FOR THESE PURPOSES, A “RETAIL INVESTOR” MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU, AS AMENDED (“MIFID II”); (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2016/97, AS AMENDED, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN DIRECTIVE 2003/71/EC, AS AMENDED (THE “PROSPECTUS DIRECTIVE”). CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO. 1286/2014, AS AMENDED (THE “PRIIPS REGULATION”) FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

IN ADDITION, IN THE UNITED KINGDOM (“UK”), THIS ELECTRONIC TRANSMISSION AND THE OFFERING MEMORANDUM ARE ADDRESSED TO AND DIRECTED ONLY AT, PERSONS WHO (I) ARE OUTSIDE THE UK, (II) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE “ORDER”), (III) ARE HIGH NET WORTH ENTITIES FALLING WITHIN ARTICLE 49(2)(A) TO (D) OF THE ORDER, OR (IV) ARE OTHER PERSONS TO WHOM THEY MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “RELEVANT PERSONS”). THIS ELECTRONIC TRANSMISSION AND THE OFFERING MEMORANDUM MUST NOT BE ACTED ON OR RELIED ON (I) IN THE UK, BY PERSONS WHO ARE NOT RELEVANT PERSONS AND (II) IN ANY MEMBER STATE OF THE EEA OTHER THAN THE UK, BY PERSONS WHO ARE NOT QUALIFIED INVESTORS. ANY INVESTMENT OR

INVESTMENT ACTIVITY TO WHICH THIS ELECTRONIC TRANSMISSION AND THE OFFERING MEMORANDUM RELATE IS AVAILABLE ONLY TO RELEVANT PERSONS IN THE UK AND QUALIFIED INVESTORS IN ANY MEMBER STATE OF THE EEA OTHER THAN THE UK AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. IN ADDITION, NO PERSON MAY COMMUNICATE OR CAUSE TO BE COMMUNICATED ANY INVITATION OR INDUCEMENT TO ENGAGE IN INVESTMENT ACTIVITY, WITHIN THE MEANING OF SECTION 21 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (THE "FSMA"), RECEIVED BY IT IN CONNECTION WITH THE ISSUE OR SALE OF THE NOTES OTHER THAN IN CIRCUMSTANCES IN WHICH SECTION 21(1) OF THE FSMA DOES NOT APPLY TO THE ISSUER.

THE FOLLOWING OFFERING MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of your Representation: In order to be eligible to view this Offering Memorandum or make an investment decision with respect to the notes, investors must be either (1) QIBs (within the meaning of Rule 144A under the Securities Act) or (2) non-U.S. persons (within the meaning of Regulation S under the Securities Act). This Offering Memorandum is being sent at your request and by accepting the e-mail and accessing this Offering Memorandum, you shall be deemed to have represented to us that (1) you and any customers you represent are either (a) QIBs (within the meaning of Rule 144A under the Securities Act) or (b) non-U.S. persons (within the meaning of Regulation S under the Securities Act), and (2) that you consent to delivery of such Offering Memorandum by electronic transmission.

You are reminded that this Offering Memorandum has been delivered to you on the basis that you are a person into whose possession this Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver this Offering Memorandum to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the initial purchasers or any affiliate of the initial purchasers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the initial purchasers or such affiliate on behalf of the issuer in such jurisdiction.

This Offering Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission, and consequently neither the initial purchasers, nor any person who controls them nor any of their directors, officers, employees nor any of their agents nor any affiliate of any such person accept any liability or responsibility whatsoever in respect of any difference between this Offering Memorandum distributed to you in electronic format and the hard copy version available to you on request from the initial purchasers.



U.S.\$400,000,000

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.

(a public utility company (*empresa de servicios públicos*) organized as a stock corporation (*sociedad anónima por acciones*) under the laws of the Republic of Colombia)

7.850% Senior Notes due 2033

We are offering U.S.\$400,000,000 aggregate principal amount of 7.850% senior notes due 2033 (the “Notes”). Interest on the Notes will accrue at a rate of 7.850% per annum and is payable on May 9 and November 9 of each year, commencing on May 9, 2024. The Notes will mature on November 9, 2033. Payment of principal, interest, Additional Amounts (as defined under “Description of the Notes”) and any other amounts in respect of the Notes will be made in U.S. dollars.

The Notes will be our senior, unconditional, unsecured and unsubordinated obligations and will rank equally without preference among themselves and will rank *pari passu* in right of payment with all our existing and future, unconditional, unsecured and unsubordinated External Indebtedness (as defined below) and senior to our existing and future debt that by its terms is junior and subordinated in right of payment to the Notes. We intend to use the net proceeds from this offering to (i) prepay the remaining U.S.\$319 million principal amount outstanding under the Amended BofA Credit Agreement (as defined below) and (ii) finance our investment plan for 2023 - 2027. An amount equal to the net proceeds from this offering will be allocated to finance or refinance, in whole or in part, one or more new or existing Eligible Green Projects and Eligible Social Projects (together, the “Eligible Projects”) pursuant to the Sustainable Financing Framework (as defined in “Use of Proceeds”), with disbursements covering project expenditures for up to 24 months preceding the issue date of the Notes and up to 36 months after the issue date of the Notes, including the development and redevelopment of such projects by us or any of our subsidiaries. The offering of the Notes and the contemplated use of proceeds have been approved by the General Directorate of Public Credit and National Treasury (*Dirección General de Crédito Público y Tesoro Nacional*) of the Ministry of Finance and Public Credit (*Ministerio de Hacienda y Crédito Público* or “MHCP”).

At any time or from time to time on or after August 9, 2033 (three months prior to the maturity date) (the “Par Call Date”), we will have the right to redeem the Notes, in whole or in part, on at least 10 days’ but not more than 60 days’ prior notice, at a redemption price equal to 100% of the outstanding principal amount of the Notes to be redeemed plus accrued but unpaid interest (if any) of the principal amount of the Notes to be redeemed and any Additional Amounts to, but excluding, the Redemption Date (as defined under “Description of the Notes”). At any time or from time to time prior to the Par Call Date, we will have the right to redeem the Notes, in whole or in part, on at least 10 days’ but not more than 60 days’ prior notice, at a redemption price equal to the greater of (a) 100% of the principal amount of the Notes to be redeemed and (b) the sum of the present values of each remaining scheduled payment of principal and interest thereon as if redeemed on the Par Call Date (exclusive of interest accrued to the Redemption Date) discounted to the Redemption Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (as defined under “Description of the Notes”) plus 50 basis points, in each case plus accrued but unpaid interest (if any) on the principal amount of the Notes to be redeemed and any Additional Amounts to, but excluding, the Redemption Date. See “Description of the Notes — Optional Redemption at Par” and “Description of the Notes — Optional Redemption — Optional Redemption with “Make-Whole” Amount.”

There is currently no market for the Notes. Approval in-principle has been received for the listing of the Notes on the Official List of the Singapore Exchange Securities Trading Limited (the “SGX-ST”). For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, in the event that a Global Note (as defined below) is exchanged for a Certificated Note (as defined below), the Issuer will appoint and maintain a paying agent in Singapore, where the Certificated Notes may be presented or surrendered for payment or redemption. The SGX-ST assumes no responsibility for the accuracy of any of the statements made or opinions expressed or reports contained in this offering memorandum. Admission of the Notes to the official list of the SGX-ST is not to be taken as an indication of the merits of the offering, the Issuer, its subsidiaries (if any), its associated companies (if any), its joint venture companies (if any) or the Notes. Approval in-principle has been received for the Notes to be recognized under the SGX Sustainable Fixed Income initiative on the SGX-ST. Recognition under the SGX Sustainable Fixed Income initiative does not guarantee that the Notes will satisfy any investor’s expectations or requirements on its sustainability-related performance or impact and does not imply that this offering memorandum or any other document(s) of a similar nature prepared by us and/or the Notes or any other products in relation thereto are verified, endorsed, sponsored, guaranteed or recommended by SGX-ST and/or its affiliates, and the SGX-ST may remove the recognition from the Notes at its discretion. The latest list of fixed income securities that have been granted recognition under the SGX Sustainable Fixed Income initiative is available at the SGX website. The Notes will be in minimum denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof.

Investing in the Notes involves risk. See “Risk Factors” beginning on page 22.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”). Prospective purchasers that are qualified institutional buyers (“QIBs”), are hereby notified that the sellers of the Notes may be relying on an exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A under the Securities Act (“Rule 144A”). Outside the United States, the offering is being made in reliance on Regulation S under the Securities Act (“Regulation S”). For a description of certain restrictions on transfers of the Notes, see “Plan of Distribution” and “Transfer Restrictions.”

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED IN THE COLOMBIAN NATIONAL SECURITIES AND ISSUERS REGISTRY (*REGISTRO NACIONAL DE VALORES Y EMISORES* OR “RNVE”) MAINTAINED BY THE COLOMBIAN SUPERINTENDENCY OF FINANCE (*SUPERINTENDENCIA FINANCIERA DE COLOMBIA* OR “SFC”) AND MAY NOT BE OFFERED OR SOLD PUBLICLY OR OTHERWISE BE SUBJECT TO BROKERAGE ACTIVITIES IN THE REPUBLIC OF COLOMBIA (“COLOMBIA”), EXCEPT AS PERMITTED BY COLOMBIAN LAW. PURSUANT TO ARTICLE 6.12.1.1.1. OF DECREE NO. 2555 OF JULY 15, 2010, AS AMENDED, THE ISSUANCE AND SALE OF THE NOTES ON THE TERMS AND

CONDITIONS SET FORTH IN THIS OFFERING MEMORANDUM DO NOT REQUIRE THE PRIOR AUTHORIZATION OF THE SFC NOR THE PRIOR REGISTRATION WITH THE RNVE.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**EU MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (“**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Price for Notes: 99.932% plus accrued interest, if any, from November 9, 2023.

We expect delivery of the Notes will be made to purchasers on or about November 9, 2023 only in book-entry form through the facilities of The Depository Trust Company (“**DTC**”), and its direct and indirect participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear System (“**Euroclear**”), and Clearstream Banking, *société anonyme* (“**Clearstream**”).

Sustainable Bond Structuring Agents, Joint Bookrunners and Joint Lead Managers

J.P. Morgan

Santander

Scotiabank

Development Finance Structuring Agent

J.P. Morgan

The date of this offering memorandum is November 6, 2023.

Prospective purchasers should rely only on the information contained in this offering memorandum. No person has been authorized to provide prospective purchasers with different information. If anyone provides prospective purchasers with different or inconsistent information, prospective purchasers should not rely on it. None of Grupo Energía Bogotá S.A. E.S.P. (“GEB”) or any of the Initial Purchasers (as defined below) is making an offer to sell the Notes in any jurisdiction where the offer or sale is not permitted. Prospective purchasers should not assume that the information contained in this offering memorandum is accurate as of any date other than the date on the front cover of this offering memorandum. GEB’s business, financial condition, results of operations and prospects may have changed since that date. None of GEB or any of the Initial Purchasers makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this offering memorandum after the date hereof.

The Initial Purchasers make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this offering memorandum. Nothing contained in this offering memorandum is, or shall be relied upon as, a promise or representation by the initial purchasers as to the past or future and the initial purchasers assume no responsibility for the accuracy or completeness of any such information.

Unless otherwise indicated or the context otherwise requires, all references in this offering memorandum to “us,” “we” and “our” refer to GEB and its consolidated subsidiaries Transportadora de Gas Internacional S.A. E.S.P. (“TGI”), Transportadora de Energía de Centroamérica S.A. (“TRECSA”), Gas Natural de Lima y Callao S.A. (“Cálidda”), Cálidda Energía S.A.C. (“Cálidda Energía”), Contugas S.A.C. (“Contugas”), Electro Dunas S.A.A. (“Electrodunas”), Cantalloc Perú Holdings S.R.L. (“Cantalloc” and together with DESAA, Electrodunas, and Perú Power Company S.A.C, the “Electrodunas Group”), EEB Ingeniería y Servicios S.A. (“EEBIS Guatemala”), EEB Internacional Ltd. (“EEB Internacional”), EEB Gas S.A.S. (“EEB Gas”), EEB Energy Re Ltd. (“EEB Energy Re”), Gebbras Participações Ltda. (“GEBBRAS”), Elecnorte S.A.S E.S.P. (“Elecnorte”), and Enlaza Grupo Energía Bogotá S.A. E.S.P. (“Enlaza”).

Unless otherwise indicated or the context otherwise requires, all references in this offering memorandum to “our related companies” refer to Enel Colombia S.A. E.S.P. (“Enel Colombia”), Red de Energía del Perú S.A. (“REP”), Consorcio Transmantaro S.A. (“CTM”), Transenergia São Paulo S.A. (“Transenergia São Paulo”), MGE Transmissão S.A. (“MGE Transmissão”), Goiás Transmissão S.A. (“Goiás Transmissão”), Transenergia Renovável S.A. (“Transenergia Renovável”), Electrificadora del Meta S.A. E.S.P. (“EMSA”), Promigas S.A. E.S.P. (“Promigas”), Argo Energia Empreendimentos e Participações S.A. (“Argo”), Agencia Analítica de Datos S.A.S (“Agata”), Argeb Energía S.A. (“Argeb”), and Vanti S.A. E.S.P. (“Vanti”).

As used in this offering memorandum, the term “our related company” refers to a legal entity in which GEB has a 50.0% or less ownership interest or which GEB does not control, directly or indirectly, accordingly, assets, liabilities, shareholders’ equity and results of operations of our related company are not consolidated in GEB’s consolidated financial statements included in this offering memorandum. GEB records its share in the profit (loss) of its related companies using the equity method in accordance with IFRS as accepted in Colombia. Amounts recorded in accordance with the equity method do not represent cash dividend payments or other distributions made to GEB from these related companies. See “Presentation of Financial Information.” Colombian Generally Accepted Accounting and Reporting Standards (“IFRS as accepted in Colombia”) are based on IFRS as issued by the International Accounting Standards Board (“IASB”), except for certain provisions disclosed in Note 3.1 to the Consolidated Financial Statements of GEB.

TABLE OF CONTENTS

	Page
ENFORCEMENT OF FOREIGN JUDGMENTS	iv
AVAILABLE INFORMATION.....	vi
MARKET INFORMATION AND OTHER STATISTICAL INFORMATION.....	vi
FORWARD-LOOKING STATEMENTS	viii
PRESENTATION OF FINANCIAL INFORMATION	xii
NOTE REGARDING NON-GAAP FINANCIAL MEASURES.....	xiv
TECHNICAL AND REGULATORY TERMS	xviii
SUMMARY	1
SUMMARY OF THE OFFERING.....	12
SUMMARY FINANCIAL AND OPERATING DATA OF GEB	17
SUMMARY FINANCIAL AND OPERATING DATA OF ENEL COLOMBIA.....	20
RISK FACTORS	22
FOREIGN EXCHANGE CONTROLS	90
USE OF PROCEEDS	91
SUSTAINABLE DEVELOPMENT IMPACT.....	100
CAPITALIZATION	105
SELECTED FINANCIAL AND OPERATING DATA OF GEB.....	107
SELECTED FINANCIAL AND OPERATING DATA OF ENEL COLOMBIA	111
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.....	113
LIQUIDITY AND CAPITAL RESOURCES.....	152
COLOMBIAN AND PERUVIAN ELECTRICITY INDUSTRY, REGULATORY AND ENVIRONMENTAL FRAMEWORK	164
COLOMBIAN AND PERUVIAN NATURAL GAS INDUSTRY AND REGULATORY FRAMEWORK.....	199
BUSINESS.....	225

PRINCIPAL SHAREHOLDERS AND RELATED PARTY TRANSACTIONS	300
DESCRIPTION OF THE NOTES	303
CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS.....	336
CERTAIN COLOMBIAN TAX CONSIDERATIONS	340
PLAN OF DISTRIBUTION	343
TRANSFER RESTRICTIONS	350
LISTING AND GENERAL INFORMATION	352
LEGAL MATTERS.....	354
TRUSTEE, SECURITY REGISTRAR, PAYING AGENT AND TRANSFER AGENT	355
INDEPENDENT AUDITORS.....	356
INDEX TO FINANCIAL STATEMENTS	F-1

This offering memorandum has been prepared solely for use in connection with the proposed offering of the Notes described in this offering memorandum. This offering memorandum does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the Notes. You are not authorized to distribute this offering memorandum to any person other than a prospective purchaser and any person retained to advise such prospective purchaser with respect to a purchase, and you are prohibited from disclosing any of its contents without GEB's prior written consent. Each prospective purchaser, by accepting delivery of this offering memorandum, agrees to the foregoing stipulations and to make no electronic or physical copies of this offering memorandum or of any documents referred to in this offering memorandum.

This offering memorandum is based on information provided by GEB and other sources that GEB believes to be reliable. GEB takes responsibility for the information provided by GEB and contained in this offering memorandum as of the date hereof. This offering memorandum summarizes certain documents and other sources of information, and GEB refers prospective purchasers of the Notes to those sources for a more complete understanding of the information contained therein.

By purchasing the Notes, prospective purchasers will be deemed to have made the acknowledgments, representations, warranties and agreements described under the heading "Transfer Restrictions" in this offering memorandum. The Notes are subject to restrictions on transfer and resale and may not be transferred or resold except as permitted under the Securities Act and applicable state securities laws pursuant to registration or exemption therefrom. The Notes will bear a legend referring to such restrictions. See "Transfer Restrictions." As a prospective purchaser of the Notes, you should be aware that you may be required to bear the financial risks of your investment in the Notes for an indefinite period of time. Please refer to the sections in this offering memorandum entitled "Plan of Distribution" and "Transfer Restrictions."

We reserve the right to withdraw this offering of Notes at any time, and we and the initial purchasers reserve the right to reject any commitment to subscribe for the Notes, in whole or in part, and to allot any prospective investors less than the full amount of Notes sought by such investor. The initial purchasers or their affiliates may acquire a portion of the Notes for their own account.

There is currently no market for the Notes and there can be no assurance that one will develop or, if one develops, that it will continue.

THE NOTES WILL BE SOLELY GEB'S OBLIGATIONS, AND THE HOLDERS OF THE NOTES WILL HAVE NO RECOURSE AGAINST GEB'S DIRECT OR INDIRECT OWNERS, AND/OR AGAINST ANY OF SUCH OWNERS' OFFICERS, DIRECTORS, EMPLOYEES, MEMBERS OR MANAGERS WITH RESPECT TO GEB'S OBLIGATIONS UNDER THE NOTES AND THE INDENTURE GOVERNING THE NOTES. IN ADDITION, THE NOTES ARE NOT GUARANTEED BY GEB'S SUBSIDIARIES NOR ITS RELATED COMPANIES, AND THE HOLDERS OF THE NOTES WILL HAVE NO RECOURSE AGAINST ANY OF SUCH SUBSIDIARIES AND ITS RELATED COMPANIES WITH RESPECT TO GEB'S OBLIGATIONS UNDER THE NOTES AND THE INDENTURE GOVERNING THE NOTES.

You hereby acknowledge that (1) you have been afforded an opportunity to request from GEB, and have received, all information considered by you to be necessary to verify the accuracy of, or to supplement, the information contained herein, (2) you have not relied on the Initial Purchasers or any person affiliated with the Initial Purchasers in connection with your independent verification of the accuracy of such information or your investment decision, and (3) no person has been authorized to give any information or to make any representation concerning GEB or the Notes other than those set forth herein.

In making an investment decision with respect to the Notes, you must rely on your own examination of GEB's business and the terms of the offering, including the merits and risks involved. You should not

construe anything in this offering memorandum as legal, business or tax advice. Before investing in the Notes, you should consult with your own business, legal, accounting, regulatory and tax advisors to determine the appropriateness and consequences of an investment in the Notes in your specific circumstances and arrive at an independent evaluation of the investment based upon, among other things, your own views as to the risks associated with the Notes or GEB.

If your investment authority is subject to legal restrictions, you should consult your legal advisors to determine whether and to what extent the Notes constitute legal investments for you. None of GEB or any of the Initial Purchasers is making any representation to any purchaser of the Notes regarding the legality of an investment in the Notes by such purchaser under any legal investment or similar laws or regulations.

YOU SHOULD NOT DISTRIBUTE THE DOCUMENTS RELATING TO THE OFFERING OF THE NOTES OR THE INFORMATION CONTAINED THEREIN IN COLOMBIA, EXCEPT UNDER CIRCUMSTANCES WHICH DO NOT CONSTITUTE A PUBLIC OFFERING OF SECURITIES UNDER APPLICABLE COLOMBIAN SECURITIES LAWS OR REGULATIONS. NEITHER SHOULD YOU USE SUCH DOCUMENTS AND INFORMATION IN CONNECTION WITH ANY PUBLIC OFFER OF THE NOTES IN COLOMBIA. THE INITIAL PURCHASERS HAVE AGREED NOT TO OFFER OR SELL THE NOTES IN COLOMBIA, EXCEPT UNDER CIRCUMSTANCES WHICH DO NOT CONSTITUTE A PUBLIC OFFERING OF SECURITIES UNDER APPLICABLE COLOMBIAN SECURITIES LAWS AND REGULATIONS.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED IN THE RNVE IN THE REPUBLIC OF COLOMBIA AND MAY NOT BE OFFERED OR SOLD PUBLICLY OR OTHERWISE BE SUBJECT TO BROKERAGE ACTIVITIES IN COLOMBIA, EXCEPT AS PERMITTED BY APPLICABLE LAW.

NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, NOR ANY STATE SECURITIES COMMISSION NOR ANY OTHER REGULATORY AUTHORITY IN THE UNITED STATES HAS APPROVED OR DISAPPROVED THE NOTES NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OR THE ACCURACY OR ADEQUACY OF THIS OFFERING MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE NOTES WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR ANY STATE SECURITIES LAWS IN THE UNITED STATES. THEREFORE, THE NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON UNLESS THE OFFER OR SALE WOULD QUALIFY FOR A REGISTRATION EXEMPTION FROM THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE NOTES ARE BEING OFFERED AND SOLD IN THE UNITED STATES ONLY TO QIBS IN ACCORDANCE WITH RULE 144A AND OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN ACCORDANCE WITH REGULATION S. PROSPECTIVE PURCHASERS OF THE NOTES IN THE UNITED STATES THAT ARE QIBS ARE HEREBY NOTIFIED THAT GEB MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A.

THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA (“EEA”). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF THE FOLLOWING: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU (AS AMENDED, “MIFID II”); (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2016/97 (AS AMENDED, “IMD”), WHERE THAT CUSTOMER

WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN DIRECTIVE 2003/71/EC. CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (THE “PRIIPS REGULATION”) FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

SINGAPORE SECURITIES AND FUTURES ACT PRODUCT CLASSIFICATION — SOLELY FOR THE PURPOSES OF ITS OBLIGATIONS PURSUANT TO SECTIONS 309B(1)(A) AND 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE (THE “SFA”), THE ISSUER HAS DETERMINED, AND HEREBY NOTIFIES ALL RELEVANT PERSONS (AS DEFINED IN SECTION 309A OF THE SFA) THAT THE NOTES ARE “PRESCRIBED CAPITAL MARKETS PRODUCTS” (AS DEFINED IN THE SECURITIES AND FUTURES (CAPITAL MARKETS PRODUCTS) REGULATIONS 2018) AND “EXCLUDED INVESTMENT PRODUCTS” (AS DEFINED IN MAS NOTICE SFA 04-N12: NOTICE ON THE SALE OF INVESTMENT PRODUCTS AND MAS NOTICE FAA-N16: NOTICE ON RECOMMENDATIONS ON INVESTMENT PRODUCTS).

YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM. WE HAVE NOT AUTHORIZED ANYONE TO PROVIDE YOU WITH DIFFERENT INFORMATION. NONE OF GEB OR ANY OF THE INITIAL PURCHASERS IS MAKING AN OFFER OF THE NOTES IN ANY JURISDICTION WHERE SUCH OFFER IS NOT PERMITTED.

NEITHER THE INITIAL PURCHASERS NOR THEIR AGENTS HAVE INDEPENDENTLY VERIFIED THE INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM AND ASSUME NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM.

ENFORCEMENT OF FOREIGN JUDGMENTS

GEB is a public utility company (*empresa de servicios públicos*) organized as a stock corporation (*sociedad anónima por acciones*) under the laws of Colombia. All of our officers are domiciled outside the United States. Substantially all of our assets are located outside the United States, primarily in Colombia and, to a lesser extent, Central and South America. As a result, it may not be possible, or it may be difficult, for investors to effect service of process upon us or these other persons within the United States, including with respect to matters arising under federal securities laws of the United States, or to enforce judgments obtained in U.S. courts against us, including those predicated upon the civil liability provisions of the U.S. federal securities laws. There is doubt as to the enforceability in Colombia, either in original actions or in actions for enforcement of judgments of U.S. courts, of civil liabilities predicated on the U.S. federal securities laws.

GEB has been advised by Cuatrecasas, Gonçalves Pereira S.A.S., its Colombian counsel, that the Colombian Supreme Court (*Corte Suprema de Justicia de Colombia*) (or the competent court pursuant to an international treaty at the time of the filing of the request) has jurisdiction over proceedings involving the enforcement of a U.S. judgment predicated on the U.S. securities laws through a procedure known under Colombian law as “*exequatur*.” If the *exequatur* has been granted, and if the judicial decision imposes an obligation to pay a sum of money or to comply with certain obligations, an executive judicial proceeding (*proceso ejecutivo*) before a local court is available. Such a proceeding would follow the same rules applicable for the enforcement of local judicial decisions.

Colombian courts will recognize and enforce a foreign judgment without reconsideration of the merits, only if the judgment satisfies the following requirements as set out in Articles 605 through 607 of Law 1564 of 2012 (*Código General del Proceso*), which provide that the foreign judgment will be enforced if:

- there is an international treaty between Colombia and the country where the judgment was granted relating to the recognition and enforcement of foreign judgments or, in the absence of such treaty, there is reciprocity in the recognition of foreign judgments between the courts of the relevant jurisdiction and the courts of Colombia;
- the foreign judgment does not relate to in rem rights vested in assets that were located on Colombian territory at the time of the commencement of the proceedings in the foreign court which issued the judgment;
- the foreign judgment does not contravene or conflict with Colombian law relating to public order other than those governing judicial proceedings;
- the foreign judgment is final and not subject to appeal under the laws of the country in which it was obtained;
- the foreign judgment does not relate to any matter within the exclusive jurisdiction of Colombian courts;
- no proceedings are pending in Colombia with respect to the same cause of action, and no final judgment has been awarded in any proceeding in Colombia on the same subject matter and between the same parties;
- in the proceeding commenced before the foreign court that issued the judgment, the defendant was duly served in accordance with the laws of such jurisdiction and in a manner reasonably designed to give the defendant an opportunity to present his case and defense; and

- legal requirements pertaining to the exequatur proceedings have been observed.

A duly legalized copy of the judgment, together with an official translation into Spanish if the judgment is issued in a foreign language, shall be submitted to the Colombian Supreme Court (or the competent court pursuant to an international treaty at the time of filing of the request).

Once the foreign judgment is recognized by the competent court its enforcement can be obtained through collection proceedings. This implies the interested party obtaining the recognition and enforcement of a foreign judgment facing two different local proceedings (the *exequatur* proceedings and the collection proceedings) and assuming the costs and expenses that these proceedings involve.

The United States and Colombia do not have a bilateral treaty providing for automatic reciprocal recognition and enforcement of judgments in civil and commercial matters. The Colombian Supreme Court has accepted that reciprocity exists when it has been proven that either a U.S. court has enforced a Colombian judgment or that a U.S. court would enforce a foreign judgment, including a judgment issued by a Colombian court. However, the Colombian legal system is not based on precedents and *exequatur* decisions are made on a case-by-case basis.

The parties to the proceeding in which the foreign judgment was issued must be duly summoned in the exequatur proceedings. During the course of the exequatur proceedings an evidentiary stage will take place to allow the parties to present their evidence in connection with the requirements listed above. In addition, before the judgment is rendered, each party is entitled to file closing arguments to support their case regarding the abovementioned requirements. Notwithstanding the foregoing, Law 1564 of 2012 does not provide for a re-examination or re-litigation of the merits of the original action during the exequatur proceedings.

Assuming that a foreign judgment complies with the standards set forth in the preceding paragraphs, and in the absence of any condition referred to above which would render a foreign judgment not subject to recognition under Colombian law, such foreign judgment would be enforceable in Colombia through a collection proceeding under the laws of Colombia, provided that the Colombian Supreme Court (or the competent court pursuant to an international treaty at the time of the filing of the request) has previously granted exequatur upon the foreign judgment. Notwithstanding the foregoing, we cannot assure that Colombian courts would enforce a foreign judgment with respect to the Offer based on U.S. securities laws.

Proceedings before Colombian courts are conducted in Spanish. Collection proceedings for enforcement of a money judgment by attachment or execution against any assets or property located in Colombia are within the exclusive jurisdiction of Colombian courts.

NOTWITHSTANDING THE FOREGOING, WE CANNOT ASSURE YOU THAT A COLOMBIAN COURT WOULD RECOGNIZE OR ENFORCE A JUDGMENT ISSUED BY A STATE OR FEDERAL COURT IN THE UNITED STATES WITH RESPECT TO THE NOTES BASED ON U.S. SECURITIES LAWS. WE HAVE BEEN ADVISED BY OUR COLOMBIAN COUNSEL THAT THERE IS NO LEGAL BASIS FOR A COLOMBIAN COURT TO EXERT JURISDICTION OVER ORIGINAL ACTIONS TO BE BROUGHT AGAINST US OR OUR DIRECTORS AND EXECUTIVE OFFICERS PREDICATED SOLELY UPON THE PROVISIONS OF U.S. SECURITIES LAWS. IN ADDITION, CERTAIN REMEDIES AVAILABLE UNDER U.S. SECURITIES LAWS MAY NOT BE ADMITTED OR ENFORCED BY COLOMBIAN COURTS. SEE “RISK FACTORS — RISK FACTORS RELATING TO COLOMBIA — IT MAY BE DIFFICULT OR IMPOSSIBLE TO ENFORCE JUDGMENTS OF COURTS OF THE UNITED STATES AND OTHER JURISDICTIONS AGAINST THE CONTROLLING SHAREHOLDER, GEB OR ANY OF GEB’S DIRECTORS, OFFICERS AND CONTROLLING PERSONS.”

AVAILABLE INFORMATION

GEB will make available to the prospective holders of Notes at the offices of GEB or at the office of any paying agent, other than the Singapore paying agent, free of charge, copies of the Indenture governing the Notes (the “Indenture”), the articles of incorporation (*escritura pública de constitución*) pursuant to which GEB was incorporated, the bylaws (*estatutos sociales*) and all other agreements and documents referred to in this offering memorandum, as well as GEB’s historical financial information as of December 31, 2022 and 2021 and for the years ended December 31, 2022, 2021 and 2020, as included in this offering memorandum.

GEB will furnish, upon prior written request of any registered owner of a Note or holder of a Note or beneficial owner of a Note or Note owner, such information as is specified in paragraph (d)(4) of Rule 144A: (a) to such holder of a Note or Note owner, (b) to a prospective purchaser of such Note (or beneficial interest therein) who is a QIB designated by such holder of a Note or Note owner or (c) to the trustee for delivery to such holder of a Note or Note owner or such prospective purchaser so designated, in each case in order to permit compliance by such holder of a Note or Note owner with Rule 144A in connection with the resale of such Note (or a beneficial interest therein) in reliance upon Rule 144A unless, at the time of such request, (1) we are subject to the reporting requirements of Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), or (2) we qualify for the exemption to Rule 12g3-2(b) under the Exchange Act.

MARKET INFORMATION AND OTHER STATISTICAL INFORMATION

We obtained certain information contained in this offering memorandum regarding the Colombian electricity and natural gas market and our participation in the electricity and natural gas sector from third-party sources deemed by us to be reliable, including, among others, the Colombian Ministry of Mines and Energy (*Ministerio de Minas y Energía*) (“MME”), the Colombian Energy and Gas Regulatory Commission (*Comisión de Regulación de Energía y Gas*) (“CREG”), the Colombian Mining and Energy Planning Unit (*Unidad de Planeación Minero Energética*) (“UPME”), the National Hydrocarbon Agency (*Agencia Nacional de Hidrocarburos*) (“ANH”), the National Authority of Environmental Licenses (*Autoridad Nacional de Licencias Ambientales*) (“ANLA”), the Colombian Superintendence of Public Utilities (*Superintendencia de Servicios Públicos Domiciliarios*) (“SSPD”), the Colombian Stock Exchange (*Bolsa de Valores de Colombia*), the World Federation of Exchanges (“WFE”), the Latin-American Integrated Market (*Mercado Integrado Latinoamericano*) and XM Compañía de Expertos en Mercados S.A. E.S.P. (“XM”). Some of the statistical information and data related to our business and our related companies was obtained from government or sectorial entities or extracted from general publications.

The information contained in this offering memorandum concerning the Peruvian electricity and natural gas sectors and our consolidated and related entities’ participation in it was obtained from established Peruvian governmental agencies, including the Peruvian Ministry of Energy and Mines (*Ministerio de Energía y Minas*) (“MINEM”) and the Peruvian Energy and Mining Supervisory Authority (*Organismo Supervisor de la Inversión en Energía y Minería*) (“OSINERGMIN”).

The information contained in this offering memorandum concerning the Guatemalan electricity sector and GEB’s consolidated and related entities’ participation in it was obtained from established Guatemalan governmental agencies, including the National Electric Energy Commission (*Comisión Nacional de Energía Eléctrica*) (“CNEE”).

The information contained in this offering memorandum concerning the Brazilian electricity sector and GEB’s consolidated and related entities’ participation in it was obtained from established Brazilian

governmental agencies, including the Brazilian National Electric Energy Agency (*Agência Nacional de Energia Elétrica*) (“ANEEL”).

None of GEB or any of the Initial Purchasers have independently verified such information and data and, therefore, none of GEB nor any of the Initial Purchasers can ensure its accuracy or completeness. We do, however, assume responsibility for correctly reproducing such information.

Similarly, internal company surveys, industry forecasts and market research, which GEB believes to be reliable based upon management’s knowledge of the industry, have not been verified by any independent sources. Forecasts are particularly likely to be inaccurate, especially over long periods of time. In addition, GEB does not know what assumptions regarding general economic growth were used in preparing the third-party forecasts GEB cites.

FORWARD-LOOKING STATEMENTS

This offering memorandum contains forward-looking statements within the meaning of the U.S. federal securities laws. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in the U.S. federal securities laws. Forward-looking statements include statements preceded by, followed by or that include expressions such as “believes,” “could,” “expects,” “intends,” “plans,” “projects,” “shall,” “will,” “would,” “estimates,” or “anticipates” and similar expressions (or the negative versions of any such expressions) and appear in, among others, the sections in this offering memorandum entitled “Summary,” “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Business.” These forward-looking statements reflect our current expectations and projections about future events based on our knowledge of present facts and circumstances and assumptions about future events. Although we believe that these forward-looking statements are based upon reasonable assumptions, these statements are subject to several risks and uncertainties and are made in light of information currently available to us. You should be aware that the following factors, in addition to those discussed in this offering memorandum, including those in the sections entitled “Summary,” “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” “Industry,” “Colombian and Peruvian Electricity Industry, Regulatory and Environmental Framework” and “Colombian and Peruvian Natural Gas Industry and Regulatory Framework” could affect our future results of operations and could cause results to differ materially from those expressed in such forward-looking statements. Forward-looking statements include, among others, statements regarding our intent, belief or current expectations, as well as those of our directors or executive officers with respect to, but not limited to:

- our ability to receive dividends and other distributions from our consolidated subsidiaries and our related companies;
- the modification, adjustment or reduction of the tariffs or fees charged by the electricity transmission and distribution, and gas transportation or distribution (in particular, the ongoing tariff review and regulatory overhaul impacting TGI’s business) and we and our consolidated subsidiaries and our related companies are engaged in;
- our reliance on significant dividends and distributions from Enel Colombia, Vanti, Promigas, REP, Argo and CTM, over which we have no control;
- our ability to successfully conduct some of our operations through our related companies we do not control, resolve disagreements with our business partners with respect to those companies, and their sell or otherwise transfer their interests in our related companies;
- the impact of changes in the government of the District-Capital of Bogotá and its potential impact on our senior management and board of directors or conflicts of interest resulting from the fact that the District-Capital of Bogotá is our controlling shareholder, whose interests may be contrary to our interests and the interest of our other shareholders;
- the enactment of new regulations, taxes and new stricter regulatory requirements in the markets where we and our related companies operate and/or invest, including increasingly stringent environmental regulations, penalties, governmental intervention, rules of market behavior, and their potential effects;
- the future economic policies in and performance of Colombia, Perú, Guatemala, Brazil, and of economic conditions in the United States and other markets, including emerging markets, that, directly or indirectly, can influence our performance and financial conditions and those of our related companies,

as well as their ability to pay dividends or make other distributions to us, and the market value of the Notes;

- future growth and development of the energy industry and Colombia's public debt;
- expected demand for our services and services provided by our related companies;
- our plans and prospects regarding our strategic pillars and drivers;
- our level of consolidated indebtedness, as well as our cost of financing, and its impact on our ability to make payments under the Notes;
- our and our related companies' ability to conduct prior consultation processes and maintain constructive relationships and a positive impact on the social communities in the jurisdictions where GEB operates and/or invests, including in connection with the construction of projects;
- our ability to maintain our growth strategy or realize the benefits of our investments and acquisitions and successfully integrate our acquisitions and capital expenditures and to obtain the required governmental approvals to expand our and our related companies' businesses in the countries where we operate and/or invest;
- our ability to effectively manage construction and other risks related to our electricity generation, transmission and distribution or natural gas transportation and distribution infrastructure;
- the outcome of litigation, arbitration and administrative proceedings brought against us and our consolidated subsidiaries and our related companies;
- the raising of additional equity capital by our consolidated subsidiaries and our related companies that may dilute our ownership interest in those companies;
- our and our related companies' future operating income, net income (loss), financial position, cash flows, capital expenditures, dividends, capital structure or other financial items or ratios;
- non-compliance with anti-corruption, anti-bribery and similar laws, as well as criminal penalties or significant fines under such laws;
- the susceptibility of our and our related companies' operations to health and safety risks, as well as natural disasters, operational hazards and uninsured risks;
- our and our related companies' ability to maintain our existing concessions, permits or licenses, when applicable, or to obtain new concessions, permits or licenses that may be required to provide our or our related companies' services;
- the adequacy of our or our related companies' insurance, guarantee and warranty coverage;
- limitations on cross ownership and market share in the Colombian energy sector affecting our consolidated subsidiaries and our related companies;
- current or potential acts of terrorism, cybersecurity breaches, weather, vandalism or other similar events that may affect our integrity and our related companies' infrastructure;

- the absence of public market for the Notes and its limited transferability;
- world events, climate events or variations, catastrophic accidents and natural disasters;
- market or other trends affecting our and our related companies' financial condition, financing, refinancing, interest rates, ratings, exchange rates, gas reserves, energy prices or results of operations and the market value of the Notes;
- our and our related companies' levels of capitalization and indebtedness and our ability to generate sufficient cashflows, as well as the availability of the financing required to fund our operations and capital expenditures, as well as make payments under the Notes;
- the business skills and judgment of our and our related companies' personnel, including their expectations and estimates concerning our future financial performance;
- the future impact of competition in the markets where we and our related companies operate and/or invest;
- business interruptions or impairment of our, our consolidated companies, and our related companies' assets;
- the availability of, and demand for, alternative energy sources;
- the effects on the economies of Colombia and the other countries where we or our related companies operate and/or invest of trade wars and other geopolitical developments such as the war in Ukraine and the Israeli-Palestinian conflict;
- our consolidated subsidiaries and our related companies are dependent on our creditworthiness and our ability to make further equity support;
- enforce judgments of courts of the United States and other jurisdictions against us or our directors, officers and controlling persons;
- our significant transactions with affiliates and other related parties;
- the risk of general strikes and illegal work stoppages;
- other statements contained in this offering memorandum regarding matters that are not historical facts and assumptions underlying any such statements;
- the effects on the economies of Colombia and the other countries where we operate and/or invest of pandemics and its implications on global and regional economic growth prospects, supply chain, creditworthiness, counter-party risk, as well as any disruption on logistical, operational and labor matters; and
- other factors discussed under the heading "Risk Factors."

Neither GEB nor any of the Initial Purchasers can assure prospective purchasers of the Notes that these forward-looking statements, estimates, assumptions or intentions will prove to be correct or that the information, assumptions, interpretations and understandings on which they are based will prove to be valid.

The actual results of our forward-looking statements, estimates, assumptions or intentions may depend on factors beyond our control.

GEB does not undertake any obligation to release publicly any revisions to such forward-looking statements after completion of this offering to reflect later events or circumstances or to reflect the occurrence of unanticipated events even if new information, future events or other circumstances have made them incorrect or misleading. In light of the risks and uncertainties underlying the forward-looking statements, there can be no assurance that the events described or implied in the forward-looking statements contained in this offering memorandum will in fact transpire. Accordingly, readers are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date they were made. These cautionary statements should be considered in connection with any written or oral forward-looking statements that GEB or the Initial Purchasers may issue or make in the future.

PRESENTATION OF FINANCIAL INFORMATION

GEB

This offering memorandum includes our audited consolidated financial statements as of December 31, 2022 and 2021, and for each of the years ended December 31, 2022, 2021 and 2020 including the notes thereto (the “GEB Audited Consolidated Financial Statements”), which were audited by KPMG S.A.S (“KPMG”), and our unaudited condensed consolidated interim financial statements as of June 30, 2023 and for the three-month and six-month periods ended June 30, 2023 and 2022, including the notes thereto (the “GEB Unaudited Condensed Consolidated Interim Financial Statements”). The GEB Audited Consolidated Financial Statements are prepared in accordance with IFRS as accepted in Colombia and the GEB Unaudited Condensed Consolidated Interim Financial Statements are presented in accordance with IAS 34 “Interim Financial Information” as accepted in Colombia, both are presented in Colombian pesos. As of the date of this offering memorandum, we consolidated the financial statements of TGI, TRECSA, Cálidda, Cálidda Energía, Contugas, Electrodonas, Perú Power Company, Cantalloc, EEBIS Guatemala, EEB Internacional, EEB Gas, EEB Energy Re, GEBBRAS, Elecnorte, and Enlaza. All related party transactions, balances, revenues and expenses among members of the consolidated group and companies under our control are eliminated. The ownership interest of third-party shareholders, if any, in those companies is represented by non-controlling interest. See Note 3 to the GEB Audited Consolidated Financial Statements for a description of the consolidation methods applied by GEB in the preparation of such financial statements.

As required under IFRS as accepted in Colombia, our consolidated financial statements present segment reporting with respect to the operating revenues and operating costs of our business segments, which are natural gas distribution, natural gas transportation, electricity distribution and electricity transmission. In December 2020, the Board of Directors of GEB approved our Corporate Plan aimed at transforming the company into a profitable, focused, and sustainable business group. To achieve this, we articulate our purpose as “Enhancing lives with sustainable and competitive energy.” The Corporate Plan is structured around four pillars: Transmission for Tomorrow, Gas for the Future, Smart Cities, and Sustainable Generation. These pillars align with the core businesses of our subsidiaries and related companies within the GEB group. See “Business — Business Strategy.” However, these pillars do not constitute different business segments under IFRS as accepted in Colombia. As of the date of this offering memorandum, our reported business segments continue to be natural gas distribution, natural gas transportation, electricity distribution and electricity transmission.

Enel Colombia

This offering memorandum also includes our equity method investee Enel Colombia’s audited consolidated financial statements as of December 31, 2022 and 2021 and for the years ended December 31, 2022 and 2021, including the notes thereto (the “Enel Colombia Audited Consolidated Financial Statements”) which were audited by KPMG. The Enel Colombia Audited Consolidated Financial Statements were presented in Colombian pesos and prepared in accordance with IFRS as accepted in Colombia.

Enel Colombia’s ownership interests in its consolidated subsidiaries are set forth in the notes to the Enel Colombia Audited Consolidated Financial Statements.

While we do not control Enel Colombia and, consequently, do not consolidate its results of operations, assets and liabilities into our consolidated financial statements, we have historically derived a significant portion of our Net Income, Consolidated EBITDA (EBITDA) and Adjusted EBITDA (Adjusted EBITDA) and consolidated net profit for the period from Enel Colombia’s (prior to March 2022, Emgesa’s) dividends

and share of profit. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Principal Factors Affecting our Results of Operations — Our Investment in Enel Colombia.”

Currency Information

Unless otherwise specified, references herein to “U.S. dollars,” “dollars,” “\$” or “U.S.\$” are to United States dollars, the legal currency of the United States of America, references to “soles” or “S/” are to Peruvian *nuevos* soles, the legal currency of Peru, references to “RMB” are to Yuan, the legal currency of the People’s Republic of China, references to “€” are to Euro, the legal currency of member states of the European Union, “R\$” are to Brazilian reais, the legal currency of Brazil, and references to “*peso*” or “Col\$” are to Colombian pesos, the legal currency of Colombia and our functional currency.

Solely for your convenience, we have translated certain amounts included in “Summary,” “Capitalization,” “Selected Financial and Operating Data of GEB,” “Selected Financial and Operating Data of Enel Colombia,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Business” and elsewhere in this offering memorandum from Colombian pesos into U.S. dollars using the TRM certified by the SFC as of June 30, 2023 of Col\$4,191.28 per U.S.\$1.00. These conversions should not be construed as a representation that the Colombian *peso* amounts represent, or have been or could be converted into, U.S. dollars at that or any other rate. See “Foreign Exchange Controls” for a more comprehensive description of the Colombian exchange rate system.

Rounding, Etc.

Certain rounding adjustments have been made in calculating certain of the figures included in this offering memorandum. Accordingly, numerical figures shown as totals in some tables may not be an arithmetical aggregation of the figures that preceded them. We maintain our books and records in Colombian *pesos*, the official currency of Colombia.

NOTE REGARDING NON-GAAP FINANCIAL MEASURES

We include certain non-GAAP financial measures in this offering memorandum, including our EBITDA, Adjusted EBITDA, Total Net Debt, EBITDA to Financial Cost, Total Net Debt to Equity, Adjusted EBITDA to Net Interest Expense, Total Net Debt to Adjusted EBITDA, Total Net Debt to EBITDA and Financial Cost. We believe that such measures are useful for understanding our financial performance and our ability to satisfy principal and interest payment obligations under our indebtedness and our ability to fund capital expenditures and operation requirements.

We believe that Total Net Debt, Adjusted EBITDA to Net Interest Expense, Total Net Debt to Equity, EBITDA to Financial Cost, Total Net Debt to EBITDA and Total Net Debt to Adjusted EBITDA are useful for understanding our ability to satisfy our debt obligations as they come due. Total Net Debt, Adjusted EBITDA to Net Interest Expense, Total Net Debt to Equity, EBITDA to Financial Cost, Total Net Debt to EBITDA and Total Net Debt to Adjusted EBITDA are not measures of financial performance under IFRS or IFRS Accepted in Colombia.

We calculate our Total Net Debt by subtracting from the amount of our outstanding consolidated loans and borrowings as of the last day of any given period the amount of cash and cash equivalents as of the last day of any given period. Similarly, we calculate the ratio of Total Net Debt to Equity by dividing the Total Net Debt as of the last day of the period by our Total Equity as of the last day of the period. Total Net Debt to EBITDA is calculated by dividing our Total Net Debt to our EBITDA for a given period. Total Net Debt to Adjusted EBITDA is calculated by dividing our Total Net Debt to our Adjusted EBITDA for a given period.

We calculate EBITDA for a given period by adding to our net profit for the year, depreciation and amortization, Financial Cost (which consist of Interest expense, net gain (loss) in currency translation and income from hedging instruments) and income tax. Net gain (loss) in currency translation and income from hedging instruments are included in this EBITDA calculation, as they are derived from our financial liabilities in foreign currency and hedging refers to interest rate and foreign currency hedging for our financial liabilities, therefore, are an integral part of our cost of financing. Our computation of EBITDA may not be comparable to other similarly titled measures by other companies.

We calculate the ratio of EBITDA to Financial Cost for any given period by dividing EBITDA for the period by our Financial Cost for the period.

We calculate Adjusted EBITDA for any given period by (1) adding to our consolidated net profit for the period, depreciation, amortization, provisions for costs and expenses, net of recoveries, financial expenses, income tax, cost and expenses tax, dividends from equity investments, in each case, for that period, (2) subtracting income earned from employee benefit plan assets (*patrimonio autónomo*), income from hedging instruments, share of profit of associates and joint ventures using the equity method, and (3) adding/subtracting net foreign exchange gain/loss, in each case, for that period. As a result of these adjustments, our Adjusted EBITDA does not include our share in the profit (loss) of our equity method investees, including Enel Colombia Adjusted EBITDA.

We calculate the ratio of Adjusted EBITDA to Net Interest Expense by dividing our Adjusted EBITDA by our Net Interest Expenses for a given period. Net Interest Expense is calculated as interest expense less interest income.

Our calculation of Adjusted EBITDA considers certain items because management believes this accurately reflects our operating performance in a way that is consistent with information that we have provided to our stakeholders and which is contained in our loan agreements. Our calculation of Adjusted EBITDA excludes certain items that may be factored into Adjusted EBITDA provided by other companies,

and thus our computation of Adjusted EBITDA may not be comparable to other similarly titled measures by other companies.

In conducting our business, our management uses EBITDA and Adjusted EBITDA as additional indicators to assess operating performance. However, Adjusted EBITDA is provided for informational purposes only and should not be considered in isolation, or as a substitute for net income, as a measure of operating performance. EBITDA and Adjusted EBITDA has material limitations as an analytical tool that impairs its value as a measure of a company's overall profitability since it does not address certain financial figures. EBITDA and Adjusted EBITDA and other non-GAAP financial measures included in this offering memorandum are not a substitute IFRS as accepted in Colombia measures of financial performance.

The following table sets forth a reconciliation of our Adjusted EBITDA to net profit for the periods indicated.

	For the Year Ended December 31,				For the Six-Month Period Ended June 30,		
	2020 (in millions of Col\$, except ratios)	2021	2022	2022 (in thousands of U.S.\$ ⁽¹⁾ , except ratios)	2022 (in millions of Col\$, except ratios)	2023	2023 (in thousands of U.S.\$ ⁽¹⁾ , except ratios)
Net Profit for the period	2,616,877	2,669,163	3,026,986	722,210	1,410,987	1,629,147	388,699
Depreciation	448,930	463,717	532,400	127,026	243,369	318,602	76,015
Amortization.....	218,247	232,115	303,817	72,488	133,705	172,691	41,202
Provisions for Costs and Expenses.....	3,618	(37,740)	87,134	20,789	98,064	5,241	1,251
Interest Expense.....	664,230	672,707	996,987	237,872	436,758	750,244	179,001
Income Tax Expense.....	395,427	442,427	576,102	137,453	226,479	344,789	82,263
Cost and Expense Tax	104,774	107,096	107,910	25,746	55,096	64,802	15,461
Dividends from Equity Investments.....	1,112,379	2,005,029	1,734,118	413,744	1,734,118	1,619,889	386,490
Share of Profit of Associates and Joint Ventures	(1,602,363)	(1,997,939)	(2,096,085)	(500,106)	(1,057,782)	(1,055,899)	(251,928)
Income Earned on Employee Benefit Plan Assets (<i>Patrimonio Autónomo</i>)	(8,404)	(7,695)	(9,643)	(2,301)	(4,822)	(6,315)	(1,507)
Income from Hedging Instruments	(11,022)	(8,672)	(65,158)	(15,546)	(4,236)	(85,512)	(20,402)
Net gain (loss) in currency translation	(178,247)	85,920	(154,498)	(36,862)	(46,137)	(175,745)	(41,931)
Adjusted EBITDA.....	3,764,446	4,626,128	5,040,070	1,202,513	3,225,599	3,581,934	854,614
Interest Income	(61,062)	(47,792)	(258,664)	(61,715)	(35,913)	(262,613)	(62,657)
Interest Expense.....	638,494	651,012	960,684	229,210	421,250	720,621	171,933
Net Interest Expense	577,432	603,220	702,020	167,495	385,337	458,008	109,276
Ratio of Adjusted EBITDA to Net Interest Expense ⁽²⁾	6.52	7.67	7.18	7.18	6.24	6.97	6.97

(1) The amounts in this column were converted from Colombian *pesos* to U.S. dollars solely for your convenience at the TRM published by the SFC at June 30, 2023, of Col\$4,191.28 to U.S.\$1.00. These convenience translations are not in accordance with IFRS Accepted in Colombia and have not been audited. These translations should not be construed as a representation that the Colombian peso amounts have been or could be converted into U.S. dollars at those or any other rates. See "Foreign Exchange Controls."

(2) For the period ended on June 30, 2023, calculation of the Ratio of Adjusted EBITDA to Net Interest Expense has been made using Adjusted EBITDA for the last 12 months (Adjusted EBITDA for the last 12 months = Adjusted EBITDA 2022 full year less Adjusted EBITDA first half of 2022 year plus the Adjusted EBITDA first half of 2023 year). Net Interest Expense for the last 12 months = Net Interest Expense 2022 full year less Net Interest Expense first half of 2022 year plus the Net Interest Expense first half of 2023 year).

The following table sets forth a reconciliation of our Total Net Debt to our Total Loans and Borrowings and the calculation of the ratios of our Total Net Debt to Adjusted EBITDA and our Total Net Debt to Equity:

	As of and for the Year Ended December 31,				As of and for the Six-Month Period Ended June 30,	
	2020	2021	2022	2022	2023	2023
	(in millions of Col\$, except ratios)			(in thousands of U.S.\$ ⁽¹⁾ , except percentage)	(in millions of Col\$, except percentage)	(in thousands of U.S.\$ ⁽¹⁾ , except ratios)
Total Loans and Borrowings.....	12,951,651	15,123,825	20,343,365	4,853,735	18,396,605	4,389,257
Cash and Cash Equivalents.....	851,232	1,691,538	1,477,821	352,594	1,482,628	353,742
Total Net Debt	12,100,419	13,432,287	18,865,544	4,501,141	16,913,977	4,035,515
Adjusted EBITDA	3,765,241	4,617,676	5,040,069	1,202,513	3,581,935	854,616
Ratio of Total Net Debt to Adjusted EBITDA⁽²⁾	3.21	2.91	3.74	3.74	3.13	3.13
Total Equity.....	14,730,470	15,680,866	21,277,906	5,076,708	19,291,699	4,602,818
Total Net Debt to Equity⁽³⁾	82%	86%	89%	89%	88%	88%

(1) The amounts in this column were converted from Colombian pesos to U.S. dollars solely for your convenience at the TRM published by the SFC at June 30, 2023, of Col\$4,191.28 to U.S.\$1.00. These convenience translations are not in accordance with IFRS Accepted in Colombia and have not been audited. These translations should not be construed as a representation that the Colombian peso amounts have been or could be converted into U.S. dollars at those or any other rates. See "Foreign Exchange Controls."

(2) The Total Net Debt to Adjusted EBITDA ratio has been calculated by dividing the Loans and Borrowings of GEB outstanding at the end of such period minus cash and cash equivalents at the end of such period by Adjusted EBITDA for the period. For the period ended on June 30, 2023, calculation of the Ratio of Adjusted EBITDA to Net Interest Expense has been made using Adjusted EBITDA for the last 12 months. Adjusted EBITDA for the 12 months is calculated with Adjusted EBITDA 2022 full year less Adjusted EBITDA first half of the 2022 year plus the Adjusted EBITDA for the first half of 2023 year.

(3) The Total Net Debt to Equity ratio has been calculated by dividing (a) the Total Net Debt of GEB outstanding at the end of such period by (b) GEB's total shareholders' equity at the end of the period.

The following table sets forth a reconciliation of our Net Profit for the periods to EBITDA as well as, Ratio of Total Net Debt to EBITDA, EBITDA/ Financial cost and Total Net Debt/Equity.

	For the Year Ended December 31,				For the Six-Month Period Ended June 30,		
	2020	2021	2022	2022	2022	2023	2023
	(in millions of Col\$, except ratios)			(in thousands of U.S.\$ ⁽¹⁾ , except ratios)	(in millions of Col\$, except ratios)		(in thousands of U.S.\$ ⁽¹⁾ , except ratios)
Net Profit for the period	2,616,877	2,669,163	3,026,986	722,210	1,410,987	1,629,147	388,699
Depreciation and Amortization	667,177	687,381	836,217	199,514	377,074	491,293	117,218
Financial cost	475,756	749,955	777,331	185,464	386,385	488,987	116,668
Income Tax Expense	395,427	442,427	576,102	137,453	226,479	344,789	82,263
EBITDA	4,155,237	4,548,926	5,216,636	1,244,640	2,400,925	2,954,216	704,848
Ratio of Total Net Debt to EBITDA ⁽²⁾	2.91	2.95	3.62	3.62	N/A	2.93	2.93
EBITDA/Financial Cost ⁽³⁾	8.73	6.07	6.71	6.71	N/A	6.56	6.56
Total Net Debt/Equity (%)	82%	86%	89%	89%	84%	88%	88%

(1) The amounts in this column were converted from Colombian pesos to U.S. dollars solely for your convenience at the TRM published by the SFC at June 30, 2023, of Col\$4,191.28 to U.S.\$1.00. These convenience translations are not in accordance with IFRS Accepted in Colombia and have not been audited. These translations

should not be construed as a representation that the Colombian peso amounts have been or could be converted into U.S. dollars at those or any other rates. See “Foreign Exchange Controls.”

(2) The Total Net Debt to EBITDA ratio has been calculated by dividing the Loans and Borrowings of GEB outstanding at the end of such period minus cash and cash equivalents at the end of such period by EBITDA for the period. For the period ended on June 30, 2023, calculation of the Ratio of EBITDA to Financial Cost has been made using EBITDA for the last 12 months. (EBITDA for the 12 months = EBITDA 2022 full year less EBITDA first half of the 2022 year plus the EBITDA for the first half of 2023 year).

(3) The Financial cost includes Interest Expense, Income from Hedging Instruments and Net gain (loss) in currency translation.

The following table sets forth the dividends from the associates and joint venture in each segment for the periods indicated.

	For the Year Ended December 31,				For the Six-Month Period Ended June 30,	
	2020	2021	2022	2022	2023	
	(in millions of Col\$)			(in thousands of U.S.\$ ⁽¹⁾)	(in millions of Col\$)	(in thousands of U.S.\$ ⁽¹⁾)
Electricity transmission	228,085	297,073	82,000	19,564	278,681	66,491
REP	108,859	105,763	43,726	10,433	124,680	29,747
CTM	100,892	171,050	30,565	7,293	140,125	33,433
GEBBRAS	9,210	13,395				
ARGO		2,957	1,326	316	9,383	2,239
Electrificadora del Meta	9,124	3,908	6,383	1,523	4,493	1,072
Natural gas transportation	67,091	32,681	82,104	19,589	89,225	21,288
Promigas	67,091	32,681	82,104	19,589	89,225	21,288
Natural gas distribution	61,834	60,341	68,729	16,398	87,815	20,952
Gas Natural (Vanti)	61,834	60,341	68,729	16,398	87,815	20,952
Electricity generation	755,367	1,528,686	1,477,942	352,623	1,164,169	277,760
Enel Colombia ⁽²⁾	755,367	1,528,686	1,477,942	352,623	1,164,169	277,760
Total Dividends	1,112,377	1,918,781	1,710,775	408,174	1,619,890	386,491

(1) The amounts in this column were converted from Colombian pesos to U.S. dollars solely for your convenience at the TRM published by the SFC at June 30, 2023, of Col\$4,191.28 to U.S.\$1.00. These convenience translations are not in accordance with IFRS as accepted in Colombia. These translations should not be construed as a representation that the Colombian peso amounts have been or could be converted into U.S. dollars at those or any other rates. See “Foreign Exchange Controls.”

(2) In 2022, Emgesa and Codensa merged into one single company named Enel Colombia. Enel Colombia dividend amounts combine the dividends declared by Emgesa and Codensa prior to the merger. Prior to 2022, Emgesa dividends accounted for 60% of combined total dividends.

TECHNICAL AND REGULATORY TERMS

ANH	Colombian National Hydrocarbons Agency (<i>Agencia Nacional de Hidrocarburos</i>).
ASIC	Colombian Administrator of the Commercial Exchange System (<i>Administrador del Sistema de Intercambios Comerciales</i>).
BOOT Concession Agreement	A “build, own, operate and transfer” contract for the development and operation of the natural gas pipeline and associated facilities.
CAPT	Colombian Advisory Committee of Transmission Planning (<i>Comité Asesor de Planeamiento de la Transmisión</i>).
CAO	Colombian General Accountant’s Office (<i>Contaduría General de la Nación</i>).
CGR	Colombian General Comptroller’s Office (<i>Contraloría General de la República</i>).
CMF	Chilean Financial Market Commission (<i>Comisión Para el Mercado Financiero de Chile</i>)
CND	National Dispatch Center (<i>Centro Nacional de Despacho</i>).
COES	Peruvian Committee of Economic Operation of the Electrical System (<i>Comité de Operación Económica del Sistema Interconectado Nacional</i>).
Colombia	The Republic of Colombia
CONPES	Colombian National Council of Economic and Social Policy (<i>Consejo Nacional de Política Económica y Social</i>).
CREG	Colombian Energy and Gas Regulatory Commission(<i>Comisión de Regulación de Energía y Gas</i>).
DANE	Colombian National Department of Statistics (<i>Departamento Administrativo Nacional de Estadística</i>).
DNP	Colombian National Department of Planning (<i>Departamento Nacional de Planeación</i>).
FAER	Financial Aid Fund to Energize Interconnected Rural Areas (<i>Fondo de Apoyo Financiero para la Energización de las Zonas Rurales Interconectadas</i>) created pursuant to Law No. 788 of 2002.
FOES	Social Energy Fund (<i>Fondo de Energía Social</i>) created pursuant to Law No. 812 of 2003.
Firm Energy	According to CREG Resolution 071 of 2006, as amended from time to time, firm energy (<i>energía firme</i>) represents the maximum volume of electricity that may be continuously produced in a one-year period by a generation plant under low hydrologic conditions.
GW	Gigawatts; one gigawatt equals 1,000 MW.
GWh	Gigawatt-hours; one gigawatt hour represents one hour of electricity consumption at a constant rate of 1 GW.
Herfindahl Hirschman Index	A commonly accepted measure of market concentration calculated by squaring the market share of each firm competing in a market and adding the resulting numbers; this measure can range from nearly zero to 10,000.
In	Inch.
IPC	Colombian Consumer Price Index (<i>Índice de Precios al Consumidor</i>) certified by DANE.

IPP	Colombian Producer Price Index (<i>Índice de Precios al Productor</i>) certified by DANE.
km	Kilometers.
kV	Kilovolt, a unit of electric tension, one kilovolt equals one thousand volts.
kW	Kilowatt, a unit of power, represents the rate at which energy is produced.
kWh	Kilowatt hour, one kilowatt hour represents one hour of electricity consumption at a constant rate of 1 kW.
LNG	Liquefied natural gas.
MEM	Wholesale Energy Market (<i>Mercado de Energía Mayorista</i>).
MASD	Colombian Ministry of the Environment and Sustainable Development (<i>Ministerio de Ambiente y Desarrollo Sostenible</i>)
MHCP	Colombian Ministry of Finance and Public Credit (<i>Ministerio de Hacienda y Crédito Público</i>).
Mi	Mile.
MINEM	Peruvian Ministry of Energy and Mines (<i>Ministerio de Energía y Minas</i>).
MME	Colombian Ministry of Mines and Energy (<i>Ministerio de Minas y Energía</i>).
MMPCD	million cubic feet per day
MPCD	thousand cubic feet per day
MVA	Megavolt ampere; a unit used to measure transformer capacity.
MVAR	Megavar; megavolt ampere reactive, a unit used to measure a transformer's compensation ability.
MW	Megawatts.
MWh	Megawatt hour; one megawatt hour represents one hour of electricity consumption at a constant rate of 1 MW.
OEF	A commitment to generate the daily amount of electricity awarded to a generator under a reliability charge auction whenever the spot price exceeds the scarcity price as defined in CREG Resolutions 071 of 2006, as amended.
OEFA	The Peruvian Agency of Environmental Supervision (<i>Organismo Supervisor de Evaluación y Fiscalización Ambiental</i>).
OSINERGMIN	The Peruvian Energy and Mining Supervisory Authority (<i>Organismo Supervisor de la Inversión en Energía y Minería</i>).
PCMA	Monthly Asset Compensation Percentage (<i>Porcentaje de Compensación Mensual del Activo</i>).
PCSA	Weekly Asset Compensation Percentage (<i>Porcentaje de Compensación Semanal del Activo</i>).
PNE	National Energy Plan (<i>Plan Energético Nacional</i>).
PPI	Colombian Producer Price Index.
PPA	Power purchase agreements.
PRONE	Electric Lines Normalization Program (<i>Programa de Normalización de Redes Eléctricas</i>) created pursuant to Law No 1117 of 2006.

Regulated Customers	Colombian consumers of electricity that have a peak demand lower than 0.10 MW or a minimum monthly consumption lower than 55.0 MWh.
SDL	Local Distribution System (<i>Sistema de Distribución Local</i>), an electricity distribution system at tension levels lower than 57.5 kV.
SEIN	Peruvian National Electric Interconnected System (<i>Sistema Eléctrico Interconectado Nacional</i>).
SFC	Colombian Financial Superintendence (<i>Superintendencia Financiera de Colombia</i>).
SISBEN	The Colombian System of Identification of Potential Beneficiaries of Social Programs (<i>Sistema de Identificación de Potenciales Beneficiarios de Programas Sociales</i>)
SISFOH	The Peruvian Household Targeting System (<i>Sistema de Focalización de Hogares</i>)
SIC	Settlement and Clearance System (<i>Sistema de Intercambios Comerciales</i>) for the MEM.
SIN	Colombian National Interconnected System (<i>Sistema Interconectado Nacional</i>).
STN	Colombian National Transmission System (<i>Sistema de Transmisión Nacional</i>).
STR	Regional Transmission System (<i>Sistema de Transmisión Regional</i>), an electricity transmission system at tension levels higher than 57.5 kV but lower than 220 kV.
SPPD	Colombian Superintendence of Domestic Public Utilities (<i>Superintendencia de Servicios Públicos Domiciliarios</i>).
Transmission Regulated Revenues	Transmission revenues set periodically by CREG in the form of usage charges (<i>cargos de uso</i>) payable by users and transferred to companies by XM on a monthly basis.
Tcf	Trillion cubic feet
TRM	Colombian Representative Market Exchange Rate (Tasa Representativa del Mercado).
Unregulated Customers	Colombian consumers of electricity that have a peak demand greater than 0.10 MW or a minimum monthly consumption greater than 55.0 MWh.
UPME	Colombian Mining and Energy Planning Unit (<i>Unidad de Planeación Minero Energética</i>).
Wholesale Customers	Colombian purchasers of electricity in the Wholesale Market.
Wholesale Market	Colombian Wholesale Energy Market (<i>Mercado de Energía Mayorista</i>).

SUMMARY

This summary highlights some of the information contained elsewhere in this offering memorandum. This summary is not complete and does not contain all the information that may be important to you. For a more complete understanding of this offering, you should carefully read this entire offering memorandum. You should read the following summary together with the more detailed information included elsewhere in this offering memorandum, including the sections entitled “Risk Factors,” “Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” as well as the GEB Audited Consolidated Financial Statements, GEB Unaudited Condensed Consolidated Interim Financial Statements and Enel Colombia Audited Consolidated Financial Statement included elsewhere in this offering memorandum.

Overview

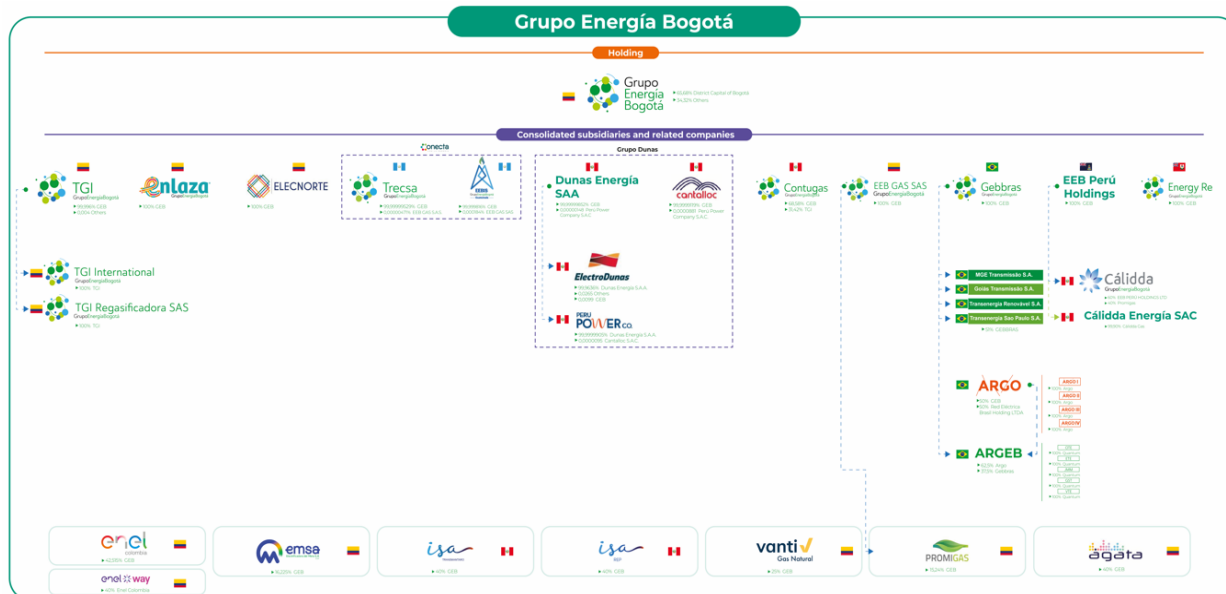
We are a leading owner, developer and operator of electricity and natural gas infrastructure assets across Latin America, with a presence in Colombia, Peru, Guatemala and Brazil. We believe our energy and natural gas infrastructure assets are sound long-term investments in countries with mature and stable energy regulatory frameworks.

For the six months ended June 30, 2023, we derived 37.0%, 61.2%, and 1.9% of our consolidated revenues from our business operations in Colombia, Peru, and Guatemala, respectively. For the year ended December 31, 2022, we derived 36.2%, 61.9%, and 1.9% of our consolidated revenues from our business operations in Colombia, Peru, and Guatemala, respectively.

For the six months ended June 30, 2023 and 2022 our equity investees contributed through share of profits, 64.8% and 75.0% of our profit for the period. For the years ended December 31, 2022, 2021, and 2020, our equity investees contributed through share of profits, with 69.2%, 74.9%, and 61.2% of our profit for the years, respectively.

Our Corporate Structure

The following chart summarizes our simplified corporate structure as of the date of this offering memorandum:



Business Strategy

In December 2020, our Board of Directors approved a new Corporate Plan aimed at transforming the company into a profitable, focused, and sustainable business group. To achieve this, we redefined our purpose as “Enhancing lives with sustainable and competitive energy.” The Corporate Plan is structured around four pillars: (1) Transmission For Tomorrow, (2) Gas for the future, (3) Smart Cities, and (4) Sustainable Generation. These pillars align with the core businesses of our subsidiaries and related companies within the GEB group. To support these pillars four strategic drivers have been outlined: (1) Focused Portfolio; (2) Digitalization and Innovation; (3) Agile and Strengthened Governance, Complemented by Talent and Culture; and (4) Positive Social and Environmental Impact.

The four pillars of our business strategy are the following:

- Transmission for Tomorrow.** We operate and develop infrastructure to meet electricity transmission and distribution needs in large cities. We connect energy generation sources to significant energy consumption centers. Through this pillar, we are market leaders in: (1) the electricity transmission segment in Colombia, owning a total of 2,261 km of 230 kV lines and 500 kV lines, and 37 substations as of June 30, 2023; (2) the electricity transmission segment in Peru, in terms of total revenues collected from the Peruvian National Transmission System through our related companies REP and CTM and our acquisition of ElectroDunas in August 2019, which represented an important step towards consolidating our growth in the Peruvian energy industry and our position as one of the main foreign investors in that industry in Peru; and (3) the electricity transmission segment in Guatemala, in terms of revenues allocated by the Guatemalan interconnected system to private power transmission companies, through TRECSA and EEBIS Guatemala. On September 8, 2023, we announced an agreement to acquire 100% of the shares of Transnova in Guatemala, subject to the fulfillment of the terms and conditions set forth in the share purchase agreement. In addition, we participate in the Brazilian electricity transmission sector directly through our consolidated subsidiary GEBBRAS and indirectly through Argo (electricity transmission platform acquired as of March 25, 2020), with a market share of 3.4% in terms of kilometers of energy transmission lines as of June 30, 2023. As of December 31, 2022, our electricity transmission business was the

second-largest electricity transmission business in Colombia, based on total revenues allocated by the STN, according to XM. As of June 30, 2023 REP and CTM together accounted for 67.8% of the electricity transmission in terms of total revenues collected from the Peruvian National Transmission System, according to the COES. See “Business — Business Strategy — Transmission for Tomorrow.”

- *Gas for the Future* — This pillar operates and develops infrastructure to satisfy natural gas demand in large cities. We are leaders in the transportation business in Colombia through TGI and our participation in Promigas. Our consolidated subsidiary TGI has the largest natural gas pipeline system in Colombia, with approximately 4,033 km of pipelines, delivered 54% of the total natural gas transported in Colombia as of June 30, 2023. As of December 31, 2022, our consolidated subsidiary TGI, which is our principal subsidiary in this group, was the largest natural gas transportation company in Colombia, in terms of volume of gas transported, according to the information published by UPME. Our related company Promigas participates in the natural gas distribution sector in Colombia through its subsidiaries, which together serve more than 4.1 million customers throughout Colombia. See “Business — Business Strategy — Gas for the Future” and “Business — Our Natural Gas Transportation & Distribution Business in Colombia — Promigas.” In the gas distribution business in Colombia we participate through Vanti, which is the largest natural gas distribution company in Colombia, serving over 3.5 million customers through a distribution network of 24,738 km which represented sales of more than 2,687 Mm³ of natural gas. See “Business — Gas for the Future — Our Natural Gas Transportation & Distribution Business in Colombia — Vanti.” In Peru, our consolidated subsidiaries Cálidda and Contugas were together the largest natural gas distribution business in Peru in terms of volume of natural gas distributed, according to the MINEM See “Business — Gas for the Future — Our Natural Gas Distribution Business in Peru — Cálidda.”
- *Smart Cities* — This pillar aims to increase energy consumption by promoting energy efficiency and the use of technological advancements. The goal is to transform Bogotá into a “smart city” in terms of sustainable use and availability of energy resources. Enel Colombia, one of the largest electricity distribution companies in Colombia, is our principal related company acting in this pillar. Enel Colombia serves a region that spans approximately 26,093 km², covering the District-Capital of Bogotá and 130 other municipalities in the Departments of Cundinamarca, Tolima, Boyacá, Caldas, and Meta. Over 14.95 million people, or around 24.8% of the Colombian population, reside in areas served by Enel Colombia. See “Business — Business Strategy — Smart Cities.”
- *Sustainable Generation* — This pillar aims to capitalize on renewable and low-emission energy opportunities in countries transitioning to sustainable energy. Through this pillar, we are market leaders in low-emission energy generation in Colombia via our related company, Enel Colombia, our principal investee in this pillar. As of December 31, 2022, Enel Colombia had a net installed capacity of 3,571 MW, of which 3,097 MW, or 86.7%, is attributable to its hydroelectric power plants; 406 MW, or 11.4%, to its thermoelectric power plants; and 67.9 MW, or 1.9%, to its photovoltaic power plant. In 2022, Enel Colombia’s net energy generation in Colombia reached 13,663 GWh, increasing by 4.2% compared to 2021. See “Business — Business Strategy — Sustainable Generation.”

Strategic Drivers

To support our four strategic pillars, we are focusing on the following strategic drivers which apply across all the pillars:

- *Focused Portfolio* — We aim to increase revenue generation from businesses controlled and operated by GEB. We seek to continue increasing our operating revenues from our electricity transmission and gas transportation businesses and the contribution of those revenues to our Adjusted EBITDA, thereby reducing our reliance on dividends from related companies for cash flow generation. See “Business — Strategic Drivers — Focused Portfolio.”
- *Digitalization and Innovation* — We believe that the digital transformation and data analysis offer a better understanding of the environment and strengthen the capacity to adapt and the medium and long-term. Additionally, innovation enables the improvement of operating levels for the assets and projects, optimizing processes and participating in new businesses that generate benefits for us and value for our stakeholders.
- *Agile and Strengthened Governance, Complemented by Talent and Culture* — This driver is intended to transform GEB into an efficient parent company that generates value for our consolidated subsidiaries while ensuring the professional growth of employees based on merit as the cornerstone for corporate actions. Our long-term strategic vision is to become a leader in the Latin American energy industry, with a focused, profitable, and sustainable portfolio driven by innovation and characterized by agile and transparent governance. This vision aims to create positive social and environmental value for our stakeholders and the communities in the territories where we operate. See “Business — Strategic Driver — Agile and Strengthened Governance, Complemented by Talent and Culture” and “Business — Business Strengths — Strong Corporate Governance.”
- *Positive Social and Environmental Impact*. Our aim is for our operations to contribute to creating conditions for prosperity in the territories in which operate, environmental protection, and climate change mitigation. GEB was included for the second consecutive year in each of the Dow Jones Emerging Markets and the Latin American Integrated Market (LAIM) indexes, and in the S&P Global Sustainability Yearbook, in recognition of its strong performance and management of social, environmental and governance matters. See “Business — Strategic Drivers — Positive Social and Environmental Impact.”

Business Strengths

We believe that our business and strategy are supported by the following competitive strengths:

- *Leading Participant in Relevant Energy Markets in Latin America*. Our subsidiaries and related companies have market leading positions across the energy value chain and are well-positioned to benefit from the expected growth in electricity and natural gas market demand in the region. We believe that sound industry dynamics and growth outlooks for the electricity and natural gas sectors in Colombia, Peru, Guatemala and Brazil provide significant growth opportunities for us and our related companies.
- *Stable Cash Flow Generation and Sound Financial Profile*. Our profits derived from equity method from associates and joint ventures was Col\$2,096,085 million, equivalent to 69% of our net profit and 40% of our EBITDA for the year ended December 31, 2022. Our consolidated subsidiaries benefit from sound and stable regulatory frameworks and have historically generated stable and predictable cash flows, with the majority of revenues derived from regulated businesses and a significant component of revenues either denominated in, or linked to, U.S. dollars. Our stable cash flow generation is anchored by a sound financial profile. Our net cash from operating activities for the six month-periods ended June 30, 2022 and 2023 was Col\$1,235,085 million and Col\$1,079,580 million, respectively, and Col\$2,072,423 million,

Col\$1,426,100 million and Col\$3,083,413 million for the years ended December 31, 2020, 2021 and 2022, respectively. Our ratio of Total Net Debt to EBITDA for the years ended December 31, 2020, 2021 and 2022, was 2.91, 2.95 and 3.62, respectively, and our ratio of Total Net Debt to EBITDA was 2.93 as of June 30, 2023. Our financial leverage as measured based on our Total Net Debt to Equity was 82.1%, 85.7% and 88.7% as of December 31, 2020, 2021 and 2022, respectively, and that ratio was 87.7% as of June 30, 2023. See “Note Regarding Non-GAAP Financial Measures.”

- *Operationally and Geographically Diversified Portfolio of Energy Assets.* Diversification across segments, businesses, asset classes and regions reduce GEB’s business and regulatory risk exposure to any particular country in which we and our related companies operate. Additionally, GEB is present in key Latin American markets with stable and transparent regulatory frameworks, which contributes to the stability and predictability of its businesses.
- *Limited competition due to high barriers of entry and strategic location of natural gas transportation assets.* The natural gas transportation network in Colombia is divided into two regions: (i) the interior (which accounted for 67% of the natural gas transported in Colombia for the year ended December 31, 2022), which is serviced predominantly by our consolidated subsidiary TGI; and (ii) the Atlantic coastal region (which accounted for 33% of the natural gas transported in Colombia for the year ended December 31, 2022), which is serviced by our related company Promigas. We believe that there is limited competition and high barriers of entry for new entrants into the gas transportation market, since the construction of a competing natural gas pipeline system and associated infrastructure would require a significant capital investment and competition with us for customers that we have been serving for many years, and who would incur in high costs by switching from service provider. Moreover, TGI is the only natural gas transportation company for the regions of Casanare, Meta, Cundinamarca, Boyacá, Santander, Norte de Santander, Cesar, Guajira, Caldas, Risaralda, Quindío, Valle del Cauca, Tolima and Huila, whose transportation infrastructure services connect with gas production fields that represent approximately 71% of Colombia’s natural gas reserves. Accordingly, TGI benefits from the high barriers of entry to transport natural gas extracted from such fields as well as any increased production resulting from an increase in proven and probable reserves in such fields compared to the reserves of older, more depleted fields.
- *Track Record of Reliable Revenues.* We have a history of reliable revenues and net income growth and have historically received a stable flow of dividends from our related companies and consolidated subsidiaries, most of which have dividend policies that promote maximum payout ratios. Our consolidated subsidiaries and related companies provide stable and reliable dividends that support the cash flow generation of the consolidated operations. See “Summary Financial and Operating Data of GEB”, “Business — Our Electricity Distribution Business in Colombia — Enel Colombia” and “Risk Factors — Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — Our ability to make payments under the Notes may depend on our ability to receive dividends and other distributions from our consolidated subsidiaries and our related companies.”
- *Proven Ability to Integrate, Develop and Operate Diversified Energy Businesses.* GEB’s management team has extensive experience in acquiring and integrating energy companies throughout Latin America, having completed 12 acquisitions in the region since 2005. GEB’s management employs a systematic approach to integrating acquired companies by implementing best practices across our operations, rationalizing operating systems, eliminating overlapping management functions, reducing overhead costs, leveraging supply chain

opportunities and economies of scale in procurement processes, and developing additional cross-selling opportunities for our customers across the region.

- *Important player in the Peruvian natural gas sector.* Our consolidated subsidiary Cálidda holds an exclusive long-term renewable concession from the Peruvian government. Cálidda's concession agreement, the first term of which is scheduled to expire in 2033, provides for exclusive natural gas distribution rights within the concession area. Cálidda is a pioneering company in providing this public service in Peru, thus contributing to the improvement of the quality of life of the population and the preservation of the environment. Cálidda has more than 1,682,288 connected costumers as of June 30, 2023 from Lima and Callao. In addition, our consolidated subsidiary, Contugas, was awarded a 30-year gas distribution concession by the Peruvian government, serving, as of June 30, 2023, over 78,397 customers. Our related company Promigas is also a strong player in Peru with a market share of 94% in the natural gas distribution segment, through Cálidda, Gases del Pacífico S.A.C., Gases del Norte de Perú S.A.C (operating under Quavii brand) and Promigas Perú. Promigas owns 40% of our consolidated company Cálidda, 95.49% of Gases del Pacífico S.A.C., 99.09% of Gases del Norte del Perú S.A.C., and 100% of Promigas Perú S.A., that by the end of 2022 reached 1.7 million users.
- *Proactive and Constructive Relationship with Regulators.* We have a constructive relationship with CREG, MME and the other governmental agencies that regulate GEB's and our related companies' businesses in Colombia. Through our consolidated subsidiaries Cálidda, Contugas and ElectroDunas, and our related companies REP and CTM, we have a proactive relationship with OSINERGMIN in Peru. We have developed a constructive relationship with CNEE in Guatemala through our consolidated subsidiaries TRECSA and EEBIS Guatemala. We actively cooperate with these and other government agencies in managing regulatory issues and addressing the challenges associated with the development of the Colombian, Peruvian and Guatemalan energy sectors, in an effort to negotiate and discuss current and future restrictions and regulations applicable to the sector. We also have an active participation in the development of CREG's and other national regulators' integrated vision for the Colombian, Peruvian and Guatemalan energy sectors.
- *Experienced Management and Strong Shareholders and Partners.* We were established in 1896 and have more than 127 years of experience in the energy sector in Colombia. The members of our management team have extensive experience, with an average of approximately 28 years operating, developing and acquiring businesses in the electricity and natural gas sectors. Corporación Financiera Colombiana S.A., a leading financial services group in Colombia, directly and indirectly owns 5.18%, 17.1% and 34.87% of the capital stock of GEB, Cálidda and Promigas, respectively. ISA S.A. ESP ("ISA"), Colombia's largest electricity transmission company, is our partner in REP and CTM with a 60% equity interest. The Brookfield Group currently owns 54.93% of Vanti. Red Eléctrica Corporación, S.A. ("Redeia"), the only transporter and operator of the power system in Spain since 1985, managing more than 45,000 km of transmission lines in Spain, is our joint venture partner in Argo in Brazil.
- *Strong Corporate Governance.* We have adopted corporate governance standards, including a corporate governance code adopted by GEB and each of our consolidated subsidiaries, that we believe have enabled us to implement best practices in corporate governance based on strict standards regarding transparency, efficiency, ethics, conflicts of interest, related party transactions, disclosure, investor protection and equal treatment of investors. These corporate governance standards were initially incorporated into our by-laws in 2016 (following the guidelines included in the OECD Corporate Governance Principles) and include the majority

of the corporate governance standards of External Circular No. 028 of 2014 issued by the SFC. Our corporate governance standards require us, among other things, to have a majority of independent members in our Board of the Directors, an independent Chairman of the Board of Directors, a Compensation Committee, a Corporate Governance and Sustainability Committee, an Audit and Risk Committee and an Investment and Financial Committee. Moreover, GEB was included in the ranking published by MERCO (*Monitor de Reputación Corporativa*) as one of the one hundred companies with better reputation for its sound corporate governance in Colombia for the year 2022. GEB also complies with 95.9% of the guidelines established under the Best Corporate Practices Code (*Código de Mejores Prácticas Corporativas de Colombia*). In addition, the execution by our controlling shareholder, the District-Capital of Bogotá, of the shareholders' agreement as a result of the Democratization Process has contributed to strengthening our corporate governance standards and adherence to best international practices in corporate governance.

- *Diversified Funding Sources with Continued Access to Financial Markets and Commercial Bank Lending.* Over the past fifteen years, we have successfully accessed the local and international debt and equity capital markets to help finance important investment plans, including the acquisition of natural gas transportation and distribution and electricity transmission assets. In addition, we have successfully undertaken several liability management transactions to reduce our overall financial costs and reprofile our financial debt, significantly extending the average life of our debt. For example, in 2017 we successfully completed a refinancing of the GEB 2021 Notes (as defined elsewhere in this offering memorandum) with a syndicated loan financing. Furthermore, in 2018, TGI successfully completed an issuance of Col\$3,143 billion (U.S.\$750 million) aggregate principal amount of notes in the international capital markets to refinance notes maturing in 2022, which allowed us to extend our consolidated debt maturity profile and increase the average life of our consolidated debt. GEB has entered into several loan agreements over the past three years for an aggregate amount of Col\$3,391 billion (U.S.\$809 million), aimed at financing our expansion plan in Colombia and Brazil. These agreements also facilitate our access to both local and international capital markets.
- *Role Model in the Region as Leader in Sustainable Practices.* As a result of our continued development of socially and environmentally responsible business practices, we have been included for two consecutive periods in the Dow Jones Sustainability Indexes (DJSI Emerging Markets and DJSI MILA Pacific Alliance), as well as being listed as a member in S&P Global's Sustainability Yearbook.

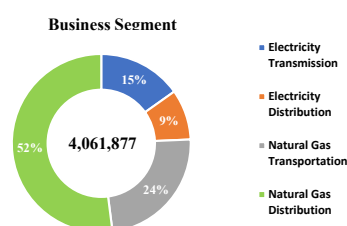
Financial Highlights

The table below includes key consolidated financial information of GEB for the periods indicated.

	<u>For the Year Ended December 31,</u>				<u>For the Six-Month Period Ended June 30,</u>	
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2022</u>	<u>2023</u>	<u>2023</u>
	(in millions of Col\$, except per share data)			(in thousands of U.S.\$ ⁽¹⁾ , except per share data)	(in millions per Col\$ per share data)	(in thousands of U.S.\$ ⁽¹⁾ except per share data)
Total Revenue	5,125,946	5,558,593	6,874,591	1,640,213	4,061,877	969,126
Operating profit	1,810,437	1,795,686	2,113,387	504,236	1,330,356	317,410
Share of gain from associates and joint ventures	1,602,363	1,997,939	2,096,085	500,106	1,055,899	251,928
Net Profit for the period	2,616,877	2,669,163	3,026,986	722,210	1,629,147	388,699
Consolidated net profit for the period attributable to controlling interest	2,514,449	2,525,872	2,852,795	680,650	1,532,445	365,627
EBITDA(2)	4,155,237	4,548,926	5,216,636	1,244,640	2,954,216	704,848

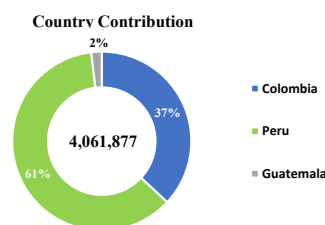
- (1) The amounts in this column were converted from Colombian pesos to U.S. dollars solely for your convenience at the TRM published by the SFC at June 30, 2023, of Col\$4,191.28 to U.S.\$1.00. These convenience translations are not in accordance with IFRS as accepted in Colombia. These translations should not be construed as a representation that the Colombian peso amounts have been or could be converted into U.S. dollars at those or any other rates. See “Foreign Exchange Controls.”
- (2) See “Note Regarding Non-GAAP Financial Measures.”

The charts below depict our Total Revenues by reported business segments for the six months ended June 30, 2023.



Source: GEB

The chart below depicts the contribution of each of our operations in Colombia, Peru, Guatemala and Brazil to our Total Revenues for the six months ended June 30, 2023.



Source: GEB

Our controlling shareholder: The District-Capital of Bogotá

We are controlled by the District-Capital of Bogotá, which occupies an area of 1,776 square Km (approximately 685.7 square miles). The District-Capital of Bogotá is the city with the largest population in Colombia. According to the National Population and Housing Census (*Censo Nacional de Población y Vivienda*), carried out in 2018, the District-Capital of Bogotá had a population of 7.18 million, which represents approximately 16.3% of the total population of Colombia, according to DANE.

The District-Capital of Bogotá is also the capital of the Department of Cundinamarca, one of the most populous of Colombia's 32 departments. According to the 2018 National Population and Housing Census (*Censo Nacional de Población y Vivienda*), the Department of Cundinamarca had a population of approximately 2.79 million (excluding the population of the District-Capital of Bogotá), or approximately 6.3% of the total population of Colombia.

As of December 31, 2022, the District-Capital of Bogotá's GDP ("Gross Domestic Product") represented an estimated 26.8% of Colombia's total GDP, according to DANE. The District-Capital of Bogotá's economy has followed, to a large extent, the performance of the national economy, although the District-Capital of Bogotá's rates of real GDP growth (or contraction) have tended to be more volatile than those of Colombia as a whole, primarily because a relatively small proportion of Colombia's total exports are produced in the District-Capital of Bogotá, therefore depriving it of a stabilizing factor when internal demand falls. In the last three years, the annual growth in the District-Capital of Bogotá's GDP has averaged 4.7%. For the year ended December 31, 2022, the District-Capital of Bogotá's GDP was 9.5%, which was in line with the growth of the Colombian economy, which grew 7.3% during such period.

In November 2016, the District-Capital of Bogotá, our controlling shareholder, decided to divest up to 20% of GEB's common stock pursuant to a democratization process to be conducted in accordance with Article 60 of the Colombian constitution (*Constitución Política de Colombia* or the "Colombian Constitution") and Law 226 of 1995 (the "Democratization Process"). The purpose of the Democratization Process was to promote and allow widespread investor participation in the offering of up to 20% of GEB's common shares, while allowing GEB to adopt "best practices" in corporate governance by introducing minority protection rights for non-controlling shareholders. These minority protection rights are reflected in a shareholders' agreement among the District-Capital of Bogotá and other shareholders of GEB that entered into effect on July 31, 2018. The shareholders agreement introduced protective provisions in favor of non-controlling shareholders such as supermajority vote requirements in connection with certain key matters, an increase in the number of directors that must be independent based on specific guidelines for director independence under the New York Stock Exchange ("NYSE") corporate governance standards, voting agreements, as well as the creation of an ad-hoc committee tasked with preparing a list of candidates from which our board of directors would elect GEB's Chief Executive Officer in case of any vacancy.

The Democratization Process was conducted in two phases, as required by applicable regulation: the first phase, which closed on February 26, 2018, in which these common shares were offered solely to a limited number of eligible investors, such as current and former GEB employees, pension funds and other entities which make up the "solidarity sector" (*sector solidario*) ("Phase 1"), and the second phase, which closed on July 18, 2018, in which the unsold common shares in Phase 1 were offered to the general public in Colombia and to eligible prospective investors outside Colombia ("Phase 2"). During Phase 1 and Phase 2, 19,040,484 and 953,714,705 of GEB's shares of common stock were sold, to investors in Colombia and abroad respectively, collectively representing 10.6% of GEB's common shares.

The next election for mayor of the District-Capital of Bogotá is scheduled to take place from October to November 2023, and the newly elected mayor will assume office in January 2024 for a four-

year term. See “Risk Factors — Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — Changes in the government of the District-Capital of Bogotá or the sale of a controlling interest in GEB by the District-Capital of Bogotá may result in changes in GEB’s senior management, which may have a material adverse effect on GEB’s financial condition and results of operations.”

Recent Developments

Elecnorte Acquisition

On June 17, 2022, we acquired control over Elecnorte, a public utilities company with its primary corporate purpose being energy distribution and the operation of all the energy infrastructure required for the development of its activities in accordance with Colombian regulations. Elecnorte seeks to strengthen the electrical grid of the Caribbean coast and is in charge of the design, procurement of supplies, construction, operation and maintenance of the electrical reinforcement of the Department of La Guajira with two transmission lines. This project represent an important asset currently in operation in the Department of La Guajira, which confirms our unwavering commitment to the prosperity of this region of Colombia. See “Business — Transmission for Tomorrow — Our Electricity Transmission Business in Colombia — Elecnorte.”

Incorporation Enlaza

In October 2022, we incorporated Enlaza as a wholly owned subsidiary with the aim to engage in the utility service of energy transmission, representation of transmission assets, electrical assets, and the execution of the activities of administration, operation, and maintenance of such assets. Enlaza’s scope also includes the provision of technical and non-technical services, management of transmission projects, and storage activities, as well as other activities arising from public calls structured by UPME in Colombia. See “Business — Transmission for Tomorrow — Our Electricity Transmission Business in Colombia — Enlaza.”

GEB Syndicated Loan

On November 23, 2022, we entered into a credit agreement with a syndicate of bank lenders, UMB Bank, N.A., as administrative agent, and Sumitomo Mitsui Banking Corporation and The Bank of Nova Scotia, as joint lead arrangers in the aggregate principal amount of up to U.S.\$509 million (Col\$2.133 billion) maturing on November 23, 2027. We obtained the required prior approval from the MHCP under Resolution No. 3131 on November 23, 2022. The proceeds from the GEB Syndicated Loan were used to partially finance our investment plan for 2022.

Transnova Acquisition

On September 8, 2023, GEB announced an agreement with Enel Colombia S.A. ESP, Enel Guatemala, Sociedad Anónima, and Generadora Montecristo, Sociedad Anónima, to acquire 100% of the shares of Transmisora de Energía Renovable, Sociedad Anónima, an energy transmission company incorporated under the laws of the Republic of Guatemala (“Transnova”). The closing of this transaction is subject to customary conditions which were fulfilled in in October 2023. Transnova is an operational company with 34.5 km of transmission lines, 2 substations operating at 230 kV, and 81 power towers. Transnova holds a strategic connection point with the eastern lines of TRECSA and generates an annual income of U.S.\$3.36 million (Col\$14 billion).

Term of GEB Board of Directors

GEB's by-laws provide that our Board of Directors is elected by the general shareholders' meetings for two-year terms. The term of all current board members will initially expire on March 28, 2024, but they can be removed by the general shareholders' meetings at any time. On October 29, 2023, Carlos Fernando Galan was elected as Capital District of Bogota's next Mayor with over 48% of the votes, and he will take office on January 1, 2024 for a four-year term. This shift in the political landscape may have significant implications in the implementation of public policies and the relationship with other governmental authorities. Any change in the administration of the District-Capital of Bogotá could lead to changes in GEB's senior management. See "Risk Factors — Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — Changes in the government of the District-Capital of Bogotá or the sale of a controlling interest in GEB by the District-Capital of Bogotá may result in changes in GEB's senior management, which may have a material adverse effect on GEB's financial condition and results of operations."

SUMMARY OF THE OFFERING

Issuer	Grupo Energía Bogotá S.A. E.S.P.
Securities Offered	U.S.\$400,000,000 7.850% Senior Notes due 2033 (the “Notes”)
Issue Price	99.932% of the principal amount plus accrued interest, if any, from November 9, 2023. The issue price will be payable in U.S. dollars.
Issue Date	November 9, 2023.
Maturity Date	November 9, 2033 (the “Maturity Date”).
Form and Denominations	The Notes will be issued in registered global form in minimum denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof.
Interest	Interest on the Notes will accrue at the rate of 7.850% per annum on the outstanding principal amount; interest will be payable semi-annually in arrears on May 9 and November 9 of each year commencing on May 9, 2024. Interest on the Notes will be computed on the basis of 360-day years comprised of twelve 30-days months, and will be payable to the Holders of record at the close of business on the 15th calendar day immediately preceding the related interest Payment Date (whether or not a Business Day).
Use of Proceeds	We intend to use the net proceeds from this offering to (i) prepay the remaining U.S.\$319 million principal amount outstanding under the Amended BofA Credit Agreement and (ii) finance our investment plan for 2023 - 2027. An amount equal to the net proceeds from this offering will be allocated to finance or refinance, in whole or in part, one or more new or existing Eligible Green Projects and Eligible Social Projects (together, the “Eligible Projects”) pursuant to the Sustainable Financing Framework (as defined in “Use of Proceeds”), with disbursements covering project expenditures for up to 24 months preceding the issue date of the Notes and up to 36 months after the issue date of the Notes, including the development and redevelopment of such projects by us or any of our subsidiaries.
Ranking	The Notes will be our senior, unconditional, unsecured and unsubordinated obligations. The

Notes will rank equally in right of payment without any preference among themselves and will rank equally in right of payment with all our existing and future senior and unsecured External Indebtedness and senior to our existing and future indebtedness that by its terms is junior and subordinated in right of payment to the Notes. “External Indebtedness” means Indebtedness other than Internal Indebtedness. “Internal Indebtedness” means any Indebtedness that is payable to Colombian residents in Colombian *pesos*. “Indebtedness” has the meaning given to it under “Description of the Notes.”

Payments of Principal.....

The principal amount of the Notes will be repaid in a single installment on the Maturity Date.

Restrictive Covenants

We will issue the Notes under an Indenture with UMB Bank, N.A., as Trustee. The Indenture relating to the Notes contains restrictive covenants, including limitations on liens, limitations on sale and leaseback transactions and limitations on consolidations, mergers, sales or conveyances. These restrictions are subject to a number of important qualifications and exceptions. See “Description of the Notes.”

Optional Redemption with “Make-Whole” Amount

At any time or from time to time prior to the Par Call Date, we will have the right to redeem the Notes, in whole or in part, on at least 10 days’ but not more than 60 days’ prior notice, at a redemption price equal to the greater of (a) 100% of the principal amount of the Notes to be redeemed and (b) the sum of the present values of each remaining scheduled payment of principal and interest thereon as if redeemed on the Par Call Date (exclusive of interest accrued to the Redemption Date) discounted to the Redemption Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (as defined under “Description of the Notes”) plus 50 basis points, in each case plus accrued but unpaid interest (if any) on the principal amount of the Notes to be redeemed and any Additional Amounts to, but excluding, the Redemption Date. See “Description of the Notes — Optional Redemption — Optional Redemption with “Make-Whole” Amount.”

Optional Redemption at Par

At any time or from time to time on or after the Par Call Date (as defined in the “Description of

the Notes”), we will have the right to redeem the Notes, in whole or in part, on at least 10 days’ but not more than 60 days’ prior notice, at a redemption price equal to 100% of the outstanding principal amount of the Notes to be redeemed plus accrued but unpaid interest (if any) on the principal amount of the Notes to be redeemed and any Additional Amounts (as defined under “Description of the Notes”) to, but excluding, the Redemption Date (as defined under “Description of the Notes”). See “Description of the Notes — Optional Redemption — Optional Redemption at Par.”

Optional Tax Redemption

The Notes are redeemable at our option in whole (but not in part) on any date prior to the Maturity Date, on at least 10 days’ but not more than 60 days’ prior notice, at a price equal to the outstanding principal amount thereof, together with any Additional Amounts (if any) and accrued and unpaid interest to, but excluding, the Redemption Date, if, the laws, treaties or regulations, or the application, administration or interpretation of such laws, treaties or regulations, affecting taxes in Colombia or any jurisdictions through which payments are made change in certain respects. For more information, see “Description of the Notes — Optional Tax Redemption.”

Change of Control Repurchase Event.....

Within 30 days of the occurrence of certain events constituting a Change of Control Repurchase Event (as defined under “Description of the Notes”), we must offer to repurchase all of the Outstanding Notes at a purchase price of 101% of the aggregate principal amount of such Notes, plus accrued and unpaid interest and Additional Amounts (if any), to, but excluding, the date of purchase. See “Description of the Notes — Repurchases at the Option of the Holders of the Notes Upon Change of Control Repurchase Event.”

Transfer Restrictions

The Notes have not been, and will not be, registered under the Securities Act or any state securities laws in the United States or Colombia and are subject to certain restrictions on transfer and resale. See “Plan of Distribution” and “Transfer Restrictions”. There is currently no market for the Notes and we cannot assure you that one will develop.

Governing Law	State of New York, except that all matters relating to the authorization and execution by the Issuer of both the Notes and the Indenture will be governed by the laws of the Republic of Colombia.
Initial Purchasers	J.P. Morgan Securities LLC (“J.P. Morgan”), Santander US Capital Markets LLC (“Santander”), and Scotia Capital (USA) Inc. (“Scotiabank”).
Listing	Application will be made for the listing and quotation of the Notes on the Official List of the SGX-ST. We cannot assure you that any such application will be successful or that any such listing will be granted or maintained.
Additional Notes	We may, without your consent, incur additional Indebtedness. At our option, this additional Indebtedness may consist of Additional Notes issued in one or more transactions, which have substantially identical terms (other than issue price, issue date, initial Payment Date and, to the extent necessary, certain temporary securities law transfer restrictions) as Notes offered hereby, as may be amended prior to the issuance of the Additional Notes, including to add a Co-Obligor (as defined in the “Description of the Notes”) for the benefit of the Holders of the Notes (the “Original Notes”); provided that, unless such Additional Notes are issued under a separate CUSIP, such Additional Notes will be fungible with the Original Notes for U.S. federal income tax purposes. Any Additional Notes will be consolidated and form a single class of Notes with the Original Notes, so that, among other things, Holders of any Additional Notes will have the right to vote together with Holders of Original Notes as one class of Notes. See “Description of the Notes — Additional Notes.”
Clearance and Settlement	The Notes will be issued in book-entry form through the facilities of The Depository Trust Company (“DTC”) for the accounts of its direct and indirect participants, including Euroclear and Clearstream and will trade in DTC’s same day funds settlement system. Owners of beneficial interests in the Notes held in book-entry form will not be entitled to receive physical delivery of certificated Notes, except in certain limited circumstances. For a description of certain factors relating to clearance and settlement, see

	“Description of the Notes — Book-Entry, Delivery and Form.”
Trustee, Security Registrar, Transfer Agent and Paying Agent	UMB Bank, N.A.
Singapore Listing Agent	Allen & Gledhill LLP
CUSIP and ISIN	CUSIP 40053XAB5 (144A) and P4R53VAB9 (Reg S). ISIN US40053XAB55 (144A) and USP4R53VAB95 (Reg S).
Risk Factors	You should carefully consider all of the information in this offering memorandum. See “Risk Factors” for a description of the principal risks involved in making an investment in the Notes.

SUMMARY FINANCIAL AND OPERATING DATA OF GEB

The following tables present summary financial and operating information (i) as of June 30, 2023, and for the six-month periods ended June 30, 2023 and 2022, and (ii) as of December 31, 2022 and 2021 and for the years ended December 31, 2022, 2021 and 2020. This data is qualified in its entirety by reference to and should be read in conjunction with the GEB Consolidated Financial Statements, GEB Unaudited Condensed Consolidated Interim Financial Statements, and the sections “Presentation of Financial Information,” “Selected Financial and Operating Data of GEB” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

The summary financial data of GEB as of June 30, 2023, and for the six-month periods ended June 30, 2023 and 2022 has been derived from GEB Unaudited Condensed Consolidated Interim Financial Statements. The summary financial data of GEB as of December 31, 2021 and 2022 and for the years ended December 31, 2022, 2021 and 2020 was derived from the GEB Audited Consolidated Financial Statements.

Solely for your convenience, certain amounts included in “Summary,” “Capitalization,” “Selected Financial and Operating Data of GEB,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Business” and elsewhere in this offering memorandum have been converted from Colombian pesos into U.S. dollars using the TRM certified by the SFC as of June 30, 2023. These conversions should not be construed as a representation that the Colombian peso amounts represent, or have been or could be converted into, U.S. dollars at that or any other rate. See “Foreign Exchange Controls” for a more comprehensive description of the Colombian exchange rate system.

	For the Year Ended December 31,				For the Six-Month Period Ended June 30,		
	2020	2021	2022	2022	2022	2023	
	(in thousands of U.S.\$, ⁽¹⁾ except per share data)				(in millions of Col\$ except per share data)	(in thousands of U.S.\$, ⁽¹⁾ except per share data)	
CONSOLIDATED INCOME STATEMENT DATA	(in millions of Col\$, except per share data)						
REVENUES							
Natural gas distribution.....	2,361,401	3,008,197	3,690,129	880,430	1,742,232	2,112,691	504,068
Natural gas transportation	1,683,318	1,440,089	1,704,844	406,760	790,537	961,433	229,389
Electricity transmission.....	681,900	693,334	911,153	217,393	407,001	616,152	147,008
Electricity distribution	399,327	416,973	568,465	135,630	246,219	371,601	88,661
Total revenues	5,125,946	5,558,593	6,874,591	1,640,213	3,185,989	4,061,877	969,126
COSTS							
Natural gas distribution.....	(1,640,209)	(2,112,994)	(2,634,379)	(628,538)	(1,195,793)	(1,516,179)	(361,746)
Natural gas transportation	(614,599)	(562,547)	(633,533)	(151,155)	(290,134)	(336,722)	(80,339)
Electricity transmission.....	(228,954)	(240,782)	(303,935)	(72,516)	(135,485)	(200,085)	(47,738)
Electricity distribution	(245,780)	(251,743)	(340,675)	(81,282)	(150,570)	(234,268)	(55,894)
Total costs	(2,729,542)	(3,168,066)	(3,912,522)	(933,491)	(1,771,982)	(2,287,254)	(545,717)
Gross Profit	2,396,404	2,390,527	2,962,069	706,722	1,414,007	1,774,623	423,409
Administrative and operating expenses	(684,223)	(711,744)	(898,842)	(214,456)	(479,593)	(475,870)	(113,538)
Other income, net.....	98,256	116,903	50,161	11,968	11,315	31,603	7,540
Operating profit	1,810,437	1,795,686	2,113,387	504,234	945,729	1,330,356	317,411
Financial income.....	85,487	76,592	259,002	61,795	36,026	177,652	6,196
Financial expenses	(664,230)	(672,707)	(1,019,884)	(243,335)	(448,207)	(765,716)	(202,264)
Net gain (loss) in currency translation.....	178,247	(85,920)	154,498	36,862	46,137	175,745	41,931
Share of gain from associates and joint ventures	1,602,363	1,997,939	2,096,085	500,107	1,057,782	1,055,899	251,925
Profit before income tax	3,012,304	3,111,590	3,603,088	859,663	1,637,467	1,973,936	470,963
Income tax expense.....	(395,427)	(442,427)	(576,102)	(137,453)	(226,479)	(344,789)	(82,264)
Net profit for the year.....	2,616,877	2,669,163	3,026,986	722,210	1,410,988	1,629,147	388,699

CONSOLIDATED INCOME STATEMENT DATA	For the Year Ended December 31,				For the Six-Month Period Ended June 30,		
	2020	2021	2022	2022	2022	2023	
				(in thousands of U.S.\$, ⁽¹⁾ except per share data)		(in millions of Col\$ except per share data)	(in thousands of U.S.\$, ⁽¹⁾ except per share data)
	(in millions of Col\$, except per share data)						
OTHER COMPREHENSIVE INCOME							
Items that will not be reclassified to profit or loss							
Remeasurement of defined benefit obligation before taxes.....	(978)	56,901	11,677	2,786	-	-	-
Deferred income tax of remeasurement of defined benefit obligation	-	(13,961)	(2,760)	(658)	-	-	-
Items that will be reclassified to profit or loss							
Exchange differences on translating foreign operations	(49,163)	1,136,905	2,175,812	519,128	460,328	(1,336,748)	(318,936)
Cash flow hedges - effective portion of changes in fair value, before taxes.....	29,782	(138,369)	33,983	8,108	170,098	261,104	62,297
Deferred income tax Cash flow hedges - effective portion of changes in fair value	(14,869)	69,458	4,088	975	(52,482)		
Gain from other comprehensive income of associates.....	9,036	41,392	527,509	125,859	225,748	(338,184)	(80,687)
Other Comprehensive Income	(26,192)	1,152,326	2,750,309	656,198	803,692	(1,413,828)	(337,326)
CONSOLIDATED COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX ..	2,590,685	3,821,489	5,777,295	1,378,408	2,214,680	215,319	51,373
Consolidated net profit for the year attributable to:							
Controlling interest	2,514,449	2,525,872	2,852,795	680,650	1,331,660	1,532,445	365,627
Non-controlling interest	102,428	143,291	174,191	41,560	79,328	96,702	23,072
	2,616,877	2,669,163	3,026,986	722,210	1,410,988	1,629,147	388,699
Consolidated other comprehensive income for the year attributable to							
Controlling interest	(65,460)	1,088,554	2,576,156	614,647	776,437	(1,330,195)	48,255
Non-controlling interest	39,268	63,772	174,153	41,551	27,255	(83,633)	3,118
	(26,192)	1,152,326	2,750,309	656,198	803,692	(1,413,828)	51,373
Earnings per share Basic and diluted (in Colombian pesos)	285.03	290.72	329.69	0.08	153.68	177.44	0.04

- (1) The amounts in this column were converted from Colombian pesos to U.S. dollars solely for your convenience at the TRM published by the SFC at June 30, 2023, of Col\$4,191.28 to U.S.\$1.00. These convenience translations are not in accordance with IFRS as accepted in Colombia. These translations should not be construed as a representation that the Colombian peso amounts have been or could be converted into U.S. dollars at those or any other rates. See "Foreign Exchange Controls."

CONSOLIDATED STATEMENT OF FINANCIAL POSITION DATA	As of December 31,			As of June 30,	
	2021	2022	2022	2023	
	(in millions of Col\$)		(in thousands of U.S.\$ ⁽¹⁾)	(in millions of Col\$)	(in thousands of U.S.\$ ⁽¹⁾)
Total current assets	3,689,545	4,389,541	1,047,303	5,951,671	1,420,013
Total non-current assets	31,119,929	42,355,006	10,105,506	38,961,002	9,295,729
Total assets	34,809,474	46,744,547	11,152,809	44,912,673	10,715,741
Total current liabilities.....	2,059,872	2,581,555	615,935	5,146,178	1,227,830
Total non-current liabilities.....	17,068,736	22,885,086	5,460,166	20,474,796	4,885,094
Total liabilities.....	19,128,608	25,466,641	6,076,101	25,620,974	6,112,923
Total equity.....	15,680,866	21,277,906	5,076,708	19,291,699	4,602,818

- (1) The amounts in this column were converted from Colombian pesos to U.S. dollars solely for your convenience at the TRM published by the SFC at June 30, 2023, of Col\$4,191.28 to U.S.\$1.00. These convenience translations are not in accordance with IFRS as accepted in Colombia. These translations should not be construed as a representation that the Colombian peso amounts have been or could be converted into U.S. dollars at those or any other rates. See "Foreign Exchange Controls."

OTHER FINANCIAL DATA OF GEB	For the Year Ended December 31,				For the Six-Month Period Ended June 30,		
	2020	2021	2022	2022	2022	2023	2023
	(in millions of Col\$, except ratios)				(in millions of Col\$, except ratios)		(in thousands of U.S.\$⁽²⁾, except ratios)
EBITDA⁽¹⁾	4,155,237	4,548,926	5,216,636	1,244,640	2,400,925	2,954,216	704,848
Total Net Debt/EBITDA	2.91	2.95	3.62	3.62	N/A	N/A	N/A
EBITDA/Financial cost⁽³⁾	8.73	6.07	6.71	6.71	N/A	N/A	N/A
Total Net Debt/Equity (%)⁽⁴⁾	82%	86%	89%	89%	84%	88%	88%

(1) See "Note Regarding Non-GAAP Financial Measures."

(2) The amounts in this column were converted from Colombian pesos to U.S. dollars solely for your convenience at the TRM published by the SFC at June 30, 2023, of Col\$4,191.28 to U.S.\$1.00. These convenience translations are not in accordance with IFRS as accepted in Colombia. These translations should not be construed as a representation that the Colombian peso amounts have been or could be converted into U.S. dollars at those or any other rates. See "Foreign Exchange Controls."

(3) See "Note Regarding Non-GAAP Financial Measures." The Financial cost includes Interest Expense, Income from Hedging Instruments and Net gain (loss) in currency translation.

(4) See "Note Regarding Non-GAAP Financial Measures."

The following table sets forth key operating data of GEB:

	As of December 31,			Change	
	2020	2021	2022	2020-2021	2021-2022
<i>Power Transmission</i>					
Power Transmission Lines (in Km) ⁽¹⁾	2,337	2,355	2,907	0.8%	23.4%
Power Transmission Availability Rate (in %) ⁽²⁾	99.95%	99.92%	99.91%	-0.03%	-0.01%
Employees	804	846	831	5.8%	-1.8%
<i>Natural Gas Transportation</i>					
Natural Gas Transportation Pipelines (in Km)	4,017	4,033	4,033	0.4%	0.00%
Natural Gas Transportation Employees					
<i>Natural Gas Distribution⁽³⁾</i>					
Natural Gas (in volumes)	791.3	801.6	803.1	1.2%	0.2%
Employees	525	532	505	1.3%	-5.1%
<i>Generation</i>					
Install Capacity (in GW) ⁽⁴⁾	3,544	3,540	4,392	-0.1%	24.1%

(1) Refers to GEB, TRECSA and EEBIS Guatemala.

(2) Refers to transmission business segment in Colombia.

(3) Refers to Cálidda.

(4) Refers to the installed capacity of Enel Colombia and ElectroDunas.

SUMMARY FINANCIAL AND OPERATING DATA OF ENEL COLOMBIA

The following tables present summary financial and operating information of Enel Colombia as of December 31, 2022 and 2021 and for the years ended December 31, 2022 and 2021. This data is qualified in its entirety by reference to and should be read in conjunction with the Enel Colombia Audited Consolidated Financial Statement and the sections “Presentation of Financial Information,” “Selected Financial and Operating Data of Enel Colombia” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

The summary financial data of Enel Colombia as of December 31, 2022, and for the years ended December 31, 2022 and 2021 was derived from the Enel Colombia Audited Consolidated Financial Statement included elsewhere in this offering memorandum.

Solely for your convenience, certain amounts included in “Summary,” “Capitalization,” “Selected Financial and Operating Data of Enel Colombia,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Business” and elsewhere in this offering memorandum have been converted from Colombian pesos into U.S. dollars using the TRM certified by the SFC as of June 30, 2023.

These conversions should not be construed as a representation that the Colombian peso amounts represent, or have been or could be converted into, U.S. dollars at that or any other rate. See “Foreign Exchange Controls” for a more comprehensive description of the Colombian exchange rate system.

	For the Year Ended December 31,		
	2021	2022	2022 (in thousands of U.S.\$, except per share data)
	(in millions of Col\$, except per share data)		
Revenues from ordinary activities	4,722,685	12,100,256	2,887.01
Other operating income	3,997	123,627	29.50
Total, income from ordinary activities and other operating income.....	4,726,682	12,223,883	2,916.50
Supplies and Services	(1,530,064)	(4,969,696)	(1,185.72)
Contribution Margin.....	3,196,618	7,254,187	1,730.78
Other works carried out by the entity and capitalized ..	9,713	115,491	27.56
Personnel Expenses	(107,771)	(442,893)	(105.67)
Other fixed expenses, by nature	(142,544)	(599,077)	(142.93)
Gross Operating Result.....	2,956,016	6,327,708	1,509.73
Depreciation and Amortization expenses.....	(247,320)	(859,900)	(205.16)
Impairment loss	(4,807)	(380,707)	(90.83)
Operating Result.....	2,703,889	5,087,101	1,213.73
Financial income	11,071	302,620	72.20
Financial expense	(182,300)	(774,195)	(184.72)
Exchange difference, net.....	(5,082)	(109,763)	(26.19)
Financial Result, net.....	(176,311)	(581,338)	(138.70)
Share of profit of equity-accounted investees	756	(1,093)	(0.26)
Results on sale and disposal of assets	(1,638)	(3,442)	(0.82)
Results before taxes.....	2,526,696	4,501,228	1,073.95
Income tax expenses.....	(814,374)	(1,540,448)	(367.54)
Profit for the period.....	1,712,322	2,960,780	706.41

- (1) The amounts in this column were converted from Colombian pesos to U.S. dollars solely for your convenience at the TRM published by the SFC at June 30, 2023, of Col\$4,191.28 to U.S.\$1.00. These convenience translations are not in accordance with IFRS as accepted in Colombia. These translations should not be construed as a representation that the Colombian peso amounts have been or could be converted into U.S. dollars at those or any other rates. See “Foreign Exchange Controls.”

The following table sets forth key operating data of Enel Colombia:

	<u>2021</u>	<u>As of December 31,</u>	<u>2022</u>	<u>Change</u> <u>2021-2022</u>
<i>Electricity Generation</i>				
Unregulated Customers	478		470	(8)
Electricity Generated GWh ⁽¹⁾	13,112		13,663	551
Employees ⁽²⁾	449		458	9

(1) Includes only electricity generated in Colombia

(2) Employees related to electricity generation

RISK FACTORS

Before making any investment decision, you should read this offering memorandum and carefully consider, in light of your own financial circumstances and investment objectives, all of the information set forth in this offering memorandum and, in particular, certain matters relating to us, our consolidated subsidiaries and our related companies and other matters associated with investments in securities of issuers in countries, such as Colombia, that do not have highly developed capital markets, including, without limitation, the risk factors set forth below. Our business, operations and financial condition and those of our consolidated subsidiaries and our related companies and an investment in the Notes are subject to various risks. Some of these risks are described below. However, this section does not describe all risks applicable to our industry or business and those of our consolidated subsidiaries and our related companies and is intended only as a summary of certain material risk factors. Additional risks not presently known to us or that we currently deem immaterial may also impair our business and results of operations and those of our consolidated subsidiaries and our related companies. For purposes of this section, when we state that a risk, uncertainty or problem may, could or will have an “adverse effect” on us or “adversely affect” us, we mean that the risk, uncertainty or problem could have an adverse effect on our business, financial condition, results of operations, cash flow and/or prospects of us and those of our respective consolidated subsidiaries and related companies, and/or the price of the Notes, except as otherwise indicated. You should view similar expressions in this section as having similar meaning.

Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate

Changes to current regulations, legislation and rates may adversely affect our and our related companies’ cash flows, financial condition and results of operations.

Our and our related companies’ businesses are subject to extensive energy, environmental and social, and other laws and regulations at the national and local level that affect many aspects of our operations. Such laws and regulations relate to, among other things, required licenses, permits, registries and other approvals, the rates that we, our consolidated subsidiaries and our related companies may charge for our services, the terms and conditions which apply to our services, our ability to recover various categories of costs and the acquisition, construction and disposition of facilities by us, our consolidated subsidiaries and our related companies. In Colombia, CREG’s Regulatory Agenda indicates that adjustments will be made to the methodology for remunerating natural gas transportation activity as outlined in CREG Resolution 175 of 2021. CREG Resolution 702 009 of 2022 was adopted by CREG Resolution 102 003 of 2023.

The nature of our operations means that legal and compliance risks will continue to exist and additional legal proceedings and other contingencies, the outcome of which cannot be predicted with certainty, will arise from time to time. We cannot assure you that we will operate in compliance with, or be able to detect violations of, any existing or future laws or regulations. Any failure to comply with or properly anticipate changes in applicable laws or regulations could have a material adverse effect on our business, financial condition, results of operations or liquidity.

Moreover, changes in applicable law may result in legal disputes which could adversely affect our financial results of operations. For example, a 2019 regulatory resolution led to a billing dispute with our Contugas clients on whether payments were subject to the original contract fees or approximation fees. As a result, Col\$434,254 million (U.S.\$103,906 thousand) were subject to a billing dispute with Contugas. Any change in regulation may delay or decrease the fees generated by our operations and could have a material adverse effect on our business, financial condition, results of operations or liquidity. While we

believe that our and our related companies' businesses are in material compliance with applicable laws, regulations, licenses, permits and approvals, we cannot assure that we will continue to be so.

Further, we or our related companies may not be able to obtain, renew or maintain all licenses, permits and approvals required to operate our assets. The failure to obtain, renew or maintain any required licenses, permits or approvals or our inability or the inability of any of our consolidated subsidiaries or our related companies to satisfy any applicable legal requirements may result in significantly increased compliance costs, the need for additional capital expenditures, the assessment of administrative, civil and criminal penalties, imposition of remedial measures or a suspension of operations, which could have a material adverse effect on our or any of such consolidated subsidiaries' or related companies' cash flows, financial condition and results of operations and could impair our ability to make payments under the Notes.

For example, under Law 1333 of 2009 ("Law 1333"), ANLA has initiated eleven environmental investigations against us for, among other things, allegedly constructing electric transmission towers within an exclusion area. Two of these investigations are already closed. Out of the eleven environmental investigations, ANLA presented formal charges in four of them against us from 2018 to the date of this offering memorandum. If we are found liable for the violation of environmental laws in connection with an investigation under Law 1333, environmental authorities may impose penalties, such as daily fines for up to Col\$5,867,792 million (U.S.\$1.4 million), the termination of environmental licenses or permits, or even the temporary or definitive closing of our project sites, buildings or services. Furthermore, we are aware that ANLA and other environmental authorities have initiated several investigations against us and our related companies, that if found liable, we and our related companies could be subject to the penalties set forth in Law 1333. See "Colombian and Peruvian Electricity Industry, Regulatory and Environmental Framework — Colombia — Laws and Regulations."

The Corporaciones Autónomas Regionales (CARs) of Nariño, Orinoquía and Tolima have initiated three investigations against us for alleged breaches of current environmental regulations. See "— Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — Regulatory agencies could penalize us or our consolidated subsidiaries and our related companies if we fail to comply with the terms of the rules and regulations applicable to our transmission and transportation business."

On June 2, 2023, President Petro's administration issued Decree 1085 of 2023 to declare the State of Economic, Social and Ecologic Emergency due to the humanitarian crisis in the Colombian Department of La Guajira. Pursuant to the State of Emergency declared in Decree 1085 of 2023, President Petro's government issued Decree 1276 of 2023 to adopt measures that expand access to electricity service and preserve the livelihood of the population through the promotion of the energy transition, aiming to overcome the humanitarian crisis.

The National Government, through the issuance of Decree 1276 of 2023, has introduced regulations specifically aimed to govern various aspects concerning companies that are actively involved in renewable energy generation projects situated within the Department of La Guajira. Decree 1276 of 2023 also authorizes Ecopetrol to develop generation projects with renewable energy sources in the Department of La Guajira. On October 2, 2023, Decree 1085 of 2023 was declared unconstitutional by the Constitutional Court. However, the Constitutional Court postponed the effects of its decision for one year. Therefore, the measures adopted by the President Petro's administration during the emergency will be in force until the Constitutional Court rules on each of the decrees issued, including Decree 1276 of 2023.

It is unclear how such decrees may affect our or our related companies' business, or whether we or our related companies will need to adjust business strategies in response to such regulation. Furthermore, we cannot predict the impact of new policies or laws that may negatively affect the Colombian economy,

as well as our or our related companies' business and financial performance, and our ability to make payments under the Notes.

Periodic adjustment of our transmission rates or reviews of the methodologies established by applicable regulations for the calculation of such rates may result in reductions of our revenues from our electricity transmission and distribution businesses and gas transmission and distribution businesses that may have a material adverse effect on our business, results of operations, financial condition and our ability to make payments under the Notes.

Our ability to make payments under the Notes may depend on our ability to receive dividends and other distributions from our consolidated subsidiaries and our related companies.

For the year ended December 31, 2022, at a holding company level, we derived (i) 74% of our total dividends from our associated and joint ventures, and (ii) 26% of our total dividends from our consolidated subsidiaries. Our ability to make payments under the Notes may depend upon the ability of our consolidated subsidiaries and our related companies to pay dividends or make other distributions in amounts sufficient to allow us to meet our obligations, including our obligations under the Notes.

The ability of our consolidated subsidiaries and our related companies to make dividend payments and other distributions to us could depend on the completion or commercial operation of certain green-field projects, their cash flows and earnings, and may be restricted by, among other things, applicable laws and regulations (including tax laws), capital expenditure requirements, terms of the agreements, including indentures governing their existing indebtedness or the indebtedness of their affiliates as well as shareholders' agreements, and a deterioration of the financial condition and profitability of our consolidated subsidiaries and our related companies. Moreover, the Indenture governing the Notes will not restrict our ability to impose and/or consent to the adoption of any contractual restrictions on the ability of our related companies and consolidated subsidiaries to limit the amount of dividends or other capital distributions they make to us.

If we are unable to obtain sufficient funds from our consolidated subsidiaries and our related companies as a result of restrictions under their debt or other agreements, the effects of any global epidemic, applicable laws and regulations or otherwise, or there is a deterioration of the financial condition and profitability of our consolidated subsidiaries and our related companies, we may not be able to comply with our obligations, including our obligations under the Notes. From the holding company's perspective, for the years ended December 31, 2020, 2021 and 2022, we paid Col\$1,285,365 million, Col\$2,596,797 million and Col\$1,920,054 million (U.S.\$ 458.1 million), respectively, in dividends to our shareholders and received, Col\$1,075,413 million, Col\$2,207,558 million and Col\$1,840,580 million (U.S.\$439.1 million), respectively, in dividends from our consolidated subsidiaries and our related companies. Furthermore, our consolidated subsidiaries and our related companies have incurred indebtedness and may be permitted to incur additional indebtedness that may impose further restrictions or prohibit the making of distributions, the payment of dividends or the making of loans to us by such consolidated subsidiaries and our related companies. There can be no assurance that we will obtain sufficient funds from our consolidated subsidiaries and/or our related companies in order to make payments under the Notes.

We derive a substantial portion of our cash flow from distributions from our related companies Enel Colombia, Vanti, REP and CTM, over which we have no control and which may not distribute profits under certain circumstances, which could adversely affect our results of operations.

We own 63,311,437 shares of voting common stock of Enel Colombia, representing 42.515% of the total shares of common voting stock of Enel Colombia. For the year ended December 31, 2022, we received Col\$1,477,942 million (U.S.\$352.6 million) of dividends from Enel Colombia.

On January 29, 2021, GEB and Enel Américas S.A. (“Enel Américas”) entered into an Investment Framework Agreement, as amended (the “Investment Framework Agreement”), pursuant to which the parties agreed to certain rules for the distribution of dividends from Enel Colombia. See “Business — Our Electricity Distribution Business in Colombia — Enel Colombia — Investment Framework Agreement.” The Investment Framework Agreement will terminate if any single party to the agreement or a third party acquires more than 75% of the capital stock of Enel Colombia. There can be no assurance that the Investment Framework Agreement will not be amended, terminated, or interpreted in a manner that could adversely affect Enel Colombia’s ability to continue making dividend payments and other distributions to us, and subsequently adversely affect our financial condition, our results of operations, and our ability to make payments under the Notes. In addition, Enel Colombia’s ability to continue to make dividend payments and other distributions to us may be restricted by, among other things, applicable laws and regulations (including tax laws), capital expenditure requirements such as under the terms of agreements governing Enel Colombia’s indebtedness and the indebtedness of its affiliates. Moreover, the Indenture governing the Notes will not restrict our ability to impose and/or consent to the adoption of any contractual restrictions on the ability of our related company Enel Colombia to limit the amount of dividends or other capital distributions it makes to us. See “Business — Our Electricity Distribution Business in Colombia — Enel Colombia — Investment Framework Agreement.”

Enel Colombia may not continue to distribute dividends and/or make other distributions in an amount consistent with the amount of dividends and distributions historically paid by this company to us. For the year ended December 31, 2022, Enel Colombia distributed Col\$1,477,942 million (U.S.\$352.6 million) in the form of dividends to GEB, which represented 49.9% of Enel Colombia’s profits.

Commercial and legal disputes and disagreements between us and Enel Américas over Enel Colombia could have an adverse effect on the financial condition and results of operations of Enel Colombia and, as such, on the total amount of dividends received and, consequently, on our financial condition, results of operations, and ability to make payments under the Notes.

In addition, Enel Colombia may incur debt in the future pursuant to agreements that may restrict or limit its ability to pay dividends and make other distributions to its shareholders. Under the terms of the Investment Framework Agreement, we have no veto rights with respect to the incurrence of new debt by Enel Colombia. See “Business — Our Electricity Distribution Business in Colombia — Enel Colombia — Investment Framework Agreement.” To the extent that Enel Colombia enters into any such applicable debt agreements, its ability to continue making dividend payments and other distributions to us could be materially adversely affected and that could, in turn, adversely affect our financial condition, results of operations, and ability to make payments under the Notes.

Moreover, pursuant to the Investment Framework Agreement, there are certain exception to the obligation to distribute dividends in Enel Colombia, particularly if, by fiscal year-end, dividends are taxable for its shareholders, in which case distribution will be the lesser of the base agreement amount and the maximum of non-taxable distributable dividends, but in any event no less than 60%.

Moreover, according to the Investment Framework Agreement, we are not restricted from selling our investments in Enel Colombia and may consider selling such investments in the future. If we were to sell our investments in Enel Colombia, our financial condition, results of operations and ability to continue making payments under the Notes could be materially adversely affected.

We own 9,229,121 shares of common voting stock of Vanti, representing 25.0% of the total shares of its common voting stock. For the year ended December 31, 2022, we derived Col\$68,729million of dividends from Vanti. The Brookfield Group, through Gamper Acquireco II S.A.S., indirectly owns 74.95% of and exercises control over Vanti. We have not executed a shareholders’ agreement with the Brookfield

Group and we do not have any investment agreement or shareholders' agreement with Vanti. As a result, we cannot assure that that current policy will remain in place, nor can we control decisions relating to dividends and other distributions to shareholders by Vanti.

In addition, Vanti may incur debt in the future pursuant to agreements that may restrict its ability or the ability of its subsidiaries to pay dividends and make other distributions to their shareholders. To the extent that Vanti or its subsidiaries enter into any such agreements in the future, their ability to make dividend payments and other distributions to us may be restricted and our financial condition, results of operations, and ability to make payments under the Notes could be adversely affected.

We also own: (i) 28,864,000 shares of common voting stock of REP, representing 40% of the total shares of common voting stock of REP; and (ii) 327,954,904 shares of common voting stock of CTM, representing 40% of the total shares of common voting stock of CTM.

For the year ended December 31, 2022, we derived Col\$74,291 million of dividends from our related companies REP and CTM.

In addition, REP and CTM may incur debt in the future pursuant to agreements that may restrict their ability to pay dividends and make other distributions to their shareholders. To the extent that REP and CTM enter into any such agreements in the future, their ability to continue making dividend payments and other distributions to us will be restricted and our financial condition and results of operations could be adversely affected. Finally, we are not restricted from selling our investment in REP and/or CTM and may consider selling any such investments in the future. If we were to sell our investments in REP and/or CTM, our financial condition, results of operations, and ability to make payments under the Notes could be materially adversely affected.

We conduct certain of our operations through our related companies that we do not control or manage, and our results of operations could be adversely affected by the performance of these such related companies, or by our inability to resolve any material disagreements with our partners with respect to the management of such investees.

Many of our operations are conducted through joint venture arrangements or by means of significant investments in companies controlled and/or managed by our business partners, including Enel Colombia, CTM, REP, Argo, Promigas, EMSA and Vanti. Consequently, we depend on the performance of our business partners and on their ability to successfully manage and operate our related companies that we do not control. Any failure by our business partners to successfully manage and operate our related companies could adversely affect our operations, which in turn could have a negative impact on our financial condition, results of operations, and ability to make payments under the Notes.

In addition, in the event of a disagreement or dispute between us and any of our business partners, we may not be able to reach an agreement and resume the efficient management of our related companies. If we are unable to resolve disputes with our business partners amicably and successfully, our ability to continue to manage our operations and execute the portion of our strategy that is dependent on these related companies' businesses may be materially adversely affected. Accordingly, our failure to resolve disagreements with our business partners could adversely affect our or their ability to conduct the underlying operations of our significant investments and joint ventures, which, in turn, could adversely affect our financial condition and results of operations, and, as such, limit our ability to make payments under the Notes. See "Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — We derive a substantial portion of our Adjusted EBITDA and cash flow from dividends and other distributions from our related companies Enel Colombia, REP and CTM, over which we have no

control and which may not distribute profits under certain circumstances, which could adversely affect our financial condition, results of operations, and ability to make payments under the Notes.”

We are controlled by the District-Capital of Bogotá, whose interests may be contrary to our interests, the interest of our other shareholders and/or the interests of the holders of the Notes.

The District-Capital of Bogotá owns 65.68% of our common stock and has the power to elect a majority of our directors and officers and determine the outcome of most actions requiring shareholder approval, including transactions with related parties, corporate reorganizations and the timing and payment of dividends. Matters including capital reforms, the sale of assets valued at over 15% of GEB’s market capitalization, reforms to the by-laws concerning the primary corporate purpose, early dissolution, and corporate governance protections, as well as the distribution of retained earnings or reserves from previous fiscal years, are subject to the approval of 70% of GEB’s subscribed capital under the shareholders’ agreement, effective as of July 31, 2018, among the District-Capital of Bogotá and other GEB shareholders. In situations involving conflicts of interest, the District-Capital of Bogotá may use its control over us in a manner adverse to other GEB shareholders or the holders of the Notes. For example, the District-Capital of Bogotá may direct us not to engage in certain activities or make certain expenditures, or may engage in certain activities and make certain expenditures designed primarily to promote its own social, political or economic goals to the detriment of GEB or its minority shareholders or holders of the Notes. In addition, we may be subject to public or political pressure. Any of the abovementioned circumstances could adversely affect our business, financial condition, results of operations, and ability to make payments under the Notes.

Moreover, the ability of the District-Capital of Bogotá to control certain decisions related to our company may limit our flexibility to respond to market developments, take advantage of market opportunities, to implement our strategy or incur indebtedness — which would require the approval of the MHCP or certain other authorities within the District-Capital of Bogotá, as the case may be — or to otherwise make changes to our business and operations.

Changes in the government of the District-Capital of Bogotá or the sale of a controlling interest in GEB by the District-Capital of Bogotá may result in changes in GEB’s senior management, which may have a material adverse effect on GEB’s financial condition and results of operations.

The District-Capital of Bogotá has the power to appoint a majority of the members of GEB’s board of directors and the board of directors has the power to appoint executive officers, including GEB’s President. Mayors of the District-Capital of Bogotá are not eligible for immediate re-election. On October 29, 2023, Carlos Fernando Galán was elected as Capital District of Bogotá’s next Mayor with over 48% of the votes, and he will take office on January 1, 2024 for a four-year term. Any change in the administration of the District-Capital of Bogotá could lead to changes in GEB’s senior management, which in turn could have a material adverse effect on GEB’s ability to continue to implement its current strategy and, consequently, may have a material adverse effect on GEB’s financial condition and results of operations.

Dividends and other distributions from GEB represent a significant source of revenue and cash flow for the District-Capital of Bogotá. Therefore, GEB is considered a strategic investment for the District-Capital of Bogotá. On the one hand, if GEB is unable to make dividend payments or other distributions to the District-Capital of Bogotá or if these distributions decrease, the District-Capital of Bogotá may cease to consider its investment in GEB strategic and further sell all or a portion of its ownership interest in GEB or change its strategy with respect to GEB. On the other hand, the District-Capital of Bogotá may use its controlling interest in GEB to approve dividend distributions from GEB to its shareholders in amounts higher than would be financially sound; provided that the dividend distribution proposal is submitted for approval by the shareholders by GEB’s Board of Directors and the dividends to be distributed do not consist of retained earnings or reserves from prior fiscal years, so that the voting requirement of 70% of GEB’s

subscribed capital under the shareholders' agreement, effective as of July 31, 2018, among the District-Capital of Bogotá and other GEB shareholders. The occurrence of any of these events could have a material adverse effect on GEB's financial condition, results of operations, and ability to make payments under the Notes.

The success of our business and the businesses of our related companies depends, in part, on factors beyond our and our related companies' control.

The success of our businesses and the businesses of our related companies is partially dependent on the actions of third parties and on factors beyond our and our related companies' control. The following factors, most of which are beyond our and our related companies' control, may unfavorably impact our business and the businesses of our consolidated subsidiaries and our related companies:

- availability and competitiveness of alternative energy sources in the markets served by us and our related companies;
- expiration or termination of significant contracts or concessions;
- adverse general economic or political conditions in the countries where we operate;
- a deterioration of the financial condition and profitability of our related companies, including, in particular, Enel Colombia;
- the operational availability of the electricity transmission systems of other electricity transmission companies that are interconnected with our electricity transmission systems;
- changes in regulation and actions and interpretations of regulatory bodies, including changes to the regulated utility rates approved by regulatory agencies in the countries where we operate and/or invest;
- the control of our operating costs and expenses;
- inflation and currency and interest rate fluctuations;
- investments in electricity transmission assets having a rate of return that is not sufficient to cover our and our related companies' operating costs and costs of capital;
- changes in availability and demand of electricity in the countries where we operate and/or invest;
- changes in hydrology and other weather conditions and phenomena;
- the effects of global epidemics and pandemics such as COVID-19, including the changes in regulation it may result in Colombia and the other countries where we operate and/or invest;
- changes in regulation and actions of regulatory bodies, including changes to the maximum regulated rates approved by CREG in Colombia;
- changes in regulation and actions of regulatory bodies, including changes to the maximum regulated rates approved by the OSINERGMIN yearly or every four years in Peru, depending on the facilities remunerated by such rates;

- changes in regulation and actions of regulatory bodies, including changes to the maximum regulated rates approved by the CNEE in Guatemala;
- changes in regulation and actions of regulatory bodies, including changes to the maximum regulated rates approved by the ANEEL in Brazil;
- changes in availability and demand of natural gas and electricity in Colombia, Peru, Guatemala and Brazil;
- increases in capital costs;
- our ability or the ability of our related companies to build or expand our energy infrastructure within anticipated costs;
- opposition to energy infrastructure development, particularly in environmentally and socially sensitive areas;
- obtaining necessary rights of way and easements for expansion projects; and
- suppliers may not comply with their contractual obligations with us, or may be subject to material adverse changes that may adversely affect their ability to comply with contractual obligations with us, resulting in delays or increased costs.

These and other factors could materially adversely affect our cash flow, financial condition and results of operations of our related companies, as well as our ability to make payments under the Notes.

The expansion of our and our related companies' electricity generation, transmission and distribution or natural gas transportation and distribution infrastructure subjects us and our related companies to construction and other related risks that may adversely affect our financial condition, results of operations, and ability to make payments under the Notes.

We and our related companies may expand the capacity of our existing operations by constructing additional facilities or expanding existing infrastructure. Construction of these facilities or expanding existing infrastructure is subject to various regulatory, developmental and operating risks, including:

- the requirement that the relevant expansion plan be awarded to any of us or our related companies or approved by regulatory agencies in the countries in which we and our related companies operate or intend to operate;
- the requirement that all necessary regulatory approvals and permits be received on a timely basis on terms that are acceptable to any of us, our consolidated subsidiaries and our related companies;
- potential changes to national and local statutes and regulations, including environmental requirements that prevent a project from proceeding or increase the anticipated cost of an expansion project;
- impediments to our or our related companies' ability to acquire rights-of-way, easements or land rights on a timely basis or within our anticipated costs;
- the ability to construct projects within anticipated costs and by agreed upon deadlines, including the risk that we or any of our related companies may incur cost overruns resulting from inflation or

increased costs of equipment, materials, labor, or other factors beyond our control, that may be material;

- the possibility that anticipated future growth in electricity and natural gas supply may not materialize;
- adverse general economic conditions in the countries in which we and/or our related companies operate or invest;
- changes in regulation and actions of regulatory bodies, including changes to the maximum regulated rates approved by CREG in Colombia and/or by OSINERGMIN in Peru;
- changes in availability and demand of natural gas and electricity in Colombia and/or the other countries where our consolidated subsidiaries and our related companies operate;
- increases in capital costs;
- opposition to energy infrastructure development, particularly in environmentally and socially sensitive areas;
- the lack of transportation, storage or through-put commitments that result in write-offs of development costs;
- the availability of adequate financing and interest rates; and
- adverse decisions of governmental agencies with respect to any ongoing or future tariff review or adjustment applicable to any of us or our related companies.

Any of these risks could prevent a project from proceeding, delay its completion or increase its anticipated costs. As a result, new facilities or expansion of existing infrastructure may not achieve the expected investment return, which could adversely affect our financial condition, results of operations, and ability to make payments under the Notes.

Changes in economic policies in Colombia, Peru, Guatemala and Brazil could affect our business, financial condition and results of operations and those of our related companies, as well as their ability to pay dividends or make other distributions to us.

Our financial condition, results of operations, and ability to make payments under the Notes may be adversely affected by changes in the political climates of Colombia, Peru, Guatemala and Brazil to the extent that such changes affect the economic policies, growth, stability, outlook or regulatory environment of these countries.

Colombia

With respect to Colombia, as of December 31, 2022, revenues from our consolidated subsidiaries in the country represented 36.2% of our consolidated total revenue. Considering the amendments under Law 2277 of 2022, dividends distributed out of profits generated as of fiscal year 2017 by Colombian legal entities to tax resident individuals are subject to an aggregate progressive rate between 0% and 20%, whereas dividends distributed to non-residents are subject to dividends tax at a 20% rate. If the profits out of which the dividends are paid were not fully subject to income tax at the level of the entity distributing the dividend, an equalization tax equivalent is levied at the ordinary income tax rate (i.e., 35%), prior to the

application of the applicable dividend tax. Tax treaties may reduce the aforementioned dividends tax and equalization tax rates.

The Colombian parliamentary elections were held on March 13, 2022, the results of which suggested a fragmented Congress despite leftwing parties increasing their overall representation. On August 7, 2022, Gustavo Petro was sworn in as the new President of Colombia. During his presidential campaign, President Petro indicated support for certain changes to Colombian oil exploitation policies to make Colombia less dependent on the oil industry and to accelerate the transition to cleaner energy sources, as well as support for pension and tax reforms. In the first months of President Petro's government, former Minister of Mines and Energy, Irene Vélez Torres, discussed the possibility of suspending new agreements for oil exploration, while respecting the agreements currently in place. Notwithstanding, on November 3, 2022, she announced that the Colombian government does not intend to end oil exploration and extraction in Colombia, and that instead, the Colombian government intends to promote an energy transition to support the reliability and stability of the energy system. Furthermore, in the context of such energy transition, the Colombian government presented the "Construction of principles, methodology and launch of the Social Dialogue to define the Roadmap for the Just Energy Transition in Colombia" during the United Nations Conference on Climate Change COP27 in Egypt in November 2022. This roadmap is designed to be built through technical analysis and together with existing regulations such as Law 2099 of 2021 and CONPES 4075 of 2022. On January 20, 2023, at the World Economic Forum in Davos, Switzerland, former Minister Vélez reiterated the government's commitment to the country's transition from an economy dependent on fossil resources to a productive economy. The former Minister discussed the country's plan to increase gas and oil reserves to support the transition and guarantee energy self-sufficiency, and continued support for current projects. The former Minister also reiterated that the National Hydrocarbons Agency (ANH), reviewed existing exploration and exploitation contracts in Colombia, which it expects would guarantee the national supply of oil and gas through at least through the year 2037.

In March 2023, the Colombian government published a statement indicating that, as part of the strategy for a "sustainable and just energy transition" (*"transición energética justa y sostenible"*), it will continue to explore and exploit liquid fuels and gas. Moreover, the Colombian Congress is deliberating a legislative proposal to definitively prohibit fracking in Colombia.

In August 2023, Andrés Camacho was appointed as the new Colombian Minister of Mines and Energy. Mr. Camacho has stated that exploratory activity in oil and gas will continue in Colombia, incorporating reserves that are necessary for the energy transition. Similarly, Mr. Camacho has expressed that the energy transition will include the participation of all stakeholders, both private and public, in the industry, and that oil and gas will be a part of this transition to renewable energies.

On October 29, 2023, Colombian regional elections were held, and candidates from diverse political backgrounds and parties that have traditionally been in power emerged victorious in the primary mayoral and gubernatorial races. Carlos Fernando Galán secured the election for Mayor of the District-Capital of Bogotá with over 48% of the votes. This shift in the political landscape may have significant implications in the implementation of public policies and the relationship with other governmental authorities. See "— Changes in the government of the District-Capital of Bogotá or the sale of a controlling interest in GEB by the District-Capital of Bogotá may result in changes in GEB's senior management, which may have a material adverse effect on GEB's financial condition and results of operations."

At this time, it is unclear how such policies may change in the future and how they may adversely affect our business, what form they could take, or whether we would need to adjust our business strategy to any such policies. Furthermore, although throughout recent history elected governments (and the Colombian Congress as well) have pursued free market economic policies with almost no economic interventions, we cannot predict which policies, if any, will be adopted by the new government and/or

Congress and whether those policies would have a negative impact on the Colombian economy or our business and financial performance.

Law 2155 of 2021 modified the income tax rate for legal entities to 35% starting in 2022. Similarly, a new tax reform bill was sanctioned by President Petro as Law 2277 of 2022 on December 13, 2022. The law is expected to increase tax collection to approximately Col\$20 trillion by the end of 2023 (approximately 3% of the country's GDP). The tax reform includes, among others:

- a new permanent equity tax applicable to Colombian individuals and non-residents, at rates ranging from 0.5% to 1.5% based on the level of net equity on January 1st every year;
- an increase in the dividend tax rate for local and foreign shareholders (0% to 39% progressive marginal rates for Colombian individuals, and 20% flat withholding for non-resident shareholders);
- an increase in the long-term capital gains tax rate (increasing from 10% to 15%);
- the elimination of specific tax benefits and exemptions;
- a minimum corporate income tax based on effective tax rate (effective rate calculated on book profit should be at least 15%, considering certain adjustments to accounting profits and certain exempted companies);
- the application of taxes based on significant economic presence (primarily for non-resident persons and entities that provide digital services, but including other services and commercial activities);
- the elimination of the ability to claim the Industry and Trade Tax as an income tax credit;
- non-deductibility of royalties; and
- the modification of Article 221 of Law 1819 of 2016, with an adjustment to the taxable event and establishing that the national carbon tax will be levied on the carbon equivalent content (CO₂eq) of all fossil fuels, including all petroleum derivatives, fossil gas and solids used for combustion.

Additionally, Law 2277 of 2022 introduced changes in the withholding tax rate on dividends and the minimum tax rate. It also introduces the wealth tax (*impuesto al patrimonio*) for individuals and increases the income tax rate to 15%.

Additionally, in March 2023 the Colombian government presented a bill for a pension reform (which restructures the pension system into a “pillar system” that manages and assigns funds in accordance with age, the condition of the affiliates, among others, as well as changes to pension schemes applicable to women).

The bill for the National Development Plan was approved by the Congress of Colombia on May 5, 2023 (Law 2294 of 2023). As of the date hereof, it is unclear how these bills could affect the Colombian economy or our business and our related companies' business.

In August 2023, the Labor Ministry of Colombia presented a bill for a labor reform which privileges the hiring of employees through indefinite term employment agreements, increases the severance payment in cases of unilateral termination of the employment agreement by the employer, modifies the hours after which nighttime surcharges become due, among other relevant provisions. The labor reform is subject to potential supplementation or rejection during the congressional debates. We cannot predict the impact or

effect of this new regulation on our or our related companies' business, financial condition and results of operations.

During the last week of September, in the middle of public congregations held in the capital of the country, President Petro addressed the public in a speech where he stated that the government intended to present a bill to reform the applicable regulation to public utilities in Colombia, in particular on the tariffs. As of the date hereof, it is unclear how this reform could affect the Colombian economy or our business and our related companies' business.

Peru

With respect to Peru, as of December 31, 2022, our revenues from consolidated subsidiaries in the country represented 62% of our total revenues. Peru's most recent general presidential elections took place in April 2021. Following a run-off between the two top contenders on June 6, 2021, Pedro Castillo was elected as Peru's president. On December 7, 2022, President Castillo announced his intention to dissolve the Peruvian Congress and to intervene, among others, the Peruvian judicial branch and Supreme Court. President Castillo's actions were deemed to constitute an attempted coup, which led to his removal from office and arrest. President Castillo was succeeded by his then vice-president, Dina Boluarte. After President Castillo was removed from office, protests erupted across the country in support of former President Castillo. In response, President Boluarte declared a state of emergency in several Peruvian regions on December 12, 2022. She also sought congressional approval for a bill to hold early elections in 2024, but the Peruvian Congress did not approve it. As of the date hereof, President Boluarte has announced that she will remain in office until July 2026. These events have further increased the environment of political uncertainty in Peru and gave way to further discussions about a possible reform of the Peruvian Constitution, which is based on free market, contractual liberty, and minimal governmental intervention in the Peruvian economy. We cannot assure that policies against free market and minimal intervention of the government in the Peruvian economy will not be taken by the new administration or any new congress. Any changes in the Peruvian economy or the Peruvian government's economic policies may have an adverse effect on our business and our related companies' financial condition and results of operations. Changes in economic or other policies by the Peruvian government or other political developments in Peru could adversely affect our business, financial condition, results of operations and those of our subsidiaries.

Brazil

With respect to Brazil, for the year ended December 31, 2022, net profit derived from our related companies was Col\$92,897 billion through the equity method. In 2022, contributions to our EBITDA from Brazil was negligible. The Brazilian market, as well as other Latin American markets, has experienced heightened volatility, higher inflation and macroeconomic turbulence. Brazil's economy continues to be resilient in the face of headwinds. We cannot predict which policies will be adopted by the respective governments and whether those policies would have a negative impact on the Brazilian economy. Changes in economic or other policies by President Lula da Silva's administration could adversely affect our industry in general, or our Brazilian subsidiaries and our Brazilian related companies' results of operations, in particular.

Guatemala

With respect to Guatemala, for the year ended December 31, 2022, our direct operations from our consolidated subsidiaries in the country represented 2% of our total revenues. Guatemala has historically experienced perceived levels of corruption, among other social and political problems, which affected, among other things, the ability of the Guatemalan government to implement political, economic and social reforms.

Corruption and corruption investigations could directly affect the Guatemalan government, divert resources that would otherwise be focused on developing the economy and result in slower or negative economic growth. In return, this could impact the operations of our consolidated subsidiaries in Guatemala.

On August 20, 2023, Bernardo Arévalo was elected as Guatemala's next President, and he will take office on January 14, 2024. We cannot predict which policies will be adopted by the new government in Guatemala and whether those policies would have a negative impact on our operations in Guatemala.

Notwithstanding the above, and despite temporary suspensions, to date the transition process between the outgoing government of President Alejandro Giammattei and the incoming government of President-elect Bernardo Arévalo, continues its course for the effective presidential inauguration on January 14, 2024.

We cannot provide any assurances that political or social developments in Colombia, Peru, Guatemala or Brazil over which we have no control, will not have an adverse effect on the economic conditions in any of these countries and will not adversely affect the business, financial condition and results of operations of our consolidated subsidiaries and our related companies and their ability to pay dividends or make other distributions to us. This could have a material adverse effect on our business, results of operations, financial condition and ability to make payments under the Notes.

We and our related companies may face social opposition or be required to conduct prior consultation processes, which would increase the costs of operations, and thus negatively impact our and our related companies' financial condition, results of operations, and/or reputation.

We and our related companies may experience opposition from local communities in connection with our new projects, which could delay the development of these projects, even if we and our related companies obtain the required approvals, licenses, authorizations and permits for any future projects. Any delay in the development of any of our projects as a result of opposition from local communities or otherwise could negatively impact our or our related companies' financial condition, results of operations, and/or reputation.

In Colombia, as a result of any such opposition, the Colombian Ministry of Internal Affairs may be required to initiate and coordinate prior consultation processes with certain ethnic communities such as: (i) indigenous communities, (ii) Afro-Colombian communities, (iii) gypsies, (iv) *palenqueros* and (v) *raizales* located within the area of influence that have been recognized and registered by such authority. Applicable law provides that ethnic communities must be inquired regarding administrative and legal measures that directly affect them and with respect to the exploitation of natural resources that may directly affect their cultural integrity. Colombian courts have broadly interpreted this right of prior consultation. As a result, the commencement of a proceeding by any person to enforce such a right could lead to legal costs and material delays in the development of our projects, which could have a material adverse effect on our business, financial condition, results of operations, properties or prospects.

In Peru, the Law 29785 establishes a prior consultation procedure (*procedimiento de consulta previa*) that the Peruvian government must carry out with local indigenous communities, whose rights may be directly affected by new legislative or administrative measures, including the granting of new permanent concessions authorizations, licenses and permits. Upon completion of this prior consultation procedure, the Peruvian government retains the discretion to approve or reject the applicable legislative or administrative measure.

Because in almost all Latin-American countries the participation of local indigenous communities play a very important role, we cannot assure you that new regulations providing additional requirements to

guarantee the rights of these communities will not be issued. Any such new regulations may adversely affect our and our related companies' financial condition and result of operations.

We are subject to financing and interest rate exposure risks.

Our future success depends on our ability to access capital markets and obtain financing at cost effective rates. This is dependent on a number of factors, many of which we cannot control, including changes in:

- our credit ratings;
- interest rates;
- exchange rates;
- the structured and commercial financial markets;
- market perceptions of natural gas and electricity industries;
- tax rates due to new or changes to existing tax laws;
- foreign exchange and investment controls and restrictions; and
- market prices for electricity and natural gas.

As of December 31, 2022, Contugas had an aggregate amount of U.S.\$355 million (Col\$1.5 trillion) of indebtedness outstanding pursuant to (a loan agreement by and among Contugas, as borrower, and Mizuho Bank, Ltd., Banco Bilbao Vizcaya Argentaria S.A., New York Branch, Sumitomo Mitsui Banking Corporation, Banco de Sabadell, S.A., Miami Branch, Banco Santander, S.A., Export Development Canada, Banco de Bogotá (Panama) S.A., Banco Latinoamericano de Comercio Exterior S.A. and Citibank, N.A. International Banking Facility, as lenders (the "Contugas Loan Agreement"), which is set to mature on September 24, 2024. This loan agreement is guaranteed by GEB and TGI.

Contugas may be unable to refinance the Contugas Loan Agreement or obtain such refinancing on terms acceptable to Contugas unless Contugas secures guarantees from its shareholders. In the absence of such refinancing, Contugas could require further equity contributions to fund its cash shortfall or evaluate other financing alternatives permitted under its concession contract with the Peruvian government.

The shareholder's equity of Contugas as of December 31, 2022 were U.S.\$46.2 million (Col\$194 billion).

Contugas' total net worth (Total Equity) as of June 30, 2023 is U.S.\$38 million (Col\$159 billion) which represents 83% of the Issued Capital. We cannot assure that Contugas' operating performance and cash flow generation will be sufficient to maintain the total net worth to shareholders equity ratio required to avoid dissolution under Peruvian corporate law. If Contugas is unable to improve its operating performance and cash flow generation, we may need to seek to further capitalize Contugas to enable it to meet its financing and operational needs. Furthermore, if Contugas were forced to sell its assets, such assets may not be sold quickly enough or may be sold below market value or for amounts insufficient to enable Contugas to meet its payment obligations. If Contugas is not able to improve its operating performance and cash flow generation, our financial condition and results of operations, and, as such, our ability to make payments under the Notes, could be adversely affected

In addition, although we hedge a portion of our exposure against interest rate fluctuations, our financial condition, results of operations, ability to make payments under the Notes, and liquidity could be adversely affected if there is a negative movement in interest rates.

Our level of consolidated indebtedness may adversely affect our business, results of operations, financial condition and our ability to make payments under the Notes.

Our outstanding consolidated loans and borrowings as of December 31, 2022, was Col\$20,343,365 million (U.S.\$4,229 million) of which Col\$2,882,525 million was denominated in Colombian *pesos* and the remaining amount was denominated in foreign currency (Col\$16,972,242 million in U.S. dollars and Col\$488,598 in Peruvian soles). Our debt levels could have important consequences to you as a noteholder. The Indenture governing the Notes does not limit the aggregate amount of additional indebtedness that we and/or our subsidiaries may incur in the future.

Although we and our consolidated subsidiaries strive to match the currency of our financial liabilities to the currency of our revenues, given our exposure to different currencies, the devaluation of the Colombian *peso* affects our profits and has an accounting effect on our U.S. dollar-denominated indebtedness. For the year ended December 31, 2022, 83% of our loans and borrowings were denominated in U.S. dollars. Our financial condition, results of operations and ability to make payments under the Notes could be affected by an increase in financial costs due to the devaluation of the Colombian *peso*, which would require us to allocate a greater amount of our cash flow generated in Colombian *pesos* to service our debt denominated in U.S. dollars. As a result, the devaluation of the Colombian *peso* would lead to the recognition of currency translation losses due to the increase in the affected debt balance upon the translation of our U.S. dollar-denominated debt to Colombian *pesos*. In addition, debt levels could result in one or more of the following:

- make it difficult for us to make payments under the Notes;
- require us to dedicate a substantial portion of our cash flows from operations to payments on our debt, which would reduce the funds available for working capital, significant capital expenditures, acquisitions and other general corporate purposes;
- limit our flexibility in planning for, or reacting to, changes in operation, customer demand and competitive pressures, as well as to other changes in our industry;
- limit the ability of our subsidiaries to make dividend and other capital distributions to us;
- place us at a competitive disadvantage against any of our competitors that are less leveraged than us;
- increase our vulnerability to both general and industry-specific adverse economic conditions; and
- limit our ability to borrow additional funds and increase the cost of any such borrowing, particularly due to the financial and other restrictive covenants contained in the agreements governing our debt.

Foreign currency exchange rate fluctuations may affect our financial condition, results of operations and consequently affect our ability to make payments on the Notes.

As a result of our international operations, a significant amount of our revenues is generated in currencies other than the Colombian *peso*, our functional currency. Many of the operating and other expenses we incur are paid in the local currency of the countries where we operate. As a result, we may be

exposed to foreign exchange and translation risk when local currency financial statements are translated to Colombian *pesos*, our functional currency.

A sudden and significant fluctuation of the currencies of the countries where we operate to the U.S. dollar could materially and adversely affect our financial condition, results of operations, ability to make payments under the Notes, and cash flows in future periods. A depreciation of such currencies would likely result in higher revenues of our subsidiaries and an appreciation of such currencies would likely result in lower revenues of our subsidiaries. Because a portion of our indebtedness and costs, including labor costs and other administrative costs are paid in such local currencies and are not directly linked to currency fluctuations, a significant fluctuation of such currencies against the U.S. dollar could have a material adverse effect on our financial condition, results of operations, and ability to make payments under the Notes.

Exchange rates between the Colombian *peso* and the currencies of the countries where we operate have fluctuated significantly in the past and may do so in the future. The Colombian Central Bank maintains the power to intervene in the exchange market in order to consolidate or dispose of international reserves, and to control any volatility in the exchange rate. The Colombian *peso* has also fluctuated significantly in the past as compared to the U.S. dollar. As currency exchange rates fluctuate, translation of the statements of income of international businesses into Colombian *pesos* will affect comparability of revenues and expenses between periods. We cannot assure that other public institutions will not interfere with the Colombian Central Bank, which has the authority to intervene in the exchange market.

We are subject to risks related to litigation, arbitration and administrative proceedings that could adversely affect our business and financial performance in the event of an unfavorable ruling or otherwise have a negative impact on our reputation.

We are subject to risks related to litigation, arbitration and administrative proceedings, including proceedings in which our shareholders and directors are or may be involved. Any such proceedings could adversely affect our business and financial performance in the event of an unfavorable ruling or could otherwise have a negative direct or indirect impact on our reputation. Litigation is inherently costly and unpredictable, making it difficult to accurately estimate the outcome among other matters. In the past, we have been subject to proceedings or investigations of actual or potential litigation. Although we established provisions as we deem necessary, the amounts that we reserve could vary significantly from any amounts we actually pay due to the inherent uncertainties in the estimation process. We cannot assure you that proceedings described under “Business — Legal Proceedings” or other legal proceedings will not materially affect our business, financial condition, results of operation, ability to make payments under the Notes, or otherwise adversely affect our reputation.

GEB and Enel Colombia are involved as defendants in several litigation proceedings involving, among other things, claims related to administrative, civil and labor proceedings. As of December 31, 2022, the aggregate value of the claims against GEB and Enel Colombia were of Col\$112,573 million (U.S.\$26.9 million) and Col\$16,761,502 million (U.S.\$3,999 million), respectively. As of December 31, 2022, out of the total aggregate value of the claims, GEB and Enel Colombia had provisioned Col\$2,918 million (U.S.\$0.7 million) and Col\$25,694 million (U.S.\$6.1 million), respectively, for probable losses related to these contingencies.

As of December 31, 2022, GEB was subject to 47 legal proceedings with claims aggregating Col\$20,539 million (U.S.\$5.0 million). Provisions for losses have been made for five of these proceedings in the amount of Col\$1,608 million (U.S.\$0.4 million). Forty-two of the proceedings are classified as “possible” or “remote”, as per the likelihood of loss based on our risk assessment. Provisions have not been

made for proceedings classified as “remote” or “possible.” “On a consolidated basis as of December 31, 2022, GEB’s controlled subsidiaries were subject to:

- In the case of TRECSA, one legal proceeding with a claim aggregating Col\$805 million (U.S.\$192,000). Provisions for losses have been made for this proceeding in the amount of Col\$805 million (U.S.\$192,000). This proceeding has been classified as “probable,” implying a 50% likelihood of loss based on our risk assessment.
- In the case of Contugas, 11 legal proceedings with claims aggregating Col\$13 billion (U.S.\$ 3.1 billion). Provisions for losses have been made for 4 of these proceedings in the amount of Col\$1 billion (U.S.\$ 240 thousand).

The outcome of our existing environmental litigation with the residents of the Municipality of Sibaté may adversely affect our financial condition, results of operations, and ability to make payments under the Notes.

In 2001, the residents of the Municipality of Sibaté, within the District-Capital of Bogotá, brought a constitutional class action (*acción de grupo*) against Emgesa (now Enel Colombia) and multiple private and public entities of national and regional order before the Fifth Circuit Court of Bogotá (*Juzgado 5 Administrativo del Circuito de Bogotá*), seeking for the payment of damages equal to 200 monthly minimum salaries (equal to Col\$828,116 for the year 2019) for each of the 3,240 plaintiffs. The claimed compensation includes alleged damages and health effects caused by the activities of the Muña Dam and its inference in the Bogotá River polluted state. Resolution of this proceeding is still pending. We consider the risk of loss in this proceeding remote, and we have made no provision for it. Even though meritorious legal defenses have been exposed to the court and will continue to be asserted vigorously to challenge all claims, it is not possible to assure that a final decision in this case will be favorable to Enel Colombia’s interest. An adverse final decision in this proceeding may adversely affect Enel Colombia’s financial condition and results of operations and, as a result, negatively affect the amount of dividends that we could receive from Enel Colombia.

Enel Américas and ISA could sell or otherwise transfer their interests in Enel Colombia, REP or CTM.

Enel Américas is a leading utility company in Latin America that controls and operates Enel Colombia and ISA is Colombia’s largest electricity transmission company that controls and operates each of REP and CTM.

In the event that Enel Américas contemplates the disposal of all or part of its shares in Enel Colombia to a third party that is not a subsidiary of the Enel Group, Enel Américas must offer GEB the right to purchase its equity interest in Enel Colombia in accordance with the terms and conditions of the Investment Framework Agreement. See “Business — Our Electricity Distribution Business in Colombia — Enel Colombia — Investment Framework Agreement.”

Other than a right of first refusal in favor of GEB, there are no contractual arrangements or provisions in the investment agreements or by-laws governing our investments in REP and CTM limiting ISA’s right to sell or otherwise transfer their ownership interest in such companies. A change of controlling interest within Enel Américas (or its parent company) or ISA or a change by Enel Américas’ or ISA’s interests in Enel Colombia and in REP or CTM, respectively may adversely affect Enel Colombia’s and REP’s or CTM’s cash flows, financial condition and ability to pay dividends or make other distributions to GEB, which, in turn, could impair our ability to make payments under the Notes. See “Business — Our Electricity Distribution Business in Colombia — Enel Colombia — Investment Framework Agreement”

and “Business — Our Electricity Transmission Operations in Peru — REP and CTM — Shareholders’ Agreement.”

The expansion of our and our related companies’ energy infrastructure will be conditioned on obtaining the necessary permits, licenses and rights of way, which, together with other real property rights, may be subject to legal challenges.

Our and our related companies’ ability to engage in any expansion project will be subject to, among other things, numerous business, economic, regulatory, competitive and political uncertainties beyond our control. Therefore, we cannot assure you that any expansion or extension project will be undertaken or, if undertaken, will be successful. The success of any expansion project may depend on, among others, the following factors:

- competitors’ offer of services that are more desirable because of lower costs, better location, facilities or other factors;
- negotiations with landowners granting rights of way;
- customers’ willingness to sign long-term contracts for a planned expansion;
- the success in obtaining the requisite environmental licenses, permits or authorizations and regulatory permits, registries and approvals;
- we must guarantee the socialization and participation of ethnic communities and minorities present in the area of influence of each project, in accordance with current legislation; and
- whether or not the relevant expansion projects are considered as National Interest Strategic Projects (PINE).

We or any of our consolidated subsidiaries or our related companies may also require additional capital to fund any expansion project. If we or any of our consolidated subsidiaries or our related companies fails to generate sufficient funds in the future, we may have to delay or abandon our participation in potential expansion projects unrelated to projects already allocated. Also, a potential expansion may cost more than planned to complete and such excess cost may not be recoverable. Our or any of our consolidated subsidiaries and related companies’ inability to recover any such costs or expenditures may adversely affect our ability to make payments under the Notes.

Moreover, the costs to implement certain expansion projects may fluctuate and costs associated with engineering, labor and construction depend on a number of factors that can be difficult to predict or measure at the initial stage of a project. We or any of our consolidated subsidiaries or our related companies cannot guarantee that construction and operations schedules will evolve as planned without significant delays or cost overruns. Any such delays may increase the cost of a project and require additional capital, and there is no guarantee that additional capital will be available to us or any of our consolidated subsidiaries or our related companies in a timely manner and on acceptable terms.

In addition, significant portions of our electricity transmission facilities and our consolidated subsidiaries’ and related companies’ facilities are located on property over or through which GEB and our consolidated subsidiaries and our related companies have acquired rights pursuant to mandatory easements and other types of agreements. Any successful challenge to such rights may adversely affect GEB’s and our consolidated subsidiaries’ and related companies’ financial condition and results of operations. See “Business — Easements.”

Although GEB, our consolidated subsidiaries and our related companies have the right to obtain easements and rights of way and believe that all easements and rights of way were obtained and entered into in material compliance with applicable laws, legal challenges may be brought with respect to the form of documenting such rights of way with the relevant registries, the content or priority of such rights, the companies' compliance with the terms of such easements and agreements, or to claim compensation for damages caused to private property. In addition, we, our consolidated subsidiaries and our related companies are involved in a number of proceedings relating to the creation of rights of way (*procesos de imposición de servidumbres*) that have been commenced in the normal course of business. See "Business — Our Natural Gas Transportation Business — TGI — Properties; Rights of Way." Any such legal challenge may have an adverse effect on our financial condition, results of operations, and ability to make payments under the Notes.

Our operations and the operations of our consolidated subsidiaries and our related companies are subject to operational hazards and uninsured risks.

Our operations and the operations of our consolidated subsidiaries and our related companies are subject to the inherent risks normally associated with the industries in which they operate, including equipment failures and ruptures, explosions, pollution, releases of toxic substances, fires, adverse weather conditions, geological risks, vandalism and theft and other hazards, each of which could result in damage to or destruction of any of our, our consolidated subsidiaries' or related companies' infrastructure and facilities or injuries to persons and damage to property.

In addition, our operations and assets and the operations and assets of our consolidated subsidiaries and our related companies face possible risks associated with acts of aggression and terrorism in Colombia, Guatemala, Brazil, and Peru. Colombia has experienced several periods of violence over the past five decades, primarily due to the activities of guerilla groups, organized crime and drug cartels. In response, Colombia has implemented various security measures and programs and has strengthened its military and security forces by creating specialized units. Despite these efforts, drug-related crime and guerilla activity continue to exist in Colombia. These activities, their possible escalation and the violence associated with them, may have a negative impact on the Colombian economy now or in the future. For instance, three of our electric towers in Medina, Cundinamarca were demolished from 2015 and 2022, our Tesalia Project in 2021, and TGI's infrastructure was damaged two times between July and December 2014 in the Ballena-Barrancabermeja gas pipeline.

In Guatemala, homicide rates have decreased in recent years while the capacity for drug seizures has increased. These changes are attributable to both external and domestic initiatives specifically targeting the country's key security challenges, such as irregular migration, citizen security, corruption, and human rights protection. Despite these positive developments, Guatemala continues to face several challenges, including inconsistent capabilities among its law enforcement agencies, insufficient resources for its security needs, the impact of the pandemic on law enforcement activities, and questions regarding the role of military forces in civilian policing activities. Furthermore, even before significant political shifts stemming from the recent 2023 presidential elections, efforts to combat corruption in Guatemala have not been sufficiently effective, raising concerns about the country's future security and legal certainty.

In the late 1980s and 1990s, Peru experienced significant levels of terrorist activity, with the Sendero Luminoso and the Movimiento Revolucionario Túpac Amaru terrorist organizations escalating their acts of violence against the government of Peru and the private sector. Although during the last two decades the Peruvian government made substantial progress in suppressing and controlling terrorist activities, incidents of terrorism may recur in the future and the business, financial condition and results of operations of our consolidated subsidiaries Cálidda, Electrodonas and Contugas and our related companies REP and CTM.

In addition, although the Colombian government and the Revolutionary Armed Forces of Colombia (*Fuerzas Armadas Revolucionarias de Colombia* or “FARC”) signed a peace agreement on November 24, 2016. However, incidents of terrorism may recur in the future and the business, financial condition and results of operations of our company, our consolidated subsidiaries and our related companies and our ability to make payments under the Notes could be adversely affected. While we and our related companies maintain insurance against many of these risks, including cybersecurity attacks, to the extent available in the relevant markets and in amounts that we and our related companies believe are reasonable, this insurance does not cover all risks. In Colombia, our electricity transmission infrastructure is covered by our all-material-risk insurance policy. Many of our and our related companies’ insurance policies have material deductibles, exclusions and self-insurance levels, as well as significant limits on our or our consolidated subsidiaries’ or related companies’ maximum recovery. We cannot assure you that our level of insurance is sufficient to cover all liabilities and, as a result, such events could have a material adverse effect on our and our related companies’ cash flows, financial condition, results of operations and could impair our ability to make payments under the Notes. See “Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — Our insurance, guarantee and warranty coverage and those of our consolidated subsidiaries and our related companies may not be adequate.”

Environmental regulations in the countries where we operate have become increasingly stringent, and we have faced certain delays in the construction of certain projects as a result of environmental matters.

We expect additional laws and regulations to be enacted over time with respect to environmental matters, which could cause further delays in the development of our projects and may have an adverse effect on our financial condition, results of operations, and ability to make payments under the Notes.

We are subject to a broad range of environmental laws, which require us to incur ongoing costs and capital expenditures and expose us to substantial liabilities in the event of non-compliance. These laws and regulations require us to, among other things, minimize risks to the natural and socio-environment while maintaining the quality, safety and efficiency of our facilities.

These laws and regulations also require us to obtain and maintain environmental permits, licenses and approvals for the operation of our business. Some of these permits, licenses and approvals are subject to periodic renewal. Government environmental agencies could take enforcement actions against us for any failure to comply with applicable laws and regulations. Such enforcement actions could include, among other things, the imposition of fines, revocation of licenses, suspension of operations or imposition of criminal liability for non-compliance.

Environmental laws and regulations can also impose strict liability for the environmental remediation of spills and discharges of hazardous materials and wastes and require us to indemnify or reimburse third parties for environmental damages.

Since 1991, new environmental laws and regulations imposing more stringent environmental obligations have been enacted in Colombia, Peru and the other countries where we operate.

We cannot assure you that we or Enel Colombia will obtain approval for any future projects or that existing approvals, authorizations, licenses and permits will not be questioned, revoked or otherwise suspended due to any alleged non-compliance or legal action. For more detailed information on environmental actions initiated by the competent environmental authority please see “Business — Legal Proceedings.”

The development of more stringent environmental protection programs in the countries or industries where we operate could impose constraints and additional costs on our operations and require us to make significant capital expenditures in the future. We cannot assure you that future legislative, regulatory, international law, industry, trade or other developments will not have a material adverse effect on our business, properties, financial condition, results of operations, prospects or and ability to make payments under the Notes.

Our insurance, guarantee and warranty coverage and those of our consolidated subsidiaries and our related companies may not be adequate.

We and our related companies currently maintain customary insurance of the types and amounts that are generally consistent with industry practice and applicable legal requirements for electricity and natural gas industries in Colombia, Peru, Guatemala and Brazil. See “Business — Insurance.” There can be no assurance that such insurance coverage will continue to be available on commercially reasonable terms or at commercially reasonable rates or that the amounts for which we, our consolidated subsidiaries and our related companies are insured, or that the proceeds of such insurance will compensate them fully for their losses.

In the event there is a total or partial loss of GEB’s or any of its consolidated subsidiaries’ or related companies’ assets, any insurance proceeds that we or any of our consolidated subsidiaries or our related companies may receive in respect thereof may not be sufficient in any particular situation to effect a restoration of such assets to their previous condition.

In the event of a total or partial loss of our or any of our consolidated subsidiaries’ or related companies’ main assets, certain items of equipment may not be easily replaced because they may be excessively expensive or so system-specific that they are not readily available. Accordingly, notwithstanding that we, our consolidated subsidiaries and our related companies may have insurance, guarantee or warranty coverage, the location of our assets or limitations on our ability to procure replacement equipment may give rise to significant delays in replacement and thereby cause service interruption which could have a material adverse effect on our cash flows, financial condition and results of operations and could impair our ability to make payments under the Notes.

The raising of additional capital by our consolidated subsidiaries and our related companies may dilute our ownership interest in them.

In connection with the implementation of their growth strategies, our consolidated subsidiaries and our related companies may raise additional capital, including through the offering of their capital stock. Any additional capital raised by them through the sale of additional common stock would dilute our respective interest, unless we subscribe such shares of common stock in proportion to our percentage ownership interest in any such subsidiary or related company.

In the case of REP and CTM, their respective by-laws provide preemptive rights for existing shareholders, by means of which existing shareholders have a right of first refusal to acquire shares issued by such companies. Shareholders may waive their preemptive rights at a general shareholders’ meeting, with respect to a particular capital increase, by a favorable vote of at least 70% of the common stock represented at such meeting.

Enel Colombia’s by-laws, provide that existing shareholders shall have the right to subscribe preferentially in any new issue of shares, an amount proportional to their participation. Shareholders may waive their preemptive rights at a general shareholders’ meeting, with respect to a particular capital increase, by a favorable vote of at least 70% of the common stock represented the respective meeting.

Pursuant to the Investment Framework Agreement, Enel Colombia's shareholders assembly's decisions require the favorable vote of at least 75% of the outstanding voting shares of Enel Colombia in order to increase or reduce the capital of Enel Colombia, to approve a repurchase of Enel Colombia's shares or for the issuance of shares in reserve of Enel Colombia. See "Business — GEB Transmission and Transportation Business Strategic Group — Enel Colombia — Investment Framework Agreement."

A dilution of our ownership interest in any such entity could have a material adverse effect on our cash flows, financial condition, results of operations and our ability to make payments under the Notes.

Our consolidated subsidiaries and our related companies are dependent on the continued performance and creditworthiness of their customers for a substantial part of their revenues.

Our consolidated subsidiaries and our related companies are dependent on their customers for revenues payable under their commercial contracts. Although payments by their customers under such contracts are, in some cases, guaranteed by bank guarantees, performance bonds or escrow funds, the failure of their customers to perform under such contracts could have a material adverse effect on their cash flows, financial condition and results of operations and could impair their ability to pay dividends or make other distributions to us and, as a result, negatively affect our ability to make payments under the Notes. Moreover, our consolidated subsidiaries and our related companies may be unable to renew such contracts on the same or similar terms, if at all.

If any customer of any of our consolidated subsidiaries or our related companies is admitted to insolvency proceedings in Colombia, the relevant consolidated subsidiary's or related company's ability to recover payments due on its existing contracts may be limited. The occurrence of such events could have a material adverse effect on our consolidated subsidiaries and our related companies cash flows, financial condition and results of operations and could impair their ability to pay dividends or make other distributions to us and, as a result, negatively affect our ability to make payments under the Notes. See "Colombian and Peruvian Electricity Industry, Regulatory and Environmental Framework — The Colombian Electricity Industry."

The bankruptcy, insolvency or default of our Peruvian consolidated subsidiaries' and related companies' key customers, or the termination of their respective contracts, could materially and adversely affect our Peruvian consolidated subsidiaries' and related companies' cash flows, financial condition and results of operations and could impair their ability to pay dividends or make other distributions to us and, as a result, negatively affect our ability to make payments under the Notes. See "Colombian and Peruvian Electricity Industry, Regulatory and Environmental Framework — Peruvian Natural Gas Industry and Regulatory Framework."

The operation of our and our related companies' electricity transmission and natural gas transportation and distribution systems could be disrupted as a result of differing requirements of facilities connected to their systems.

Natural gas transportation and distribution systems operate through interconnections with numerous other facilities, gas processing plants and pipeline systems at their receipt points and electric utilities and local natural gas distribution systems at or near their points of termination. The natural gas transportation networks of TGI in Colombia and of Contugas, transmission networks of REP and CTM in Peru operate through interconnections with numerous other power transmission companies whose actions could have a negative impact on our operations. The systems put in place by other transmission and transportation operators may not always be adequate to prevent problems at other utilities from causing service interruptions in the TGI, Contugas, REP and CTM transmission networks. If any utility or transmission system interconnected with ours or our related companies were to suffer such a service interruption, it could have a negative impact on our business, financial condition, results of operations and ability to make payments under the Notes.

Moreover, electricity transmission facilities are interconnected with numerous other facilities, including those of other electricity transmission, generation and distribution companies. As is customary in these industries, the applicable regulated terms of service (where applicable) and prevailing business and operating principles may sometimes differ between and among such companies and those various facilities. Even though we and our related companies generally require compliance with certain standards and specifications in our agreements to mitigate these risks, we cannot assure you that certain conflicts or issues will not arise from these differing requirements in some circumstances. Although we have insurance, it may not cover any resulting damage of any losses arising from damage to our electricity transmission and natural gas transportation and distribution systems. See "Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — Our insurance, guarantee and warranty coverage and those of our consolidated subsidiaries and our related companies may not be adequate." Given our and our related companies' lack of control over the requirements adopted by operators of other facilities, no assurance can be given that these differing requirements will not result in material or lengthy operational problems or failure. Any such operational problems may have a materially adverse impact on our cash flows, financial condition and results of operations and, as a result, could impair our ability to make payments under the Notes.

We and our related companies depend on information and processing systems to operate our or our related companies' businesses, the failure of which could adversely affect our or our related companies' business, financial condition and results of operations.

Information and processing systems are vital to our and our related companies' ability to monitor the operation, generation and network performance of electric generation assets, generate invoices, achieve operating efficiencies and meet service targets and standards. Any failure of any of these information and processing systems could have a material adverse effect on our or our related companies' financial condition and results of operations and, as a result, could impact our ability to make payments under the Notes. In addition, we and our related companies may become the target of cyber-attacks or information security breaches that could result in the unauthorized release, gathering, monitoring, misuse, loss or destruction of proprietary and other information. Any of these occurrences could disrupt our or our related companies' business, result in potential liability or reputational damage or otherwise have an adverse effect on our or our related companies' financial condition and results of operations.

Moreover, technology, knowledge and innovation are essential to our business. If we do not develop the right technology or do not obtain the expertise to operate new technology or to improve our processes,

do not have access to, or deploy the knowledge necessary to apply and improve such technology effectively, our business, financial condition, and results of operations may be materially adversely affected.

Illegal work stoppages could adversely affect our, our consolidated subsidiaries' and related companies' business.

Under Colombian laws, employees of utility companies may not legally strike. We cannot assure you that any new regulation allowing strikes in utility companies will be passed, and if it is, it could adversely affect our or our related companies' financial condition and results of operation. As of the date of this offering memorandum, there have been no work stoppages in GEB, our consolidated subsidiaries, or our related companies. However, work stoppages may occur in the future and adversely affect our, our consolidated subsidiaries' and related companies' revenues and earnings and could, in turn, impair our ability to receive dividends, which in turn could limit or affect our ability to make payments under the Notes.

Moreover, these restrictions do not apply in Peru, Guatemala or Brazil and work stoppages in our operations there may also adversely affect our financial condition and results of operations, thereby limiting or affecting our ability to make payments under the Notes. See "Business — Employees and Pension Plan."

We have entered and may continue to enter into certain significant transactions with affiliates or other related parties, which transactions may result in conflicts of interests.

We have entered and may enter into significant transactions with companies controlled by the District-Capital of Bogotá, any of our affiliates or related parties concerning primarily the following:

- operation and maintenance and technical assistance agreements;
- natural gas transportation agreements and PPAs;
- other transactions such as advisory agreements; and
- indebtedness owed by or to its subsidiaries or affiliates.

The indenture governing the Notes does not limit our ability to enter into transactions with affiliates. Any such transactions may not be on terms as favorable as those we could have obtained or may be able to obtain with unaffiliated third parties. See "Business — Principal Shareholders and Related Party Transactions." While we believe such transactions have been and will be negotiated on an arm's length basis, there can be no assurance that such transactions could not give rise to conflicts of interest that could adversely affect our financial condition, results of operations, and, as a result, our ability to make payments under the Notes.

Additionally, the published CREG Resolution 080 of 2019, establishing general rules of market behavior for agents involved in the activities of residential public utilities for electricity and gas. CREG Resolution 080 of 2019 aims to guide the actions of providers in line with the principles and obligations set forth by law. Specifically, it seeks to ensure agent behavior aligns with regulatory objectives, market transparency, independent decision-making, user interests, free access to essential resources, effective market competition, and the adequate provision of public service. GEB, TGI, and our related companies in Colombia (including Enel Colombia) have been subject to and complied with CREG Resolution 080 of 2019 since 2019.

Such transactions could have a material adverse effect on our cash flows, financial condition, results of operations, and ability to make payments under the Notes.

Fluctuations in energy prices could adversely affect our business and the businesses of our consolidated subsidiaries and our related companies.

Any material fluctuations in energy prices could adversely affect our business and the businesses of our consolidated subsidiaries and our related companies. Fluctuations in energy prices are caused by a number of factors, including:

- regional, domestic and international supply and demand;
- international oil and natural gas prices;
- hydrological and meteorological conditions;
- availability and adequacy of natural gas transportation and electrical transmission facilities;
- energy and gas legislation and regulation;
- local and national taxes;
- abundance of supply;
- competitive price of alternative energy sources; and
- political unrest among oil producing countries.

Such fluctuations could have a material adverse effect on our cash flows, financial condition, results of operations, and ability to make payments under the Notes.

The agencies that regulate our and our related companies' businesses and customers may take actions that may affect our profitability.

In Colombia, our and our related companies' businesses are mainly regulated by CREG, UPME, ANH, MME, SSPD, ANLA, MASD, ANLA, the Autonomous Regional Corporations, CAC, CND, CNO, DNP, and MHCP, and various other national, state, and local regulatory agencies.

In Brazil, our and our related companies' businesses are regulated by the Ministry of Energy of Brazil, ANEEL, and the Brazilian Institute of Environment and Renewable Natural Resources (IBAMA), and various other national, state, and local regulatory agencies.

In Peru, our and our related companies' businesses are regulated by OSINERGMIN, MINEM, the Peruvian Ministry of Environment (MINAM) National Service for Environmental Certification and Sustainable Investments (SENACE), OEFA, MINEM, MINAM, COES, SENACE, the General Bureau of Environmental Energy Affairs (DGAAE), PROINVERSION, National Authority of Water (ANA), Forest and Wildlife Authority (SERFOR), and various other national, state, and local regulatory agencies.

Regulatory actions taken by those agencies have the potential to adversely affect our and our related companies' profitability. In particular, the reduction or discount of the regulated rates that we and our related companies are permitted to charge our customers for the provision, transmission, and distribution of electricity, as well as natural gas transportation and distribution services, could result from regulatory pressure and materially adversely affect the profitability of both our and our related companies' businesses.

In addition, increased regulatory requirements relating to the integrity of our and our related companies' facilities or the quality of the services provided by us may require additional spending in order to maintain compliance with these requirements. Any additional requirements could significantly increase the amount of these expenditures and affect our financial condition and results and, as a result, could impair our ability to make payments under the Notes.

Our related companies are subject to limitations on the operation and cross-ownership of businesses in the electricity generation and distribution sectors.

Pursuant to CREG Resolution 128 of 1996, as amended by CREG Resolution 095 of 2007, no electricity generation company may directly own more than 25% of the capital stock of a distribution company. Such restriction also applies to a distribution company that owns capital stock of a generation company. This ownership restriction is not applicable to affiliates or subsidiaries of the relevant electricity distribution company. Electricity distribution companies may have ownership interests in excess of 25% of the shareholdings of integrated companies focused on electricity generation, distribution and commercialization activities, to the extent the integrated company's electricity generating capacity does not exceed 2% of the total Firm Energy declared for purposes of the Reliability Charge (as defined herein) mechanism. If the integrated company exceeds that 2% threshold, the distributor owning shares in the integrated company, must sell, within 6 months, the shares that exceed the 25% of the capital of that company, unless the integrated company sells the assets that make it exceed the 2% limit in the participation of the generation activity.

During the period from December 31, 2021 to November 2022, our related company Enel Colombia had a participation of approximately 16.9% of Colombia's total Firm Energy. See "Colombian and Peruvian Electricity Industry, Regulatory and Environmental Framework — Colombia — Revenues of Electricity Generation Companies — Dispatch and Pricing." As such, our business strategies and opportunities may be limited by the regulations in a way that may affect our financial condition, our results, and our ability to make payments under the Notes.

Nonetheless, article 298 of the Colombian National Development Plan 2018-2022 (Law 1955 of 2019) established that utilities companies which are intended to provide electric energy within the SIN, may develop the activities of generation, trading and distribution in an integrated manner, excluding the possibility of combining the activity of transmission of electric energy with any of the activities mentioned. In addition, Law 1955 of 2019 provides that if a public utilities company develops simultaneously the activities of power generation and/or trading or distribution that represents more than 25% of the total demand of the SIN, it cannot use its own generated energy or the energy generated by its subsidiaries or controlled companies to supply more than 40% of the energy required to meet the demand of its regulated market.

Regulatory agencies could penalize us or our consolidated subsidiaries and our related companies if we fail to comply with the terms of the rules and regulations applicable to our transmission and transportation business.

Electricity transmission is a regulated activity in all jurisdictions in which we operate, we and our related companies must maintain certain quality, safety and maintenance standards with respect to our businesses. The failure by us, our consolidated subsidiaries or our related companies to meet the quality standards established by the regulatory agencies may result in the imposition of penalties, fines and restrictions.

In Colombia, the SSPD is the entity responsible for monitoring and overseeing the proper provision of public utilities and ensuring compliance with applicable regulations. According to its established

processes and procedures, the SSPD takes appropriate actions when it identifies non-compliance or infractions by the companies.

In Peru, the quality of electricity service is governed by the Technical Standard for the Quality of Electric Services (NTCSE), approved by Supreme Decree No. 020-97-EM of 1997. Failure to comply with the requirements of this standard which affects the end-user will result with us, our consolidated subsidiaries or our related companies compensating the end-user for such lack of compliance and shortage of services through a price discount.

In Brazil, the conditions for the quality of the transmission service are provided for in module IV-4.3 of the Transmission Rules issued by ANEEL, which defines that any unavailability or operational restrictions will result in a discount on the revenue related to the affected transmission function, without prejudice to any penalty for the event. Additionally, Normative Resolution No. 846/2019 defines the violations and penalties that agents in the electricity sector are subject to.

Any of the foregoing penalties, fines or restrictions, or the intervention may, as applicable, have a material adverse effect on ours, our consolidated subsidiaries or related companies' business, results of operations, financial condition, which could in turn impair our ability to make payments under the Notes.

The concessions and contracts pursuant to which our consolidated subsidiaries or our related companies are authorized to distribute natural gas or electricity or transmit electricity in Guatemala, Brazil, or Peru are subject to penalties, early termination and forfeiture in certain circumstances and may otherwise not be renewed upon their expiration.

If our consolidated subsidiaries Cálidda, Contugas and ElectroDunas, as well as our related companies REP and CTM default on their obligations under their concession contracts (the "Peruvian Concession Contracts"), or under applicable rules and regulations, they may be subject to sanctions by OSINERGMIN, including warnings, fines, temporary or definitive suspension of activities or forfeiture of assets. The sanctions that OSINERGMIN may apply vary depending on the nature of the violation and take into account the magnitude of the damages caused to users. Similarly OSINERGMIN may refuse to issue its prior opinion to renew the Peruvian Concession Contracts upon their expiration.

In our consolidated subsidiary TRECSA, we are responsible for the construction and operation of a critical transmission network in Guatemala. This project seeks to guarantee coverage, quality and reliability of the system in light of the growth of the country's economy and associated electricity demand. Due to force majeure events, the original construction period for the PET-01-2009 Project (the "PET Project") has been extended four times. The latest extension approved by the MEMG is a 38-month extension for work execution, expiring on January 16, 2024. TRECSA requested an additional 48-month extension of the PET Project from the MEMG on October 12, 2022, due to further force majeure events. Currently, the MEMG and TRECSA are in regular discussions to agree on modification terms, aiming for a formal resolution by the end of October 2023. In the event that the MEMG rejects the extension beyond January 16, 2024, TRECSA would continue to operate its existing assets and could claim cost overruns for non-operational yet built assets. Another scenario involves potential non-compliance with contractual obligations by TRECSA, exposing us to penalties or cancellation of our concession contract. Moreover, the Guatemalan government may refuse to recognize additional cost overruns or other expenses associated with extensions or delays in connection with the contract.

Notwithstanding the MEMG's established mechanism for the recognition of additional costs and expenses due to force majeure events, as well as higher valuations for the establishment of easements and land acquisitions, such requests encounter procedural delays and hurdles in obtaining approval. This prompted GEB and TRECSA to initiate two separate arbitration proceedings against the Republic of

Guatemala before the International Centre for Settlement of Investment Disputes (“ICSID”), pursuant to Chapter 12 of the Free Trade Agreement between the Republic of Colombia and the Republics of El Salvador, Guatemala, and Honduras (the “FTA Treaty”). Both arbitration requests assert claims under the FTA Treaty relating to TRECSA’s execution of the PET Project, which was awarded to GEB in January 2010. On January 10, 2022, ICSID consolidated both requests into a single proceeding and, as of July 13, 2022, the Arbitral Tribunal has been constituted. The arbitration process is currently in progress.

In Brazil, Normative Resolution No. 846/19 provides that depending on the seriousness of the violations or even the repeated recurrence of the violations the applicable regulations to the transmission activity, ANEEL may prohibit the transmission company and its affiliates from participating in auctions. Also, depending on the case, violation of the applicable regulation or contract provisions can result in termination of the concession.

Any of the foregoing actions (including penalties and fines) by the government of Guatemala, Brazil or Peru may have a material adverse effect on the business, financial condition and results of operations of our consolidated subsidiaries and our related companies and on their ability to pay dividends or make other distributions to us which could, in turn, impair our ability to make payments under the Notes.

Any of the foregoing penalties, early termination event or forfeiture may, as applicable, have a material adverse effect on ours, our consolidated subsidiaries or related companies’ business, results of operations, financial condition, which could in turn impair our ability to make payments under the Notes.

Adverse developments affecting the financial services industry, such as the U.S. bank failures which occurred in March and May 2023 or concerns involving liquidity, defaults or non-performance by financial institutions or transactional counterparties, could adversely affect our business operations, financial condition and results of operations.

Events involving limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions, transactional counterparties or other companies in the financial services industry or the financial services industry generally, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market-wide liquidity problems. Any of these impacts, or any other impacts resulting from the factors described above or other related or similar factors, could have material adverse impacts on our liquidity, financial condition, results of operations and cash flows.

A global pandemic could cause interruptions, negatively impact global and regional economic growth, and have an adverse effect on our financial condition and our results of operations and the financial condition and results of operations of our consolidated subsidiaries and our related companies.

A global pandemic may materially adversely affect our business and the business of our consolidated subsidiaries and our related companies as a result of the expected decrease in the demand for electricity and gas consumption in the regions and countries where we and our consolidated subsidiaries and our related companies operate, which will likely result in weaker financial performance. There may be a negative impact on the take-or-pay contracts we and our consolidated subsidiaries and our related companies have with customers under which force majeure type events may arise in the future.

We also expect that our business and financial condition could be adversely affected by certain regulatory measures adopted by the regulatory agencies that regulate our and our consolidated subsidiaries and related companies’ businesses in the countries where we operate and/or invest. Governments may issue regulations mandating electric energy traders and gas producers, transporters and traders, to offer residential

users from low and middle-income population a deferred scheme or installment for the payment of their bills.

We and our consolidated subsidiaries and our related companies must comply with regulatory changes or protocols issued by governmental authorities during pandemics that impacts the electricity market, including without any limitation, matters related to the pricing, costs, quantities, and payment schemes. The impact of these measures may adversely affect the results of operations and financial condition of our and our related companies' business, financial condition, results of operations and cash flows and its ability to pay dividends or make other distributions to us and, as a result, on our ability to make payments under the Notes.

Our operations are subject to health and safety risks relating to our workforce and local communities.

Certain of our operations are located in remote regions of Colombia and are subject to health and safety risks that could affect our workforce. Under Colombian law and industrial safety regulations, we are required to implement health and safety practices that minimize risks and health issues faced by our workforce.

Failure to comply with health and safety regulations may lead to investigations by health officials that could result in lawsuits, fines or even the suspension of activities up to a term of one hundred twenty (120) days or the definitive closure of the business declared by the Labor Ministry of Colombia.

We may be required to incur additional costs and expenses to allocate funds to industrial safety and health compliance under Colombian law and industrial safety regulations. Additionally, if any operational incident occurs that affects local communities in nearby areas, we will need to incur additional costs and expenses in order to return affected areas to normality. These additional costs may have a negative impact on the profitability of the projects we may decide to undertake and in turn may adversely affect our cash flow, financial condition and results of operations.

Risk Factors Relating to TGI and the Colombian Natural Gas Industry

The tariff that TGI can charge for natural gas transportation may be affected due to the new methodology under CREG Resolution 175 of 2021 used to calculate the regulated tariffs.

The current methodology for setting natural gas transportation charges is established in CREG Resolution 175 of 2021. The tariffs to be established by CREG for TGI's natural gas transport service will be governed by this methodology beginning June 1, 2023. The tariffs will be determined by CREG based on the appraised value of the assets contributed by TGI to the Colombian natural gas pipeline system, additional capital investments made by TGI in such assets and the operating expenditures incurred to maintain and upgrade such assets.

The information necessary to calculate the tariff was submitted by TGI to CREG on February 22, 2022. CREG is currently in the process of auditing the information, requesting further data or corrections as needed, and will ultimately determine the tariffs that will be applicable for TGI. We anticipate the issuance of TGI's tariff by the end of 2023, but in any case, it is subject to the regulator's final determination. We cannot predict the impact of new policies or laws that may negatively affect TGI's business, results of operations, financial condition and therefore on our ability to make payments under the Notes. See "Colombian and Peruvian Natural Gas Industry and Regulatory Framework — The Colombian Natural Gas Industry."

TGI's gas transportation rates may be subject to adjustments as a result of the tariff review processes undertaken by CREG from time to time.

Transportation of gas in Colombia is a regulated industry and, accordingly, TGI's results of operations depend on the applicable regulatory framework and the interpretation and application of such framework by CREG. The rates TGI is permitted to charge are adjusted from time to time, based on the efficiency of, and investments in, its operations. TGI may be subject in the future to adverse tariff adjustments.

Periodic adjustment of TGI's transportation rates or reviews of the methodologies established by applicable regulations for the calculation of such rates may result in reductions of TGI's revenues from its gas transportation businesses that may have a material adverse effect on TGI's business, results of operations, financial condition and therefore on our ability to make payments under the Notes.

There has been recent regulation to increase competition in connection with the expansion of the Colombian natural gas system.

The Colombian government is promoting the further expansion of the Colombian natural gas system. CREG issued Resolution 107 of 2017 (CREG Resolution 102 008 of 2022), establishing procedures that must be followed in order to execute projects of the natural gas supply plan. According to the mentioned Resolutions if a project included in the plan is integrated in the existing infrastructure of a transporter, the company will have the first option to construct the project. If the transporter decides not to develop such project, UPME may assign the Project through an open round process, allowing other company to construct complementary assets to TGI's existing infrastructure.

TGI depends on the availability of natural gas reserves in Colombia or imported gas, and we derive a substantial portion of our Revenues from TGI's business.

For the year ended December 31, 2022, we derived 24% of our revenues for the year from TGI.

On May 24, 2023, the ANH released the Colombian Hydrocarbon Reserves and Contingent Resources Report. That report indicated that the proven Colombian gas reserves, as of the close of 2022, was 2.82 Tcf, a decline of 0.35 Tcf from 2021. The volume of commercialized gas was 0.39 Tcf, leading to a Reserves Probed/Production (R/P) ratio of 7.2 years. The main gas reserves are located in the Departments of Casanare, which ranks first with 49% (1.38 Tcf), followed by the Department of La Guajira with 20% (0.56 Tcf), and Córdoba with 9% (0.25 Tcf).

TGI's long-term financial condition is dependent on the continuous availability of natural gas reserves in Colombia. TGI expects that the majority of the natural gas transported through the TGI Pipeline System during the current terms of TGI's long-term firm natural gas transportation contracts will be produced from reserves in the Cusiana — Cupiagua and the Department of La Guajira areas of Colombia, which are currently experiencing a significant decline and, according to the Ministry of Mines and Energy in May 2023, are expected to reduce their production to less than half by 2026. If additional reserves are not developed or if alternative natural gas supply options (i.e., the Buenaventura LNG Terminal and expansion of the Coastal Regasification Plant of Sociedad Portuaria el Cayao) do not become available in the near term, the continued supply of natural gas to markets served by the TGI Pipeline System may be at risk and TGI's business might be materially adversely impacted.

There are several projects to explore offshore gas resources. Ecopetrol S.A. announced in August 2023 a plan to drill the Orca Norte-1 well by March 2024 and has initiated prior consultations with communities for a pipeline from Orca to the Chuchupa platform. Additionally, projects under the Natural

Gas Supply Plan aim to interconnect transportation systems between the interior and the coast of Colombia, allowing for Atlantic coast production to be moved inland. A transport capacity of 50 MMPCD from the coast to the interior is already in place, reducing dependence on the Cusiana and areas in the Department of La Guajira. This capacity is projected to increase to 170 MMPCD following a forthcoming resolution. The anticipated 2024 tariff, in accordance with CREG Resolution 175 of 2021, will integrate new capacity demand projections, substantially mitigating risks of declining contracted capacity demand.

The successful development of additional reserves in Colombia is dependent on a number of factors over which TGI has no control, including:

- levels of exploration, drilling, reserves and production of natural gas in Cusiana — Cupiagua, Department of La Guajira and other areas of Colombia and the price of this natural gas;
- the prices of natural gas;
- accessibility of the Cusiana — Cupiagua, Department of La Guajira and other gas production areas of Colombia, which may be affected by weather, natural disasters, the terrain, environmental restrictions and regulations, activities of guerilla groups and drug cartels or other impediments to access;
- the availability, price and quality of natural gas from alternative sources;
- the restricted access by communities located near exploration site of rich gas fields; and
- the political and regulatory environment in Colombia.

In addition, Colombia formerly exported gas to Venezuela through a pipeline that interconnects the natural gas basins in the Department of La Guajira, Colombia with the Lake Maracaibo region in Venezuela. Should market conditions require Colombia to import gas, the pipeline would have the ability to transport gas from Venezuela to Colombia, provided that Venezuela is able to supply natural gas that meets the pressure and other regulatory requirements of the Colombian natural gas transportation system. Using this pipeline for gas exportation would require that some investments be made in the pipeline due to possible deterioration and theft of some sections of the pipeline. In light of the tense political situation with Venezuela in recent years and the generalized political and economic instability experienced by Venezuela, there can be no assurance that any natural gas imports from Venezuela will be available.

Any of the above factors could affect the continued supply of natural gas to the markets TGI serves, which, in turn, could have a material adverse effect on TGI's cash flows, financial condition and results of operations and could impair its ability to pay dividends or make other distributions to us and, as a result, on our ability to make payments under the Notes.

TGI has high customer concentration and the failure by one or more of such customers to make payments under, or renew or extend, their natural gas transportation contracts with TGI may adversely affect TGI's revenues.

As of December 31, 2022, 92% of TGI's revenues were derived from natural gas transportation contracts entered into with a concentrated group of clients, such as Vanti, Gases de Occidente, EPM, Alcanos, Efigas Gas Natural SA, Ecopetrol and Gas Natural Cundiboyacens. For further information, see "Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — We derive a substantial portion of our Adjusted EBITDA and cash flow from dividends and other distributions from our related companies Enel Colombia, Vanti, REP and CTM, over which we have no control and which may

not distribute profits under certain circumstances, which could adversely affect our results of operations.” If TGI is unable to renew, extend or replace its contracts with any of these customers, if TGI renews them on less favorable terms, or if these customers fail to make payments under such contracts, TGI may suffer a material impact on its cash flows, financial condition and results of operations. Any of these events could impair its ability to pay dividends or make other distributions to us and, as a result, may affect our ability to make payments under the Notes.

TGI’s revenues are generated under natural gas transportation contracts that must be renegotiated or extended periodically.

Substantially all of TGI’s revenues are generated under natural gas transportation contracts, which expire periodically and must be renegotiated and extended or replaced. As of December 31, 2022, TGI’s long-term firm natural gas transportation contracts had a remaining average life of approximately 4.06 years. In addition, certain of the transportation contracts with Ecopetrol S.A. (“Ecopetrol”), Empresas Públicas de Medellín S.A. E.S.P., a leading electricity generation and distribution company (“EPM”), Vanti (for further information, see “Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — We derive a substantial portion of our Adjusted EBITDA and cash flow from dividends and other distributions from our related companies Enel Colombia, Vanti, REP and CTM, over which we have no control and which may not distribute profits under certain circumstances, which could adversely affect our results of operations”), Gases de Occidente, which are TGI’s primary shippers, will expire between December 2020 and December 2025. We cannot assure you that TGI will be able to extend or replace these contracts when they expire or that the terms of any renegotiated contracts will be as favorable as the existing contracts. In particular, TGI’s ability to extend and replace contracts could be adversely affected by factors beyond TGI’s control, such as:

- Colombian natural gas transportation regulations;
- international oil and gas prices;
- timing, volume and location of new market demands;
- competition from alternative energy sources;
- supply and price of natural gas in Colombia;
- demand for natural gas in the markets TGI serves; and
- availability and competitiveness of alternative gas transportation services in the markets TGI serves.

Gas transportation contracts entered into by TGI generally require the granting of a guarantee by the shipper, which may consist of a banking guarantee, a compliance policy or a deposit. In the event that such guarantees are not granted, TGI may terminate the relevant gas transportation agreement and demand payment of the corresponding penalty clause. TGI’s gas transportation contract with Ecopetrol, which for the year ended December 31, 2022 accounts 5.5% of TGI’s revenues, does not provide for any such guarantees. The majority of TGI’s gas transportation contracts currently in effect include a penalty clause pursuant to which early termination of the transportation contract by either party without justification will give rise to a penalty amounting to 100% of the remaining value of the contract. In addition, under several of TGI’s gas transportation contracts, if the counterparty were to terminate the contract, TGI would have to compensate the shipper if it fails to comply with the gas quality or gas pressure requirements set forth in the relevant contract.

If TGI is unable to renew, extend or replace these contracts or if TGI renews them on less favorable terms (including with respect to early termination or TGI's obligation to pay compensation for failing to meet certain quality requirements), TGI's cash flows, financial condition and results of operations and its ability to pay dividends or make other distributions to us may be negatively affected which, in turn, may impair our financial condition and ability to make payments under the Notes.

The anticipated tariff approval for 2024, in accordance with the methodology delineated in CREG Resolution 175 of 2021, will integrate revised capacity demand projections. These updated projections more accurately align with anticipated volume levels, thereby substantially mitigating the risks associated with potential declines in contracted capacity demand. Furthermore, we cannot predict the impact of new policies or laws that may negatively affect the Colombian economy, as well as TGI's business, financial condition, and results of operations.

An increase in alternative energy sources could adversely affect demand for natural gas.

The cost of natural gas in comparison with alternative energy sources for the same uses affects the demand for natural gas transportation services. The cost of gas-fired generation of electricity in Colombia is currently lower than the cost of electricity generated with alternative fuels, including coal, with the exception of hydroelectric energy.

Because hydroelectric electricity generation is the lowest cost source of electricity in Colombia, a significant increase in the availability of hydroelectric generation would result in more hydroelectric electricity generation units being dispatched with priority over gas-fired electricity generation units, including gas-fired electricity generation units that receive natural gas transported through the TGI's pipeline system (the "TGI Pipeline System"). This could potentially reduce the demand for natural gas. Any such decrease in natural gas demand could result in a corresponding decrease in demand for pipeline capacity and gas transportation services. In addition, a significant increase in the supply of electricity generated by using alternative fuels could result in a reduction in the price of electricity to end users and adversely affect the demand for natural gas for residential use.

In addition, alternative fuels, primarily fuel oil and coal for industries and power plants and liquefied petroleum gas for residential customers and smaller commercial users, are currently used when and where natural gas service is unavailable or is interrupted, and they continue to be used as substitutes for natural gas. Future increases in natural gas prices, reductions in the prices of such alternative fuels or the generation of electricity from sources other than natural gas may have a material adverse effect on TGI's cash flows, financial condition, results of operations, ability to pay dividends or make other distributions to us and, as a result, on our ability to make payments under the Notes.

An increase in natural gas prices could result in a reduction of the volumes of natural gas that TGI transports for its customers and have a material adverse effect on the ability of TGI's customers to make payments under their long-term firm natural gas transportation contracts.

During the year ended December 31, 2022, TGI derived 85% of its revenues from the fixed rate provisions of the long-term natural gas transportation contracts it has executed with its customers, 6% of its revenues from variable transportation rates charged to its customers under firm and interruptible natural gas transportation contracts and the remaining 9% correspond to other charges, such as charges for gas odorization, gas losses and operation and maintenance of pipeline interconnections. Transported volume is affected by the demand and price of natural gas, and an increase in price could reduce such demand. For example, electricity generators may have their gas-fired generation units dispatched less frequently since, in the Colombian electricity sector, power plants are generally dispatched based on the marginal variable cost, established by XM, and based on the short-term marginal cost of generating electricity by such units.

An increase in natural gas prices could also result in industrial plant shutdowns or load losses to alternative energy sources as well as gas distribution companies' loss of customer base. Pricing volatility may, in some cases, impact the value of under or over recoveries of retained gas, imbalances and system encroachments.

Furthermore, price fluctuations may adversely affect the willingness of TGI's customers under firm transportation contracts to renew such contracts. A failure to renew such contracts or any other cause of a reduction in the volumes of natural gas that TGI transports may have a material adverse effect on TGI's cash flows, financial condition and results of operations and its ability to pay dividends or make other distributions to us and, as a result, our ability to make payments under the Notes.

A significant portion of TGI's revenues is derived from customers that are natural gas distribution and retail companies. Some of these companies are related parties of TGI. The ability of natural gas distribution and retail companies to pay gas transportation rates is dependent to a large extent on their customers paying the applicable rate under natural gas distribution and retail contracts. Customers of natural gas distribution and retail companies comprise a broadly diversified pool of customers. Nevertheless, a failure by such customers to pay the applicable rate under gas distribution contracts could have a material adverse effect on the ability of TGI's customers to make payments under their long-term firm natural gas transportation contracts with TGI. The occurrence of any such event could have a material adverse effect on TGI's cash flows, financial condition and results of operations and its ability to pay dividends or make other distributions to us and, as a result, on our ability to make payments under the Notes.

TGI has incorporated within its strategic risk matrix various contingencies, including but not limited to, fluctuations in market dynamics concerning natural gas consumption and demand. Additionally, such matrix accounts for potential economic impacts stemming from long-term gas supply uncertainties. Specifically, the latter encapsulates challenges that could impede operational continuity due to domestic interruptions in gas supply activities, including the cessation of exploration efforts or limitations imposed by contractual obligations, any of which could materially and adversely affect our financial condition and results of operations.

TGI could be responsible for the cost of relocating its natural gas transportation infrastructure to make way for new roads as well as for restoring any public and private roads that may have been damaged as a result of the exercise of its concession rights.

Pursuant to Law 1682 of 2013, any government owned entity or private company which is responsible for advancing on the design and performance of infrastructure projects, must follow the procedure established therein for purposes of relocating the infrastructure required for the natural gas transportation. Under this law, the entities in charge of advancing and constructing infrastructure projects are required to establish within their financial projections the cost of the relocation of the public utilities infrastructure, which must be borne by the corresponding infrastructure project, unless: (i) the permit granted for the installation of the public utilities infrastructure is conditioned to the expansion of transport infrastructure; (ii) there is an agreement previously executed by the parties, pursuant to which such parties require to comply with such agreement and (iii) if the public utilities infrastructure has been installed in the restricted areas referred to under Law 1228 of 2008 after the enactment of the aforesaid law. In any of these events, the public utilities company is required to cover the cost of the relocation of the public utilities infrastructure. We cannot assure that, with respect to all of the land occupied by TGI's Pipeline System, TGI would not be responsible for the costs associated with such relocation.

In addition, TGI is responsible for the full restoration of any public and private road that may be damaged as a result of the exercise of its rights pursuant to its concession agreements. Whenever TGI's pipelines break through, get over or pierce any public or private road, TGI will be responsible for the compensation and payment of all expenses that arise in connection with such damages.

If TGI is liable for the costs of relocating our infrastructure or for any repairs related to the damage of public and private roads, such responsibility could adversely affect our cash flows, financial condition, results of operations, and our ability to make payments under the Notes.

Service interruption in the TGI Pipeline System could give rise to the imposition of fines and other sanctions.

If TGI suspends or interrupts the service it provides through the TGI Pipeline System for reasons other than regular maintenance, repairs, force majeure events, excusable events in accordance with the applicable regulations or breaches by TGI's customers under their contracts with TGI, it may have to indemnify its customers for the damages caused by any such service interruption, in accordance with the terms of its natural gas transportation contracts, CREG regulations and Law 142. In addition, the SSPD could impose penalties on TGI, including (a) admonishment, (b) fines of an amount equal up to 2,000 current legal monthly minimum wage (*salario mínimo mensual legal vigente* "SMMLV" by its Spanish acronym) (approximately Col\$2,320 billion or U.S.\$553,567 million); (c) order the closure of all of the company's activities; (d) request the removal of TGI's managers or employees, (e) request governmental authorities to declare the termination of the company's agreements executed by the company with public entities; (f) ban the offender from providing the public utility; and (g) the administrative takeover of TGI, if TGI is unable to transport natural gas with the continuity and quality standards required by law and such service is considered either critical to preserve the public or economic order or necessary to avoid serious damage to users or third parties. Such damages and penalties may have a material adverse effect on TGI's cash flows, financial condition and results of operations and could impair its ability to pay dividends or make other distributions to us and, as a result, on our ability to make payments under the Notes.

Risk Factors Relating to Enel Colombia and the Colombian Electricity Industry

Since Enel Colombia's business depends heavily on hydrological and atmospheric conditions, such conditions may affect Enel Colombia's business, financial condition and results of operations.

Because 86.7% of Enel Colombia's installed capacity in Colombia is hydroelectric, Enel Colombia is dependent on the prevailing hydrological conditions in the geographic region in which it operates. At the same time, the electricity business is affected by atmospheric conditions, such as average temperatures that impact the demand for electricity. Colombian hydrology typically follows a dual season annual cycle, with one period of low levels of precipitation from December to March and high levels of precipitation during the rest of the year. However, during the last couple of decades, Colombia's hydrology has been affected by a climactic phenomenon that affects the regularity of the rainfall season and leads to droughts, known as the El Niño-Southern Oscillation or "El Niño." Between 2018 and the second quarter of 2019, the condition of the Pacific Ocean was neutral, with small positive anomalies in sea surface temperature. Below-average rainfall in the areas where Enel Colombia has its hydroelectric plants results in lower generation of electricity and may, therefore, reduce its revenues. Above-average rainfall in Colombia results in lower spot prices which may also reduce Enel Colombia's revenues. A recurrence of low hydrological conditions that result in low supply of electricity to the entire Colombian market could cause, among other things, the creation of rationing programs for the reduction of energy consumption to avoid the interruption of energy supply. For example, during 1992 and 1993, the Colombian government established rolling blackouts in order to address the challenges posed by a dry season which extended from 1991 to 1992.

Enel Colombia establishes a contracting level calculated for critical hydrology in order to be able to generate sufficient electricity to meet its obligations under current PPAs. Moreover, under regulated circumstances, Enel Colombia may be required to purchase electricity on the spot market or execute PPAs with other generators or retail companies. Depending on market and system conditions at any point in time, such purchases may have to be made at higher prices than PPA prices, which may in turn affect Enel

Colombia's financial condition and results of operations. Also, if Enel Colombia fails to meet its OEF, it may be required to pay to other electricity generators disregarding that the SSPD may impose fines to Enel Colombia. To avoid the non-compliance with the OEF, Enel Colombia must report to the security rings as regulated by Chapter VII of CREG 071 of 2006. Any of the above conditions could affect Enel Colombia's financial condition and results of operations and its ability to pay dividends or make other distributions to us and, as a result, our ability to make payments under the Notes.

Enel Colombia's thermoelectric plants consume large amounts of fuel oil and coal. A significant interruption in the supply or an increase in the price of any of these fuels during a low rainfall period could have a material adverse effect on Enel Colombia's financial condition and results of operations.

Fuel oil and coal are the primary fuel sources used in Enel Colombia's thermoelectric plants. Enel Colombia's profitability is impacted by the price and availability of fuel oil and coal it purchases from third parties, particularly during the low rainfall periods during which Enel Colombia relies more heavily on its thermoelectric plants to generate electricity. Enel Colombia has entered into long-term contracts for the purchase of coal and fuel oil.

A significant increase in the price of natural gas, coal or other fuels that is not recovered through an increase in the sales price of the electricity Enel Colombia generates, or an extended interruption in the supply of natural gas, coal or other fuels to its thermoelectric plants, could have a material adverse effect on its business, financial condition, results of operations and cash flows and its ability to pay dividends or make other distributions to us and, as a result, on our ability to make payments under the Notes.

Enel Colombia's operations are subject to significant operational risks and hazards.

Enel Colombia's operations involve risks and hazards, including environmental hazards, industrial accidents, labor disputes, protests, or de facto actions by demonstrators that restrict the normal development of business activities. Additional risks include actions of vandalism, theft of components, or any other criminal action that adversely affects Enel Colombia's assets, as well as unusual or unexpected hydrological conditions or acts of nature. These risks and hazards could lead to explosions, flooding or other events or circumstances which could result in the complete loss of Enel Colombia's hydroelectric, thermoelectric or photovoltaic facilities, distribution lines or substations or could otherwise result in damage or impairment to, or destruction of, Enel Colombia's electricity generation facilities and transmission assets, environmental damage, delays in electricity generation and business interruption, or personal injury or death. Moreover, Enel Colombia may also be subject to a scarcity of fuel, coal, gas or water and, even if there is available fuel, coal and gas in the Colombian market, Enel Colombia may be unable to enter into the relevant supply agreements in order to cover its respective electricity generation and delivery obligations. Any of the above conditions could affect Enel Colombia's financial condition and results of operations and its ability to pay dividends or make other distributions to us and, as a result, affect our ability to make payments under the Notes. The completion of Enel Colombia's strategic projects is subject to several factors, some of which may be beyond its control and could lead to a loss of revenues or increased expenses.

Enel Colombia's ability to engage in any strategic project is subject to, among other factors, numerous businesses, and economic, regulatory, competitive and political uncertainties beyond its control. The success of any expansion project may depend on, among others, the following factors:

- construction and operational delays or unanticipated cost overruns;
- competition that is more attractive because of costs, location, facilities or other factors;

- customers may be unable or unwilling to sign long-term electricity supply contracts to use Enel Colombia's planned expansion of electricity generation capacity;
- availability of raw materials and other products;
- public protests and negative reactions in respect of Enel Colombia projects in the regions where its operates or intends to operate;
- changes in public policies, laws or regulations relative to electricity resulting in reduced or eliminated returns on invested capital;
- Enel Colombia's potential inability to obtain required governmental permits and approvals or its inability to obtain these on a timely basis;
- Enel Colombia or any of its subsidiaries or related companies may be unable to obtain the required environmental and regulatory licenses permits and approvals; and
- suppliers for strategic projects may not comply with their contractual obligations with Enel Colombia, or may be subject to material adverse changes that may affect their ability to comply with contractual obligations with Enel Colombia, resulting in delays or increased costs for its strategic projects.

Enel Colombia may also require additional capital to fund strategic projects. If Enel Colombia fails to generate or secure sufficient funds in the future, it may have to delay or abandon strategic projects. Also, a strategic project may cost more than planned to complete and such excess cost may not be recoverable. Enel Colombia's inability to successfully complete any strategic project or to recover any related costs or capital expenditures may adversely affect Enel Colombia's financial condition and results of operations and its ability to pay dividends or make other distributions to us and, as a result, our ability to make payments under the Notes.

Enel Colombia's businesses are subject to substantial regulation, and governmental entities could penalize or, under certain circumstances, assume control of Enel Colombia if it fails to comply with the applicable regulations. Also, the agencies that regulate Enel Colombia's business can take other actions that may adversely affect their operations and profitability.

Enel Colombia is subject to extensive energy, public utility, environmental and other regulations at the national and local level. Such laws and regulations may relate to, among other things, required licenses, permits and other approvals, the rates that Enel Colombia may charge for its services, the terms and conditions applicable to Enel Colombia's services, its ability to recover various categories of costs and the acquisition, construction and transfer of electricity generating facilities by Enel Colombia and commercialization and distribution of electricity by Enel Colombia. Enel Colombia may not be able to renew or maintain any applicable licenses, permits and approvals required or that may be required to operate its businesses. The failure to renew or maintain any required licenses, permits, registries or approvals, or the inability of Enel Colombia to satisfy any applicable legal requirements may result in increased compliance costs and the payment of penalties to such regulatory agencies, the need for additional capital expenditures, which could have a material adverse effect on its cash flows, financial condition and results of operations.

Enel Colombia's operations may not comply at any given time with certain laws and regulations and certain conditions established by applicable licenses, permits or approvals. Enel Colombia's failure to meet such regulations and conditions, or the quality standards set forth by the relevant regulatory agencies, as applicable, for example, but not limited to its failure to comply with existing regulations relating to

Reliability Payments, may result in the imposition of penalties by the SSPD. In addition to these penalties, fines and restrictions, in some cases the SSPD may assume control of its operations to ensure continued provision of public utility services and compliance with applicable laws and regulations. Any of the foregoing penalties, fines or restrictions, or the SSPD's intervention may, as the case may be, have a material adverse effect on Enel Colombia's results of operations, financial condition and its ability to pay dividends or make other distributions to us and, as a result, on our ability to make payments under the Notes.

If electricity prices were reduced or redesigned pursuant to regulations issued by Colombian authorities in the future, or if the volume of business under currently permitted prices were decreased significantly, or if Enel Colombia were required to substantially discount the price for its energy sales or distribution rates because of regulatory pressure, the results of operations and financial condition of their respective businesses could be adversely affected. In addition, increased regulatory requirements relating to the integrity of Enel Colombia's facilities or the quality of the services provided may require additional spending in order to meet these requirements and introduce operational inefficiencies, which could have a material adverse effect on their results of operations, cash flow and financial condition.

As with any regulated company, the laws or regulations in Colombia may change or be interpreted in a manner that could adversely affect Enel Colombia's businesses, financial condition and results of operations and, as a result, its ability to pay dividends or make other distributions to us and on our ability to make payments under the Notes. The revenue from Enel Colombia's electricity generation may be subject to adjustments as a result of regulatory reforms to the electricity generation market that may be adopted from time to time, and such adjustments may have an adverse effect on Enel Colombia's financial condition and results of operations.

Enel Colombia must comply with CREG Resolution 130 of 2019 which sets forth the principles, behavior and procedures to be followed by commercialization agents in the execution of agreements to acquire the energy required to serve the regulated market. Its purpose relies on establishing the minimum conditions that must be followed in the tenders to award those agreements to manage the risk associated with the volatility of energy prices ultimately charged to end-users, through a mechanism that meets the following principles: efficiency, transparency, neutrality and reliability.

This resolution establishes restrictions applicable to commercialization agents in January 1, 2027 and thereafter, that prohibit commercialization companies from entering into agreements to acquire the energy required to serve more than ten percent (10%) of their regulated demand with generation or commercialization agents with whom they are vertically integrated, have the same controlling party, or are in a position of control. This resolution provides for a seven year-transition period between 2020 and 2027 for such limitation to be implemented gradually by commercialization companies, starting from a 50% threshold of the relevant regulated demand in 2021, 40% in 2022, 20% in 2026, to the 10% applicable limitation which is mandatory starting in January 1, 2027 and thereafter. This means that Enel Colombia, as an electric energy supplier, in 2027 must acquire 90% of its purchases from generators different from Enel Colombia. In 2022 Enel Colombia's distribution business received 40.78% of its electricity from Enel Colombia's generation business.

As part of the transition for purchases between vertically integrated companies, the SICEP was created as a centralized information platform for energy purchases on the regulated market, regulated by CREG Resolution 102-18 of 2022. This platform allows for an efficient purchase of energy between different agent in the market.

Enel Colombia's electricity generation, transmission, distribution, and regulated commercialization rates may be subject to downward adjustments as a result of the tariff review processes undertaken by CREG from time to time.

The generation, transmission, and distribution of electricity in Colombia are regulated industries and, accordingly, Enel Colombia's results of operations depend on the applicable regulatory framework and the interpretation and application of such framework by CREG. The rates that Enel Colombia is allowed to charge can be adjusted every five years or whenever CREG determines a new methodology, which is based on the efficiency of its operation and its investments.

Periodic adjustment of Enel Colombia's electricity generation, transmission, and distribution rates or reviews of the methodologies established by applicable regulations for the calculation of such rates may result in reductions of Enel Colombia's revenues from its electricity generation, transmission and distribution businesses that may have a material adverse effect on Enel Colombia's business, results of operations, financial condition and ability to distribute dividends, which may affect our ability to make payments under the Notes.

Enel Colombia is subject to refinancing risk.

As of December 31, 2022, Enel Colombia's total outstanding bonds amounted to Col\$3,232,918 million (U.S.\$771.3 million), of which Col\$812,470 million (U.S.\$193.8 million) will mature in 2023 and Col\$2,420,448 million (U.S.\$577.5 million) will mature after 2023.

Enel Colombia may be unable to refinance its indebtedness or obtain such refinancing on terms acceptable to it. In the absence of such refinancing, Enel Colombia could be forced to dispose of assets in order to make up for any cash shortfall to meet the payments due on its indebtedness under circumstances that might not be favorable to obtaining the best price for such assets. Furthermore, assets may not be sold quickly enough or may be sold for amounts that are too low to enable Enel Colombia to pay dividends or make other distributions to us and, as a result, our ability to make payments under the Notes could be adversely affected.

Risk Factors Relating to Our International Operations

High inflation may adversely affect the business and results of our international operations.

High levels of inflation in certain countries where we operate negatively affect local monetary policy and the purchasing power of our consumers, which could reduce demand for our services and adversely affect our businesses and results of operations.

For example, Peru experienced periods of hyperinflation in the 1980s and high inflation in the early 1990s, which materially undermined the Peruvian economy and the government's ability to create conditions to support economic growth. A return to a high inflation environment could deteriorate Peru's foreign competitiveness by decreasing investment in the country, with negative effects on the level of economic activity and employment and the consequent reduction in energy and gas demand, in which case the price for spot market transactions could increase and the operating margins and cash flows of our Peruvian companies could be adversely impacted. In a scenario of increased inflation, the Central Reserve Bank of Peru, or the Peruvian Central Bank, which sets the Peruvian base interest rate, may increase or decrease the base interest rate to control inflation or foster economic growth. Increases in the base interest rate could adversely affect our Peruvian results of operations, increasing the cost of certain funding.

Although natural gas and electric tariffs in Peru are fixed in U.S. dollars or supported in costs fixed in such currency, the tariffs are converted to Peruvian *soles* for invoicing purposes. The determination of such tariffs is subject to annual inflation adjustments, labor costs and other local inputs are denominated in local currency which could increase more than regulated income variation. Therefore, our inability to

effectively transfer costs' variations above inflation through regulated tariffs could generate a decline in our financial results.

In recent years, the evolution of inflation in countries where we operate has experienced fluctuations above or in the upper range of the target set by the central banks of each relevant country. High inflation in any of the countries where we operate may adversely affect the business and results of operations of our international operations.

Our business, financial condition and results of operations may be adversely affected by economic, political, social or legal developments in the countries where we operate and/or invest.

We currently conduct operations in Colombia, Peru, Guatemala and Brazil and may decide to expand our international operations to other countries in the future. As a result, our business, financial condition and results of operations may be adversely affected by general economic, political, social or legal developments in the countries where we operate and/or invest.

In general, operations in emerging market countries may be subject to higher volatility than operations in countries such as the United States. Market instability is driven by social and political events such as wars, social and civil unrest and significant changes in national economic policies, laws and regulations, all of which may be more likely to occur in an emerging market country. The countries where we operate and/or invest are affected by political, social and security conditions including, drug trafficking, illegal immigration, organized crime, high crime rates, and human rights. During 2023, Peru and Colombia have experienced social and political turmoil, including riots, and nationwide protests. Future protests could adversely and materially affect the Colombian and Peruvian economy and our businesses in those countries. The governments of these countries have exercised, and continue to exercise, significant influence over their respective economies and occasionally make significant changes in policy and regulations.

Government actions to control inflation and other policies and regulations have involved, among other measures, price controls, currency devaluations, capital controls and limits on imports. We do not have any control over, and are unable to predict, which measures or policies the governments of the countries where we operate may adopt in the future. We cannot assure you that future economic, political, social or legal developments in the countries where we currently operate, and over which we have no control, will not have an adverse effect on our business, financial condition or results of operations.

We are subject to extensive controls and regulations imposed by the governments of the countries where we operate and any changes in such controls and regulations may have an adverse effect on the business, financial condition and results of operations of our international subsidiaries.

The services that we provide are subject to extensive controls and regulations imposed by various levels of governmental agencies. All current legislation is a matter of public record and we are unable to predict what additional legislation or amendments may be enacted. Amendments to current laws, regulations and permits governing operations and activities of companies engaged in our businesses, including tax and environmental laws and regulations which are evolving in these countries, or more stringent implementation or interpretation thereof, could have a material adverse impact on our international operations and cause increases in expenditures and costs, affect our ability to expand or transfer existing operations or require us to abandon or delay the development of new businesses and/or projects. See "Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — Regulatory agencies could penalize us or our consolidated subsidiaries and our related companies if we fail to comply with the terms of the rules and regulations applicable to our transmission and transportation business."

Exchange controls and restrictions on foreign currency remittance imposed by the countries where we operate could materially affect our ability to fund our operations and/or realize profits from our international operations.

The Colombian government and the Central Bank can intervene in Colombia's economy and make significant changes in monetary, fiscal exchange and regulatory policy, which could result in currency devaluation and the changes in international reserves. Our business, financial condition and results of operations may be adversely affected by changes in government or fiscal policies, and other political, diplomatic, social and economic developments that may affect Colombia or the international markets. Possible developments include fluctuations in exchange rates, inflation, instability of prices, changes in interest rates, liquidity of domestic capital and debt markets, exchange controls, deposit requirements on foreign borrowings, controls on capital flows, and limits on foreign trade. See "Foreign Exchange Controls."

Although the Colombian government has not imposed foreign exchange restrictions since 1990, Colombia's foreign currency markets have historically been regulated. Colombian law permits the Central Bank to impose foreign exchange controls to regulate the remittance of dividends and/or foreign investments in the event that the foreign currency reserves of the Central Bank fall below a level equal to the value of three months of imports of goods and services into Colombia. Please see "Foreign Exchange Controls" on actions the Central Bank could take to intervene in the exchange market. An intervention that precludes us from possessing, utilizing or remitting dollars would impair our financial condition and our results, and would impair the shareholders' ability to convert to U.S. Dollars any dividend payments.

The Colombian government has considerable power to shape the Colombian economy and, consequently, affect the operations and financial performance of businesses. The Colombian government may seek to implement new policies aimed at controlling further fluctuation of the Colombian peso against the U.S. dollar and fostering domestic price stability. The President of Colombia has considerable power to determine governmental policies and actions relating to the economy and as of April 28, 2020, Colombia was formally accepted as a member of the Organization for Economic Cooperation and Development (the "OECD"). However, and since the accession to the OECD was initiated by previous governments (since 2013), we cannot assure that the policies to be adopted by the Colombian government will be aligned to OECD policies, and whether those policies would have a negative impact on the Colombian economy or on our business, financial condition and results of operations. Furthermore, there can be no assurance that the Colombian peso will not depreciate or appreciate relative to other currencies in the future. See "Foreign Exchange Controls."

Our international operations may require funding if their cash requirements exceed operating cash flow. To the extent that funding is required, there may be exchange controls limiting such funding or adverse tax consequences associated with such funding. In addition, taxes and exchange controls may affect the dividends that we receive from our international subsidiaries. Exchange controls may prevent our international subsidiaries from transferring funds to Colombia. There can be no assurance that the governmental authorities of the countries where we operate will not require prior authorization or will grant such authorization for our international subsidiaries to make dividend payments to us in other jurisdictions and we cannot assure you that there will not be a tax imposed with respect to the expatriation of the proceeds from our international subsidiaries. The implementation of a restrictive exchange control policy, including the imposition of restrictions on the repatriation of earnings to foreign entities, could affect our ability to engage in foreign exchange activities, and could also have a material adverse effect on our business, financial condition and results of operations.

Exchange control risks include: (i) availability risk, the risk that even if we generate cash flows in local currencies that may be ultimately distributable to us, other currencies will not be available for conversion; (ii) convertibility risk, the risk that a governmental entity will restrict, condition or terminate

our legal right to convert local currency into other currencies, including the Colombian *peso* or the U.S. dollar; and (iii) transferability risk, the risk that a governmental entity will allow us to convert local currency into other currencies, but will place restrictions or prohibitions on those other currencies leaving the country. The imposition of exchange controls and restrictions on foreign currency remittance in any of the countries where we operate could have a material adverse effect on our business and results of operations.

The governments of the countries where we operate do not currently restrict the ability of local or foreign persons or entities to convert local currencies into other currencies. However, in the past, the countries where we operate have experienced balance of payment deficits and shortages in foreign exchange reserves, and the governments have responded by restricting the ability of local or foreign persons or entities to convert local currency to other currencies generally, and U.S. dollars in particular. We cannot assure you that any such restrictions will not be imposed in the future, nor can there be any assessment of the duration or impact of such restrictions if imposed. Any restrictive exchange control policy or law could adversely affect our ability to engage in foreign or local exchange activities and could also have a material adverse effect on our business, financial condition or results of operations. See “Foreign Exchange Controls.”

Our subsidiaries may be subject to new and higher taxes resulting from changes in tax regulations or the interpretation thereof in the countries where we operate and/or invest.

We operate in a number of countries and are therefore regularly audited by and remain subject to numerous tax regulations. Changes in our global mix of earnings could affect our effective tax rate.

Furthermore, changes in tax laws could result in higher tax-related expenses and payments. Legislative changes in any of the countries where we operate and/or invest could materially impact our overall tax burden. In addition, the uncertain tax environment in some countries in which our businesses operate could limit our ability to enforce our rights. Some of our businesses operate in countries with complex tax rules, which may be interpreted in a variety of ways and could affect our effective tax rate.

Future interpretations or developments of tax regimes or a higher than anticipated effective tax rate could have a material adverse effect on our tax liability, return on investments and business operations.

In addition, we operate in, and our businesses are incorporated in and are tax residents of, various jurisdictions. The tax authorities in the various jurisdictions where we operate or are incorporated, may disagree with and challenge our assessments of our transactions (including any sales or distributions), tax position, deductions, exemptions, where we or our subsidiaries or businesses are tax resident, or other matters. If we are unsuccessful in responding to any such challenge from a tax authority, we may be unable to proceed with certain transactions, be required to pay additional taxes, interest, fines or penalties, and may be subject to taxes for the same business in more than one jurisdiction or may also be subject to higher tax rates, withholding or other taxes. Even if we are successful, responding to such challenges may be expensive, consume time and other resources, or divert management’s time and focus from our operations or businesses. Therefore, a challenge as to our tax position or status or transactions, even if unsuccessful, may have a material adverse effect on our business, financial condition, results of operations or liquidity.

In addition, new tax laws and regulations, and uncertainties in the interpretation with respect to existing and future tax policies in countries where we operate may affect us and our subsidiaries. Changes in tax-related laws and regulations, and interpretations thereof, can provide for additional tax burdens on our subsidiaries and our businesses by increasing tax rates and fees, creating new taxes, limiting tax deductions, and/or eliminating tax-based incentives and non-taxed income. In addition, tax authorities and competent courts in countries where we operate may interpret tax regulations differently than us and our subsidiaries, which could result in tax litigation and associated costs and penalties.

Developments and the perception of risk in other countries may adversely affect the market price of securities issued by Colombian companies, including the Notes.

Securities issued by Colombian companies may be affected by economic and market conditions in other countries, including the United States, other Latin American and emerging market countries. Securities issued by Colombian issuers are also likely to be affected by economic and political conditions in Colombia's neighbors: Venezuela, Ecuador, Peru, Brazil and Panama. Although economic conditions in these Latin American and other emerging market countries may differ significantly from economic conditions in Colombia, investors' reactions to developments in these other countries may have an adverse effect on the market value of securities of Colombian issuers, including the Notes, and could also make it more difficult for us or our related companies to access the capital markets and finance our operations in the future, on acceptable terms or at all.

Due to financial and economic crises that may occur in countries around the and which may have an adverse effect in the economies of emerging markets, investors may view investments in emerging markets with heightened caution. As a result of financial and economic crises, flows of investments into Colombia may be reduced. Moreover, crises in other countries may hamper investors' enthusiasm for securities of Colombian issuers, which may in turn adversely affect the price for the Notes and make it difficult for us to access the international capital markets, finance our operations and capital expenditures and/or refinance our liabilities. This could also make it more difficult for us and our related companies to access the capital markets and finance our operations in the future on acceptable terms, or at all.

Since February 2022, the global geopolitical landscape has been marked by an increase in international hostilities and escalated tensions, notably within Europe, Asia, and the Middle East. Such conflicts introduce tangible risks to our operational continuity and that of our related companies. These risks primarily arise from potential disruptions in critical supply chains essential for the importation of goods associated with the construction or maintenance of transmission lines or pipelines, as well as the price of energy, specifically gas. These goods are indispensable for both the development, operation, and maintenance of our ongoing projects and activities. Consequently, these adverse conditions may negatively affect both our and our related companies' financial condition and results of operations, as well as our ability to repay the Notes.

Our Peruvian subsidiaries are subject to extensive governmental legislation and regulation related to the Peruvian power industry that may affect their business, results of operations and financial condition.

Our business is regulated in Peru by the OSINERGMIN, the MINEM, the OEFA, SENACE and various other national and local regulatory agencies. Regulatory actions taken by any of those agencies could have the potential to adversely affect our profitability.

Our Peruvian subsidiaries receive Regulated Revenues Applicable to MTS Contracts and GTS Contracts Regulated Revenues on a monthly basis for services provided to Regulated Customers which are determined by OSINERGMIN, pursuant to a rate-setting formula set forth in the CTM Concession Contracts (on a take-or-pay basis) considering an annuity on the basis of Cost of Investment + Cost of Operation and Maintenance. The annuity is calculated for a 30-year period. The Cost of Investment and the Cost of Operation and Maintenance value is adjusted every year by the OSINERGMIN to reflect changes in the U.S. PPI. The Cost of Operation and Maintenance for GTS Contracts was determined by our subsidiaries in their original bid.

Our Peruvian subsidiaries receive Regulated Revenues Applicable to Regulated CTS Contracts Regulated Revenues on a monthly basis for services provided to our Regulated Customers which are determined by the OSINERGMIN, pursuant to a rate-setting formula set forth in the Regulated CTS

Contracts (on a take-or-pay basis). The annuity is calculated for a 30-year period. The Cost of Investment and the Cost of Operation and Maintenance value is adjusted every four years by the OSINERGMIN to reflect changes in the U.S. PPI.

Our Brazilian subsidiaries and joint ventures are subject to extensive governmental legislation and regulation related to the Brazilian power industry that may affect their business, results of operations and financial condition.

Our Brazilian subsidiaries and joint ventures' principal activities — implementation, operation and maintenance of electricity transmission systems — are regulated and supervised by the Brazilian federal government through various authorities including BMME, ANEEL and the ONS. These authorities have historically exercised a high level of influence over our Brazilian subsidiaries and joint-ventures' activities. The BMME, ANEEL and the ONS have discretionary authority to implement, alter and interpret policies and rules applicable to various aspects of our Brazilian subsidiaries and joint-ventures' business. Areas most significantly affected include operations, maintenance and security.

Our Brazilian subsidiaries and joint-ventures' Regulated Revenues are determined pursuant to the Brazil Concession Contracts and are subject to ANEEL's regulatory decision-making authority. The Brazil Concession Contracts contemplate three types of rate revisions: (1) the annual adjustment, designed to offset some of the effects of inflation on tariffs, to incorporate remuneration formulas for small-scale reinforcements and to apply eventual adjustments; (2) periodic tariff review carried out every 5 years, in which remuneration related to investments made during the period is reviewed, in addition to O&M revenue and other parameters such as weighted average cost of capital and capital cost, depending on whether the type of contract is renewed or recently bid, and (3) the extraordinary review, related to changes in law or unforeseeable events that are beyond our Brazilian subsidiaries and joint-ventures' control that could cause increases to its operating costs. Any significant regulatory measure taken by BMME, ANEEL and the ONS may impose a significant burden on our Brazilian subsidiaries and joint-ventures' activities and have a material adverse effect on their business, financial condition and results of operations.

Our Brazilian subsidiaries and joint venture are not entitled to protection against bankruptcy proceedings in Brazil.

As electricity public service concessionaires, our Brazilian power transmission concessions are not entitled to judicial protection against bankruptcy (Chapter 11 — like proceedings) and therefore they may have limited ability to renegotiate and reorganized their debts in an insolvency scenario. However, ANEEL has the authority to intervene in the concession for electric power services to ensure its adequate performance and compliance with contractual, regulatory and legal rules. The intervention would be initially for one year, which may be extended only once, up to two more years, subject to ANEEL's discretion. Concessionaires of electric power services are not subject to judicial and extrajudicial recovery, as provided by the Brazilian Bankruptcy and Reorganization Law (Law No. 11,101 of 2005), except after the termination of the applicable concession.

The operation of the transmission network of REP and CTM in Peru could be disrupted as a result of events or actions beyond their control or due to differing requirements of facilities connected to REP and CTM's transmission network in Peru.

The transmission networks of REP and CTM in Peru operate through interconnections with numerous other power transmission companies, whose actions could negatively impact our operations. Systems deployed by other transmission operators may not always be adequate to prevent problems at other utilities from causing service interruptions in REP and CTM's networks. If any public service or transmission system interconnected with REP and CTM suffers a service interruption, which may have a

negative impact on our business, financial condition, and results of operation. When an electrical service interruption occurs, COES, according to Law 28832, is obliged to identify, through strictly technical analysis, the party or parties responsible for the cause of the interruption, so that they can financially compensate affected users in accordance with the Technical Standard for Quality of Electrical Services (NTCSE).

Additionally, as is customary in the electricity industry, the regulated terms of service (where applicable) and prevailing business and operating principles may sometimes differ between and among such transmission companies and their various facilities. Even though REP and CTM generally require compliance with certain standards and specifications in their agreements with the operators of such facilities to mitigate these risks, we cannot assure that certain conflicts or issues will not arise from these differing requirements in certain circumstances.

As of June 30, 2023, REP and CTM together accounted for approximately 67.8% of the electricity transmission in terms of total revenues collected from the Peruvian National Transmission System, according to COES.

Risk Factors Relating to Our Business and Operations in General

We may not be able to maintain our growth strategy through acquisitions or investments or realize the expected benefits of our past and future acquisitions or investments.

We have made several acquisitions and investments in the past decade and intend to continue making acquisitions and investments in order to strengthen, develop and grow our existing operations. Any acquisitions or investments we have completed or may complete in the future are subject to integration and development risks. The success of our acquisition or investment strategy depends upon our ability to identify targets with growth potential, make reasonable projections of future cash flows, integrate them into our operations, complete acquisitions at an appropriate cost and achieve an acceptable rate of return from our acquisitions, including past acquisitions.

We may face difficulties or experience delays while integrating our businesses into the businesses we have acquired or may acquire or in realizing the expected benefits or synergies from past or future acquisitions. These risks include potential disruptions of our businesses and relevant changes in the services tariff rates and regimes in countries where we operate, which may affect our profitability in said countries.

We may become liable, to the extent of our investment, for unexpected liabilities arising from acquired assets or businesses (including environmental liabilities). Indemnification agreements with the sellers of such assets may be nonexistent, unenforceable or insufficient to cover all potential liabilities. We may also be subject to regulatory interference, the imposition and maintenance of new regulatory controls, procedures and policies and the impairment of relationships with employees and counterparties should difficulties arise in integration. Moreover, the value of any business that we acquire or in which we invest may be less than the amount that we paid.

Our experience operating outside of Colombia is limited and our operations in countries where we have entered may be subject to operational, labor, regulatory, social, political or other risks unknown to us or in respect of which we may have not been previously exposed or may not have prior experience including, but not limited to, economic, political and regulatory conditions in any such country.

We are subject to anti-corruption, anti-bribery and similar laws, and non-compliance with such laws can subject us to criminal penalties or significant fines and harm our business and reputation.

We are subject to anti-corruption, anti-bribery and anti-money laundering laws in countries in which we conduct activities. Anti-corruption and anti-bribery laws prohibit companies and their employees and agents from promising, authorizing, making, offering, soliciting, or accepting, directly or indirectly, improper payments or other improper benefits to or from any person whether in the public or private sector. As we increase our sales and business, our risks under these laws may increase. Noncompliance with these laws could subject us to investigations, sanctions, settlements, prosecution, other enforcement actions, disgorgement of profits, significant fines, damages, other civil and criminal penalties or injunctions, adverse media coverage and other consequences. Any investigations, actions or sanctions could adversely affect our business, results of operations and financial condition. In addition, any such investigations against our shareholders may adversely affect our reputation. In December 2016, the United States Department of Justice (“DOJ”) announced that Odebrecht S.A. (“Odebrecht”), a global construction conglomerate based in Brazil, pled guilty and agreed to pay a monetary penalty to resolve charges with authorities in the United States, Brazil and Switzerland arising out of schemes to pay bribes to government officials, including to certain governmental officials in Colombia.

Soon after Odebrecht’s guilty plea, Colombia’s attorney general’s office (the “Attorney General”) initiated several investigations that identified and resulted in the incarceration of certain persons alleged to have received these bribes. Such investigations included a former congressman and a deputy minister. The Attorney General concluded that Odebrecht made illicit payments to be awarded contracts for the construction of certain infrastructure projects. Grupo Aval and certain of its subsidiaries, including Corporación Financiera Colombiana S.A. (“Corficolombiana”) and Episol (a wholly-owned subsidiary of Corficolombiana) and officers are defendants in some governmental investigations relating to these infrastructure projects. Such investigations and proceedings are subject to extensive media coverage and political interest in Colombia. Corficolombiana is a shareholder of GEB, owning a 5.18% interest.

On August 10, 2023, the DOJ announced that Corficolombiana agreed to pay over Col\$335 billion (U.S.\$80 million) to resolve parallel bribery investigations by criminal, civil, and administrative authorities in the United States and Colombia stemming from the company’s involvement in a scheme to pay millions of dollars in bribes to high-ranking government officials in Colombia. The DOJ’s resolution is coordinated with authorities in Colombia, as well as the U.S. Securities and Exchange Commission (SEC). According to court documents, Corficolombiana entered into a three-year deferred prosecution agreement (DPA) with the DOJ in connection with a criminal information filed in the District of Maryland charging the company with conspiracy to violate the anti-bribery provision of the Foreign Corrupt Practices Act (FCPA). See “Principal shareholders and related party transactions — Principal Shareholders.”

We conducted due diligence based on DOJ and SEC investigations into Corficolombiana and its subsidiaries. This process was based on public sources, specialized media outlets, Corficolombiana’s compliance program and policies, and the executives’ commitment toward its implementation. Through this process, we observed a reinforcement of the ethical and compliance program of Corficolombiana and the absence of responsibility of the current management of Corficolombiana. The current president of Corficolombiana is a board member of GEB. See “Management — GEB — Board of Directors of GEB.”

According to court documents, between 2012 and 2015, Corficolombiana conspired to offer and pay more than Col\$96 million (U.S.\$23 million) in bribes to high-ranking Colombian government officials in order to win a contract to construct and operate a highway toll road known as the Ocaña-Gamarra Extension. Corficolombiana conspired with Odebrecht, a global construction conglomerate based in Brazil, to pay bribes to Colombian government officials in the executive and legislative branches and to an executive at Colombia’s state-owned infrastructure agency, in order to win the rights to construct and

operate the Ocaña-Gamarra Extension. To carry out the bribery scheme, Corficolombiana caused other entities to enter into fictitious contracts with companies associated with intermediaries that passed along the bribe payments to the Colombian government officials.

Any investigations, actions or sanctions could adversely affect our business, results of operations and financial condition. In addition, any such investigations against us or our shareholders may adversely affect our reputation.

Our operations are subject to significant operational risks.

Our operations are subject to risks normally associated with the industries in which we operate, including equipment failures and ruptures, human errors, explosions, pollution, release of toxic substances, fires, adverse weather conditions, geological risks and other hazards, each of which could result in damage to or destruction of our assets, or other damages to persons or property. In addition, we are subject to threats of data security breach in connection with employee access to confidential information on USB drives and individuals impersonating contractors, among other risks in connection with our personnel. Moreover, our assets may be the target of terrorist attacks.

Although we maintain insurance coverage that we believe to be in accordance with industry standards, we cannot assure you that our insurance is sufficient to fully cover certain damages or losses arising out of our operational risks. See “Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — Our insurance, guarantee and warranty coverage and those of our consolidated subsidiaries and our related companies may not be adequate.” Damages and losses resulting from our operational risks may affect our business, financial condition and results of operations.

We may not be successful in implementing our strategy.

Our business strategy involves consolidation and expansion of the four strategic pillars of tomorrow transmission, gas for the future, smart cities, and sustainable generation to countries in Latin America. The successful implementation of our strategy is subject to various risks including, among others, the following:

- Increasing environmental and social pressures may make it more difficult to obtain access to natural resources necessary for the generation, transportation and transmission industry which makes promoting shared values, exercising sustainability and building relationships with communities that affect each company that operates in these industries increasingly necessary;
- Increasing regulatory pressure for agencies to interpret investments in distribution networks as investments whose WACC must be calculated as declining from previous amounts creates risks regarding future returns and capital expenditure needs;
- Customers are increasingly conservative with their energy consumption and there is an increasing disposition for more efficiency in daily habitual energy consumption and use;
- Capital providers and the capital markets continue to become more stringent on risk profiles, financial performance and Environment, Social and Governance (ESG) practices or standards which creates both a threat and an opportunity for the companies operating in these sectors; and
- New technology for more efficient energy uses, renewable resource business models and smart cities increasingly suggest that large companies focused on one technology should convert to portfolios of energy businesses that are balanced and provide ancillary energy sources.

Any of these risks, among others, may affect our ability to achieve our business strategy, thereby impairing our business, financial condition, and results of operations.

We depend on sophisticated information and processing systems to operate our businesses, the failure of which could adversely affect our financial condition, our results, and our ability to make payments under the Notes.

Sophisticated information and processing systems are vital to our ability to monitor our network performance and adequate provision of our services, bill customers, detect fraud, provide customer service, control its costs, achieve operating efficiencies and meet our service targets and standards. We routinely evaluate, upgrade and modernize our systems as needed. Our billing and information systems are continuously being upgraded and modernized by both in-house technicians and outside service providers (including those that participate in the billing process). However, the failure of these technicians and outside service providers to successfully integrate and upgrade our systems, to adequately provide their services or the failure in the future of any of these systems to operate properly, could have a material adverse effect on our financial condition, results of operations, and ability to make payments under the Notes.

We may be subject to cyber security threats.

We rely on information systems to operate our businesses. We may experience operational problems with the information systems as a result of system failures, viruses, ransomware, computer “hackers” or other causes. Cyber security risks have significantly increased because of the proliferation of new technologies, the use of the internet and telecommunications technologies for monitoring and adequately providing services, and the increased sophistication and activities of organized crime, hackers, terrorists and other external parties. As we rely on sophisticated information and processing systems, the implementation of technological changes and upgrades to maintain existing information and processing systems or integrate new systems could increase our risk of cyber security attacks.

While we are covered by two distinct types of cyber insurance, also known as cyber risk insurance and cyber gap insurance, there can be no assurance that such insurance coverage will continue to be available at commercially reasonable terms or at commercially reasonable fees, or that the amount for which we are insured, or the proceeds of such insurance will fully cover us for our losses.

Any material disruption or slowdown of our systems could cause information, including data related to customer requests, to be lost or to be delivered to our customers with delays or errors, which could affect our billing process and provision of customer service and could materially and adversely affect our financial condition and results of operations. See “Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — Our insurance, guarantee and warranty coverage and those of our consolidated subsidiaries and our related companies may not be adequate.”

Failure to protect personal information could adversely affect our reputation and our business.

We manage and hold our customers’ confidential personal information in the normal course of our operations. Although we have procedures, systems and controls to safeguard personal information in our possession, unauthorized disclosure or unauthorized access to privileged information, fraud or interference with the provision of services could subject us to legal actions, administrative sanctions and damages.

Any failure to protect personal information could result in reputational damage, fines and other sanctions and have an adverse effect on our financial condition and results of operations.

Because substantially all of our assets are dedicated to the provision of essential public utilities, they may not be available for liquidation in the event of a bankruptcy and may not be subject to attachment to secure a judgment in Colombia.

Our energy and gas distribution assets are used in connection with the provision of what is deemed to be an essential public utility under Colombian laws. Pursuant to Law 142, those assets may not be available for liquidation in the event of bankruptcy, insolvency or attachment to secure a judgment, and, in case of our insolvency or bankruptcy, could, pursuant to Law 142, be transferred to another public utility company in order to ensure the continued provision of the relevant public utility services. Although we believe we would be entitled to compensation in this event, we cannot predict when we will receive such compensation or the amount that may be paid as compensation may be lower than the amount necessary for us to fulfill our obligations, including our obligations under the Notes.

We cannot predict the impact that legal, regulatory and social responses to climate change may have on our business.

A number of legal and regulatory measures as well as social initiatives have been introduced both internationally and in Colombia to reduce greenhouse gases and other carbon emissions. Law 1715 of 2014 promotes and establishes incentives for the utilization of non-conventional renewable energy sources in Colombia. Although such non-conventional energy sources like wind and solar power still have a small market share, several projects have been presented before UPME and the Colombian government may take further actions to foster investments in such projects, such situation may create competition for GEB and could result in additional costs in our power segment and in turn could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or the market price of the Notes.

In addition, at the 21st Conference of Parties to the United Nations Framework Convention on Climate Change (“COP21”), which was held in late 2015, 150 countries submitted their Intended Nationally Determined Contributions (the “INDCs”). The principal agreements reached during COP21 include: (i) meeting every five years to set more ambitious targets, (ii) providing enhanced support for compliance by developing countries, (iii) establishing long-term goals towards the objective of zero net emissions, (iv) providing for increased transparency to ensure the achievement of such objective, and (v) providing financial aid to developing countries for implementing new procedures to minimize climate change. In order to comply with these agreements, Colombian regulatory authorities could establish stringent requirements on GEB. Accordingly, we may be required to assume and take into increased consideration the climate-related challenges posed by our operations or facing our existing partners and customers, which could force us to incur additional costs and could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or the market price of the Notes.

We depend on our executives and employees and their unique knowledge of the energy sector and our business segments, and we may not be able to replace key executives and employees if they leave.

The operations and continued growth of our business is dependent upon being able to attract and retain personnel, including corporate management, specialized engineers and employees, who have the necessary and required experience and expertise to manage and operate our businesses. Competition for highly qualified personnel is intense, and the loss of any executive officer, senior manager or other key employee without adequate replacement or the inability to attract new qualified personnel could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or the market price of the Notes. In the event that we were to lose the services of any such personnel, this could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or the market price of the Notes.

We regularly work with volatile and hazardous materials that subject us to risks that may materially impact our operations.

Our business involves using, storing, transporting and disposing of highly flammable and explosive materials, which are subject to extensive regulation. Even if we comply with requisite environmental, sanitary, security, transportation, risk management and safety requirements and standards, our operations are subject to significant hazards associated with using, storing, transporting and disposing of such materials, including: explosions; fires; severe weather and natural disasters; mechanical failure, including pipeline or storage tank leaks and ruptures; discharges or releases of hazardous substances or gases; other environmental risks; and terrorist attacks. If any of these hazards were to cause an accident, damage or destruction in relation to our business or the environment, this could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or the market price of the Notes.

Risk Factors Relating to Colombia

Factors such as Colombia's growing public debt and fluctuating exchange rates could adversely affect the Colombian economy.

Colombia's fiscal deficit and growing public debt could adversely affect the Colombian economy. As of December 31, 2022, the Colombian government's total debt was approximately 57.9% of GDP, compared to approximately 60.1% of GDP at December 31, 2021.

The Colombian central government's fiscal deficit as of December 31, 2022 was 5.3% of GDP. According to the *Comité Autónomo de la Regla Fiscal*, the fiscal deficit target was set at 8.3% of GDP for 2022.

Although the country has implemented various tax reforms in the last five years, the national government continues to face budgetary restrictions that could result in additional tax reforms and have an adverse impact on our results of operations. Colombia has a floating U.S. dollar to Colombian *peso* exchange rate. The U.S. dollar to Colombian *peso* exchange rate has fluctuated in recent years, seeing an 8.9% depreciation of the Colombian peso in 2018, 2019 and 2020 of 8.9%, 0.8% and 4.7%, respectively. The average exchange rate in 2022 was Col\$4,255.44 to U.S.\$1.00. This behavior was related primarily to oil prices, economic growth in the United States, Federal Reserve interest rates and its monetary normalization policy, aversion to financial risk in emerging economies and trade tensions between the United States and other economies such as China and the European Union. Because the Colombian economy depends on external flows of capital and for financing and its balance of trade, continued volatility in foreign exchange rates could negatively impact its economy.

We cannot assure you that any measures taken by the Colombian government and the Central Bank would be sufficient to control any resulting fiscal or exchange imbalances. Any further disruption in Colombia's fiscal and trade balance may therefore cause Colombia's economy to deteriorate and adversely affect our business, financial situation and results.

A substantial portion of our assets are located in, and a substantial portion of our income is earned in, Colombia and, thus, we are highly dependent on economic and political conditions in Colombia.

We are a public utility company (*empresa de servicios públicos*) organized as a stock corporation (*sociedad anónima por acciones*) under the laws of Colombia. Although we have operations in countries other than Colombia, a substantial portion of our assets is located in Colombia and a substantial portion of our income is earned in Colombia and denominated in Colombian *pesos*. As are all assets and income

located or earned in emerging market countries, our assets and income are subject to political, economic, regulatory and other uncertainties, including expropriation, nationalization, renegotiation or voiding of existing contracts, currency exchange restrictions and international monetary fluctuations. Accordingly, our financial condition, our results, and our ability to make payments under the Notes depend significantly on macroeconomic and political conditions prevailing in Colombia.

In Colombia, inflation rates have fluctuated significantly in recent years. As of December 31, 2019, 2020, 2021 and 2022 annual inflation rates were 3.80%, 1.61%, 5.62% and 13.12%, respectively. We cannot assure you that inflation rates will remain stable (as of the date of this offering memorandum, the inflation rate in Colombia is 10.99%).

Natural disasters in Colombia could disrupt our businesses and impact our financial condition results, and our ability to make payments under the Notes.

We are exposed to natural disasters in Colombia, such as earthquakes, volcanic eruptions, tornadoes, tropical storms and hurricanes. In particular, Colombia is exposed to recurring flooding and mudslides as a result of heavy rains attributable to weather patterns resulting from La Niña and El Niño phenomena. In the event of a natural disaster, although we have emergency response, business continuity plans and succession plan schemes for critical personnel, our disaster recovery plans may prove to be ineffective, which could have a material adverse impact on our ability to conduct our businesses, particularly if such an occurrence affects computer-based data processing, transmission, storage and retrieval systems or destroys customer or other data. In addition, if a significant number of our employees and senior managers were unavailable because of a natural disaster, our ability to conduct our businesses could be compromised. Natural disasters or similar events could also result in substantial volatility in our results of operations.

Colombia's economy remains vulnerable to external shocks, including a global economic crisis and those that could be caused by future significant economic difficulties of its major regional trading partners or by more general "contagion" effects, which could have a material adverse effect on Colombia's economic growth.

Although the Colombian economy has remained relatively stable, it remains vulnerable to external shocks. Even though exports from Colombia, principally petroleum and petroleum products, coal, coffee and gold, have grown in recent years, fluctuations in commodity prices pose a significant challenge to their contribution to the country's balance of payments and fiscal revenues. Unemployment continues to be high in Colombia compared to certain other economies in Latin America. Furthermore, recent political and economic actions in the Latin American region, including the corruption investigations and proceedings in Brazil and actions taken by the Venezuelan government, may negatively affect international investor perception of the region.

In addition, we cannot assure you that growth achieved over the past decade by the Colombian economy will continue in future periods. Between 2017 and 2022, Colombia had an average economic growth of 3.0%, a decrease from an average of 3.7% between 2012 to 2016. This decrease in average growth was due primarily to a decrease in the mining exploitation and quarrying activity since 2014, which decreased by -2.7% in the 2014-2022 period.

In 2023, the Colombian economy is expected to contract due to the negative impact of hawkish monetary policy aimed at combating historically high inflation, continued fiscal tightening, and weakening external demand. See "Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate." Moreover, the Colombian economy continues to be vulnerable to risks, including, lower

economic growth globally, political turmoil, high inflation, harsher financial conditions and continued migratory pressure from Venezuela.

In a volatile global context, the countries where we operate face challenges and risks that could affect their economic recovery and, as a result, the results of operations of our business. Some of these risks and challenges include the downward trend in the price of raw materials, the limited ability of fiscal and monetary policy to stimulate the economy, imbalances in external accounts, the decrease in foreign investment and the possibility of increases in prices coupled with a reduction of economic growth of any of these countries or their trade partners. With respect to Colombia, a significant decline in economic growth of any of these countries or their trade partners — in particular, the United States, China, Brazil and Venezuela — could have a material adverse effect on Colombia's balance of trade and economic growth. In addition, a “contagion” effect, whereby an entire region or class of investments becomes less attractive to, or subject to outflows of funds by, international investors could negatively affect the Colombian economy or that of any other country where we operate.

According to the IMF, global financial conditions could tighten more sharply than anticipated, with negative effects on commodity prices, capital outflows, and growth. An escalation of Russia's war in Ukraine and the resulting economic sanctions could disrupt trade and affect supply chain components. In Colombia, renewed uncertainty over the government's structural reform agenda could raise borrowing costs and undermine investment. Additionally, the risk of increased social tensions remains and delays in implementing the reform agenda or uncertainty regarding the energy transition strategy could impede potential growth and external sustainability. See “Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — Political conditions in the United States may adversely affect our financial condition and results of operations.”

Political conditions in the United States may adversely affect our financial condition and results of operations.

The Colombian economy and the market value of securities issued by Colombian issuers and issuers with operations in Colombia may be, to varying degrees, affected by economic and market conditions in other emerging market countries and in the United States. Furthermore, economic conditions in Colombia are correlated with economic conditions in the United States as a result, among other things, of the United States-Colombia Free Trade Agreement (“USCOFTA”), and increased economic activity between the two countries. With President Biden's administration, concerns regarding the impact of trade and immigration policies on countries such as Mexico, Guatemala and El Salvador have increased. President Biden's administration has reaffirmed the importance of a strategic alliance between the United States and Colombia, the economic reactivation, the compliance with the climate change agenda and other democracy and human right principles.

Adverse economic conditions in the United States, the termination or re-negotiation of free trade agreements, including USCOFTA, or other related events could have an adverse effect on the Colombian economy. Although economic conditions in other emerging market countries and in the United States may differ significantly from economic conditions in Colombia, investors' reactions to developments in other countries may have an adverse effect on the market value of securities of Colombian assets. There can be no assurance that future developments in other emerging market countries and in the United States, over which we have no control, including the re-negotiation of free-trade agreements such as USCOFTA, will not have a material adverse effect on our ability to service our debt, which could impair our ability to make dividend payments and could adversely affect the market price of the Notes.

Decreases in the market price for oil and natural gas could have an adverse effect on the Colombian economy.

Even though exports from Colombia, principally petroleum and petroleum products, coal, coffee and gold, have grown in recent years, fluctuations in commodity prices pose a significant challenge to their contribution to the country's balance of payments and fiscal revenues. For example, products from the energy and mining sectors that include, among others, oil and natural gas accounted for 56% of total exports in 2022. A significant drop in the price of commodities could have a material adverse effect on the Colombian economy.

If the United States imposes sanctions on Colombia in the future, our business may be adversely affected.

Colombia is among several nations whose eligibility to receive foreign aid from the United States depends on progress made to reduce production and transit of illegal drugs, which is subject to an annual review by the President of the United States. Although Colombia is currently eligible for such aid, Colombia may not remain eligible in the future. If the President of the United States concludes that Colombia has failed to meet its obligations under international counter-narcotic agreements may result in the imposition of economic and trade sanctions on Colombia which could result in adverse economic consequences for Colombia including potentially threatening our ability to obtain necessary financing to develop our business and further heightening the political and economic risks associated with our operations.

Any further downgrade in the credit rating of Colombia could adversely affect the Colombian economy.

In May 2021 and subsequently in July 2021, Standard & Poor and Fitch, respectively, downgraded the rating of the long-term foreign currency sovereign credit ratings of Colombia from BBB- to BB+, and changed its outlook to stable arguing the deterioration of the public finances with large fiscal deficits in 2020 – 2022, a rising government debt level, and reduced confidence around the capacity of the government to credibly place debt on a downward path in the coming years. In December 2020, Moody's downgraded Colombia's rating outlook from stable to negative and on October 6, 2021, changed the outlook again to stable from negative and ratified Colombia's rating at Baa2. As a result of these modifications, Colombia's long-term debt denominated in foreign currency of the date of this offering memorandum is rated BB+ by Fitch, BB+ by S&P and Baa2 by Moody's. Any further downgrade of Colombia's credit rating could adversely affect the Colombian economy and our operations and the market value of securities of Colombian issuers, including the Notes.

It may be difficult or impossible to enforce judgments of courts of the United States and other jurisdictions against the controlling shareholder, GEB or any of GEB's directors, officers and controlling persons.

GEB is organized under the laws of Colombia. Holders of the Notes are not able to effect service of process on our directors or executive officers within the United States, which may limit your ability to enforce any judgment you obtain against them. GEB's directors and most of its executive officers currently reside in Colombia. Furthermore, the majority of GEB's assets are located in Colombia. As such, it may be difficult or impossible for you to effect service of process on, or to enforce judgments of U.S. courts against GEB or against its directors and officers based on the civil liability provisions of the U.S. federal securities laws. Additionally, the Controlling Shareholder is a territory entity (*entidad territorial*) and under article 63 of the Colombian Political Constitution, article 594 of the General Procedural Code and article 138 of Decree 1421 of 1993 its assets, properties and income may not be subject to execution, set-off or attachment to secure a judgment. Colombian courts will enforce a U.S. judgment predicated on the U.S. securities laws through a procedural system known under Colombian law as *exequatur*. Colombian courts will enforce a foreign judgment, without reconsideration of the merits, only if the judgment satisfies the requirements of

the General Procedural Code, which provide that the foreign judgment will be enforced if certain conditions are met. See “Enforcement of Foreign Judgments.”

Historically, Colombia has experienced several periods of violence and instability. Future violence and instability in Colombia may adversely affect the Colombian economy and our operations.

Colombia has experienced several periods of violence over the past five decades, primarily due to the activities of guerrillas, paramilitary groups and drug cartels. In response, the Colombian government has implemented various security policies and has strengthened its military and police forces, including the creation of specialized units.

The Colombian government relaunched peace negotiations with the ELN in November 2022. In August 2023, the Colombian government and the ELN reached a six-month cease-fire agreement. Our business or financial condition could be adversely affected by rapidly changing economic or social conditions, including the implementation of the peace agreement with the FARC, or any peace negotiation with ELN or other group, which may result in legislation that increases our tax burden, or that of other Colombian companies, which could, in turn, impact the overall economy, or legislation that could directly impact our business, such as those requiring more flexible credit conditions for, or the employment of, former FARC or ELN members.

Despite these efforts, drug related crime and guerrilla and paramilitary activity continue to exist in Colombia. Any possible escalation in the violence associated with these activities may have a negative impact on the Colombian economy in the future or on us, which may affect our customers, employees, assets or projects. This situation may have a negative impact on the credibility of the Colombian government which could in turn have a negative impact on the Colombian economy or on us in the future.

We have taken measures that are standard industry practice in Colombia to protect ourselves and our assets against acts of violence. Examples of these measures include hiring specialized private security, implementing security technology and obtaining insurance against terrorism, fire, strikes and vandalism, among other measures. Nevertheless, there can be no assurance that the measures taken by us will be sufficient to safeguard our assets and operations. See “Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — Our insurance, guarantee and warranty coverage and those of our consolidated subsidiaries and our related companies may not be adequate.”

Even though the Colombian government reached a peace agreement with the FARC in 2016, the criminal activity — particularly in the form of terrorist attacks, homicides, kidnappings and extortion — persists in Colombia. Possible escalation of such activity and the effects associated with it could have a negative effect on the Colombian economy and on us, our employees, financial condition and results of operations.

A failed implementation of the peace agreements with the FARC may affect Colombia’s security and our operations.

Although the Colombian government and the Revolutionary Armed Forces of Colombia (*Fuerzas Armadas Revolucionarias de Colombia* or “FARC”) signed a peace agreement on November 24, 2016, incidents of terrorism may have a negative impact on business, financial condition and results of operations of us, our consolidated subsidiaries and our related companies and our ability to make payments under the Notes could be adversely affected.

Nonetheless, the process of implementation entails some risks that may affect our operations in the future, such as the emergence of new criminal structures composed of dissident members of the FARC and the resulting increase in criminal activity, especially in urban areas, new requests for restitution of land stripped during the conflict, areas with high presence of antipersonnel mines, the formation of a new political party composed by former guerrillas, along with the emergence of new political forces throughout regions where we operate, and the strengthening of social pressure groups.

Should any of these risks materialize, the development of new projects could be slowed or discontinued, and/or could lead to a scenario of socio-political instability, which may increase demands for social and economic investment to the companies operating in the same sectors such as us.

In addition, the peace agreement reached with the FARC may be modified by current or future governments. Although the Colombian Congress has approved certain regulations implementing the final peace agreement, including laws governing the Special Peace Justice System (*Jurisdicción Especial para la Paz*), laws enacted by the Colombian Congress in this regard may differ from the provisions of the peace agreement. If there are deviations from the peace agreement, there can be no assurance that criminal actions will not escalate in Colombia. The peace agreement signed with the FARC could result in the enactment of new laws and regulations, whose impact on our operations is unpredictable. The implementation of the peace agreement with the FARC will require the enactment of new laws and regulations, which may impact our activity in ways we cannot anticipate. The impact of such new legislation is still unknown, and further regulations may be required for such legislation to be implemented.

New laws or regulations enacted in connection with the implementation of the peace agreement may impact our activity and may have a negative effect on our and our related companies' financial condition and results of operations and our ability to repay the Notes. Furthermore, the scope of the rulings issued under the Special Peace Justice System (*Jurisdicción Especial para la Paz*) and their potential impact on us are unknown.

New peace agreements with multiple illegal armed groups may result in the enactment of new laws and regulations, the impact of which on our operations is unpredictable.

The implementation of the new peace agreements with multiple illegal armed groups, including the National Liberation Army (*Ejército de Liberación Nacional* or ELN), could require the enactment of new laws and regulations, including constitutional reforms, which may impact GEB's activity in ways GEB cannot anticipate. New laws or regulations enacted in connection with the implementation of the peace agreements with multiple illegal armed groups may impact GEB's activity and may have an adverse effect on GEB's financial condition and results of operations and its ability to repay the Notes. Furthermore, the scope of the rulings issued under new peace agreements and their potential impact on GEB are unknown.

The Colombian government could seize or expropriate our assets or the assets of our related companies under certain circumstances.

Pursuant to Articles 58 and 59 of the Colombian Constitution, the Colombian government can exercise its eminent domain powers in respect of GEB's assets, our consolidated subsidiaries and our related companies if any such action is deemed by the Colombian government to be required in order to protect public interests. Eminent domain powers may be exercised through: (i) an ordinary expropriation proceeding (*expropiación ordinaria*), (ii) an administrative expropriation proceeding (*expropiación administrativa*) or (iii) an expropriation for war reason (*expropiación en caso de guerra*). In all cases, GEB would be entitled to a compensation (*indemnización previa*) for the expropriated assets.

Also, as a general rule, compensation must be paid before the asset is effectively expropriated (except in the case of expropriation for reasons of war, in which case compensation may be quantified and paid later).

However, the compensation may be lower than the price for which the expropriated asset could be sold in a free-market sale or the value of the asset as part of an ongoing business. Any seizure or expropriation by the Colombian government could adversely affect GEB's business, results of operations and financial condition and GEB's ability to repay the Notes. In any case, the exercise of such right by the Colombian Government must be made only for reasons of public utility and by exhausting the applicable legal procedure, as it is the most burdensome limitation that can be imposed on a legitimately acquired property right.

Payment of judgements against us in Colombia may be made in pesos which may expose you to exchange rate risks.

In Colombia, in the event that proceedings are brought seeking performance of payment obligations denominated in a currency other than *pesos*, we would not be required to discharge those obligations in such currency. Under applicable law, an obligation payable in Colombia, resulting by agreement, if denominated in a currency other than *pesos*, must be satisfied in *pesos* at the applicable rate of exchange in effect on the date on which payments are made (or another conversion method, if agreed) unless such an obligation is deemed a foreign exchange operation (*operación de cambio*) under the Colombian foreign exchange regime, in which case the obligation must be paid in the agreed foreign currency. Furthermore, any obligation resulting from a judgment issued by a Colombian court must be discharged in *pesos* regardless of whether the payment obligation was denominated in a foreign currency and/or such obligation is deemed a foreign exchange operation. You should also be aware that no separate action exists or is enforceable in Colombia for compensation for any shortfall, unless it was agreed that such shortfall must be paid by us. As a result, holders of the Notes may be exposed to exchange rate risks.

The Colombian energy industry has been and may be affected by terrorist attacks.

Guerrilla groups have long been active in Colombia. In many remote regions of Colombia, these organizations have engaged in acts of terrorism to draw attention to their causes. Although most of this activity has been directed towards the oil industry, the energy industry has been affected as well. Attacks by guerrilla groups have disrupted power supplies, which disruption, in some cases, has led to short-term regional power outages. If any of these attacks were to damage our infrastructure, our financial condition and results of operations may be adversely affected, and therefore our ability to make payments under the Notes may be impaired. Although our infrastructure has been affected by such attacks, the energy system stability has not been affected. However, we cannot assure that future attacks will not affect our and our related companies' operations and, in consequence, our financial condition, our results of operations, and our ability to make payments under the Notes.

Risk Factors Relating to Peru

Economic, social and political developments in Peru, including political instability, inflation and unemployment, could have a material adverse effect on Peruvian consolidated subsidiaries' business and related companies' businesses.

A substantial part of our Peruvian consolidated subsidiaries' and related companies' operations and customers are located in Peru. Accordingly, our Peruvian consolidated subsidiaries' and related companies' financial condition and results of operations will be dependent on the level of economic activity in Peru.

Our Peruvian consolidated subsidiaries' and related companies' financial condition and results of operations could be affected by changes in economic and other policies of the Peruvian government (which has exercised and continues to exercise substantial influence over many aspects of the private sector) and by other economic and political developments in Peru, including devaluation, currency exchange controls, inflation, economic downturns, political instability, corruption scandals, social unrest and terrorism.

In the past, Peru has experienced political instability that has included a succession of regimes with differing economic policies and programs. Although Peru has been a stable democracy for a number of years, previous governments have imposed controls on prices, exchange rates, local and foreign investment and international trade, restricted the ability of companies to dismiss employees, expropriated private sector assets and prohibited the remittance of profits to foreign investors. We cannot be certain whether the Peruvian government will continue or be able to pursue its agenda, including business friendly and open market economic policies that stimulate economic growth and social stability.

During the 1980s and the early 1990s, Peru experienced several periods of violence, primarily due to the activities of terrorist groups, drug cartels and organized criminal organizations, targeted against, among others, the government and the private sector, which were mostly attributed to the Shining Path (Sendero Luminoso) organization and the Túpac Amaru Revolutionary Movement. In response, Peru has implemented various security measures and programs and has strengthened its military and security forces by creating specialized units. During the last two decades, the Peruvian government has made substantial progress in suppressing and controlling terrorist activities. Despite the suppression of terrorist activity, a resurgence of terrorism in Peru may occur, which could disrupt the economy of Peru and our business. In addition, Peru has experienced, and continues to experience, from time to time, social and political turmoil, including riots, nationwide protests, strikes and street demonstrations. The most recent protests were related to the demotion and arrest of former President Pedro Castillo after actions deemed as a coup by the Peruvian congress. These events led to protests concentrated in the southern regions of Ayacucho, Andahuaylas, Arequipa and Puno. Such protests include attacks against public and private property, including businesses and electrical, transportation infrastructure and government buildings. In response, President Dina Boluarte declared a state of emergency in the affected regions and tasked the police and the military with restoring order, which in turn led to claims against the security forces for alleged excessive use of force in controlling the protests. Despite Peru's ongoing economic growth and stabilization, the social and political tensions and high levels of poverty and informality in its economy and unemployment continue. Future government policies to preempt or respond to social unrest could include, among other things, expropriation, nationalization, suspension of the enforcement of creditors' rights and new taxation policies. These policies, if implemented, could adversely and materially affect the Peruvian economy and our Peruvian consolidated subsidiaries' and related companies' businesses.

The re-implementation by the Peruvian government of restrictive exchange rate policies and other laws could have an adverse effect on our Peruvian consolidated subsidiaries' and related companies' business, financial condition and results of operations.

Since 1991, the Peruvian economy has undergone a major transformation from a highly protected and regulated system to a free-market economy. During this period, protectionist and interventionist laws and policies have been dismantled gradually to create a liberal economy dominated by the private sector. Exchange controls and restrictions on remittances of profits, dividends, and royalties have ceased. Prior to 1991, Peru exercised control over the foreign exchange markets by imposing multiple exchange rates and placing restrictions on the possession and use of foreign currencies. The Peruvian economy has responded to this transformation by growing at a compound average annual rate of 5.0% during the period from 1994 to 2013 and, although expanding at lower rates during the last years, it is growing at a faster pace than most of its similar regional economies. Currently, the Peruvian Constitution guarantees the possession and use of foreign currencies and foreign exchange rates are determined by market conditions, with regular open-

market operations by the Peruvian Central Reserve Bank in the foreign exchange market to reduce volatility in the value of Peru's currency against the U.S. dollar.

We cannot assure you that the Peruvian government will not institute restrictive exchange rate policies in the future. Any such restrictive exchange rate policy could have a material adverse effect on our Peruvian consolidated subsidiaries' and related companies' business, financial condition and results of operations and adversely affect our Peruvian consolidated subsidiaries' and related companies' ability to repay debt or other obligations and therefore restrict our Peruvian consolidated subsidiaries' and related companies' access to international financing.

Increased inflation in Peru could have an adverse effect on the Peruvian long-term credit market as well as the Peruvian economy generally and, therefore, on our Peruvian consolidated subsidiaries' and related companies' financial condition and results of operations.

In the past, Peru has suffered through periods of high and hyper-inflation, which has materially undermined the Peruvian economy and the government's ability to create conditions that support economic growth. In response to increased inflation, the Peruvian Central Bank, which sets the Peruvian basic interest rate, may increase or decrease the basic interest rate in an attempt to control inflation or foster economic growth. Increases in the base interest rate could adversely affect our Peruvian consolidated subsidiaries' and related companies' results of operations, increasing the cost of certain financings. Because of reforms initiated in the 1990s, Peruvian inflation decreased significantly until 2020. The Peruvian economy experienced a significant increase in annual inflation from 1.97% in 2020 to 6.43% in 2021 and 8.46% in 2022, as measured by the Peruvian Consumer Price Index (*Índice de Precios al Consumidor del Perú*). A high inflation environment would also undermine Peru's foreign competitiveness, with negative effects on the level of economic activity and employment, while increasing our Peruvian consolidated subsidiaries' and related companies' operating costs and adversely impacting our Peruvian consolidated subsidiaries' and related companies' operating margins.

If Peru experiences substantial inflation in the future, the costs of our Peruvian subsidiaries could increase and our operating margins could decrease, which could materially and adversely affect us.

Inflationary pressures may also limit our ability to access foreign financial markets and may cause government intervention in the economy, including the introduction of government policies that may adversely affect the overall performance of the Peruvian economy and our Peruvian consolidated subsidiaries' and related companies' businesses.

The climatic phenomenon El Niño and other natural phenomena such as earthquakes and floods may have a material and adverse effect on our Peruvian consolidated subsidiaries and our related companies.

El Niño is an oceanic and atmospheric phenomenon that causes a warming of temperatures in the Pacific Ocean, resulting in heavy rains off the coast of Peru and Ecuador and various other effects in other parts of the world. The effects of El Niño, which typically occurs every two to seven years around the end of December, include abnormally bad weather, flooding and drought, with significant impact on fishing and agriculture activities. The strongest El Niño events of the 20th and 21st centuries occurred in 1982-1983, 1997-1998 and in March 2017. Should another strong El Niño event occur, there is no assurance that our Peruvian consolidated subsidiaries' and related companies' properties and assets will not be damaged.

In addition, Peru has experienced other natural phenomena in the past such as earthquakes and floods. Most recently, on August 15, 2007, a strong earthquake, measuring 7.9 on the Richter scale, hit the central coast of Peru, heavily affecting the Ica province in particular. A major earthquake could damage infrastructure necessary for our Peruvian consolidated subsidiaries' and related companies' operations. Peru

has also experienced droughts caused by low rainfall. If such events occur in the future, our Peruvian consolidated subsidiaries' and related companies' properties and equipment may be damaged, destroyed or lost not covered by their respective insurance policies, as well as temporary disruptions to the services provided by them, which may materially and adversely affect them. See "Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — Our insurance, guarantee and warranty coverage and those of our consolidated subsidiaries and our related companies may not be adequate."

Corruption and ongoing high-profile corruption investigations may hinder the growth of the Peruvian economy and have a negative impact on our Peruvian consolidated subsidiaries' and related companies' business and operations.

Peruvian authorities are currently conducting several high-profile corruption investigations relating to the activities of certain Brazilian companies and its Peruvian partners in the construction and infrastructure sectors, which have resulted in suspension or delay of important infrastructure projects, which were otherwise operational and permitted. The overall delay relating to such projects has resulted in a drop in GDP growth and overall infrastructure investment. In addition, such corruption investigations could result in currently unknown liabilities for our Peruvian consolidated subsidiaries and our related companies or their clients, damage to our Peruvian consolidated subsidiaries' and related companies' reputation and have a negative impact on their business and operations.

In connection with alleged corruption activities, the last five Peruvian Presidents are, have been or have orders to be detained, and the two times former President Alan Garcia committed suicide in his house moments before police officers were going to take him into prison. Also, Keiko Fujimori, a two times runner-up presidential candidate, and leader of the most important opposition party, was detained while prosecutors were still constructing its case and was only released after recurring to the Peruvian Constitutional Court. Although currently free, prosecutors have asked the criminal courts to detain her again. Two former mayors of Lima, Luis Castañeda, and Susana Villaran, were also arrested in connection with corruption allegations. Corruption investigations in Peru are not only focused on politicians and authorities but also on private companies and its principal executives. Prosecutors have focused their inquiries on the Peruvian construction companies that partnered with Brazilian companies to bribe government officials. Corruption investigations in the construction industry have exposed the existence of a construction companies' cartel that assigned public contracts in an organized manner. This revelation has also propelled the Peruvian Antitrust Agency to begin an administrative procedure against more than seventeen construction companies that could end with exemplary fines to these companies.

Corruption investigations are affecting the Peruvian economic growth since government officials are afraid to be put under the scrutiny of prosecutors and investigative media when approving any funds attribution, and, therefore, government capacity to promote the development of infrastructure projects is almost null during this period.

Changes in tax laws or regulations, or the interpretations thereof, may increase our Peruvian consolidated subsidiaries' and related companies' tax burden and, as a result, have a material and adverse effect on them.

The Peruvian Congress and the Peruvian government regularly introduce changes to laws and regulations. Such changes include the creation of new taxes, changes in taxable bases and changes in tax rates and, at times, the creation of temporary taxes allocated to certain specific governmental purposes. In addition, the Peruvian tax authorities from time to time change their interpretation of Peruvian tax laws and regulations. Legislative Decree No. 1261, effective as of January 1, 2017, modified the corporate income tax rate and increased the tax withholding rate on dividend payments and other forms of profit distributions

to individual shareholders and corporate shareholders domiciled outside Peru. Under Legislative Decree No. 1261, the corporate income tax rate on pre-tax profit is 29.5%, and the tax withholding rate on dividend payments and other forms of profit distributions is 5%; however, the accumulated results (that generate taxable dividends) obtained until December 31, 2014 by domiciled entities are subject to a 4.1% rate, and dividends from the results obtained between January 1, 2015 and December 31, 2016 by domiciled and non-domiciled individuals and non-domiciled entities are subject to a 6.8% rate.

Legislative Decree No. 1312, effective as of January 1, 2017, introduced several changes related to transfer pricing rules and formal obligations in order to comply with BEPS Guidelines on transactions performed between related parties or with the intervention of low or no-tax jurisdictions, such as the obligation to file new local-files, master-files and country-by-country reports before the Peruvian tax authority, and to adjust taxable bases accordingly for income tax purposes.

Any increase in our Peruvian consolidated subsidiaries' and related companies' income tax burden resulting from the modification of income tax laws and interpretations thereof, any adverse tax or social security reforms, and any other changes resulting from any of the foregoing, may result in increases in our Peruvian consolidated subsidiaries' and related companies' overall tax and social security burden, which could materially and adversely affect their business, financial condition or results of operations.

The Peruvian economy could be adversely affected by economic developments in Latin American or global markets.

Financial and securities markets in Peru are influenced, to varying degrees, by economic and market conditions in Latin American or global markets. Although economic conditions vary from country to country, investor' perceptions of the events occurring in one country may substantially affect capital flows into and securities from issuers in other countries, including Peru. In addition, Peru's economy continues to be affected by events in the economies of its major regional partners. Furthermore, the Peruvian economy may be affected by events in developed economies that are trading partners or that affect the global economy.

During the recent global economic and financial crisis, global conditions led to a slowdown in economic growth in Peru, slowing GDP growth in 2009 to 0.9%. In particular, the Peruvian economy suffered the effects of lower commodity prices in the international markets, a decrease in export volumes and a decrease in foreign direct investment inflows resulting in a decline in foreign reserves.

Changes in economic, political and regulatory conditions in the United States, or in U.S. laws and policies governing foreign trade and foreign relations, could create uncertainty in the international markets and could have a negative impact on the Peruvian economy. Economic conditions in Peru and the value of securities issued by Peruvian companies may be affected by economic and market conditions in the United States. In addition, the crisis affecting emerging markets that began in the second quarter of 2018 as a result of the rise in interest rates by the U.S. Federal Reserve and the trade war between the United States and China, among other factors, could have an impact on the Peruvian economy. Any interruption to the recovery of the developed economies, the continued effects of the global crises, a worsening or resurgence of the debt crisis in Europe, impacts due to Brexit or a new economic and/or financial crisis, or a combination of the above, could affect the Peruvian economy, and, consequently, materially adversely affect our business, financial condition and results of operations.

In 2023, the economy is expected to grow 0.8% according to The World Bank. Furthermore, other adverse developments in regional or global markets or an increase in the perceived risks associated with investing in emerging markets in the future could adversely affect the Peruvian economy and, as a result, adversely affect our businesses.

Adverse developments in regional or global markets in the future could adversely affect the Peruvian economy and, as a result, could have a material adverse effect on our business, prospects, financial condition, results of operations or cash flows.

Risk Factors Relating to the Notes and the Offering

The Notes may not satisfy an investor's requirements or future standards for assets with "green," "environmental," "social" or "sustainable" characteristics.

There is no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green," "environmental," "social," "sustainable" or an equivalently labeled project, or as to what precise attributes are required for a particular project to be defined as "green," "environmental," "social," "sustainable" or such other equivalent label, nor can any assurance be given that such a clear definition or consensus will develop over time. Accordingly, no assurance is or can be given to investors in the Notes that any Eligible Projects selected to receive an allocation of funds in an amount equal to the net proceeds from the offering of the Notes will meet any or all investor expectations regarding such "green," "social," "sustainable" or other equivalently labeled performance objectives, or that any adverse environmental, social or other impacts will not occur during the implementation of any Eligible Projects as defined under GEB's Sustainable Financing Framework (as defined in "Use of Proceeds") funded in whole or in part by the net proceeds from the offering of the Notes.

We intend to allocate an amount equal to the net proceeds from this offering to finance or refinance, in whole or in part, one or more new or existing Eligible Projects (as defined in "Use of Proceeds"), but no assurance can be given that any such Eligible Projects will be successfully implemented or will be capable of being implemented in accordance with any timing schedule, or that such Eligible Projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as we originally expected or anticipated. We have significant flexibility in allocating the net proceeds from the offering of the Notes and there can be no assurance that funds in an amount equal to such net proceeds will be totally or partially disbursed for any such Eligible Projects. None of the Initial Purchasers for this offering or the trustee are responsible for assessing or verifying and provide no assurance as to whether or not the Eligible Projects to which we allocate such funds meet the criteria described in "Use of Proceeds" section or for the monitoring of the use of such funds generally. Neither the terms of the Notes nor the indenture governing the Notes require us to use such funds as described under "Use of Proceeds" section of the Framework or to satisfy the tracking, reporting and other undertakings described thereunder. Any failure by us to comply with the anticipated use of such funds or such undertakings will not constitute a breach of or a default under the Notes or the indenture governing the Notes, and Holders of the Notes will have no remedies under such indenture for any such failure.

Prospective investors should carefully review the information set out in this offering memorandum regarding such use of such net proceeds and must determine for themselves the relevance of such information for the purpose of any investment in the Notes together with any other investigation such investor deems necessary. In particular, no assurance is given by us, any Initial Purchaser, or the trustee that the use of an amount equal to such net proceeds from the Notes to fund any Eligible Projects will satisfy (or will continue to satisfy), whether in whole or in part, any present or future investor expectations or requirements, taxonomies or standards or other investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable laws or regulations or by its own bylaws or other governing rules or investment portfolio mandates, ratings mandates or other independent expectations, in particular with regard to any direct or indirect environmental, sustainability or social impact of any Eligible Projects. Any failure by us to allocate an amount equal to the net proceeds from the offering of the Notes to one or more Eligible Projects or the failure of those investments or

financings to satisfy investor expectations or requirements could materially and adversely affect the trading price of the Notes.

No assurance or representation is given by us or the Initial Purchasers as to the suitability or reliability for any purpose whatsoever of any opinion or similar validation of any third party (whether or not solicited by us) that may be made available in connection with the issuance of the Notes or whether any Eligible Projects fulfill any green, social, sustainability, transition, sustainability-linked and/or other criteria. For the avoidance of doubt, any such opinion is not and shall not be deemed to be incorporated into and/or form part of this offering memorandum. Any such opinion is not, nor should be deemed to be, a recommendation by us or any Initial Purchaser, or any other person to buy, sell or hold the Notes. Any such opinion is only current as of the date that opinion was initially issued. Prospective investors must determine for themselves the relevance of any such opinion and/or the information contained therein and/or the provider of such opinion for the purpose of any investment in the Notes.

The second party opinion providers and providers of similar opinions, certifications and validations are not currently subject to any specific regulatory or other regime or oversight. Any such opinion or certification is not, nor should be deemed to be, a recommendation by us, the Initial Purchasers, any second party opinion providers or any other person to buy, sell or hold Notes. Holders have no recourse against us, any of the Initial Purchasers or the provider of any such opinion or certification for the contents of any such opinion or certification. Any withdrawal of any such opinion or certification or any such opinion or certification attesting that we are not complying in whole or in part with any matters for which such opinion, certification or validation is opining on or certifying on may have a material adverse effect on the value of the Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

The trading price of the Notes may be negatively affected to the extent that perception by investors of the suitability of the Notes as “green,” “environmental,” “social,” or “sustainable” bonds deteriorates or demand for sustainability-themed investment products diminishes.

Perception by investors of the suitability of the Notes as “green,” “environmental,” “social” or “sustainable” bonds could be negatively affected by dissatisfaction with our compliance with the framework for determining Eligible Projects described under “Use of Proceeds” section of the Framework, controversies involving the environmental or sustainability impact of our business or industry, evolving standards or market consensus as to what constitutes a “green,” “environmental,” “social” or “sustainable” bond or the desirability of investing in “green,” “environmental,” “social” or “sustainable” bonds or any opinion or certification as to the suitability of the Notes as “green,” “environmental,” “social” or “sustainable” bonds no longer being in effect. Additionally, the Eligible Projects to which we intend to allocate amounts relating to the offering of the Notes have complex direct or indirect environmental or sustainability impacts, and adverse environmental impacts may occur during the design, construction and operation of such Eligible Projects. Such Eligible Projects may become controversial or criticized by activist groups or other stakeholders. None of the Initial Purchasers, the trustee or any stock exchange, securities market segment or regulatory body makes any representation as to the suitability of the Notes to meet or fulfill environmental or sustainability criteria, expectations, impact or performance required by prospective investors, any third-party reviewer or opinion provider, any stock exchange or securities market. The trading price of the Notes may be negatively affected to the extent investors are required or choose to sell their holdings due to deterioration in the perception by the investor or the market in general as to the suitability of this offering as “green,” “environmental,” “social” or “sustainable” bonds. The trading price of the Notes may be also negatively affected to the extent demand for sustainability-themed investment products diminishes due to evolving investor preferences, increased regulatory or market scrutiny on funds and strategies dedicated to sustainability or environmental, transition, social or governance themed investing or for other reasons.

The Notes may not be a suitable investment for all investors seeking exposure to “development finance” assets.

There is currently no market consensus on what precise attributes are required for a particular project or financing to be defined as “green,” “sustainable” or “development,” and therefore no assurance can be provided to investors that the Notes and the use of proceeds by the Issuer or any development impact projects, will satisfy, whether in whole or in part, any expectations or requirements of any investor or any present or future expectations or requirements with respect to development finance, green, environmental, transition, social or sustainable Notes. Neither the Issuer, the Initial Purchasers, nor the Development Finance Structuring Agent makes any representations or assurances as to whether (and are not responsible for ensuring that) the characterization of the Notes as development finance or the level of its expected development intensity rating impact will (i) comport with any investor’s definition of green, environmental, transition, sustainable or development finance, (ii) meet any investor’s criteria and expectations with regard to developmental impact, or (iii) comport with the characterization or definitions used by any other development finance institution in the public or private sectors.

There is no public market for the Notes, and transferability may be limited by the absence of an active trading market.

The Notes are a new issue of securities, and there is currently no market for the Notes. Although we have been advised by the Initial Purchasers that they currently intend to make a market in the Notes following completion of the offering, they are not obligated to do so, and they may discontinue any such market-making activities at any time without notice. Application will be made to the SGX-ST for the listing and quotation of the Notes on the Official List of the SGX-ST. We cannot assure you, however, that the application will be accepted or that an active trading market for the Notes will develop or be sustained. We also cannot assure that you will be able to sell your Notes, or the price at which you may be able to sell your Notes. If a market for the Notes were to develop, the Notes could trade at prices that may be higher or lower than their initial offering price depending on many factors, including some beyond our control. The liquidity of, and trading market for, the Notes may be adversely affected by changes in interest rates and declines and volatility in the market for similar securities, as well as by any changes in our financial condition or results of operations and by declines in the market for high-yield and emerging market securities generally. See “Plan of Distribution.”

The U.S. and Colombian securities laws impose certain restrictions on the resale of the Notes.

The Notes are being offered in reliance upon an exemption from registration under the Securities Act and applicable state securities laws. Thus, the Notes have not been registered under the Securities Act or any state securities laws and, unless so registered, may not be offered, sold or otherwise transferred except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. See “Transfer Restrictions.”

The offering of the Notes is not a public offering of securities in Colombia. Therefore, the Notes may not be offered, sold or otherwise transferred in Colombia, except under circumstances which do not constitute a public offering or distribution of securities under applicable Colombian laws and regulations. Furthermore, foreign financial entities must abide by terms of Decree 2555 of 2010 to offer the Notes privately to their Colombian clients.

Corporate and financial disclosure in Colombia may differ from disclosure regularly published by or about issuers of securities in other countries, including the United States.

A principal objective of the securities laws of Colombia is to promote full and fair disclosure of all material corporate information, including accounting and financial information. However, we are not subject to most of the U.S. securities regulations and securities regulations of other jurisdictions; therefore, our reported and disclosed information may be different or not as complete or extensive as that of public companies in the United States and other jurisdictions.

Our level of indebtedness and the level of indebtedness of our consolidated subsidiaries may adversely affect our business, financial condition, results of operations and our ability to comply with our payment obligations under the Notes.

We and our subsidiaries have, and after the offering and sale of the Notes, will continue to have significant levels of indebtedness. As of December 31, 2022, we had Col\$20,343,365 million (U.S.\$4,854 million) of consolidated loans and borrowings.

Our consolidated debt levels could have important consequences to you as a holder of the Notes. For example, they could have one or more of the following consequences:

- (1) make it more difficult for us to satisfy its obligations with respect to the Notes;
- (2) require us to dedicate a substantial portion of its cash flows from operations to payments on its debt, which would reduce the funds available for working capital, significant capital expenditures, acquisitions and other general corporate purposes;
- (3) limit our flexibility in planning for, or reacting to, changes in production, customer demand and competitive pressures, as well as to other changes in its industry;
- (4) place us at a competitive disadvantage to any of our competitors that are less leveraged than us;
- (5) increase our vulnerability to both general and industry-specific adverse economic conditions;
- (6) create structural subordination for the holders of the Notes as a result of the fact that our consolidated subsidiaries could incur substantial indebtedness; and
- (7) limit our ability to borrow additional funds and increase the cost of any such borrowing, particularly due to the financial and other restrictive covenants contained in the agreements governing its debt.

We may also incur additional debt in the future. The Indenture will permit us and our consolidated subsidiaries to incur unlimited additional debt (except for secured debt which is subject to certain limitations under the “Limitation on Liens” covenant). See “Description of the Notes.” The incurrence of additional debt by us or our consolidated subsidiaries would increase the risk of not being able to service our debt obligations, which would, in turn, materially adversely affect our ability to make payments under the Notes. There can be no assurance that we or our consolidated subsidiaries will not incur substantial additional debt in the future. If GEB is intervened by the SPDD holders of subordinated and unsubordinated debt may be given the same priority.

The concept of contractual subordination is not expressly provided for in Colombian insolvency legislation. In a bankruptcy, insolvency, intervention, administrative takeover for management or for liquidation purposes or restructuring proceedings under Colombian law, subordination agreements may be disregarded. To the best of our knowledge, there is no established precedent in which Colombian insolvency courts have either accepted or rejected the concept of contractual subordination. During insolvency proceedings, the disbursement of payments will adhere to the legal hierarchy of priority as outlined in the Colombian Civil Code

In such a case, subordinated and unsubordinated creditors (including holders of the Note) may have the same priority. The Indenture allows us to incur subordinated debt, and to refinance, repay, redeem, repurchase or otherwise acquire or retire for value certain subordinated indebtedness. For example, we may incur an unlimited amount of subordinated debt. Holders of our debts that were contractually subordinated may have the same rights as holders of our unsubordinated debt under the Notes in an insolvency proceeding under Colombian law. Therefore, we cannot assure you that you will not lose your priority over any of our subordinated debt under Colombian law.

It may be difficult to enforce your rights under the Notes if the SSPD takes over GEB or its consolidated subsidiaries or its related companies.

Our Colombian direct and indirect subsidiaries that are deemed to be public utilities companies are subject to Law 142. Under this law, the SSPD has authority to takeover (*toma de posesión*) a public utility company, if necessary, to ensure the continued provision of adequate public utilities. If GEB or its direct and indirect subsidiaries become subject to liquidation proceedings, Law 142 establishes the events under which public utilities can be subject to takeover for reorganization purposes (*toma de posesión para administrar*), which aims for the recovery of the insolvent entity as a going concern. If the continuity of the company's business is not economically viable, the liquidated entity may be subject to a takeover for liquidation purposes (*toma de posesión para liquidar*).

The SSPD may take control over one or more of GEB's subsidiaries upon the occurrence of the following events provided in Article 59 of Law 142:

- material interruptions or failures in the due provision of public utilities, with the required continuity and quality, provided that the provision is essential in order to preserve the public or economic order, or to avoid grave and undue damages to users or third parties;
- material and sustained violations by its administrators of laws governing our business or material breaches of the contracts to which it is a party;
- the failure to deliver complete, accurate and timely information to CREG, the SSPD or their agents;
- revocation or expiration of the licenses, permits or concessions required to operate its businesses, to the extent that such events are deemed to be evidence of its intent to not comply with applicable laws and regulations;
- public catastrophes or disturbances of the public order;
- administrators' improper refusal (either on technical, legal or economic grounds) to cooperate with authorities in order to avoid the occurrence of material damages to users when another public utilities company is unable to perform normally; or
- a severe default with regard to its commercial obligations, whether actual or expected.

Should the SSPD take control of GEB or any of its subsidiaries, it would then be either managed by the SSPD's designees or by a trustee or liquidator appointed by the SSPD. In light of the broad powers of the SSPD, if the SSPD takes control of any of the businesses, the management or liquidating trustee appointed by the SSPD may change our business strategy.

If the SSPD takes possession and control of our business, it could (i) enter into all the necessary contracts with other public utilities companies in order to replace our contracts, or (ii) directly assume all or part of the activities that are essential to ensure continuity in service provision, in accordance with the appointed fiduciary trust. If, after taking control, the SSPD decides to liquidate GEB or any subsidiary, subordinated and unsubordinated creditors may be subject to the legal priority of payments set forth in the Colombian Civil Code and the applicable insolvency regulation and, if such scenario were to occur, payments under the Notes could be delayed for an undetermined length of time, and you may not be compensated for any such delay or you may not be paid at all due to insufficient funds.

The affirmative and restrictive covenants applicable to GEB's debt and other financing obligations could adversely restrict its financial and operating flexibility and subject it to other risks.

GEB and its consolidated subsidiaries' debt and other financing obligations contain numerous affirmative and restrictive covenants. These covenants include, among other limitations, the following:

- limitation to create liens;
- limitation to consolidate, merge or sell substantially all of our assets;
- limitation on dispositions;
- limitations on restricted payments, such as dividends;
- limitation on affiliate transactions on non-market conditions;
- maintain certain coverage ratios; or
- maintain insurance policies common to the industry.

These restrictions may limit our ability to operate our businesses and may prohibit or limit our ability to enhance its operations or take advantage of potential business opportunities as they arise. The breach of any of these covenants or the failure to meet any of these conditions could result in a default under any or all of such indebtedness. Our and our consolidated subsidiaries' ability to comply with these covenants may be affected by events beyond our control, including prevailing economic, financial and industry conditions and the renegotiation of public works and licenses. In addition, if we are unable to generate sufficient cash flow from operations, it may be required to refinance outstanding debt or to obtain additional financing.

We cannot assure you that a refinancing would be possible or that any additional financing would be obtained on acceptable terms.

Payments on the Notes will be effectively subordinated to our secured debt obligations.

The Notes are our unsecured unsubordinated obligations and will rank equal in right of payment with all of our other existing and future unsecured unsubordinated external indebtedness (other than obligations preferred by statute or operation of law). The payment of principal and interest on the Notes

will be effectively subordinated in right of payment upon our bankruptcy to all of our existing and future secured indebtedness. As of December 31, 2022, we had Col\$20,343,365 million (U.S.\$4,854 million) of consolidated loans and borrowings, all of which was unsecured indebtedness. However, under the Indenture we will be permitted to incur a significant amount of secured indebtedness in the future. If we become insolvent or are liquidated, or if payment in respect of our secured indebtedness is accelerated, our secured lenders will be entitled to exercise the remedies available to a secured lender under applicable law, in addition to any remedies that may be available under the financing arrangements relating to that secured indebtedness, and we cannot assure you that there will be sufficient assets remaining to pay amounts due on the Notes. As a result, you may receive less, ratably, than the lenders of our secured indebtedness.

The Notes will be structurally subordinated to certain financial and other obligations assumed by our consolidated subsidiaries.

As of December 31, 2022, we had Col\$20,343 billion (U.S.\$4,854 million) of consolidated loans and borrowings, of which Col\$12,880 billion (U.S.\$3,073 million) were loans and borrowings incurred and/or guaranteed by GEB and Col\$7,403 billion (U.S.\$1,781 million) were loans and borrowings incurred by GEB's subsidiaries (and not guaranteed by GEB). Generally, claims of creditors of our subsidiaries will have priority with respect to such subsidiaries' assets and earnings over the claims of our creditors, including the holders of the Notes, except to the extent the claims of our creditors are guaranteed by such subsidiaries. In addition, creditors of GEB and/or guarantors may hold negotiable instruments or other instruments governed by local law that grant rights to attach the assets of GEB and/or guarantors at the inception of judicial proceedings in the relevant jurisdiction, which attachment is likely to result in priorities benefitting those creditors when compared to the rights of holders of the Notes.

The Indenture governing the Notes will permit us to create subsidiaries and make investments in them and in other companies without limitations. Upon the liquidation or reorganization of such subsidiaries or companies, our right to participate in any distribution of assets of such subsidiaries or companies (and thus the ability of the holders of the Notes to benefit indirectly from such distribution) may be subject to the prior claims of all creditors of such subsidiaries or companies and to the priority rights of the holders of preferred shares of such subsidiaries or companies, if any. Under these circumstances, the claims of the holders of the Notes would be structurally subordinated to the claims of all creditors of such subsidiaries or companies, including trade creditors of, and banks and other lenders to, such companies, with respect to the assets and cash flow of such subsidiaries or companies, and as a result the ability of such companies to pay dividends or make other distributions to us and thus our ability to make payments under the Notes could be adversely affected. Our subsidiaries may become involved in litigation and other disputes involving monetary claims. If unfavorable decisions are rendered in one or more of these lawsuits, our subsidiaries could be required to pay substantial amounts, which could have a material adverse effect on our results of operations and financial condition and, as a result, on our ability to make payments under the Notes.

We may not be able to obtain the funds required to repurchase the Notes upon a Change of Control Repurchase Event.

Upon the occurrence of a Change of Control Repurchase Event as set forth in "Description of the Notes," we will be required to offer to repurchase all outstanding Notes at 101% of their principal amount plus accrued and unpaid interest, if any. The source of funds for any such purchase of the Notes will be our available cash or other sources, including borrowings, sales of assets or sales of equity. We may not be able to repurchase the Notes upon a change of control repurchase event because we may not have sufficient financial resources to purchase all of the Notes that are tendered upon a change of control repurchase event. There can be no assurance that sufficient funds will be available when necessary to make the required purchase of the Notes. Our failure to repurchase the Notes upon a Change of Control Repurchase Event would cause a default under the Indenture.

In addition, there can be no assurance that our future indebtedness will not prohibit us from purchasing Notes in the event of a change of control, provide that a change of control is a default or require repurchase upon a change of control. Moreover, the exercise by the holders of Notes of their right to require us to purchase the Notes under the Indenture could cause a default under other debt, even if the change of control itself does not, due to the financial effect of the purchase on us. See “Description of the Notes — Repurchases at the Option of the Holders of the Notes Upon Change of Control Repurchase Event.”

The ratings of the Notes may be downgraded or withdrawn depending on various factors, including the rating agency’s assessments of GEB’s financial strength and Colombian sovereign risk.

Moody’s has assigned a credit rating of Baa2 to the Notes, and Fitch has assigned a credit rating of BBB to the Notes. Fitch has assigned a BBB credit rating to GEB as issuer. Ratings address the timely payment of interest on each interest payment date and principal at maturity. The ratings of the Notes are not a recommendation to purchase, hold or sell the Notes and may be changed, suspended or withdrawn by the rating agency at any time and the ratings do not comment on market price or suitability of the Notes as an investment for a particular investor. Our current ratings and the rating outlooks currently assigned to us are, and any ratings attributed to the Notes will be, dependent upon economic conditions and other factors affecting credit risk that are outside our control. Each rating should be evaluated independently of the others. Detailed explanations of the ratings may be obtained from the rating agencies. A rating downgrade or the removal of ratings could have an adverse effect on the trading price of the Notes.

GEB may claim immunity under the Foreign Sovereign Immunities Act with respect to actions brought against it under the U.S. securities laws and your ability to sue or recover may be limited under U.S. and Colombian law.

You may not be able to enforce a judgment against GEB in the United States except under the limited circumstances specified in the Foreign Sovereign Immunities Act. According to GEB shareholders structure, GEB is a public company which is subject to certain limitations regarding the seizure of assets and certain legal proceedings. Colombian law establishes in the General Code of Procedure that the public assets, public income, and public resources are unseizable. Courts are able to judge and enforce judgments against public companies within the limits established for public companies.

Colombia does not have legislation regarding sovereign immunity. In some cases, the Supreme Court of Justice has upheld the absolute sovereign immunity of states, while in others it has adopted a more nuanced approach, that is closer to the notion of restricted sovereign immunity. Nevertheless, the sovereign immunity has been provided for states and in certain matters, but not for Colombian public companies.

FOREIGN EXCHANGE CONTROLS

Colombia has not had exchange controls since 1991. However, pursuant to Colombian foreign exchange regulations certain transactions must be conducted in the foreign exchange market and, in some cases, subject to registration before the Colombian Central Bank. In addition, the Colombian Government, as regulator of international investments, or the Colombian Central Bank, as foreign exchange regulator, have, periodically, in certain circumstances, imposed capital controls, including deposit requirements for borrowers in foreign currency. However, as of the date hereof, there are no exchange controls and borrowers currently have no deposit requirements in Colombia, but there can be no assurance that they will not exist in the future.

USE OF PROCEEDS

We expect the net proceeds from the sale of the notes will be approximately U.S.\$398,928,000 (after giving effect to Initial Purchasers' discounts but before expenses). We intend to use the net proceeds from this offering to (i) prepay the remaining U.S.\$319 million principal amount outstanding under the Amended BofA Credit Agreement (as defined below) and (ii) finance our investment plan for 2023 - 2027. An amount equal to the net proceeds from this offering will be allocated to finance or refinance, in whole or in part, one or more new or existing Eligible Green Projects and Eligible Social Projects (together, the "Eligible Projects") pursuant to the Sustainable Financing Framework (the "Framework"), with disbursements covering project expenditures for up to 24 months preceding the issue date of the Notes and up to 36 months after the issue date of the Notes, including the development and redevelopment of such projects by us or any of our subsidiaries. Examples of investments that may be considered Eligible Projects include the following (i) capital and selected operating expenditures of physical assets meeting the Eligibility Criteria of the Framework, including, but not limited to, maintenance costs that either increase the lifetime or the value of the assets; (ii) research and development ("R&D") expenditures aiming at developing new products and solutions meeting the Eligibility Criteria and (iii) Acquisitions of a majority or minority stake in "Pure Player" companies specialized in the Renewable Energy Category defined in Framework. A "Pure Player" company is defined as a company that derives a minimum of 90% of its revenues from activities aligned with the criteria of the Renewable Energy Category under the Eligible Projects.

There is no current market consensus on what precise attributes are required for a particular project to be defined as "green" or "sustainable", therefore, any projects that we decide to finance with a portion of the net proceeds from the offering of the Notes may not meet the criteria and expectations of investors regarding environmental impact and sustainability performance. Neither we nor the Initial Purchasers make any representation as to the suitability of the Notes to fulfil such environmental and sustainability criteria. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this offering memorandum regarding the use of proceeds and its purchase of Notes should be based upon such investigation as it seems necessary. The Initial Purchasers make no assurances as to (i) whether the Notes will meet the criteria and expectations of investors regarding environmental impact and sustainability performance; (ii) whether the net proceeds from the offering of the Notes will be used to finance and refinance Eligible Green Projects or (iii) the characteristics of any such bond projects, including their environmental and sustainability criteria.

The Eligibility Criteria and examples of types of Eligible Green Projects and Eligible Social Projects and Social Target Population Projects are set forth below.

Eligible Green Projects and Eligibility Criteria

Expenditures for projects meeting the eligibility criteria in the following categories under the Framework will be "Eligible Green Projects."

Pollution Prevention & Control

Expenditures related to replacement or retrofitting of natural gas transmission and distribution networks that enables the integration of hydrogen and other low-carbon gases (e.g., biogas), which enable increasing the share of cleaner energy sources into the national systems while maintaining the current network's operating and safety standards. For biogas, direct Greenhouse Gas emissions (GHG), excluding combustion, savings should be at minimum 80% lower than the fossil fuel (e.g., natural gas) counterfactual, and to demonstrate or guarantee that the raw material used is derived from existing supply chains and does not require dedicated production out of arable land or land that was previously cultivated.

Construction, development, and/or maintenance of electrical and substation facilities, systems or equipment aiming at reducing GHG, including Sulphur Hexafluoride (“SF6”) or replacement projects and/or GHG control devices (i.e. release monitoring equipment) for electric substations and transmission lines. Expenditures include leak detection and repair of existing gas pipelines and other network elements to reduce methane leakage.

Renewable Energy

Expenditures in electricity transmission lines that facilitate increased development and connection of renewable electricity generation sources. Electricity transmission and distribution projects will be considered as eligible where:

- the building or repair of grid infrastructure with average system grid emissions factor of less than 100 gCO₂e/kWh over a rolling five-year period; or
- the transmission lines would be either dedicated exclusively to renewable energy power plants or would carry at least 67% renewable energy; or
- they consider improving electrical systems for more efficient electricity (including smart grid development, distributed generation dedicated to reducing curtailment of renewable energy to the grid and peak demand management).

Expenditures related to the development, expansion, construction, maintenance, acquisition, and/or operation of renewable energy projects, such as:

- Solar Sources (Photovoltaic and Concentrating Solar Power (“CSP”)); or
- Wind Sources (onshore only).

Energy Efficiency

Expenditures related to projects that will result in increased energy efficiency, based on our best efforts to ensure all projects achieve at least a 15% energy efficiency improvement. Projects include:

- Financing of electric powered machinery or incorporation of energy efficient technology, such as LED lighting, , ventilation, air conditioning (“HVAC”), refrigeration, and electrical equipment; or
- Renovation of real estate assets with energy management systems; or
- Investments in energy storage systems (e.g. battery storage only applicable to those generated by renewable energy); or
- Investments related to smart grid projects, smart sensors/meters, and automation systems to improve energy efficiency of the grid.

Climate Change Adaptation and Circular Economy

Investments related to upgrading, improving and/or retrofitting of electrical transmission infrastructure and substations to enhance resiliency to weather-related events, including severe hurricanes

and forest fires. This category also includes expenditures related to reducing/preventing waste (including towards landfills).

Terrestrial and Aquatic Biodiversity Protection

Expenditures on projects related to the restoration and conservation of existing natural resources and/or biodiversity, including maintenance, protection and identification of endangered flora and fauna in areas where we operate. Projects include:

- Connectivity of green corridors; or
- Conservation of the Andean Bear and Mountain Tapir species in Central mountain ranges; or
- Conservation of the Woolly Tigrillo in the upper and middle basins of the Bogotá river

Eligible Social Projects and Eligibility Criteria

Expenditures for projects meeting the eligibility criteria in the following categories under the Framework will be “Eligible Social Projects.”

Socioeconomic Advancement and Empowerment

Expenditures focused on advancing job growth opportunities through job training and education that provide skill enhancement to all categories of the target population. Project include, but are not limited to:

- Fabio Chaparro Energy transition Education program; or
- “Mujeres Linieras” women working on electricity transmission lines; or
- Solar Power Classroom Module.

Expenditures to programs designed to advance Diversity and Inclusion, including:

- Women empowerment programs; or
- Programs specially designed to advance economic opportunities for women, people with disabilities, youth and minorities (based on race, ethnic background and LGBIT+); or
- Training plans focused on gender, disability, and other diversity issues; or
- Programs to increase the participation of women in leadership positions and selection processes.

Access to Essential Services

Expenditures related to funding the construction, improvement, acquisition, or maintenance and operation of facilities and equipment needed to provide access to affordable electricity and communication services in areas without availability. Projects include, but are not limited to:

- Photovoltaic Solar Power in zones not currently connected to the national electricity system; or

- Fiber optic connectivity to unconnected communities; or
- Satellite communication services to underserved communities.

Access to Basic Infrastructure

Expenditures that enhance access to basic infrastructure that can provide the following environmental and social benefits:

- *Access to Security of Supply:* the need of low-income or marginalized people in Colombia and Peru to count on reliable, stable and energy sources while addressing mitigation and adaptation to climate change is a key agenda of governments to address the lack of access to energy and that is supported by public programs and funds that consider the natural gas as the best offer in terms of economic conditions in the short and medium term;
- *Environmental and Social Improvements:* in Colombia there national funding scheme (Fondo FONENERGIA) is supporting the extension of coverage of natural gas in the areas where it is economically, environmentally and socially viable and reasonable to do so, and this is especially targeting areas where the use of firewood is still the predominant energy resource with negative impacts on health and the environment (approximately 1.6 million homes in Colombia, which is approximately 10% of the total households in the country), and they are mostly living in locations where the use of renewable or clean energy is limited given that the road to electrification, for example, requires vast tracts of land and the use of minerals that is usually limited and/or presents environmental and/or social issues;
- *Wider Development Benefits:* by improving and expanding natural gas (which is still only covering 65% of the population in Colombia), this is usually accompanied with the growth of a middle class and related increase in capital investment programs both in the public and the private sectors, which can support the improvement at the local level in terms of the economy (more investment, goods produced and/or sold, and services offered to the local people);
- *Support Energy Efficiency Improvements:* the role of natural gas as a transition energy asset can enable the national support for energy efficiency policies with direct thermal uses and indirect thermal districts focusing on funding of small and medium-sized enterprises (SME), which would then bring more competitiveness to smaller firms, and stimulate models as well as decentralized energy resources through investments such as microturbines or local solutions to address energy surpluses in electricity networks.

Projects include:

- Expenditures in new natural gas connections, primarily to low-income communities, which do not have a stable energy resource and still depend on coal and firewood for their energy consumption;
- Expenditures related to the installation of Leak Detection Systems, which allows a real time monitoring of the network and a timely intervention in case of significant gas leaks;
- Investments related to replacement/renovation of valves, control and command devices, pneumatic actuators and instrumentations with an expected reduction in natural gas GHG emissions at completion of the interventions of at least 20%;

- Investments related to replacing old generation boilers (“heaters”) with more efficient boilers (“skids”) that will expect nominal energy savings and a reduction of natural gas emissions;
- Revamping of the network connection nodes, with the replacement of gas powered pneumatic instrumentation with electrically driven instrumentation;
- Replacement of turbo-compressors with latest-generation machines yielding an expected reduction in Nitrogen Oxides (“NOx”) emissions;
- Investments related to the electrification of compressor units and the replacement of turbo-compressors powered by gas with electric machines resulting in the elimination of natural gas use and leading to an expected lower consumption of gas and to expected NOx emission savings; and
- Employment generation, and programs designed to prevent and/or alleviate unemployment stemming from socioeconomic crises, including through the potential effect of SME financing and microfinance expenditures focused on enhancing economic performance of local supply chains, through such programs as supplier training and development programs.

Social Target Population

Expenditures for projects meeting the eligibility criteria in the following categories under the Framework will be “Social target Population Projects.” All social target populations correspond to the populations in our areas of influence.

Low-Income Individuals

Colombia:

- Registered participants of the SISBEN in groups A, B or C
 - Group A: extreme poverty (population with less capacity to generate income);
 - Group B: moderate poverty (population with greater capacity to generate income than those in group A);
 - Group C: vulnerable (population at risk of falling into poverty);
 - Group D : non-poor, non-vulnerable population,

Peru:

- Registered participants in the SISFOH in groups 1 and 2
 - Group 1: Extreme Poverty;
 - Group 2: Poverty;
 - Group 3: Non-Poor.

Rural Population

- Inhabitants in secondary cities and smaller towns (population under 150,000); or
- Inhabitants in urban districts that have a majority of population who are Low-Income; or
- Inhabitants in areas of low population density such as rural towns and settlements (even with populations below 150 inhabitants).

Underserved Population

- Population lacking quality access to essential goods and services, including sanitation, water/waste treatment, electricity, energy, food, health, and education.

Women

- Female population aged 18 and above, both rural and non-rural inhabitants; or
- Focus on women as vulnerable population to reduce the “gender gap” and the inequalities that persist between women and men: or
- Some examples of gender gaps that we seek to reduce are: higher unemployment rate among women; underrepresentation of women in high-demand educational fields related to climate change, energy transition and the energy sector in general; lower earnings and greater labor informality among women, etc.; or
- We seek to impact this target population through social projects that focus on education and employability, entrepreneurship, productive capacities, income generation, and the role of women as economic drivers of the territories.

People with Disabilities

- People with physical, mental or sensory impairment that substantially limits one or more of their main activities; or
- People with disabilities face substantial bias, physical and informational barriers to equal opportunities, experience higher rates of unemployment than people without disabilities and are at greater risk of experiencing poverty; or
- we seek to impact this target population through social projects that focus on education and relevant skills training, job placement and retention, income generation, as well as create awareness in the territories to reduce biases and barriers that limit social and labor inclusion of this population.

Young People

- People with physical, mental or sensory impairment that substantially limits one or more of their main activities.
- People with disabilities face substantial bias, physical and informational barriers to equal opportunities, experience higher rates of unemployment than people without disabilities and are at greater risk of experiencing poverty.

- We seek to impact this target population through social projects that focus on education and relevant skills training, job placement and retention, income generation, as well as create awareness in the territories to reduce biases and barriers that limit social and labor inclusion of this population.

Vulnerable People as a Result of the impact caused by natural events

- People affected by hazardous events that cause large numbers of victims, fatalities and/or overwhelming property damage, including but not limited to floods, volcanic eruptions, earthquakes, landslides, droughts, heat waves, tsunamis, tidal waves, cyclones, hurricanes, storms, tornadoes, tropical storms, typhoons, wildfires, insect infestations and epidemics.

Exclusion Criteria

We will not knowingly allocate proceeds from any issuance of any Eligible Project to the following activities:

- Activities involving exploitation of human rights;
- Modern slavery (e.g., forced labor or human trafficking);
- Child labor;
- Alcohol;
- Tobacco;
- Weapons and arms trade;
- Gambling;
- Nuclear Energy
- Inorganic or synthetic fertilizers, pesticides, or herbicides;
- Deforestation or land degradation;
- Activities in protected areas or activities that violate indigenous peoples' rights;
- Activities related to the exploration or production of fossil fuels;
- Projects that connect fossil fuel technologies;
- Production or commercialization of any product or activity considered illegal according to national or international laws or regulations, conventions and agreements signed by Colombia or Peru;
- Installation or supply of energy from plants (including biomass) with a level of CO2 emissions greater than 100 gCO2/KwH;
- Fossil fuel-related operations or carbon-intensive activities; and/or
- Any other activity that GEB determines is ineligible for allocation of proceeds at the time of allocation.

Process for Project Evaluation and Selection

For the project evaluation and selection process our Sustainability and Communication Department and our Chief Financial Officer and representatives of the technical teams will be responsible for reviewing the investment plan and validating the project eligibility.

We regularly analyze the environmental and social impacts of its businesses and assess how we can mitigate impacts on communities in which we operate. We conduct extensive due diligence when evaluating potential new opportunities and monitoring of investment positions. Eligible Projects will be individually evaluated for environmental and social risks in line with company-level policies and procedures as well as to ensure compliance with all existing local environmental rules and regulations.

The evaluation and selection process will begin with the proposal of the technical area of the project in line with the eligible project categories listed above. Eligible Projects will be evaluated based on the

management of social and environmental risks of the company's operations, the criteria in the "Use of Proceeds" and the "Exclusion Criteria" listed above and their contribution to their respective green transition and /or social objectives while always abiding with our policies and procedures.

Semi- annually, the aforementioned teams will review approved Eligible Projects. If an Eligible Projects fails to meet the Eligibility Criteria or the Exclusion Criteria, its funding will be reallocated to Eligible Projects within twelve months.

Management of Proceeds

The Finance and Sustainability Departments will be responsible for the management of an amount equal to the net proceeds from the notes under the Framework. An amount equal of the net proceeds will be managed using our internal systems which maintain a database of relevant information for each Eligible Project.

Pending the allocation of an amount equal to the net proceeds to Eligible Projects, all or a portion of the net proceeds may be used for the payment of outstanding indebtedness, other capital management activities or may be held on our balance sheet, invested in cash, cash equivalents and/or other liquid instruments, in accordance with our corporate Policies.

Any payment of principal and interest on any note issued under the Framework may be made from our general corporate accounts. Investing any of the unallocated net proceeds from the notes in controversial or in high emitting GHG emission sectors or activities is strictly prohibited.

We expect complete allocation of an amount equal to the net proceeds of the notes as soon as possible but within 36 months from the date of the issuance.

Reporting

Annually, until an amount equal to all the net proceeds from the issuance of the notes have been allocated, and at other times in case of material developments, we will publish a Sustainable Instrument Financing Report (the "Report") with updates on our website that are expected to include:

- i. the amount of net proceeds allocated to each Eligible Project, either individually or by category;
- ii. the share of net proceeds used for financing compared to refinancing;
- iii. expected impact metrics (as described below), where feasible;
- iv. a selection of brief project descriptions of Eligible Projects; and
- v. the outstanding amount of net proceeds to be allocated to Eligible Projects at the end of each reporting period.

External Review

Second Party Opinion

We have appointed S&P Ratings to conduct an external review of the Framework in the form of a Second Party Opinion (the "SPO"). The SPO provides investors or lenders with an independent assessment of the

expected sustainability benefits of the Categories and the alignment of the Framework with the Principles and Taxonomies.

If at any time the Framework is updated in any material aspect, GEB will look for a new SPO, either from the same third party expert or from a different one.

Post-Issuance External Verification

Each Report will also be subject to external verification by a qualified and independent third party. The provider will verify:

- Assertions that a portion or the entirety of an amount equal to the net proceeds of any note issued under the Framework was allocated to Eligible Projects, as the case may be; and
- Limited assurance report from an independent third party who is expected to examine and review decisions regarding the use of the net proceeds from any note issued under the Framework and provide assurance as to which portion or all of the net proceeds from any Instrument have been allocated consistent with the Eligibility Criteria set forth in the Framework.

See “*Risk Factors Relating to the Notes and the Offering — The Notes may not satisfy an investor’s requirements or future standards for assets with “green,” “environmental,” “social” or “sustainable” characteristics*” and “*Risk Factors Relating to the Notes and the Offering —The trading price of the Notes may be negatively affected to the extent that perception by investors of the suitability of the Notes as “green,” “environmental,” “social,” or “sustainable” bonds deteriorates or demand for sustainability-themed investment products diminishes.*”

SUSTAINABLE DEVELOPMENT IMPACT

Introduction

We aim to expand our operations and achieve sustainability priorities by offering the Notes to support Eligible Green Projects and Social Projects as defined in and aligned with the Framework.

In addition to these Eligible Projects, we are committed to contributing to the UN Sustainable Development Goals (SDGs) in the countries where we operate in Latin America, specifically Colombia, Guatemala and Peru. In these countries, we aim to promote sustainable growth and development by creating conditions for prosperity, promoting transparent relationships, and contributing to the energy transition. We intend to address identified development gaps in Colombia, Guatemala and Peru through existing strategies which are expected to provide sustainable and competitive energy, reduce greenhouse gas (GHG) emissions across our subsidiaries and address social issues through a variety of programs. These social programs include the *Fabio Chaparro* education program, which seeks to strengthen the technical skills needed for the energy transition, and the works-for-taxes initiatives, which is a mechanism that enables taxpayers to direct income tax towards the execution of projects that improve human development and social well-being at the local level (e.g., educational infrastructure or renewable energy projects). Other programs include cultural projects and local development initiatives.

The core of our business is providing sustainable and affordable energy and creating additional connections to electricity. Affordable energy services, like natural gas, are critical to achieve a just energy transition in countries like Colombia, Guatemala and Peru, where access and affordability remain an issue. In the context of this need, we aim to improve the lives of the users we reach and make energy an enabler for the development, prosperity and well-being of our clients and the communities where we operate. To provide a variety of energy services to users and communities, we focus on four strategic drivers: transmission for tomorrow, gas for the future, sustainable generation and smart cities. These strategic drivers motivate and inform our sustainability initiatives.

We will report against these four strategic initiatives as well as social projects and will continue to measure and monitor against the indicators specified in the *Development Impact Reporting* table. Every year, we will publish an Annual Sustainability Report and report our progress against the initiatives we have implemented to support the SDGs in our countries of operation.

Positive Impacts

Sector-Specific Impacts and Cross-Cutting Impacts

Through our four strategic initiatives, we expect to support impact in the countries where we operate. We intend to enhance our policies and practices with regards to education and training, decent work and economic growth and gender and diversity over the maturity of the Notes. In Colombia, Guatemala and Peru, we are supporting impact in the following areas and contributing to the corresponding SDGs:

- ***SDG 7: Affordable and Clean Energy:*** The core of our strategy is providing sustainable and affordable energy. We contribute to diversifying the energy mix in the countries where we operate, increasing the resilience of these country's electricity systems, and supplying an affordable and just transition through the provision and supply of natural gas, a lower-emitting alternative to higher-emitting sources of electricity. Our operations have evolved from energy systems based mainly on the use of fossil fuels towards a growing participation in renewable energy and low-

carbon emissions sources like natural gas. Through our operations, we facilitate the growth of sustainable mobility, energy efficiency, the use of solar and wind energy sources, and eventually hope to incorporate new energy sources such as hydrogen. Our various initiatives to move towards renewable energy and low-carbon emissions support the movement towards renewable energy in our countries of operations. We are committed to supporting sustainable and renewable energy, especially through our 2025 goal at TGI to contribute to positioning natural gas as an essential fuel to achieve a fair, inclusive and economically efficient energy transition. In Guatemala, Brazil and Colombia, we are committed to the growth of our transmission operations and will yearly report about this initiative. In Peru, we will report against the number of gas distribution connections we have. As of 2021 in Peru, 14% of the population lacked access to clean fuels for cooking and heating. We intend to expand the distribution of natural gas to an additional 1.6 million connections. Use of clean fuels such as natural gas, as opposed to the burning of wood, coal, or kerosene, reduces the exposure to indoor air pollutants, a leading cause of death and disease in low-income households.

- SDG 13: Climate Action:** We are committed to reducing GHG emissions, and are implementing specific actions to measure, manage and reduce Scope 1 and 2 emissions. In Colombia, Guatemala and Peru, we have committed to report on our efforts to reduce Scope 1 and 2 GHG emissions annually. These targets are aligned to each country's Nationally Determined Contribution ("NDCs"), countries' self-defined national climate pledges under the Paris Agreement, which detail what the country will do to help meet the global goal to pursue 1.5°C, adapt to climate impacts and ensure sufficient financing to support these efforts. We have set a goal to reduce emissions in Colombia by 51% by 2030 and to reduce emissions in Guatemala and Peru by 11% and 30% by 2030, respectively. We have also adopted the Taskforce on Climate-Related Financial Disclosures ("TCFD") recommendations for the identification and assessment of climate risks and opportunities. The commitment to reduce emissions across our countries of operations, especially in Colombia, is expected to contribute to SDG 13. In Colombia, CO₂ emissions amounted to 1.55 metric tons per capita in 2020, which is above the median of other peer economies (1.38 metric tons per capita). In the context of the existing development gap in Colombia and the need to continue reducing emissions in Guatemala and Peru in line with their NDCs, we are committed to contributing to climate action.
- SDG 5: Gender Equality and SDG 10: Reduced Inequalities:** We are committed to promoting diversity, inclusion and empowerment of women on the Group level and have set up programs to support all employees to succeed. At the Business Group Level, we currently report against the percentage of women in management positions (38%), which includes both senior and middle management. Following the implementation of our diversity, equity and inclusion plan, we also set targets to increase diverse talent (individuals from ethnic groups / racial minorities, LGBTIQ+ and people with disabilities) across the workforce to over 9% by 2025. We have committed to promote an inclusive, discrimination- and harassment free work culture as one of our priorities and to increase female participation in management positions. As of 2022, 40% of middle management positions were held by women and we have set a target to increase this to over 45% by 2025. This commitment to diversity, equity and inclusion contributes to SDG 5, especially with respect to our direct support of women in our workforce. We also promote the implementation of diversity and inclusion best practices in our supply chain and have set a target of training over 95% of critical suppliers in human rights, diversity, equity and inclusion by 2025, and include gender equity and diversity criteria in our supplier selection and evaluation processes. In the local communities where we work, we have committed to implement social impact projects with a focus on diversity, equity and inclusion and educated our employees on human rights issues. To support these priorities, we have set targets to increase the number of women and diverse individuals who benefit from the *Fabio Chaparro* "Legacy for the Territory" education program by over 40% by

2025. We also set a target to train over 95% of our employees working in local communities on human rights, diversity, equity and inclusion. Throughout our business, we are focused on increasing diverse talent across our workforce and the participation of women in management positions, as well as implementing social supplier selection and evaluation criteria. Finally, projects that contribute to social and economic progress of women and other vulnerable populations present in GEB's areas of influence are further examples of our efforts to contribute to SDGs 5 and 10.

- **SDG 8: Decent Work and Economic Growth:** As we plan to expand our operations in the countries where we operate, the safety of our employees is a priority. As we plan to create more jobs and provide additional opportunities for employment in the countries where we operate, we also have policies to govern employee safety and occupational injuries, in efforts to mitigate injuries and incidents and improve overall employee health.
- **SDG 4: Quality Education:** As part of our growth strategy, we aim to continue to upskill, train, and provide opportunities to our employees and to those in our communities. To support training of our employees, we target to provide training to 4,363 employees by 2030 on energy transition and sustainability under the *Fabio Chaparro* education program. Outside of training employees, we also are funding a program, *Scholarships for the Future*. Through this program, we intend to support 24 individuals by 2030 in their studies of subjects that we deem to be essential topics for the future workforce. Subjects may include, but are not limited to sustainability: data analytics, sustainable mobility, energy storage, energy efficiency, sustainability, climate change and digitalization. We also intend to award up to 88 students with the *Research and Innovation Award* in academic areas related to our line of business. Across these areas, we intend to report annually on our progress against these targets. Likewise, we intend to train more than 20,000 people in the areas of influence of GEB in relevant topics for the energy transition.

Mitigating Negative Impacts

We have set forth policies to mitigate the potential negative environmental and social impacts of our operations. We identify, assess, and manage the environmental risks of our operations through GRI (Oil and Gas) 11.4.1 and GRI 303-1 and 303-2, aiming to prevent the negative impacts of our operations, to create net positive impacts and to ensure high levels of environmental performance throughout planning, operation, and maintenance. Furthermore, our Sustainability Strategy contains the guidelines for action under which each subsidiary must perform its own environmental and social management.

We have established an Occupational Safety and Health Management System ("OSHMS") in line with ISO 45001-2018. In 2022, we established a Human Rights Policy, which prohibits forced labor practices, child labor and people trafficking, respects freedom of association and collective bargaining, rejects discrimination and promotes equal remuneration. In addition to this, we closely monitor the risk of human rights violations, as well as the risk of inadequate climate change management, through the Company's strategic risks matrix.

Development Impact Reporting

We aim to report on the following metrics in accordance with the UN SDGs in our Sustainability Report on an annual basis, which will be published on our website. The Report is expected to include the progress on the following impact metrics:

Indicators	Baseline	Baseline Year	Target	Target Year
Transmission of Tomorrow – Contribution to UN SDG 7: Affordable and Clean Energy				
Kilometers of transmission lines in operation (Guatemala, Brazil and Colombia)	3,255	2019	8,900	2030
Gas for the Future – Contribution to UN SDG 7: Affordable and Clean Energy				
Gas distribution (<i>connections, millions</i>) – Peru	1.2	2019	2	2030
Management of Greenhouse Gas (GHG) Emissions – Contribution to UN SDG 13: Climate Action				
GHG Emissions Targets – Scope 1 and 2 (by country)				
GHG emissions reduction – Colombia	-	(2019: Enlaza) (2021: TGI)	51.0%	2030
GHG emissions reduction – Peru	-	2019: (Contugas y Calidda) (2021: Electrodonas)	30.0%	2030
GHG emissions reduction – Guatemala	-	(2019: Conecta)	11.2%	2030
Diversity, Equity and Inclusion – Contribution to UN SDG 5: Gender Equality and SDG 10: Reduced Inequalities				
Percentage of women in our middle management positions	43%	2022	45%	2025
Percentage of diverse employees in our workforce	3%	2022	9%	2025
Percentage of critical suppliers trained in human rights, diversity, equity and inclusion	-	-	95%	2025
Percentage of our social and environmental field workers trained in human rights, diversity, equity and inclusion	-	-	95%	2025
Well-Being of the Workforce – Contribution to UN SDG 8: Decent Work and Economic Growth				
Lost Time Injury Frequency Rate (LTIFR) (per one million hours worked)	1.21	2019	1.00	2025

Indicators	Baseline	Baseline Year	Target	Target Year
Fatalities indicator (all subsidiaries, both employees and contractors)	0.00	2019	0.00	2030
<i>Social Impact: Fabio Chaparro Education Program – Contribution to UN SDG 4: Quality Education</i>				
Scholarships for the Future (#, beneficiaries).	-	-	24	2030
Employees trained to strengthen the skills of our workforce (#)	-	-	4,363	2030
Individuals trained in energy transition and sustainability under the <i>Fabio Chaparro</i> education program (#)	-	-	20,086	2030
Students awarded the <i>Research and Innovation Award in academic areas related to the Company</i> (#)	-	-	88	2030

CAPITALIZATION

The following table sets forth our consolidated current and long-term liabilities and consolidated shareholders' equity (i) as of June 30, 2023 and (ii) as adjusted to contemplate the issuance of the Notes and the application of the proceeds of this offering as described under "Use of Proceeds." For additional information, see the GEB Audited Consolidated Financial Statements and the GEB Unaudited Condensed Consolidated Interim Financial Statements and notes thereto included in this offering memorandum. There has been no material change in our short-term debt, long-term debt or shareholders' equity since June 30, 2023.

	As of June 30, 2023			
	Actual		As Adjusted ⁽¹⁾	
	in millions of Col\$	U.S.\$ in thousands ⁽²⁾	in millions of Col\$	U.S.\$ in thousands ⁽²⁾
Cash and Cash Equivalents ⁽⁷⁾	1,482,628	353,741	1,788,796	426,790
Current liabilities				
Loans and borrowings ⁽⁷⁾	1,579,449	376,842	1,550,621	369,963
Other current liabilities ⁽⁵⁾	3,566,729	850,988	3,566,729	850,988
Non-current liabilities				
Loans and Borrowings ⁽⁷⁾	16,817,156	4,012,415	15,480,138	3,693,415
Notes issued hereby ⁽⁴⁾	-	-	1,672,019	398,928
Other non current liabilities ⁽⁶⁾	3,657,640	872,679	3,657,640	872,679
Total Liabilities	25,620,974	6,112,923	25,927,147	6,185,973
EQUITY				
Shareholders' equity:				
Issued capital ⁽³⁾	492,111	117,413	492,111	117,413
Additional paid-in capital	837,799	199,891	837,799	199,891
Reserves	5,692,697	1,358,224	5,692,697	1,358,224
Retained earnings	6,743,619	1,608,964	6,743,619	1,608,964
Other comprehensive income	4,996,052	1,192,011	4,996,052	1,192,011
Non-controlling Interest	529,421	126,315	529,421	126,315
Total equity	19,291,699	4,602,818	19,291,699	4,602,818
Total liabilities and equity	44,912,673	10,715,741	45,218,846	10,788,791

(1) Reflects the issuance of U.S.\$400,000,000 of Notes.

(2) The amounts in this table were converted from Colombian *pesos* to U.S. dollars solely for your convenience at the TRM published by the SFC at June 30, 2023, of Col\$4,191.28 to U.S.\$1.00. These convenience translations are not in accordance with IFRS Accepted in Colombia and have not been audited. These translations should not be construed as a representation that the Colombian peso amounts have been or could be converted into U.S. dollars at those or any other rates. See "Foreign Exchange Controls."

(3) Consisting of 44,216,417,910 authorized shares of Col\$53.60 par value each, with 9,181,177,017 shares of which were subscribed and paid-in.

(4) Includes the net proceeds after giving effect to the gross proceeds of Col\$1,675,372 million (U.S.\$399,728 thousand) and the Initial Purchasers' discounts of Col\$3,353 million (U.S.\$800 thousand), as described in "Use of Proceeds."

(5) Other current liabilities includes trade and other payables, lease liabilities, payables from related parties, derivative liabilities, employee benefits, provisions, contract liabilities, tax liabilities and other non-financial liabilities.

(6) Other non-current liabilities includes trade and other payables, lease liabilities, employee benefits, provisions, prepaid revenues and deferred tax liabilities.
(7) To account for the application of the proceeds to repay the Amended BofA Credit Agreement in the amount of Col\$1,337,018 million (US\$319,000 thousand) recorded in loans and borrowings and (U.S.\$6,878 thousand) of accrued interest recorded as current liabilities as described under "Use of Proceeds." The remaining proceeds of Col\$ 306,169 million (U.S.\$73,049 thousand) were allocated to cash and cash equivalents.

Other than as set forth above, there have been no material changes to our capitalization since June 30, 2023.

SELECTED FINANCIAL AND OPERATING DATA OF GEB

The following tables present summary financial and operating information (i) as of June 30, 2023, and for the six-month periods ended June 30, 2023 and 2022, and (ii) as of December 31, 2022 and 2021 and for the years ended December 31, 2022, 2021 and 2020. This data is qualified in its entirety by reference to and should be read in conjunction with the GEB Consolidated Financial Statements, GEB Unaudited Condensed Consolidated Interim Financial Statements, and the sections “Presentation of Financial Information,” “Selected Financial and Operating Data of GEB” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

The summary financial data of GEB as of June 30, 2023, and for the six-month periods ended June 30, 2023 and 2022 has been derived from GEB Unaudited Condensed Consolidated Interim Financial Statements. The summary financial data of GEB as of December 31, 2022 and 2021 and for the years ended December 31, 2022, 2021 and 2020 was derived from the GEB Audited Consolidated Financial Statements.

Solely for your convenience, certain amounts included in “Summary,” “Capitalization,” “Selected Financial and Operating Data of GEB,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Business” and elsewhere in this offering memorandum have been converted from Colombian pesos into U.S. dollars using the TRM certified by the SFC as of June 30, 2023. These conversions should not be construed as a representation that the Colombian peso amounts represent, or have been or could be converted into, U.S. dollars at that or any other rate. See “Foreign Exchange Controls” for a more comprehensive description of the Colombian exchange rate system.

CONSOLIDATED INCOME STATEMENT DATA	For the Year Ended December 31,				For the Six-Month Period Ended June 30,		
	2020	2021	2022	2022	2022	2023	
	(in millions of Col\$, except per share data)			(in thousands of U.S.\$, ⁽¹⁾ except per share data)	(in millions per Col\$ except per share data)	(in thousands of U.S.\$, ⁽¹⁾ except per share data)	
Natural gas distribution	2,361,401	3,008,197	3,690,129	880,430	1,742,232	2,112,691	504,068
Natural gas transportation	1,683,318	1,440,089	1,704,844	406,760	790,537	961,433	229,389
Electricity transmission	681,900	693,334	911,153	217,393	407,001	616,152	147,008
Electricity distribution	399,327	416,973	568,465	135,630	246,219	371,601	88,661
Total revenue	5,125,946	5,558,593	6,874,591	1,640,213	3,185,989	4,061,877	969,126
Natural gas distribution	(1,640,209)	(2,112,994)	(2,634,379)	(628,538)	(1,195,793)	(1,516,179)	(361,746)
Natural gas transportation	(614,599)	(562,547)	(633,533)	(151,155)	(290,134)	(336,722)	(80,339)
Electricity transmission	(228,954)	(240,782)	(303,935)	(72,516)	(135,485)	(200,085)	(47,738)
Electricity distribution	(245,780)	(251,743)	(340,675)	(81,282)	(150,570)	(234,268)	(55,894)
Total costs	(2,729,542)	(3,168,066)	(3,912,522)	(933,491)	(1,771,982)	(2,287,254)	(545,717)
Gross Profit	2,396,404	2,390,527	2,962,069	706,722	1,414,007	1,774,623	423,409
Administrative and operating expenses	(684,223)	(711,744)	(898,842)	(214,456)	(479,593)	(475,870)	(113,540)
Other income, net	98,256	116,903	50,161	11,968	11,315	31,603	7,540
Operating profit	1,810,437	1,795,686	2,113,387	504,234	945,729	1,330,356	317,409
Financial income	85,487	76,592	259,002	61,795	36,026	177,652	42,386
Financial expenses	(664,230)	(672,707)	(1,019,884)	(243,335)	(448,207)	(765,716)	(182,693)
Net gain (loss) in currency translation	178,247	(85,920)	154,498	36,862	46,137	175,745	41,931
Share of gain from associates and joint ventures	1,602,363	1,997,939	2,096,085	500,106	1,057,782	1,055,899	251,928
Profit before income tax	3,012,304	3,111,590	3,603,088	859,663	1,637,467	1,973,936	470,961

CONSOLIDATED INCOME STATEMENT DATA	For the Year Ended December 31,				For the Six-Month Period Ended June 30,		
	2020	2021	2022	2022	2022	2023	
	(in millions of Col\$, except per share data)			(in thousands of U.S.\$, ⁽¹⁾ except per share data)	(in millions per Col\$ except per share data)	(in thousands of U.S.\$, ⁽¹⁾ except per share data)	
Income tax expense	(395,427)	(442,427)	(576,102)	(137,453)	(226,479)	(344,789)	(82,263)
Net profit for the year	2,616,877	2,669,163	3,026,986	722,210	1,410,988	1,629,147	388,699
OTHER COMPREHENSIVE INCOME							
Items that will not be reclassified to profit or loss							
Remeasurement of defined benefit obligation before taxes	(978)	56,901	11,677	2,786	-	-	-
Deferred income tax of remeasurement of defined benefit obligation	-	(13,961)	(2,760)	(659)	-	-	-
Items that will be reclassified to profit or loss							
Foreign exchange difference in currency translation of foreign operations	(49,163)	1,136,905	2,175,812	519,128	460,328	(1,336,748)	(318,936)
Cash flow hedges - effective portion of changes in fair value, before taxes	29,782	(138,369)	33,983	8,108	170,098	459,216	109,565
Deferred income tax cash flow hedges - effective portion of changes in fair value	(14,869)	69,458	4,088	975	(52,482)	(198,112)	(47,268)
Other comprehensive income (loss) of associates	9,036	41,392	527,509	125,860	225,748	(338,184)	(80,688)
Total Other Comprehensive Income (Loss) for the year	(26,192)	1,152,326	2,750,309	656,198	803,692	(1,413,828)	(337,326)
CONSOLIDATED COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX...	2,590,685	3,821,489	5,777,295	1,378,408	2,214,680	215,319	51,373
Consolidated net profit for the year attributable to:							
Controlling interest	2,514,449	2,525,872	2,852,795	680,650	1,331,660	1,532,445	365,627
Non-controlling interest	102,428	143,291	174,191	41,560	79,328	96,702	23,072
	2,616,877	2,669,163	3,026,986	722,210	1,410,988	1,629,147	388,698
Consolidated other comprehensive income for the year attributable to							
Controlling interest	(65,460)	1,088,554	2,576,156	614,647	776,437	(1,330,195)	(317,372)
Non-controlling interest	39,268	63,772	174,153	41,551	27,255	(83,633)	(19,954)
	(26,192)	1,152,326	2,750,309	656,198	803,692	(1,413,828)	(337,326)
Earnings per share: Basic and diluted (in Colombian pesos)	285.03	290.72	329.69	0.08	153.68	177.44	0.04

(1) The amounts in this column were converted from Colombian pesos to U.S. dollars solely for your convenience at the TRM published by the SFC at June 30, 2023, of Col\$4,191.28 to U.S.\$1.00. These convenience translations are not in accordance with IFRS as accepted in Colombia. These translations should not be construed as a representation that the Colombian peso amounts have been or could be converted into U.S. dollars at those or any other rates. See "Foreign Exchange Controls."

CONSOLIDATED STATEMENT OF FINANCIAL POSITION DATA	As of December 31,			As of June 30,	
	2021	2022	2022	2023	
	(in millions of Col\$)		(in thousands of U.S.\$ ⁽¹⁾)	(in millions of Col\$)	(in thousands of U.S.\$ ⁽¹⁾)
Total current assets	3,689,545	4,389,541	1,047,303	5,951,671	1,420,013
Total non-current assets	31,119,929	42,355,006	10,105,506	38,961,002	9,295,729
Total assets	34,809,474	46,744,547	11,152,809	44,912,673	10,715,741
Total current liabilities	2,059,872	2,581,555	615,935	5,146,178	1,227,830
Total non-current liabilities	17,068,736	22,885,086	5,460,166	20,474,796	4,885,094
Total liabilities	19,128,608	25,466,641	6,076,101	25,620,974	6,112,923
Total equity	15,680,866	21,277,906	5,076,708	19,291,699	4,602,818

(1) The amounts in this column were converted from Colombian pesos to U.S. dollars solely for your convenience at the TRM published by the SFC at June 30, 2023, of Col\$4,191.28 to U.S.\$1.00. These convenience translations are not in accordance with IFRS as accepted in Colombia. These translations should not be construed as a representation that the Colombian peso amounts have been or could be converted into U.S. dollars at those or any other rates. See “Foreign Exchange Controls.”

	As of December 31,				As of June 30,	
	2020	2021	2022	2022	2023	2023
	(in millions of Col\$)			(in thousands of U.S.\$ ⁽¹⁾)	(in millions of Col\$)	(in thousands of U.S.\$ ⁽¹⁾)
Total Loans and Borrowings	12,951,651	15,123,825	20,343,365	4,853,735	18,396,605	4,389,257
Cash and Cash Equivalents	851,232	1,691,538	1,477,821	352,594	1,482,628	353,742
Total Net Debt	12,100,419	13,432,287	18,865,544	4,501,141	16,913,977	4,035,515

(1) The amounts in this column were converted from Colombian pesos to U.S. dollars solely for your convenience at the TRM published by the SFC at June 30, 2023, of Col\$4,191.28 to U.S.\$1.00. These convenience translations are not in accordance with IFRS Accepted in Colombia and have not been audited. These translations should not be construed as a representation that the Colombian peso amounts have been or could be converted into U.S. dollars at those or any other rates. See “Foreign Exchange Controls.”

The following table sets forth a reconciliation of our EBITDA to Net Profit for the periods indicated.

	For the Year Ended December 31,				For the Six-Month Period Ended June 30,		
	2020	2021	2022	2022	2022	2023	2023
	(in millions of Col\$, except ratios)			(in thousands of U.S.\$ ⁽¹⁾ , except ratios)	(in millions of Col\$, except ratios)		(in thousands of U.S.\$ ⁽¹⁾ , except ratios)
Net Profit for the period	2,616,877	2,669,163	3,026,986	722,210	1,410,987	1,629,147	388,699
Depreciation and Amortization	667,177	687,381	836,217	199,514	377,074	491,293	117,218
Financial cost ⁽⁴⁾	475,756	749,955	777,331	185,464	386,385	488,987	116,668
Income Tax Expense	395,427	442,427	576,102	137,453	226,479	344,789	82,263
EBITDA	4,155,237	4,548,926	5,216,636	1,244,640	2,400,925	2,954,216	704,848
Ratio of Total Net Debt to Total EBITDA ⁽²⁾	2.91	2.95	3.62	3.62	N/A	2.93	2.93
EBITDA/Financial Cost ⁽³⁾	8.73	6.07	6.71	6.71	N/A	6.56	6.56
Total Net Debt/Equity (%)⁽³⁾	82%	86%	89%	89%	84%	88%	88%

(1) The amounts in this column were converted from Colombian pesos to U.S. dollars solely for your convenience at the TRM published by the SFC at June 30, 2023, of Col\$4,191.28 to U.S.\$1.00. These convenience translations are not in accordance with IFRS Accepted in Colombia and have not been audited. These translations should not be construed as a representation that the Colombian peso amounts have been or could be converted into U.S. dollars at those or any other rates. See “Foreign Exchange Controls.”

(2) The Total Net Debt to EBITDA ratio has been calculated by dividing the Loans and Borrowings of GEB outstanding at the end of such period minus cash and cash equivalents at the end of such period by EBITDA for the period. For the period ended on June 30, 2023, calculation of the Ratio of EBITDA to Financial Cost has been made using EBITDA for the last 12 months. (EBITDA for the 12 months = EBITDA 2022 full year less EBITDA first half of the 2022 year plus the EBITDA for the first half of 2023 year). Financial cost for the last twelve months = Financial cost 2022 full year less Financial cost first half of 2022 year plus the Financial cost first half of 2023 year.

(3) See “Note Regarding Non-GAAP Financial Measures.”

(4) The Financial cost includes Interest Expense, Income from Hedging Instruments and Net gain (loss) in currency translation.

The following table sets forth key operating data of GEB:

<i>Power Transmission</i>	As of December 31,			Change	
	2020	2021	2022	2020-2021	2021-2022
Power Transmission Lines (in Km) ⁽¹⁾	2,337	2,355	2,907	0.8%	23.4%
Power Transmission Availability Rate (in %) ⁽²⁾	99.95%	99.92%	99.91%	-0.03%	-0.01%
Employees	804	846	831	5.8%	-1.8%
<i>Natural Gas Transportation</i>					
Natural Gas Transportation Pipelines (in Km).....	4,017	4,033	4,033	0.4%	0.00%
Natural Gas Transportation Employees					
<i>Natural Gas Distribution</i> ⁽³⁾					
Natural Gas (in volumes).....	791.3	801.6	803.1	1.2%	0.2%
Employees	525	532	505	1.3%	-5.1%
<i>Generation</i>					
Install Capacity (in GW) ⁽⁴⁾	3,544	3,540	4,392	-0.1%	24.1%

(1) Refers to GEB, TRECSA and EEBIS Guatemala.

(2) Refers to transmission business segment in Colombia.

(3) Refers to Cálidda.

(4) Refers to the installed capacity of Enel Colombia and ElectroDunas.

SELECTED FINANCIAL AND OPERATING DATA OF ENEL COLOMBIA

The following tables present summary financial and operating information of Enel Colombia as of December 31, 2022, and for the years ended December 31, 2022 and 2021. This data is qualified in its entirety by reference to and should be read in conjunction with the Enel Colombia Audited Consolidated Financial Statement and the sections “Presentation of Financial Information,” “Selected Financial and Operating Data of Enel Colombia” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

The summary financial data of Enel Colombia as of December 31, 2022, and for the years ended December 31, 2022 and 2021 was derived from the Enel Colombia Audited Consolidated Financial Statement included elsewhere in this offering memorandum.

Solely for your convenience, certain amounts included in “Summary,” “Capitalization,” “Selected Financial and Operating Data of Enel Colombia,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Business” and elsewhere in this offering memorandum have been converted from Colombian pesos into U.S. dollars using the TRM certified by the SFC as of June 30, 2023.

These conversions should not be construed as a representation that the Colombian peso amounts represent, or have been or could be converted into, U.S. dollars at that or any other rate. See “Foreign Exchange Controls” for a more comprehensive description of the Colombian exchange rate system.

	For the Year Ended December 31,		
	2021	2022	2022
	(in millions of Col\$, except per share data)		(in thousands of U.S.\$, except per share data)
Revenues from ordinary activities	4,722,685	12,100,256	2,887.01
Other operating income	3,997	123,627	29.50
Total, income from ordinary activities and other operating income.....	4,726,682	12,223,883	2,916.50
Supplies and Services	(1,530,064)	(4,969,696)	(1,185.72)
Contribution Margin	3,196,618	7,254,187	1,730.78
Other works carried out by the entity and capitalized.....	9,713	115,491	27.56
Personnel Expenses	(107,771)	(442,893)	(105.67)
Other fixed expenses , by nature	(142,544)	(599,077)	(142.93)
Gross Operating Result	2,956,016	6,327,708	1,509.73
Depreciation and Amortization expenses.....	(247,320)	(859,900)	(205.16)
Impairment loss	(4,807)	(380,707)	(90.83)
Operating Result.....	2,703,889	5,087,101	1,213.73
Financial income	11,071	302,620	72.20
Financial expense	(182,300)	(774,195)	(184.72)
Exchange difference, net	(5,082)	(109,763)	(26.19)
Financial Result, net.....	(176,311)	(581,338)	(138.70)
Share of profit of equity-accounted investees	756	(1,093)	(0.26)
Results on sale and disposal of assets	(1,638)	(3,442)	(0.82)
Results before taxes	2,526,696	4,501,228	1,073.95
Income tax expenses	(814,374)	(1,540,448)	(367.54)
Profit for the period	1,712,322	2,960,780	706.41

- (1) The amounts in this column were converted from Colombian pesos to U.S. dollars solely for your convenience at the TRM published by the SFC at June 30, 2023, of Col\$4,191.28 to U.S.\$1.00. These convenience translations are not in accordance with IFRS as accepted in Colombia. These translations should not be construed as a representation that the Colombian peso amounts have been or could be converted into U.S. dollars at those or any other rates. See "Foreign Exchange Controls."

The following table sets forth key operating data of Enel Colombia:

	As of December 31,		Change
	2021	2022	2021-2022
<i>Electricity Generation</i>			
Unregulated Customers	478	470	(8)
Electricity Generated GWh ¹	13,112	13,663	551
Employees ²	449	458	9

(1) Includes only electricity generated in Colombia

(2) Employees related to electricity generation

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read this discussion in conjunction with (i) the information set forth in "Summary Financial and Operating Data" and "Selected Financial and Operating Data of GEB," (ii) the GEB Audited Consolidated Financial Statements, the GEB Unaudited Condensed Consolidated Interim Financial Statements and the Enel Colombia Audited Consolidated Financial Statements, including in each case the notes thereto, and (iii) the sections entitled "Colombian and Peruvian Electricity Industry and Regulatory Framework" and "Colombian and Peruvian Natural Gas Industry and Regulatory Framework."

This section contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those discussed in the forward-looking statements as a result of various factors, including, without limitation, those set forth in "Risk Factors" and the matters set forth elsewhere in this offering memorandum. For additional information regarding forward-looking statements, see "Forward-Looking Statements."

Overview

We are a leading owner, developer and operator of natural gas and electricity infrastructure assets across Latin America, with a presence in Colombia, Peru, Guatemala and Brazil. We believe our energy and natural gas infrastructure assets are sound long-term investments in countries with mature and sound energy regulatory frameworks.

For the six months ended June 30, 2023, we derived 37.0%, 61.2%, and 0.2% of our consolidated revenues from our business operations in Colombia, Peru, and Guatemala, respectively. For the year ended December 31, 2022, we derived 36.2%, 61.9%, and 1.9% of our consolidated revenues from our business operations in Colombia, Peru, and Guatemala, respectively.

For the six months ended June 30, 2023 and 2022 our equity investees contributed through share of profits, 64.8% and 75.0% of our profit for the period. For the years ended December 31, 2022, 2021, and 2020, our equity investees contributed through share of profits, with 69.2%, 74.9%, and 61.2% of our profit for the years, respectively.

Our main corporate purpose is the generation, transmission, distribution and commercialization of energy, including gas and liquid fuels in all their varieties, and we may also participate as a partner or shareholder in other utility companies, either directly or in association with other parties.

Critical Accounting Judgments and Estimates

GEB and its Consolidated Subsidiaries

The preparation of the GEB Consolidated Financial Statements requires our management to make judgments, estimates and assumptions that affect the carrying amounts of assets and liabilities at the date of the financial statements.

A discussion of the key judgments, estimates and assumptions that our management has made in the process of applying its accounting policies described in Note 4 to the GEB Consolidated Financial Statements included in this offering memorandum and which have a significant effect on the amounts recognized in the GEB Consolidated Financial Statements is included in Note 5 to the GEB Consolidated Financial Statements.

Enel Colombia and its Consolidated Subsidiaries

In preparing the Enel Colombia Audited Consolidated Financial Statements, certain estimates made by Enel Colombia's management have been used to quantify certain of the assets, liabilities, revenues, expenses, and commitments reported therein.

A discussion of the key judgments estimates and assumptions that Enel Colombia's management has made in the process of applying its accounting policies described in the Enel Colombia Audited Consolidated Financial Statements included in this offering memorandum and which have a significant effect on the amounts recognized in the Enel Colombia Audited Consolidated Financial Statements is included in the Enel Colombia Audited Consolidated Financial Statements.

Principal Factors Affecting our Results of Operations

Our results of operations have been affected and will continue to be affected by a variety of factors, including:

- economic conditions principally in Colombia and Peru;
- the results of operations of our consolidated subsidiaries Contugas, Cálidda, ElectroDunas and TGI and the results of operations of our related companies, Enel Colombia, CTM and REP;
- additional investments in our operating assets and in the companies in which we have equity investments or any new company in which we invest in the future in furtherance of its strategy;
- price of natural gas and other fuels;
- demand for electricity and natural gas in Colombia, Peru, Guatemala and Brazil;
- dividend payments and other capital distributions made by our related companies, principally by Enel Colombia;
- regulatory developments and governmental actions affecting the natural gas and electricity sector in the countries in which we and our related companies operate;
- electricity prices in the countries in which we and our related companies operate;
- hydrological conditions in the countries in which we and our related companies operate; and
- the level of indebtedness, variations in exchange rates between the U.S. dollar and each of the Colombian *peso* and the Peruvian *sol* and other currencies in which our revenues or expenses are denominated in the other countries where we operate, interest rates and the IPP, and the PPI.

Economic Conditions in Colombia and Peru

Colombia

As we derive a significant portion of our total revenues from our operations in Colombia, we are affected by economic conditions in the country. For the six-month periods ended June 30, 2022 and 2023, our revenues from our operations in Colombia represented 36.6% and 37.0%, respectively, of our total

revenues. For the years ended December 31, 2022, 2021 and 2020, our revenues from our operations in Colombia represented 36.1%, 36.7% and 43.9%, respectively, of our total revenues.

Historically, GDP and domestic energy demand growth have been highly correlated. Higher economic growth rates in the economy of Colombia affect our results of operations because they generally result in more manufacturing and industrial demand for electricity and gas consumption, as well as increased demand for electricity and natural gas from domestic consumers as a result of increased employment and higher income levels that are often associated with such growth. UPME takes these factors into consideration in the preparation of electricity infrastructure expansion and development plans. See “Risk Factors — Risk Factors Relating to Colombia — A substantial portion of our assets are located in, and a substantial portion of our income is earned in, Colombia and, thus, we are highly dependent on economic and political conditions in Colombia.”

Real GDP growth rates were -7.3%, 11% and 7.3% in 2020, 2021 and 2022, respectively, according to DANE. These growth rates have contributed to an increase in electricity consumption in Colombia of -2.1% in 2020, 5.2% in 2021 and 3.4% in 2022, according to the UPME. The projected average annual growth rate of the Colombian electricity market, according to UPME, will be between 1.65% and 2.99% per year from 2023 to 2037.

Our results of operations are also affected by growth in the demand for natural gas transportation services in the geographic areas we serve through our subsidiary TGI. These areas currently account for approximately 52% of the Colombian demand for natural gas transportation. See “Colombian and Peruvian Natural Gas Industry and Regulatory Framework.” Because, as of December 31, 2022, approximately 66% of TGI’s customer base is comprised of natural gas distribution companies, changes in economic growth affect TGI to a lesser extent than other Colombian natural gas transportation companies that are more dependent on the electricity generation sector for their transportation revenues, which exposes them more to fluctuations in transportation demand resulting from fluctuations in electricity generation and consumption. See “Risk Factors — Risk Factors Relating to TGI and the Colombian Natural Gas Industry — An increase in alternative energy sources could adversely affect demand for natural gas.”

Colombian Central Bank independence, and the adoption of an inflation-targeting regime and a free-floating currency in 1999, have contributed to controlling inflation rates and price volatility in Colombia. According to the Colombian Central Bank, Colombia’s annual inflation rate was 13.1%, 5.6% and 1.6% for the years ended December 31, 2022, 2021 and 2020, respectively. Therefore, inflation does not significantly affect our financial condition and results of operations. The monetary policies set in Colombia, Peru, Guatemala and Brazil are stable and behave independently by the governments of such countries, with central banks that target inflation, which decreases the possibility that inflation could have negative effects on our companies.

The following table sets forth the year-over-year changes of various key economic indicators in Colombia, including the GDP, the IPC, the IPP, the unemployment rate and the benchmark interest rate, as well as a comparison of these changes to the changes in the growth in the electricity and natural gas sectors in Colombia for the periods indicated. For further information, see “Risk Factors — Risk Factors Relating to Colombia.”

	For the Year Ended December 31				
	2018	2019	2020	2021	2022
			(percentages)		
Real GDP.....	2.6	3.2	(7.3)	11.0	7.3
Inflation.....	3.2	3.8	1.6	5.6	13.1
IPC.....	100.0	103.8	105.5	111.4	126.0
IPP annual variation.....	3.1	4.7	1.7	18.6	19.2
IPP.....	116.9	122.4	124.4	147.6	175.9
Unemployment.....	10.0	9.9	13.9	11.1	10.3
DTF ⁽¹⁾	4.5	1.7	1.9	3.2	13.7
IBR nominal rate – three-month period ⁽²⁾	4.1	4.1	1.7	3.4	11.7
Electricity sector as percentage of GDP.....	1.7	1.7	1.8	1.7	1.7
Natural gas sector as percentage of GDP.....	0.3	0.3	0.4	0.4	0.4

Source: DANE and Colombian Central Bank.

(1) Term Deposits Rate (*Depósito a Término Fijo*, or DTF).

(2) Colombian Interbank Reference Rate (*Interés Bancario de Referencia*, or IBR). This reference rate was first calculated and published in 2008.

Peru

Because we derive a significant portion of our total revenues from our operations in Peru, we are affected by economic conditions in the country. For the six-month periods ended June 30, 2022 and 2023, our revenues from our operations in Peru represented 62.4% and 61.2%, respectively, of our total revenues. For the years ended December 31, 2020, 2021 and 2022, our revenues from our operations in Peru represented 53.9%, 61.6% and 61.9%, respectively, of our total revenues.

The Peruvian economy, which is the seventh largest in Latin America, has experienced a structural change in the past three decades. In the past few years, Peru has undergone sustained economic growth, and was one of the countries with the most rapid growth in the world, while maintaining a relatively low inflation rate, until 2014 when the Peruvian economy was negatively impacted by both international circumstances and local factors, including a decrease in the commodities prices, an increase in inflation and political uncertainty due to corruption cases, among others. For more information, see “Risk Factors — Risk Factors Relating to Peru.” Macroeconomic conditions may impact the gross domestic product of Peru which may, in turn, affect the consumption of electricity by industrial and individual consumers. For instance, countries experiencing sustained economic growth generally experience an increase in their demand for services such as natural gas and natural gas transportation as well as increased electricity consumption.

Additionally, macroeconomic conditions are also likely to affect foreign exchange rates, domestic interest rates and inflation, which have an effect on our financial and operating costs. Fluctuations in the exchange rates between the Peruvian *sol* and the U.S. dollar could generate either gains or losses on monetary assets and liabilities denominated in the Peruvian *sol* and can therefore affect our profitability. Increases in inflation rates may also increase labor costs and other local expenses of our operations, and we may be unable to pass such increases on to our customers.

In addition, certain factors such as political instability and corruption allegations may further affect potential economic growth. Peru’s most recent general presidential elections took place in April 2021. Following a run-off between the two top contenders on June 6, 2021, Pedro Castillo was elected as Peru’s president. On December 7, 2022, Mr. Castillo announced his intention to dissolve the Peruvian Congress and to intervene, among others, the Peruvian judicial branch and Superior Court. Mr. Castillo’s actions were deemed to constitute an attempted coup, which led to his removal from office and arrest. Mr. Castillo was succeeded by his then vice president, Dina Boluarte. Following Mr. Castillo’s removal from office, a wave of protests in support of Mr. Castillo erupted across southern regions of the country, which led President Boluarte to declare a state of emergency across several regions in Peru on December 12, 2022 and call for congressional approval of a bill to permit early elections in 2024. As of the date of this offering memorandum, the bill for early congressional elections was initially approved by the Peruvian Congress

but is pending a second round of approval as it would require a possible amendment to the Peruvian Constitution. These events have further increased the environment of political uncertainty in Peru, and gave way to further discussions about a possible reform of the Peruvian Constitution, which is based on free market, contractual liberty, and minimal governmental intervention in the economy. There is uncertainty as to whether President Boluarte will obtain the required qualified majorities in order to modify the Peruvian Constitution. We cannot assure that policies against free market and minimal intervention of the government in the Peruvian economy will not be taken by the new administration or any new congress. Any changes in the Peruvian economy or the Peruvian government's economic policies may have a negative effect on our business, financial condition, and results of operations. Changes in economic or other policies by the Peruvian government or other political developments in Peru could adversely affect the business, financial condition, and results of operations of our subsidiaries. See "Risk Factors — Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — Changes in economic policies in Colombia, Peru, Guatemala and Brazil could affect our business, financial condition and results of operations and those of our related companies, as well as their ability to pay dividends or make other distributions to us."

Real GDP growth rates were -11.0%, 13.6% and 2.7% in 2020, 2021 and 2022, respectively, according to Peruvian National Institute of Statistics (*Instituto Nacional de Estadística e Informática*). These growth rates have contributed to an increase in electricity consumption in Peru of 1.54% in 2020, 0.7% in 2021 and 4.1% in 2022, according to the COES. GDP growth has contributed to a 2.7% Peru's compound annual growth rate in gas consumption in Peru from 2014-2022. Our results of operations are also affected by growth in the demand for natural gas distribution services in the geographic areas we serve. Our service area accounted for 76.2% of the demand for natural gas in the Peruvian local market in 2022.

Natural Gas Market in Colombia

Natural Gas Transportation Revenue

Substantially all of our natural gas transportation revenue in Colombia derives from the transportation rates we charge, through our subsidiary TGI, to electricity generation and natural gas distribution companies and to other customers in Colombia for making available the transportation capacity of our pipelines and for transporting gas to such customers up to their respective contracted capacity under long-term firm transportation contracts or for transporting gas purchased by such customers from the gas production fields to the distribution companies' distribution networks or to other customers' facilities. For the six-month periods ended June 30, 2022 and 2023, our revenues from natural gas transportation in Colombia represented 24.8% and 23.7%, respectively, of our total revenues. For the years ended December 31, 2020, 2021 and 2022, our revenues from natural gas transportation in Colombia represented 32.8%, 25.9% and 24.8%, respectively, of our total revenues.

As of December 31, 2022, 69% of our available capacity was contracted and 97.5% of the contracts were firm transportation contracts, of which 91% were fixed rate contracts. For the years ended December 31, 2020, 2021 and 2022, our revenue derived 93%, 85% and 85%, respectively, from fixed transportation rates charged under firm transportation contracts and 5.3%, 13% and 13.7%, respectively, from variable transportation rates charged under firm and interruptible natural gas transportation contracts. The remaining 1.5%, 2% and 1.5%, respectively, correspond to other charges, including charges for gas odorization, gas losses and operation and maintenance of pipeline interconnections. As of December 31, 2022, our long-term natural gas transportation contracts in Colombia had an average remaining life of approximately 4.06 years.

The transportation rates charged by TGI to its customers compensate us for the assets we make available through TGI to the Colombian natural gas pipeline system (which assets are taken into account by CREG to set the maximum transportation rates that TGI can charge), additional capital investments in such assets and operating expenditures incurred. Transportation rates are contractually agreed between TGI and its customers, subject to maximum regulated rates established by CREG. The Colombian government does not guarantee natural gas transportation companies a specified or minimum rate of return on their investment in pipeline assets and such companies do not have a guaranteed revenue or cash flow for making their pipeline assets available to the Colombian natural gas transportation sector. The maximum fixed and variable rates charged by TGI for the transportation of natural gas are authorized by CREG for at least five-year periods and are adjusted annually based on the PPI, while charges for administration, operation and maintenance (AO&M) are adjusted annually based on IPC, but without prior approval from CREG.

The applicable regulatory framework in the gas transportation industry has divided revenues into two main components: capacity and variable charges, both of which are denominated in Colombian pesos. Prior to CREG Resolution 175 of 2021, these charges were determined in U.S. dollars. For a further discussion of the Colombian gas transportation regulatory framework, see “Colombian And Peruvian Natural Gas Industry And Regulatory Framework — Regulation of Natural Gas Transportation in Colombia.”

Applicable rates for the last three years vary depending on the route and on the components of such route. The rates are determined by three components: (i) fixed charges, (ii) variable charges, and (iii) the applicable expenses in the AO&M. For example, the rate applicable to, among others, (a) the Ballena to Barranca route is (i) 291,068 U.S.\$/KPCD, fixed component of the tariff, applicable to a 100% investment remunerated base option, plus (ii) 638,744 Col\$/KPCD-year for the AO&M component of the tariff, and (b) the Barranca to Sebastopol route is (i) 82.045 U.S.\$/KPCD-year for the fixed component of the tariff, applicable to a 100% investment remunerated base option, plus (ii) 151,349 Col\$/KPCD-year for the AO&M component of the tariff. See “Colombian And Peruvian Natural Gas Industry And Regulatory Framework — Colombian and Peruvian Natural Gas Industry and Regulatory Framework.”

Natural Gas Transportation and Distribution Customer Base

For the year ended December 31, 2022, 78% of our total revenues derived from natural gas transportation and distribution contracts entered into with a concentrated group of customers, such as Ecopetrol (Colombia’s leading oil and gas company), Empresas Públicas de Medellín E.S.P. (a leading electricity generation and distribution company), and Gases de Occidente S.A. and Vanti (formerly Gas Natural), two regional natural gas distribution companies. Although the main industries we serve present stable consumption patterns, we may not be able to renew our contracts with one or more of these customers or collect substantial amounts from one or more of these customers in case of default or insolvency of such customers. See “Risk Factors — Risk Factors Relating to TGI and the Colombian Natural Gas Industry — TGI has high customer concentration and the failure by one or more of such customers to make payments under, or renew or extend, their natural gas transportation contracts with TGI may adversely affect TGI’s revenues.” All these companies have a domestic credit rating of at least BBB-, the fourth highest domestic credit rating assigned to Colombian companies. Our natural gas transportation customers are among the largest and highest credit quality public and private companies in Colombia.

However, we can provide no assurance of the impact of global pandemic or other disruptions on the credit strength and counterparty risks associated with these customers. See “Risk Factors — Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — A global pandemic could cause interruptions, negatively impact global and regional economic growth, and have an adverse

effect on our financial condition and our results of operations and the financial condition and results of operations of our consolidated subsidiaries and our related companies.”

Governmental Regulation and Actions Affecting the Natural Gas Transportation Market

Our results of operations are also affected by actions and initiatives that the Colombian government has been implementing with the aim of increasing natural gas consumption, making natural gas more widely available to residential users and promoting the substitution of other more expensive fuels for natural gas.

One of these initiatives has resulted in the development of additional natural gas transportation infrastructure through the introduction of incentives and subsidies for electricity generators that utilize natural gas and for the increase of natural gas use by businesses and residential consumers and motor vehicles (the “Plan for Mass Consumption of Gas”). The Plan for Mass Consumption of Gas also contributed to the sustained increase in the demand for natural gas at an average annual rate of 3.6% from 1997 to 2022 and in the total gas-fired electricity installed generation capacity from 1,618 MW in 1997 to 2,300MW in 2022, a 42% increase during that period and an average annual growth rate of 1.7%. In addition, as part of the Plan for Mass Consumption of Gas, Ecopetrol entered into BOOT and other contractual arrangements with private sector companies for the construction of new natural gas transportation infrastructure. In 1999, the Colombian government began promoting the use of compressed natural gas as an alternative lower-cost fuel for motor vehicles (*gas natural vehicular* or “GNV”), in the interior region of the country. This resulted in an increase in the quantity of vehicles converted to GNV from approximately 4,600 in 1999 to approximately 664,372 in 2022. Also in 1999, the Colombian government began eliminating certain subsidies for liquid fuels derived from oil, which made natural gas prices more competitive compared to other fuels.

The regulatory framework of the Colombian natural gas sector is based on principles and policies that have been in place for over two decades and is characterized by its institutional stability. Over the last eight years, the Colombian government has introduced regulatory changes affecting the natural gas sector with the objective of managing oil and gas reserves and maintaining a self-sufficient supply of oil for internal consumption. Such regulatory changes included the establishment of a new royalty scheme for oil and natural gas exploration and the creation of an independent agency responsible for the administration of the country’s hydrocarbon reserves, the ANH. As a result of these regulatory changes, exploration activities in Colombia increased significantly from 18 wells drilled in 2000 to 112 wells drilled in 2010 with approximately 320 hydrocarbons exploration and production contracts executed by ANH since 2004. Exploration activities peaked between 2012 and 2014, with 115 wells drilled in 2013. After the oil price crisis in 2015, exploration activities decreased significantly, reaching 50 wells drilled in the period from January to November 2017.

Between 2012 and 2013, CREG introduced a series of additional incentives to further promote the development of natural gas production, directed to the interior region of the country, which included the elimination of gas price controls for the Cusiana-Cupiagua field. As a result of these measures, production increased from approximately 46 MMCF/D in 2003 to 357 MMCF/D in 2016. See “Colombian and Peruvian Natural Gas Industry and Regulatory Framework — The Colombian Natural Gas Industry — Historical Background.”

For a discussion of the applicable Colombian regulation of gas transportation rates, see “Colombian and Peruvian Natural Gas Industry and Regulatory Framework — Regulation of Natural Gas Transportation in Colombia — Regulation of Transportation Rates” and “Risk Factors — Risk Factors Relating to TGI and the Colombian Natural Gas Industry — The tariff that TGI can charge for natural gas transportation may be affected due to the new methodology under CREG Resolution 175 of 2021 used to calculate the regulated tariffs.”

Availability of Natural Gas Reserves and Alternative Energy Sources

The long-term financial condition of our Peruvian gas transportation and distribution businesses dependent on the continuous availability of natural gas from the Camisea Basin (particularly from Block 88). The Camisea Basin provides approximately 10,859 Tcf of Peru's total gas reserves, according to data published by Libro de Reservas (2022). During the same period, Blocks 56, 57, 58 and 88, provided approximately 94.05% of the total Peruvian reserves of natural gas, according to the 2018 annual hydrocarbons reserves report published by the MINEM. Although certain blocks ("lotes") of the Camisea Basin are currently being developed to provide for further gas reserves, the current expected reserve life of Block 88 and Block 56 is approximately 19.77 years, considering the maximum capacity of the Malvinas gas processing plant of Camisea.

In July 2023, due to the performance of maintenance at the Malvinas gas processing plant, the supply of natural gas through production systems, transportation of hydrocarbons through pipelines and distribution of natural gas through pipelines was declared an emergency by the Ministry of Energy and Mines. Transitional measures were approved in order to maintain the continuity of natural gas supply to the domestic market during the declared emergency. Such kind of scenarios could affect the operation and financial condition of our Peruvian gas transportation and distribution businesses.

In addition, changes in the cost of natural gas compared to alternative fuels affect the demand for natural gas and can, therefore, affect our results of operations. The cost of natural gas delivered to users in Colombia at distribution rates is currently less expensive than the cost of most alternative fuels, except coal. Alternative fuels, primarily fuel oil and coal for industries and power generation plants and liquefied petroleum gas for residential customers and smaller commercial users, are currently used when natural gas supply is unavailable or is interrupted, and they are likely to continue to be used as substitutes for natural gas.

While current rates and other advantages favor the use of natural gas over these alternative fuels, if the price of natural gas increases or the prices for alternative fuels decrease, the demand for natural gas consumption and natural gas transportation services could be adversely affected. See "Business — Competition."

Natural Gas Market in Peru

Natural Gas Distribution Revenue

Our natural gas distribution revenue in Peru derives from a single distribution tariff set and adjusted periodically by OSINERGMIN. This tariff is charged to our customers—both regulated and unregulated—based on (a) the level at which fixed and variable distribution rates are calculated by OSINERGMIN, (b) the categories of customers approved by OSINERGMIN, which may be modified at the request of the local distributor during its rate review process, (c) the volume of natural gas purchased by our customers, and (d) for regulated customers, the price of natural gas and the cost of natural gas transportation services, which are passed through to those customers.

For the years ended December 31, 2022, 2021, and 2020, we derived 62.2%, 60.1%, and 70.6%, respectively, of our Revenue from natural gas distribution rates. The remaining 37.8%, 39.9%, and 29.4%, respectively, correspond to other charges and fees, including charges for connection, installation, and maintenance services, and interest earned on customer connection financing.

All our revenues from natural gas distribution are derived from contracts with our customers. As of December 31, 2022, our firm distribution contracts with unregulated customers had an average remaining life of over 10 years (until 2033).

Governmental Regulation and Actions Affecting the Natural Gas Distribution Market

The current Peruvian government has adopted a distinct strategy towards gas exploration. Rather than expanding into new ventures, the government is prioritizing existing exploration and exploitation contracts. The objective is to accelerate progress and troubleshoot bottlenecks that have thus far impeded successful implementation. See “Risk Factors — Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — Changes in economic policies in Colombia, Peru, Guatemala and Brazil could affect our business, financial condition and results of operations and those of our related companies, as well as their ability to pay dividends or make other distributions to us.”

Our revenues from natural gas distribution services provided to regulated customers and unregulated customers consist of a single distribution tariff (the “Single Distribution Tariff”), which is set by OSINERGMIN for each successive tariff period of four years (unless adjusted prior to the expiration of a tariff period upon review by OSINERGMIN as provided below), and includes:

- a payment to compensate the investments made by us in our gas distribution system and projected to be made during the applicable tariff period (which investments are taken into account by the OSINERGMIN to set our maximum distribution rates);
- a payment to compensate our projected operation and maintenance expenses and administrative expenses for such tariff period;
- a 12% annual return in U.S. dollars on our investment; and
- a fixed charge for retail which is not dependent on changes in the demand or consumption of natural gas.

The Single Distribution Tariff is (i) indexed on a quarterly basis to reflect changes in the Steel Price Index, the Polyethylene Price Index, the U.S. PPI and the Peruvian Wholesale Price Index, (ii) reviewed every two years to the extent the average cost set by OSINERGMIN varies by more than specified percentage for each local distribution company as a part of the review process. To the extent OSINERGMIN determines that the actual demand and investments made by us are different from those projected to set the then applicable Single Distribution Tariff, OSINERGMIN can adjust the Single Distribution Tariff applicable to the remaining 2 years of such 4-year tariff period), and (iii) in the case of regulated customers, a monthly adjustment to account for changes in the exchange rate between U.S. dollars and Peruvian *soles* (given the fact that the Single Distribution Tariff is converted into Peruvian *soles* at the time of invoicing our services to such customers).

The Single Distribution Tariff is subject to the maximum regulated rates established by the OSINERGMIN. The Single Distribution Tariff is comprised of different rates based on the different types of customers. These different rates are based on monthly consumption levels, which range from under 30 CMM, to over 900,000 CMM, and also rates based on the customer’s activity, such as in the case of NGV suppliers, power generation companies, and fishing activity.

Our invoices for gas distribution services are payable by our customers monthly within 15 days of the date of issuance of the related invoices, although on average our customers pay invoices within 31 days.

The payment of our natural gas distribution rates invoiced to regulated customers is due in Peruvian *soles* calculated at the exchange rate of U.S. dollars to Peruvian *soles* effective on the date of issuance of such invoice. The payment of our natural gas distribution rates invoiced to unregulated customers is due in U.S. dollars. Interests on past due invoices and other charges related to stoppage and reconnection services are applicable pursuant to Peruvian regulations.

Due to the COVID-19 outbreak, on March 15, 2020, the Peruvian Government declared the State of Emergency throughout the country and ordered a mandatory social isolation and the suspension of all non-essential activities. Electricity and natural gas production, transport and distribution are considered essential activities, and as such, our subsidiaries and related companies are operating normally. In this context, the Peruvian Government approved the installment payment of the natural gas distribution bills issued during the State of Emergency ordering that such bills may be paid up to 24 installments. This benefit is only applicable to residential users with monthly consumption of up to 20 m³/month.

According to the emergency decree approving the aforementioned measure, the companies whose bills will be paid in installments are expected to receive compensation interest from public funds. This measure, as well as the effects of the mandatory lockdown, could affect the continuity of payments in the natural gas sector, since companies will collect less from their residential users benefitting from the payment plan.

Availability of Natural Gas Reserves and Alternative Energy Sources

The long-term financial condition of our Peruvian gas transportation and distribution businesses is dependent on the continuous availability of natural gas from the Camisea Basin (particularly from Block 88). The Camisea Basin provides approximately 10,859 Tcf of Peru's total gas reserves, according to data published by Libro de Reservas (2022). During the same period, Blocks 56, 57, 58 and 88, provided approximately 94.05% of the total Peruvian reserves of natural gas, according to the 2018 annual hydrocarbons reserves report published by the MINEM. Although certain blocks ("*lotes*") of the Camisea Basin are currently being developed to provide for further gas reserves, the current expected reserve life of Block 88 and Block 56 is approximately 19.77 years, considering the maximum capacity of the Malvinas gas processing plant of Camisea.

In addition, changes in the cost of natural gas compared to alternative fuels affect the demand for natural gas and can, therefore, affect our results of operations in Peru. The cost of natural gas delivered to users in Peru at distribution rates is currently less expensive than the cost of most alternative fuels. Alternative fuels, primarily fuel oil and coal for industries and power generation plants and liquefied petroleum gas for residential customers and smaller commercial users, are currently used when natural gas supply is unavailable or is interrupted, and they are likely to continue to be used as substitutes for natural gas. While current rates and other advantages favor the use of natural gas over these alternative fuels, if the price of natural gas increases or the prices for alternative fuels decrease significantly, the demand for natural gas consumption and natural gas distribution services could be adversely affected.

Electricity Transmission in Colombia

Electricity Transmission Revenues Guarantee System

Pursuant to CREG 024 of 1995, as amended by CREG Resolution 019 of 2006, CREG Resolution 184 of 2015, among others, the payments on account of Usage Charges that the electricity traders are required to pay for their use of the STN are guaranteed by a guarantee provided at least 15 days before the agent starts performing its transactions through the MEM. Any agent can choose the guarantee that it will provide from among the following six options:

- (i) A trust guarantee to which the agent provides easily enforceable assets that allow the trustee, in a reasonably short period, to foreclose them in case of a default, and use the proceeds received for the satisfaction of the guaranteed obligations.
- (ii) An administration and payment trust, where the agent transfers all or part of the income derived from its sales. All or a specific percentage of the income must be managed by the trust. These funds are freely available to the agent, except for any such applicable specific percentage determined based on actuarial calculations based on XM's experience, or known operations, intended to constitute the provision of funds necessary for the trust to pay the periodic invoices established by the agent as a result of his intervention in transactions in the MEM.

Trust agreements under options (i) and (ii) above will allow freezing 100% of its funds upon expiration of the relevant invoices and to the extent the due amount cannot be paid with funds provided for such purpose or with other funds provided by the agent. In this case, no amount may be released from any such trust until the unpaid invoices have been repaid in full of any applicable surcharges.

- (iii) A first demand guarantee such as a bank guarantee, a standby letter of credit or an insurance company policy that is also on first demand.
- (iv) An advanced payment to the XM of the expected amount.
- (v) A support fund with a number of agents who would provide their initial contributions and their periodic installments, in either case according to their participation in the market, as approved by XM.
- (vi) Other types of liquid or easily enforceable financial guarantees, such as investment documents previously qualified by ASIC and deposited thereto or to a financial entity with custody functions designated for guaranteed purposes.

The methodology for the calculation of these guarantees is determined by XM, acting as the ASIC, and is subject to certain financial measurements. If an electricity trader fails to provide a guaranteed instrument within 20 days of the due date specified by XM, XM will notify CREG and XM will be required to reduce the electricity supply to such electricity trader, thereby causing a partial service interruption for the end-users of such electricity trader. If an electricity trader fails to make the monthly payment on account of Usage Charges on its due date, XM may immediately exercise its rights under the guaranteed instrument (without the need to commence judicial proceedings) and allocate the proceeds from the exercise of such rights among the electricity transmission companies comprising the STN. In any case, this guarantee must ensure, for a minimum period of three months, the payment of all duties that come from participating in the spot market, use charges of the STN and, in general, for any payment that must be delivered to ASIC or LAC.

In addition, four blank promissory notes with their respective letters of instructions, must be delivered to XM. XM may fill out the promissory notes at any time, while any agent is registered in the wholesale market, upon failure to pay the total value of two invoices (consecutive or not), for any of the amounts invoiced by ASIC or any other governmental authority.

Regulated Revenues Regime

Our results of operations may be affected by regulatory changes in our Transmission Regulated Revenues. A portion of our Transmission Regulated Revenues derived from assets from awarded projects

made available to the STN after January 1, 2000 (“Fixed-Income Assets”) that have a fixed income for 25 years adjusted by inflation and, as such will not be affected during this 25 year-period by any regulatory change. Substantially, all of our revenues from electricity transmission are derived from the Transmission Regulated Revenues that we receive for making our transmission assets available to the STN. We receive Transmission Regulated Revenues in the form of monthly payments from or on behalf of the users of our electricity transmission assets and, thus our Transmission Regulated Revenues are not affected by the supply and demand of electricity, or the volume of electricity consumed or transported through the GEB Electricity Transmission Network. Our Transmission Regulated Revenues are adjusted on a monthly basis to take into account inflation, as measured by the IPP or the PPI (for Fixed-Income Assets that have a fixed income for 25 years), without prior approval from CREG. Regional transmission public tenders are updated on the basis of IPP measures of inflation whenever they are denominated in Colombian *pesos*. Under the STN however, where most of GEB’s assets operate, public tenders are made in U.S. dollars and updated with the PPI. In any case, the used assets are updated with the IPP, but without prior approval from CREG. Our Transmission Regulated Revenues may also be adjusted when certain types of additional investments in electricity transmission assets are approved by CREG.

In September 2022, as part of the “Pact for Tariff Justice,” CREG issued CREG Resolution 101 027 of 2022, amended by CREG Resolution 101 031 of 2022, which modified the method of indexing revenues for assets not derived from a tender. On a transitory basis, for a minimum of one year, these assets are indexed with the lower of the PPI and CPI.

For the six-month periods ended June 30, 2022, and 2023, our revenues from electricity transmission represented 12.8% and 15.2%, respectively, of our total revenues. For the years ended December 31, 2020, 2021 and 2022 our revenues from electricity transmission represented 13.3%, 12.5% and 13.3%, respectively, of our total revenues. See “— Our Consolidated Results of Operations.”

We also receive Transmission Regulated Revenues set periodically by CREG in the form of usage charges (*cargos de uso*, or “Usage Charges”) payable by users and transferred to us by XM on a monthly basis. The aggregate amount of payments we receive as Usage Charges in any given year cannot exceed the amount of our Transmission Regulated Revenues set by CREG for such year. The amount of Usage Charges payable to us is determined by XM, acting as settler of charges for the use of the STN. In addition, the Usage Charges that XM allocates to us are subject to reductions in case of unavailability of our electricity transmission assets and to increases if we are awarded new transmission projects through competitive biddings conducted by the UPME. See “Colombian and Peruvian Electricity Industry, Regulatory and Environmental Framework — Colombia — Electricity Transmission — Transmission Regulated Revenues.”

The Transmission Regulated Revenues that we are entitled to receive are subject to two different rate setting methodologies, depending on whether or not the electricity transmission assets associated with such Transmission Regulated Revenues were from awarded projects made available to the STN prior January 1, 2000 (“Usage Assets”).

Electricity Transmission Regulated Revenues for Usage Assets

Our Transmission Regulated Revenues related to Usage Assets are calculated annually based on a formula, set out in CREG Resolution 11 of 2009, as amended by CREG Resolution 124 and 45 of 2016, that takes into consideration (i) the replacement value of our investments in assets made available to the STN, which replacement value is adjusted from time to time, based on certain pre-established costs set by CREG and expressed in Colombian *pesos*, (ii) an assumed internal rate of return for our investments in electricity transmission assets, which is currently 11.5%, (iii) a specified lifespan for such assets which is currently 40 years for transmission lines and 30 years for substation equipment, (iv) our operating and

maintenance expenses set from the preceding year as a percentage of the value of our assets, (v) our investments in non-electrical assets, (vi) any penalties resulting from the unavailability of such electricity transmission assets in the STN and (vii) our easement payments.

The formula for calculating the amount of transmission regulated revenues payable to electricity transmission companies for Usage Assets is as follows:

$$IAT_j = CAEA_j * (1 + \%ANE) + VAOM_j + CAET_j + CAES_j - OI_j$$

Where:

- IAT_j : Is total annual income (*ingreso anual total*).
- $CAEA_j$: Is the equivalent annual cost of the electricity transmission assets and non-electricity assets (valued at rates determined by CREG).
- $\%ANE$: Is the percentage rate for non-electricity assets.
- $VAOM_j$: Is the percentage rate for expenses in the administration, operation and maintenance of electricity transmission assets
- $CAET_j$: Is the equivalent annual cost of land applicable only to substation constructive units.
- $CAES_j$: Is the equivalent annual cost of easements.
- OI_j : Are annual revenues related for other assets, equivalent to 33% of the annual incomes for rental of the infrastructure and communications

Our Transmission Regulated Revenues for Usage Assets are set forth in CREG Resolutions 110 of 2010, 010 of 2015, and 078 of 2016. In 2023, we accounted for 22% of the STN's regulated revenue, while EPM held 63% of the market revenues.

Pursuant to CREG Resolution 177 of 2016, CREG proposed a new methodology for the remuneration of the electricity transmission activity within the SIN that only applies to Usage Assets, which, as of the date of this offering memorandum, continues to be subject to discussion. The principal changes proposed by such resolution include, among others, the following:

A change in the method of valuating the transmission assets, shifting from a replacement cost method to depreciated cost, which reduces the asset value to the remaining period of time that it will be considered for the calculation of the regulatory asset base.

An increase in the total substation construction unit value of the company in the SIN.

According to the 2023 CREG regulatory agenda issued on December 30, 2022 through CREG Circular 123 of 2022, the new methodology is expected to be definitively published in the first half of 2023. However, as of the date of this offering memorandum, the new resolution has not been published, and we expect the new tariff to be defined in late 2024.

Transmission Regulated Revenues for Fixed-Income Assets

In January 1999, CREG introduced a new revenue scheme for the construction, operation and maintenance of new electricity transmission assets, including lines, substations and transformers (the

“Competitive Bidding Rules”). This new revenue scheme was set forth by CREG Resolution 004 of 1999 as amended (“CREG 004/1999”), which requires that a competitive bidding process be conducted by UPME for the construction and operation of Fixed-Income Assets. Pursuant to the Competitive Bidding Rules set forth mainly by CREG Resolution 22 of 2001, Colombian and international companies can participate in competitive bidding processes simply by purchasing the terms of reference published by UPME for each bidding process and submitting a comprehensive plan for building, operating and maintaining the new electricity transmission assets in consideration for a set amount of Transmission Regulated Revenues for 25 years.

Under the Competitive Bidding Rules, the winning bidder is awarded the construction, operation and maintenance of the new Fixed-Income Assets for 25 years and is responsible for making all investments necessary for the development, construction, commissioning, maintenance and operation of such Fixed-Income Assets during the entire 25-year period in consideration for the Transmission Regulated Revenues. After the expiration of the 25-year period, the Transmission Regulated Revenues related to such Fixed-Income Assets are calculated using the methodology applicable to Transmission Regulated Revenues for Usage Assets. The Transmission Regulated Revenues awarded under the Competitive Bidding Rules are adjusted monthly to reflect changes in the IPP. The Usage Charges payable monthly with respect to Transmission Regulated Revenues are equal to one-twelfth of the Transmission Regulated Revenues.

Pursuant to CREG Resolution 119 of 2007, 100% of the Transmission Regulated Revenues for electricity transmission companies under the Competitive Bidding Rules must be covered by electricity traders in proportion to their demand.

For the years ended December 31, 2022, and 2021, our transmission regulated revenues for Fixed-Income Assets were Col\$596,039 million and Col\$566,255 million, and for the six-month period ended June 30, 2023 were Col\$387,717 million.

Regulatory Developments and Governmental Actions Affecting the Electricity Transmission

Our results of operations could be materially affected by regulatory developments and actions taken by the Colombian government and by the regulatory agencies, including CREG, MME, and the SSPD. See “Risk Factors — Risk Factors Relating to Our Company and the Industries in which We and Our Related Companies Operate — Changes to current regulations, legislation and rates may adversely affect our and our related companies’ cash flows, financial condition and results of operations.” CREG also sets the electricity distribution rates that Enel Colombia charges to its Regulated Customers taking into account the costs of electricity purchases paid by electricity distribution companies (which, to some extent, are passed on to their customers).

CREG Resolution 177 of 2016 set forth a new proposed methodology for the calculation of tariffs for the transmission of electricity within the SIN. These proposed regulatory modifications only apply to Pre-2000 Usage Assets which currently have their annual regulated income calculated on the basis of the value of their assets and operation and maintenance expenses. As of the date of this offering memorandum, participation of revenues associated to Usage Assets is less than 30%. Additionally, according to the 2023 CREG regulatory agenda issued on December 30, 2022, through CREG Circular 123 of 2022, the new methodology is expected to be definitively published in the first half of 2023. As of the date of this offering memorandum, the new resolution has not been published, and we expect the new tariff to be defined in late 2024. See “Risk Factor — Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — Changes to current regulations, legislation and rates may adversely affect our and our related companies’ cash flows, financial condition and results of operations.”

Accordingly, our Transmission Regulated Revenues and the revenues of our related company Enel Colombia are determined in significant part by the actions of government regulators. See “Risk Factors — Risk Factors Relating to Our Company and Our Related Companies and the Industries in which We and Our Related Companies Operate — Our electricity transmission and distribution rates as well as our gas transportation, remuneration rates, may be subject to adjustments as a result of the tariff review processes undertaken from time to time by CREG,” “Risk Factors — Risk Factors Relating to TGI and the Colombian Natural Gas Industry — TGI’s gas transportation rates may be subject to adjustments as a result of the tariff review processes undertaken by CREG from time to time,” “Risk Factors — Risk Factors Relating to Enel Colombia and the Colombian Electricity Industry — Enel Colombia’s electricity generation prices may be subject to adjustments as a result of the review processes undertaken by CREG from time to time” and “Risk Factors — Risk Factors Relating to Enel Colombia and the Colombian Electricity Industry — Enel Colombia’s electricity transmission and distribution rates may be subject to adjustments as a result of the tariff review processes undertaken by CREG from time to time.” For additional information relating to the Colombian regulatory frameworks for electricity transmission, generation and distribution, see “Colombian and Peruvian Electricity Industry, Regulatory and Environmental Framework — The Colombian Electricity Industry.”

Additionally, Article 17 of Law 1955 of 2019 determines that all activities that have a definitive impact in the proper provision of public utilities shall be considered similar to the main and complimentary activities of such public utility’s value chain. Hence, this activity can be subject to the regulation, supervision, and sanctions of CREG and SSPD. Moreover, any unregulated activities that could have been developed by us, such as, off the grid self-generation, might be subject to future regulations, which could potentially have a material financial impact on such activities.

Changes in Tax Laws in Colombia

On December 13, 2022, a tax reform was enacted by means of Law 2277 of 2022 (the “Tax Reform”). The Tax Reform introduced several modifications to the Colombian tax system. Some of the main changes derived from the Tax Reform are as follows:

- Corporate taxation: the Tax Reform did not modify the Corporate Income tax (“CIT”) rate, that continues to be 35%. However, the law introduced a 15% minimum tax rate (adjusted tax rate) for resident legal entities. This Adjusted Tax Rate (“ATR”) is determined by dividing the Adjusted Income Tax (“AIT”) by the Adjusted Income (“AI”). If the ATR obtained results lower than 15%, the taxpayer should adjust the tax to reach the 15% threshold. The law provides the elements that need to be factored in to obtain the AIT and the AI. The adjusted amount cannot be carried forward to be credited against taxes of future periods.
- Capital gains: the capital gains tax rate was increased from 10% to 15%.
- Dividend taxation: The tax rate applicable to dividends distributed to non-residents was increased from 10% to 20% by the Tax Reform. Lower rates are available under the double taxation agreements entered into by Colombia.
- Taxation of non-resident taxpayers: Non-resident taxpayers are taxed in Colombia only on their Colombian-sourced income and, in most cases, the corresponding tax is collected via withholding tax (article 12 of the Colombian Tax Code, “CTC”). Colombian-sourced income is generally defined as income originated, amongst other things, on the exploitation of assets located in Colombia (article 24 CTC). Specifically, credit rights (including those stemming for a bondholder from a bond) are understood to be located in Colombia if the issuer of the bond has its residence or domicile in Colombia or if they are economically linked to Colombia.

As an exception, bonds and other notes that, (i) are issued or co-issued by a Colombian entity and (ii) are negotiated outside of Colombia by non-residents, are deemed not to be located in Colombia. In this regard, case-law from the Colombian Tax Court (Judgement number 17358 issued on August 11, 2011) and the official doctrine of the Colombian Tax Authority (Revenue Rulings 32227 of 2016 and 1397 of 2020) have established that interest payments deriving from bonds or notes issued or co-issued abroad by a Colombian tax resident are not Colombian-sourced income for the recipient, as the financial asset itself is not an asset possessed in Colombia, nor economically linked to Colombia, since the creditor is not a Colombian tax resident. Under this line of interpretation, interest payments on the Notes would not be subject to Colombian taxation.

Furthermore, article 416 of the CTC states that the payment of the principal, interest, and fees made by the Colombian Nation and other public law entities that derive from foreign debt are not subject to withholding taxes. Likewise, article 218 of the CTC states that payment of the principal, interest, commissions, and other items related to external public indebtedness is exempt from all taxes. Although the tax reform bill of 2016 invalidated all exempt income items not explicitly listed in article 235-2 of the CTC, the exemption listed in article 218 prevails, as it refers to “all taxes” and not only to income taxation. GEB is a mixed economy entity (*sociedad de economía mixta*), decentralized by services and linked to the executive branch at the territorial level. Hence, the aforementioned articles 218 and 416 of the CTC apply to foreign debt acquired by GEB.

Interest payments to non-resident noteholders by GEB should not be subject to withholding taxes both under the general provisions and precedents concerning bonds issued abroad, and under the specific public foreign indebtedness provisions.

In accordance with Colombian Constitutional rules, any potential modifications to the corporate income tax (taxable base, rates, taxpayers, among others) made through a tax bill adopted by the Colombian Congress becomes effective in the period (taxable year) subsequent to the year in which the Tax Reform was approved and enacted by the Colombian Congress.

- Value Added Tax: Value Added Tax (“VAT”) is a national indirect tax, whose taxable transactions comprise the following: (i) sale of movable tangible goods; (ii) sale or licensing of intangible assets associated with industrial property; (iii) provision of services within Colombian territory or from abroad; and (iv) Import of tangible goods. The general VAT rate is 19%.
- Financial Transactions Tax: The Financial Transactions Tax (“FTT”) levies any financial transaction through which the disposal of funds deposited in checking, savings accounts and the drawing of cashier’s checks is carried out, as well as on accounting debits made by tax withholding agents. The FTT was not substantially modified through the latest tax reform bill.

GEB’s Level of Indebtedness, Currency Fluctuation, and Interest Rates

Our results of operations and financial condition are affected by currency fluctuations and changes in interest rates. As of December 31, 2022, on a consolidated basis, we had Col\$17,404,577.09 million (U.S.\$3,618.26 million), or 86%, of foreign currency-denominated borrowings and Col\$2,873,207.49 million (U.S.\$597.32 million), or 14%, of Colombian *peso*-denominated borrowings. The Colombian *peso* has been subject to large devaluations against the U.S. dollar in the past and may be subject to significant fluctuations in the future. As of December 31, 2022, 83% of our loans and borrowings were denominated in U.S. dollars and, as such, currency fluctuations may also impact our ability to service our indebtedness.

As of December 31, 2022, 38.6% of our long-term consolidated loans and borrowings were variable rate debt. To the extent that we incur additional debt with interest rates that are directly influenced by

Colombia's monetary policies, increases in prevailing interest rates in Colombia could adversely impact our interest expense.

Our Investment in Enel Colombia

Overview

Our results of operations are materially affected by the results of operations of our related company Enel Colombia from which we derive a substantial portion of our cash flow from dividends and other capital contributions. See “Business — Overview” and “Risk Factors — Risk Factors Relating to Us and the Industries in which We and Our Consolidated Subsidiaries and Related Companies Operate — We derive a substantial portion of our Adjusted EBITDA and cash flow from dividends and other capital distributions from our related companies Enel Colombia, REP and CTM, over which we have no control and which may not distribute profits under certain circumstances, which could adversely affect our results of operations.” We own 63,311,437 shares of voting common stock, representing 42.515% of the total shares of voting common stock of Enel Colombia. We record our investment in Enel Colombia pursuant to the equity method under IFRS at its historical acquisition cost (as adjusted for inflation through 2001) and subsequently affected by our participation in the results of Enel Colombia, which is recognized using the equity method.

See “Business — Sustainable Generation — Enel Colombia — Enel Colombia Investment Framework Agreement,” and Note 1 to the GEB Audited Consolidated Financial Statements for a description of the consolidation methods applied by GEB in the preparation of such financial statements.

The following table sets forth (1) the carrying-value of our investments in Enel Colombia, which was determined at the time when our assets related to electricity generation and distribution were spun-off from GEB and transferred to Enel Colombia, (2) the profit for the period of each of Enel Colombia, (3) dividends received by us and (4) capital distributions to us by Enel Colombia, in each case for the years ended December 31, 2020, 2021 and 2022.

	For the Year Ended December 31,		
	2020	2021	2022
	(in millions of Col\$)		
Enel Colombia			
(1) Carrying-value of our investment.....	\$6,095,526	\$5,987,477	\$8,140,908
(2) Profit for the period of Enel Colombia.....	2,125,682	1,712,321	2,960,779
(3) Dividends received by GEB.....	755,367	1,528,686	1,477,942
(4) Capital distributions to GEB.....	-	-	-

For a detailed discussion of the principal factors affecting Enel Colombia's results of operations, see “— Principal Factors Affecting Enel Colombia's Results of Operations” below.

Colombian Electricity Demand

Enel Colombia's business is significantly affected by electricity demand in Colombia. Electricity demand in Colombia for the years ended December 31, 2021 and 2022 was 74 TWh and 77 TWh, respectively. The most significant impact that electricity demand has on Enel Colombia's business is that it determines when thermoelectric generation capacity must be dispatched when water resources are low. This increase in demand for thermoelectric generation leads to an increase in spot market prices because the variable costs of thermoelectric generators, which are primarily costs of natural gas and other fossil fuels, set the marginal price. In recent years, thermoelectric generation has remained steady in normal hydrological conditions, compared to increases in hydroelectric power, primarily due to prevailing demand levels and the availability of hydroelectric installed capacity to meet the existing demand. However, during certain periods of El Niño, nearly 50% of Colombia's demand was supplied by thermoelectric plants. During the most recent El Niño phenomenon, Enel Colombia maintained its output and did not suffer

negative economic or financial effects because the risks to which it was exposed were minimized by the application of a very strict commercial cover policy (including, among other, by increasing sales of energy by executing new agreements with off taker).

In late 2009, CREG required electricity generation companies to utilize their thermoelectric plants and imposed restrictions on hydroelectric generation in order to preserve water resources to mitigate the negative effects of El Niño on hydrological conditions during the last quarter of 2009 and the first six months of 2010 when conditions were very severe. The effects of the El Niño phenomenon caused a rise in demand in 2016 that eventually normalized in 2017.

Electricity Sales in Colombia

Enel Colombia's revenues are primarily derived from electricity sales under electricity supply contracts and in the spot market, as well as from amounts received from reliability payments, AGC and ancillary services provided. Enel Colombia's revenues from electricity sales primarily depend on its electricity generation, its electricity purchases (and the margin Enel Colombia derives from reselling such electricity purchases) and electricity prices set in contracts and on the spot market.

Enel Colombia's annual electricity generation depends on hydrological conditions, reservoir management practices and technical considerations. In the years ended December 31, 2021 and 2022, Enel Colombia generated 13,112 GWh and 13,663 GWh, respectively.

The electricity prices which are material to Enel Colombia's revenues are either freely negotiated fixed prices under Enel Colombia's medium-term contracts (one to three years) with wholesale customers and Unregulated Customers, or variable spot market prices. For the year ended December 31, 2022, Enel Colombia sold 15,847 GWh under medium-term contracts. Of this total, 11,242 GWh were sold to wholesale customers, and 4,605 GWh were sold under contracts with Unregulated Customers.

Spot market prices at any point in time depend directly on hydrological conditions, actual demand for and supply of electricity and fuel prices for thermoelectric generators. Spot market prices tend to increase in the dry season and decrease in the rainy season. The average monomic spot prices for the years ended December 31, 2021 and 2022 were Col\$151 and Col\$217 per kWh, respectively.

Enel Colombia mitigates its exposure to the volatility of the spot market by selling a significant portion of its expected electricity generation through long-term electricity supply contracts. Enel Colombia's optimal level of electricity supply commitments is one that allows Enel Colombia to protect itself against low marginal cost conditions, such as those existing during the rainy season, while still taking advantage of high marginal cost conditions, such as higher spot market prices during the dry season. In order to determine the optimal mix of long-term contracts and sales in the spot market, Enel Colombia creates demand estimates using standard economic theory, and we forecast generation and the system's marginal cost using proprietary stochastic models.

Currently, Enel Colombia's electricity supply contracts are not standardized and the terms and conditions of these contracts are individually negotiated. Typically, when Enel Colombia negotiates these contracts, it tries to set the price at a premium over future expected spot prices so as to mitigate the risk of future increases in spot prices. However, the premium can vary substantially depending on a variety of conditions.

Enel Colombia's strategy with respect to the spot market is to maximize the commercial margin of its business in the short-term through effective resource management (availability and hydrological storage levels) and take advantage of market opportunities based on its assessment of the likelihood of future

changes in the price of electricity. This strategy will also depend on Enel Colombia's own and its competitors' particular technical and hydrological conditions. For example, during the dry season Enel Colombia relies more on its hydrological and thermoelectric plants to meet commitments under its supply contracts and use the residual electricity for spot sales, while Enel Colombia limits generation through its thermoelectric plants and increases its hydroelectric generation during the rainy season.

Enel Colombia's revenues from spot sales were Col\$248,198 million and Col\$432,798 million, during the years ended December 31, 2021 and 2022, respectively. These revenues represented 5% and 3% of Enel Colombia's total revenues for the years ended December 31, 2021 and 2022, respectively.

Principal Factors Affecting Enel Colombia's Results of Operations

Enel Colombia is the second largest electricity generator in Colombia with an installed capacity of 3,711 MW. For the years ended December 31, 2021 and 2022, Enel Colombia had total income from ordinary activities and other operating income of Col\$4,726,682 million and Col\$12,223,883 million, respectively, and profit for the period of Col\$1,712,322 million, and Col\$2,960,779 million, respectively. The dividends paid to us by Enel Colombia in such fiscal years were Col\$1,528,686 million and Col\$1,477,942 million, respectively.

Enel Colombia's results of operations have been affected and will continue to be affected by a variety of factors, including the following:

Hydrological Conditions in Colombia

Enel Colombia's business is dependent on the hydrological conditions prevailing in Colombia as 83% of its installed electricity capacity is hydroelectric. Enel Colombia's thermoelectric generation plants, which are fueled with natural gas, coal and diesel, become operational to cover peaks in electricity demand and any shortfalls in electricity generation from its hydroelectric plants due to insufficient water resources. Increases in the prices of the fuels that Enel Colombia uses for the generation of electricity in its two thermoelectric plants result in higher costs of sales that it would not otherwise incur or be able to transfer to its customers under its supply agreements. Colombia's hydrology typically follows a dual season annual cycle, with one period of low levels of precipitation from December to March and high levels during the rest of the year. However, over the past two decades, Colombia's hydrological conditions have been affected by an abnormal and erratic climatic phenomenon that alters the regularity of the rainfall season and can cause droughts, known as El Niño. In addition to El Niño, Colombia has been affected by an opposite phenomenon which leads to increase in precipitation, known as La Niña.

The effects of the El Niño or La Niña can unevenly affect different regions in the country. For this reason, at any given time, certain generation plants can be affected by heavy rains while generation plants located elsewhere can be affected by droughts.

The hydrologic anomalies described can lead to adverse effects in the electricity market in Colombia, including the following:

The El Niño phenomenon can lead to a decrease in the market's hydroelectric generation capacity, thereby affecting the entire electricity supply in Colombia.

Limited supply of electricity as a result of diminished hydroelectric generation may cause the Colombian government to intervene in the electricity generation market by promoting electricity savings programs. As a result of these programs, electricity consumption could decline.

The La Niña phenomenon can lead to an increase in the market's hydroelectric generation capacity, which could result in lower electricity prices as a result of higher availability of hydroelectric generation capacity.

The irregularity of the occurrence of these anomalies and the fact that they can have uneven effects across the country, affecting some but not all the hydroelectric power plants, may lead to an increase in the volatility of electricity prices. We may not adequately foresee the occurrence of any of these anomalies or the effects thereof and, therefore, may inefficiently invest in generation capacity. In addition, the decision whether to acquire or purchase electricity through bilateral long-term agreements or in the Energy Spot Market largely depends on our ability to forecast hydrologic conditions. Therefore, the described anomalies, among other factors, may affect our ability to structure profitable and efficient electricity portfolios.

The adverse effects from seasonality of rainfall can potentially be alleviated in part by (i) the Firm Energy program implemented by the Colombian government in 2007, (ii) the fact that the El Guavio hydroelectric plant has a different hydrologic pattern from the rest of the country and in dry seasons is usually more abundant in water than the rest of the dams, (iii) Enel Colombia's ability to generate electricity through its two thermoelectric plants, Central Termica Martín del Corral — Termozipa and the Central Cartagena, which become operational during dry seasons and account for 11% of its total installed capacity, and (iv) Enel Colombia's strategy to sell electricity through medium-term contracts with a term of one to three years to wholesale customers and unregulated customers (which is based on its commercial policy that takes into account, among other factors, its Firm Energy), and to rely, to a lesser extent, on spot market prices, all of which allows Enel Colombia to mitigate the risks associated with spot price fluctuation.

For further information on the Firm Energy program, see “Colombian and Peruvian Electricity Industry, and Regulatory and Environmental Framework — Functional Separation of the Electricity Sector — The Electricity Market — Firm Energy Auctions.” For further information on the effects of hydrological conditions on Enel Colombia's results of operations, see “Risk Factors — Risk Factors Relating to Enel Colombia and the Colombian Electricity Industry.”

Currency Fluctuation and Interest Rates

The Colombian *peso* floats freely and has been subject to substantial devaluations and depreciations against the U.S. dollar in the past and may be subject to significant fluctuations in the future.

Enel Colombia's revenues derived from Reliability Payments (take or pay type of arrangements) are indexed to a fixed U.S. dollar price per MWh of Firm Energy. In 2022, these revenues were Col\$1,037,676 million.

Reliability Payments are collected by retail companies based on the total (monomic) price of electricity charged to buyers of electricity in the spot market for each kWh sold. In the case of contract sales, which are set at a fixed price per kWh, the Reliability Payment per kWh is included in such fixed price (by converting the amount of this payment into Colombian *pesos* at a U.S. dollar exchange rate in effect at such time), and the price is not adjusted to account for future variations in the U.S. dollar exchange rate. As a result, to the extent that the total volume of electricity sold under contracts approaches or is equal to the total volume of Enel Colombia's OEF, which provides the basis for the amount of Reliability Payments allocated to Enel Colombia by XM, the effect of any increase or decrease in the U.S. dollar exchange rate on its contract sales is offset by the Reliability Payments Enel Colombia receives from XM for its firm energy commitment. Enel Colombia's policy is to have minimal exposure in its operating margin to the U.S. dollar. As of the date of this offering memorandum, Enel Colombia did not have any debt or assets denominated in U.S. dollars or any other foreign currency.

To the extent that Enel Colombia incurs any debt denominated in U.S. dollars or other currencies or with interest rates that are directly influenced by Colombia's monetary policies, a depreciation of the Colombian *peso* or an increase in prevailing interest rates in Colombia could adversely impact Enel Colombia's results of operations. However, this risk is partially mitigated by the fact that Enel Colombia invests a material portion of its cash in financial instruments and bank deposits with interest rates that are also linked to variations in Colombia's monetary policies.

Regulatory Changes and Governmental Actions Impacting Enel Colombia

Although regulation of the wholesale electricity market in Colombia promotes competition, and the main rules of the market seek to provide incentives to agents, regulation can have drastic changes during El Niño events, in which the electricity supply of the country may be at risk.

Enel Colombia's results of operations are materially affected by regulatory changes and actions taken by the Colombian government and by the regulatory agencies, including CREG, MME and the SSPD, that regulate and supervise its business. Accordingly, Enel Colombia's revenues could be materially affected by the actions of government regulators. Regulatory changes that could have the most direct and significant impact on its financial performance include, among others, restrictions on hydroelectric generation during El Niño, restrictions on fuel supply, or restrictions and changes to the prices we can charge for the electricity we sell.

For further information on the regulatory framework for electricity generation and retail and the effects of regulatory changes on Enel Colombia's results of operations, see "Colombian and Peruvian Electricity, Regulatory and Environmental Framework — Colombia — Laws and Regulations."

Our Consolidated Results of Operations

Description of our Principal Line Items

The GEB Audited Consolidated Financial Statements have been prepared in accordance with IFRS as accepted in Colombia.

Revenues

- *Natural Gas Distribution.* This item refers to charges received by our Peruvian subsidiaries Cálidda and Contugas from (i) the supply of natural gas for distribution from a distribution substation through networks, and (ii) delivery of gas to each user, including the household, commercial, industrial and vehicular markets in Lima, Peru. This item also includes capital expenditures associated with the natural gas distribution business that are recorded as additions to intangible assets, under International Financial Interpretations Committee IFRIC 12, Service Concession Arrangements, which amounts are offset by a corresponding amount of costs of sales.
- *Natural Gas Transportation.* This item refers to charges received by our subsidiary TGI for gas transportation services, through pipelines towards the cities for household, industrial or vehicular consumption. Revenues are recognized by TGI when it provides the transportation services in accordance with contractual requirements, service requests and other agreements with its customers. The applicable rates at which revenues are recognized are contractually agreed, subject to the limitations and guidelines established by CREG.
- *Electricity Transmission.* This item refers to charges received by us on account of our electricity transmission service through high-tension networks, plus the services of connection to the Colombian

National Transmission System, and coordination, control and supervision of the operation of the transmission assets.

- *Electricity Distribution.* This item refers to revenues received from our affiliate Electrodonas from the distribution and commercialization of electric power in the Peruvian south- and mid-region. The concession area of Electrodonas includes the departments of Ica, Pisco, Chincha, Nasca and Palpa in the Ica Department, the departments of Castrovirreyna and Huaytará in the Huncavelica Department and the departments of Lucanas, Parinacochas, Páucar del Sara and Sucre in the Ayacucho Department.

Costs

- *Natural Gas Distribution.* Our costs for natural gas distribution services consists of costs and expenses related to the operation and maintenance of Cálidda's and Contugas' natural gas distribution assets, and includes depreciation personnel services, amortization, taxes, contributions and fees, public utilities, contributions and apportions and provisions. This item also includes capital expenditures associated with the natural gas distribution business that are recorded as additions to intangible assets, which amounts are offset by a corresponding amount of revenues.
- *Natural Gas Transportation.* Our costs for natural gas transportation services consists of costs and expenses related to the operation and maintenance of TGI's natural gas transportation assets, and includes depreciation, personnel services, amortization, taxes, contributions and fees, public utilities, contributions and provisions.
- *Electricity Transmission.* Our costs for electricity transmission services consists of costs and expenses related to the AO&M of our electricity transmission assets, and includes depreciation, personnel services, amortization, taxes, contributions and fees, public utilities, contributions and apportions and provisions.
- *Electricity Distribution.* Our costs for electricity distribution services consists of costs and expenses related to the operation and maintenance of Electrodonas' electricity distribution assets, and includes depreciation, personnel services, amortization, taxes, contributions and fees, public utilities, contributions and apportions and provisions.

Gross Profit.

This item represents the difference between our revenues and our costs.

Administrative and Operating Expenses.

This item consists of (i) general and administrative expenses related to our management of our consolidated subsidiaries and related companies; (ii) mandatory contributions to the national energy fund; (iii) provisions for contingencies related to uncollectable receivables; (iv) depreciation of property, plant and equipment not related to our operating business segments; and (v) amortization of intangible assets not directly related to our operating business segments.

Other Income, net.

This item consists of (i) income from internal connections with Cálidda; (ii) income estimates in connection with the valuation of insurance premiums; (iii) recoveries related to provisions for expenses; and (iv) rental income.

Financial Income

This item refers to interest income, dividends from non-related companies, and gain from the valuation of hedging operations and investment appraisals and interest from related party loans.

Financial Expenses

This item refers to interest payments, commissions, and any loss on the valuation of hedging operations.

Net gain (loss) in currency translation

This item refers to any gains or losses from foreign exchange differences resulting from (i) cash and cash equivalents in other currencies; (ii) accounts receivable and accounts payable in other currencies; (iii) financial obligations denominated in other currencies; (iv) related party transactions denominated in other currencies; and (v) income from financial instruments denominated in other currencies.

Share of Gain from the results of Associates and Joint Ventures

This item refers to any income related to the investments that GEB recognizes using the equity method in its related companies and joint ventures, including Enel Colombia, Vanti, CTM, REP, EMSA, Promigas, Argo, Argeb, Goiás Transmissão, MGE Transmissão, Transenergia Renovável and Transenergia São Paulo S.A.

Income Tax Expense

This item consists of the following items:

- Current taxes, which include income taxes currently due, any occasional tax gains and the income tax for equality.
- Deferred taxes, which includes any deferred tax payments for the current period, any adjustments to deferred tax due to a change in nominal rates and any expenses due to the reclassification of items.

Other Comprehensive Income

This item consists of the following income and expenses:

- Items that are not reclassified subsequently to profit or loss, such as remeasurement gains or losses on defined benefit obligations and gain and losses on available-for-sale securities;
- Items that may be reclassified to profit or loss as exchange differences for the conversion of foreign operations and other comprehensive income or loss of associates and joint ventures.

GEB

Results of Operations for the six-months ended June 30, 2023 compared to the six-months ended June 30, 2022.

CONSOLIDATED INCOME STATEMENT DATA	For the Six-Months Ended June 30,		Change 2022 – 2023	
	2022	2023	Amount	Percentage
		(in millions of Col\$)		
REVENUES				
Natural gas distribution.....	1,742,232	2,112,691	370,459	21%
Natural gas transportation.....	790,537	961,433	170,896	22%
Electricity transmission	407,001	616,152	209,151	51%
Electricity distribution	246,219	371,601	125,382	51%
Total revenues.....	3,185,989	4,061,877	875,888	27%
COSTS				
Natural gas distribution.....	(1,195,793)	(1,516,179)	(320,386)	27%
Natural gas transportation.....	(290,134)	(336,722)	(46,588)	16%
Electricity transmission	(135,485)	(200,085)	(64,600)	48%
Electricity distribution	(150,570)	(234,268)	(83,698)	56%
Total costs.....	(1,771,982)	(2,287,254)	(515,272)	29%
Gross Profit	1,414,007	1,774,623	360,618	26%
Administrative and Operating Expenses	(479,593)	(475,870)	3,723	(1%)
Other income, net.	11,315	31,603	20,288	179%
Operating profit.....	945,729	1,330,356	384,627	41%
Financial income	36,026	177,652	141,626	393%
Financial expenses	(448,207)	(765,716)	(317,509)	71%
Net gain (loss) in currency translation	46,137	175,745	129,608	281%
Share of gain from associates and joint ventures	1,057,782	1,055,899	(1,883)	-
Profit before income tax.....	1,637,467	1,973,936	336,469	21%
Income tax expense:				
Current tax	(216,385)	(290,907)	(74,522)	34%
Deferred tax	(10,094)	(53,882)	(43,788)	434%
Net profit for the period.....	1,410,988	1,629,147	218,159	15%

Revenues

Our total revenues for the six months ended June 30, 2023 were Col\$4,061,877 million, which represented a 27% increase compared to our revenues of Col\$3,185,989 million for the six months ended June 30, 2022.

- *Natural Gas Distribution.* Our revenues from natural gas distribution services for the six months ended June 30, 2023 were Col\$2,112,691 million, which represented a 21% increase compared to our revenues from natural gas distribution of Col\$1,742,232 million for the corresponding period of 2022. This increase was primarily due to the increase in the sale and distribution of gas and the effect of the average exchange rate calculated based on the exchange rate published by the SFC.
- *Natural Gas Transportation.* Our revenues from natural gas transportation services for the six months ended June 30, 2023 were Col\$961,433 million, which represented a 22% increase compared to revenues from natural gas transportation of Col\$790,537 million for the corresponding period of 2022. This increase was primarily due to the increase in fixed charges in U.S. dollars and Colombian pesos and the effect of the average exchange rate calculated based on the exchange rate published by the SFC.
- *Electricity Transmission.* Our revenues from electricity transmission services for the six months ended June 30, 2023 were Col\$616,152 million, which represented a 51% increase compared to revenues from electricity transmission of Col\$407,001 million for the corresponding period of 2022. This increase was primarily due to the indexation of revenues by the exchange rate published by the SFC.

and start of a new transmission project (the Colectora Project)'s remuneration in December 2022 in line with Resolution No. 039 of 2018.

- *Electricity Distribution.* Our revenues from electricity distribution services for the six months ended June 30, 2023 were Col\$371,601 million, which represented a 51% increase compared to revenues from electricity distribution of Col\$246,219 million for the corresponding period of 2022. This increase was primarily due to the rise in energy sales from free and Regulated Customers and the effect of the average rates calculated based on the exchange rate published by the SFC.

Our total revenue from natural gas distribution, natural gas transportation, electricity distribution and electricity transmission were Col\$4,061,877 million for the six months ended June 30, 2023 as compared to Col\$3,185,989 million for the six months ended June 30, 2022, with an increase of 27.5%.

Costs

Our costs for the six months ended June 30, 2023 were Col\$2,287,254 million, which represented a 29% increase compared to our costs of Col\$1,771,982 million for the six months ended June 30, 2022.

- *Natural Gas Distribution.* Our costs for natural gas distribution services for the six months ended June 30, 2023 were Col\$1,516,179 million, which represented a 27% increase compared to our cost of sales for natural gas distribution services of Col\$1,195,793 million for the six months ended June 30, 2022. This increase was primarily due to the increase in connection fees and gas distribution and sales, as well as the effect of the average exchange rate calculated based on the exchange rate published by the SFC.
- *Natural Gas Transportation.* Our costs for natural gas transportation services for the six months ended June 30, 2023 were Col\$336,722 million, which represented a 16% increase compared to our cost of sales for natural gas transportation of Col\$290,134 million for the six months ended June 30, 2022. This increase was primarily due to the increase in maintenance, repairs to coatings and infrastructure, and the effect of the average exchange rate calculated based on the exchange rate published by the SFC.
- *Electricity Transmission.* Our costs for electricity transmission services for the six months ended June 30, 2023 were Col\$200,085 million, which represented a 48% increase compared to our cost of sales for electricity transmission of Col\$135,485 million for the six months ended June 30, 2022. This increase was primarily due to Enlaza's entry into operation in 2023 and the increase in maintenance of networks, lines and ducts in Elecnorte and TRECSA.
- *Electricity Distribution.* Our costs for electricity distribution services for the six months ended June 30, 2023 were Col\$234,268 million, which represented a 56% increase compared to our cost of sales for electricity distribution of Col\$150,570 million for the six months ended June 30, 2022. This increase was primarily due to the sale of energy to unregulated and regulated customers, operating costs and effect of the average exchange rate calculated based on the exchange rate published by the SFC.

Administrative and Operating Expenses

Our administrative and operating expenses for the six months ended June 30, 2023, were Col\$475,870 million, which represented a slight decrease compared to our administrative and operating expenses of Col\$479,593 million pesos for the six months ended June 30, 2022. There were no significant changes in our administrative and operating expenses.

Other Income, net

Other income, net for the six months ended June 30, 2023 were Col\$31,603 million, which represented a 179% increase in other income compared to our other income, net of Col\$11,315 million for the six months ended June 30, 2022. This increase can be primarily attributed to higher recoveries and increased income from other business activities, such as reinsurance activities.

Financial Income

Our financial income for the six months ended June 30, 2023 was Col\$177,652 million, which represented a 393% increase compared to our financial income of Col\$36,026 million for the six months ended June 30, 2022. This increase was mainly due to a Col\$45,713 million in financial returns on cash and cash equivalents, and of Col\$81,276 million related to the valuation of Cálidda's hedging instruments.

Financial Expenses

Our financial expenses for the six months ended June 30, 2023 were Col\$765,716 million, which represented a 71% increase compared to our financial expenses of Col\$448,207 million for the six months ended June 30, 2022. This increase was mainly a result of the increase in borrowings by Col\$2,552,490 million (U.S.\$609 million) and the impact of exchange rates on foreign currency debt.

Net gain (loss) in currency translation

We recorded a net gain in currency translation of Col\$175,745 million for the six months ended June 30, 2023 compared to an exchange gain of Col\$46,137 million for the six months ended June 30, 2022, primarily as a result of variations in the average exchange rate for the period and the period-end closing exchange rate by Col\$4,595.11 per U.S. dollar and Col\$4,191.28 per U.S. dollar, respectively.

Share of gain from Associates and Joint Ventures

Our share of gain from associates and joint ventures for the six months ended June 30, 2023 was Col\$1,055,899 million, which represented a slight decrease compared to our share of gain from associates and joint ventures of Col\$1,057,782 million for the six months ended June 30, 2022. This decrease was due to a negative impact in a final judgment with the Costarican Government partially offset by an increase in revenue.

Income Tax Expense

Our total current and deferred income tax expense for the six months ended June 30, 2023 was Col\$344,789 million, which represented a 52% increase compared to our total current and deferred income tax expenses of Col\$226,479 million for the six months ended June 30, 2022. Our effective tax rate did not change significantly.

Results of Operations for the year ended December 31, 2022 compared to the year ended December 31, 2021.

CONSOLIDATED INCOME STATEMENT DATA	For the Year Ended December 31,		Change 2021 – 2022	
	2021	2022	Amount	Percentage
	(in millions of Col\$)			
REVENUES				
Natural gas distribution.....	3,008,197	3,690,129	681,932	23%
Natural gas transportation.....	1,440,089	1,704,844	264,755	18%
Electricity transmission	693,334	911,153	217,819	31%
Electricity distribution	416,973	568,465	151,492	36%
Total revenues	5,558,593	6,874,591	1,315,998	24%
COSTS				
Natural gas distribution.....	(2,112,994)	(2,634,379)	(521,385)	25%
Natural gas transportation.....	(562,547)	(633,533)	(70,986)	13%
Electricity transmission	(240,782)	(303,935)	(63,153)	26%
Electricity distribution	(251,743)	(340,675)	(88,932)	35%
Total costs	(3,168,066)	(3,912,522)	(744,456)	23%
Gross Profit	2,390,527	2,962,069	571,542	24%
Administrative and Operating Expenses	(711,744)	(898,842)	(187,098)	26%
Other income, net.	116,903	50,161	(66,742)	(57)%
Operating profit.....	1,795,686	2,113,387	317,701	18%
Financial income	76,592	259,002	182,410	238%
Financial expenses	(672,707)	(1,019,884)	(347,177)	52%
Net gain (loss) in currency translation	(85,920)	154,498	240,418	(280)%
Share of gain from associates and joint ventures				
Profit before income tax	3,111,590	3,603,088	491,498	16%
Income tax expense:				
Current tax	(403,745)	(439,092)	(35,347)	9%
Deferred tax	(38,682)	(137,010)	(98,328)	254%
Net profit for the year.....	2,669,163	3,026,986	357,823	13%

Revenues

Our total revenues for the year ended December 31, 2022 were Col\$6,874,591 million, which represented a 24% increase compared to our revenues of Col\$5,558,593 million for the year ended December 31, 2021.

- **Natural Gas Distribution.** Our revenues from natural gas distribution services for the year ended December 31, 2022 were Col\$3,690,129 million, which represented a 23% increase compared to our revenues from natural gas distribution of Col\$3,008,197 million for the same period of 2021. This increase was primarily due to increases in Cálidda's and Contugas's revenues of Col\$207 million (equivalent to U.S.\$63 million) consisting of (i) a Col\$117,355 million (U.S.\$28 million) revenue increase relating to capital investments related to the expansion of the installation of its network (which under IFRIC 12 are recorded as revenues), (ii) a Col\$83,826 million (U.S.\$20 million) increase in income from natural gas distribution sales, (iii) a Col\$58.7 billion (U.S.\$14 million) increase in income from leases, connection rights and other, and (iv) a U.S.\$1 million increase of income from facilities.
- **Natural Gas Transportation.** Our revenues from natural gas transportation services for the year ended December 31, 2022 were Col\$1,704,844 million, which represented an 18% increase compared to revenues from natural gas transportation of Col\$1,440,089 million for the year ended December 31, 2021. This increase was primarily due to an increase in TGI's revenues of Col\$68 million (equivalent to U.S.\$16 million) from (i) increases in fixed charges denominated in U.S. dollars and in Colombian pesos, mainly rate increases due to indexation from 2021 to 2022 and (ii) increases in variable charges

denominated in Colombian *pesos*, primarily due to contracts with 100%-0% charge pairs.

- *Electricity Transmission.* Our revenues from electricity transmission services for the year ended December 31, 2022 were Col\$911,153 million, which represented a 31% increase compared to revenues from electricity transmission of Col\$693,334 million for the corresponding period of 2021. This increase was primarily due to (i) a revenue increase of Col\$144,028, million due to indexation of income for PPI, internal supply and TRM effects, (ii) a revenue increase of Col\$49,812 million from Elecnorte, and (iii) an increase of Col\$23,979 million of revenues of TRECSA and EEBIS Guatemala primarily due to the increase in operating income, the commencement of the remuneration of new projects, and the conversion effect of the average exchange rate.
- *Electricity Distribution.* Our revenues from electricity distribution services for the year ended December 31, 2022 were Col\$568,465 million, which represented a 36% increase compared to revenues from electricity distribution of Col\$416,973 million for the corresponding period of 2021. This increase was primarily due to an increase of Col\$92,329 million in revenues from ElectroDunas, consisting of Col\$69,247 million derived from energy sales by ElectroDunas to unregulated and regulated customers, Col\$2,308 million from tolls and transmissions and Col\$20,774 million of other operating income from Cantalloc, Dunas and PPC.

Our total revenue from natural gas distribution, natural gas transportation, electricity distribution and electricity transmission were Col\$6,874,591 million for the year ended December 31, 2022 as compared to Col\$5,558,593 million for the year ended December 31, 2021, with an increase of 23.7%

Costs

Our costs for the year ended December 31, 2022 were Col\$3,912,522 million, which represented a 23% increase compared to our costs of Col\$3,168,066 million for the year ended December 31, 2021.

- *Natural Gas Distribution.* Our costs for natural gas distribution services for the year ended December 31, 2022 were Col\$2,634,379 million, which represented a 25% increase compared to our cost of sales for natural gas distribution services of Col\$2,112,994 million for the year ended December 31, 2021. This increase was primarily due to increases in Cálidda's and Contugas's expenses of Col\$232 million (U.S.\$55 million) consisting of (i) a Col\$230 billion (U.S.\$55 million) increase in distribution and gas costs, (ii) a Col\$ 16.8 billion (U.S.\$4 million) increase of lease, connection rights and other costs, offset by (iii) a Col\$ 16.8 billion (U.S.\$4 million) (decrease in network expansion costs.
- *Natural Gas Transportation.* Our costs for natural gas transportation services for the year ended December 31, 2022 were Col\$633,533 million, which represented a 13% increase compared to our cost of sales for natural gas transportation of Col\$562,547 million for the year ended December 31, 2021. This increase was primarily due to a Col\$6 million (U.S.\$1.4 million) increase in TGI's costs due to (i) increases in environmental management costs, (ii) increases in repair and maintenance costs associated with the casing and infrastructure at compressor stations, (iii) increases in maintenance costs associated with the pipeline casing and rights of way, and (iv) increases in fees and services.
- *Electricity Transmission.* Our costs for electricity transmission services for the year ended December 31, 2022 were Col\$303,935 million, which represented a 26% increase compared to our cost of sales for electricity transmission of Col\$240,782 million for the year ended December 31, 2021. This Col\$63 million increase was primarily due to (i) a Col\$45 million increase in depreciation, amortization and contribution expenses, (ii) a Col\$7 million increase in maintenance activities for power transmission network, lines and pipelines and taxes at Elecnorte, and (iii) Col\$11 million of increases in expenses at TRECSA and EEBIS Guatemala primarily due to increased operating costs.

- *Electricity Distribution.* Our costs for electricity distribution services for the year ended December 31, 2022 were Col\$340,675 million, which represented a 35% increase compared to our cost of sales for electricity distribution of Col\$251,743 million for the corresponding period of 2021. This increase was primarily due to an increase of Col\$54.2 billion in expenses from Electrodunas, consisting primarily of Col\$50.8 billion from purchases by Electrodunas of energy from free and regulated customers, and other operating costs from Cantalloc, Dunas and PPC.

Administrative and Operating Expenses

Our administrative and operating expenses for the year ended December 31, 2022 were Col\$898,842 million, which represented an 26% increase compared to our administrative and operating expenses of Col\$711,744 million for the year ended December 31, 2021. This increase was primarily due to the increase in provisions, fees, taxes, and contributions at GEB and TGI.

Other Income, net

Other income, net for the year ended December 31, 2022 were Col\$50,161 million, which represented a 57% decrease in other income compared to our other income, net of Col\$116,903 million for the year ended December 31, 2021. This decrease was primarily due to the decrease in income from recoveries and indemnifications that were attributed to interest on accounts receivable of Cálidda and indemnifications for insurance of TGI in 2021.

Financial Income

Our financial income for the year ended December 31, 2022 was Col\$259,002 million, which represented a 238% increase compared to our financial income of Col\$76,592 million for the corresponding period of 2021. This increase was primarily due to the increase in interest rates and the effect of the exchange rate.

Financial Expenses

Our financial expenses for the year ended December 31, 2022 were Col\$1,019,884 million, which represented a 52% increase compared to our financial expenses of Col\$672,707 million for the year ended December 31, 2021. This increase was primarily due to higher indebtedness, the exchange rate effect, and IPC increase.

Net gain (loss) in currency

We recorded a net gain in currency translation of Col\$154,498 million for the year ended December 31, 2022 compared to an exchange loss of Col\$85,920 million for the year ended December 31, 2021, primarily as a result of variations in the average exchange rate for the year and the year-end closing exchange rate by Col\$4,255.44 per U.S. dollar and Col\$4,810.20 per U.S. dollar, respectively.

Share of gain from Associates and Joint Ventures

Our share of gain from associates and joint ventures for the year ended December 31, 2022 was Col\$2,096,085 million, which represented a 5% increase compared to our share of gain from associates and joint ventures of Col\$1,997,939 million for the year ended December 31, 2021. This increase was primarily due to an increase of Col\$110,449 million associated from Argo, partially, offset by the impact of an impairment charged in the results of Enel Colombia, which resulted in less profits from the equity method.

Income Tax Expense

Our total current and deferred income tax expense for the year ended December 31, 2022 was Col\$576,102 million, which represented a 30% increase compared to our total current and deferred income tax expenses of Col\$442,427 million for the year ended December 31, 2021.

Current Tax

Our current income tax for the year ended December 31, 2022 was Col\$439,092 million, which represented a 9% increase compared to our current income tax of Col\$403,745 million for the year ended December 31, 2021. This increase was primarily due to higher current tax in Cálidda due to improved business performance and an increase in the income tax rate in Colombia, which was 35% and 31% in 2022 and 2021, respectively.

Deferred Tax

We recorded a deferred income tax expense for the year ended December 31, 2022 of Col\$137,010 million, compared to a deferred income tax expense of Col\$38,682 million for the year ended December 31, 2021, primarily due to the credit agreement entered into in November 2022 by GEB for a value of Col\$2,133 billion (U.S.\$509 million), which recorded income from unrealized exchange rate differences, increase in the income tax rate from 10% to 15% in Colombia, an increase in unrealized U.S. dollar gains of foreign currency assets and liabilities as of December 31, 2021 compared to December 31, 2022 (from Col\$3,981 to Col\$4,810) for our subsidiaries in Colombia, and realization of temporary differences.

We had a nominal tax rate and an effective tax rate of 35% and 11.69%, respectively, for the year ended December 31, 2022 and 31% (excluding any tax surcharge) and 10.31%, respectively, for the year ended December 31, 2021. The difference between the nominal and effective tax rates for the year ended December 31, 2022 was primarily a result of revenue which does not constitute income and non-recurring profits resulting from dividends of our associates and joint ventures in Colombia together with exempted income from dividends received mainly from our investees in Peru.

Results of Operations for the year ended December 31, 2021 compared to the year ended December 31, 2020.

CONSOLIDATED INCOME STATEMENT DATA	For the Year Ended December 31,		Change 2020 – 2021	
	2020	2021	Amount	Percentage
	(in millions of Col\$)			
REVENUES				
Natural gas distribution.....	2,361,401	3,008,197	646,796	27%
Natural gas transportation.....	1,683,318	1,440,089	(243,229)	(14%)
Electricity transmission	681,900	693,334	11,434	2%
Electricity distribution	399,327	416,973	17,646	4%
Total revenues	5,125,946	5,558,593	432,647	8%
COSTS				
Natural gas distribution.....	(1,640,209)	(2,112,994)	(472,785)	29%
Natural gas transportation.....	(614,599)	(562,547)	52,052	(8%)
Electricity transmission	(228,954)	(240,782)	(11,828)	5%
Electricity distribution	(245,780)	(251,743)	(5,963)	2%
Total costs	(2,729,542)	(3,168,066)	(438,524)	16%
Gross Profit	2,396,404	2,390,527	(5,877)	(0%)
Administrative and Operating Expenses	(684,223)	(711,744)	(27,521)	(4%)
Other income, net.	98,256	116,903	18,647	19%
Operating profit.....	1,810,437	1,795,686	(14,751)	(1)%
Financial income	85,487	76,592	(8,895)	(10%)
Financial expenses.....	(664,230)	(672,707)	(8,477)	1%
Net gain (loss) in currency translation	178,247	(85,920)	(264,167)	(148%)
Share of gain from associates and joint ventures	1,602,363	1,997,939	395,576	25%
Profit before income tax	3,012,304	3,111,590	99,286	3%
Income tax expense:				
Current tax.....	(409,086)	(403,745)	5,341	(1%)
Deferred tax.....	13,659	(38,682)	(52,341)	(383%)
Net profit for the year.....	2,616,877	2,669,163	52,286	2%

Revenues

Our total revenues for the year ended December 31, 2021 were Col\$5,558,593 million, which represented an 8% increase compared to our revenues of Col\$5,125,946 million for the year ended December 31, 2020.

- *Natural Gas Distribution.* Our revenues from natural gas distribution services for the year ended December 31, 2021 were Col\$3,008,197 million, which represented a 27% increase compared to our revenues from natural gas distribution of Col\$2,361,401 million for the same period of 2020. This increase was primarily due to an increase in Cálidda's revenues of Col\$613 million (equivalent to U.S.\$164 million) consisting of (i) a Col\$389,789 million (U.S.\$93 million) revenue increase relating to capital investments related to the expansion of the installation of its network (which under IFRIC 12 are recorded as revenues), (ii) a Col\$117,356 million (U.S.\$28) million increase in income from natural gas distribution sales, (iii) a Col\$108,973 million (U.S.\$26 million) increase in income from facilities, and (iv) a Col\$71,252 million (U.S.\$17 million) increase in income from leases, connection rights and other.
- *Natural Gas Transportation.* Our revenues from natural gas transportation services for the year ended December 31, 2021 were Col\$1,440,089 million, which represented a 14% decrease compared to revenues from natural gas transportation of Col\$1,683,318 million for the year ended December 31, 2020. This decrease was primarily due to a decrease in TGI's revenues of Col\$266 million (equivalent to U.S.\$71 million) from (i) decreases in fixed charges denominated in U.S. dollars and in Colombian

pesos, mainly (A) a decrease in revenues due to the drop in natural gas production from the Ballena Field, directly affecting the contracted transportation capacity from this source, going from contracted capacity of 251 MPCD in 2020 to 49 MPCD in 2021, (B) the replacement of contracts with 100%-0% charge pairs by contracts with 80%-20% charge pairs, resulting in a lower firm component in U.S. dollars, and (ii) decreases in variable charges denominated in Colombian *pesos*, primarily the result of the decrease in income due to the Ballena-Barranca contracts, where many shippers changed from contracts with 100%-0% charge pairs to contracts with 80%-20% charge pairs.

- *Electricity Transmission.* Our revenues from electricity transmission services for the year ended December 31, 2021 were Col\$693,334 million, which represented a 2% increase compared to revenues from electricity transmission of Col\$681,900 million for the corresponding period of 2020. This increase was primarily due to (i) a revenue increase of Col\$28 million due to indexation of income for PPI, internal supply, operating income generated from the initiation of operations for the Rio Cordoba Project and TRM effects, offset by (ii) a decrease of Col\$17 million of revenues of TRECSA and EEBIS Guatemala.
- *Electricity Distribution.* Our revenues from electricity distribution services for the year ended December 31, 2021 were Col\$416,973 million, which represented a 4% increase compared to revenues from electricity distribution of Col\$399,327 million for the corresponding period of 2020. This increase was primarily due to an increase of Col\$61.1 billion in revenues from ElectroDunas, consisting of Col\$54.2 billion) derived from energy sales by ElectroDunas to free and regulated customers, Col\$6.9 billion from meter maintenance, outages and reconnections, Col\$1.1 billion from other sources, and Col\$2 million of other operating income from Cantalloc, Dunas and PPC.

Our total revenue from natural gas distribution, natural gas transportation and electricity distribution and electricity transmission were Col\$5,558,593 million for the year ended December 31, 2021 as compared to Col\$5,725,146 million for the year ended December 31, 2020, an increase of 8.4%.

Costs

Our costs for the year ended December 31, 2021 were Col\$3,168,066 million, which represented a 16% increase compared to our costs of Col\$2,729,542 million for the year ended December 31, 2020.

Natural Gas Distribution. Our costs for natural gas distribution services for the year ended December 31, 2021 were Col\$2,112,994 million, which represented a 29% increase compared to our cost of sales for natural gas distribution services of Col\$1,640,209 million for the year ended December 31, 2020. This increase was primarily due to an increases in Cálidda's expenses of Col\$452 million (U.S.\$121 million) to consisting of (i) a Col\$373,024 (U.S.\$89 million) increase of network expansion costs, (ii) an Col\$75,443 (U.S.\$18 million) increase in installation costs, (iii) a Col\$16,765 (U.S.\$4 million) increase of gas costs, (iv) a Col\$29,339 (U.S.\$7 million) increase of materials and other costs, and (v) a Col\$12,574 (U.S.\$3 million) increase in depreciation, amortization and impairment expenses.

Natural Gas Transportation. Our costs for natural gas transportation services for the year ended December 31, 2021 were Col\$562,547 million, which represented an 8% decrease compared to our cost of sales for natural gas transportation of Col\$614,599 million for the year ended December 31, 2020. This decrease was primarily due to a Col\$63 million (U.S.\$17 million) decrease in TGI's costs due to (i) a Col\$50,295 (U.S.\$12 million) decrease in repair and maintenance costs associated with service integrity gas pipelines, maintenance of rights of way and repair of coating changes, mainly due to the non-renewal of the Ballena-Barranca contracts, (ii) a Col\$12,574 (U.S.\$3 million) decrease in IT infrastructure management fees due to the adjustment of the full outsourcing contract in 2021, and (iii) a Col\$8,383

(U.S.\$2 million) decrease in other costs, principally environmental management, transportation, studies and projects.

Electricity Transmission. Our costs for electricity transmission services for the year ended December 31, 2021 were Col\$240,782 million, which represented a 5% increase compared to our cost of sales for electricity transmission of Col\$228,954 million for the year ended December 31, 2020. This increase was primarily due to higher depreciation due to increase in fixed assets.

Electricity Distribution. Our costs for electricity distribution services for the year ended December 31, 2021 were Col\$251,743 million, which represented a 2% increase compared to or cost of sales for electricity distribution of Col\$245,780 million for the corresponding period of 2020. This increase was primarily due to increased energy purchases, maintenance, and repairs at ElectroDunas.

Administrative and Operating Expenses

Our administrative and operating expenses for the year ended December 31, 2021 were Col\$711,744 million, which represented a 4% increase compared to our administrative and operating expenses of Col\$684,223 million for the year ended December 31, 2020. This increase was primarily due to the increase in provisions for legal proceedings with EGASA and EGESUR at Contugas, and taxes, and fees at GEB and Cálidda.

Other Income, net

Other income net for the year ended December 31, 2021 was Col\$116,903 million, which represented a 19% increase in other income compared to our other income, net of Col\$98,256 million for the year ended December 31, 2020. This increase was primarily due to recoveries of provisions, and maintenance income.

Financial Income

Our financial income for the year ended December 31, 2021 was Col\$76,592 million, which represented a 10% decrease compared to our financial income of Col\$85,487 million for the year ended December 31, 2020. This decrease was primarily due to the interest rate effect and movement of the IPC.

Financial Expense

Our financial expense for the year ended December 31, 2021 were Col\$672,707 million, which represented a 1% increase compared to our financial expense of Col\$664,230 million for the year ended December 31, 2020. This increase was mainly due to the exchange rate effects.

Net gain (loss) in currency

We recorded a foreign exchange loss of Col\$85,920 million for the year ended December 31, 2021 compared to an exchange gain of Col\$178,247 million for the year ended December 31, 2020, primarily as a result of the strengthening of the Colombian *peso* against the U.S. dollar by Col\$548,66.

Share of Gain from Associates and Joint Ventures

Our share of gain from associates and joint ventures for the year ended December 31, 2021 was Col\$1,997,939 million, which represented a 25% increase compared to our share of gain from associates and joint ventures of Col\$1,602,363 million for the year ended December 31, 2020. This increase was

primarily due to the increase in results of Enel Colombia and Promigas and the incorporation of the joint venture, Argo, in Brazil.

Income Tax Expense

Our total current and deferred income tax expense for the year ended December 31, 2021 was Col\$442,427 million compared to an expense of Col\$395,427 million for the year ended December 31, 2020.

Current Tax

Our current income tax for the year ended December 31, 2021 was Col\$403,745 million, which represented a 1% decrease compared to our current income tax of Col\$409,086 million for the year ended December 31, 2020. This decrease was primarily due to an increase in the applicable tax rate from 32% to 31%.

Deferred Tax

We recorded a deferred income tax expense for the year ended December 31, 2021 of Col\$38,682 million, compared to a deferred income tax benefit of Col\$13,659 million for the year ended December 31, 2020, primarily because (i) loans in foreign currencies which recorded income from unrealized exchange rate differences in 2021 from passive temporary differences, and (ii) an increase in unrealized U.S. dollar components of foreign currency assets and liabilities as of December 31, 2020 compared to December 31, 2021, based on the U.S. dollar exchange rate increase from Col\$3,433 to Col\$3,981, which was partially affected by an decrease in the applicable tax rate from 32% to 31%.

We had a nominal tax rate and an effective tax rate of 31% (excluding any tax surcharge) and 10.31%, respectively, for the year ended December 31, 2021 and 32% (excluding any tax surcharge) and 9.53%, respectively, for the year ended December 31, 2020. The difference between the nominal and effective tax rates for the year ended December 31, 2020 was primarily a result of non-taxable income and non-deductible expenses.

ENEL COLOMBIA

You should read this discussion in conjunction with (i) the information set forth in “Summary Financial and Operating Data” and “Selected Financial and Operating Data of Enel Colombia,” and (ii) the Enel Colombia Audited Consolidated Financial Statements, including the notes thereto.

Results of Operations for the year ended December 31, 2022 compared to the year ended December 31, 2021.

Issuance of Financial Statements of Enel Colombia as a merged company

On March 1, 2022 the merger by absorption was completed between Emgesa S.A. ESP, a company that changed its corporate name to Enel Colombia S.A. ESP and absorbed the companies Codensa S.A. ESP, Enel Green Power Colombia S.A. ESP and the Chilean company ESSA 2 SpA.

As of March 2022, Enel Colombia S.A. ESP has been organized internally by operating segments, defined based on the accounting standards and policies of the Enel Group. Consequently, Enel Colombia has defined the following operating segments, whose main products, services, and operations are as described below:

- **Generation:** Generation of energy, and Marketing of gas, Marketing of carbon credits.
- **Distribution:** Distribution and commercialization of energy, public lighting service (infrastructure) and other businesses.

Enel Colombia issued its first interim financial statements as a merged entity as of the end of the first quarter of 2022, complying with the quarterly reporting obligation to the Colombian Superintendence of Finance. Results for the periods prior to March 1, 2022, represent the results of Emgesa prior to the merger. Such merger took place within entities under common control and therefore any difference between the assets and liabilities contributed to the consolidation and the consideration given is recorded directly in Equity, as a charge or credit to “other reserves”. The company does not apply retrospective registration of business combinations under common control.

In millions of Col\$, except percentages	2021*	2022**	Variation
Total Income from ordinary activities and operating income	4,726,682	12,223,883	158.6%
Supplies and services	1,530,064	4,969,696	224.8%
Contribution margin	3,196,618	7,254,187	126.9%
Administrative expenses***	240,602	926,479	285.1%
Results before taxes	2,526,696	4,501,227	78.1%
Income tax expense	814,374	1,540,448	89.2%
Profit for the period	1,712,321	2,960,779	72.9%

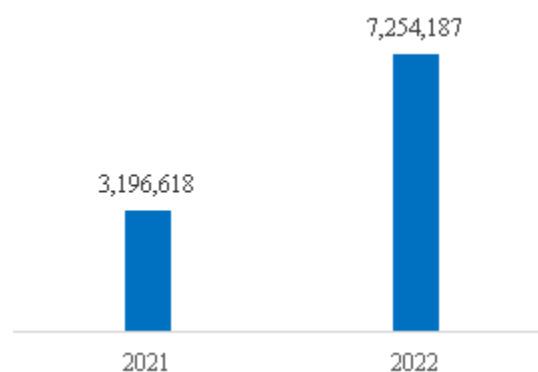
* 2021 corresponds to Emgesa's Consolidated results before the merger (January to December 2021)

** 2022 corresponds to the results of twelve months (January-December) of the generation business and ten months (March-December) of the distribution business (Codensa), Enel Green Power Colombia (EGP), and the subsidiaries in Central America.

*** Administrative expenses is comprised by other works carried out by the entity and capitalized, personnel expenses, other fixed expenses by nature.

Contribution Margin

Contribution Margin (In millions of Col\$)



Source: Enel Colombia

For the year ended December 31, 2022, Enel Colombia's contribution margin amounted to Col\$7,254,187 million, mainly due to the consolidation of the distribution and renewable energy activities resulting from the merger. In addition to the above, the following key factors contributed to such result:

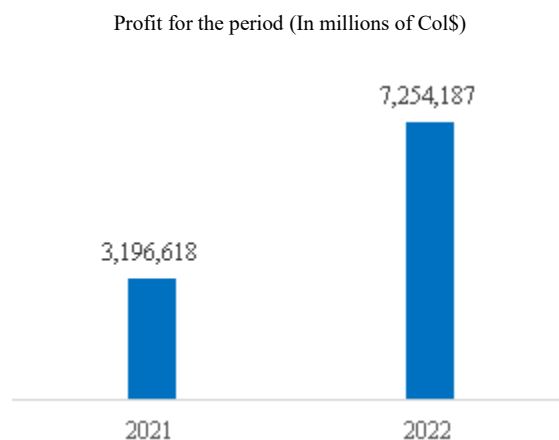
- Higher revenues derived from a higher volume of energy sales from contracts, especially in the non-regulated market, given the higher energy generation due to the high-water contributions during the year, added to higher sales prices compared to the previous year, which was in line with the market's behavior. The above offset the negative margin in the spot market, as a result of higher energy purchases

in the spot market at higher prices, given the increase in energy demand at the national level.

- A 2.9% increase in energy demand in Enel Colombia's area of influence for the year ended December 31, 2022 compared to 2021, as a result of the reactivation and higher production in the industrial segment.
- Higher remuneration income from the distribution activity, as a result of the execution of the investment plan, by incorporating new assets to the regulatory base, which are focused on maintenance to improve the quality of service and new developments for the transformation of the network.
- Higher margin of value-added products, as a result of the gradual entry into operation during 2022 of two additional charging yards for electric buses, for a total of six yards, compared to 2021 when only four yards were in operation. In addition, we highlight the increase in the billing of the sanitation service due to the entry of new operators in Bogota and Cundinamarca.

Furthermore, for the year ended December 31, 2022, personnel expenses amounted to Col\$442,893 million, as a result of the incorporation of fixed operating expenses of the Distribution and Renewable Energy activities resulting from the merger, as well as the increase in the minimum wage and the increase in the Consumer Price Index compared to the reference values of the year 2021.

Profit for the period



Source: Enel Colombia

Profit for the period for the year ended December 31, 2022 was Col\$2,960,779 million, an increase of 73% over the previous year, despite the growth in financial expenses derived from the increase in the debt balance already mentioned, and the recording of higher tax expense mainly due to a higher provision in deferred tax, originated in the increase of the nominal income rate to 35% pursuant to Law 2155 of 2021.

With respect to the Central American subsidiaries, they had a net profit of Col\$414 billion, equivalent to 13.9% of Enel Colombia's total profit during the year ended December 31, 2022.

Assets and Liabilities

In millions of Col\$, except percentages	2021	2022	Variation
Current Assets	667,858	4,725,840	607.6%
Non-Current Assets	8,368,821	24,937,432	198%
Total Assets	\$9,036,679	\$29,663,272	228.3%

As of December 31, 2022, Enel Colombia's total assets amounted to Col\$29,663,272 million, of which property, plant and equipment, net represented 73.8%, for Col\$21,902,551 million, intangible assets other than goodwill, net represented 6.9%, totalling Col\$2,053,980 million and trade accounts and other accounts receivable, net contributed 6.3%, closing at Col\$1,877,570 million.

Total assets presented an increase of 228.3% with respect to the closing of December 31, 2021, mainly explained by the incorporation of the Distribution and Renewable activities after the merger. In addition, there was an increase in property, plant and equipment, as a result of the execution of the investment plan. Additionally, intangibles showed a growth, as a result of the incorporation and consolidation of project licenses from the distribution line; finally, trade accounts and other accounts receivable, net from Col\$292,470 million to Col\$1,877,570 million from 2021 to 2022, mainly as a result of the continuity in the application of the tariff option in the distribution business that has been consolidated since the materialization of the merger.

In millions of Col\$, except percentages	2021	2022	Variation
Current Liabilities	1,519,710	5,430,259	257.3%
Non-Current Liabilities	2,415,070	7,919,645	227.9%
Total Liabilities	3,934,780	13,349,903	239.3%
Total Equity	5,101,899	16,313,368	219.8%
Total Liabilities and Equity	\$9,036,679	\$29,663,272	228.3%

Enel Colombia's total liabilities at December 31, 2022 reached Col\$13,349,903 million, showing an increase of 239.3% compared to the balance at December 31, 2021, mainly explained by the incorporation of liabilities associated with the Distribution, Renewable Energy and Central America businesses as a result of the merger, and the increase in net debt during 2022, mainly explained by the new borrowings with the objective of financing Enel Colombia's investment plan, and which were reflected in the acquisition of bank loans totalling Col\$1,650 billion with local entities, and the disbursement of committed lines totalling Col\$432 billion (U.S.\$103 million) with Bank of Nova Scotia.

Financial liabilities amounted to Col\$7,464,490 million. During the year, Enel Colombia accessed sustainable financing through the contracting of bank loans totalling Col\$1,170 billion:

- On April 28, 2022, a loan was disbursed with Bancolombia under the Agrosostenible line in the amount of Col\$250 billion, for investments in rural areas in Enel Colombia's area of influence. The loan matures on April 28, 2029.
- On July 28, 2022, a sustainable financing loan for Col\$411 billion was contracted with Bancolombia, for the modernization of public lighting in Bogota, the construction of electrical substations in Bogota and Cundinamarca, and the expansion of photovoltaic systems. The loan matures on July 28, 2028.
- On November 30, 2022, a loan linked to sustainability indicators was subscribed with Bancolombia for an amount of Col\$360 billion, for general corporate purposes.

- The credit facility, maturing on November 30, 2029, may decrease its interest rate by up to 100 basis points during its term, if the following indicators are met: (i) increase installed renewable energy generation capacity and decrease thermal generation capacity and (ii) bring electricity to 3,259 new rural customers.
- On November 30, 2022, a sustainable financing loan in the amount of Col\$89 billion was contracted with Bancolombia for the expansion of electricity infrastructure in Bogota and Cundinamarca. The loan matures on November 30, 2028.

Additionally, during 2022 Enel Colombia entered into other credit facilities for Col\$540 billion with local entities:

- On April 5, 2022, a credit agreement was signed with Bancolombia for Col\$480 billion maturing on April 5, 2028.
- On July 15, 2022, a loan agreement was entered into with Bancolombia for Col\$60 billion maturing on July 15, 2026.

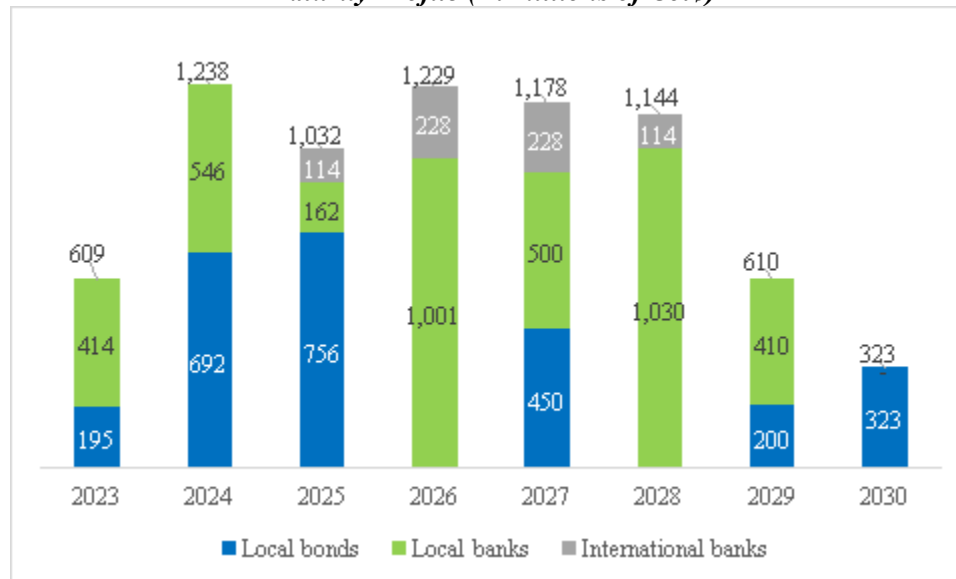
Finally, during the year ended December 31, 2022, Enel Colombia disbursed the credit lines committed with Bank of Nova Scotia for a total of Col\$432 billion (U.S.\$103 million).

On October 21, 2022, the Colombian Superintendence of Finance issued Resolution No. 1881 of 2022 by which it approved the amendments to the Issuance and Placement Program of Enel Colombia, which include the increase of the global quota of the Issuance and Placement Program up to a total of Col\$9 trillion, the implementation of changes related to the modification of the corporate name, inclusion of new series of notes with specific destination, inclusion of new series, extension of the redemption term, inclusion of the mechanism of construction of the book of offers and the possibility of payment in kind.

Thus, Enel Colombia published the Comprehensive Addendum to the prospectus of the Issuance and Placement Program of Ordinary Notes, Ordinary Green Bonds, Ordinary Social Bonds, Ordinary Sustainable Bonds, Ordinary Bonds Linked to Sustainability and Commercial Papers.

The maturity profile of Enel Colombia's debt as of December 31, 2022 is presented below:

• **Maturity Profile (In millions of Col\$)**



On the other hand, Enel Colombia's equity reached Col\$16,313,368 million at December 31, 2022, representing an increase of 220% compared to December 31, 2021, primarily due to the incorporation of the equity from the companies merged by absorption; Codensa S.A. ESP, Emgesa S.A. ESP, Enel Green Power Colombia S.A.S. ESP, and ESSA2 SpA.

Dividends

For the year ended December 31, 2022, Enel Colombia paid a total of Col\$3,476,240 million in dividends to its shareholders. The amount corresponds to the payment of retained earnings for the years 2016-2020 of Col\$1,027,824 million and earnings associated with the year ended December 31, 2021 of Col\$2,448,416 million.

Enel Colombia also received dividends on December 31, 2022 from Guatemala and Panama for Col\$226 billion and Col\$209 billion, respectively.

LIQUIDITY AND CAPITAL RESOURCES

Our liquidity and capital resources are influenced by a variety of factors, including:

- our ability to generate revenue and cash flow from our existing operations;
- the level of our outstanding indebtedness and the interest we are obligated to pay on such outstanding indebtedness;
- our capital expenditure requirements, which consist primarily of investments in existing operations, new projects and facilities and maintenance costs;
- dividend payments; and
- our working capital requirements.

Projected Sources and Uses of Cash

Our capital requirements are primarily for the following purposes:

- Operating and maintenance costs related to our infrastructure;
- Capital expenditures and acquisitions related to the construction of new electricity transmission and natural gas transportation assets or the expansion and upgrade of our existing assets;
- Debt service payments; and
- Dividend payments and other distributions. Our sources for liquidity and capital resources are:
- Funds generated by our operating business and the operating businesses of our subsidiaries;
- Dividends and other distributions from our consolidated subsidiaries and related companies, in particular our related companies Codensa, Enel Colombia, REP, CTM and Vanti; and
- Financial income from the investment of our cash and available funds. See “Recent Developments,” and “GEB 2020 Short-Term Financing Facility,” and “Risk Factors — Risk Factors Relating to Our Company and Our Related Companies and the Industries in which We and Our Related Companies Operate — A global pandemic and/or the outbreak of COVID-19 could cause interruptions, negatively impact global and regional economic growth, and have a negative impact on our financial conditions and results of operations” for a description of the impact that COVID-19 may have on our liquidity and results of operations.

Cash Flows

The table below sets forth our cash flows for the six months ended June 30, 2022 and 2023.

	Six Months Ended June 30,	
	2022	2023
	(in millions of Col\$)	
Net cash flow provided by (used in):		
Operating activities	1,235,085	1,079,580
Investing activities	(647,047)	(248,390)
Financing activities	(940,272)	(669,028)
Increase (decrease) in cash and cash equivalents.....	(352,234)	162,162

The table below sets forth our cash flows for the years ended December 31, 2020, 2021 and 2022.

	Year Ended December 31,		
	2020	2021	2022
	(in millions of Col\$)		
Net cash flow provided by (used in):			
Operating activities	2,072,423	1,426,100	3,083,413
Investing activities	(1,712,323)	2,226,024	(2,505,659)
Financing activities	(310,135)	(2,953,417)	(847,398)
Increase (decrease) in cash and cash equivalents	49,964	698,707	(269,644)

Our operating, investing and financing activities resulted in a net increase in cash and cash equivalents of Col\$162,162 million for the six months ended June 30, 2023 and a net decrease in cash and cash equivalents of Col\$352,234 million for the six months ended June 30, 2022.

Our operating, investing and financing activities resulted in a net decrease in cash and cash equivalents of Col\$269,644 million in 2022, a net increase in cash and cash equivalents of Col\$698,707 million in 2021, and a net increase in cash and cash equivalents of Col\$49,964 million in 2020.

Cash Flow Provided by (Used in) Operating Activities

Our net cash flow provided by operating activities was Col\$1,235,085 million for the six months ended June 30, 2022 and Col\$1,079,580 million for the six months ended June 30, 2023. Our net cash flow from operations for the six-month periods ended June 30, 2022 and 2023 was mainly affected by increases of revenue from our operations, trade and other accounts receivable, tax assets and foreign exchange differences. The most significant factors in the generation of our net cash from operating activities are revenues from the sale of electricity transmission services, and natural gas transportation services, and natural gas distribution services.

Our net cash flow provided by operating activities was Col\$2,072,423 million for the year ended December 31, 2020 and Col\$1,426,100 million for the year ended December 31, 2021. Our net cash flow from operating activities for the years ended December 31, 2020 and 2021 was mainly affected by increases in trade and other accounts receivable and tax paid.

Our net cash flow provided by operating activities was Col\$1,426,100 million for the year ended December 31, 2021, and Col\$3,083,413 million for the year ended December 31, 2022. Our net cash flow from operating activities for the years ended December 31, 2021 and 2022 was mainly affected by increases in revenue from our operations, decreases in trade and other accounts receivable, and lower tax payment.

Cash Flow Provided by (Used in) Investing Activities

Our net cash flow by (used in) investing activities was Col\$(647,047) million during the six months ended June 30, 2022 and Col\$(248,390) million during the six months ended June 30, 2023. During each such period, we made significant investments in capital expenditures, partially offset by a decrease in the dividends received during the six-months periods ended June 30, 2023 and the acquisition of Elecnorte in 2022.

Our net cash flow provided by (used in) investing activities was Col\$(1,712,323) million during the year ended December 31, 2020, and Col\$2,226,024 million during the year ended December 31, 2021. During each such period, in particular, during 2021 we received a significant amount of dividends from our investments and income from investments in financial instruments, and did less inorganic investments.

Our net cash flow provided by (used in) investing activities was Col\$2,226,024 million during the year ended December 31, 2021 and Col\$(2,505,659) million during the year ended December 31, 2022. We made significant investments in capital expenditures to develop, improve and upgrade our operating assets. Specifically, we made investments in connection with (i) the expansion of Calidda's principal natural gas distribution network and the connection of additional customers, (ii) the finalization of the natural gas distribution project by Contugas in Ica, Peru, achieving more than 50,000 customers according to the BOOT Concession Agreement, (iii) progress in the construction of investment projects related to electricity transmission as awarded by UPME in Colombia, (iv) progress in the construction of the infrastructure required for the PET-001 project grid in Guatemala, (v) the Cusiana expansion, and (vi) the acquisitions of Argeb and the four concessions in northeastern Brazil, and Elecnorte in Colombia.

A substantial portion of our cash flow from investing activities during the six-month periods ended June 30, 2022 and 2023 and the years ended December 31, 2020, 2021 and 2022 derived from dividends paid. For the six months ended June 30, 2023, we received dividends in the amount of Col\$300,154 million. For the six months ended June 30, 2022, we received dividends in the amount of Col\$702,096 million. For the year ended December 31, 2020, we received dividends in the amount of Col\$1,075,413 million. For the year ended December 31, 2021 we received dividends in the amount of Col\$2,207,558 million. For the year ended December 31, 2022, we received dividends in the amount of Col\$1,840,580 million.

Cash Provided by (Used in) Financing Activities

Our cash flow used in financing activities for the six-month periods ended June 30, 2022 and 2023 was Col\$(940,272) million and Col\$(669,028) million, respectively. Our cash flow used in financing activities for the years ended December 31, 2020, 2021 and 2022 was Col\$(310,135) million, Col\$(2,953,417), million and Col\$(847,398) million, respectively.

For the six-month periods ended June 30, 2022 and 2023, we paid Col\$904,436 million and Col\$194,654 million in dividends, respectively, to our shareholders. The dividend payments for the six-month periods ended June 30, 2022 and 2023 was primarily due to improved financial results. For the years ended December 31, 2020, 2021 and 2022, we paid Col\$1,395,242 million, Col\$2,596,797 million, and Col\$1,920,054 million in dividends, respectively, to our shareholders. The dividend payments for the year ended December 31, 2020, 2021 and 2022 was primarily due to improved financial results.

For the six-month periods ended June 30, 2022 and 2023, the net cash from loans received and loans paid resulted in an increase of Col\$342,088 million and an increase of Col\$211,951 million, respectively. The increase in net cash from loans received and paid for the six-month periods ended June 30, 2022 and 2023 was due to increased borrowings.

For the years ended December 31, 2020, and 2021, the net cash from loans received and loans paid resulted in increases of Col\$1,822,782 million and Col\$324,288 million, respectively. The increase in net cash from loans received and paid for the year ended December 31, 2021 was due to a decrease in the amount of loans paid as compared to the same period in 2020.

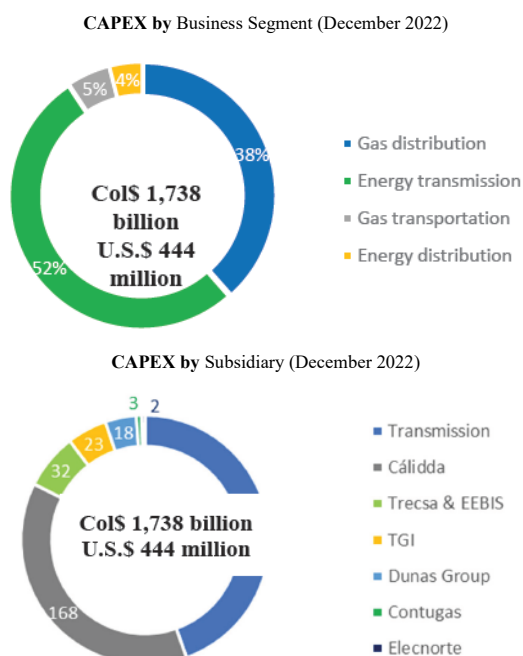
For the years ended December 31, 2021 and 2022, the net cash from loans received and loans paid resulted in increases of Col\$324,288 million and an increase of Col\$2,065,691 million, respectively. The increase in net cash from loans received and paid for the year ended December 31, 2022 was due to increased borrowings.

Investments in Property, Plant and Equipment

In recent years, we have relied principally on our own cash flow from operations and financing from Colombian and foreign commercial banks to fund our capital expenditure plans. For the six-month periods ended June 30, 2022 and 2023, our consolidated investments in property, plant and equipment were Col\$480,375 million and Col\$454,726 million, respectively. For the years ended December 31, 2020, 2021 and 2022, our consolidated investments in property, plant and equipment were Col\$610,436 million, Col\$536,407 million, and Col\$1,190,318 million, respectively.

We make significant capital expenditures during the stages of construction and commencement of commercial operation of electricity transmission and natural gas transportation assets and relatively low capital expenditures for maintenance during the ongoing operations of these assets. Our main capital expenditures in recent years have been related to investments in the construction of transmission power lines and substations and pipelines for natural gas transportation infrastructure and expenditures related to our natural gas distribution and commercialization business.

Executed capital expenditures by us and our consolidated subsidiaries as of December 31, 2022 are depicted in the charts below, by company and by business segment.



Source: GEB (in millions of Col\$)

We anticipate making, directly and through our consolidated subsidiaries, capital expenditures from 2023 through 2025 relating to (i) domestic and international current expansion electricity transmission projects and (ii) investments in natural gas distribution and transportation assets in Latin America. Our ability to make planned capital expenditures in future periods will depend in part on the consummation of certain planned acquisitions and our ability to obtain the required financing from third party sources. No assurance can be given that the necessary financing sources will be available in the future or that any planned acquisition will be consummated.

We have invested Col\$1,906,556 million (U.S.\$479 million) over the three years ended December 31, 2022 to expand our electricity transmission network. We expect to spend an additional Col\$2,316,238 million (U.S.\$562 million) from 2023 to 2025, primarily with the transmission projects in Colombia and Guatemala. For further details on our planned projects see “Business—Transmission Business— GEB on-going projects.”

Indebtedness

As of June 30, 2023, our total consolidated loans and borrowings was Col\$18,396,605 million, of which Col\$9,100,786 million was debt of GEB and Col\$9,295,819 million was debt of GEB’s consolidated subsidiaries. Of that amount, (i) 84%, or Col\$15,479,239 million, corresponded to debt obligations denominated in foreign currencies and (ii) 16%, or Col\$2,917,366 million (including coverage of the TGI 2018 Notes), corresponded to debt obligations denominated in Colombian *pesos*.

As of December 31, 2020, our total consolidated loans and borrowings were Col\$12,951,651 million, of which Col\$6,354,309 million was debt of GEB and Col\$6,597,342 million was debt of GEB’s consolidated subsidiaries. Of that amount, (i) 82%, or Col\$10,666,055 million, corresponded to debt obligations denominated in foreign currencies and (ii) 18%, or Col\$2,285,596 million, corresponded to debt obligations denominated in Colombian *pesos*.

As of December 31, 2021, our total consolidated loans and borrowings was Col\$15,123,825 million, of which Col\$6,309,037 million was debt of GEB and Col\$8,814,788 million was debt of GEB’s consolidated subsidiaries. Of that amount, (i) 85% or Col\$12,848,624 million, corresponded to debt obligations denominated in foreign currencies and (ii) 15% or Col\$2,275,201 million corresponded to debt obligations denominated in Colombian *pesos*.

As of December 31, 2022, our total consolidated loans and borrowings was Col\$20,343,365 million, of which Col\$9,980,853 million was debt of GEB and Col\$10,362,512 million was debt of GEB’s consolidated subsidiaries. Of that amount, (i) 86% or Col\$17,460,840 million, corresponded to debt obligations denominated in foreign currencies and (ii) 14% or Col\$2,882,525 million corresponded to debt obligations denominated in Colombian *pesos*.

The following table shows the evolution of our loans and borrowings from December 31, 2020 to December 31, 2022, in millions of Colombian *pesos* and foreign currency.

In millions of Col\$ except percentages	As of December 31,					
	2020		2021		2022	
Foreign currency.....	10,666,055	82%	12,848,624	85%	17,460,840	86%
Colombian <i>pesos</i>	2,285,596	18%	2,275,201	15%	2,882,525	14%
Total	12,951,651	100%	15,123,825	100%	20,343,365	100%

As of the date of this offering memorandum, we do not have any convertible debt securities, exchangeable debt securities or debt securities with warrants attached.

Material Financing Agreements, Debentures and Guarantees

The most significant financing agreements, debentures, and guarantees entered into by us and our related companies are described below:

GEB

GEB Credit Facility

On July 22, 2019, we amended the existing Credit Agreement entered into on December 18, 2017 with Citigroup Global Markets Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated and Sumitomo Mitsui Banking Corporation, as joint lead arrangers, and Bank of America N.A., as administrative agent in the aggregate amount of Col\$2,972 billion (U.S.\$749 million) with a maturity on July 24, 2024 to refinance the existing credit agreement entered into on December 18, 2017 (the “Amended BofA Credit Agreement”). The Amended BofA Credit Agreement contains certain restrictive covenants and other provisions that limit our ability to grant certain liens, dispose all or substantially all of our assets, make payments, and enter into transactions with affiliates. During 2020 and 2021, we repaid Col\$876 billion (U.S.\$249 million) and Col\$759 billion (U.S.\$181 million), respectively, principal amounts of loans under the Amended BofA Credit Agreement. As of December 31, 2022, the aggregate principal amount outstanding under the Amended BofA Credit Agreement was Col\$1,337 billion (U.S.\$319 million). See “Use of Proceeds.”

GEB 2020 Internal Public Debt Bonds

On June 25, 2020, we issued internal public debt bonds in an amount of Col\$950 billion (the “GEB 2020 Internal Public Debt Bonds”), indexed at IPC and UVR, Subseries C7, C15, and E25. We used the proceeds of the GEB 2020 Internal Public Debt Bonds to refinance our financial obligations. On May 20, 2022, a second tranche was placed for Col\$262 billion, Subseries C15 and E22. We used the proceeds to finance our 2022 investment plan. As of December 31, 2022, the aggregate principal amount outstanding under the GEB 2020 Internal Public Debt Bonds was Col\$1,290 million. The GEB 2020 Internal Public Debt Bonds mature as follows: (i) each Subseries C7 on the 7th anniversary of their respective dates of issuance, (ii) each Subseries C15 on the 15th anniversary of their respective dates of issuance, and (iii) Series E25 on the 25th anniversary of its date of issuance, and (iv) Series E22 on the 22nd anniversary of its date of issuance.

GEB 2017 Local Bonds

On February 28, 2017, we placed the first tranche of local bonds for Col\$650 million, indexed at CPI, Subseries A7, A15 and A25, (the “First Tranche of GEB 2017 Local Bonds”) and on November 15, 2017 the second tranche of bonds was placed for Col\$650 million, indexed at CP, subseries A7, A15 and A30 (the “Second Tranche of GEB 2017 Local Bonds” and together with the First Tranche of GEB 2017 Local Bonds, “GEB 2017 Local Bonds”). We used the proceeds of the placements of the GEB 2017 Local Bonds to finance our investment plan, for debt refinancing and the costs and expenses associated with the restructuring and obtaining of financing, as well as to cover working capital requirements. As of December 31, 2022, the aggregate principal amount outstanding under GEB 2017 Local Bonds was Col\$1,300 million. The GEB 2017 Local Bonds mature as follows: (i) each Subseries A7 on the 7th anniversary of their respective dates of issuance, (ii) each Subseries A15 on the 15th anniversary of their respective dates of issuance, (iii) Subseries A25 on the 25th anniversary of its date of issuance, and (iv) Subseries A30 on the 30th anniversary of its date of issuance.

GEB Davivienda Credit Agreement

On December 19, 2019, we entered into a loan agreement with Banco Davivienda S.A. for up to Col\$1,257 billion (U.S.\$300 million), to finance our investment plan for 2019-2022. The total proceeds were disbursed on March 9, 2020, with a bullet maturity of 12 years and biannual interest payments based on Libor (6M) plus 2.35%.

On August 27, 2020, we entered into a hedging for the interest payments of the loan (interest rate swap), which swapped the floating rate interest payment for fixed payment at IRS 3.3514% including the fixed margin.

On August 2, 2023, we and Banco Davivienda S.A. amended the loan agreement to change the interest rate from Libor (6M) plus 2.35% to Term SOFR (6M) plus 2.35% plus Credit Spread Adjustment (CSA) of 0.30% in connection with the phase-out of Libor.

GEB 2030 Notes

On May 12, 2020, we issued senior unsecured notes in the aggregate amount of Col\$1,677 billion (U.S.\$400 million) maturing in 2030, which were listed on the Singapore Stock Exchange (“GEB 2030 Notes”). Interest on the GEB 2030 Notes accrues at a rate of 4.875% per annum. Proceeds were used to finance our investment plan for 2020-2022.

GEB Syndicated Loan

On November 23, 2022, we entered into a credit agreement with a syndicate of bank lenders, with UMB Bank, N.A., as administrative agent, and Sumitomo Mitsui Banking Corporation and The Bank of Nova Scotia, as joint lead arrangers, in the aggregate principal amount of up to Col\$2,133 billion (U.S.\$509 million) maturing on November 23, 2027 (the “UMB Bank Credit Facility”). The agreement contains certain restrictive covenants and other provisions that limit our ability to grant certain liens, dispose all or substantially all of our assets, make payments, and enter into transactions with affiliates. Proceeds were used for the purpose of partially financing our investment plan for 2022. The disbursement was made on November 29, 2022, with a bullet maturity and an interest rate of SOFR 6M plus 1.95%. As of December 31, 2022, the aggregate principal amount outstanding under the UMB Bank Credit Facility was U.S.\$509 million.

Elecnorte

On May 14, 2021, Elecnorte entered into a syndicated loan with Itau and Banco Davivienda S.A. for Col\$297,600 million with a maturity of March 25, 2032, with an interest rate of IBR (3M) plus 4.33% with a quarterly repayment schedule.

TGI

TGI Notes

On November 1, 2018, TGI issued notes in the international capital markets in an aggregate principal amount of Col\$3,143 billion (U.S.\$750 million) and maturing in 2028 (the “TGI 2018 Notes”), and used the proceeds from such issuance to redeem the U.S.\$750 million outstanding TGI notes issued in March 2012. Interest on the TGI 2018 Notes accrues at a rate of 5.55% per annum, payable semi-annually, commencing on May 1, 2019. The indenture governing the TGI 2018 Notes contains the following restrictive covenants, subject to customary exceptions: (i) limitations on liens, (ii) limitations on sale and

lease-back transactions, and (iii) limitations on lines of business. See “Risk Factors — Risk Factors Relating to Our Company and Our Related Companies and the Industries in which We and Our Related Companies Operate — Our level of consolidated indebtedness may adversely affect our business, results of operations, financial condition and our ability to pay dividends.”

On October 13, 2022 and October 26, 2022, a tender offer was made to repurchase Col\$564 billion (U.S.\$134.6 million) and Col\$89.2 billion (U.S.\$21.3 million) of the TGI 2018 Notes, respectively, at a price of 91.30% par (at a discount) paid with TGI’s own resources.

During the first half of 2023, Col\$195 billion (U.S.\$46.5 million) were repurchased at a weighted average price of 96.538% of par (at a discount) paid with TGI’s cash on hand, reducing the outstanding principal amount value to Col\$2,295 billion (U.S.\$547.6 million) as of June 30, 2023.

On June 1, 2023, CREG Resolution 175 of 2021 came into effect, which required TGI to change the functional currency of its financial statements from the U.S. dollar to Colombian pesos. This change exposed TGI to an exchange risk, which was mitigated through a derivative financial instrument cross-currency swap, entered in June 2023 with international banks, converting the TGI 2018 Notes to Colombian pesos at a rate of IBR plus 3.6166%.

Intercompany Loan to GEB

On February 16, 2007, we, through our subsidiary TGI, entered into a purchase agreement for the acquisition of Ecogas for U.S.\$220 million (the “Ecogas Acquisition”), which was consummated on March 2, 2007. On June 12, 2007, GEB entered into a subordination agreement with TGI to subordinate GEB’s obligations under the Ecogas Acquisition to the ABN AMRO Loan (the “First Subordination Agreement”).

On October 3, 2007, we and TGI entered into a second subordination agreement in which we agreed to subordinate its obligations under the Ecogas Acquisition to the ABN AMRO Loan under TGI Notes (the “Second Subordination Agreement”).

On October 31, 2007, we and TGI entered into a loan agreement, as borrowers, certain lenders thereunder and ABN AMRO Bank, N.V., as administrative agent, pursuant to which TGI transferred and assigned to us all of TGI’s obligations under the TGI credit agreement with respect to the outstanding Col\$629 billion (U.S.\$150 million) in loans thereunder. In consideration for the assumption of this debt by us, TGI issued a subordinated promissory note to us (the “Intercompany Loan”) in which its rights to payment were subordinated to the right of payment of the holders of the TGI Notes.

On December 7, 2011, we and the respective lenders amended the terms of the ABN AMRO Loan. As a result of such amendments, the Subordinated Agreements accrue interest at a rate of 6.125% per annum and matured on December 21, 2022. Each of the First Subordinated Loan and the Second Subordinated Loan are payable in Colombian *pesos* and constitute internal indebtedness of TGI.

On May 7, 2021, we and TGI agreed to modify the interest rate of the Intercompany Loan to 5.02% to align it with market conditions. It was also stipulated that in the event of a request for maturity extension of the Intercompany Loan, the interest rate would be increased by 20 basis points. However, on December 14, 2022, considering potential regulatory changes, especially the shift in TGI’s functional currency from the U.S. dollar to the Colombian *peso*, we and TGI agreed to extend the maturity to December 21, 2023, and adjusted the interest rate to 5.22%. In December 2022, the Subordination Agreement involving Bank of New York Mellon, TGI, and GEB as the subordinated creditor expired.

As of June 1, 2023, CREG Resolution 175 of 2001 came into effect, which required TGI to change the functional currency of its financial statements from dollars to Colombian *pesos*, exposed TGI to exchange risk, which was mitigated through forward derivative financial instruments, contracted between June 23 and 29, 2023, with international banks setting the average exchange rate (strike) at Col\$4,353.91 per U.S.\$1.00.

Cálidda

Local Corporate Bond Program

On July 23, 2018, Cálidda issued senior unsecured notes for Col\$230.8 billion under the Second Issuance of the First Program of Corporate Bonds of Cálidda (the “Second Issuance”). Interest on the Second Issuance accrues a rate of 6.46875% per annum, payable semi-annually, commencing in January 2019. The Second Issuance matures on July 23, 2028 (bullet). As of December 31, 2022, the aggregate principal amount outstanding under the Cálidda notes issued in the Second Issuance was Col\$60.2 billion.

On September 6, 2019, Cálidda issued senior unsecured notes in the aggregate amount of Col\$394.7 billion under the Fifth Issuance of the First Program of Corporate Bonds of Cálidda (the “Fifth Issuance”). Interest on the Fifth Issuance accrues a rate of 5.03125% per annum, payable semi-annually, commencing in March 2020. The Fifth Issuance matures on September 6, 2029 (bullet). As of December 31, 2022, the aggregate principal amount outstanding under the Cálidda notes, issued in the fifth issuance, was Col\$103.1 billion.

The agreement governing Cálidda First Program of Corporate Bonds contains restrictive covenants and other provisions that limit Cálidda’s ability to engage in specific types of transactions, including, among others, limitations on liens, sale and lease-back transactions, and consolidations, mergers, sales, or conveyances.

Financial Debt

Between August 2020 and January 2021, Cálidda borrowed Col\$419 billion (U.S.\$100 million) from IDB Invest at an interest rate of six-month Libor plus 2.10% - 2.35% for a term of 8 years, with semi-annual interest payments. The maturity date is November 15, 2028, and starting from March 2024, it has semi-annual principal amortization of Col\$42 billion (U.S.\$10 million). Due to the Libor transition, this Libor component was replaced with six-month Term SOFR.

In December 2021, Cálidda entered a Col\$838 billion (U.S.\$200 million) loan agreement with Bank of Nova Scotia, with a 16-month availability period for draws. Cálidda drew Col\$419 billion (U.S.\$100 million) on December 21, 2021, and the remaining Col\$419 billion (U.S.\$100 million) on March 27, 2023. The loan matures in December 2026, with quarterly interest payments at an interest rate of 2.25% + three-month Libor and bullet maturity. This loan includes sustainability linked with a rate adjustment of +/- 5%. Pursuant to the sustainability terms of the agreement, Cálidda reduced the spread to 2.20% for the current period. Due to the Libor transition, the Libor component was replaced with Daily Compounded SOFR.

In December 2021, Cálidda entered a syndicated loan with 8 local and international banks for a total of Col\$1,467 billion (U.S.\$350 million). Cálidda drew Col\$126 billion (U.S.\$30 million) on May 31, 2022, and the remaining Col\$1,341 billion (U.S.\$320 million) in March 28, 2023. The loan matures in December 2026, with quarterly interest payments at an interest rate of 1.35% plus three-month Libor and bullet maturity. Due to the Libor transition, the Libor component was replaced with three-month Term SOFR.

Contugas

On September 24, 2019, Contugas entered into a loan agreement (the “Contugas Loan Agreement”) with Mizuho Bank, Ltd., Banco Bilbao Vizcaya Argentaria S.A., New York Branch, Sumitomo Mitsui Banking Corporation, Banco de Sabadell, S.A., Miami Branch, Banco Santander, S.A., Export Development Canada, Banco de Bogota (Panama) S.A., Banco Latinoamericano de Comercio Exterior S.A. and Citibank, N.A. International Banking Facility, as lenders, for an aggregate amount of Col\$1,488 billion (U.S.\$355 million). Proceeds of the Contugas Loan Agreement were used to repay a Contugas syndicated loan agreement entered by Contugas on September 30, 2013, and for other general corporate purpose. This loan is guaranteed by GEB and TGI. The Contugas Loan Agreement matures on September 24, 2024. The Contugas Loan Agreement includes certain restrictive covenants related to permitted business, restricted payments, creation of liens and disposal of assets. As of December 31, 2022, the aggregate principal amount outstanding under this loan agreement was U.S.\$355 million. See “Risk Factors — Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — Contugas is subject to refinancing risks and may require further equity support to continue its operations.”

TRECSA

As of June 30, 2023, TRECSA has an aggregate principal amount of Col\$1,119 billion (U.S.\$267 million) in loan agreements: Col\$182,321 million (U.S.\$43.5 million) with Citibank Europe PLC Branch UK, Col\$272 billion (U.S.\$65 million) with BAC International Bank, Inc., Col\$210 billion (U.S.\$50 million) with Banco de America Central S.A., and Col\$83,826 million (U.S.\$20 million) with Citibank, which are guaranteed by GEB and the remaining amounts correspond to intercompany loans, including Col\$293 billion (U.S.\$70 million) with GEB, and Col\$78 billion (U.S.\$18.5 million) with EEBIS.

EEBIS Guatemala

As of June 30, 2023, EEBIS has an aggregate principal amount of Col\$306 billion (U.S.\$73 million) in loan agreements guaranteed by GEB: Col\$189 billion (U.S.\$45 million) with Citibank N.A., and Col\$117 billion (U.S.\$28 million) with BAC International Bank.

Electrodunas

On November 30, 2020, the Superintendencia del Mercado de Valores of Peru (SMV) approved the registration of the First Debt Instruments Program of Electrodunas (the “Debt Program”) up to Col\$1,257 billion (U.S.\$300 million) or its equivalent in Peruvian soles. Similarly, the SMV approved the registration of the First and Second Tranches corresponding to the Debt Program. On December 10, 2020, Electrodunas carried out the auction of both tranches, which were placed simultaneously under the following conditions: the first tranche (10-year term, S/230.5 million equivalents to Col\$266 billion), at a fixed rate of 4.59%, and the second tranche (5-year term, S/65.5 million equivalent to Col\$75.6 billion, at a fixed rate of 2.75%). The proceeds will be used to refinance Electrodunas’s existing debt and for capital expenditures associated with the power grid.

Capital Management

We manage our capital to ensure that we will be able to continue operating as a going concern, while maximizing returns to shareholders maintaining optimal capital structure.

Our capital structure consists of net debt (loans offset by cash and bank balances) and our shareholders' equity (composed by our outstanding common stock, reserves and accumulated earnings). Our Board of Directors reviews this structure on a quarterly basis, in order to consider the cost of capital and the risks associated with each type of capital employed.

Quantitative and Qualitative Disclosures on Market Risks

We are exposed to market risks arising from our normal business activities. These market risks, which are beyond our control, principally involve the possibility of interest rate and exchange rate variations. We regularly monitor our exposure to financial risks and we evaluate the nature and extent of our net exposures to determine how to manage and reduce the impact of these risks. We have adopted a strategy that uses both natural and financial hedges to minimize these risks. We use derivative financial instruments solely for the purpose of managing market risks, primarily fluctuations in interest rates and foreign exchange rates.

While these hedging instruments fluctuate in value, these fluctuations are generally offset by the value of the underlying hedged exposures. The counterparties to these contractual arrangements are primarily major financial institutions. As a result, we do not believe that we are subject to any material credit risk arising from these contracts, and accordingly, we do not anticipate any material credit-related losses. We do not enter into derivative or other hedging instruments for speculative purposes.

Interest Rate Risk. We are exposed to interest rate risk because a significant portion of our indebtedness bears interest at floating rates. As of December 31, 2021, our total outstanding consolidated indebtedness was Col\$15,163,016 million, of which Col\$4,279,210.40 million, or 28%, bore interest at floating rates. As of December 31, 2022, our total outstanding consolidated indebtedness was Col\$20,277,784.58 million, of which Col\$7,829,802 million, or 39%, bore interest at floating rates.

As of December 31, 2022, 40% of GEB's debt had fixed interest rates. The following table presents the potential impact of a change in rates of 100 bps.

Variance in interest rate	Potential impact on the Statement of Comprehensive Income (+/-) in millions U.S.\$	Equivalent in millions Col\$
100 bps	16.1	77,737

Exchange Rate Risk.

Our revenues and liabilities that are exposed to exchange rate risk are primarily denominated in U.S. dollars. To partially offset any risk of depreciation of the Colombian *peso* or the Peruvian *nuevo sol* against the U.S. dollar, we currently maintain available liquid resources denominated in U.S. dollars and implement natural and financial hedges. Because we borrow in U.S. dollars to fund our operations and investments, we are exposed to market risks from changes in foreign exchange rates.

Our foreign currency exposure gives rise to market risks associated with exchange rate movements. A significant portion of our consolidated indebtedness is denominated in foreign currencies. As of December 31, 2022, our consolidated foreign currency-denominated indebtedness represented 85% of our total consolidated indebtedness. This foreign currency exposure is represented mainly by debt in the form of long-term loans.

The following table is an analysis of currency sensitivity assuming a variance of the Colombian *peso* as an effect of the movement of the TRM, given the exposure estimated as of December 31, 2022:

Variance in exchange rate	Potential impact on the Statement of Comprehensive Income (+/-) in millions of Col\$
100 bps	408
500bps	2,042

COLOMBIAN AND PERUVIAN ELECTRICITY INDUSTRY, REGULATORY AND ENVIRONMENTAL FRAMEWORK

The Colombian Electricity Industry

Overview

According to the available information registered with XM as of July 2022, the Colombian electricity sector is comprised of 104 electricity generation companies, 14 national transmission companies, of which four are exclusively dedicated to the electricity transmission business, 38 local and regional distribution and transmission companies and 138 licensed wholesale electricity traders. Pursuant to article 74 of Law 143 of 1994, as amended by article 298 of Law 1955 of 2019, utilities companies which are intended to provide electricity within the SIN, may also operate in the segments of generation, trading and distribution in an integrated manner, but not in the segment of transmission of electricity.

Almost all the electricity used in Colombia is generated domestically; however, Colombia's national transmission network is interconnected at three points to the Venezuelan grid and at two points to the Ecuadorian grid. In 2021 and 2022, Colombia did not export energy to Venezuela. Colombia imported 479.4 GWh from and exported 363.8 GWh to Ecuador in 2021 and imported 159.1 GWh from and exported 465.3 GWh to Ecuador in 2022.

Substantially all the electricity consumed in Colombia is initially purchased at unregulated prices by electricity traders, which then resell the electricity to (i) at freely negotiated prices to other traders or unregulated customers (which are electricity consumers that either have a peak demand greater than 0.10 MW or a minimum monthly consumption greater than 55.0 MWh), or (ii) at regulated prices to distributors who sell it to Regulated Customers, whose peak demand or monthly consumption is below these thresholds. Generally, electricity is delivered to end-users through the networks of local distribution companies, although some large end-users have direct interconnections to regional transmission networks or the national transmission network.

History

From 1980, the Colombian electricity industry was heavily regulated by the Colombian government, which often set prices charged to end-users of electricity below the cost of the electricity consumed and encouraged excess consumption and waste.

Based on the policy of the new 1991 Colombian Constitution, according to which the government must fulfill the role of regulator, controller and vigilant of the energy sector rather than the roles of manager, a major part of the assets that were held by the government have been sold.

In 1994, the Colombian Congress enacted Law 142 ("Law 142") and Law 143 ("Law 143"). These laws substantially restructured the Colombian electricity sector and provided the basic structure and regulatory framework of the sector today as a public utility. The principal reforms initiated by these laws, which are discussed in further detail below, were: (i) a change in the government's role in the sector from direct management, ownership and control of electric utilities to ordinary regulation of electric utilities; (ii) the opening of the industry to private sector participation; (iii) the creation of an open and competitive wholesale electricity market; (iv) the regulation of transmission and distribution activities as monopolies, and (v) the establishment of universal access to transmission and distribution networks.

Laws and Regulations

The Colombian Constitution provides that it is the government's duty to ensure that public utilities are made available in an efficient manner to all of the country's inhabitants. Law 142 provides the broad regulatory framework for the provision of public utilities, including electricity and gas, and Law 143 provides the regulatory framework for the generation, trading, transmission and distribution of electricity. Resolutions promulgated by CREG give effect to the general principles set forth in Law 142 and Law 143. More recently, Law 1715 of 2014, as amended by Law 2099 of 2021 and Law 2294 of 2023, regulates the integration of nonconventional renewable energy to the SIN, and Law 2099 of 2021, as amended by Law 2294 of 2023, sets forth provisions for the energy transition and the dynamization of the energy market, among others.

Law 142 establishes that electricity, among other public utilities, are essential public utilities that may be provided by public and private sector entities. Public utility companies are required to (i) ensure continuous and efficient service without monopolistic abuse, (ii) comply with regulations relating to subsidies to low-income users, (iii) inform users regarding efficient and safe usage of the public utility, (iv) protect the environment, (v) allow universal access to their services, and (vi) report to the appropriate regulatory commission and the Superintendence of Public Utilities (the "SSPD"). See "Colombian And Peruvian Natural Gas Industry And Regulatory Framework — Regulation of Natural Gas Transportation in Colombia — Relevant Laws and Regulations."

Law 143 establishes the principles of efficiency, continuity, neutrality, and equity for the electricity industry. These principles are implemented through resolutions issued by CREG and other regulatory bodies that govern the electricity sector. The Colombian Constitution has several articles that refer to environmental policies and environmental protection as a collective right of all Colombian nationals.

The current laws governing environmental matters are: (i) Law 99 of 1993, which establishes the institutional structure and principles for national environmental policy, (ii) the Natural Resources Code (Law Decree 2811 of 1974), which regulates the use and conservation of natural renewable resources, (iii) Law 1333 of 2009, which establishes the environmental administrative sanctions procedure, (iv) Decree 1073 of 2015, by means of which the Compiled Regulatory Decree of the Administrative Sector of Mines and Energy is issued, and (v) Decree 1076 of 2015, which, together, encompass in a single source the majority of the Colombian environmental regulations currently in effect in an effort to rationalize and simplify the existing environmental legal framework. Decree 1076 of 2015 compiled laws and regulations related to environmental licensing, the granting of environmental permits (logging, water concession, water disposal, emissions, etc.), and regulation of hazardous waste. According to Decree 1076 of 2015, activities such as construction and operation of energy power plants, the laying of lines, oil and gas exploration and transport projects and the use of polluting energy will require environmental licenses.

Law 1333 of 2009 in Colombia lays out the administrative procedures for penalizing environmental infractions. It defines an environmental infringement as either a breach of an environmental law, regulation, or administrative act, or the causing of tortious environmental damage. The law presumes negligence or willful misconduct on the part of the alleged offender, shifting the burden of proof to them. Authorities can impose unappealable preventive measures for non-compliance with environmental permits. If the infringement is proven, administrative sanctions are imposed under a strict liability framework.

Institutional Framework

The electricity sector is under the jurisdiction of the MME, which defines the Colombian government's policies for the sector. This duty is carried out in collaboration with other governmental agencies including the SSPD, CREG, the UPME, the IPSE, the MHCP, the MASD, the National

Department of Planning, the National Operations Council and municipal and state governments. The responsibilities of the main governmental agencies are described below.

MME

The energy sector is under the jurisdiction of the MME. The MME is responsible for adopting the Colombian government's policies on: (i) the exploration, production, transportation, processing and distribution of minerals and hydrocarbons; and (ii) the development of the mining and energy sectors. The MME also determines the order of priority for the supply of natural gas to the various sectors in certain extraordinary circumstances such as severe supply restrictions, in which the existing supply of natural gas may not be sufficient to satisfy the current demand for such fuel. In addition, the MME establishes the Colombian government's policies for natural gas exports. In addition, the authority over the electricity sector is entrusted to a number of agencies under its control, including CREG, the IPSE and the UPME.

CREG

CREG is a special independent administrative body created in 1994, whose membership consists of the Minister of Mines and Energy, the Minister of Finance, the Director of the Department of National Planning and eight experts appointed by the President for a four-year term. Resolutions of CREG require the approval of a majority of CREG's members, which gives the expert appointees effective control over CREG's actions. The following functions have been assigned to CREG by Law 142 and Law 143, among others: (i) establishing the conditions for the gradual deregulation of the sector towards an open and competitive market; (ii) approving interconnection and Usage Charges for the transmission and distribution of electricity; (iii) establishing the methodology for calculating Usage Charges for the regulated market; (iv) defining the regulated and unregulated end-user markets; (v) establishing the regulations for the planning and coordination of the operation of the STN; (vi) creating the conditions to ensure the availability of an efficient energy supply under social, economic, environmental and financial feasibility criteria, promoting and preserving competition; (vii) establishing the technical criteria relating to the quality, reliability and security of supply; and (viii) protecting consumer rights.

CREG performs its regulatory functions by issuing regulations, which are mandatory and do not require congressional approval as they are administrative acts.

UPME

UPME is a special administrative unit of the MME, whose objective is the integral, indicative, permanent and coordinated planning, with the public and private entities of the energy mining sector, the development and use of energy and mining resources, the production and dissemination of the required energy and mining information. UPME is also responsible for forecasting the overall electricity requirements of Colombia, planning and developing ways and means to satisfy such electricity requirements, including the development of alternative sources of energy, and establishing programs to conserve and optimize the use of energy. All electricity transmission companies are required to prepare and submit information to UPME upon its request. UPME is relevant to GEB's business as it defines and develops national expansion plans, based on which GEB may undertake capital investments in the future. In addition, UPME is responsible for granting interconnection points to the SIN.

UPME is also responsible for managing the auctions to award projects for the expansion of the STN and the STR when the STR operators are unwilling or unable to develop them.

SSPD

The SSPD is a governmental agency, created pursuant to the Colombian Constitution, that holds supervisory authority over all public utility companies. The SSPD monitors the quality and efficiency of all public utility companies but does not issue regulations related to its surveillance and control functions.

The SSPD may impose sanctions on electricity companies for failure to comply with applicable laws and regulations nonpayment and violations of the code of operations applicable to the electricity industry. The code of operations applicable to the electricity industry establishes the principles, criteria and procedures for the planning, coordination and operation of the SIN and for noncompliance with any of the resolutions of CREG or the UPME. Penalties for violation of such code may include monetary fines, removal of officers or administrative takeover.

MASD

The MASD was created by Law 99 of 1993 as the governing authority for the management of renewable natural resources and the environment. It is responsible for environmental policy-making aimed at guaranteeing the right of communities to enjoy a healthy environment. The MASD is also responsible for environmental policy-making for the protection of the nation's natural heritage.

ANLA

The ANLA, was created by Decree 3573 of 2011 and is responsible for granting or denying the environmental licenses to large-scale projects. All projects that affect the landscape or significantly impact the environment, as determined Decree 1076 of 2015, must obtain an environmental license. In accordance with the applicable regulation, the projects, works or activities within the energy sector that require an environmental license from ANLA are: (i) the construction and operation of electric power generation plants with installed capacity equal to or greater than 100 MW; (ii) projects for the use or exploration of polluting alternative energy sources with installed capacity greater than or equal to one hundred 100 MW; (iii) the laying of the transmission lines of the STN, composed of the set of lines with their corresponding substations that are projected to operate at voltages equal to or greater than two hundred and twenty 220 kV, and (iv) projects for the generation of nuclear energy.

Autonomous Regional Corporations

The Autonomous Regional Corporations are responsible for the execution of the policies, plans, programs and projects regarding the environment and renewable natural resources in their respective jurisdictions. Furthermore, they are responsible for authorizing medium-scale projects like the construction and operation of power plants with capacities equal to or greater than 10 and less than 100 MW and the transmission lines of the Regional Transmission System within their jurisdictional area with capacities equal to or greater than 50 and less than 220KW, the construction and operation of power generation plants from water resources with a capacity of less than 100 MW, and projects for the exploration and use of virtually polluting energy sources with and installed capacity equal to or greater than 10 MW and less than 100 MW. They are also responsible for granting individual environmental permits for logging, water concessions, water discharge, air emissions, riverbed occupation, applicable as the project, work or activity may require them for its operation.

Commercialization Advisory Committee — CAC

The Commercialization Advisory Committee (*Comité Asesor de Comercialización*) is responsible for assisting CREG in evaluating and adjusting the commercial aspects of the MEM.

CND

The National Dispatch Center (*Centro Nacional de Despacho*) is responsible for the planning, supervision and control of the operations of the SIN. It is administrated by XM.

National Operation Council — CNO

The National Operation Council (*Consejo Nacional de Operación*) is responsible for establishing technical standards to facilitate the efficient integration and operation of the SIN. GEB was appointed as a member of the CNO pursuant to *Acuerdo* 1647 of 2022 issued by the CNO, as the representative of the transmission of electricity segment in such organization for 2023.

DNP

DNP, together with CONPES, is a technical entity responsible for conducting studies and advising the Colombian government on matters related to Colombia's development, including, the development of infrastructure projects.

MHCP

The MHCP (*Ministerio de Hacienda y Crédito Público*) is responsible for, among other issues, establishing Colombia's tax, customs, fiscal and public credit policies, among others.

Market Experts Company — XM

XM (*Compañía de Expertos en Mercados*) is responsible for planning and coordinating the SIN's operations, managing commercial exchanges in the MEM and billing for the use of the SIN. XM acts as the MEM manager (in its role as ASIC) and accounts settlement (in its role as LAC).

Functional Separation of the Electricity Sector

Pursuant to applicable regulations, the electricity sector is largely segregated. In order to achieve efficiency in the provision of electricity services and encourage private sector investment, Law 142 and Law 143 segregated the electricity industry into four segments (each, a "Segment"): generation, transmission, distribution and commercialization (or trading) of electricity. Pursuant to Article 74 of Law 143, as amended by Article 298 of Law 1955 of 2019, utilities companies which are intended to provide electricity within the SIN, may operate also in the generation, trading and distribution Segments in an integrated manner, but not in the transmission Segment. In addition, a public utility company participating simultaneously in the generation and/or trading and/or distribution Segments represents more than 25% of the total electric demand of the SIN, cannot use neither its own generated energy nor the energy generated by its subsidiaries or controlled companies to supply more than 40% of the energy consumed by its regulated users, which are those customers of electricity that have a monthly demand of less than 0.1 MW, or 55 MWh-month, including residential users.

Electricity companies vertically integrated (meaning, participating in more than one of the four Segments) prior to the enactment of Law 142, are allowed to continue engaging in all of the functions in which they were previously engaged as long as they maintain separate accounting records for each Segment. Other CREG Resolutions limit the companies' participation in each of the sector activities, CREG Resolutions 60 of 2007 and 101 of 2010 limit the companies' participation in each of the sector's activities and define the methodologies for calculating such participation: (i) when the participation of an electricity generation company in electricity generation activities in Colombia is above 30% and the Herfindahl

Hirschman Index is equal to or greater than 1,800, such generator must make available to other agents an amount of energy such that its participation in such activity returns to 30% or less and (ii) when the participation of an electricity generation company in electricity generation activities in Colombia is between 25% and 30%, and the Herfindahl Hirschman Index is equal or greater than 1,800, CREG will report such situation to the SSPD, who may exercise additional supervision of such generator in accordance with its functions. For the purposes of CREG Resolution 60 of 2007, the participation of an electricity generation company in electricity generation activities in Colombia will be calculated as the quotient, multiplied by 100 times, of (i) the sum of the Firm Energy produced by the plants owned by the generator, the plants represented by the generator before the MEM, and the Firm Energy produced or represented before the MEM by other generators that are controlled by, or under the common control with such generator and (ii) the sum of the Firm Energy produced by all the plants or generation units of the SIN. As of November 30, 2022, our related company Enel Colombia (formerly Emgesa) had a participation of approximately 17.82% in Firm Energy.

Under CREG Resolution 24 of 2009 individual traders may not have a direct or indirect participation in the electricity trading sector above 25%. See “— The Colombian Electricity Industry — Revenues of Electricity Generation Companies — Dispatch and Pricing.” The participation of an individual trader in the electricity trading sector will be calculated as the quotient, multiplied by 100 times, of (i) the commercial demand of the relevant trader, as well as traders controlled by, or under the common control with such one trader and including the non-domestic demand served by the trader and (ii) the sum of the total demand and the non-domestic demand. If the individual trader exceeds the 25% threshold, it shall reduce its participation percentage within one year.

Pursuant to CREG Resolution 128 of 1996 (as amended by CREG Resolution 24 of 2009, no electricity generation company may directly own more than 25% of the capital of a distribution company. The same restriction would apply to a distribution company that owns capital stock of a generation company. This ownership restriction is not applicable to affiliates or subsidiaries of the relevant electricity distribution company. Also, electricity distribution companies may have ownership interests in excess of 25% of the shareholdings of integrated companies that perform electricity generation, distribution and commercialization activities, provided that the integrated company’s electricity generating capacity does not exceed 2% of the total Firm Energy declared for purposes of the Reliability Charge (as defined herein) mechanism.

Any company may in principle enter the electricity transmission business. However, electricity transmission companies cannot carry out any of the other activities in the sector, that is, generation, distribution or trading, and cannot purchase assets of other transmission companies that have been awarded expansion projects as a result of the bidding processes. Pursuant to CREG Resolution 22 of 2001, generation, distribution and trading companies, including vertically integrated companies, may not own more than 15% of the shares of a transmission company, unless the revenues originated in the transmission activities of the transmission company do not represent more than 2% of the total revenue of the STN, according to CREG Resolution 95 of 2007.

Through Law 2294 of 2023, Colombian Congress revoked the prohibition that prevented Interconexión Eléctrica S.A E.S.P. - ISA (the state-owned company participating in the national interconnected system) from engaging in the generation, commercialization and distribution activities.

The Electricity Market

The MEM is based on a competitive market model and operates under open access principles. The Colombian government regulates this market through an institutional structure that is responsible for setting policies and regulations, as well as for exercising surveillance and control powers in respect of market

participants. See “— Operation of the MEM.” The MEM relies on a central agency known as ASIC for its effective operation.

The MEM is formed by various systems for the exchange of information between electricity generation and commercialization companies operating in the SIN. These systems are designed to enable market participants to make short-and long-term electricity transactions. All of the electricity supply offered by generation companies connected to the SIN and all the electricity requirements of end-customers, whose demand is represented by commercialization companies, is traded in the MEM. The SIN is comprised of (i) power generation plants (major and minor according to their installed capacity), (ii) the STN, (iii) the regional and inter-regional transmission lines, (iv) the distribution lines and (v) the electrical loading points of the customers.

Substantially all the electricity generated in Colombia is initially purchased on a wholesale basis through the MEM. XM, through CND, conducts the planning, supervision and control of the operation of the resources of the SIN, manages the ASIC and is in charge of the settlement and administration of the charges for the use of networks (STN and STR) in the SIN.

The designated participants of the MEM are generation and commercialization companies. Generation companies are required to participate in the MEM with all their generation plants or units connected to the SIN with capacities equivalent to or exceeding 20 MW and, according to Resolution CREG 096 of 2019, generation plants with effective generation installed capacities between 1MW and 20MW, can voluntarily dispatch centrally, case in which they shall comply with all regulations applicable to central dispatch. This electricity is centrally dispatched by the CND. All commercialization companies that deal with end- customers connected to the SIN are required to conduct their electricity transactions through the MEM. Unlike other market participants, and besides the connection agreements, electricity transmission companies do not enter into agreements with other market participants. The only agreements entered into by electricity transmission companies are mandates granted by XM and connection agreements with generators or some non-regulated users.

In 2014, Law 1715 was enacted to promote and establish incentives for the utilization of non-conventional renewable energy sources in Colombia. The Ministry of Mines and Energy recently issued Decree 570 of 2018 setting out the public policy guidelines to define and implement a long-term contracting mechanism for power generation projects (mainly aimed at FNCR).

Moreover, CREG through Resolution CREG 114 of 2018 determined the principles and general conditions that must be met for the trading electricity in order for the price of generating such energy from a non-conventional source are recognized in the cost component in price charged to regulated user.

On October 21, 2019, the second renewable energy auction took place in Colombia (Auction CLPE No.02-2019) that was led by the UPME in accordance with Article 296 of Law 1955 of 2019, Decree 570 of 2018 and Resolutions 4-0590, 4-0591 and 4-0678 issued by MME. As a result of the renewable energy auction, 15-year private take-or-pay power purchase contracts were assigned to eight projects (five solar powered projects and three wind powered projects), developed by seven companies. The total amount of energy assigned was 10,186 MW H-day and the average settlement price (pure energy) of the auction was Col\$95.65 per KWh. In addition to the auction, the MME developed a complementary mechanism for allocation of other private take-or-pay power purchase agreement.

In October 2021, the third renewable energy auction took place. A total of 9 generators with 11 PV projects (totaling 796.3MW) and 53 retailers were matched in the auction.

The electricity transactions in the MEM are carried out under the following modalities: the Energy Spot Market, bilateral contracts, Firm Energy auctions and long-term supply contracts that are assigned through an auction process carried by the government. All generation companies in the MEM can freely enter into any or all of these transactions attending the specific requirements of each one of these mechanisms.

The Colombian electricity market is divided into two market segments: the regulated market (the “Regulated Market”) and the Unregulated Customers. The tariffs applicable to the Regulated Market are set forth by CREG according to a certain formula. Under CREG Resolution 119 of 2007, the current applicable tariff for a unit of cost, or *costo unitario* (“CU”), of the service applicable to the Regulated Market is:

The tariff formula is as follows:

$$CU = G + T + D + R + C + PR$$

Where:

CU is the Unitary Cost for the provided service

G is the purchase cost of electricity from generators using different mechanisms.

T is the cost for the use of the STN’s transmission services.

D is the cost for the use of the distribution network, which includes new investments in distribution lines with a voltage between 57.5 kV and 220 kV.

R is the cost of restrictions and ancillary services related to electricity generation.

C is the cost of the commercialization service.

PR is the cost of electricity losses.

The framework and rules of operation have remained stable since the introduction of the MEM, undergoing only necessary modifications to further promote market competition and efficiency. Since the creation of the wholesale electricity market in 1995, relatively stable amounts of electricity have been exchanged between generators, trading and distribution companies. Initially, electricity distribution and commercialization companies were required to enter into contracts to supply 100% of their Regulated Market and, although this requirement has been eliminated, distribution companies acting in their capacity as commercialization companies still tend to secure contracts for a large proportion of their Regulated Market.

In addition, the regulated tariff also includes a special contribution (which is a pass-through charge to customers) to finance the functioning of CREG, the SSPD and the network operator and commercial exchange system, operated by XM.

Law 142 of 1994, provides for a cross subsidy mechanism by means of which low-income customers receive a subsidy equivalent to 60%, 50% or 15% of the CU, depending on the tariff high-income customers pay a contribution equivalent to 20% of the CU and the subsidies given by the government to the companies. The tariff charged to the end customer results from applying the subsidy or contribution to the CU.

The different components of the CU are calculated monthly. The D component is adjusted monthly based on the IPP and the C component based on IPC.

CREG Resolution 199 of 2016 set the maximum tariffs for the electricity commercialization (sale or trading of energy to end users) for Codensa's (now Enel Colombia), as a result from the integration of the commercialization markets operated by Codensa (now Enel Colombia) and EEC (as a result of EEC's merger in 2016).

Through CREG Resolutions 189 of 2019 and 122 of 2020, the income and charges associated with the distribution activity for the commercialization market served by Codensa (now Enel Colombia) were approved, in application of the remuneration methodology for the distribution activity outlined in CREG Resolution 015 of 2018.

Through Resolution 143 of 2021, CREG promoted a consultation for the draft of a resolution for purposes of modifying the MEM's general regulation. Although this regulation is not yet final, nor enforceable, it is expected to be officially issued in the foreseeable future.

Energy Spot Market

The MEM relies on a single node system. In this market (the "Energy Spot Market"), the transmission network is considered neutral, which means that the generator sets its daily price offer and its hourly availability declaration without considering the physical and technical restrictions of the transmission network. Electricity resources to be dispatched at a particular time are selected based on the lowest price offers. This mechanism is known as the ideal dispatch and differs from the real dispatch because in the latter the CND takes into account the restrictions that may affect the transmission network.

The price offered by generation companies that participate in the MEM reflects the variable costs of generation as well as opportunity costs. The price of the last resource used to meet the total demand in each hour is the one that sets the price to be used to pay all the inframarginal resources at the same hour, and it is known as the spot price. Electricity demand from commercialization companies that is not covered by bilateral contracts is settled at the spot price.

Bilateral Financial Contracts Market

In the bilateral contracts market, generation and commercialization companies sell and purchase electricity under the terms of mutually and freely agreed contracts. The market for bilateral contracts is essentially a medium-term and long-term financial market. The purpose of these contracts is to reduce the exposure of both the supplier and the end-customer of electricity to short-term price volatility. Generation and commercialization companies that initially entered into the agreement deliver the electricity committed under these contracts through the Energy Spot Market. Pursuant to *Capacidad de Respaldo de Operaciones en el Mercado* (CROM) requirements, which set forth limits to register contracts to purchase or sell energy in the MEM, the capacity to purchase or sell energy in the market, as established in CREG Resolution 156 of 2012, must be positive before registering any new contract.

The purchase of electricity by commercialization and distribution companies through bilateral contracts to supply the demand of Regulated Customers is subject to certain rules aimed at ensuring fair competition among generation and commercialization companies and the only criteria to adjudicate is lowest price. On the other hand, the purchase of electricity by commercialization companies through bilateral contracts to supply the demand of unregulated customers is freely negotiated between the parties to the contract. The only components included in the tariff, which are subject to free negotiation, are the G and C components. See "— The Electricity Market." Companies engaged in both the generation and the

commercialization businesses may only purchase up to 60.0% of their own electricity for sale on the Regulated Market, and are required to participate in the electricity market on the same terms as any other generator in order to purchase the additional electricity.

Firm Energy Auctions

Firm Energy auctions are aimed at allocating Firm Energy among generators and investors in order to ensure a reliable and price-efficient supply of Firm Energy in the long term. The allocation of Firm Energy among generators and investors is conducted from time to time through a dynamic auction mechanism.

The electricity demand of end-customers connected to the SIN is determined by a price/quantity function established by CREG in anticipation of the auction. Firm Energy auctions are conducted four years in advance of the date on which the OEF is due. The price of OEF is established through descending clock Dutch auctions. CREG issued Resolution 103 of 2018, which established a change in the auction mechanism regarding closed enveloped proposals.

In order to provide a funding mechanism for electricity projects during the development period, generators and investors are authorized to sell a portion of their future Firm Energy under special circumstances in auctions that take place within five to ten years before the Firm Energy of their projects becomes available (GPPS Plants). Once generators and investors have sold part of their future Firm Energy under the special mechanism created by CREG, they are required to participate in the auctions with the Firm Energy that has not been committed under the same rules applicable to all other participants.

CREG Resolution 071 of 2006 established the regulation for the Reliability Charge (as defined herein), which remunerates a generator's commitment to deliver Firm Energy.

There was an allocation of Firm Energy commitments in relation to three generation projects for 3,017 GWh from December 2012 to November 2032. These projects represent an installed capacity of 430 MW (78 MW hydro, 150 MW thermal and 202 MW fuel oil).

In June 2008, through an auction mechanism for generation projects with construction periods longer than the first auction, new Firm Energy commitments were sought to cover long-term energy requirements (i.e., at least 20 years from December 2014). As a result, six projects were allocated Firm Energy commitments.

In December 2011, CREG convened the second Reliability Charge auction to cover a 70,000 GWh per year target demand required to cover the country's energy needs for the 2015- 2016 period. Through a "descending clock auction," five new projects were awarded with an additional capacity to the system of 575 MW and additional Firm Energy — ENFICC (*Energía en Firme por Cargo de Confiabilidad*) — of 3,710 GWh per year. In a closed envelope auction for plants requiring longer construction periods — GPPS — four projects were awarded, with the commitment to deliver additional Firm Energy of 6,075 GWh per year.

In September 2017, CREG, through Resolution CREG 140 of 2017, modified the methodology to calculate the scarcity price, known as the marginal scarcity price, which in turn affected the calculation of the Reliability Charge. The marginal scarcity price is intended to encourage compliance with the OEF by generators during critical periods; the calculating methodology for the marginal scarcity price prevents imbalances between the cost of local generation and international fuel prices, as the marginal scarcity price reflects the costs of local fuels, among other considerations.

Generators who were awarded OEFs during the periods 2017-2018 and 2018-2019, were given the option to maintain previously assigned pair of scarcity price and Reliability Charge or make a transition to the new scheme.

In 2023, CREG, through Resolution CREG 101-034A of 2022, convened the third Reliability Charge auction that aims to award Firm Energy obligations for the December 2027 to November 2028 period. By means of the auction, which is set to take place on November 2023, participants may be awarded with Reliability Charge for periods of 1, 10 or 20 years.

Long-term supply energy contracts

In October 2019, UPME, through Circular 46 of 2019, announced the generation and trading agents that were awarded with long-term energy supply contracts. There were 7 generation projects (renewable energy generation) and 22 traders awarded with these contracts with a total amount of 10,186MW-day. The total effective capacity of the generation projects allocated with this mechanism is 1,298.9MW, distributed as follows: (i) 17.39% photovoltaic energy and (ii) 82.61% wind energy. These projects are expected to be operational by 2025.

Policies to prevent abuse of market power

Decree 0929 of 2023, issued on June 7, 2023, regulates the adoption of certain measures to monitor market power in price offers on the wholesale electricity market, along with the implementation of technical procedures enabling the detection of market power exercise by agents in their energy offers. Additionally, the decree aims to mitigate the incidence of market power of certain agents in the determination of spot prices.

By means of Resolution CREG 101-18 of 2023, issued by CREG on June 13, 2023, CREG introduced a mitigation scheme designed to alleviate the exercise of market power in the prices of offers submitted by generation agents on the wholesale electricity market. This scheme comprises an ex-post mechanism consisting of two tests: (i) a quantitative test (pivotal test) and (ii) a behavioral test (price test). In cases where generators fail both tests, they are required to provide an explanation to the SSPD regarding the criteria used to set the offer price submitted. If the generator's justification is not sufficient, the SSPD may initiate an investigation that may lead to the imposition of sanctions on the relevant generator.

Operation of the MEM

Access to the MEM is granted to generation and commercialization companies pursuant to agreements executed with XM. These agreements, also known as mandates, enable XM to act on behalf of generation and commercialization companies in the transactions conducted at the MEM and entitle XM to collect and distribute revenues resulting from the charges for the use of the STN and from transactions conducted in the Energy Spot Market. However, XM does not act as a clearing house between agents and, therefore, XM does not cover credit or default risks. As a result, if the amount collected by XM from the commercialization companies is less than the amount owed to the transmission or distribution companies, the difference will be the commercialization companies' responsibility and not XM's. Additionally, if commercialization companies incur in payment delays with generation companies, they will be charged with interest on the overdue amounts accrued at the maximum rate permitted under Colombian law.

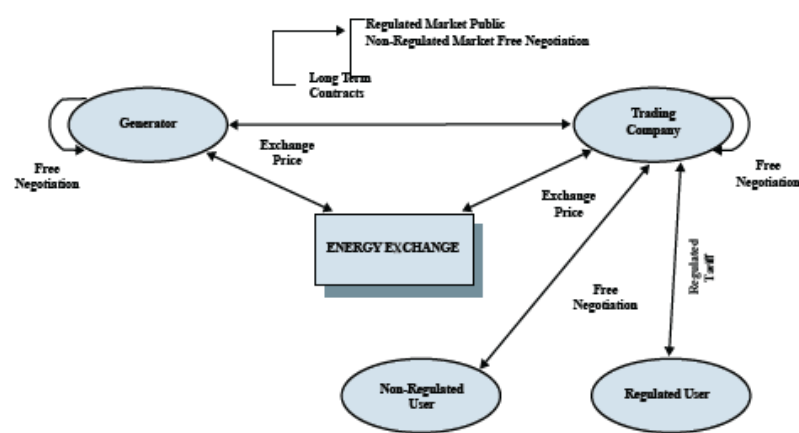
The mandates granted to XM include transmission, distribution, generation and commercialization mandates. Under the transmission and distribution mandates, XM conducts the billing, collection, payment and settlement of charges for the use of transmission assets owned by electricity transmission companies and the billing and settlement of regional transmission charges by electricity distribution and regional

transmission companies. Under the generation mandates, XM undertakes the settlement of electricity purchases and the billing and collection of amounts owed by purchasers to electricity generators as a result of transactions carried out at the MEM. Under the commercialization mandates, XM undertakes the settlement of electricity purchases and the billing and collection of amounts owed by purchasers to electricity traders as a result of transactions carried out in the Energy Spot Market.

XM also records all the hedging contracts entered into by electricity generators and commercialization companies, analyzes dispatch on an hourly basis and calculates the amounts owed to or by generators and commercialization companies under bilateral contracts or as a result of spot transactions. XM only bills and collects the amounts owed with respect to transactions executed in the MEM.

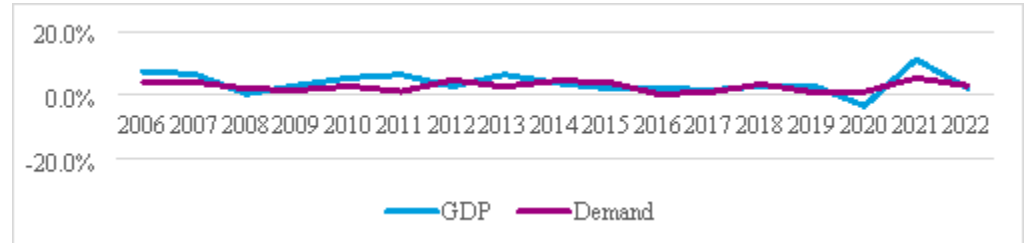
The transmission regulated revenues are paid solely by commercialization companies and received by electricity transmission companies through settlement in the MEM.

The chart below illustrates the operation of the MEM:



Electricity Demand

During the period from 2000 to 2022, electricity demand grew at an annual compounded growth rate of 2.7%, from 41.479 GWh in 2000 to 76.256 GWh in 2022. By comparison, Colombia’s gross domestic product grew at a compounded annual rate of 6.5% and its population grew at a compounded annual rate of 0.9% from 2000 to 2022. Colombia’s demand for electricity as increased steadily since 2000, and the projections for the 2023-2037 period foresee an average growth rate of 2.39%. The following table illustrates the overall growth in GDP in Colombia and in the demand for electricity from 2006 to 2022.



Source: GDP — DANE and Demand — UPME

UPME estimates the electricity demand according to different factors analyzed every year and give an estimate of how much electricity is expected to be required for the next period. These factors are, among

others: (i) behavior of the national economy; (ii) electricity demand analysis by sectors; (iii) monitoring of the historical energy demand; and (iv) projection of the energy demand by sectors. According to UPME estimates, the electricity demand in 2023 will range between 74,828 GWh and 78,662 GWh, resulting in an expected variation rate between 1.9% and 3.2% compared to 2022.

UPME estimates that electricity demand will grow approximately 2.4% per year from 2023 to 2037. UPME projects a demand for electricity in 2037 ranging from 87,830 GWh to 126,363 GWh.

Supply

Electricity generation in Colombia has grown significantly over the past 20 years. In 2002, installed generating capacity was 13,425 MW (approximately 67% hydroelectric and 33% thermal). By 2022, installed generating capacity had grown to 18,791 MW (approximately 67% hydroelectric, 31.5% thermal and 1.5% wind, solar and biomass). The following table illustrates the total amount of electricity generated in Colombia from 1995 to 2022.

Year	GWh/Year	Annual Increase
1995	40,674	
1996	40,481	(0.47)%
1997	41,949	3.6%
1998	42,520	1%
1999	40,563	(4.6)%
2000	41,355	2.0%
2001	43,136	4.3%
2002	44,743	3.7%
2003	46,803	4.6%
2004	48,618	3.9%
2005	50,467	3.8%
2006	52,368	3.8%
2007	52,853	0.9%
2008	53,870	1%
2009	54,678	1.5%
2010	56,147	2.7%
2011	58,959	5.0%
2012	59,890	1.6%
2013	62,196	3.8%
2014	64,264	3.3%
2015	66,548	3.5%
2016	65,940	(0.9)%
2017	66,667	1.1%
2018	68,984	3.42%
2019	70,115	1.63%
2020	69,324	(1.13)%
2021	73,934	6.65%
2022	76,908	4.02%

Source: XM

The allocation of Firm Energy between the different generators and investors is done through a dynamic auction. Generators and investors actively participate in these transactions, and the demand is represented by the price and energy quantity determined by CREG.

Once CREG announces the date on which the auction will take place, the prequalification period begins, which ends on the day on which the auction is carried out. During this period, the agents, both generators and investors, send the information required to participate in the bid. Only agents who have met all the requirements of that particular process will be qualified to offer their Firm Energy in the auction.

The following table shows three new electricity generation projects.

Name	Operation Date	Capacity (MW)	OEF Allocation GWh/year	Type
Gecelca 3	2012	150	1,116	Coal
Termocol	2010	202	1,678	Fuel oil
Amoyá	2011	78	214	Hydro
Total		<u>430</u>	<u>3,008</u>	

Source: CREG

For projects with an expected construction period greater than 4 years, the auction sought to ensure the reliability in the supply of Firm Energy in the long run (20 years) as of December 2014. As a result of this mechanism, six projects were allocated the following generation capacity.

Name	Operation Date	Capacity (MW)	OEF Allocation GWh/year	Type
Cucuana	2013	60	50	Hydro
Miel II	2014	135	184	Hydro
Sogamoso	2013	800	2,350	Hydro
El Quimbo	2014	396	1,650	Hydro
Porce IV	2015	400	962	Hydro
Pescadero — Hituango	2018	1,200	1,085	Hydro
Total		<u>2,991</u>	<u>6,281</u>	

Source: CREG

A second auction was held in 2011, to allocate OEF for an amount of 61 TWh-year in the period from 2015 to 2016 to generators with existing plants and 3.7 TWh-year of OEF for the period between 2015 and 2035 to generators with new plants. Five new plants were awarded with the mechanism and a total capacity of 575 MW, as set forth in the table below:

Project	Operation Date	Location	Type	OEF kWh-day	Capacity (MW)
Proyecto Hidroeléctrico del Río Ambeima.	2019	Tolima	Hydro	205,479	45
Central Hidroeléctrica Carlos Lleras Restrepo ..	2016	Antioquia	Hydro	547,945	78
San Miguel	2017	Antioquia	Hydro	336,096	42
Gecelca 32	2016	Córdoba	Thermo	5,400,000	250
Tasajero II	2015	Norte de Santander	Thermo	3,647,997	160

Source: CREG

This auction guaranteed the supply of energy even in hydrological critical conditions such as the El Niño phenomenon. This energy sums to the party assigned through the auction held in 2008.

On April 28, 2018 an emergency in the Pescadero-Ituango project currently in development occurred when there was flooding in the upper portion of one of the tunnels used for diverting the dam. As a result, the flow of the river in the lower part of the river is expected to decrease. EPM stated that the emergency was the product of an unexpected geological fault. In November of 2022, units 1 and 2 (600 MW) of the Pescadero-Ituango Project entered commercial operation.

On February 28, 2019 a third auction was held to allocate Firm Energy to electricity generators from 2022 to 2023. Following the 2019 auction process, seven new plants were awarded with the mechanism and a total capacity of 1,642.42 MW, as set forth in the table below:

Name	Type	Date	Total Capacity (MW)
Parque Beta	Wind	December 2022	280
Cierre de ciclo Candelaria	Thermal	December 2022	241
Parque Alpha	Wind	December 2022	212
El Tesorito	Thermal	December 2022	200
Tumawind	Wind	December 2022	198
Windpeshi	Wind	December 2022	195
Casa Eléctrica	Wind	December 2022	176
La Loma Solar	Wind	December 2022	170
PW-CON3	Thermal	December 2022	150
Termocaribe 1	Solar	December 2022	150
Termosolo 1	Thermal	December 2022	148
Miel II.	Thermal	December 2022	117
Chemesky	Hydraulic	December 2022	99
Termosolo 2	Thermal	December 2022	80
El Paso Solar	Solar	December 2022	68
Escuela de Minas	Hydraulic	December 2022	55
Termoyopal3	Thermal	December 2022	50
Termoyopal4	Thermal	December 2022	50
Termoyopal5	Thermal	December 2022	50
Termocaribe 3	Thermal	December 2022	42
Amplación planta Termovalle.	Thermal	December 2022	40
Termoebr (Rubiales Station)	Thermal	December 2022	19
Termoproyectos (Jagüey Station)	Thermal	December 2022	19
Pescadero — Ituango	Hydraulic	December 2022	1

Source: XM

In December 2019, XM held an auction to buy additional Firm Energy for the periods 2020 to 2021 and 2021 to 2022 for a total capacity of 16.6 MW assigned to each plant. The plants that received additional Firm Energy were Termocentro, Paipa 4 and Proenca.

In 2023, CREG, through Resolution CREG 101-034A of 2022, convened another Firm Energy auction that aims to award Firm Energy obligations for the December 2027 to November 2028 period. By means of the auction, which is set to take place on November 2023, participants may be awarded with Reliability Charge for periods of 1, 10 or 20 years.

Wind Power

Pursuant to Resolution 40284 of 2022 the MEE established the rules, requirements and minimum conditions of the competitive process for the development of the rounds to grant the occupation permits to develop the activities needed to determine the viability of an off-shore wind power project. By the end of 2023, the first offshore wind auction is expected to be launched. Under the auction temporary occupation permits will be granted which will allow developers to determine the feasibility of the projects and advance their licensing in order to continue with the maritime concession application process.

Revenues of Electricity Generation Companies

The revenues of electricity generation companies consist mainly of the revenues resulting from electricity sales at the Energy Spot Market, bilateral contracts and the Reliability Charge (as defined herein) mechanism, as described below.

Dispatch and Pricing

The main purpose of the Energy Spot Market is to enable participants (generators, traders and distributors (acting as traders)) to purchase and sell electricity. The Energy Spot Market provides the means for conducting sales of excess electricity that has not otherwise been committed under contracts or spot sales. The spot price for electricity traded at the Energy Spot Market is the price of the highest priced generating unit dispatched in hourly periods based on the optimal dispatch mechanism to cover the demand.

Electricity generators in the Energy Spot Market submit supply bids to XM daily in which they establish the daily prices for the electricity they generate and the available capacity, on an hourly basis, for the next day (day-ahead market). Based on those bids, XM ranks generators using the ideal dispatch system, which is a system that assumes unlimited transmission capacity through the SIN and disregards network restrictions. The ranking starts with the lowest bids and establishes, on an hourly basis, the merit order in which generators would be dispatched on the following day to meet expected electricity demand. The price ranking system is intended to ensure that national demand, including international demand, is satisfied by the lowest cost combination of available generating units in Colombia.

Besides the optimal dispatch mechanism, XM also uses a planned dispatch mechanism that takes into account the restrictions of the SIN as well as other conditions necessary to supply electricity demand expected for the following day in a predictable, reliable and cost-efficient manner. XM periodically reviews the planned dispatch mechanism in response to changes that may affect the system throughout the day, including demand, availability and system restrictions, among other changes.

The differences between Real Dispatch capacity and ideal optimal dispatch are known as “restrictions,” due to grid limitations. Restricted generators, which are generators whose actual generation is lower than optimal dispatch, are charged with the MPO (maximum offered price given total demand). Out-of-merit generators, which are generators whose actual generation is greater than optimal dispatch, are credited, taking into account the Energy Spot Market price for hydro-generators and the regulated pricing mechanics set by CREG for thermal-generators. These restrictions are allocated among traders according to CREG Resolution 034 of 2001, its modifications and further resolutions.

The Reliability Charge

Colombia's electricity supply largely relies on hydro-generation plants. In order to guarantee enough supply under drought periods caused by changes in atmospheric conditions such as the El Niño phenomenon, the regulator has implemented programs to stimulate investments in power plants that could offer reliability to the System under hydro scarcity periods. In 1996 the capacity charge was established to remunerate the power necessary to supply 105% of the expected demand under drought conditions and, in December 2006, CREG changed that program and adopted the reliability charge (the "Reliability Charge").

The Reliability Charge is intended to compensate electricity generation plants that contribute to the predictability and stability of electricity generation during certain periods through a system under which Firm Energy generators awarded with Firm Energy are entitled to compensation during certain periods of time and, in consideration for such compensation, are required to deliver the awarded Firm Energy when the electricity spot price is higher than the scarcity price (described below). ASIC settles and collects such compensation, which is paid by all the end-customers of the SIN through fees charged by commercialization companies.

The central element of the Reliability Charge mechanism is ENFICC (Firm Energy of the Reliability Charge). Firm Energy is the maximum amount of electricity that a given generation plant is able to produce, on a permanent and continuous basis, under extreme hydrological conditions during a period of time.

In late 2009, CREG, through Resolution 137 of 2009, required electricity generation companies to utilize their thermoelectric plants and imposed restrictions on hydroelectric generation in order to preserve water resources to mitigate the negative effects of El Niño on hydrological conditions during the last quarter of 2009 and the first six months of 2010 when conditions were very severe. After the El Niño period from 2015-2016, the conditions in the Pacific Ocean transitioned toward colder conditions (referred to as the "La Niña" phenomenon) which increased rainfall during the period from 2016-2018.

Firm Energy is a product that has been designed to guarantee the reliability and efficiency of the supply of electricity in the long term, providing investment incentives, electricity back-up during critical periods and peak price hedging. The obligation to supply Firm Energy is triggered when the spot price exceeds the scarcity price. Under this circumstance, generation companies with Firm Energy allocations are required to supply a certain daily quantity of electricity at the scarcity price.

The scarcity price, which is established by CREG and updated monthly, has a twofold purpose. On one hand, it indicates the time when the different generation units or plants will be required to fulfill their Firm Energy commitments, and on the other hand, it is the maximum purchase price for this electricity when the demand does not have a bilateral contract.

CREG Resolution 140 of 2017 modified CREG Resolution 071 of 2006 and established the method to calculate the scarcity marginal price for the Reliability Charge. According to this resolution, ASIC will calculate the marginal price, monthly, applying the formula and procedure of article 2 of the Resolution. The variables to consider within the formula set forth in CREG Resolution 140 of 2017 are: (i) variable costs of the plant; (ii) heat rate; (iii) fuel costs; (iv) AO&M expenses; and (v) other variable costs as defined in CREG Resolution 034 of 2001.

CREG Resolution 101-06 and 101-07 of 2023 modified CREG Resolution 071 of 2006 and established the methodologies to calculate the ENFICC of both the wind power plants and the solar photovoltaic plants. By means of these methodologies, both wind powered plants and solar photovoltaic plants are eligible for being awarded with Firm Energy commitments.

CREG Resolution 101-24 of 2021 defined the procedure to be followed for the Reliability Charge auctions. The aforementioned procedure includes the introduction of a new platform to hold all the information and procedures regarding the Reliability Charge. This platform is called SUICC (*Sistema Único de Información de Cargo por Confiabilidad*).

Firm Energy can be acquired through centralized transactions at the ASIC. Firm Energy is auctioned and allocated only among generators or investors that have or are planning to own generation assets. See “— The Electricity Market — Firm Energy Auctions.”

Contingency Mechanisms

The contingency mechanisms are market instruments aimed at facilitating the supply of electricity during scarcity periods and compliance by generators of their OEF. The graphic below illustrates the several levels of contingency mechanisms:



Secondary Market. The secondary market for Firm Energy is a bilateral contracts market, where only the generators participate (the “Secondary Market”). The generators who offer their generation are those with Firm Energy that has not been auctioned or that has not been committed under secondary market contracts. The generators that demand generation supply are those that temporarily require Firm Energy to comply with their OEF.

Voluntary Disconnectable Demand. Generators that believe they may not have enough electricity to meet their Firm Energy requirements may approach end-customers of the SIN with back-up generation equipment or with the ability to modify their productive process, in order to have these end-customers reduce their electricity demand. In this case, the demand reduction on the part of the end-customers is deducted from the generator’s obligation and, in exchange, the generator is required to compensate the commercialization company that represents these end-customers, at a price previously agreed upon between these two parties.

Deviation. Pursuant to CREG Resolution 071 of 2006, as amended, the OEF are triggered whenever the spot price exceeds the scarcity price. However, not all generators will be required to dispatch energy pursuant to the OEF, and those generators that fail to meet certain dispatch criteria shall pay the Deviation

to the dispatching generators. The ASIC will calculate the Deviation owed to the dispatching generators in accordance with the process established in Annex 7 of Resolution CREG 071 of 2006.

Generation of Last Resource. This mechanism involves generation assets that do not participate in electricity auctions or in the MEM. These generation resources are utilized exclusively to totally or partially cover the Firm Energy that has already been allocated to a generator.

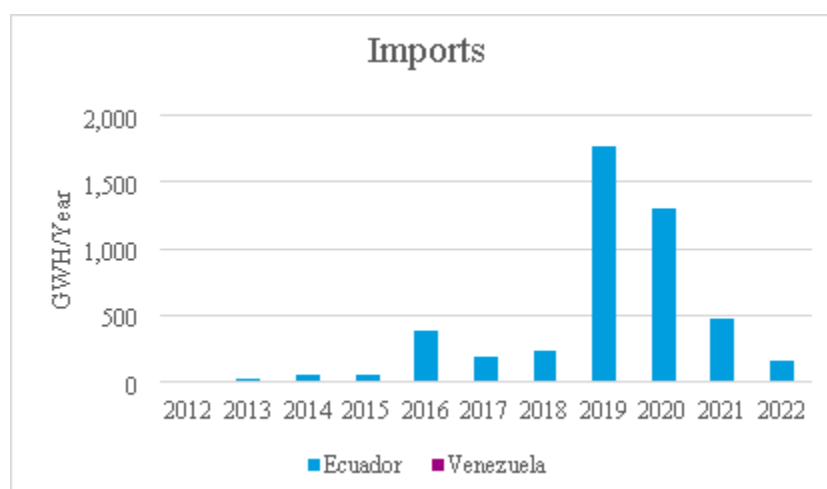
Reconfiguration Auction. Based on the latest electricity demand projections for the year “t,” CREG evaluates whether the Firm Energy allocated for “t” is sufficient to cover the demand for that year. If CREG considers it necessary to adjust the Firm Energy allocations, it may announce a date for a reconfiguration auction to purchase (if it is a shortfall situation) or a reconfiguration auction to sell (if it is a Firm Energy surplus) energy.

International Electricity Transactions

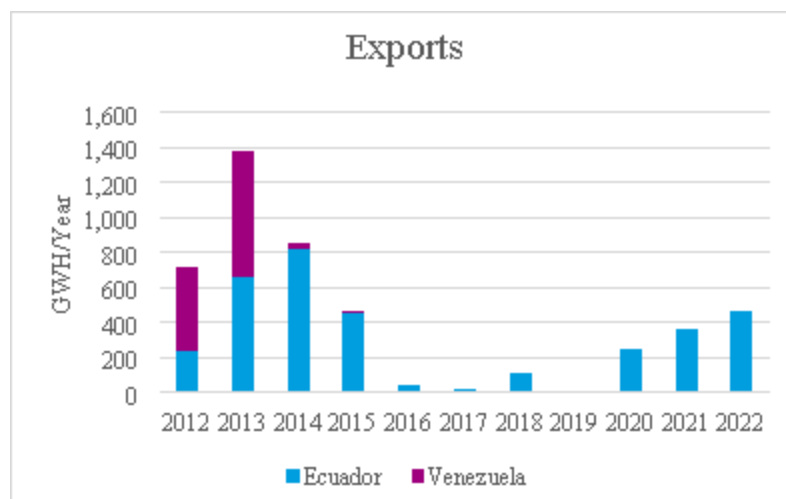
International electricity transactions are currently in place with Ecuador and Venezuela under different regulatory regimes. With respect to Ecuador, the regime is known as “TIES,” which is a short-term operational and commercial energy exchange. This regime takes into account the difference in electricity prices between countries. This difference in prices results in what is known as congestion rents or *Rentas de Congestión*. International interconnection payments are made through charges for the use of the STN.

With respect to Venezuela, international electricity transactions are agreed to under bilateral contracts between market participants. International interconnections with Venezuela are considered connectivity assets, although they are not deemed to be part of the STN. Interconnection fees are freely agreed to between the parties.

The following chart illustrates the energy exports and imports from 2012 to 2022 related to Venezuela and Ecuador, on a consolidated basis.



Source: XM



Source: XM

Electricity Transmission

Electricity transmission is defined by applicable CREG regulations as the transportation of electricity through the STN at a tension level equal to or greater than 220 kV. Any company may in principle enter the electricity transmission business, as long as they do not develop any other activity as set forth previously.

In Colombia, however, electricity transmission services are a natural monopoly regulated by CREG and are regulated independently from other components of the electricity sector.

The STN is an interconnected system for electricity transmission comprised of an array of electricity transmission lines and corresponding interconnection modules, operating at 220 kV or above.

The STN is comprised of two subsystems, one on the Atlantic coast and one in the central, western and southern parts of Colombia, which are interconnected by 500kV lines. The STN links Colombia's 43 local and regional electricity distribution and transmission networks into a single interconnected network. As of December 31, 2022, the STN was comprised of 33,262 MW of transformation capacity in 220 and 230 kV substations, 12,690 MW transformation capacity in 500kV substations, 2,535 km of 500kV lines and 13,113 km of 220/230kV lines.

The vast majority of generating stations, grid supply points for electricity transmission and end-users are directly or indirectly connected by the STN. The STN enables the operation of generating stations to be coordinated, which reduces the amount of backup generating capacity needed for plant maintenance and the amount of reserve needed on a daily basis.

The transmission of electricity in Colombia is a regulated business, with the following characteristics:

- electricity transmission is a regulated natural monopoly;
- there is open access to the STN;
- the STN is owned by multiple electricity transmission companies;
- electricity transmission plays a passive role in the electricity sector's productive chain;

- the service provided by electricity transmission companies must meet availability and reliability criteria determined by CREG and must maintain certain voltage levels;
- the expansion of the STN is defined by the UPME; and
- revenues for electricity transmission companies are divided into those derived from assets existing prior to January 2000 and those derived from the construction and operation of new electricity transmission assets (including transmission lines and transmission substations) obtained through a bidding process organized by the UPME.

Electricity Transmission is a Natural Monopoly

The Colombian electricity transmission system is organized on the principle that transmission of electricity nationwide is best achieved through a single system, which can belong to different shareholders. A centralized system results in lower costs than what would be obtained by having several entities with different systems competing. Some of the factors that make the transmission of electricity a natural monopoly are:

- the topological dispersion of generation and demand promotes a unified grid;
- economies of scale are obtained by investing in the same grid; and
- competitive pricing for electricity transmission is unsustainable because of the redundancy and excess installed capacity that competition in the sector would entail.

Open Access to the STN

All the market participants in the electricity industry have free access to the STN, through the payment of charges for interconnection and use of the system. Open access to the STN is a necessary condition if competition is to be promoted in the MEM. Pursuant to CREG's Resolution 001 of 1994 electricity transmission companies must allow indiscriminate access to their grids to any user, trader or generator, subject to their satisfaction of legal and technical regulations issued by CREG and the UPME.

Multiple Ownership of the STN

Currently, the STN is owned by 30 companies of which eight operate grids with a tension level superior to 220 kV. Transelca S.A. ESP and ISA Intercolombia S.A. ESP are the only companies dedicated exclusively to the transmission of electricity in Colombia.

The table below sets forth the participation of electricity transmission companies in the STN as of June 30, 2023. This table shows the percentage of the grid over or equal to 220 kV represented by the various transmission companies:

Company	STN as of June 30, 2023	
	km	%
Centrales Electricas del Norte de Santander S.A. E.S.P.	18.72	0.1
Distasa S.A. E.S.P.	18.75	0.1
Electrificadora de Santander S.A. E.S.P.	123.07	0.7
Celsia Colombia S.A. E.S.P.	274.03	1.6
Empresas Públicas de Medellín S.A. E.S.P.	1,041.99	6.0
Grupo Energía Bogotá S.A. E.S.P.	2,161.245	12.5
ISA Intercolombia S.A. E.S.P.	11,936.58	69.1
Transelca S.A. E.S.P.	1,655.91	9.6
Total STN.	17,279.45	100

Source: XM

Passive Role of the Electricity Transmission Companies

The role of the electricity transmission companies is to reach end-users through the transmission of electricity via the STN, while maintaining required quality standards and asset availability. The passive role of electricity transmission companies in the MEM is explained in part by the following characteristics:

- electricity transmission companies (except for some vertically integrated companies) cannot purchase or sell electricity and additional electricity required for system operation is directly provided by electricity generation companies;
- electricity transmission companies make no decisions regarding the expansion of the STN;
- electricity transmission companies do not establish any parameters for the utilization of the STN; and
- electricity transmission companies receive revenues aimed at recouping their investments in the STN, as well as their operating and maintenance costs.

Requirements for Electricity Transmission Services

The quality of the STN is measured in terms of the availability of each of the system's assets, as compared with the regulatory goals set by CREG pursuant to CREG Resolution 011 of 2009.

Non-compliance with quality standards set forth in CREG Resolution 011 of 2009, as modified and amended, results in penalization by way of loss of revenue to the transmission company.

The methodology consists of measuring the availability of each of the system's assets within a 52-week period and comparing it with the goal established by CREG. If the asset fails to comply with the quality standards set by CREG, an amount calculated pursuant to the applicable PCSA is deducted from payments due to the electricity transmission company. Since revenue for Usage Charges are calculated monthly, the PCSAs incurred every month are averaged at the end of each month to determine the applicable PCMA, which corresponds to the percentage by which the revenue for that particular asset is reduced for that month.

Expansion of the STN

Pursuant to Article 18 of Law 143, the MME's role is to set the criteria for the expansion of the STN, rationalizing state and private efforts to meet domestic electricity demand in a manner that is consistent with the National Development Plan (*Plan Nacional de Desarrollo*), or PND, and the PNE.

UPME undertakes technical and administrative oversight of the STN expansion, including the selection, through a public bidding process, of investors to undertake the approved projects. The CAPT, which oversees the participation of Unregulated Customers, trading, transmitting, generating and distributing market participants, and the CND have both been designated to assist the UPME in preparing the STN expansion plans and in setting the criteria, strategy and methodology for expanding the STN.

Pursuant to the UPME Resolution No. 0967 of 2006, all market participants must submit detailed planning information to UPME no later than February of each year, in order for the UPME to prepare the STN expansion plans. Once a preliminary expansion plan for the STN is prepared, the UPME makes it publicly available and submits it to the CAPT for review and assessment. The UPME then receives opinions, as well as alternative expansion plans, proposed by market participants and third parties interested in the STN. Based on comments from CAPT and such other parties, and taking into account cost considerations,

the UPME refines the preliminary STN expansion plans. Once approved by the MME, the plans are disclosed to the electricity transmission companies and interested third parties.

The STN expansion plans must be flexible in both the medium and the long term and be able to adapt to changes imposed by technical, economic, financial and environmental conditions, while complying with STN's quality, reliability and safety requirements. The projects proposed in the STN expansion plans must be technically and economically feasible and must have the approval of the relevant environmental authorities mentioned above.

The STN expansion procedure, as provided in applicable regulations including CREG Resolution 022 of 2001, guarantees a competitive bidding process with respect to the construction, operation and maintenance of new electricity transmission expansion projects. Bidders submit estimated annual revenues in U.S. dollars for each of the 25 years following the commissioning of the project. Proposals are compared calculating the present value of the estimated annual revenue for each of the 25 years, applying a discount rate approved by CREG.

Estimates submitted by bidders include costs related to pre-construction works, such as design, rights of way, environmental studies and licenses; construction works, including independent engineering and all works required for the project's environmental viability; the opportunity cost of capital invested; and corresponding AO&M expenses. Additionally, it is understood that the estimates will cover the other costs and expenses incurred by the winning bidder.

Transmission Regulated Revenues

Pursuant to Law 143, CREG defines the methodology for the calculation of both the Transmission Regulated Revenues and the Usage Charges payable to electricity transmission companies on a monthly basis.

Law 143 requires that Transmission Regulated Revenues to be set at a level that is sufficient to cover the costs of investment by electricity transmission companies in their electricity transmission assets, including an assumed cost of capital for such companies and the costs incurred to maintain, operate and administer the STN. The general remuneration scheme set forth by Law 143 is intended to ensure that the Colombian electricity transmission sector as a whole is financially and operationally viable.

Currently, there are two different methods for calculating the revenues of electricity transmission companies, depending on whether those companies made electricity transmission assets available to the STN before or after 2000. The main difference between the two methodologies is that while the methodology applicable to transmission assets made available to the STN prior to January 2000 involves the application of a formula that takes into account several factors, the methodology applicable to transmission assets made available to the STN after 2000 introduced by CREG provides for a revenue scheme for the construction and operation of new electricity transmission assets. This revenue scheme is set forth in CREG 004/1999 (incorporated in CREG 022 of 2001) and requires that a competitive bidding process be conducted by CREG for the construction and operation of all electricity transmission assets made available to the STN after January 2000 (the "Competitive Bidding Rules"). Pursuant to the Competitive Bidding Rules, Colombian and international companies can participate in competitive bidding processes simply by purchasing the terms of reference published by CREG for each bidding process and submitting a comprehensive plan for constructing, operating and maintaining the new electricity transmission assets in consideration for a set amount of Transmission Regulated Revenues.

Pursuant to applicable regulations, the construction and operation of new transmission assets is awarded through to competitive bidding processes. Revenues for the first 25 years of operation of the new

assets are set pursuant to the awarded bidder's offer, as set forth below. After the first 25 years, the revenues for said assets are calculated in accordance with the guidelines set for assets that were in operation prior to January 2000.

Transmission Regulated Revenues for assets made available other than through Competitive Bidding Processes

Transmission Regulated Revenues related to assets made available to the STN other than through competitive bidding processes are calculated annually based on a formula that takes into consideration (i) the replacement value of investments in assets made available to the STN, in which the replacement value is adjusted from time to time, based on certain assumed costs set by CREG and expressed in Col\$, (ii) an assumed internal rate of return for our investments in electricity transmission assets, which is currently 11.5%, (iii) a specified lifespan for such assets, which is currently of 40 years for transmission lines and 30 years for substations, (iv) operating and maintenance expenses set from the precedent year as a percentage of the value of assets, (v) investments in non-electrical assets, (vi) any penalties resulting from unavailability of such transmission assets in the STN and (vii) easement payments.

Transmission Regulated Revenues for assets awarded through Competitive Bidding Processes

As of the date of this offering memorandum, these assets represented 74% of GEB's transmission revenues.

Pursuant to the Competitive Bidding Rules, Colombian and international companies can participate in competitive bidding processes simply by purchasing the terms of reference published by UPME for each bidding process and submitting a comprehensive plan for building, operating and maintaining the new electricity transmission assets in consideration for a set amount of Transmission Regulated Revenues for 25 years.

Ongoing Revenue Review

CREG, as part of its regulatory agenda, is currently undertaking a review of the methodology used to establish the regulated revenues related to assets made available to the STN other than through a competitive bidding process. In the latest methodology as currently proposed in 2016, assets are valued on the basis of straight-line depreciated costs, and transmission companies will receive payments (rate of return on investment plus depreciation) on the value of existing assets and a proposed investment plan (which includes the replacement of assets and implementation of new technologies).

Interconnection charges

Interconnection charges are those that determine the revenues from interconnected energy transmission assets. These charges are established on a contractual basis among the parties in an interconnection agreement. However, since the connection assets may be included by the transmission company or distribution company that uses such assets in provision of regulated base charges, connection charges are usually set following the same formula that provides compensation for the transmission or distribution company that will use them, and involves: (i) cost of the asset; (ii) the regulated rate of return used to calculate annual revenue, and (iii) the Administrative, Operation and Maintenance costs ("AO&M") expenses.

Pursuant to these interconnection agreements, electricity transmission companies invoice each system user on a monthly basis for such user's interconnection to the transmission company's electricity

transmission systems. The revenues from interconnection agreements are not regulated and are not part of the Transmission Regulated Revenues of electricity transmission companies.

The base value to be used in order to calculate the annualized replacement cost of the interconnection assets is freely negotiated between the parties in the respective interconnection agreement.

The interconnection charge is adjusted monthly to reflect the previous month's change in IPP. Interconnection charges are not adjusted to compensate for extraordinary maintenance costs. In the event that equipment must be replaced prior to the end of its projected life, the interconnection provider may negotiate with its interconnection client an adjustment to the interconnection tariff to take account of the investment in the new equipment. If no adjustment is agreed by the interconnection provider and its customers, the parties may seek an adjustment from CREG.

Payment and Allocation of the Transmission Regulated Revenues

Pursuant to CREG Resolution 11 of 2009 the Usage Charges related to Transmission Regulated Revenues allocated to electricity transmission companies must be paid by electricity traders in proportion to their electricity demand. Pursuant to the mandates, XM issues monthly debit notices to the electricity traders specifying the portion of the Transmission Regulated Revenues allocated for payment by such electricity traders, and credit notices to electricity transmission companies specifying the payments that each electricity trader is required to make to such companies. The total amount of such payments is equal to the amount of Transmission Regulated Revenues payable to electricity transmission companies.

Every month XM collects the payments on account of Transmission Regulated Revenues from the electricity traders and allocates them among the electricity transmission companies in proportion to their ownership of the electricity transmission assets comprising the STN.

Pursuant to Law 143, these monthly payments are received by electricity transmission companies on account of their Transmission Regulated Revenues, which in the aggregate shall be equal to one-twelfth of their total annual Transmission Regulated Revenues. Guarantee System.

The payments on account of Usage Charges that the electricity traders are required to pay for, based on their use of the STN, must be guaranteed on a monthly basis by any of the following instruments: (i) a letter of credit from a bank, (ii) a bank guarantee, (iii) for those electricity traders that are also electricity distributors, assignment of accounts receivable from XM for payments to such companies for use of their distribution network, (iv) monthly prepayments, or (v) weekly prepayments. CREG is authorized to approve additional guarantee mechanisms if suggested by XM. The amount secured by these instruments is calculated by XM based on the portion of the Usage Charges paid by each trader with respect to the preceding month and is adjusted on a weekly basis to reflect the actual electricity demand in the relevant month.

If a trader fails to provide a guarantee instrument within 20 days of the due date specified by XM, XM will notify SSPD and all market agents, and XM will be required to reduce the electricity supply to such trader through a regulated procedure known as "*Limitación de Suministro*," thereby causing a partial service interruption for the end-users of such trader. If a trader fails to make the monthly payment on account of Usage Charges on its due date, XM may immediately exercise its rights under the guarantee instrument (without the need to commence judicial proceedings) and allocate the proceeds from the exercise of such rights among the electricity transmission companies comprising the STN.

Traders must deliver blank promissory notes to XM when they start trading in the MEM. In addition, if a trader fails to pay its Usage Charges and its guarantee is insufficient, XM is entitled to enforce the

promissory notes (after filling in the amount of such promissory notes) that such trader delivered to XM when it began trading on the SIC.

Electricity Distribution

Overview

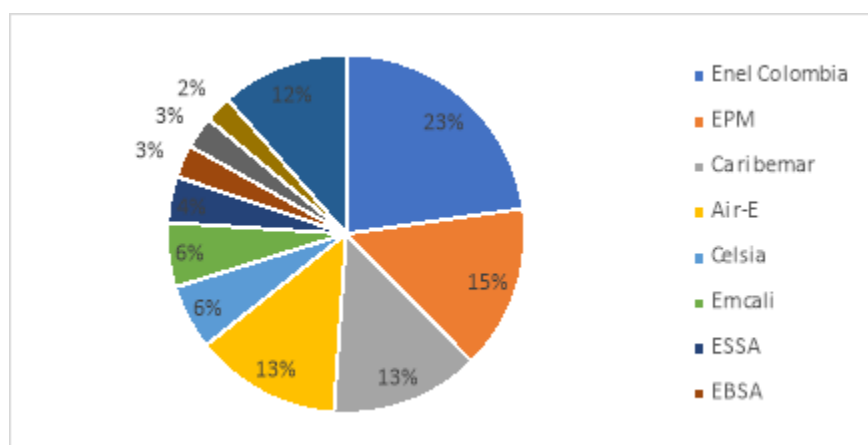
Electricity distribution consists in transmitting and delivering electricity to end-users through the STR or SDL. Electricity distribution services are a natural monopoly and a highly regulated activity.

The STR is an electricity transmission system formed by transmission lines and substations that operate between 110 kV and below 220 kV. The STR has 12,176 Km of 110-138 kV transmission lines.

SDL is an electricity transmission system formed by transmission lines and substations that operate at voltages lower than 57.5 kV (Levels 1, 2 and 3) and which are devoted to the rendering of electricity services in one or more commercialization markets. Any customer may have access to the SDL after covering a connection charge.

Market Participants and Market Structure

In Colombia, there are 29 distribution companies, with five of them serving approximately 70% of the distribution market in Colombia and 61% of the market is served by private companies. The chart below illustrates the shares of the electricity distribution market as of December 31, 2022 based on the percentage of consumption by operators of the network:



Source: XM

Key Characteristics of the Electricity Distribution Market

Distribution activities consist of transporting and delivering electricity to end-customers through the STR and SDL. The distribution is made by network operators (*operadores de red* or “ORs”). Assets may be owned by ORs or by third parties, although ORs are responsible for the expansion of the system is the responsibility of the ORs. An STR may be owned by one or more ORs.

The expansion of the STR and SDL networks is planned and performed as follows: the UPME is required to draw up and update the National Energy Plan and the Electricity Sector Expansion Plan. On its side, ORs are responsible for preparing the Expansion Plan for the system that it operates, in accordance with their strategic plan, action plan, and financial plan.

The Grid Operator's Expansion Plan must include all the projects required by its system, considering requests made by third parties and that are viable in the context of their Financial Plan. If the Grid Operator does not comply with the execution of a project foreseen in its Investment Plan, the corresponding project may be developed by the interested user or by a third party, in accordance with the provisions of Resolution CREG 070 of 1998, as amended from time to time. In addition, if the Grid Operators' Expansion Plans do not meet the coverage levels defined by the UPME for the different STRs and SDLs, and there is a third party willing to assume the expansion work, such party may perform such expansion.

Regarding the expansion of the STR, if the UPME, within its STN Expansion Plan, determines that there are projects in a system that require the execution of other projects in the STR, the Grid Operator will inform it by means of a written document if it wishes to carry out such project. If this is the case, the Grid Operator will be obliged to put it into operation on the date defined by UPME's Expansion Plan. On the other hand, if the Grid Operator does not express its interest, among other events, this project may be offered through a bidding process organized by UPME, in which existing Grid Operators and those that provide a promise of future incorporation as public utility companies may participate. As in the case of the STN, the awardee of the bidding process is entitled to receive an IAE for the coming 25 years for the pre- construction, construction, operation and maintenance of the transmission assets.

Once the 25-year term expires, the applicable methodology is the one which regulates the tariffs for existing distribution assets, which is currently CREG Resolution 015 of 2018.

CREG is responsible for establishing the Usage Charges for the distribution of electricity. The methodology or formula to set such charges applies for a five-year period, but will remain in effect until such time as a replacement methodology is set and approved.

The current tariffs are calculated based on the approved revenue and the distributed energy, which is the energy received by the OR less the accepted energy losses. Energy losses for Levels 4, 3 and 2 include technical losses; for Level 1, non-technical losses are accepted. The level of permitted losses depends on the level of investment. Nevertheless, efficient technical losses must be achieved within a 10-year period.

OR's also receive revenue for any approved efficiency costs in their plans which are designed to reduce energy losses.

Electricity Distribution Reliability Requirements

Electricity distribution companies are required to comply with certain reliability standards, both for the STR and the SDL, which are set forth in CREG Resolution 015 of 2018.

With regard to the STR, the standard is determined by the maximum accepted hours of unavailability ("MHAI") in a twelve-month period. Failure to comply with the standard results in penalties for the distribution company plus the obligation to compensate the affected end-customer. The following table shows the MHAI allowed without penalty pursuant to CREG Resolution 015 of 2018 modified by Resolution 036 of 2019:

Asset	MHAI
	65
Connection of the OR to the STN	
Compensation Equipment	18
STR Line	38
<i>Barraje sin bahías de maniobra</i>	15
<i>Barraje con bahías de maniobra</i>	30

Source: Ch. 5, No. 5.1.5 of CREG Resolution 015 of 2018.

With regard to the SDL, CREG Resolution 015 of 2018 uses the SAIDI (System Average Interruption Duration Index) and SAIFI (System Average Interruption Frequency Index) indexes. Tariffs approved under CREG Resolution 015 of 2018 will be linked to SAIDI and SAIFI indexes, which are scheduled to improve 8% each year. The distribution company will receive an incentive or penalty if it exceeds or fails to comply with such milestones; in addition, it will be obliged to compensate the impacted end-customers.

Expansion of the STR and the SDL

The expansion of the STR and SDL is subject to the criteria and regulations set forth by CREG. According to these regulations, distribution companies are responsible for designing and implementing the expansion plans for the systems they operate in accordance with their strategic and financial plans. These plans shall be prepared based on certain criteria including, among other items, the demand, adaptability, flexibility, environmental feasibility, economic efficiency, quality and continuance of the service. Distribution companies are required to include in their expansion plans all the projects required by the systems they operate, including third-party requests that are financially feasible. With respect to the STR expansion, in 2013 CREG issued CREG Resolution 024, modified by CREG Resolution 113 of 2015 and 101-9 of 2022, which establishes a summons mechanism should it be necessary.

Revenues of Electricity Distribution Companies

The revenues of electricity distribution companies consist of distribution charges paid by sellers or traders. Distribution companies are considered sellers or traders by default in the STR and SDL, through which they operate. As a result, they collect the distribution charges as part of the CU from their end-customers.

CREG Resolution 015 of 2018 provides for a methodology for establishing distribution charges, the methodology consists of a revenue cap for both the STR and the SDL. The basic components of the electricity distribution charges provide for the recovery of reasonable operating, administrative, maintenance and capital costs incurred by the electricity distribution companies. Assets are valued at their straight-line depreciated cost, but new investments in network expansion and replacements will be incorporated in approved revenue for the year in which such investment was budgeted for. OR's receive an annual revenue for their existing assets and investment plan, calculated using legally mandated unit construction costs, a WACC of 12.09% (CREG Resolution 215 of 2021) and the legally mandated lifespan for those assets (which ranges from 20 to 45 years). In addition, the OR receives the efficient AO&M expenses for existing assets, and a percentage of the cost of the assets in operation pursuant the investment plans.

Ongoing Revenue Review

Revenues of electricity distribution companies are subject to ongoing review by CREG, pursuant to the methodology set by CREG Resolution 015 of 2018.

Peruvian Electricity Industry and Regulatory Framework

Overview

The organizational structure of the electricity market in Peru is based on the vertical non-integration of generation, transmission and distribution activities.

As of December 31, 2022, the electricity generation sector in Peru was formed by 71 private and state-owned companies, all members of the COES, which freely compete for customers in the market. Kallpa Generación, Engie, Electroperú, Enel Generación, Fenix Power and Statkraft are the six major generation companies operating in the industry. Of these six, only Electroperú remains a state-owned enterprise. In addition, some mining, industrial and electricity distribution companies' facilities also generate their own electricity. During 2022, 51% of the generation was of hydroelectric origin, 44% corresponded to natural gas thermal plants, 3% came from wind sources and 1% from solar energy.

The wholesale electricity market in Peru is rather competitive because generation companies compete to supply distribution companies and they also compete with distribution companies to supply large industrial consumers in the unregulated market (i.e., with a maximum annual demand of 0.2 MW or more in each supply point).

In 2008, Legislative Decree No. 1002 was issued in order to promote the use of renewable energy resources or RER. The development of power generation through RER was declared of national interest and public necessity. Energy resources considered as RER are biomass, wind power, solar power, geothermic, tidal power, and hydropower, only when the latter's installed capacity does not exceed 20 MW. Every five years the MINEM establishes the target percentage of electricity (in respect of national electricity consumption) to be generated through RER. RER generation has some additional benefits such as priority in COES load dispatch, a guaranteed remuneration that was determined in the bidding processes carried out by OSINERGMIN, and accelerated depreciation regime for income tax purposes.

The Peruvian interconnected transmission system is an open access electricity transmission network comprised of one interconnected transmission network that links the electricity generation and consumption centers located in the 24 regions of the country. All electricity transmission companies operating the interconnected system are privately owned. Transmission activities are regulated as a natural monopoly.

The transmission system in Peru is composed of four types of facilities (i) Main Transmission System (SPT), (ii) Guaranteed Transmission System (SGT), (iii) Secondary Transmission System (SST) and (iv) Supplementary Transmission System (SCT).

The SPT comprises high-voltage transmission lines interconnected to a substation or busbar. The SST comprises high-voltage and medium-voltage transmission lines that transport power to distribution companies or final users from a busbar. The SGT comprises transmission lines included in the Transmission Plan and that are built and operated as a result of a bidding process. The SCT comprises transmission lines not necessarily included in the Transmission Plan but built on the sole initiative of the agents or by their inclusion in the Transmission Investment Plan approved by OSINERGMIN.

With the promulgation of the ECL, the transmission system was composed by two types of transmission lines: (i) the SPT, and (ii) the SST. However, in order to solve the lack of investment problems, in 2006 the Efficient Generation Law (EGL) was approved. The EGL incorporated two new transmission lines categories: (i) the SGT, and (ii) the SCT. In addition, the EGL established that any facility that starts commercial operation after July 23, 2006 will integrate those two categories, while the previous types (SPT and SST) will apply until the termination of their respective concession agreement or until those facilities are retired from the SEIN.

Electricity distribution is also regulated as a natural monopoly since each company enjoys an exclusive right to supply all the residential consumers located in its concession area (Regulated Customers with electricity loads of less than 0.2 MW). Distribution companies can freely compete with electricity generators to supply electricity to unregulated customers.

Peruvian law includes the following activities as part of the electricity public service (i) the regular supply of electric power for collective use or destined to collective use, to regulated customers, and (ii) electricity transmission and distribution. Also, the LCE considers a regime of free prices (free market) and a system of regulated prices (regulated market). Regulated customers are those whose maximum annual demand is equal or less than 200kW. Users whose maximum annual demand is greater than 200 kW and up to 2,500 kW in each supply point are entitled to choose between being a regulated customer or an independent free user. Users whose maximum annual demand is greater than 2,500 kW in each supply point are considered unregulated customers whose supply point can be located anywhere in the country.

Unregulated customers contract the power and energy they require under an open price regime from either electricity generating companies or distribution companies.

History

Prior to 1992, the Peruvian electricity industry was dominated by two state-owned companies, Electroperú and Electrolima. Electrolima was a vertically integrated company that served the metropolitan area of Lima. Electroperú was a vertically integrated holding company that was responsible, through regional subsidiaries, for the supply of electricity to the rest of Peru, and that directly operated generation plants and transmission facilities interconnecting some regional companies to form relatively small, regional electricity networks.

In 1992, as part of a plan of the Peruvian government to deregulate many sectors of the economy in which until then it was the principal player, and to introduce competition and attract private investment, the Peruvian electricity industry underwent a structural reform which involved three stages: (i) the enactment of a new regulatory model, under the Electric Concessions Law Decree (Law No. 25844) (the “ECL”); (ii) the restructuring and reorganization of the vertically-integrated state-owned electric utilities into decentralized generation, transmission or distribution companies; and (iii) the privatization of the state-owned restructured electricity companies, which began in 1994 and is still underway.

The electricity sector in Peru is open to private investment. Activities can be carried out by domestic or foreign individuals or legal entities, but in the case of legal entities, they must be incorporated in accordance with Peruvian law. The Peruvian constitution establishes that private or public entrepreneurial activity will both receive the same legal treatment.

As of December 31, 2022, companies in the private sector generated approximately 80% of the total electricity consumed in Peru, operate the entire interconnected transmission system and are responsible for the distribution of 56% of the electricity distributed in that country.

Laws and Regulations

The main regulatory framework for the electricity industry in Peru is comprised of the following laws and regulations:

- Electric Concessions Law Decree No. 25844) (ECL) and its implementing Regulations, approved by Supreme Decree No. 009-93-EM, as amended;
- Law for the Creation of OSINERGMIN (previously OSINERG) and amendment of the ECL (Law No. 26734) and its Regulations, approved by Supreme Decree No. 54-2001-PCM, as amended;
- Law No. 31112, that establishes the prior control of corporate mergers which repealed the Mergers Control Law (Urgency Decree No. 013-2019) and the Mergers Control Law for the Electricity Sector (Law No. 26876) except by its thirteenth article and its Regulations;
- The law to Secure the Efficient Development of Power Generation (Law No. 28832), or EGL, as Law to Secure the Efficient Development of Power Generation (Law No. 28832), or EGL, as amended;
- Technical Quality Standards for Electrical Services, approved by Supreme Decree No. 020-97 EM, as amended;
- Power Transmission Regulations, approved by Supreme Decree No. 27-2007-EM, as amended;
- COES Regulations, approved by Supreme Decree No. 027-2008-EM, as amended;
- The first two paragraphs of Articles 19 and 22 of the Single Ordered Text of the rules with the rank of Law that regulate the concession of public infrastructure and public service works to the private sector approved by Supreme Decree 059-96-PCM;
- General Law of Rural Electrification (Law No. 28749) and its Regulations, as amended; and
- Regulation of Free Electricity Users, approved by Supreme Decree No. 022-2009-EM.

In addition, certain agents in the electric sector have developed their infrastructure through Public Private Partnerships, regulated by the Legislative Decree No. 1362 and its Regulations, approved by Supreme Decree No. 240-2018-EF.

Institutional Framework

The principal characteristics of the regulatory framework for the electricity industry in Peru are: (i) the unbundling decentralization of the industry, through the creation of companies that can only conduct operations in one type of activity, i.e., generation, transmission or distribution; (ii) the promotion of competition in generation to supply distribution companies and unregulated customers; (iii) private planning and operation of the country's transmission systems, subject to the principles of efficiency and quality of service, including compliance with the technical requirements established by regulations affecting the sector; (iv) full distribution monopoly and partial retail commercialization monopoly; (v) competition between generators and distributors in the supply to unregulated consumers through the use of electricity purchase agreements, or PPAs; (vi) open access to transmission and distribution networks; and (vii) tariff regulation by OSINERGMIN based on efficient investment operation for regulated customers.

The electricity sector in Peru consists of one interconnected system, the SEIN, plus several isolated regional and smaller systems which provide electricity to rural areas.

In Peru, the MINEM defines electricity sector policies and regulates matters relating to the environment and the granting, supervision, maturity and termination concessions or authorizations for generation, transmission and distribution activities, among others. OSINERGMIN is an independent regulatory agency established in 1996 to control the compliance with legal and technical regulations related to electrical, hydrocarbon and mines activities. One of OSINERGMIN's functions is the publication of the Transmission.

Regulated Revenues applicable to the relevant tariff period. The COES, an entity formed by generation, transmission and distribution companies and unregulated consumers, coordinates the dispatch of electricity of the SEIN and prepares the technical and financial study that serves as a basis for the semi-annual node Usage Charges calculations.

In October 1997, technical rules were developed to allow the establishment of standards against which to compare the quality and conditions of the service provided by electricity companies. Beginning in 1999, those companies that did not meet the minimum quality standards were subject to fines and penalties imposed by OSINERGMIN, as well as to compensatory mechanisms for those customers who received substandard service. In addition, since antitrust laws became applicable to the electricity sector in 1997, companies are allowed to re-integrate vertically or horizontally, if they obtain the prior consent of the Peruvian competition authority, according to article 13° of the Law No. 26876.

In 2006, Law No. 28832 was implemented to promote investment in power generation and transmission and to modify certain aspects of the ECL. The most important changes introduced by this legislation were:

- (i) the introduction of an auction process for PPAs with distribution companies to supply regulated customers, which can take place three years or more before the effective date of the PPA, at dollar denominated tariffs, indexed to international adjustment variables.
- (ii) the new classification of all new electricity transmission facilities as “guaranteed” or “complementary.” Guaranteed transmission facilities are those qualified as a general interest matter in a transmission plan proposed by the COES and approved by the MINEM. An auction process is introduced to implement guaranteed facilities, which could be convened by the MINEM or by the Private Investments Promotion Agency (“PROINVERSION”). Complementary transmission facilities are also included in the transmission plan and could be implemented by any private initiative and without the need of an auction.
- (iii) the COES is charged with both the technical operation of the system and the administration of the spot market. In addition, the COES will be formed by generation, transmission and distribution companies, as well as by unregulated consumers.

Environmental Regulation

In Peru, the environmental general legal framework is primarily based on the General Environmental Law, approved by Law No. 28611; the Environmental Impact Assessment National System Law, approved by Law No. 27446; its regulations approved by Supreme Decree No. 019-2009-MINAM; and the Environmental Evaluation and Enforcement National System Law, approved by Law No. 29325.

Additionally, electricity companies are subject to the Regulation of Environmental Protection for Electric Activities (*Reglamento para la Protección Ambiental de las Actividades Eléctricas*), a regulation which specifically governs the protection of the environment by electricity companies and maximizes the emission standards set from time to time by the governmental authority. This regulation establishes that project developers in the power sector are required to comply with several environmental obligations designed to ensure the protection of the environment in the execution of power generation, transmission or distribution activities. Such regulation foresees a number of requirements that need to be satisfied by electricity companies, including reporting requirements, environmental audits and record-keeping of emissions. Electricity companies that do not comply with the regulation are subject to fines. The authorities governing environmental matters are the DGAA, which is a subdivision of MINEM and the OEFA, which supervises compliance by electric companies with environmental regulations.

OEFA is a specialized technical governmental body, dependent of the Peruvian Ministry of Environment, responsible for enforcing, overseeing, controlling and sanctioning in environmental matters. As of March 4, 2011, OEFA became the competent authority in verifying compliance by companies operating in the energy sector (electricity and hydrocarbon activities) — among other sectors — with environmental regulations.

Regulated Revenues

Depending on the type of transmission line, the remuneration system may vary:

- Facilities that are part of the SPT are remunerated through prices set by OSINERGMIN, which are grouped in the Total Cost of Transmission (*Costo Total de Transmisión*). That cost is paid monthly by generators through a clearance procedure performed by the COES and is composed of two (2) concepts: (i) the Tariff Income (*Ingreso Tarifario* or “Tariff Income”) and (ii) the Connection Toll (*Peaje de Conexión*).
- Facilities that are part of the SST are remunerated exclusively by agents that use the lines in a specific area the annual medium cost (*costo medio anual*), which will be equal to (i) the annual income for the concept of toll and (ii) the tariff income, updated in each tariff-setting (every 4 years), in accordance with the updating formulas established by OSINERGMIN.
- Facilities that are part of the SGT are remunerated by the demand that through the tariff base, which is the annual amount to be recognized for the facilities of the SGT that will be used to calculate transmission rates and compensations (the “Tariff Base”). In this regard, the Tariff Base is paid by the demand through the generators, using a clearance procedure performed by the COES. The aforementioned Tariff Base is composed of two (2) concepts: (i) Tariff Income and (ii) the transmission toll, which receive the same treatment as the Tariff Income and the connection toll of the SPT.
- Facilities that are part of the SCT are remunerated exclusively by the agents that use the transmission lines in an area designated by OSINERGMIN, through the corresponding annual medium cost, set by OSINERGMIN before the start of operation of said facilities.

Electricity transmission regulated revenues for our two Peruvian related companies REP and CTM are subject to a special regime set forth in their respective concession contracts entered into with the MINEM. REP and CTM’s concession contracts are governed by the regulations set forth in the Sole Unique Text of Supreme Decrees 059-96-PCM and 060-96-PCM, which, as of the date of this offering memorandum, have been replaced by Legislative Decree No. 1362 and its Regulations, approved by Supreme Decree No. 240-2018-EF. Such regulations allow concessionaries of public utilities concessions to have different tariffs structures than those set forth in the ECL and other general regulations applicable to the electricity sector. The objective is to introduce special financial schemes that allow the recovery of

the concessionaire's investment and grant its concession with additional guaranties in order to promote investment.

OSINERGMIN is the entity in charge of setting the applicable transmission tariffs and charges for REP and CTM and is obliged to do so in accordance with the special economic conditions and other dispositions established in the respective concession agreement.

The principal factors established in such concession agreements and the applicable regulations include:

- (i) if when the assets of a concession are replaced by comparable or better technology these assets may be freely sold or disposed of by the concessionaire. When such assets are not replaced, they are otherwise returned to the concession grantor.
- (ii) expansion: REP will be subject to present to the concession guarantor an investment plan. The investment plan will be subject to the approval of the concession guarantor, prior consent granted to the concession guarantor by the OSINERGMIN. If approved, such investment plans will be addressed as "Extensions" and will benefit from additional remuneration.
- (iii) penalties during the life of the concession will be applied in case of over utilization of a certain transmission line or the excess substation exceed the concession agreement will establish compensation and penalties for the over-utilization of the transmission line or the use of substation that exceed normal operation standards during the life of the concession.
- (iv) remuneration, REP's electric transmission system is remunerated by means of guaranteed annual remuneration, fixed at a rate of Col\$246 billion (U.S.\$58,638,000) in 2002. The remuneration will be updated annually according to the variation of the "Finish Goods Price Index." In the case of CTM, the guaranteed remuneration agreed in each of its concession agreements will also include the annuity of the investment and the compensation for operation and maintenance costs.
- (v) economic balance, if during the term set in the concession agreement (usually two years) any of the contracting party considers that the economic equilibrium of the agreement has been affected, each party will be entitled to propose solutions in accordance with the relevant procedure establish in the concession agreement.

Peruvian Taxation Regulation

Even though transmission lines have customarily been considered as movable property under Peruvian law, for corporate income tax purposes, since 2013 the Peruvian Tax Authority (SUNAT), in the course of its tax audits, has indicated that transmission lines should be treated as immovable property. This change in the treatment of transmission line assets has resulted in a decrease in the rate at which such assets are depreciated, from 10% to 5%, with the subsequent increase in taxable income, and therefore the tax burden during the first years of operation. As a result of this change in policy, all transmission companies, including REP and CTM, commenced different legal actions against such sudden change of policy and criteria. Nevertheless, there can be no assurance that such legal claims will succeed or that the underlying treatment adopted by Peruvian Tax Authority will not continue.

It should be noted that the above tax treatment regarding the depreciation of transmission line assets is applied by the Tax Administration at the audit procedure stage. However, in subsequent administrative

instances (i.e., the Tax Court), different rulings have been observed with sounder technical legal underpinnings that favor transmission companies, validating higher depreciation percentages (of 10%) for transmission lines and electrical substations and their elements, to the extent that the movable nature of such assets was supported by reports and technical expertise, so the said criteria established that movable nature of the assets must be demonstrated and accredited on a case-by-case basis. (Tax Court Ruling No. 9677-9-2019).

Hence, in case a rate higher than 5% is applied for the depreciation of transmission line assets (although this rate can be challenged by SUNAT during the audit procedure stage), in subsequent instances (i.e., appeals to the Tax Court) the chances of the taxpayer's position prevailing are more favorable.

SUNAT is entitled to apply the General Anti-Avoidance Rule (GAAR) to any transactions and structures which are deemed to be improper or artificial where the only purpose is to reduce the taxpayer's burden, since May 2019, when corresponding regulations (approved by Supreme Decree No. 145-2019) entered in force. However, SUNAT, by means of Notice No. 116-2019-SUNAT/7T0000 established that the GAAR is applicable to the acts, facts and operations produced since July 7, 2012 (the date in which Legislative Decree No. 1121 entered into force, the law that incorporated the GAAR). Nevertheless, in this scenario (where SUNAT intends to apply the GAAR to transactions conducted since 2012), taxpayers have the right to invoke time bars to the assessment of tax liability, including the one arising from the application of the GAAR for the periods 2012 to 2018, thus SUNAT will only be able to determine tax liability in application of the GAAR in the case of transactions that continue to have effects on tax periods that are not time-barred.

The new regulation stated certain criteria that SUNAT must consider when determining the existence of tax avoidance transactions (the way in which the contracts and operations were carried out and enforced; the form and substance of the acts, situations or economic relations, the result achieved under the specific regulations of the tax, as if the General Anti-Elusive Rule would not apply, among others). Certain circumstances have been listed as examples in which SUNAT must apply the GAAR, such as corporate reorganizations with the appearance of minor economic substance; performance of similar or equivalent activities to the ones normally performed through corporate structures, using non-corporate structures instead, subscription of contracts or performance of operations with parties located in tax-free or low taxation countries; business transactions in which the benefits obtained have no reasonable relation with the risks assumed or lack of any economic rationale. Board members might face joint liability for the acts, situations or economic relations subject to the application of the GAAR, which arise from tax planning strategies approved by them.

COLOMBIAN AND PERUVIAN NATURAL GAS INDUSTRY AND REGULATORY FRAMEWORK

The Colombian Natural Gas Industry

Overview

Under Colombian law, the state owns all hydrocarbon reserves discovered in the Colombian territory and exercises control of the exploitation of such reserves primarily through the ANH.

Colombia has proven reserves of natural gas of about 2.8 Tcf and unproven (possible and probable reserves) reserves of natural gas of about 1.4 Tcf. Colombia's proven reserves of natural gas, at current production and consumption rates, translate into a remaining reserve life of approximately 7.2 years. See "Risk Factors — Risk Factors Relating to TGI and the Colombian Natural Gas Industry — TGI depends on the availability of natural gas reserves in Colombia or imported gas, and we derive a substantial portion of our revenues from TGI's business."

As of 2022, oil maintained its position as Colombia's primary energy source based on national energy consumption basket, followed by natural gas. In 2022, natural gas represented 24% of Colombian's energy basket, followed by hydroelectricity with 12% of the energy basket. Oil remains the principal source of energy with 44% of the energy basket.

In 2022, the domestic consumption of natural gas reached 921 MPCD, a 3% increase compared with a consumption of 981 MPCD in 2021. Natural gas consumption in the market TGI serves has increased by 3% since 2021, reaching 496 MPCD in 2022 from a consumption of 480 MPCD in 2021. It is expected that domestic demand for natural gas will continue to increase at an average annual rate of 0.05% until 2036, according to UPME.

This growth in natural gas production and consumption is attributable primarily to the substitution of other more expensive and less environment-friendly fossil fuels for natural gas, and significant growth in many industrial segments of the Colombian economy.

Gas is transported through the Colombian national pipeline system that connects the main gas production fields in the Ballena/Chuchupa (Guajira), Cusiana and La Creciente basins with the largest consumption centers and distribution areas in Colombia. The main gas transportation systems in Colombia are the TGI Pipeline System and the Promigas pipeline system.

As determined by article 2.2.2.2.16 of Decree 1073 of 2015, natural gas distribution companies in Colombia are obliged to contract a transport and supply capacity equal to their essential demand with agents that count with physical back-up.

Tariffs for the contracts that regulate transport and capacity conditions are composed of the following two concepts: (i) capacity charges and (ii) variable charges. These two concepts affect both the return on investment and the volume of transported gas. Tariffs may vary according to the specific contract modality, that is defined by following the method in the mentioned resolution.

Historical Background

The natural gas industry in Colombia remained virtually undeveloped until the mid-1970s, when significant discoveries of natural gas reserves in the Guajira basin, located on Colombia's Atlantic coast were made. Natural gas was initially used as a substitute for fuel oil in electricity generation in the Atlantic

coast region. In 1986, the Colombian government launched a program to promote the use of natural gas for residential consumption called the Gas Program for Change (*Programa de Gas para el Cambio*) (the “Gas Program”). Through the Gas Program, natural gas was brought to urban centers in the Atlantic coastal region and to areas located in the vicinity of the natural gas production fields. The main objectives of the Gas Program were to expand the regional coverage of natural gas distribution services, to have an interconnected national system to transmit natural gas from the production fields to the distribution and consumption centers and to promote exploration of new gas reserves.

The discovery of major gas reserves located in the Llanos Orientales region in the early 1990s, led the Colombian government to launch another effort to support the development of natural gas transportation and distribution infrastructure in 1991, namely the gas extension plan (the “Gas Extension Plan”). The Gas Extension Plan called for the immediate development of an extensive pipeline network, creating incentives for electricity generators’ use of gas-fired generation units and for the increase of natural gas use by businesses and residential consumers. The Gas Extension Plan contributed to the diversification of the demand for natural gas and the increase of the demand for natural gas at an average annual rate of 3.60% from 1997 to 2022. In addition, gas-fired electricity generation installed capacity increased from 1,618 MW in 1996 to 2,300 MW in 2022, a 12.2% share of total power generation capacity in Colombia.

Ecogas was formed pursuant to Law 401 of August 20, 1997 as a state-owned industrial and commercial company dedicated exclusively to the transportation of natural gas, as part of the Gas Extension Plan adopted by the Colombian government in the early 1990s to support the development of natural gas transportation and distribution infrastructure. In 2005, the Colombian government announced the privatization of Ecogas which was consummated on March 2, 2007, when TGI acquired the Ecogas business.

As a result of the Gas Extension Plan, the length of the Colombian natural gas pipeline system increased from 7,532 km in 2018, to 7,763 km in 2002. At present, the length of the Colombian natural gas pipeline system totals approximately 7,773 km. Of this total, 4,033 km pertain to TGI, 2,753 km pertain to Promigas and 977 km owned by smaller privately natural gas transportation companies (including Promioriente, Transmetano, Transoccidente, Progasur and Coinogas) .

Market Description and Participants

The Colombian natural gas pipeline system connects the main gas production fields in the Departments of La Guajira, Huila, Llanos Orientales and Magdalena Medio, with the largest consumption and distribution areas in Colombia. The main natural gas transportation systems in Colombia are the TGI pipeline system, which accounts for approximately 52% of the total length of the national pipeline system, and the Promigas pipeline system (including Promioriente, Transmetano and Transoccidente), which accounts for approximately 42%. The remaining 6% of the Colombian pipeline system is accounted for by 441 km owned by smaller privately- owned natural gas transportation companies.

The table below provides information about the different natural gas transportation companies that own the pipelines comprising the Colombian national natural gas pipeline system.

<u>Company</u>	<u>km 2021</u>	<u>Percentage of Total 2022</u>	<u>Volume (MMPCD) 2022</u>	<u>Market Share (by volume %) 1Q 2023</u>
TGI	4,033	51.95%	476,5	53.8%
Promigas	2,756	35.50%	359.8	40.6%
Others ⁽¹⁾	975	12.55%	50.2	5.7 %
Total	7,763	100%	895.9	100%

Source: PROMIGAS

(1) Promotora de Gases del Sur S.A. E.S.P., or Progasur, Transportadora de Metano S.A. E.S.P., or Transmetano, Transoccidente S.A. E.S.P., or Transoccidente, and Sociedad Transportadora de Gas del Oriente S.A. E.S.P., or Transoriente and Coinogas.

The second largest natural gas transportation system is operated by Promigas, which serves the Atlantic coast region of the country. Promigas was formed in 1974 as a stock corporation majority owned by the Colombian government and was privatized in 1996 through the sale of Ecopetrol's 38% remaining interest in Promigas to Enron Corporation. See "Business — Gas for the Future — Our Natural Gas Transportation & Distribution Business in Colombia — Promigas."

Natural Gas Supply

Colombia's hydrocarbon reserves are spread across seven basins, all of which have active production. The bulk of the natural gas reserves are located in the Cusiana basin. The TGI pipeline system is connected to such basin and is therefore well positioned to take advantage of new business opportunities in that region. In addition, Colombia's potential untapped natural gas reserves are estimated to be around 1.394 Tcf corresponding to probable and possible reserves, according to ANH. ANH is currently making significant investments to obtain basic geological information on unexplored areas to increase the likelihood of locating these reserves. There are high expectations associated with the OffShore resources. Ecopetrol reported in August 2023 that it would meet the milestone of drilling the Orca Norte-1 well and that it would do this before March 2024. Ecopetrol also reported that it had already begun the process of consulting with the local communities to make the creation and operation of a gas pipeline from Orca to the Chuchupa B platform viable. See "Risk Factors — Risk Factors Relating to TGI and the Colombian Natural Gas Industry — TGI depends on the availability of natural gas reserves in Colombia or imported gas, and we derive a substantial portion of our revenues from TGI's business."

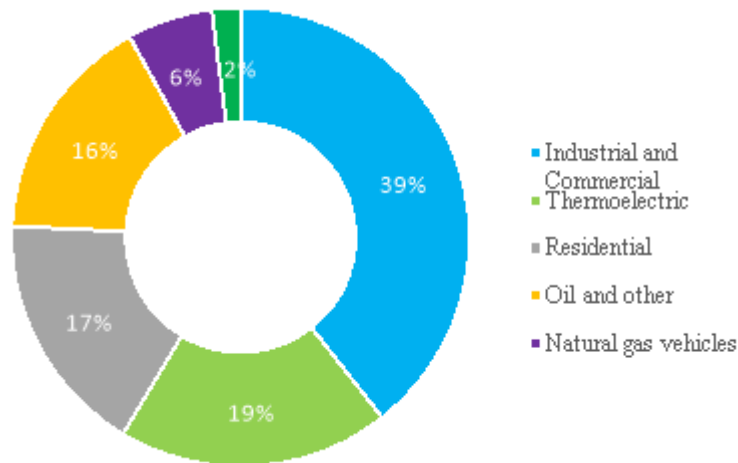
Regional Integration

In April 2003, Colombia and Venezuela agreed to build a Col\$1,404 billion (U.S.\$335 million), 400 to 500 MMPCD natural gas pipeline linking Colombia's Guajira basin to Venezuela's Lake Maracaibo region. Pursuant to this agreement between Colombia and Venezuela, during the first four years of operation, the pipeline would export natural gas from Colombia to Venezuela and, subsequently, allow Venezuelan natural gas to be exported to Colombia as the demand for natural gas in Colombia continues to increase. Construction of this pipeline began in July 2006 and was completed in 2008. The potential access to foreign natural gas reserves through this pipeline is expected to reduce the risk of a natural gas shortage in Colombia and contribute to further develop the natural gas sector. However, to date, Colombia has not imported any gas through this pipeline.

In December 2016, Colombia began operating a 400 MMPCD LNG plant, which is expected to connect the country with international natural gas markets. The principal objectives of this new plant are to mitigate the risk of future downfall of reserves and to bring reliability to the national electric system. The thermoelectric group (conformed by three thermoelectric generators off the Atlantic coast), which is responsible for the operation of the plant, will receive an annual regulated revenue equivalent to Col\$171 million (U.S.\$40.7 million) over ten years. This plant will work as a new node of natural gas supply, which will increase the maximum national demand for gas, especially in periods of high demand from the thermoelectric sector.

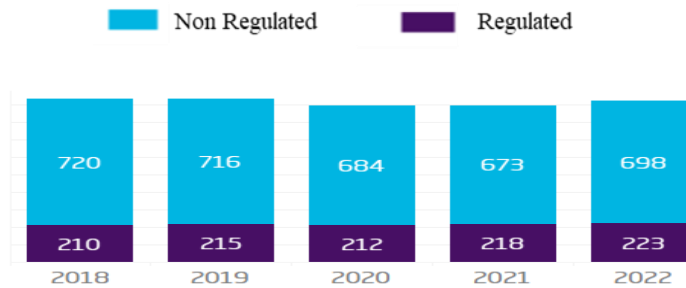
Natural Gas Demand

Natural gas as source of fuel relative to the consumption of other fuels has experienced a significant increase in recent years, reaching approximately 21% of total national fuel consumption in 2021.



Source: Promigas

Natural gas consumption in Colombia has increased by 3% from 891 MMPCD in 2021 to 921 MMPCD in 2022. This growth has been driven primarily by the industrial and petrochemical sectors. The graph below depicts the evolution of natural gas consumption in the markets TGI serves from 2018 to 2022.



Source: Promigas – Gas Sector Report 2022

Regulation of Natural Gas Transportation in Colombia

Overview

Natural gas transportation is regulated by a set of laws, rules and regulations passed or issued by various Colombian governmental entities which establish frameworks for:

- the production, transportation, distribution and retail of different forms of energy including natural gas;
- the promotion of private sector participation in the natural gas market;
- the provision of incentives for the development of the Colombian natural gas industry;
- the development of competition in the Colombian natural gas industry;
- limitations on vertical and horizontal cross-ownership of companies within the natural gas industry;

- provision of open, non-discriminatory access to the natural gas transportation network; and
- the provision of price formulas and methodologies applicable to the fees to be charged to end users.

Law 142 created the current framework for gas and other public utilities and eliminated the concession system for the provision of natural gas transportation services, establishing a system of open, non-discriminatory access to the Colombian natural gas transportation system. Under the current system, the Colombian government does not award concessions to provide natural gas transportation services and therefore any industry participant can enter the natural gas transportation market through the construction of a natural gas pipeline system. However, the significant investment required to develop a pipeline makes the industry, in practice, a natural monopoly for existing players. As a result, there is no term limitation established by the Colombian government for the provision of the service and the assets used in the provision of the service are not owned by the state but by the company providing the service.

The transportation of natural gas includes transporting gas through the National Transportation System (“SNT”, as per its acronym in Spanish). The SNT is formed by the pipelines that run from production centers to the city limits, or to distribution systems, to big consumers, to international interconnection points or to storage centers.

The most relevant sources for the regulation governing the transportation of gas are:

- CREG Resolution 071 of 1999, as modified by CREG Resolution 126 of 2013 and others, *Reglamento Único de Transporte (RUT)*, which establishes the framework for the operation of the natural gas pipeline system.
- CREG Resolution 175 of 2021, and the amending resolutions, which contains the current methodology for determining compensation for the transportation of natural gas and the general mechanism to establish the transportation charges for the national transportation system.
- CREG Resolution 103 of 2021, as amended by CREG Resolution 102 002 in 2023, sets forth the discount rate applicable to gas transportation activities, in accordance with the methodology prescribed by CREG Resolution 004 of 2021.
- CREG Resolution 185 of 2020, which contains the regulatory framework for the commercialization of gas transportation in the wholesale market.
- CREG Resolution 155 of 2017, contains regulatory framework related to an “Open Season” approach to promoting the expansion of natural gas transportation capacity.
- CREG Resolution 102-008 of 2022, contains regulatory framework related to the execution of the Natural Gas Provision Plan (*Plan de Abastecimiento de Gas Natural*). This Resolution indicates, among many other things, that if a project included in the plan is integrated to the existing transportation infrastructure, such company will have the first option to develop the project. To the contrary, if the transportation Company decides not to execute such plan, the UPME may assign the project through an open call process, allowing other companies to construct infrastructure complementary to current TGI’s assets.
- CREG Resolution 033 of 2018, contains regulatory framework related to terms related to the application of interconnection pipelines.

- CREG Resolution 080 of 2019, which establishes general rules of market behavior for the agents that carry out the activities of residential public services of electric energy and fuel gas.

In addition to existing regulation, CREG has also issued CREG Resolution 702-002 of 2023, which proposes some modifications to Resolution 102-008 of 2022, in relation to the procedure required to develop projects of the natural gas supply plan, which is currently subject to public consultation. Similarly, CREG Resolution 702 009 of 2022 was adopted by CREG Resolution 102 003 of 2023.

With respect to environmental policies dealing with public utilities services, the Colombian Constitution has several articles, including providing that the environment protection is a collective right of all Colombian nationals.

The main environmental laws and regulations applicable to the energy industry are Law 99 of 1993, which established the institutional structure and principles for the national environmental policy, the Natural Resources Code (Decree 2811 of 1974), which regulates the use of natural resources, Law 1333 of 2009 which regulates the environmental sanctioning procedure and Decree 1076 of 2015, which compiled and unified the majority of Colombian environmental regulations in effect, with the purpose of rationalizing and simplifying the existing environmental legal framework.

Regarding environmental liability, Law 1333 of 2009 established the administrative environmental sanctioning procedure to which any individual or entity may be subject in the case that it incurs an environmental infringement. Under Colombian environmental rules, an environmental infringement will exist either when: (i) an environmental rule is breached through an action or omission which constitutes a violation of the rules contained in the Natural Resource Code, in Law 165 of 1994 and in the other environmental rules in force that supersede or modify them, in the administrative writs issued by the competent environmental authority or; (ii) when damages to the environment are caused, with the same conditions required for non-contractual liability arising under the Civil Code and the complementary legislation: (a) damage; (b) the generating event with negligence or willful misconduct and (c) the causal relation between both of them. When these elements are configured, they will give rise to an environmental administrative sanction, without prejudice of the civil liability toward third parties that may arise from this event.

An environmental breach will give rise to the declaration of administrative environmental liability against the violator. Law 1333 of 2009 establishes the presumption of negligence or willful misconduct for environmental infringements and transfers the burden of proof to the alleged offender. Related to the energy industry, it is important to mention that not fulfilling the legal requirements established under an environmental authorization (including permits and licenses) may generate the following: (i) prior to the initiation of a sanctioning procedure or during the performance of one, the environmental authority is entitled to impose preventive measures (injunctions) aimed at ceasing the environmental infringement; and (ii) the initiation of a sanctioning procedure and to the extent that the alleged infringements are proved, it is probable that administrative environmental sanctions will be imposed. These preventative measures are not subject to appeal and the alleged offender will be sanctioned if he does not refute the presumption of negligence or willful misconduct by using all the applicable legal means of proof.

Regulatory Entities

The government entities that play an important role in the natural gas industry are: (i) the MME; (ii) the MASD; (iii) the ANLA; (iv) CREG; (v) the Autonomous Regional Corporations, (vi) the ANH, (vii) the SSPD, and (viii) the Mining and Energy Planning Unit.

MME

The energy sector is under the jurisdiction of the MME. The MME also determines the order of priority for the supply of natural gas to the various sectors in certain extraordinary circumstances such as severe supply restrictions, in which the existing supply of natural gas may not be sufficient to satisfy the then current demand for such fuel. In addition, the MME establishes the Colombian government's policies for natural gas exports. In addition, the authority over the electricity sector is entrusted to a number of agencies under its control, including CREG and the UPME.

MASD

The MASD is responsible for the environmental policy-making that may affect the gas sector, since there are certain environmental requirements that must be met in order to develop projects of gas transportation and distribution as mentioned above.

ANLA

The ANLA is responsible for granting or denying environmental licenses and permits of competence of the MASD, which are large-scale projects, including the environmental license for projects, works or activities related to: (i) the transportation and conduction of liquid and gaseous hydrocarbons outside the fields of exploitation that involve the construction and assembly of infrastructure of conduction lines with diameters equal or superior to six inches (15.24 centimeters), including pumping stations and/or pressure reduction and the corresponding storage and flow control infrastructure; except those activities related to the distribution of natural gas for home, commercial or industrial use; and (ii) the delivery terminals and hydrocarbon transfer stations, understood as the storage infrastructure associated with the transportation of hydrocarbons and their products and derivatives by pipelines.

Autonomous Regional Corporations

The Autonomous Regional Corporations are responsible for the execution of the policies, plans, programs and projects regarding the environment and renewable natural resources in their jurisdiction. They are also responsible for granting individual environmental permits for: logging, water concessions, water discharge air emissions, riverbed occupation, etc., applicable as the project, work or activity may require them for its operation.

CREG

CREG is an administrative body whose principal purpose is to ensure that companies in the sector provide economically efficient and high-quality energy and gas-related services. CREG fulfills this purpose by, among other things, (i) issuing resolutions applicable to the provision of energy-related services, (ii) promoting competition through open and non-discriminatory access to and use of the transportation and distribution networks, and (iii) establishing the tariff structure for the provision of energy and gas-related services.

Natural Gas Market Operator-BMC

The BMC is in charge of collecting, centralizing and publishing the transactional and operational information of the natural gas sector. It is also in charge of managing the primary and secondary natural gas markets.

National Hydrocarbon Agency — ANH

ANH is an administrative body created in 2003 to manage Colombia's hydrocarbon reserves and implement the oil and gas exploration and exploitation policies.

SSPD

The SSPD is an administrative body responsible for inspecting, controlling, and monitoring all companies that provide public utilities, enforcing regulations, and imposing penalties.

The SSPD affects TGI's business as it monitors TGI's operations. It may impose fines on TGI or take possession and control of TGI in certain cases. See "Risk Factors — Risk Factors Relating to TGI and the Colombian Natural Gas Industry — Service interruption in the TGI Pipeline System could give rise to the imposition of fines and other sanctions."

Mining and Energy Planning Unit — UPME

UPME is a special administrative unit of the MME and is responsible for developing and updating the National Energy Plan and the National Electric Reference Expansion Plans. UPME is also responsible for forecasting the overall energy requirements of Colombia, planning and developing ways and means to satisfy such energy requirements, including the development of alternative sources of energy, and establishing programs to conserve and optimize the use of energy. CREG may use UPME's forecasts in the tariff setting and adjustment process. See "— Relevant Laws and Regulations — Regulation of Transportation Rates."

Relevant Laws and Regulations

Colombian Constitution

Article 365 of the Colombian Constitution establishes the constitutional framework for public utilities in Colombia, providing that (i) public services are inherent to the social purposes of the nation; (ii) the government must ensure that such services, including domestic public utilities, are made available to all citizens in an efficient manner; and (iii) private persons are entitled to provide such services, subject to regulation by the Colombian government. Article 365 also provides that the provision of public utilities shall be subject to a framework established by law. The following are certain material laws and resolutions applicable to gas transportation in Colombia:

Law 1116

Only certain commercial customers, excluding, for example, public utility companies, are subject to the insolvency proceedings set forth under the Colombian insolvency statute, Law 1116 of 2006 ("Law 1116"). Subject to the terms of article 21 of Law 1116, a commercial customer of our consolidated subsidiaries or our related companies (excluding public utility companies and others) under a reorganization proceeding (*proceso de reorganización*) may reject existing continuance performance contracts (*contratos de tracto sucesivo*) with us with the prior approval of the intervening bankruptcy court, so long as (1) such customer and the respective consolidated subsidiary or related company are unable to agree on the new terms and conditions that would govern such contracts, (2) such continuance performance contracts (*contratos de tracto sucesivo*) are still in process of execution, and (3) the price of the services provided to the customer are excessive, taking into account the equivalent or replacement services available on the market at the time of the rejection. If a customer rejects a contract pursuant to the terms of Law 1116, the respective consolidated subsidiary or related company would be entitled to indemnification as determined under a

separate summary process and the resulting indemnification amount would be included in the reorganization agreement (*acuerdo de reorganización*) under the corresponding priority.

Law 142

Law 142 was enacted pursuant to the mandate of Article 365 of the Colombian Constitution and was designed to guarantee the continuous provision of public utilities under certain standards of quality and efficiency. Law 142 contains the overall legal framework applicable to the provision of domestic public utilities (i.e., water and sewage, sanitation, electricity, natural gas distribution and telephone services) as well as to activities complementary to those services such as transportation of natural gas.

Under Law 142, (i) national, regional and municipal government entities have the responsibility to ensure that public, mixed capital or private entities provide public utility services efficiently; (ii) citizens have the right to choose their service providers; and (iii) any person has the right to organize and operate companies dedicated to the provision of public utilities.

Companies that provide public utilities (*empresas de servicios públicos domiciliarios*) are subject to a special legal regime set out in Law 142 and therefore their acts and contracts are subject to private law, regardless of whether they are private or government owned. They are also required to (i) ensure that services are provided continuously and efficiently; (ii) refrain from practices that restrict competition, when such competition is possible; (iii) facilitate lower income users' access to subsidies provided by the government; (iv) facilitate other service providers' access and interconnection to their networks and assets used for the provision of the corresponding services.

Companies that provide public utilities, whether private or government owned, are also subject to regulations issued by the relevant regulatory commission (i.e., CREG in the case of natural gas transportation services) and to the oversight of the SSPD.

Tariff rates charged by companies that provide public utilities are regulated by the relevant regulatory commission, except when such commission determines such public utility companies do not have a dominant position in their market. In any event, CREG defined price formulas and methodologies for calculating fees charged by companies that provide natural gas to end users.

Pursuant to Article 59 of Law 142, the SSPD may take possession and control of any company that provides public utilities to guarantee the continued provision of the relevant public service, if:

- the company will not or cannot render the relevant public service with the continuity and quality standards required by law and such service is considered either critical to preserve the public or economic order or necessary to avoid serious damages to users or third parties;
- there is a material and continued breach of any applicable regulations or contracts by the company;
- the management fails to deliver complete, accurate and timely information to the relevant authorities;
- the company breaches the terms of any of its permits, licenses or concessions and the SSPD determines that such breach indicates that the company is unable to operate its business;
- there is a calamity or disturbance of public order;

- the company fails, without cause, to assist any other service provider when any such public service provider is unable to provide services under normal conditions to prevent serious damages to users of the relevant services;
- the company suspends payments of its commercial obligations in general or there is a serious risk that it may suspend such payments; or
- the company enters into liquidation.

See “Risk Factors — Risk Factors Relating to TGI and the Colombian Natural Gas Industry.” Such administrative takeover may be for purposes of managing the company or for its liquidation, depending on the situation of the company.

Customers that are organized as public utility companies are not subject to Law 1116 but to special proceedings established by Law 142 of 1994 (“Law 142”). Law 142 establishes the events under which public utilities can be subject to takeover for reorganization purposes (*toma de posesión para administrar*), which aims for the recovery of the insolvent entity as a going concern. If the continuity of the company’s business is not economically viable, the liquidated entity may be subject to a takeover for liquidation purposes (*toma de posesión para liquidar*). If a customer of any of our consolidated subsidiaries or our related companies that is organized as a public utility company is subject to administrative takeover proceedings by the SSPD, such customers’ existing contracts may not be rejected by us but may be rejected by the relevant consolidated subsidiary or related company through the special agent appointed by the SSPD to oversee the customer’s administrative takeover proceedings if such contracts are not necessary for the administration or liquidation of the public utility company, as applicable.

Insolvency proceedings under Law 1116 and under Law 142, have two principal differences:

First, under proceedings governed by Law 142, the special agent appointed by SSPD acts as the legal representative of the insolvent company and is responsible for the management of the general business of the insolvent company. The primary purpose of the special agent is the protection of the public interest (and continuity of public service), the analysis of the viability of the company’s business and the restructuring of existing debts. On the other hand, under proceedings governed by Law 1116, the insolvency judge is assisted by a judicial clerk also known as a promoter (promotor), which is not appointed as the legal representative of the insolvent company and is, therefore, not in charge of managing the company’s business.

Second, insolvent customers organized as public utilities companies cannot unilaterally request termination of existing contracts upon failing to renegotiate them as set forth in Law 1116 and termination can only be requested by the special agent. In this regard, contracts may be terminated by the special agent (acting on behalf of the insolvent company).

If any customer of any of our consolidated subsidiaries or our related companies that is not organized as a public utility company becomes subject to insolvency proceedings in Colombia, then the provisions of Law 1116 may apply, unless such customer is one of the entities expressly excluded from the application of Law 1116. Under these rules, obligations accrued under existing service contracts may be restructured under a reorganization agreement. Such reorganization agreement must be approved by a majority of creditors that have submitted admitted claims, subject to certain special majorities and other specific voting requirements. Creditors’ ranking rules set forth in Law 1116 may be modified by reorganization agreements without affecting labor, pension and social security payments, and subject to the terms and conditions set forth in Article 41 thereof. Such agreement must be confirmed by the competent

authority (Superintendence of Corporations or Civil Circuit Court). The payment obligations under existing natural gas transportation contracts accrued after the initiation of insolvency proceedings under Law 1116 will be treated as administrative expenses and be paid preferentially, in the legal order of priority established by Law 1116.

If the purpose of the administrative takeover is to assume operational control of the company, the SSPD may appoint a fiduciary entity or new management under its authority and subject to the oversight of an advisory board. At least two of the major creditors of the company must be represented in such advisory board. As a result of the takeover (i) all judicial attachments over the public utility company's assets are stayed; (ii) all collection proceedings initiated prior to the takeover are stayed (creditors may join the takeover proceedings in order to collect on their credits); and (iii) the SSPD has two months to determine whether it elects to liquidate the company or continue to manage the company for a period of up to two years in order to rehabilitate it.

If the SSPD and the relevant regulatory commission determines that the company has to be liquidated, the SSPD will transfer the assets of the company subject to such liquidation to other public utility companies to ensure the continued provision of the public utilities. The company will be dissolved after the transfer of its assets and, as a result, the SSPD will appoint a liquidator, summon all creditors, determine the estate subject to such liquidation (which will include the proceeds obtained from the transfer of the company's assets) and liabilities of the company and pay such liabilities in the legal order of priority (i.e., labor and tax credits, secured credits, and unsecured credits).

Upon the SSPD's liquidation order (i) all of the company's obligations will become due and payable, (ii) all judicial attachments over assets of the company will be terminated and its assets will become assets of the estate subject to liquidation, (iii) collection proceedings initiated against such company prior to the takeover will be terminated, and (iv) creditors of the liquidated company will only have a claim against such company in insolvency proceedings.

The liquidation process will be supervised by a board of creditors appointed by the SSPD that will be comprised of five members, three of which will represent the largest creditors and the two remaining will be appointed by the SSPD.

Laws 142 and 143

- Transmission and distribution of electricity and gas in Colombia is considered a natural monopoly, and as a result the remuneration for such activities is subject to regulated rates and tariffs set by the government of Colombia. Laws 142 and 143 of 1994 provide that remuneration for these activities is determined using methodologies determined by CREG, which set the tariffs that may be charged by the transmission and distribution companies and the commercialization companies. Remuneration received by the transmission companies for assets not related to call processes (*i.e.*, infrastructure built before 2000 and related additional works, or *Ampliaciones de las instalaciones del STN*) is calculated and approved by CREG and the corresponding formulae and methodologies run for at least five-year periods, or longer if the methodology is not changed. As a result, we and other operators may be subject to adverse tariff adjustments that could impact our financial condition our results, and our ability to make payments under the Notes.
- According to CREG's Regulatory Agenda for 2023 (Circular 123 of 2022), a new remuneration methodology for electricity transmission activity was anticipated for the first half 2023. To date, CREG has not initiated this discussion nor provided any indications as to how the current methodology may be altered, or whether it will revisit the proposals set forth in Resolution CREG 177 of 2016, which were never implemented. While this methodology only affects those assets not related to call processes, the change in methodology would affect approximately 30% of our total assets.

- It is anticipated that CREG will establish a new remuneration methodology in 2024, and that the new tariffs, derived from the application of this new methodology, will take effect in 2025. Therefore, as of the date of this offering memorandum, the applicable regulation continues to be CREG Resolution 011 of 2009 and CREG Resolution 015 of 2018, respectively.

Decree 2100 of 2011 (Compiled in Decree 1073 of 2015)

Decree 2100 of 2011, or Decree 2100, which is compiled in Decree 1073 of 2015, establishes new mechanisms to guarantee supply of natural gas in Colombia. Among other things, Decree 2100 (i) establishes trading policy guidelines in order to promote competition, seeking efficient prices, mitigate supply concentration and attain information symmetry, (ii) provides incentives and mechanisms to export and import natural gas, (iii) sets forth incentives to explore unconventional natural gas deposits and (iv) defines new procedures to manage operative information about the gas industry in order to coordinate the provision of the natural gas service.

CREG Resolution 057 of 1996, as amended

CREG Resolution 057 of 1996 (“Resolution 057”), as amended, consolidates most of the resolutions affecting the natural gas sector that CREG issued prior to 1996. Among other things, Resolution 057 regulates the following:

1. Separation of activities. Resolution 057 recognizes five independent participants in the economic chain of natural gas: the producer, the transporter, the distributor, the commercialization agent, and the Unregulated Customer, which, as of January 1, 2005, is defined as a consumer of more than 100 MPCD.
2. Limits to vertical integration. Resolution 057 prohibits transporters of natural gas from participating directly in production, distribution or retail activities, or from having an economic interest in companies dedicated to these activities. Similarly, it prohibits companies dedicated to the production, distribution or retail of natural gas from participating directly in transportation activities, or from having an economic interest in companies dedicated to the transportation of natural gas. Resolution 057 also prohibits transporters of natural gas from participating directly in the generation of electricity, and from having an economic interest in companies dedicated to gas-fired electricity generation. For purpose of this Resolution 057, economic interest is defined as an interest in more than 25% of the outstanding equity of a company.

CREG Resolution 071 of 1999, as amended

CREG Resolution 071 of 1999, as amended, (“Resolution 071”), created the Single Regulation for Natural Gas Transport (*Reglamento Unico de Transporte de Gas Natural* or “RUT”), which sets forth specific operative and commercial rules in connection with the natural gas pipeline system, such as the establishment of best practices and quality standards for the transportation of natural gas. The RUT also includes rules directed at ensuring open access to the natural gas pipeline system to all agents in the gas transportation sector.

CREG Resolution 033 of 2018

CREG issued Resolution 033 of 2018, establishing regulatory measures related to the connection of the gas pipelines. Such regulation sets forth a procedure to be followed by any producer or commercialization agent that requires a connection to the SNT. The new source must request the connection

to the transportation company of the relevant operating zone, and such transportation company has to review the viability in order to approve the connection. If such connection is not possible, the producer will be free to continue with procedures pursuant to CREG Resolution 155 of 2017 whereby they are allowed to build their own interconnection gas pipeline. Any production fields with production of less than 30 MPCD are not obliged to contact a transportation company and, under CREG Resolution 033, such a producer has the ability to build its own interconnection gas pipeline. Meaning that smaller fields may be connected directly to sources of gas demand without having to be transported through the SNT, which could lead to an increase in the price and/or limitations to promote expansions of existing gas pipelines competing directly with such smaller fields. In addition, any increase in the number of smaller fields could lead to a decrease in fees generated from gas transportation activities.

In July 2023, the Ministry of Mines and Energy issued a draft resolution for comments, proposing to create the concept of multiphase pipelines. This would allow the transportation of combinations of liquid fuels, water, and natural gas to existing treatment sites. While this could increase gas availability, the draft is currently very broad and could permit a bypass of the existing transportation system. We cannot predict the impact or effect of this new regulation on our or our related companies' business and financial performance.

CREG Resolution 103 of 2021

This resolution was modified by Resolution 102-002 of 2023, which, using the methodology established in Resolution 004 of 2021, established the discount rate for gas transportation activity.

CREG Resolution 103 of 2021

The standards and resolutions that modify this resolution contain the current methodology for determining the remuneration methodology for the transportation of natural gas and the general mechanism to establish the transportation charges for the national transportation system. This resolution is replaced by the methodology issued through Resolution 126 of 2010.

CREG Resolution 085 of 2006

These resolutions contain the latest rates approved by CREG prior to the application of the new WACC and before the currency change from USD to COP for the charges that will remunerate the investment. Additionally, they incorporate the new values for the assets that ended their regulatory useful life before December 2020. To do this, CREG used the previous methodology of establishing a new replacement value by hiring an expert and granting a value of 60% of said amount when the transporter decides to continue operating the asset and the replacement value to the new value, if he decides to rebuild it.

CREG Resolution 085 of 2006

CREG Resolution 085 of 2006, ("Resolution 085"), provides that, as from the date the Ecogas business was transferred to TGI, TGI shall apply the regulated tariffs for gas transportation services approved for Ecogas pursuant to Resolutions 076, 013 and 125.

CREG Resolution 041 of 2008

CREG Resolution 041 of 2008, ("Resolution 041"), amends the RUT providing new rules in order to establish better standards for the transportation of natural gas. This amendment modifies, among other things, definitions of standard conditions and standard volumes of natural gas. Additionally, this

amendment modifies objectives of the RUT to: (i) secure access without discrimination; (ii) secure conditions and instruments to an efficient, economic and trustworthy operation; (iii) facilitate the development of supply and transport gas markets; and (iv) standardize practices and terminology for the gas industry.

CREG Resolution 185 of 2020, as amended

CREG Resolution 185 of 2020, as amended, regulates commercial aspects of the commercialization of the transportation of gas in the natural gas wholesale market. The Resolution contains the set of provisions applicable to negotiations regarding the supply and transportation of natural gas to the primary market and to the secondary market.

CREG Resolution 102-008 of 2022

This resolution compiles and adjust Resolution 107 of 2017 and establishes the procedures that must be carried out in order to undertake and complete natural gas supply plant projects.

This Resolution had a great impact on natural gas transporters and it established the mechanism for the development of projects as part of the natural gas supply plan. Previously, all the projects developed by the transporters were on their own initiative and they were free to determine the necessary investments. Following adoption of this new procedure, each transporter was given priority rights to develop the applicable project and, in the case that it decided not to carry out the development, the regulator will offer the right to conduct the project to market participants, so a different transporter may be able to perform it.

CREG Resolution 155 of 2017

CREG Resolution 155 of 2017, contains regulatory framework related to an “Open Season” approach to promoting the expansion of natural gas transportation capacity. The Resolution does not contemplate amendments to the priority of the transportation company to perform extensions in the capacity of the pipelines.

CREG Resolution 33 of 2018

CREG Resolution 33 of 2018 establishes the regulation measures related to the definition and application of the connection pipeline.

CREG Resolution 080 of 2019

CREG Resolution 080 of 2019 contains the market behavior rules for the agents that develop public utilities of electric energy and gas, including the provision that forbids sharing with third parties any information which has the purpose, effect, capacity or ability to cause one or more of the following: restrict the available offer in the market, to restrict access to the market, to discriminate between agents, threaten the provision of the public utility, or distort the efficient functioning of the market.

CREG Resolution 186 of 2020

CREG Resolution 186 of 2010 regulates the commercial aspects of the supply of the wholesale natural gas market. The Resolution contains the set of provisions applicable to negotiations regarding the supply and transportation of natural gas to the primary market and to the secondary market. Through this resolution, CREG Resolution 114 of 2017 was revoked.

Regulation of Transportation Rates

Pursuant to Colombian law, the tariff structure for gas transportation and other public utilities should be based on the principles of financial feasibility and economic efficiency. The first principle is served by setting a tariff that allows the service provider to recover operating costs and expenses and the investments in its assets, and to obtain a return on investment comparable to the return that would be obtained by an efficient company in a sector of comparable risks. Under the second principle, the tariff scheme should provide for a mechanism that sets prices for such services in a manner similar to that in which prices are set in a competitive market. In addition, under such principle the service provider should share the benefits of productivity increases with its customers, as it would do in a competitive market, and may not transfer to the consumer the costs of inefficiencies in its operations. In case of conflicts between the two principles, the financial feasibility principle shall prevail.

Under Colombian law, providers of natural gas transportation services are not entitled to receive any assured or guaranteed revenues or cash flows for providing natural gas transportation services or making available their transportation assets to users of the national pipeline system. As a result, the Colombian natural gas transportation system is premised on the existence of privately negotiated contracts between transporters and users of the service. Therefore, a provider of natural gas transportation services will only obtain revenues if it enters into contracts with third parties charging them transportation rates, subject to the maximum regulated prices set periodically by CREG.

Rate Determination Methodology

The transportation rates are calculated and determined by CREG applying the general methodology established by CREG Resolution 175 of 2021. CREG also issued Resolution 155 of 2017, which established an alternative procedure for the construction of network extensions.

CREG divides each transportation system into segments and determines the rates applicable to each separate segment, using a rate setting methodology that takes into account: (i) investment costs (denominated in Colombian *pesos*); (ii) AO&M (denominated in Colombian *pesos*); and (iii) projected demand of transportation services through the transporter's pipeline system. For purposes of these calculations, CREG assumes a useful life of 20 years for pipelines and 30 years for pipelines built under BOOT Concession Agreements. Using this information, CREG establishes combinations of fixed and variable charges which compensate the owner of the system for its investment (denominated in Colombian *pesos*), and a fixed charge which compensates the owner of the system for AO&M costs (denominated in Colombian *pesos*), for each segment of pipeline system. Fixed charges apply to the contracted capacity, and variable charges apply to the actual transported volumes.

CREG uses rates of return of approximately 11.88% for fixed charges and for variable charges.

Fixed and variable charges for the transportation of gas were adjusted every year based on the PPI. As of 2023, given that the currency of charges that will remunerate the investment changed to Colombian pesos, while AO&M charges are still being adjusted annually based on the IPC.

The price for transportation services is calculated as the sum of the fixed and variable transportation rates for each segment of pipeline for which capacity is contracted or over which the gas is transported from the receipt point to the delivery point. The way in which gas transporters and customers negotiate the service rates is by selecting the combination of fixed and variable charges that best fits their needs, as well as by determining the contracted capacity for which such fixed charges are paid by customers.

In 2021, CREG released CREG Resolution 175 of 2021 as a new methodology for calculating the natural gas transportation rate. The following are the main changes: (i) the WACC calculation should be based on the formula set forth in CREG Resolution 004 of 2021 (adopting a constant value of 10.94% before taxes, to then be modified in 2023 to 11.88%), which resulted in a decrease in the WACC previously used by TGI and other gas transporters; (ii) the processes developed for recognition of the necessary investments in gas pipelines that achieve a regulatory useful life will be established by a new valuation model based on fixed carrying values, as opposed to a process whereby an expert appointed by CREG (as established in CREG 126/2010) conducts an appraisal of the assets and related investments; (iii) the fuel gas for compression will not be treated as a pass through so that the transporter does not have a loss or gain on that operation; (iv) a cost sharing system would be put in effect to balance the difference between the capital investments made by TGI and other gas transporters and the value of the relevant expansion project; (v) a proposal for the aggregation of regulatory tranches may now be submitted, provided it is demonstrated that there is a benefit for the demand; and (vi) the methodology for calculating an asset's useful life that is, in turn, used to calculate the rate of return to be received by TGI and other gas transporters was modified in order to recognize a new replacement value if the carrier decides to replace the asset that is ending its regulatory useful life or recognize only the new investments that the carrier makes to continue operating the existing asset for another regulatory useful life period. CREG Resolution 702 009 of 2022 was adopted by CREG Resolution 102 003 of 2023.

It is also important to highlight that CREG Resolution 175 of 2021 has a transition period that involves the solution to the actions that were open before December 2020 due to the end of the regulatory useful life of some assets. For TGI, CREG had an administrative action in process that ended with the issuance of CREG Resolution 502-035 of 2022, which was published in May 2023, through which it incorporated the new values for the assets that ended their regulatory useful life before December 2020 into TGI's rates. To do this, CREG used the previous methodology of establishing a new replacement value by hiring an expert and granting a value of 60% of said amount when the transporter decides to continue operating the asset and granting the replacement value. again, if you decide to build it again. This action brought an important benefit in the value of the investments while allowing the reduction of the WACC to be largely mitigated.

Rate Determination Procedure

Pursuant to the methodology currently in effect and established by CREG for an initial five year period, in order to obtain approval of the fixed and variable charges, gas transporters must submit to CREG every five years a report of: (i) the investments made in the pipeline system and the projected investments for the next five years, (ii) the projections for the next 20 years of the demand for capacity and the expected transportation volumes, and (iii) expenses from the last tariff period and the expected AO&M costs for the next 20 years for compression stations. CREG analyzes this information in light of its efficiency standards, the projections submitted by other gas transporters, the guidelines set forth by the UPME and other information. This information, called tariff reports, was presented by TGI to CREG on February 23, 2022. Currently the regulator is in the process of auditing the information, requesting more data or corrections to them and ultimately determining the rates that would be applicable.

CREG resolutions that determine applicable natural gas transportation rates for each transporter may be contested through an administrative recourse (*recurso de reposición*), which is filed with CREG, requesting the reversal, modification or clarification of CREG's decision or resolution, and in the event CREG determines that no reversal or modification should be granted, the resolution shall be contested through a judicial proceeding before administrative courts.

The methodology currently in effect was established pursuant to CREG Resolution 175 of 2021. This methodology has a first phase that for TGI began as of June 1, 2023, in which the same transporter

executes a procedure so that without changing the values of investment and AO&M recognized, the new WACC is applied, the currency of the charges that remunerate the investment are changed from USD to COP and these charges and those of AO&Ms are updated as of December 2021. To do the above, the investments in dollars that are based on December 2009. These values are taken to December 2021 using the PPI of the United States with the series ‘WPSFD41312 Private capital equipment’ and divided by the TRM of December 31, 2020 and the rate is calculated using the new WACC of 10.94%, which was updated to 11.88%. The investments are adjusted to December 2021 using the Producer Price Index in the United States of America and the new WACC of 10.94%, which was updated to 11.88%. The AO&M fixed charge is updated using the Colombian Consumer Price Index (“IPC” for its acronym in Spanish). Going forward, these tariffs will be updated annually until a new tariff is issued by CREG, based on the tariff information file submitted by TGI on February 22, 2022. Resolution CREG 175/2021 also addresses the transition period for resolving issues related to the end of the regulatory useful life of some assets prior to December 2020. CREG concluded this with the issuance of Resolution 502 035 of 2022 in May 2023, incorporating new asset values into TGI’s tariffs. The resolution significantly mitigated the WACC reduction’s impact by using the previous methodology of establishing a new replacement value.

Although Law 142 of 1994 stipulates a 5-year term for tariff methodologies, if CREG fails to issue a new methodology, the existing one will continue to apply. Historically, tariff periods have lasted at least 10 years.

CREG Resolution 132 of 2019

CREG Resolution 132 of 2019 sets forth the mechanism for the reliability charge takers to allocate Firm Energy obligations to new plants. Under this Resolution, new plants that have not received Firm Energy obligations, may request the assignment of OEF through the takers mechanism for any future period for which the assignment of OEF has not been made, either because no reliability charge auctions took place during the period, or there were no other mechanisms to award OEF during the same period. The plants participating in the takers mechanism will have OEF during a fixed period of ten (10) continuous years. CREG is currently evaluating the road map towards energy transformation Resolution CREG 055 of 2017, whereby the government will define the modifications to the wholesale and retail electric power market such as, modification to the charge for reliability, power contract scheme, rate design, vertical integration rules and transmission planning, among others. Once the road map is defined, CREG must make the regulatory modifications or shall have the associated discussions. Any change may have an adverse or positive effect on Enel Colombia’s revenues, its financial condition and its results of operations. Any change in Enel Colombia’s receipt of reliability charges may have an adverse effect on Enel Colombia’s revenues, its financial condition and its results of operations.

TGI’s request to recalculate and update the discount rate of natural gas transportation

On April 3, 2023, TGI requested the CREG to recalculate and update the discount rate of its natural gas transportation activity for 2023, in order to update the financial model of the Natural Gas Supply Plan Projects (IPAT) and evaluate its execution. On April 24, 2023, the CREG, in response to TGI’s consultation related to Resolution CREG 102 – 008 of 2022, stated that it would issue the specific actions through which the income that the incumbent transporters will receive for the IPAT projects will be formalized. On June 26, 2023, the CREG published Resolution 102 003 of 2023, which amends Resolution CREG 102 008 of 2022 “Whereby the procedures to be followed to execute any IPAT are adopted”. In July 2023, the CREG notified TGI through administrative acts, the investment recorded values for administration, operation, and maintenance expenses, for three (3) separate IPAT projects: the Bidirectionality Barrancabermeja - Ballena, the expansion of Mariquita - Gualanday and the expansion of Ramal – Jamundi. TGI filed an appeal for reversal/reposition on each of these acts, requesting for some corrections in the stated values to be made.

CREG is expected to resolve these appeals by the end of 2023. Regarding the Bidirectionality Yumbo – Mariquita IPAT, it is understood that the efficient investment values have not yet been notified to TGI, considering that this project is conditional on the prior assignment of the Pacific Regasification Plan. This process was not awarded by UPME due to the absence of proposals.

Natural Gas Distribution

Natural gas distribution in non-exclusive areas is considered a natural monopoly and is subject to price, quality and access regulations. Remuneration is based on the distribution and commercialization charges approved for the markets, which are effective for a period of five years following the date of approval in 2004 and remain effective until CREG approves new charges.

In the case of distribution, although the compensation methodology for this activity is already set forth by CREG Resolution 202 of 2013, modified among others by Resolutions 090 of 2018, 132 of 2018 and 011 of 2020 such Resolution will only become effective once CREG approves the new charges that companies will request under the new methodology. It is expected that these new distribution charges would be approved at the end of the second half of 2023.

The compensation for commercialization is currently based on a fixed charge, as determined by CREG Resolution 102 003 of 2022.

The rights and responsibilities of distributors, commercialization companies and users, the criteria for infrastructure expansion, the conditions for free access to the distribution network and the minimum security and quality standards of the distribution service are established in the Gas Distribution Code or CREG Resolution 067 of 1995.

Limitations to Enforcement of Liabilities

Under Colombian law, if the enforcement of a judgment against any of TGI's assets or properties located in Colombia that are used in the provision of public utilities could render TGI unable to transport natural gas with the continuity and quality standards required by law and if such service is considered either critical to preserve the public or economic order or necessary to avoid damages to users or third parties, the SSPD may take possession and control of TGI.

Peruvian Natural Gas Industry and Regulatory Framework

Overview

The organizational structure of the Natural Gas market in Peru based on the vertical non-integration of exploration and production, transportation and distribution activities.

Exploration includes geological and geophysical work to determine the location and areas of natural gas fields, the drilling of wells and any other activity that may be necessary to discover hydrocarbons. Once the well has been drilled, the presence of natural gas is detected and exploitation is determined to be commercially viable, production follows, which consists of the systematic extraction of natural gas and the conditioning thereof of transportation. This includes both the design and construction of pipelines and storage tanks, processing and metering facilities, and the operation of such facilities. This stage covers the production system, the gas basin, the processing plant and the storage. Currently, one of the most important blocks of natural gas under production in Peru is Block 88 ("Block 88") and Block 56 located in the Peruvian jungle, known as the Camisea gas fields. Natural gas from Block 88 is allocated substantially for Peruvian domestic use while the natural gas from Block 56 is destined for export. There is a consortium in

charge of production at this site (the “Camisea Consortium”), which signed the License Agreement for the Exploitation of Hydrocarbons in Block 88 (the “License Agreement”). The Block 88 reserves are ten times larger than any other natural gas reserve in Peru, according to OSINERGMIN. The production operations of Pluspetrol are developed in the Malvinas Plant in the Camisea gas fields.

Transportation includes the operation of gas pipeline systems, compression and metering stations, installation and control of valves, and inspection and maintenance of the pipeline systems in order to safely transport the natural gas from the production fields or treatment plants to consumption areas. This stage covers the transportation system, compression plants, pipelines, referrals and recompression. Transportadora de Gas del Perú S.A., or TGP is the entity responsible for the transportation of natural gas, under its own BOOT Concession Agreement, and associated liquids from Camisea gas fields through its high — pressure pipeline network.

Distribution is the supply of natural gas to users through high pressure trunk line networks or medium or low-pressure pipelines. High pressure distribution supplies natural gas to industries and power generators, while residential customers are supplied through additional medium and low-pressure pipelines. This stage includes the distribution systems, networks in high, medium and low pressure, nodes and regulation station, and final consumption (industrial, residential, etc.). The Company in charge of distribution of natural gas for Lima and Callao is Gas Natural de Lima y Callao S.A. — Cálidda. The distribution of natural gas involves the concession for Lima and Callao (the Concession Area); the operator receives the gas at the City Gate and subsequently distributes it through a high-pressure trunk pipeline that crosses the city of Lima and reaches a terminal in Ventanilla. Cálidda holds an exclusive concession to distribute natural in the Concession Area.

Additionally, Peru LNG S.R.L. is managing a plant for natural gas exports. This plant consists of two parts: (A) a liquefied natural gas plant that includes a marine loading terminal from which liquefied natural gas will be exported; and (B) a gas supply pipeline connected to the existing TGP pipeline in the rainforest section that transports the gas from this connection point to the LNG Plant located between the provinces of Cañete and Chinchá.

The MINEM is the entity in charge of defining governmental policies for the development of hydrocarbon activities, from exploration to the transportation and distribution thereof. In addition, the Congress of the Republic of Peru is authorized to legislate on issues directly or indirectly related to the natural gas sector. Finally, OSINERGMIN and OEFA are the entities in charge of supervising and imposing sanctions regarding the technical and environmental obligations, respectively, related to the natural gas industry. Both entities have also legislative initiatives on these matters and, in the case of OSINERGMIN, it has regulatory authority on transportation and distribution of natural gas, considered as public services.

Peru’s energy requirements

Peru’s current natural gas requirements are met through domestic natural gas production. Nevertheless, it is important to point out that there was an unanticipated increase in the demand of natural gas in Peru, higher than what was expected at the time of issuing the rules governing the natural gas industry. This unanticipated increase in demand for natural gas has led to congestion of the infrastructure and the temporary restriction of gas supply, and therefore the Peruvian government has decided to establish a priority order for the domestic requests of supply of liberated natural gas to be treated in this period. However, the current demand remains stable (except from the COVID-19 impact), with the Block 88 Producers seeking optimizations to offer their production.

On August 5, 2010, the Supreme Decree No. 046-2010-EM, Regulations for the Natural Gas Secondary Market was approved. It regulates the transactions in the Secondary Market of Natural Gas in

order to assure an efficient usage of the production and the take or pay transportation capacity of Natural Gas.

Additionally, it states that the transfer of production or take or pay transportation to be made in the Secondary Market shall be made through electronic bid. Moreover, the law has established that the transactions on the Secondary Market are carried out through bilateral negotiations until December 31, 2020.

Peru's natural gas exports

According to Block 56 License Agreement, the natural gas produced in the contract area can be exported as long as the supplying to the local market is guaranteed, according to the forecast of demand of natural gas, as well as the level of proven reserves of natural gas in Peru, published in the Referential Plan of Hydrocarbons of the Ministry of Energy and Mines and valid at the time of the signing of the contract for selling of gas for exportation. The gas exportation agreement was executed in February 2006 between the members of Camisea Consortium and Perú LNG S.R.L., when the latter liquefies natural gas from Block 56 on its Pampa Melchorita Plant, then exports the LNG obtained from the process.

Access to natural gas transportation pipelines and associated infrastructure

According to the Regulations of Transportation of Hydrocarbons through Pipelines, approved by Supreme Decree No. 081-2007-EM, the concessionaire is obliged to allow the open access to the pipeline without discrimination to those who require it, as long as it is technically viable. In those cases where the concession has been granted as a consequence of a public bid, the terms may establish limitations to the open access for a fixed term and for purposes of promoting private investment. The principles to administer the available capacity of the pipeline are: (i) transparency and adequate publicity; (ii) equal treatment to the requests; (iii) free concurrency and competition among the requests and (iv) contractual formalization. The concessionary shall answer any request of service within 30 days since the reception of the request and the rejection shall be sustained with technical or economic reasons. If the one that requests the service and the concessionary do not reach an agreement, the parties may submit their differences to OSINERGMIN.

The law establishes the maximum rate that the contractor can be charged by concessionaires. The rate takes into account operating expenses, depreciation, an after-tax rate of return on investment and working capital as well as the volumes to be transported in such a way as to allow the concessionaires to recover their costs and to obtain a reasonable profit.

Natural Gas Distribution Network Ownership, Organizational and Regulatory Framework

The concession of natural gas distribution for Lima and Callao has been granted in favor of the company Gas Natural de Lima y Callao (Cálidda). Cálidda holds an exclusive long-term renewable concession from the Peruvian government granted in 2000 to TGP and subsequently assigned to Cálidda in 2002. Cálidda's concession agreement, the first term of which is scheduled to expire in 2033, provides for exclusive natural gas distribution rights within the concession area.

The concession of natural gas distribution for Ica has been granted in favor of the company Contugas S.A.C. with an exclusive long-term renewable concession from the Peruvian government granted in 2009 of which is scheduled to expire in 2042, provides for exclusive natural gas distribution rights within the concession area.

The concession agreement is a BOOT Concession Agreement and allows for 10-year extensions with a maximum accumulated period of 60 years. The operator of the concession receives the gas at the

City Gate and then distributes it through a network of pipelines that cross the city. Local Distributor Company provides natural gas service to residential, commercial, industrial and vehicular segments.

For purposes of operating a distribution network, a concession is required. The concession to distribute natural gas in a particular area will be exclusive to a single concessionaire and that area may not be reduced without the authorization of the General Director of Hydrocarbons (*Dirección General de Hidrocarburos*) of the MEM. The concession area is determined initially by the geographic area bounded and described in the contract. After a period, which may not be longer than twelve (12) years from the start of the commercial operation, the areas that are not covered by the concessionaire may be requested by a third party, with a minimum length of ten (10) hectares, giving the concessionaire a preferential right. If the concessionaire does not exercise that right, the concessionaire will reduce and redefine its concession area.

The concessionary may request an extension of its concession area, as long as it complies with the requirements set forth by the Regulations of Natural Gas Distribution by Pipeline Networks (Supreme Decree No. 042-99-EM) and after following a similar procedure to that provided for the granting of a concession.

Since distribution is a public utility, it is subject to an obligation to allow open access to the distribution system facilities.

According to CREG's Resolution 137, 2013, there are two types of natural gas customers in the market, independent (non-regulated) customers with consumption levels surpassing 100,000 feet cubic per day, and regulated customers whose consumption is lower or equal to 100,000 feet cubic per day.

Independent consumers (those who purchase natural gas directly from producers, traders or a dealers, for a volume higher than thirty thousand standard cubic meters per day (30,000 m³ day) and by a contract period of not less than six months), producers (contractor under a License Agreement for the Exploration and Exploitation of Hydrocarbons) and traders (natural or legal person that buys and sells natural gas or transportation capacity or distribution, for themselves or on behalf of others, without being a concessionaire or transport) have open access to use the facilities of transportation and distribution system for which they must pay the respective fees.

Additionally, the concession holder is required to provide services to regulated customers who request such service within the concession area within 25 days, or within one year if the required infrastructure does not exist in the area and provided that the requested supply is deemed technically and financially feasible. Should supply be technically but not financially feasible the user may provide the funds for the construction of the required facilities. Concession holders are also required to maintain their contracts with producers in force and effect for the 24 following months, to ensure supply to its users. Contracts for distribution of public utility services are subscription contracts, which content has been previously approved by the General Director of Hydrocarbons of the MEM and should contain, at a minimum: (i) the location of the supply point and determination of the real property to which such supply is intended; (ii) classification of the regulated customer according to supply type; (iii) supply characteristics; (iv) contracted capacity; (v) term of effectiveness and conditions of supply; and (vi) the applicable rate and legal provisions applicable to connection fees.

There is a maximum fee that a dealer can charge for the supply of natural gas and the services of transportation, distribution and retail. The fee shall provide the resources to the concessionary to cover the efficient costs for providing the service.

Tariffs for Peruvian natural gas distribution companies are reviewed by OSINERGMIN periodically, except for the periods established in the concession contract. In May 2022, the rate review

processes for both Local Distribution Companies began with a validity until May 2026. In the case of Contugas, it was the first review after 8 years, with rates and indexing methodology established in RCD No. 103-2022. -OS/CD. While in the case of Cálidda it was approved by RCD No. 079-2022-OS/CD.

OSINERGMIN has established the single tariff for a period of 4 years in accordance with applicable regulation. The single tariff considers the current values of the executed investments and the projected works, operation and maintenance costs, fixed and administrative expenses and the total market forecast demand for the period. The single tariff considers an annual discount rate of 12% for the calculation of its estimates, which in definite account for factors that represent the annual average profitability of the investments and administrative, operation and maintenance costs.

The single tariff establishes different categories of customers and is adjusted every three months taking into account (i) the customs duties applicable to the import of steel and polyethylene (ii) the PPI (iii) the Peruvian Wholesale Prices Index (IPM), and (iv) the exchange rate.

Recent trends and developments

There is a debate in Peru as to whether the reserves of natural gas in Peru are enough to cover the local market demand for natural gas. On November 9, 2009, the Supreme Decree No. 079-2009-EM amended the previous regulation, in which guaranteed local market supply was subject to a minimum defined period in the License Agreement. In addition, such Supreme Decree indicated that such mechanism may fail to satisfy the local market demand for natural gas because such demand cannot be properly estimated at the time when the agreements are executed for sales of gas exports. In August 2014, the Supreme Decree No. 079-2009-EM approved the amendment of the Block 88 License Agreement to ensure that production in such block was aimed to serve exclusively the local market.

Another important development to consider is the potential execution of a new pipeline project. The Integrated Gas Transportation System — Southern Zone (formerly known as South Andean Pipeline) involves designing, constructing and operating the pipeline that will transport natural gas from gas fields located in the Cusco region to the cities of Cusco, Arequipa and Moquegua, and incorporate connections to the cities of Apurímac, Puno and Tacna. This project is expected to constitute the backbone of socio-economic development of the Peruvian southern regions and increases the reliability of the national natural gas supply because it is a separate pipeline of the existing pipeline.

In the same line of the natural gas massification, other natural gas grid concessions have been awarded by the Government in 2019, such as the Tumbes city concession to Clean Energy and the Piura city concession to Gases del Norte del Perú. In addition, as of the date of this offering memorandum, there is also on course the awarding of the “Seven Regions” natural gas grid concession for the regions of Apurímac, Ayacucho, Huancavelica, Junín, Cusco, Puno and Ucayali.

Peruvian environmental regulation

Authorities

The entities responsible for regulating, operating and supervising the Peruvian hydrocarbon activities are described below:

- The Peruvian Ministry of Energy and Mines (“MINEM”), which is responsible for: (i) defining the national energy policy; (ii) proposing and adopting rules and regulations governing the mining, energy and hydrocarbons sector; (iii) promoting scientific research and investments in the energy sector; and (iv) awarding concessions and contracting with interested companies, according to applicable law.

- The DGAAE is an administrative entity dependent of the MINEM and the competent authority that approves the environmental management instruments applicable prior to the initiation of any hydrocarbon activities, its expansion or modification. Depending on the environmental impacts generated by the hydrocarbon activities, the DGAAE require the approval of an Environmental Impact Statement or a Semi-detailed Environmental Impact Assessment.
- The National Service for Environmental Certification and Sustainable Investments (“SENACE”) is a specialized technical governmental agency, dependent of the Ministry of Environment, in charge of reviewing and approving detailed Environmental Impact Assessments (“EIA”) in connection with projects involving activities, works or services that may cause significant impacts to the environment, except for those excluded by supreme decree at the request of a specific ministry.
- Pursuant to Ministerial Resolution No. 328-2015-MINAM, dated November 25, 2015, the transfer of jurisdiction from the MINEM in favor of SENACE has been completed. Therefore, as from December 28, 2015, SENACE reviews and approves Detailed Environmental Impact Assessments related to projects involving activities, works or services that may cause significant impacts to the environment.
- Regional Government. Each regional government is in charge of approving the environmental certification for regional scope projects. This is the case of regional natural gas distribution projects developed by Gases del Pacífico.
- The Ministry of Environment (“MINAM”) approves general environmental policies, in collaboration with the MINEM.
- The Ministry of Culture (“MINCUL”), which is the competent authority responsible for the issuance of Certificates of Inexistence of Archaeological Remains (*Certificado de Inexistencia de Restos Arqueológicos*) (“CIRA”), prior to the development of investment projects, as well as other permits in order to protect the nation’s cultural heritage, as the case may be.
- Organization of Supervision and Environmental Assessment (“OEFA” in its Spanish acronym) is a specialized technical governmental agency, dependent of the Ministry of Environment, responsible for ensuring that individuals and entities, both public and private, comply with environmental regulations, which it does through enforcing, overseeing, controlling and, where necessary, sanctioning, (through penalties and administrative measures) on environmental matters. On March 4, 2011, OEFA took on the responsibility for verifying compliance with environmental regulations by companies operating in the hydrocarbon and energy industries, particularly enforcing the compliance of applicable environmental laws and regulations.
- National Water Authority (“ANA” in its Spanish acronym), which is responsible for exercising exclusive jurisdiction over natural water resources; and taking management, monitoring, control and surveillance actions aimed to ensure the preservation and conservation of natural water sources, natural assets associated with the aforementioned sources and hydraulic infrastructure. The ANA has sanctioning and enforcement powers.
- The National Forestry and Wildlife Service (“SERFOR” in its Spanish acronym) is a specialized technical governmental agency, dependent of the Ministry of Agriculture, in charge of regulating forest and wildlife matters and proposing policies, strategies, plans and other instruments to promote the sustainable use of forest and wildlife resources. SERFOR is the entity in charge of granting several permits in order to perform forest and non-forest activities, such as forest clearing activities, among others.

Regulation

The main regulations applicable to hydrocarbons activities are the following:

- General Environmental Law (Law 28611). It is the general legal basis for all environmental regulations in Peru. It sets relevant guidelines, like the principle of prevention (the main purpose of the environmental management is to prevent environmental deterioration, and correction should be the only the second choice), and the principle of environmental liability (the person or company that causes environmental damage must correct it). It also set the bases of the current Environmental Protection Regulations for Hydrocarbon Activities.
- Law for the National Environmental Impact Assessment System (Law 27446) and its Regulations (Supreme Decree 019-2009-MINAM). Create the National Environmental Impact Assessment System (“SEIA”) as a unique and coordinated system of identification, prevention, supervision, control and early correction of negative environmental impacts derived from human actions expressed through the investment project. It also establishes the obligation to obtain an environmental certification to be able to execute an investment project in Peru.
- Regulations for Environmental Protection in Hydrocarbon Activities (Supreme Decree 039-2014-EM). It regulates the protection and environmental management of Hydrocarbon Activities, with the purpose of preventing, minimizing, rehabilitating, remediating and compensating the negative environmental impacts derived from such activities, in order to promote sustainable development, in accordance with the current environmental regulations. These environmental regulations establish: (i) the classification of environmental management instruments applicable to hydrocarbon activities; (ii) the procedure for the evaluation, approval and modification of environmental management instruments; (iii) complementary environmental obligations applicable for each hydrocarbon activity, and its phases; and (iv) the obligation of the holder of an environmental management instrument to notify the competent environmental authorities, in case of transfer, assign or lease of the hydrocarbon activities, among others.
- Law for the Integral Management of Solid Waste (Legislative Decree 1278) and its Regulations (Supreme Decree N° 014-2017-MINAM). It establishes certain obligations regarding the integral management of solid waste, such as to submit the Annual Solid Waste Management Declarations and Quarterly Hazardous Solid Waste Manifests, and the disposal of solid waste through authorized companies. Its compliance is supervised by OEFA.
- Water Resources Law (Law 29338) and its Regulations (Supreme Decree 001-2010-AG). It regulates the rights for the use of water and the authorizations for wastewater discharge over natural sources, among others, and establish several specific obligations for the beneficiaries, such as to pay the compensation for the water use or discharge. Its compliance is supervised and sanctioned by the ANA.
- Law of Forestry and Wildlife (Law 29763). This Law has four Regulations: (i) Regulations for Forest Management (Supreme Decree 018-2015-MINAGRI), (ii) Regulations for Wildlife Management (Supreme Decree 019-2015-MINAGRI), (iii) Regulations for Forest Plantations and Agroforestry (Supreme Decree 020-2015-MINAGRI) and (iv) Regulations for Forest and Wildlife Management in native and rural communities (Supreme Decree 021-2015-MINAGRI). Such Law and Regulations establishes several obligations and the corresponding fines for the non-compliance. Its compliance is supervised and sanctioned by SERFOR.

Main obligation: to obtain an environmental certification

According to the environmental legal framework, the approval of the environmental study by the corresponding authority must be obtained prior to the development of projects of public or private investment that can have negative impacts on the environment. Investment projects that require environmental certification are listed on the Supreme Decree 019-2009-MINAM (Appendix 2), which include natural gas distribution system. The environmental certification means the environmental viability of the project.

Investment projects are classified on the basis of the environmental risks they pose or environmental impacts they may create, as follows:

a) Environmental Impact Statement – DIA (Category I): projects that do not have significant negative impacts on the environment. According to the Appendix 1 of the Regulation for the Environmental Protection on Hydrocarbon Activities, low pressure gas distribution pipelines in urban areas classify as Category I.

b) Semi-detailed Environmental Impact Assessment – EIA-sd (Category II): projects that may have moderate negative impacts on the environment.

c) Detailed Environmental Impact Assessment – EIA-d (Category III): projects that may cause significant negative impacts on the environment. Main pipelines (*troncales*) or high-pressure gas distribution pipelines are classified as Category III.

All measures, commitments and obligations related to the project must be included in the environmental plans, as part of the environmental certification. The project's owner is obliged to comply with any environmental or social obligations contained in the environmental instrument and will be subject to inspections (and imposition of fines) by OEFA. Additionally, the owner of the project must comply all regulations resulting from other licenses, permits or authorizations, and those resulting from the current legislation.

If OEFA verifies that a distribution system does not have the corresponding approved environmental certification, it may impose material fines and a corrective measure of closure of facilities or standstill of activities.

Other environmental authorizations and obligations

The approval of an environmental management instrument does not per se grant the titleholder the right to initiate hydrocarbon activities. In this sense, the titleholder of hydrocarbon activities must obtain all the other licenses, authorizations or permits required, as applicable to the activities to be carried out, in accordance with the legislation in force.

Depending on the activity, certain permits, licenses or environmental authorizations might be required from different sectoral authorities, either for the construction or the operation of the project. For example, the construction may require water use authorizations. Moreover, as mentioned before, there are additional obligations that might be required, such as those proper of the Hydrocarbons subsector, and those related to solid waste management.

Environmental enforcement

Peru has several national and regional laws and regulations related to the protection of the environment and the use of natural resources. Failure to comply with these laws and regulations may result in the assessment of administrative and civil penalties, imposition of fines and corrective measures (which

may include, in the worst scenario, temporary or permanent closure of facilities and the cancellation of licenses). In addition, significant costs may arise from the compliance with environmental regulations, payment of fines resulting from infringements. Remediation obligations can result into significant costs associated with the investigation, remediation and/or cleanup of contaminated properties, as well as damage claims arising out of the contamination of properties or impact on natural resources.

In case of infringements to environmental certification or environmental laws and regulations, OEFA may initiate an enforcement action and eventually impose a sanction within the context of an administrative sanctioning procedure. The administrative responsibility is independent from the civil or criminal liability that may exist for the same conduct.

OEFA will apply the following a criterion to estimate the sanctions: (i) severity of the environmental damage, (ii) degree of incidence over environmental quality, (iii) geographic extension, (iv) reversibility and recoverability, (v) affectation to natural resources, (vi) protected natural areas or buffer areas, (vii) affectation to rural or native communities and (viii) effects on people's health.

On the other hand, the ANA oversees and impose sanctions regarding infringements to the Law for Water Resources and its regulations, and SERFOR supervises and impose sanctions regarding infringement to the Forest and Wildlife Law and its regulations.

Risks of substantial costs and liabilities, including those from leaks and explosions, are inherent in pipeline operations and significant costs and liabilities may be incurred, including those related to claims for damages to property or injury or loss of life, resulting from operations of the pipeline.

Insolvency

Under Peruvian Law No. 27809, as amended (Ley General del Sistema Concursal or the “Peruvian Insolvency Law”), in the event that our Peruvian consolidated subsidiaries’ or related companies’ customers (other than state-owned entities, banks and other financial and insurance institutions) become bankrupt or insolvent and are liquidated, our Peruvian consolidated subsidiaries’ and related companies’ claims with respect to payments due by such customer will rank junior to the customer’s labor, social security, pension fund, secured obligations, tax and tax-like claims, all of which have priority over our Peruvian consolidated subsidiaries’ and related companies’ claims pursuant to the Peruvian Insolvency Law. These claims will be pari passu in right of payment to all other unsecured and unsubordinated indebtedness. Therefore, the ability of our Peruvian consolidated subsidiaries and our related companies to recover payments due and payable under such contracts may be limited.

BUSINESS

Overview

We are a leading owner, developer and operator of electricity and natural gas infrastructure assets across Latin America, with a presence in Colombia, Peru, Guatemala and Brazil. We believe our energy and natural gas infrastructure assets are sound long-term investments in countries with mature and stable energy regulatory frameworks.

Our main corporate purpose is the generation, transmission, distribution and commercialization of energy, including electricity, gas and liquid fuels in all their varieties, and we may also participate as a partner or shareholder in other utility companies, either directly or in association with other parties. Currently, we carry out operating activities related to energy transmission and have an investment portfolio in the energy sector.

For the six months ended June 30, 2023, we derived 37.0%, 61.2%, and 0.2% of our consolidated revenues from our business operations in Colombia, Peru, and Guatemala, respectively. For the year ended December 31, 2022, we derived 36.2%, 61.9%, and 1.9% of our consolidated revenues from our business operations in Colombia, Peru, and Guatemala, respectively.

History

We were established in 1896 under the name Samper Brush & Compañía to generate, transmit and distribute electricity, primarily to and within the city of Bogotá. The District-Capital of Bogotá acquired all of our stock in 1959 and we were renamed Empresa de Energía de Bogotá. In 1996, we were transformed from a state-owned enterprise (*empresa industrial y comercial del estado*) into a stock corporation (*sociedad anónima por acciones*) organized as a public utility company (*empresa de servicios públicos*) under the laws of Colombia (under the corporate name Empresa de Energía de Bogotá S.A. E.S.P.). In 1997, we spun-off of our power generation assets into Emgesa (now Enel Colombia), a newly created power generation company, and of our power distribution assets into Codensa (merged into Enel Colombia in 2022), a newly created power distribution company. In recent years, we have allocated resources into investment plans and have undergone a sustained period of growth through investments in Colombia and abroad, including TGI, Enlaza, and Elecnorte in Colombia; REP, CTM, Cálidda, Contugas and Electrodonas in Peru; TRECSA and EEBIS in Guatemala; and GEBBRAS and Argo in Brazil, among others.

In 2011, we conducted an initial public offering of common stock in Colombia and became a publicly listed company on the Colombian Stock Exchange (*Bolsa de Valores de Colombia*) under stock symbol “GEB.” We have been registered with the RNVE and the Colombian Stock Exchange (*Bolsa de Valores de Colombia*) since 2008.

In 2017, we were renamed “Grupo Energía Bogotá S.A. E.S.P.” The District-Capital of Bogotá currently holds 65.68% of our outstanding capital stock.

On March 1, 2022, the merger by absorption between Emgesa (which changed its corporate name to Enel Colombia) and Codensa, Enel Green Power Colombia S.A.S. ESP and the Chilean company ESSA 2 SpA. was completed, with Enel Colombia as the surviving company.

Dividends and other distributions from GEB represent a significant source of revenue and cash flow for the District-Capital of Bogotá. From January 1, 2020 through December 31, 2022, the District-Capital of Bogotá received aggregate dividends from GEB of Col\$3,648,034 million, including extraordinary dividends (plus interest) of Col\$286,444 million. During 2021 and 2022, we paid to the

District-Capital of Bogotá an amount of Col\$1,646,259 million (U.S.\$392.8 million), and Col\$1,157,838 million (U.S.\$276.2 million), respectively, including Col\$286,444 million (U.S.\$68.3 million), of extraordinary dividends in 2021. Dividends for the 2023 period were scheduled to be paid, with 50% in July (Col\$657,314 million or U.S.\$156.8 million) and the remaining 50% in December 2023. See “Principal Shareholders — GEB’s Dividends and Capital Distributions.”

As a listed stock corporation (*sociedad anónima por acciones*) engaged in providing public utilities, we are subject to the rules and regulations applicable to stock corporations and listed companies organized and operating in Colombia and to the special legal and regulatory regimes applicable to Colombian public utility companies, including certain applicable insolvency and liquidation rules and administrative takeover proceedings conducted by the SSPD. See “Colombian and Peruvian Electricity Industry, Regulatory and Environmental Framework — The Colombian Electricity Industry.”

Business Strengths

We believe that our business and strategy are supported by the following competitive strengths:

- *Leading Participant in Relevant Energy Markets in Latin America.* Our subsidiaries and related companies have market leading positions across the energy value chain and are well-positioned to benefit from the expected growth in electricity and natural gas market demand in the region. We believe that sound industry dynamics and strong growth outlooks for the electricity and natural gas sectors in Colombia, Peru, Guatemala and Brazil provide significant growth opportunities for us and our related companies.
- *Stable Cash Flow Generation and Sound Financial Profile.* Our cash flow derived from operating profit from our consolidated subsidiaries, was Col\$2,113,387 million, equivalent to 70% of our net profit and 41% of our EBITDA for the year ended December 31, 2022. Our consolidated subsidiaries benefit from sound and stable regulatory frameworks and have historically generated stable and predictable cash flows, with the majority of revenues derived from regulated businesses and a significant component of revenues either denominated in, or linked to, U.S. dollars. Our stable cash flow generation is anchored by a sound financial profile. Our net cash from operating activities was for the six-month periods ended June 30, 2022 and 2023 Col\$1,235,085 million and Col\$1,079,580 million, respectively, and Col\$2,072,423 million, Col\$1,426,100 million and Col\$3,083,413 million for the years ended December 31, 2020, 2021 and 2022, respectively. Our ratio of Total Net Debt to EBITDA for the years ended December 31, 2022, 2021 and 2020, was 3.62, 2.95 and 2.91, respectively, and our ratio of Total Net Debt to EBITDA was 2.93 as of June 30, 2023. Our financial leverage as measured based on our Total Net Debt to Equity was 88.7%, 85.7% and 82.1% as of December 31, 2022, 2021 and 2020, respectively, and that ratio was 87.7% as of June 30, 2023. See “Note regarding Non-GAAP Financial Measures”.
- *Operationally and Geographically Diversified Portfolio of Energy Assets.* Diversification across segments, businesses, asset classes and regions reduce GEB’s business and regulatory risk exposure to any particular country in which we and our related companies operate. Additionally, GEB is present in key Latin American markets with stable and transparent regulatory frameworks, which contributes to the stability and predictability of its businesses.
- *Limited competition due to high barriers of entry and strategic location of natural gas transportation assets.* The natural gas transportation network in Colombia is divided into two regions: (i) the interior (which accounted for 67% of the natural gas transported in Colombia for the year ended December 31, 2022), which is serviced predominantly by our consolidated subsidiary TGI; and (ii) the Atlantic coastal region (which accounted for 33% of the natural gas transported in Colombia for the year ended December 31, 2022), which is serviced by our related company Promigas. We believe that there is limited competition and high barriers of entry for new entrants into the gas transportation market, since the

construction of a competing natural gas pipeline system and associated infrastructure would require a significant capital investment and competition with us for customers that we have been serving for many years, and who would incur in high costs by switching from service provider. Moreover, TGI is the only natural gas transportation company for the regions of Casanare, Meta, Cundinamarca, Boyacá, Santander, Norte de Santander, Cesar, Guajira, Caldas, Risaralda, Quindío, Valle del Cauca, Tolima and Huila, whose transportation infrastructure services connect with gas production fields that represent approximately 71% of Colombia's natural gas reserves. Accordingly, TGI benefits from the high barriers of entry to transport natural gas extracted from such fields as well as any increased production resulting from an increase in proven and probable reserves in such fields compared to the reserves of older, more depleted fields.

- *Track Record of Reliable Revenues.* We have a history of reliable revenues and net income growth and have historically received a stable flow of dividends from our related companies and consolidated subsidiaries, most of which have dividend policies that promote maximum payout ratios. Our consolidated subsidiaries and related companies provide stable and reliable dividends that support the cash flow generation of the consolidated operations. See “Summary Financial and Operating Data of GEB” “— Our Electricity Distribution Business in Colombia — Enel Colombia” “Risk Factors — Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — Our ability to make payments under the Notes may depend on our ability to receive dividends and other distributions from our consolidated subsidiaries and our related companies.”

- *Proven Ability to Integrate, Develop and Operate Diversified Energy Businesses.* GEB's management team has extensive experience in acquiring and integrating energy companies throughout Latin America, having completed 12 acquisitions in the region since 2005. GEB's management employs a systematic approach to integrating acquired companies by implementing best practices across our operations, rationalizing operating systems, eliminating overlapping management functions, reducing overhead costs, leveraging supply chain opportunities and economies of scale in procurement processes, and developing additional cross-selling opportunities for our customers across the region.

- *Important player in the Peruvian natural gas sector.* Our consolidated subsidiary Cálidda holds an exclusive long-term renewable concession from the Peruvian government. Cálidda's concession agreement, the first term of which is scheduled to expire in 2033, provides for exclusive natural gas distribution rights within the concession area. Cálidda is a pioneering company in providing this public service in Peru, thus contributing to the improvement of the quality of life of the population and the preservation of the environment. Cálidda has more than 1,682,288 connected costumers as of June 30, 2023 from Lima and Callao. In addition, our consolidated subsidiary, Contugas, was awarded a 30-year gas distribution concession by the Peruvian government, serving, as of June 30, 2023, over 78,397 customers. Our related company Promigas is also a strong player in Peru with a market share of 94% in the natural gas distribution segment, through Cálidda, Gases del Pacífico S.A.C., Gases del Norte de Perú S.A.C (operating under Quavii brand) and Promigas Perú. Promigas owns 40% of our consolidated company Cálidda, 95.49% of Gases del Pacífico S.A.C., 99.09% of Gases del Norte del Perú S.A.C., and 100% of Promigas Perú S.A., that by the end of 2022 reached 1.7 million users.

- *Proactive and Constructive Relationship with Regulators.* We have a constructive relationship with CREG, MME and the other governmental agencies that regulate GEB's and our related companies' businesses in Colombia. Through our consolidated subsidiaries Cálidda, Contugas and Electrodunas, and our related companies REP and CTM, we have a proactive relationship with OSINERGMIN in Peru. We have developed a constructive relationship with CNEE in Guatemala through our consolidated subsidiaries TRECSA and EEBIS Guatemala. We actively cooperate with these and other government agencies in managing regulatory issues and addressing the challenges associated with the development of the Colombian, Peruvian and Guatemalan energy sectors, in an effort to negotiate and discuss current and future

restrictions and regulations applicable to the sector. We also have an active participation in the development of CREG's and other national regulators' integrated vision for the Colombian, Peruvian and Guatemalan energy sectors.

- *Experienced Management and Strong Shareholders and Partners.* We were established in 1896 and have more than 127 years of experience in the energy sector in Colombia. The members of our management team have extensive experience, with an average of approximately 28 years operating, developing and acquiring businesses in the electricity and natural gas sectors. Corporación Financiera Colombiana S.A., a leading financial services group in Colombia, directly and indirectly owns 5.18%, 17.1% and 34.87% of the capital stock of GEB, Cálidda and Promigas, respectively. ISA, Colombia's largest electricity transmission company, is our partner in REP and CTM with a 60% equity interest. The Brookfield Group currently owns 54.93% of Vanti. Red Eléctrica Corporación, S.A. ("Redeia"), the only transporter and operator of the power system in Spain since 1985, managing more than 45,000 km of transmission lines in Spain, is our joint venture partner in Argo in Brazil.
- *Strong Corporate Governance.* We have adopted corporate governance standards, including a corporate governance code adopted by GEB and each of our consolidated subsidiaries, that we believe have enabled us to implement best practices in corporate governance based on strict standards regarding transparency, efficiency, ethics, conflicts of interest, related party transactions, disclosure, investor protection and equal treatment of investors. These corporate governance standards were initially incorporated into our by-laws in 2016 (following the guidelines included in the OECD Corporate Governance Principles) and include the majority of the corporate governance standards of External Circular No. 028 of 2014 issued by the SFC. Our corporate governance standards require us, among other things, to have a majority of independent members in our Board of the Directors, an independent Chairman of the Board of Directors, a Compensation Committee, a Corporate Governance and Sustainability Committee, an Audit and Risk Committee and an Investment and Financial Committee. Moreover, GEB was included in the ranking published by MERCO (*Monitor de Reputación Corporativa*) as one of the one hundred companies with better reputation for its sound corporate governance in Colombia for the year 2022. GEB also complies with 95.9% of the guidelines established under the Best Corporate Practices Code (*Código de Mejores Prácticas Corporativas de Colombia*). In addition, the execution by our controlling shareholder, the District-Capital of Bogotá, of the shareholders' agreement as a result of the Democratization Process has contributed to strengthening our corporate governance standards and adherence to best international practices in corporate governance.
- *Diversified Funding Sources with Continued Access to Financial Markets and Commercial Bank Lending.* Over the past fifteen years, we have successfully accessed the local and international debt and equity capital markets to help finance important investment plans, including the acquisition of natural gas transportation and distribution and electricity transmission assets. In addition, we have successfully undertaken several liability management transactions to reduce our overall financial costs and reprofile our financial debt, significantly extending the average life of our debt. For example, in 2017 we successfully completed a refinancing of the GEB 2021 Notes (as defined elsewhere in this offering memorandum) with a syndicated loan financing. Furthermore, in 2018, TGI successfully completed an issuance of Col\$3,144 billion (U.S.\$750 million) aggregate principal amount of notes in the international capital markets to refinance notes maturing in 2022, which allowed us to extend our consolidated debt maturity profile and increase the average life of our consolidated debt. GEB has entered into several loan agreements over the past three years for an aggregate amount of Col\$3,391 billion (U.S.\$809 million), aimed at financing our expansion plan in Colombia and Brazil. These agreements also facilitate our access to both local and international capital markets.
- *Role Model in the Region as Leader in Sustainable Practices.* As a result of our continued development of socially and environmentally responsible business practices, we have been included for two consecutive

periods in the Dow Jones Sustainability Indexes (DJSI Emerging Markets and DJSI MILA Pacific Alliance), as well as being listed as a member in S&P Global's Sustainability Yearbook.

Business Strategy

In December 2020, our Board of Directors approved a new Corporate Plan aimed at transforming the company into a profitable, focused, and sustainable business group. To achieve this, we redefined our purpose as “Enhancing lives with sustainable and competitive energy.” The Corporate Plan is structured around four pillars: (1) Transmission For Tomorrow, (2) Gas for the Future, (3) Smart Cities, and (4) Sustainable Generation. These pillars align with the core businesses of our subsidiaries and related companies within the GEB group. To support these pillars four strategic drivers have been outlined: (1) Focused Portfolio; (2) Digitalization and Innovation; (3) Agile and Strengthened Governance, Complemented by Talent and Culture; and (4) Positive Social and Environmental Impact.

The four pillars of our Corporate Plan are the following:

Transmission For Tomorrow

We operate and develop infrastructure to meet electricity transmission and distribution needs in large cities. We connect energy generation sources to significant energy consumption centers. Through this pillar, we are market leaders in: (1) the electricity transmission segment in Colombia, owning a total of 2,261 km of 230 kV lines and 500 kV lines, and 37 substations as of June 30, 2023; (2) the electricity transmission segment in Peru, in terms of total revenues collected from the Peruvian National Transmission System through our related companies REP and CTM and our acquisition of Electrodunas in August 2019, which represented an important step towards consolidating our growth in the Peruvian energy industry and our position as one of the main foreign investors in that industry in Peru; and (3) the electricity transmission segment in Guatemala, in terms of revenues allocated by the Guatemalan interconnected system to private power transmission companies, through TRECSA and EEBIS Guatemala. On September 8, 2023, we announced an agreement to acquire 100% of the shares of Transnova in Guatemala, subject to the fulfillment of the terms and conditions set forth in the share purchase agreement. In addition, we participate in the Brazilian electricity transmission sector directly through our consolidated subsidiary GEBBRAS and indirectly through Argo (electricity transmission platform acquired as of March 25, 2020), with a market share of 3.4% in terms of kilometers of energy transmission lines as of June 30, 2023. As of December 31, 2022, our electricity transmission business was the second-largest electricity transmission business in Colombia, based on total revenues allocated by the STN, according to XM. As of June 30, 2023 REP and CTM together accounted for approximately 67.8% of the electricity transmission in terms of total revenues collected from the Peruvian National Transmission System, according to the COES.

In Colombia, we seek to capitalize on opportunities to develop additional power transmission infrastructure. In Latin America, our objective is to foster the development of additional interconnection infrastructure within member nations of the Pacific Alliance (*Alianza Pacífico*) and Brazil. The acquisitions of Argo in March 2020 and Quantum in 2022 have positioned us as a significant player in the electricity transmission sector in Brazil. With more than 5,200 km of transmission lines in 13 concessions, including those held by Argo and GEBBRAS, we believe Brazil currently presents the most attractive growth opportunities in the energy industry. Our joint management of Argo together with Redeia, a world-class operator of electricity transmission infrastructure, allows us to enhance our electricity transmission business profile and further diversify the risks associated with that business by participating in a market with a sound regulatory and legal framework and strong economic fundamentals.

We aim to leverage our investment in, and proactively participate in the management of, our related company Enel Colombia. We also collaborate with our business partner ISA to create new opportunities

for growth in the electricity transmission and distribution businesses (including through our minority investment in EMSA).

Gas for the Future

This pillar operates and develops infrastructure to satisfy natural gas demand in large cities. We are leaders in the transportation business in Colombia through TGI and our participation in Promigas. Our consolidated subsidiary TGI has the largest natural gas pipeline system in Colombia, with approximately 4,033 km of pipelines, delivered approximately 54% of the total natural gas transported in Colombia as of June 30, 2023. As of December 31, 2022, our consolidated subsidiary TGI, which is our principal subsidiary in this group, was the largest natural gas transportation company in Colombia, in terms of volume of gas transported, according to the information published by UPME. Our related company Promigas participates in the natural gas distribution sector in Colombia through its subsidiaries, which together serve more than 4.1 million customers throughout Colombia. See “— Our Natural Gas Transportation & Distribution Business in Colombia — Promigas.” In the gas distribution business in Colombia we participate through Vanti, which is the largest natural gas distribution company in Colombia, serving over 3.5 million customers through a distribution network of 24,738 km which represented sales of more than 2,687 Mm³ of natural gas. See “— Our Natural Gas Transportation & Distribution Business in Colombia — Vanti.” In Peru, our consolidated subsidiaries Cálidda and Contugas were together the largest natural gas distribution business in Peru in terms of volume of natural gas distributed, according to the MINEM See “— Our Natural Gas Distribution Business in Peru — Cálidda.”

Our existing energy transportation infrastructure in Colombia and Peru will benefit from the growing energy resources and demand in those countries. Consequently, there is a need and opportunity to expand additional energy transportation infrastructure to connect these resources with the relevant markets and urban centers.

Our consolidated subsidiary TGI has the largest natural gas pipeline system in Colombia, with approximately 4,033 km of pipelines, which enables it to take advantage of new business opportunities to serve customers and participate in expansion projects in different regions. This creates economies of scale that allow TGI to reduce its operating costs and increase its operational efficiency and reliability. In addition, the TGI’s pipeline system connects the two main gas production fields in Colombia, which include the Cusiana and fields in the Department of La Guajira. Cusiana is one of the production fields with the highest production potential in the country, located in the Departments of Antioquia, Bogotá, Cundinamarca, Santander, Valle del Cauca, and the coffee-producing region, TGI is advancing projects under the Natural Gas Supply Plan to enable interconnection between the inland and coastal transportation systems. This will allow gas produced on the Atlantic coast to be transported inland. Currently, a transport capacity of 50 million cubic feet per day (MMPCD) is available from the coast to the interior, reducing dependence on Cusiana and Guajira gas sources. The capacity is expected to increase to 170 MMPCD once CREG issues a resolution for recognized efficient values and the Coast Transporter makes additional system investments. Our consolidated subsidiary TGI controls approximately 54% of Colombia’s entire natural gas transportation network, measured in MMPCD.

In Peru, we are poised to optimize our investments in our consolidated subsidiaries, Cálidda and Contugas. Our objective is to capitalize on Peru’s untapped potential in advancing the natural gas midstream and downstream industries, while also identifying and pursuing supplementary avenues for growth.

In Colombia, we anticipate that the natural depletion of existing natural gas fields will necessitate the development of alternative gas supply options, including offshore reserves, the expansion of the Atlantic regasification plant, and the liquefied natural gas (“LNG”) regasification facility expected to be built at the Buenaventura LNG Terminal to ensure a stable gas supply across the majority of Colombia. We intend to

actively collaborate with the relevant regulatory agencies and our strategic partners in the development and implementation of alternative natural gas supply sources. This includes the contemplated Buenaventura LNG Terminal; however, its award process, conducted in August 2023, was not awarded by UPME due to the absence of proposals. The early interconnection of the inland and coastal systems will provide access to coastal production fields and the surplus of the Atlantic regasification plant, at a capacity of at least 50 MMPCD. See “Risk Factors — Risk Factors Relating to TGI and the Colombian Natural Gas Industry.”

Smart Cities

This pillar aims to increase energy consumption by promoting energy efficiency and the use of technological advancements. The goal is to transform Bogotá into a “smart city” in terms of sustainable use and availability of energy resources. Enel Colombia, one of the largest electricity distribution companies in Colombia, is our principal related company in this pillar. Enel Colombia serves a region that spans approximately 26,093 km², covering the District-Capital of Bogotá and 130 other municipalities in the Departments of Cundinamarca, Tolima, Boyacá, Caldas, and Meta. Over 14.95 million people, or around 24.8% of the Colombian population, reside in areas served by Enel Colombia. Additionally, we have a minority investment in EMSA, which has around 11,935 km of energy lines and 50 power substations. EMSA’s total installed capacity is 806 MVA, and there are 11,935 km of high- and low-tension systems distributed across the Meta department in 125 feeders.

We aim to drive and leverage the development of new energy transformation businesses in the cities where we operate and/or invest in. Economic development in Latin America largely depends on the development of large urban centers. According to the Economic Commission for Latin America and the Caribbean (“CEPAL” for its Spanish acronym) approximately 81% of the population in Latin American countries is located in the main urban centers of each country. Since we conduct our business operations in Bogotá and Lima, two of the ten fastest growing urban centers in Latin America, we believe that the continued development of the urban centers where we operate will require significant investment in energy and energy infrastructure.

Sustainable Generation

This pillar aims to capitalize on renewable and low-emission energy opportunities in countries transitioning to sustainable energy. Through this pillar, we are market leaders in low-emission energy generation in Colombia via our related company, Enel Colombia, our principal investee in this pillar. As of December 31, 2022, Enel Colombia had a net installed capacity of 3,571 MW, of which 3,097 MW, or 86.7%, is attributable to its hydroelectric power plants; 406 MW, or 11.4%, to its thermoelectric power plants; and 67.9 MW, or 1.9%, to its photovoltaic power plant. In 2022, Enel Colombia’s net energy generation in Colombia reached 13,663 GWh, increasing by 4.2% compared to 2021. This rise was due to the inclusion of the El Paso Solar Power Plant post-merger and greater generation in the hydropower plants, aligning with the commercial strategy to maximize company income.

In 2022, Enel Colombia generated 13,272 GWh from hydropower plants, making up 97% of the total; 240 GWh came from thermal sources, and 151 GWh from solar plants. As of December 31, 2022, Enel Colombia is positioned within the three main power generation companies in Colombia based on installed capacity, according to XM. In Central America, Enel Colombia has nine hydraulic plants with an installed capacity of 542 MW and four solar parks with a capacity of 101 MW, situated in Panama, Guatemala, and Costa Rica.

In 2022, the net energy generation in Central America was 2,374 GWh. Of this, 1,499 GWh corresponded to Panama, with 1,382 GWh from hydroelectric and 117 GWh from solar technology.

Hydroelectric plants in Guatemala and Costa Rica contributed 657 GWh and 216 GWh, respectively. This pillar also includes the Peru Power Company, with an installed capacity of 37 MW.

Given the challenges posed by climate change and the fact that, according to Bloomberg New Energy Finance 2022 New Energy Outlook, it is expected that wind and solar energy will grow from 13% of the world's total energy supply to 76% by 2050, under a Net-Zero Scenario, attracting investments of Col\$80,891 trillion (U.S.\$19.3 trillion) and Col\$31,435 trillion (U.S.\$7.5 trillion) from 2022 to 2050, respectively, we believe we can identify significant opportunities to grow our power generation business by focusing on the development of renewable and low emission energy assets in Colombia and other markets in Latin America with developed regulatory frameworks. As part of this strategic initiative, we are in the process of identifying potential strategic partners in order to engage in new alliances that would allow us to develop a strong presence in new markets and leverage our presence in those markets in which we currently operate.

Strategic Drivers

To support our four strategic pillars, we are focusing on the following strategic drivers which apply across all the pillars:

Focused Portfolio

We aim to increase revenue generation from businesses controlled and operated by GEB. We seek to continue increasing our operating revenues from our electricity transmission and gas transportation businesses and the contribution of those revenues to our Adjusted EBITDA, thereby reducing our reliance on dividends from related companies for cash flow generation.

We seek to continue improving operating margins. We intend to continue focusing on improving the operating margins of our electricity transmission and natural gas transportation businesses by investing further in the modernization of our operations and infrastructure and in the implementation of international operating standards and maintenance programs to improve the overall quality, efficiency and reliability of the services we provide. We seek to capitalize on synergies and believe that cost savings and business opportunities can arise from the synergies derived from certain common elements of the electricity and natural gas sectors, as well as the utilities business we operate or invest in.

Digitalization and Innovation

We believe that the digital transformation and data analysis offer a better understanding of the environment and strengthen the capacity to adapt and the medium and long-term. Additionally, innovation enables the improvement of operating levels for the assets and projects, optimizing processes and participating in new businesses that generate benefits for us and value for our stakeholders.

We launched “Stars Up” as our innovation brand, which seeks to build organizational capabilities to innovate in a productive, sustainable, and exponential manner. We created a corporate synergies center, which provides services to our consolidated subsidiaries for the efficient operation of their own mission, the standardization of processes, and costs optimization. We collaborate with universities in our areas of influence to promote research and innovation.

Agile and Strengthened Governance, Complemented by Talent and Culture

This driver is intended to transform GEB into an efficient parent company that generates value for our consolidated subsidiaries while ensuring the professional growth of employees based on merit as the

cornerstone for corporate actions. Our long-term strategic vision is to become a leader in the Latin American energy industry, with a focused, profitable, and sustainable portfolio driven by innovation and characterized by agile and transparent governance. This vision aims to create positive social and environmental value for our stakeholders and the communities in the territories where we operate. See “— Business Strengths — Strong Corporate Governance.”

We maintain a collaborative and constructive relationship with our partners and regulators. We have developed a strong and collaborative relationships with our partners, including the Brookfield Group, Corporación Financiera Colombia S.A., ISA and Redeia, in respect of certain of our investments in our consolidated subsidiaries and related companies in Colombia, Peru and Brazil. Our relationship with our partners is focused on (i) implementing initiatives to increase margins and revenues, (ii) developing systems to improve the quality of service and take advantage of economies of scale to purchase materials and services and reduce operating costs, (iii) designing joint contingency plans to address service interruption events and environmental contingencies, (iv) coordinating activities to support the development of the natural gas sector, including the market for GNV, through the Natural Gas Conversion Fund, in Colombia and to identify new business opportunities for our related companies, (v) integrating businesses that we jointly own, and (vi) developing joint strategies for the participation in consultation processes with CREG and other national regulators and in the ongoing development of the regulatory framework for electricity and natural gas. We have also developed constructive relationships with CREG and UPME in Colombia, the CNEE in Guatemala and, through REP, CTM, Contugas, ElectroDunas and Cálidda, with OSINERGMIN in Peru. Since June 2017, we have implemented the Policy on Internal Control and Prevention of Fraud and Corruption. This policy establishes our commitments to maintaining an efficient Internal Control System (“ICS”) for the orderly achievement of objectives and for managing the results of our companies. To further reinforce our control structure, we established the Corporate Compliance Directorate.

In April 2023, we redesigned the Internal Control Function as part of the Corporate Compliance Directorate aligned with the organization’s strategic initiative. In February 2023, we split the “Internal Control and Fraud and Corruption Prevention Policy” to give more relevance to each of these two topics. On June 29, 2023, the Board of Directors of GEB approved the “Control Architecture Policy,” which establishes the proper structure to maintain and strengthen the ICS through the adoption of the COSO 2013 Integrated Framework and the Institute of Internal Auditors’ Three Lines Model, defining guidelines, roles, and responsibilities necessary for the proper operation of our ICS.

In 2022, we implemented the diversity, equity and inclusion plan, which includes activities involving the employees’ full life cycle, and set a benchmark for peers in the industry. Programs included blind CVs; training on diversity, inclusion, and unbiased employee selection; and agreements to promote diverse and inclusive selection were entered into with partners such as *Caja de Compensación Familiar*, the National Training Service, and the LGBTQ Chamber of Commerce. A public target of reaching 45% women in middle management positions by 2025 was established, as well as 2025 workforce diversity targets regarding ethnic/racial minorities, LGBTIQ+, and disability. In 2022, GEB was awarded the Equipares Gold Seal by the Ministry of Labor for its gender equality labor practices, and in 2023 the company was ranked by Par Aequales in the top 10 companies in Colombia (category: 200 to 1,000 employees) with the best gender equality performance.

Aware of the organizational challenges of the post-pandemic, we began the path towards a cultural evolution based on five values and the implementation of new flexible work models. In this regard, the internal work rules were updated, and the automation of Human Resources services was strengthened, among others.

Positive Social and Environmental Impact

Our aim is for our operations to contribute to creating conditions for prosperity in the territories in which operate, environmental protection, and climate change mitigation. GEB was included for the second consecutive year in each of the Dow Jones Emerging Markets and the Latin American Integrated Market (LAIM) indexes, and in the S&P Global Sustainability Yearbook, in recognition of its strong performance and management of social, environmental and governance matters.

In every stage of development of our projects and operations, there is a risk of generating environmental impacts. Consequently, we have adopted measures, practices, and technologies to ensure high levels of environmental performance, incorporating prevention and control measures in all phases of planning, operation and maintenance. All decision-making processes involving environmental risks are managed based on the precautionary principle. In turn, the Environmental Management System enables the timely identification of environmental risks and opportunities, using as reference the measures specified in the mitigation hierarchy: avoid, minimize, rehabilitate, restore and offset.

Additionally, we are committed to manage biodiversity and innovation, and the use of environmental management tools. We invest in preservation, connectivity and restoration of ecosystems, and the sustainable use of biodiversity. Our environmental management is performed in strict compliance with the applicable laws of each country, including those related to conducting Environmental Impact Assessments, Management Plans, offsetting, among others.

Transmission For Tomorrow

Our Electricity Transmission Business in Colombia

GEB

Overview

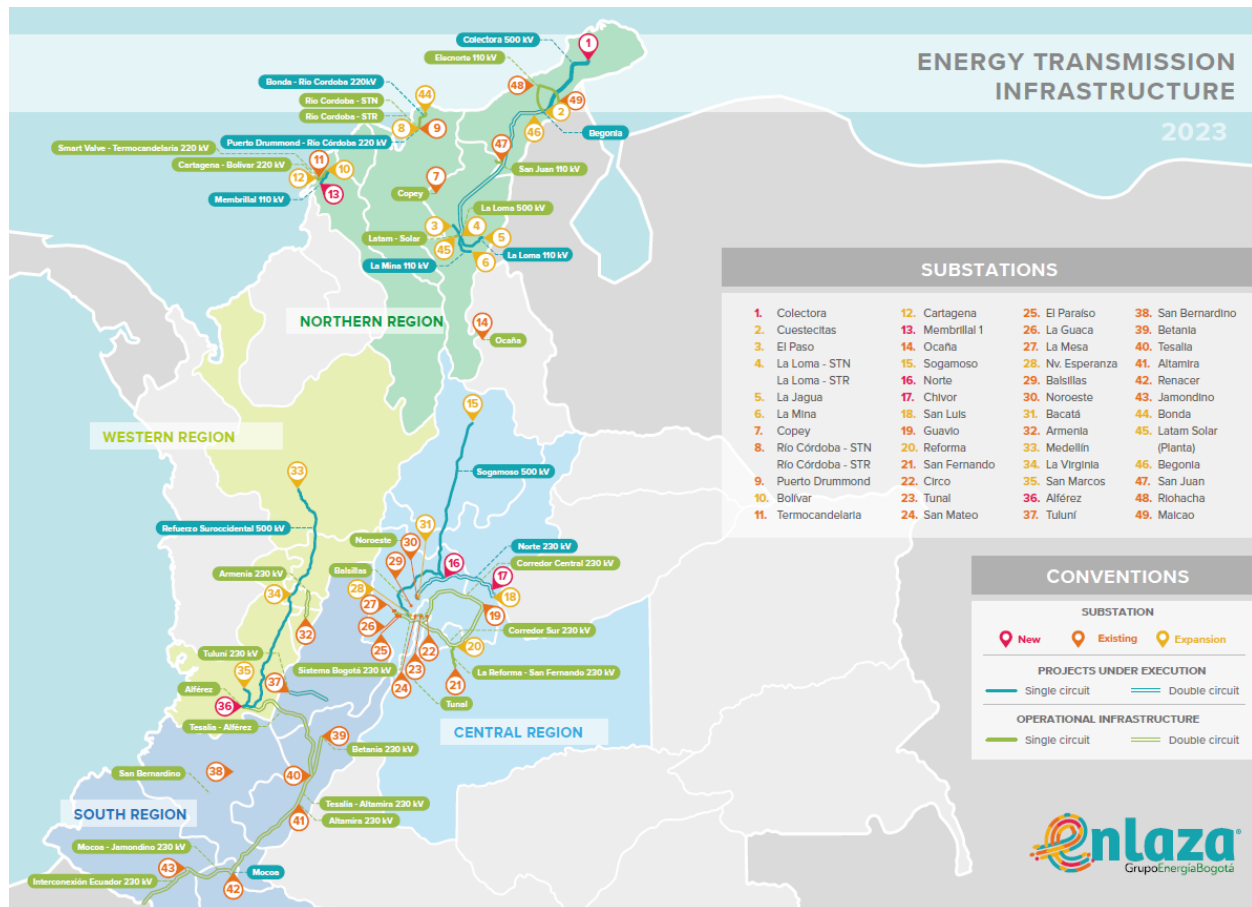
We are directly engaged in the transmission of electricity over the STN from electricity generating companies to Colombian electricity traders, distributors and Unregulated Customers. See “Colombian and Peruvian Electricity Industry, Regulatory and Environmental Framework — The Colombian Electricity Industry.” Our electricity transmission business represented 13.3% of our total revenues derived from electricity transmission for the year ended December 31, 2022.

CREG establishes in advance the total amount of fees for electricity transmission to be paid in each year by traders for STN electricity transmission services. This amount is shared among the several owners of the STN in proportion to their respective ownership of STN assets, less penalties for non-availability of transmission in excess of certain prescribed limits. See “Colombian and Peruvian Electricity Industry, Regulatory and Environmental Framework — The Colombian Electricity —Transmission Regulated Revenues.” In June 2023, GEB was allocated 22.0% of the STN’s total revenues.

GEB’s Electricity Transmission Assets

We own electricity transmission lines totaling 2,261 km (1,404 mi) of 110 kV, 230 kV and 500 kV lines. As of June 30, 2023, our Electricity Transmission Network had a total of 2,160 MVA of transformation capacity plus 453 MVA of reserve capacity. We have 225 MVAR of capacity compensation and 259 MVAR of inductive compensation. We also have assets in 37 substations. The average availability of our electricity transmission lines for 2022 was 99.96%. Our Electricity Transmission Network is administered through one electricity transmission center, located in Bogotá under coordination of the CND (*Centro Nacional de Despacho*).

Set forth below is a map depicting the assets comprising GEB's Electricity Transmission Network:



Set forth below is a table with GEB's electricity transmission assets in operation as of June 30, 2023.

GEB's Electricity Transmission Assets in Operation

Tension 110-115 kV	2
Tension 220-230 kV	19
Tension 500 kV	1
Total	22 units
Tension 110-115 kV	7
Tension 220-230 kV	6
Tension 500 kV	2
Total	15 units
Tension 110-115 kV	161.8
Tension 220-230 kV	2,098.6
Tension 500 kV	0.6
Total kilometers of circuit	2,260.9
Tension 110-115 kV	150.8
Tension 220-230 kV	1,179.4
Tension 500 kV	0.6

Total corridor kilometers	1,330.7
Three-phase	2
Single-phase banks	5
Single-phase standby	4
Capacity in Service (MVA)	1,260
Reserve Capacity (MVA)	303.33
Capacitor	3
Reactor bar	4
Line reactor	4
Line reactor reserve	0
Capacity MVAR <i>capacitivos</i>	225
Capacity MVAR <i>inductivos</i>	259
Reserve Capacity MVAR	0
SVC	1
SSSC	4

Source: GEB

GEB Ongoing Projects

We are currently undertaking various projects aimed at expanding our electrical transmission network. This is being done primarily through the construction and maintenance of transmission lines, substations and underground terminals in Colombia. These projects enable us to improve the capacity of our supply network by building new transmission lines which will be used to draw out additional power from the power plants that are already in operation. These undertakings increase the reliability of the electrical system in Colombia. The table below shows GEB's ongoing projects in electricity transmission in Colombia:

Project	Total kV	Start-Up Date
Chivor II – Norte Bacatá	230 kV	October 24, 2023
Sogamoso – Norte – Nueva Esperanza	500 kV	December 15, 2023
Reinforcement Suroccidente	500 kV	November 1, 2023
Trafos S/E La Loma	110 kV	August 15, 2023
Rio Cordoba – Bonda	230 kV	November 30, 2023
Colectora	500 kV	July 22, 2025

Source: GEB

GEB's Electricity Transmission Network Maintenance

Our Electricity Transmission Network consists of high voltage substations and power transmission lines assets that require specialized and regular maintenance. We continuously analyze the operating condition of our Electricity Transmission Network, and pursuant to a detailed strategy based on Reliability Centered Maintenance (RCM), we define and undertake preventive and corrective maintenance in order to improve the efficiency and availability of our electricity transmission network to ensure a secure and reliable operation. We have a highly trained permanent maintenance team in charge of planning, programming, executing and analyzing the maintenance work required by the equipment and are on call 24/7 to handle outage reports and dispatch emergency repair specialized teams. In addition, the maintenance team defines and carries out the overhaul and modernization projects to improve the performance and

condition of the electrical assets. We are also a party to maintenance contracts whereby third parties perform networks maintenance under our supervision.

We have devoted considerable attention to refining our maintenance planning processes in order to ensure that maintenance resources are efficiently deployed. In 2022 the maintenance plan execution index reached 100% allowing us to have an availability index for our entire network of 99.9%, which is above the standard for transmission utilities in Colombia.

Circuit outages generally do not lead to service interruptions and only affect few customers because most connection points to the STN are serviced by two or more circuits.

We have developed extensive plans to mitigate the effects of natural disasters, malicious acts and other types of unplanned outages on our network. These contingency plans include security measures, such as access permits, military support, availability of emergency-trained personnel and air and land transportation of equipment and other logistical support needed to promptly restore interrupted service. In addition, we work with local communities to increase security by distributing information regarding our projects in development, providing the infrastructure for the use of electricity in rural areas near easements and giving jobs relating to easement maintenance to community organizations.

Elecnorte

Overview

On June 17, 2022, we acquired control over Elecnorte, a public utilities company whose main purpose is the energy distribution activity, especially the regional transmission of electric energy, and to operate all the infrastructure required for the development of its activities. Elecnorte seeks to strengthen the electrical system of the Caribbean coast and is in charge of the operation and maintenance of the electrical reinforcement of the Riohacha-Maicao 110 kV and the Riohacha-Cuestecitas 110 kV projects in the Department of La Guajira.

Enlaza

In October 2022, we incorporated Enlaza as a wholly owned subsidiary to engage in energy transmission, representation of transmission assets, electrical assets, and the execution of the activities of administration, operation, and maintenance of such assets. Enlaza's scope also includes the provision of technical and non-technical services, management of transmission projects, and storage activities, as well as other activities arising from public calls structured by UPME in Colombia.

Ongoing projects

Enlaza aims to strengthen our capacity to execute and operate projects required for ensuring the electricity system's availability and stability in Colombia, and to coordinate the transmission business at the international level. In January 2023, Enlaza started operating the electricity transmission business in Colombia and will take over all the operations previously carried out by GEB's transmission division.

Our Electricity Transmission Business in Peru

REP and CTM

Overview

We own 40% of REP, the largest electricity transmission company in Peru, which as of June 30, 2023, operated an electricity transmission network with a length of 6,322 km and the capacity to transmit 500 kV, 220 kV, 66 kV and 60 kV and represents approximately 28.0% of the Peruvian national interconnected system.

In addition, we own 40% of CTM, which, as of June 30, 2023, operated an electricity transmission network with a length of 4,770 km and the capacity to transmit 550 kV, 220 kV and 138 kV and represents approximately 39.8% of the Peruvian national interconnected system. CTM connects the Peruvian central and southern electricity transmission systems.

REP and CTM's registered offices are located on Av. Juan de Arona 720, Office 601, San Isidro, Lima, Peru.

Concession Contracts

REP and CTM provide electricity transmission services under the Peruvian Concession Contracts entered into with MINEM, acting on behalf of the Peruvian government. The Peruvian Concession Contract dated September 5, 2002, relates to the operation and maintenance by REP of the electricity transmission lines and substations of the state-owned companies Etecen and Etesur and has a duration of 30 years. Pursuant to the Peruvian Concession Contract dated February 27, 1998, CTM is responsible for the operation of the Mantaro-Socabaya electricity transmission lines for a period of 33 years. Certain aspects of the Peruvian Concession Contracts are subject to OSINERGMIN's regulatory decision-making authority and REP's and CTM's regulated revenues under the Peruvian Concession Contracts are calculated based on a formula set forth in such contracts and subject to OSINERGMIN's regulation.

The concession agreements subscribed between REP and CTM with the Peruvian government can be terminated before the 33-year period. The causes for termination are specified in each concession agreement. As an example, the Peruvian government may terminate the agreement in the following cases:

- If REP or CTM breach their main obligations under the concession agreements and do not cure the noncompliance after they are required to do so.
- If the facilities do not commence commercial operation according to the working schedule of each concession agreement.
- In case the Qualified Operator of each one of the projects reduced its participation in the capital stock of REP and CTM below the minimum agreed in the concession agreements.
- If the representations and warranties of REP and CTM are inaccurate or false.
- In case of insolvency, dissolution, liquidation, or bankruptcy of REP, CTM or the Qualified Operator of the projects.

Pursuant to the Peruvian Concession Contracts, REP and CTM are required to maintain certain quality, safety and maintenance standards with respect to their electricity transmission assets.

OSINERGMIN may impose penalties and restrictions on them for breaches or violations of their contractual or legal obligations in respect of such standards and the Peruvian government may assume control of REP's and CTM's concessions or take possession of their assets and operations to ensure continuity in the provision of the electricity transmission services adequate operation of their electricity transmission facilities and compliance with applicable laws and regulations. See "Risk Factors — Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — Regulatory agencies could penalize us or our consolidated subsidiaries and our related companies if we fail to comply with the terms of the rules and regulations applicable to our transmission and transportation business."

As of June 30, 2023, REP and CTM together accounted for approximately 67.8% of the electricity transmission in terms of total revenues collected from the Peruvian National Transmission System, according to the COES.

Ongoing Projects

During 2022 REP and CTM continued to develop and expand their electric transmission infrastructure with both the Peruvian government and the private sector, allowing for a reliable electrical system, and contributing to the development and economic growth of the country.

As of June 30, 2023, REP and CTM had the following projects under development:

Project	Physical progress	Start of commercial operation	Capex (in millions of U.S.\$)⁽¹⁾
Coya	99.72%	July 2023	281.36
Yana	89.89%	June 2027 (expected)	292.48
Chincha	93.55%	November 2023 (expected)	17.25
Nazca	100%	December 2023 (expected)	11.51
Refuerzo 1	103.25%	July 2024 (expected)	25.20
Refuerzo 2	101.38%	November 2023 (expected)	25.82
Terminal Puerto Chancay	81.10%	December 2023 (expected)	18.53
Expansion No. 21	97.26%	September 2024 (expected)	15.96

(1) Capex applied as of December 31, 2022

REP and CTM made investments in projects under development of Col\$56 billion (U.S.\$13.26 million) for the year ended December 31, 2022.

Shareholders' Agreements

In connection with our investment in REP, on July 19, 2002, we entered into a shareholders' agreement (the "REP Shareholders' Agreement") with ISA and Transelca S.A. E.S.P. (Transelca) which regulates the rights and obligations of ISA, Transelca and GEB as shareholders of REP. The REP Shareholders' Agreement requires a vote of 70% of its shareholders to adopt decisions related to dividend distributions other than allocating the maximum amount available under Peruvian Law, issuance of new shares, transfer of existing shares, issuance of preferred shares transactions with related parties, new lines of business, mergers and consolidation and dissolution of REP, subject to the provisions of the Peruvian Concession Contract governing REP's concession. In addition, the REP Shareholders' Agreement provides

that in the event ISA transfers its controlling interest in REP, GEB is entitled to sell its shares to the purchaser of ISA's shares on the same terms and at the same price as the shares sold by ISA. Under the REP Shareholders' Agreement, ISA was designated as the prequalified technical operator for purposes of the Peruvian Concession Contract governing REP's concession for the provision of electricity transmission services and has the right to nominate the operation manager of REP. Under the REP Shareholders' Agreement, GEB has the right to submit a shortlist of three candidates for the position of REP's comptroller.

Following the acquisition of CTM by ISA and GEB in December 2006, CTM incorporated the same requirements for supermajority decisions.

Our Electricity Transmission Business in Guatemala

TRECSA

We also participate directly in the electricity transmission business in Guatemala through TRECSA. As of December 31, 2022, TRECSA had 625 km of transmission lines. TRECSA also has a contract to build and operate 783 km of transmission lines. As of December 31, 2022, TRECSA holds a 18.7% market share in the Main Transportation System, operating 625 km of transmission lines and 21 substations, positioning it as a market leader in Guatemala.

In December 2009, we won a public auction for the construction and operation of the transmission network in Guatemala. To fulfill contractual commitments, TRECSA signed the Authorization Contract for the Execution of Transmission Works for Lots A, B, C, D, E, and F with the Ministry of Energy and Mines on February 22, 2010. The project aims to ensure coverage, quality, and reliability in response to economic growth and electricity demand.

We are also involved in private initiative projects in Guatemala through TRECSA, including the Interfaz – Río Dulce 230/34.5 kV Substation and the Modesto Méndez 230/69 Substation, approved by the National Electric Energy Commission. The Interfaz – Río Dulce project is significant for its high-voltage transformation for end users and had reached 89.65% completion as of December 31, 2022. The Modesto Méndez project, at 71.47% completion as of June 30, 2023, aims to increase the reliability of connected transmission lines and substations.

As of December 31, 2022, our total equity investment in TRECSA amounted to Col1,338 billion (U.S.\$271.4 million). TRECSA's registered offices are located at Bulevar Los Proceres 24-69, Zona 10, Zona Pradera, Torre V, Nivel 3, Ciudad de Guatemala, Guatemala.

On September 8, 2023, we announced an agreement to acquire 100% of the shares of Transnova in Guatemala, subject to the fulfillment of the terms and conditions set forth in the share purchase agreement.

EEBIS Guatemala

We participate in the electricity transmission business in Guatemala through EEBIS Guatemala. EEBIS Guatemala was incorporated for the preparation of electric studies, the design, construction, operation and maintenance of transmission and distribution works, and the acquisition of assets, supplies, works and services. EEBIS Guatemala also develops activities of construction of lines and substations and provides energy transportation services.

In November 2018, EEBIS Guatemala completed the *Anillo Pacífico Sur* project. Under this project, EEBIS Guatemala completed the construction of seven substations and 95 km of transmission lines that enables transportation of the energy generated by the sugar mills in Guatemala to make it available to the

National Interconnected System. Completion of these works enabled broadening the electric energy transmission network, ensuring a high level of reliability and security. As of December 31, 2022, *Anillo Pacífico Sur* had 8.2% of the market share in Guatemala; for the year ended December 31, 2022, *Anillo Pacífico Sur* contributed Col\$38 billion (U.S.\$9.1 million) to EEBIS Guatemala's revenues.

Our Electricity Transmission Business in Brazil

We are a leading participant in the electricity transmission business in Brazil through our related company Argo Energia Empreendimentos e Participações S.A. ("Argo") and our wholly owned subsidiary GEBBRAS, which has stakes in several transmission concessions and our related companies.

In 2015, we completed the acquisition of four electric transmission concessions in Brazil (Transenergia São Paulo, MGE Transmissão, Goiás Transmissão and Transenergia Renovável) through our subsidiary GEBBRAS, which acquired a 51% interest in each of the four electricity transmission concessions, including a substation. Our partner with the remaining 49% in those concessions is Furnas Centrais Elétricas S.A. ("Furnas")

The four concessions were awarded by means of a public tender with concession agreements signed in 2009 and 2010 for a term of 30 years. The length of the lines is 1,094 km and they comprise assets, already operational, with voltage levels of 500, 345, 230 and 138 kV located in the following states: Espírito Santo, Goiás, Mato Grosso, Mato Grosso do Sul, Minas Gerais and São Paulo. These concessions are operated under the regulation of the ANEEL. ANEEL regulates the transmission market through a revenue cap model, by which the companies that operate the assets receive revenues (RAP — Annual Permitted Revenue) based on the availability of the line and not based on the volume of energy transmitted in the system. The tariff is adjusted annually by the IPCA (National Wide Consumer Price Index), and reviewed by ANEEL every five years, for the first three periods.

We have partnered with Furnas, a subsidiary of Centrais Elétricas Brasileiras S.A. ("Electrobras"). Furnas is a major public utility company which owns (fully or partially) and maintains 22 hydroelectric plants, two thermal power plants, five wind power plants, 75 substations and around 34,786 km of high voltage transmission lines. Its installed generation capacity is approximately 18,292 MW.

On March 25, 2020, we and Redeia, a subsidiary of Grupo Red Eléctrica, completed the acquisition of 100% of the common shares of Argo, with we and Redeia each owing 50%. At the time of the acquisition, Argo operated three electricity transmission concessions in the Brazilian states of Ceará, Maranhão, Minas Gerais, Piauí, and Rondônia (Argo I, Argo II, and Argo III).

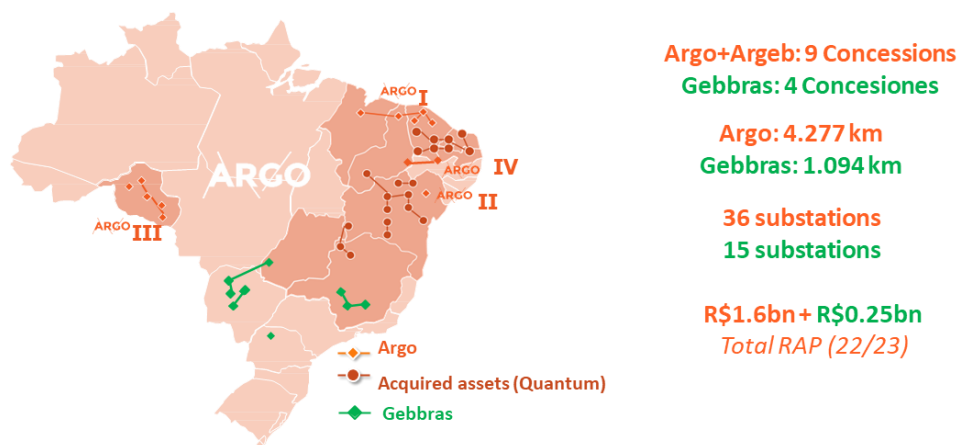
In February 2022, our related company Argo acquired the entire share capital of Rialma Transmissora de Energia III S.A. (Rialma III). Rialma III holds the concession located in the Brazilian states of Piauí, Pernambuco and Ceará, and is responsible for the construction and operation of 322 km of transmission lines in 500kv - C1. The corporate name of Rialma III was subsequently changed to Argo IV Transmissão de Energia S.A.

On July 29, 2022, Argeb Energia Empreendimentos e Participações S.A, in which we have a 37.5% stake and Argo has the remaining 62.5%, acquired 100% of the shares of five energy transmission companies: Argo V Transmissão de Energia S.A. ("Argo V"), Argo VI Transmissão de Energia S.A. ("Argo VI"), Transmissora José Maria de Macedo de Eletricidade S.A. ("Argo VII"), Giovanni Sanguinetti Transmissora de Energia S.A. ("Argo VIII"), and Argo IX Energia Transmissão S.A. ("Argo IX").

At the end of 2022, our related company Argo and our consolidated subsidiary GEBBRAS through an investment vehicle called ARGEB, in which Argo has 62.5% stake and GEBBRAS the remaining 37.5%,

acquired 100% of the ordinary shares of five electric power transmission concessions in northeastern Brazil: Esperanza Transmissora de Energia S.A., Odoyá Transmissora de Energia S.A., Transmissora José Maria de Macedo de Eletricidade S.A., Giovanni Sanguinetti Transmissora de Energia S.A., and Veredas Transmissora de Energia S.A. in the states of Bahia, Ceará, Minas Gerais, Paraíba, Piauí and Rio Grande do Norte. They entered commercial operation between 2017 and 2021, with a total of 2,416 km of 500 kV and 230 kV transmission lines and 20 substations. The purchase price was Col\$3,466 billion (U.S.\$827 million).

The map below shows the asset locations of our and our related companies' concessions in Brazil.



Source: GEB

Our Electricity Distribution Business in Colombia

Enel Colombia

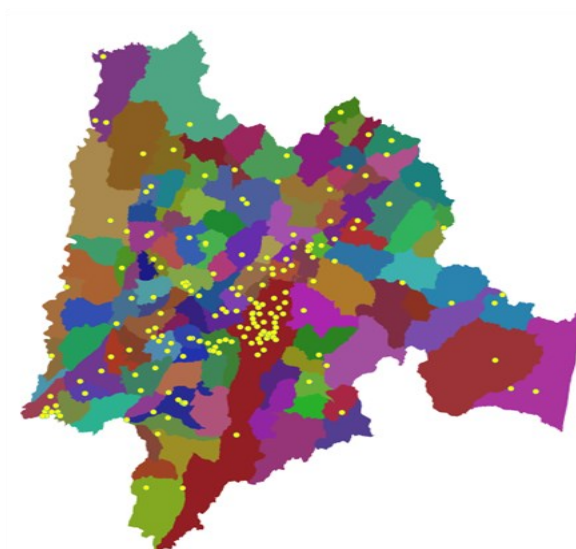
Overview

We participate in the electricity distribution sector in Colombia indirectly through our related company Enel Colombia. Prior to March 2022, Enel Colombia's electricity distribution business was owned and operated by Codensa, which was merged into Enel Colombia in March 2022. See "Colombian and Peruvian Electricity Industry, Regulatory and Environmental Framework — The Colombian Electricity Industry." GEB holds 42.515% of the voting common stock of Enel Colombia. See "— Investment Framework Agreement" below. GEB does not exercise control over Enel Colombia for purposes of Colombian law and, consequently, GEB does not consolidate Enel Colombia's results of operations.

Enel Colombia is the largest electricity distribution company in Colombia. It serves a region of approximately 26,093 km² in the District-Capital of Bogotá and 130 other municipalities in the Departments of Cundinamarca, Tolima, Boyacá, Caldas and Meta. More than 14.95 million people, or approximately 24.8% of the Colombian population, live in the areas served by Enel Colombia. Enel Colombia's registered offices are located at Calle 93 # 13 - 45 Piso 1, Bogotá, Colombia.

Enel Colombia's Electricity Distribution Assets

The map below sets forth the area where Enel Colombia's electricity substations are located across Colombia as of December 31, 2022:



Source: Enel Colombia.

Substations

As of December 31, 2022, Enel Colombia owned 69 power substations and 112 distribution substations, and also had equipment at 8 third-party substations with a total transformation capacity of 11,702 MVA, including reserve substations. A breakdown of Enel Colombia's substations by zone and by municipality as of December 31, 2022 is provided in the table below.

	As of December 31, 2022
<i>Zone</i>	
Rural	95
Urban	94
Total substations by zone	189
<i>Municipality</i>	
Bogotá	40
Municipalities other than Bogotá	149
Total substations by municipality	189

Source: Enel Colombia

Distribution Lines

As of December 31, 2022, Enel Colombia's high voltage distribution lines were 1,348 km in length.

Customers

As of December 31, 2022, Enel Colombia served 3,794,500 distribution customers in its service area. Enel Colombia's revenues were Col\$6,145,052 million (U.S.\$1,447million) for the year ended

December 31, 2022. During 2022, Enel Colombia's annual sales reached 9,366 GWh, reflecting a 2.0% increase compared to 2021. From these sales, residential, commercial, industrial and other customers represented approximately 57%, 26%, 12% and 6%, respectively. The following table contains a breakdown of Enel Colombia's customers (by type of customer) as of dates indicated.

	As of December 31,		
	2020	2021	2022
Residential	3,222,018	3,311,887	3,392,688
Commercial	326,544	330,263	334,792
Industrial	48,900	49,113	49,078
Official	7,764	12,179	12,312
Non-regulated clients	4,552	5,004	5,485
Public lighting	172	152	145
Total customers	3,609,950	3,708,638	3,794,500

Source: Enel Colombia

Electricity Purchases by Enel Colombia

In 2022, Enel Colombia (prior to March 2022, Codensa) purchased 7,558 GWh, compared to 8,992 GWh in 2021 and 9,391 GWh in 2020, under long-term supply contracts. In 2022, Enel Colombia acquired 3,135 GWh on the Electricity Exchange, or 29.32% of the electricity it purchased in that period, compared to 1,532 GWh, or 14.55 % and 923 GWh, or 8.94% of the electricity it purchased in that period in 2021 and 2020, respectively.

During 2022, Enel Colombia purchased approximately 70.67% of its energy through long-term supply contracts at freely negotiated prices to reduce its exposure to the volatility of energy prices on the Electricity Exchange. During 2022, Enel Colombia purchased 7,558 GWh under long-term supply contracts. During 2022, 40.78% (or 4,361 GWh) of its energy was from its generation business, 29.90% (or 3,198 GWh) was purchased from other suppliers and 29.32% (or 3,135 GWh) was purchased on the Electricity Exchange. The average prices paid by Enel Colombia for its electricity under long-term supply purchases in 2022 were 77% less than the average of all market prices for long-term supply during those periods. The spot market strategy adopted by Enel Colombia depends on the current hydrology in Colombia and its contracted power supply obligations.

The prices of electricity purchased by Enel Colombia under these long-term supply contracts are determined based on competitive auctions conducted periodically by Enel Colombia in accordance with CREG's regulations. Enel Colombia's power purchasing objective is to reduce the volatility of the prices that would affect its clients. Enel Colombia purchases the portion of its electricity supply that is not contracted for under long-term supply contracts on the Electricity Exchange. Given the high dependence on hydroelectric power, Enel Colombia seeks to increase its contracted electricity supply during the low rainfall season and maintain a controlled exposure to prices on the Electricity Exchange. Enel Colombia typically contracts electricity purchases for its projected electricity supply needs for the succeeding two years.

Electricity Tariffs

Enel Colombia's electricity distribution tariffs for Regulated Customers are set in accordance with a regulated formula set forth by CREG. This formula considers various components, including distribution costs, generation costs, and transmission costs. For further information related to the tariff calculation, see "Colombian and Peruvian Electricity Industry, Regulatory and Environmental Framework — The Colombian Electricity Industry — The Electricity Market."

Electricity Losses

Enel Colombia's results of operations are materially affected by electricity losses. Electricity losses are equal to the difference between electricity purchased from suppliers and electricity invoiced to customers. Losses may be classified as technical or non-technical losses. Technical losses refer to electricity lost on the electricity transmission system and in a distribution system as a result of the natural heating of the electrical conductors which transmit electricity from the generating plants to the customers, as well as other processes such as voltage transformation. Technical losses are a normal occurrence and, while we can reduce such losses by network improvements, their complete elimination is economically impracticable. Non-technical losses refer to the remainder of electricity losses due primarily to theft of services, lack of metering capability and administrative errors. As of December 31, 2022, approximately 2.16% of Enel Colombia's electricity losses were non-technical and 5.35% were technical.

Electricity losses have adverse effects on electricity distribution companies. Electricity losses require the purchase of additional energy to satisfy load requirements that generate no revenues. Moreover, illegally connected customers typically register abnormally high levels of electricity consumption. The reduction of electricity losses may reduce the amount of energy the distribution companies must purchase to meet demand, and for non-technical losses, generally, increases the amount of electricity sold. The tariff provides an allowance for electricity losses that may be adjusted periodically. Reducing electricity losses has been and continues to be a priority for Enel Colombia.

In 2022, Codensa (now Enel Colombia) had electricity losses of 7.51%, compared to 7.53% in 2021 and 7.62% in 2020.

Investment Framework Agreement

In 1997, we restructured our operations in order to improve our financial position, develop future expansions of our electricity transmission assets and improve the quality of our services. As a result, we transferred our power generation assets to Emgesa (now Enel Colombia) and our electricity distribution and commercialization assets to Codensa (merged into Enel Colombia in 2022).

Since 2018, we initiated several arbitration proceedings (the "Arbitral Proceedings") against Enel Américas S.A., the controlling shareholder of Emgesa (now Enel Colombia) and Codensa (now Enel Colombia), requesting the Arbitral Tribunal to declare that Enel Américas S.A. breached the shareholder's agreements as of October 23, 1997, which regulate the role of GEB and Enel Américas S.A. as shareholders in Emgesa (now Enel Colombia) and Codensa (now Enel Colombia).

On January 29, 2021, as part of our strategy to strengthen their alliance and enhance their approach to the renewable energy sector, GEB and Enel Américas S.A. entered into an Investment Framework Agreement, as amended (the "Framework Agreement"). The Framework Agreement establishes the foundational terms for the corporate reorganization process culminating with the reorganization of Enel Colombia, outlines the understanding between the parties regarding certain matters related to Enel Colombia, and defines the relationship of the shareholders with respect to each other.

Pursuant to the Framework Agreement, the parties aimed, inter alia, to (i) jointly develop the non-conventional renewable energy business in Colombia and in Central America, (ii) have an agreed dividend distribution policy, (iii) improve corporate governance in aspects such as transactions with related parties and management of conflicts of interest, and (iv) attain a complete and final settlement of the disputes that led to the Arbitration Proceedings, culminating in the early termination of the Arbitration Proceedings.

Pursuant to the Framework Agreement, neither GEB nor Enel Américas may individually participate in energy storage, commercialization, distribution or generation activities (the "Exclusive

Activities”) in Colombia or Central America (the “Exclusive Territory”), nor may develop projects or make investments in any activity that might be considered as competition to Enel Colombia.

Pursuant to the Framework Agreement, the board of directors of Enel Colombia consists of seven directors, of which three directors are appointed by Enel Américas, two directors are appointed by GEB, and two directors are independent directors nominated jointly by GEB and Enel Americas S.A. Prior to the ordinary general shareholders’ meeting of Enel Colombia at which the independent directors of the board of directors are to be elected, each of GEB and Enel Américas shall deliver to the other party a list of four pre-selected candidates for the position of independent director. These candidates shall comply with the independence conditions and criteria established in the Framework Agreement. If GEB and Enel Américas fail to select any of the candidates from the list prepared by the other party, Enel Colombia shall hire an executive recruitment firm to independently select from the list of candidates distributed by the parties the two independent directors of Enel Colombia. The term of the independent directors is two years, and they may be reelected only once.

Pursuant to the Framework Agreement, Enel Colombia shall distribute dividends pursuant to the following rules (the “Base Agreement”):

- 100% of the dividends in case the net debt-to-EBITDA ratio approved for the corresponding year’s budget is less than 0.5 times.
- 90% of the dividends in case the net debt-to-EBITDA ratio approved for the corresponding year’s budget is between 0.5 and less than 1.5 times.
- 80% of the dividends in case the net debt-to-EBITDA ratio approved for the corresponding year’s budget is between 1.5 and less than 2.5 times.
- 70% of the dividends in case the net debt-to-EBITDA ratio approved for the corresponding year’s budget is between 2.5 times and less than 3.5 times.
- 60% of the dividends in case the net debt-to-EBITDA ratio approved for the corresponding year’s budget is equal to or greater than 3.5 times.

Enel Colombia is exempted for distributing dividends in accordance with the Base Agreement if at the end of the corresponding fiscal year dividends are taxable for GEB and Enel Américas. In such case, the dividend distribution will be the lesser of (i) the Base Agreement dividend amount and (ii) the maximum of non-taxable distributable dividends (including the retained distributable dividends of previous years that could be declared without being taxed for GEB and Enel Américas). In any case, the dividend distribution percentage shall not be less than 60%. The balance accumulated of the retained dividends must be distributed within a maximum period of five years, the balance commencing on the date of their retention, regardless of whether such distribution is taxable for GEB and Enel Américas. GEB and Enel Américas may jointly agree to a retention period longer than five years.

The Framework Agreement provides for the following relevant provisions regarding the undertaking of Exclusive Activities in the Exclusive Territory:

- For Enel Colombia to carry out a new Exclusive Activity in the Exclusive Territory, it requires the favorable vote of a majority of the directors of its board of directors, including in all cases the favorable vote of at least one of the non-independent directors appointed by Enel Américas.

- If the above majority is not obtained and the board of directors of Enel Colombia decides not to develop a new Exclusive Activity in the Exclusive Territory with the negative vote of at least one of the non-independent directors nominated by each of parties, neither of the parties may carry out, individually or jointly with third parties, projects similar to such Exclusive Activity in the Exclusive Territory.
- If any of the non-independent directors appointed by Enel Américas vote against the development of a new Exclusive Activity in the Exclusive Territory but the non-independent directors appointed by GEB vote favorably, the relevant Exclusive Activity may not be developed by Enel Américas and GEB shall have the right to develop or invest in such Exclusive Activity in the Exclusive Territory, provided that (i) the new Exclusive Activity is effectively developed or initiated within six months following the date on which it was been submitted to the board of directors of Enel Colombia and (ii) the terms of such new Exclusive Activity must be substantially similar to those submitted to the board of directors of Enel Colombia.
- If any of the non-independent directors appointed by GEB votes against the development of a new Exclusive Activity in the Exclusive Territory but the non-independent directors appointed by Enel Américas vote favorably, the relevant Exclusive Activity may not be developed by GEB and Enel Américas shall have the right to develop or invest in such Exclusive Activity in the Exclusive Territory, provided that (i) the new Exclusive Activity is effectively developed or initiated within the six months following the date on which it has been submitted to the board of directors of Enel Colombia and (ii) the terms of such new Exclusive Activity are substantially similar to those submitted to the board of directors of Enel Colombia.

The following corporate decisions require favorable vote of at least five members of the board of directors:

- Incurring indebtedness that exceeds 50% of the indebtedness approved in the annual business plan of Enel Colombia.
- The sale, liquidation, transfer or other disposition or lease of assets or properties of Enel Colombia, either through one or more consecutive transactions, during a rolling 12-month period (counted as from the first transaction), representing in the aggregate 10% of Enel Colombia's total assets based on the audited financial statements of the prior fiscal year.
- Increase of the authorized capital of Enel Colombia.
- The issuance of any guarantee and/or lien that is not within the ordinary course of business of Enel Colombia.
- The approval of related-party transactions that individually considered exceed EUR 3,000,000.
- Amendments to the corporate governance code of Enel Colombia.
- Undertaking any obligation that is not within the ordinary course of business of Enel Colombia, which may derive in the payment of amounts in excess of 25% of the limit established in the bylaws for the ordinary powers of Enel Colombia's Chief Executive Officer.

In addition, Enel Colombia's shareholders assembly's decisions require the favorable vote of more than 50% of the outstanding voting shares of Enel Colombia, except that the following decisions require the favorable vote of at least 75% of the outstanding voting shares of Enel Colombia:

- Any integration, merger, spin-off, consolidation, reconstitution, restructuring, transformation, or similar transaction.

- The increase or reduction of the capital of Enel Colombia or the repurchase of its shares.
- Issuance of shares in reserve of Enel Colombia, including the terms and conditions of such issuance.
- The entry by Enel Colombia into any line of business other than the Exclusive Activities.
- The modification of the by-laws of Enel Colombia.
- The dissolution or voluntary liquidation of Enel Colombia.
- The removal or replacement of the statutory auditor, unless it is a decision adopted by the corporate group of the Enel group for all its subsidiaries.

EMSA

Overview

Through its related company EMSA, GEB participates in the energy distribution business in the Department of Meta in Colombia. As of December 31, 2022, GEB held 16.22% of EMSA's capital stock. The other shareholders of EMSA are (i) the Republic of Colombia, (ii) the Department of Meta (Colombia), (iii) the Municipality of Villavicencio (Colombia), (iv) the Municipality of San Martin (Colombia) and (v) the National Federation of Coffee Producers, which hold 55.67%, 26.15%, 1%, 0.47% and 0.47%, respectively. EMSA's registered offices are located on Edificio Barzal Alto, Via Azotea, Villavicencio (Colombia).

EMSA'S Electricity Distribution Assets

As of December 31, 2022, the total length of EMSA's distribution lines was 11,935 km, of which 555 km were 115 kV tension lines, 1,658 km were 34.5 kV tension lines and 9,722 km were 13.2 kV tension lines.

As of December 31, 2022, EMSA owned 50 power substations, with a total installed capacity of 806 MVA. In addition, EMSA has 15,274 distribution transformers with 11,935 km in high and low tension systems distributed along the Meta department in 125 feeders.

Sales and tariffs

For the year ended December 31, 2022, EMSA's energy sales for residential, commercial, unregulated, official and other types of customers were 479.9 GWh, 217.6 GWh, 86.6 GWh, 39.1 GWh and 122.9 GWh, respectively, for a total of 945.5 GWh.

For the year ended December 31, 2022, EMSA's average unit cost prices per kWh were Col\$284.9/kWh for generation, Col\$89.6/kWh for retail, Col\$43.5/kWh for transmission, Col\$67.6/kWh for electricity losses, Col\$299.9/kWh for distribution, and Col\$28.9/kWh for others, for a total of Col\$814.4/kWh.

EMSA's distribution business is a natural monopoly regulated by CREG. Distribution tariffs seek to provide an adequate return over the assets (at replacement cost) and recognize the administrative, operating and maintenance expenses. The tariffs are adjusted at least every five years, based on the efficiency of, and investments in, our operations. The tariff methodology also is reviewed whenever CREG considers appropriate, which can occur at least every five years.

Our Electricity Distribution Business in Peru

Electrodunas Group

GEB participates in the electricity distribution business in Peru through DESAA. Our acquisition of DESAA in 2019 was completed through a public tender offer in the Lima Stock Exchange. DESAA owns 99.96% of the shares of Electrodunas. In addition, as part of the Electrodunas acquisition, GEB acquired 100% of the shares of Peru Power Company S.A.C. and Cantalloc from PPC Cayman Holdings, a subsidiary of Blue Water Worldwide LLC, a fund managed by Blue Water Advisors LP. The transactions were for an aggregate amount of Col\$.882 billion (U.S.\$210.4 million). In January 2022, GEB divested its entire stake in Peru Power Company S.A.C. to its subsidiary DESSA for a transaction value of Col\$181 billion (U.S.\$43.2 million).

The Electrodunas Group is a group of companies consisting of DESAA and Cantalloc, and their respective subsidiaries, whose principal activity is the distribution and commercialization of electricity in the Ica region as well as part of the Huancavelica and Ayacucho regions of Peru. The Electrodunas Group has a perpetual concession to provide electric distribution services to more than 11 provinces, covering a total area of 5,403 km². During 2022, the distributed energy in its concession area was 1,307 GWh and has more than 264,480 customers.

The Electrodunas Group also provides distributed generation solutions as well as construction, operation, and maintenance services for power infrastructure and equipment. Peru Power Company was founded in 2015 and provides construction services for distributed generation projects as well as peaks shaving, cogeneration and self-generation. It has 2 gas-fired generation plants CGD Luren and CGD Pedregal, each one with 19MW of capacity. A new gas-fired generation plant with a capacity of 9.9MW is being constructed, along with a 500kW photovoltaic solar plant and a 2MWh battery energy storage system. Cantalloc provides technical and commercial services such as reader checks, reconnection and maintenance, mainly to Electrodunas Group's customers. Electro Dunas has a small market share of 3.6% in terms of distributed volumes.

Gas for the Future

Our Natural Gas Transportation & Distribution Business in Colombia

TGI

Overview

TGI is a stock corporation (*sociedad anónima*) organized as a public utility company (*empresa de servicios públicos*) under the laws of Colombia. As of December 31, 2022, TGI was the largest natural gas transportation company in Colombia, in terms of number of km of pipeline assets, according to the UPME. TGI controls approximately 52% of the entire natural gas transportation network in Colombia, measured in km, with 4,033 km. TGI's pipeline system consists of eight main pipelines, all owned and operated by TGI, and other secondary branches, with a net transportation capacity of 849 MMPCD. The table below shows the main pipelines in TGI's pipeline system, as of December 31, 2022.

Pipeline	Length (km)	Observations
Ballena – Barrancabermeja	771	Owned and operated by TGI
Centro Oriente	1,120	Owned and operated by TGI
Pipeline Mariquita – Cali	797	Owned and operated by TGI
Cusiana – La Belleza	417	Owned and operated by TGI
Cusiana – Apiay – Usme (Bogotá)	409	Owned and operated by TGI
Ramales de Boyacá y Santander	305	Owned and operated by TGI
La Sabana ⁽¹⁾	150	Owned by TGI and Vanti and operated by TGI under an operation and maintenance contract executed with Vanti
Ramales de Sur de Bolívar	51	Owned and operated by TGI
Morichal – Yopal	13	Owned and operated by TGI
Total	4,033	

(1) The La Sabana pipeline consists of 150 km of which approximately 45 km are owned by Vanti. Source: TGI

TGI was formed on February 16, 2007 to acquire Ecogas’ assets, rights and contracts pursuant to the Ecogas disposition program. On that same date, we subscribed and paid for 73,435,860 shares of TGI’s common stock (representing 97.9% of the issued and outstanding shares of TGI’s common stock). On March 2, 2007, TGI consummated the acquisition of Ecogas assets for a purchase price of Col\$3,250 million (approximately U.S.\$775.4 thousand). As part of the Ecogas Disposition Program, TGI acquired the TGI Pipeline System, which consists of (i) four natural gas pipelines and several branches with a total length of approximately 1,971 km (1,224.7 mi) and a delivery capacity of approximately 494 MMPCD, owned and operated by TGI, (ii) one natural gas pipeline and several branches with a total length of approximately 149.5 km (92.9 mi) owned by TGI and Vanti (approximately 45 km) and operated by TGI under an operation and maintenance contract, (iii) one natural gas pipeline with a total length of approximately 771 km (479.1 mi) and a delivery capacity of approximately 260 MMPCD, which was operated and maintained by a third party and made available to TGI under a BOOT Concession Agreement, (iv) one natural gas pipeline with a total length of approximately 305 km (189.5 mi) and a delivery capacity of approximately 64 MMPCD, which is owned, operated and maintained by a third party and made available to TGI under a BOOT Concession Agreement and (v) one natural gas pipeline with a total length of approximately 760 km (472.24 mi) and a delivery capacity of approximately 168 MMPCD, which is owned, operated and maintained by a third party and made available to TGI under the Mariquita-Cali BOOT Concession Agreement (the “Mariquita-Cali BOOT Concession Agreement”). On August 25, 2017, TGI exercised its option to purchase the natural gas pipeline under the Mariquita-Cali BOOT Concession Agreement; consequently, as of that date TGI has operated those pipelines as TGI property. All of TGI’s natural gas transportation capacity is contracted under long-term firm transportation contracts with its customers. As of December 31, 2022, these long-term firm transportation contracts had an average remaining life of approximately 4.06 years. The TGI Pipeline System is directly connected to various natural gas production fields, including those located in the regions of the Department of La Guajira in northern Colombia and Cusiana in central Colombia. The TGI Pipeline System is also directly and indirectly connected to seven natural gas distribution companies (Vanti, Gases de Occidente, EPM, Alcanos de Colombia, Efigas, Llanogas and Madigas) four of which, as of December 31, 2022, accounted for approximately 56% of the natural gas attended users in Colombia. TGI’s infrastructure connects the main gas basins in Colombia with major urban centers in Bogotá, Medellín and Cali, among others. For the year ended December 31, 2020, TGI’s transported volume was of 464.4 MMSCFD, which increased to 496.3 MMSCFD for the year ended December 31, 2022.

Following our acquisition of The Rohatyn Group’s indirect 31.92% stake in TGI in 2014, by means of the acquisition of IELAH, TGI finalized its merger with IELAH on May 11, 2016. As part of the acquisition, five minority shareholders exercised their exit option as permitted under the Commerce Code and we acquired those shares. Consequently, as of the date of this offering memorandum, we hold 99.9% of TGI’s share capital.

Ordinary shares of TGI are divided into four classes:

- Class A Shares: shares that are issued in favor of state entities, as defined in Law 80 of 1993.
- Class B Shares: shares subscribed by cooperative sector institutions pursuant to article 60 of the Constitution, article 3 of Law 226 of 1995 and article 16(3)(ii) of Law 789 of 2002.
- Class C Shares: shares owned by the suitable operator, who will be considered upon fulfilment of all requirements set forth in Chapter 4 of the TGI Share Subscription Rules of Procedure.
- Class D Shares: shares subscribed by shareholders other than Class A, Class B and Class C shareholders.

As of the date of this offering memorandum, TGI has two subsidiaries, TGI International Limited, a limited liability company incorporated in the Cayman Islands and TGI Regasificadora S.A.S. a simplified shares corporation incorporated in Bogotá, Colombia. TGI's registered offices are located at Carrera 9 No. 73-44. Floor 2, Bogotá, Colombia.

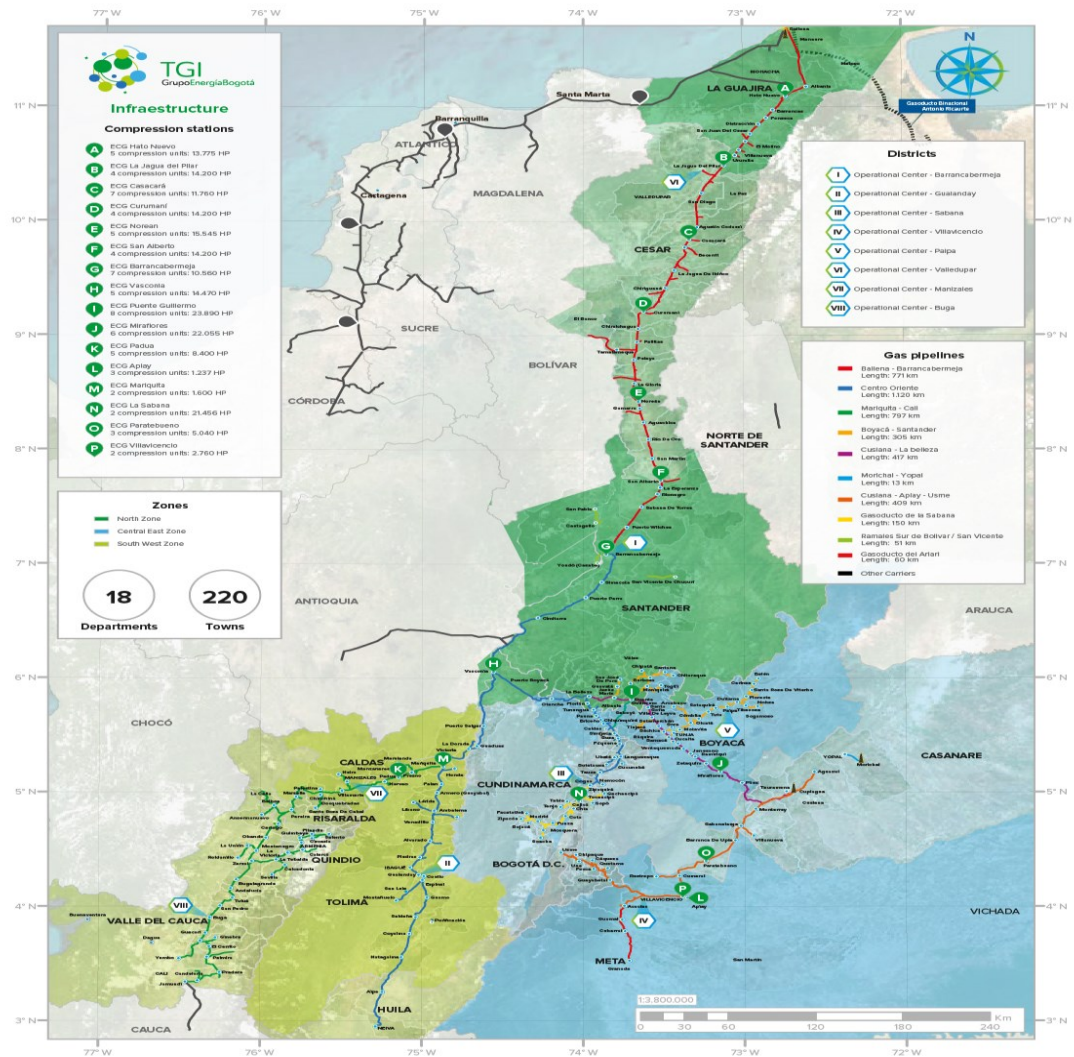
Natural Gas Transportation Tariffs

The Colombian Natural Gas Transportation Tariffs are governed by a tariff structure established by CREG. As per the regulatory framework, providers of gas transportation and other public utilities are required to set fees that are financially sustainable and economically efficient. Specifically, these fees must cover the costs of the service provider's operations and investments in assets, while also yielding a profit margin comparable to that of an efficient company with the same level of risk. See "Colombian and Peruvian Natural Gas Industry and Regulatory Framework — The Colombian Natural Gas Industry — Regulation of Natural Gas Transportation in Colombia."

Change in organizational structure

During 2019, TGI implemented a new operating model in order to optimize its maintenance and operation. TGI reviewed its current practices (including operation processes and procedures, coordination mechanisms and control sections) and its organizational structure. As a result of this process, TGI implemented an organizational design aligned to its strategy suitable to face the challenges of its operation and maintenance, in order to work in a more integrated way, maintaining and strengthening the expertise that TGI has today through its human capital, expanding knowledge and seeking best practices worldwide for the industry. Moreover, this process resulted in: (i) more transversal processes, (ii) formalization of coordination mechanisms for critical processes, (iii) greater use of the capacities, expertise and time of technical personnel in tasks specific to their functions, (iv) regionalization of TGI's operation in Colombia in three large areas (north, central-east and south-west), (v) greater empowerment of leaders in the region, and (vi) creation of a Knowledge and Experience Center.

Under the new operating model, TGI regionalized its operation in Colombia in three large areas

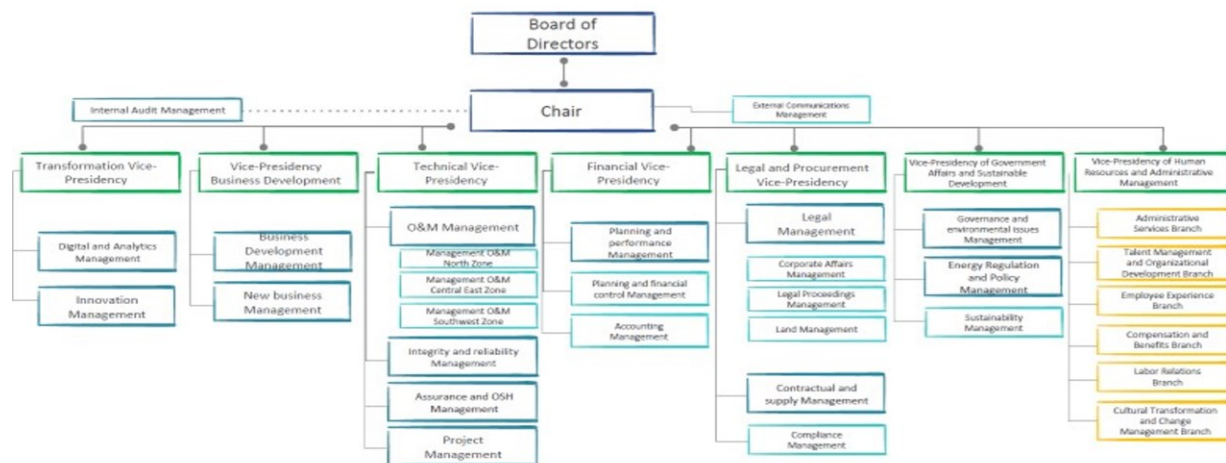


Source: TGI

TGI's operational centers and compressor stations were structured as follows:

Zone	Operational Center	Compressor stations
North	I - BARRANCABERMEJA	NOREAN
		SAN ALBERTO
		BARRANCABERMEJA
		VASCONIA
	VI - VALLEDUPAR	HATONUEVO
		LA JAGUA DEL PILAR
		CASACARÁ
South-west	II - GUALANDAY	CURUMANÍ
		MARIQUITA
	VII - MANIZALES	PADUA
	VIII - BUGA	
Central-east	V - PAIPA	PUENTE GUILLERMO
		MIRAFLORES
	IV - VILLA VICENCIO	VILLAVICENCIO
	III - COGUA - SABANA	PARATEBUENO
		COGUA – SABANA

TGI's new operating model implemented the following changes at the organizational structure level: (i) the name of Asset Management was changed to Integrity and Reliability Management, based on its focus and purpose, (ii) the Maintenance of Compressors Directorate and the Maintenance of Gas Pipelines Directorate were eliminated and maintenance was centralized in a single unit regionalized in three large areas: north, central-east and south-west, (iii) the control sections of the Integrity and Reliability Management and Operations Management were organized, (iv) creation of the Administrative Management and Control Group was created focusing in all of TGI's contracting activities, budget, inventories and in general administrative functions of the Vice President of Operations, (v) the Knowledge and Experience Center was created in order to leverage the implementation of the operational model establishing the training plan for the technical, professional and managerial level, in order to seek comprehensiveness, standardize processes and procedures and implement the best industry practices, (vi) Service Level Agreements were created in order to manage the coordination mechanisms in the processes that intervene and impact the operation and maintenance, and (vii) Adjustment in the indicators for the impacted areas in order to have productivity and performance measurements.



Source: TGI

In 2021, TGI took over equipment monitoring using our own staff through condition-based monitoring (“CBM”) techniques. We also maintained reliable operational continuity, ensuring the integrity of both assets and personnel.

Corporate Governance

From 2019, TGI implemented a compliance program with the aim of protecting TGI's integrity and ensuring the achievement of TGI's objectives, grounded on ethical behavior and in adherence to the regulatory framework. This guarantees that TGI's higher goal is realized ethically and within the context of collaboration based on trust, both from TGI's employees and all external entities with whom TGI has any affiliation. TGI has implemented and updated the following codes and policies:

- Internal Code of Ethics and Conduct
- Code of Ethics and Conduct for Suppliers and Contractors
- Corporate Ethics, Anti-Corruption, and Anti-Bribery Policy

- Corporate Ethics, Anti-Corruption, and Anti-Bribery Manual
- Manual for the Prevention of Money Laundering and Terrorism Financing - SIPLA
- Procedure for Gifts and Courtesies
- Personal Data Protection Policy
- Internal Manual of Personal Data Policies and Procedures
- Internal Control and Prevention of Fraud and Corruption Policy
- Conflict of Interest Management Policy
- Risk Management Policy
- Internal Work Regulations; and
- *grupo empresarial* agreement entered into with GEB, based on the recommendations of the Best Corporate Practices Code (*Código de Mejores Prácticas Corporativas*), the Guidelines for a Latin American Code of Corporate Governance of CAF of the Development Bank of Latin America (*Los Lineamientos para un Código Latinoamericano de Gobierno Corporativo de CAF del Banco de Desarrollo de América Latina*), and the recommendations of the OECD. This agreement regulates the relationship and interactions of GEB and TGI with the purpose of facilitating a unified corporate strategy between both companies.

TGI's Natural Gas Transportation Assets

The TGI Pipeline System

Overview

The two main components of the TGI Pipeline System are its nine pipelines and its 15 compression facilities. Other ancillary facilities are required to carry out the business of natural gas transportation. The following map illustrates the pipelines and compression facilities that comprise the TGI Pipeline System.

Pipeline	Capacity As of June 30, 2023 (MMPCD)	Length (km)
Ballena — Barrancabermeja	260.0	771.0
Centro Oriente	-	1120.2
Mariquita-Cali	-	796.5
Cusiana — La Belleza	470	417.4
Cusiana-Apiay — Usme	-	409.0
Cusiana — Apiay	70.6	216.6
Apiay — Usme	18.2	137.2
Apiay — Termo Ocoa — Villavicencio	24.2	55.2
Ramales Bocayá and Santander	63.7	305.0
La Sabana	215.0	150.0
Morichal — Yopal	11.8	13.0
Ramales Sur de Bolívar	-	51.0
TOTAL		4,033

Source: TGI

TGI's natural gas pipelines are generally large-diameter buried steel pipelines that transport natural gas over long distances and in large volumes at pressures of 60 to 1,200 pounds per square inch gauge (referred to as "high pressure" transportation). TGI transports natural gas through eight main pipelines:

Centro Oriente, La Sabana, Cusiana-Apiay-Usme, Cusiana-La Belleza, Ballena Barrancabermeja, Gasoducto Mariquita-Cali, Morichal Yopal and Gasoductos de Boyacá and Santander. The total length of the TGI Pipeline System is approximately 4,033 km, of which 3,883 km are owned and operated by TGI, 150 km owned by TGI and Vanti (approximately 45 km) and operated by TGI pursuant to an operation and maintenance contract. The TGI Pipeline System receives natural gas mainly from the Ballena/Chuchupa and Cusiana/ Cupiagua basins.

The TGI Pipeline System is directly connected to various natural gas production fields, including those located in the regions of the Department of La Guajira in northern Colombia and Cusiana in central Colombia. The TGI Pipeline System is also directly and indirectly connected to seven natural gas distribution companies (Vanti, Gases de Occidente, EPM, Alcanos de Colombia, Efigas, Llanogas and Madigas) which, as of December 31, 2022, accounted for approximately 67% of the attended users natural gas in Colombia. TGI's infrastructure connects the main gas basins in Colombia with major urban centers in Bogotá, Medellín and Cali, among others.

The TGI Pipeline System is not operated under a concession or license granted by the Colombian government. The current regulatory framework for the provision of natural gas transportation and other public utility services is covered by Law 142, which eliminated the concession system that applied to the provision of natural gas transportation services and established a system of open, non-discriminatory access to the Colombian natural gas transportation system. As a consequence of the elimination of the concession system, the Colombian government does not grant TGI an exclusive right to operate in any region of Colombia, TGI's right to transport natural gas is not subject to any maximum term limitation and the assets used to transport natural gas owned by TGI without reversion rights in favor of the Colombian government. However, the SSPD may take possession and control of TGI's assets to guarantee the continued provision of the public utilities under certain circumstances. See "Colombian and Peruvian Natural Gas Industry and Regulatory Framework — Regulation of Natural Gas Transportation in Colombia — Relevant Laws and Regulations." Although existing regulations do not establish a term limit for the provision of natural gas transportation services, CREG regulations assume a normative useful life of 20 years for pipeline, with the exception of pipelines built under BOOT Concession Agreements, which are assumed to have a normative useful life of 30 years. See "Risk Factors — Risk Factors Relating to TGI and the Colombian Natural Gas Industry — TGI's revenues are generated under natural gas transportation contracts that must be renegotiated or extended periodically."

TGI's pipeline assets are generally in good operating condition, maintain very high availability rates in 2022 ranging from 99.7% to 100%, and a rate of transported gas volume losses lower than 1%.

The main natural gas pipelines owned and/or operated by TGI that comprise the TGI Pipeline System are:

- *Ballena-Barrancabermeja Pipeline.* The Ballena Barrancabermeja pipeline was built in 1996 and runs approximately north to south from Ballena to Barranca-bermeja. The total length of the Ballena Barrancabermeja pipeline is 771 km, including trunk pipelines, with six compressor stations having an aggregate of 83,680 horsepower of installed compression capacity. The total transportation capacity of the Ballena Barrancabermeja pipeline at December 31, 2022 was 260 MMPCD. The diameter of the main line is 18 in.
- *Boyacá y Santander Pipeline.* The Boyacá y Santander pipeline was built in 1999 and covers 43 towns located in the Boyacá and Santander Departments. The total length of the Boyacá and Santander pipeline is 305 km. The Boyacá and Santander pipeline does not have a compressor station. The total transportation capacity of the Boyacá and Santander pipeline at December 31, 2022 was 63.7 MMPCD. The diameters of the main lines are 8 and 10 in.

- *Centro Oriente Pipeline.* The Centro Oriente pipeline was built in 1997 and runs approximately north to south from Barrancabermeja to Neiva and west to east from Vasconia to Cogua. The total length of the Centro Oriente pipeline is 1,120 km including trunk pipelines, with three compressor stations having an aggregate of 26,630 horsepower of installed compression capacity. The total transportation capacity of the Centro Oriente pipeline at December 31, 2022 was 15/11 MMPCD. The diameters of the main lines are 22, 20, 14, 12 and 6 in.
- *Cusiana-APIAY-USME Pipeline.* The Cusiana-APIAY-USME pipeline was built in 1992 and runs approximately east to west from Cusiana to APIAY, and from APIAY to USME. The total length of the Cusiana-APIAY-USME pipeline is 409 km, including trunk pipelines, with three compression stations with an aggregate of 5,040 and 2760 horsepower of installed compression capacity. The total transportation capacity of the Cusiana-APIAY-USME pipeline at December 31, 2022 was 64 MMPCD in 148 km and 17.8 MMPCD in the remaining pipeline. The diameters of the main lines are 12, 10 and 6 inches.
- *Cusiana-La Belleza Pipeline.* The Cusiana-La Belleza pipeline was built in 1987 and runs approximately east to west from Cusiana to El Porvenir and from El Porvenir to La Belleza. The total length of the Cusiana-El Porvenir-La Belleza pipeline is 17.3 km, including trunk pipelines, with two compressor stations having an aggregate of 45.945 horsepower of installed compression capacity. The total transportation capacity of the Cusiana-La Belleza pipeline on December 31, 2022 was 470 MMPCD. The diameter of the main line is 20 inches.
- *Morichal — Yopal Pipeline:* The Morichal — Yopal Pipeline was built in 1994. The total length of the Morichal-Yopal pipeline is 13 km. The total transportation capacity of the Morichal-Yopal pipeline on December 31, 2022 was 11.8 MMPCD. The diameter of the main line is 4 inches.
- *La Sabana Pipeline:* La Sabana Pipeline commenced operations in 1999 to satisfy the demand of the city of Bogotá and the municipalities in the region of La Sabana. The total length of the La Sabana pipeline is 150 km, of which approximately 45 km are owned by Gas Natural S.A., operated in its entirety by TGI. The total transportation capacity on December 31, 2022, was 215 MMPCD with one compressor station having an aggregate of 21,456 horsepower of installed compression capacity. The diameter of the main lines are between 20, 14, 10, 8, 6, 4, 3 and 2 inches.
- *Gasoducto Mariquita Cali:* On August 25, 2017, TGI took over the operation and maintenance of the Mariquita-Cali pipeline, which was previously operated pursuant to a BOOT Concession Agreement, the Mariquita-Cali pipeline was built in 1997 and runs approximately northeast to southwest from Mariquita to Cali. The total length of the Mariquita-Cali pipeline is 796 km, including trunk pipelines, with one compressor station with an aggregate of 8,400 horsepower of installed compression capacity. The total transportation capacity of the Mariquita-Cali pipeline on December 31, 2022 was 168 MMPCD. The diameter of the main line is 20 inches.
- *Ramales Sur de Bolívar:* The total length of the Ramales Sur de Bolívar pipeline is approximately 51 km. The diameters of the main lines are between 14, 10, 6, 4, 3 and 2 inches. The total transportation capacity on December 31, 2022, was 10.5 MMPCD.

For purposes of determining the transportation rates applicable to each segment of the TGI Pipeline System, CREG takes into account, among other things, the investment made in the pipelines. For purposes of these calculations, CREG divides each transportation system into segments and determines the rates applicable to each separate segment, using a rate setting methodology that takes into account: (i) investment costs (denominated in U.S. dollars); (ii) administration, operation and maintenance costs, or AO&M costs (denominated in Colombian *pesos*); and (iii) projected demand for transportation services through the pipeline. For purposes of these calculations, CREG assumes a useful life of 20 years (30 years for pipelines

built under BOOT Concession Agreements). The asset base value of each regulated segment is revalued per a predetermined formula after its 2⁰h year in operation. The asset replacement cost is appraised by an independent expert appointed by the regulator. From that moment on, the new asset base value is used for tariff calculations. Most of TGI's main pipelines began commercial operations between 1994 and 2000, except for the Cusiana-El Porvenir pipeline and a section of the La Sabana gas pipeline, which began after 2000. CREG is in the process of determining the New Replacement Value of the currently recognized investment base.

Receipt Locations

Natural gas enters the TGI Pipeline System from eleven receipt points that have a total receipt capacity of approximately 849 MPCD per day, with approximately 85% injected by Cusiana and Cupiagua, and the remaining 15% by other fields. Through these receipt points, TGI's customers may access natural gas from various production sources. The location of the TGI Pipeline System's receipt points provide TGI's customers with access to key production areas, including the Department of La Guajira and Cusiana. The eleven receipt points are (i) Ballena (Guajira), (ii) La Paz, (iii) Caramelo, (iv) Cusiana-APIAY, (v) Cusiana-Porvenir, (vi) Caldas Viejo, (vii) Corrales, (viii) Yopal, (ix) Cupiagua, (x) Corrales, and (xi) María Conchita. Custody Transfer and Metering Stations.

All natural gas receipt and delivery locations for the TGI Pipeline System have a custody transfer and metering station. The receipt metering stations measure the volume, pressure and temperature of the natural gas received, along with its energy, water, sulfur and hydrogen sulfide content, as applicable, and are continuously monitored by a gas chromatograph and other instruments used to perform these functions.

Compression Stations

Compression stations along a pipeline recompress the gas transported in the pipeline so as to restore pressure to the optimum operational value, which ensures maximum use of pipeline capacity and efficient delivery. Compression stations are spaced along the pipelines at various points depending on certain technical characteristics of the pipelines and the required pressure for delivery.

TGI's compression stations, with an aggregate installed capacity of 191,835 horsepower, are contained in the table below.

Name	Location - Pipeline	Capacity (in horsepower)
Hato Nuevo	km 79 of the Ballena – Barrancabermeja	13,775
La Jagua del Pilar	km 160 of the Ballena – Barrancabermeja	14,200
Casacará	km 238.39 of the Ballena – Barrancabermeja	11,760
Curumani	km 320.936 of the Ballena – Barrancabermeja	14,200
Norean	km 412 of the Ballena – Barrancabermeja	15,545
San Alberto	km 493 of the Ballena – Barrancabermeja	14,200
Barrancabermeja	Operational Center Barrancabermeja-Santander	10,560
Vasconia	km 169 of Barrancabermeja – Neiva (Centro Oriente)	14,470
Mariquita	km 293 of Barrancabermeja – Neiva (Centro Oriente)	1,600
Padua	km 38 of Mariquita – Cali	8,400
Miraflores	km 85 of the Cusiana – La Belleza	22,055
Puente Guillermo	km 188 of the Cusiana – La Belleza	23,890
La Sabana	km 17.8 of La Sabana gas	21,456
Paratebueno	km 93 of Cusiana – Apiay	5,040
Villavicencio	km 0.5 of Apiay – Ocoa	2,760
Total		193,911

Control and Supervision Centers

TGI's main control center, located in the city of Bogotá, houses the natural gas dispatch center where TGI receives orders from customers, and where TGI programs and manages all operations of its gas transportation system. It receives data in real time, 24 hours a day, of the principal variables of operation such as flow pressure, temperatures, alarms, as well as signals of the compressor stations of the system, which are used for remote operation.

In the control center of Barrancabermeja, there is an alternate, or backup, control center from which it is possible to control the operation of the transportation system in the same conditions as the main control center. Both centers are connected so that the historic database of the alternate control center always remains updated.

Mainline Valves

Sectionalizing mainline valves are installed throughout the TGI Pipeline System at locations determined in accordance with applicable regulations. Mainline valves permit the TGI Pipeline System to be isolated into sections to prevent the loss of line-pack gas in the event of a leak or rupture. The following instruments and controls are installed at mainline valve sites:

- controls to permit the opening and closing of the valves remotely;
- control units to permit the open and close status to be monitored;
- switches that allow the monitoring of the status of opening and closing of the bunker's door where the valve and the communication equipment are located;
- pressure transmitters upstream of the valves;
- remote indication of pressure drops alarms; and
- radios and modems for handling remote communication requirements.

Pipeline Delivery Points

The TGI Pipeline System connects with several departments and has approximately 366 measurement points. The main delivery points are located at the following companies or cities:

- Guaymaral; Calle 13; Cota y Soacha, Usme (Bogotá); CIB; Transmetano (Medellín); Drummond; Termocentro; Turbogeneración; Termo-Ocoa; Termosuria; Merieléctrica; Ecopetrol; Termosierra; Termovalle; Termoemcali; and TermoDorada, Sucromiles.
- Cali; Jazmin; Moriche; Manizales; Los Pinos (Neiva); Ibagué; Villavicencio; Campo Santiago; Monterrey; Buga; Chinchiná; Cartago; Armenia; Dosquebradas; Pereira; Tuluá; Perenco.

Operation and Maintenance

TGI has operated the pipeline system directly since October 2007, thereby ensuring its compliance with all of the obligations of the transportation agreements and, on April 1, 2008, initiated direct maintenance of TGI's gas pipelines.

Following the expiration of the BOOT Concession Agreements in respect of the Boyacá and Santander gas pipelines in November 2009 and the Ballena — Barrancabermeja gas pipeline in February 2011, TGI acquired and began operating such pipelines. As of the date of this offering memorandum, TGI carries out the operation and maintenance of approximately 4,033 km of natural gas pipelines.

Operation and Maintenance of Compression Stations

Since July 2012, TGI has assumed the operation and maintenance (“O&M”) of 12 of its 15 existing compression stations located along the transportation network. As a result, TGI has developed a reliability-centered maintenance model (RCM) and improved its O&M activities related to the compression stations. In 2022, availability was 96.5%, compared to 97.8% in 2021, and reliability was 97.3% in 2022, compared to 98.4% in 2021.

Transportation Capacity; Contracted Capacity

Transportation capacity is the maximum capacity of natural gas that can be transported through the TGI Pipeline System at any time assuming a 100% utilization rate. Contracted capacity is the natural gas transportation capacity contracted and paid for by customers, regardless of whether the customers actually use such capacity.

During the years ended December 31, 2020, 2021 and 2022 TGI transported on average 477.9 MMPCD, 515.7 MMPCD and 481.9 MMPCD respectively. TGI’s pipeline system average availability was 99.7% for 2022, compared to the 100% availability during 2021.

Properties; Rights of Way

TGI owns 129 properties located throughout Colombia. Significant portions of the TGI Pipeline System are located on properties over or through which Ecogas or TGI acquired rights pursuant to mandatory easements and other types of agreements. TGI currently has 8,200 rights of way. TGI is a party to 307 legal proceedings regarding the imposition of rights of way (*procesos de imposición de servidumbres*).

Interconnection Contracts

In 2007, Ecogas assigned 28 interconnection contracts (the “Interconnection Contracts”) to TGI to operate and maintain the customers’ interconnection facilities in exchange for a fee based on the activities to be performed and the size and complexity of the interconnection due to the Ecogas Acquisition. TGI performs its obligations under the Interconnection Contracts primarily through independent contractors that specialize in the operation and maintenance of natural gas pipeline systems.

In December 31, 2022, TGI had 153 Interconnection Contracts, 113 interconnection, operation and maintenance contracts and 40 operation and maintenance contracts with customers of its natural gas pipeline systems.

Customers and Market

Most of TGI’s revenues are derived from its gas transportation business. Natural gas transportation services are provided on a firm basis under transportation contracts. As of December 31, 2022, 97.5% of the transportation capacity of TGI’s main pipelines was entered into under long-term firm transportation contracts which, as of December 31, 2022, had a remaining average life of 4.06 years. During 2022, substantially all of TGI’s regulated business revenues were derived from firm transportation contracts.

TGI's top five customers together represented 88% of its revenues as of December 31, 2022. Set forth below are TGI's revenues attributable to its primary customers:

	As of December 31, 2022 (in thousands of U.S.\$)	
Vanti S.A. ESP	146,721	37.4%
Gases de Occidente S.A. ESP	116,065	29.6%
Empresas Públicas de Medellín ESP	35,547	9.1%
Alcanos S.A. ESP	25,151	6.4%
Efigas S.A. ESP	22,841	5.8%
Ecopetrol S.A. ESP	20,731	5.3%
Others	25,154	6.4%
Total	392,211	100%

The last customer survey conducted by the Colombian National Consulting Center (*Centro Nacional de Consultoría*) in 2022 yielded an 8.2 customer satisfaction rate to TGI, compared to 7.7 and 8.1 for 2021 and 2020, respectively. TGI continuously monitors customer satisfaction to help its managers identify areas of customer dissatisfaction and find innovative solutions to improve program delivery.

TGI's Revenues and Rates Structure

TGI's revenues from natural gas transportation services consist of fees charged mainly to electricity generation and natural gas distribution companies and to other customers for ensuring contracted capacity and actually transporting gas to such customers pursuant to the terms of such long-term firm transportation contracts or long-term firm and interruptible transportation contracts, respectively.

Almost all of TGI's regulated revenues from natural gas transportation services are derived from firm transportation contracts and, for the twelve-month period ended December 31, 2022, 93% of such regulated revenues derived from fixed rates charged under firm transportation contracts. As a result, for the twelve-month period ended December 31, 2022, approximately 7% of TGI's regulated revenues from natural gas transportation contracts were affected by fluctuations in natural gas demand. As of December 31, 2022, TGI's long-term natural gas transportation contracts had an average remaining life of approximately 4.06 years. As of the date of this offering memorandum contracts representing approximately 45% of TGI's current contracted capacity are set to expire in February 2025. See "Risk Factors — Risk Factors Relating to TGI and the Colombian Natural Gas Industry — TGI's revenues are generated under natural gas transportation contracts that must be renegotiated or extended periodically."

TGI's transportation rates are contractually agreed to with its customers, subject to maximum regulated rates established by CREG. The Colombian government does not guarantee TGI a specified or minimum rate of return on its investment in pipeline assets, and TGI does not have a guaranteed revenue or cash flow for making its pipeline assets available to the Colombian natural gas transportation sector. TGI's maximum fixed and variable charges for the transportation of natural gas are authorized by CREG for five-year periods and adjusted every year based on the Colombian IPP for internal supply, while charges for AO&M are adjusted annually based on the Colombian IPC.

In August 2010, CREG enacted Resolution 126 of 2010, which established general criteria for the determination of natural gas transportation rates. Such Resolution adopted a new methodology. In October 2010, TGI made a request for approval of its regulated rates, resulting in CREG Resolution 110 of 2011. Following TGI's appeal of this resolution, CREG issued Resolution 124 of 2012, approving new tariffs. These rates are in effect from December 2012. Thereafter, TGI required CREG to verify the efficiency of certain projects. As a result, CREG increased the efficiency value and published CREG Resolution 160 of 2014. In 2015 and 2017, CREG issued CREG Resolutions 261 of 2016, 058 and 104 of 2017, adjusting the target rates for the end of the Regulatory Useful Life ("RUL") of certain assets. Finally, CREG adjusted

TGI's charges through resolutions 03 and 106 of 2018, which are being applied as of the date of this offering memorandum. In November 2021, CREG issued Resolution 175 of 2021, replacing Resolution 126 of 2010. Current tariffs include investments from Resolutions 502 024 and 502 035 of 2022. Charges are calculated monthly by the transporter in Colombian *pesos*, using the new WACC rates (initially 10.94% and later 11.88%). Final tariffs, based on information provided by TGI in the tariff file, are expected to be issued by CREG starting in 2024, though the timing is contingent upon CREG. See "Colombian and Peruvian Natural Gas Industry and Regulatory Framework — Regulation of Natural Gas Transportation in Colombia — Regulation of Transportation Rates" "Risk Factors — Risk Factors Relating to TGI and the Colombian Natural Gas Industry."

Transportation Rates

Fixed transportation rates, which TGI charges for firm transportation capacity, consist of a specified amount per cubic foot of natural gas per day or year denominated in Colombian *pesos*. Fixed transportation rates are paid by TGI's customers for the transportation capacity contracted by them, regardless of whether such customers use the full amount of the contracted transportation capacity.

Variable transportation rates are applied to a specified amount per cubic foot of natural gas transported and delivered to such customer, according to the capacity and rates contractually determined. Variable transportation rates are also denominated in Colombian *pesos*.

Fixed and variable transportation rates are subject to the maximum rates TGI can charge in accordance with CREG's regulations. A different maximum regulated rate applies to each pipeline segment for which TGI reserves capacity or through which TGI transports natural gas. However, because TGI is required to provide its services on an open and non-discriminatory basis, to the extent that it offers lower rates to any particular customer, it is required to make such lower rates available to all similarly situated customers.

For the year ended December 31, 2022, 76.5% of TGI's revenues were linked to the U.S. dollar.

TGI's Cash Flow and Accounting

As of June 1, 2023, TGI changed its functional currency from U.S. dollar to Colombian pesos and executed hedges on the debt denominated in dollars to mitigate the exchange rate risk due to the entry into force of CREG Resolution 175 of 2021. This also includes the revalued investments of assets that reached their RUL before December 2020 and the application of the new regulatory WACC.

The regulatory framework in the transportation sector has divided revenues into two main components: (i) investment recovery rates, including capacity and variable charges that compensate TGI's investment in capacity that are denominated in Colombian *pesos*, and (ii) AO&M charges that recognize the expenses incurred to manage, operate and maintain the infrastructure, independently of the volume of gas transported that are denominated in Colombian *pesos*. TGI benefits from a natural hedge because most of the AO&M charges are denominated and paid in Colombian *pesos*, the same currency as the revenues that compensate these expenses. TGI's investments were denominated in U.S. dollars until May 2023, and for that reason revenues that compensate the investments are also in U.S. dollars. As nearly all of TGI's indebtedness consists of external debt in U.S. dollars, the investment recovery rates portion of TGI's revenues also provide a natural hedge for debt services. As of June 2023, these charges are denominated in Colombian *pesos*, necessitating the implementation of hedges to mitigate exchange rate risk.

Competition

Barriers to Entry

TGI's natural gas transportation business, which in Colombia is deemed as a public utility, does not currently face any significant direct competition. Although there are no existing regulatory restrictions or limitations on the ability of other companies to build pipelines in TGI's service area in Colombia to compete with TGI, the construction of a competing natural gas pipeline system would require a significant outlay of capital. In addition, a direct competitor would have to enter into contracts with gas distributors and other customers on terms that allow such competing gas transportation company to recover and have an attractive rate of return on its investment. See "Risk Factors — Risk Factors Relating to TGI and the Colombian Natural Gas Industry."

Promigas

Overview

Promigas is a Colombian energy company with investments primarily in natural gas transportation services and natural gas distribution. On February 10, 2011, we acquired 30% of the ownership interest of Promigas Ltd, AEI Promigas Holdings Ltd and AEI Promigas Investments Ltd, a group of companies which at a time owned 52.13% of Promigas' capital stock. The price of the acquisition was Col\$997 billion (U.S.\$237.8 million). We hold our 15.24% participation in Promigas through EEB Gas. Other shareholders include Corporación Financiera Colombiana S.A. (34.87%), CFC Gas Holdings S.A.S (10.58%), Amalfi S.A.S. (7.99%), Consultoria de Inversiones S.A. (5.27%), and others (26.05%). Promigas is a public company and is traded on the Colombian Stock Exchange with negligible liquidity under the symbol "PROMIGAS." Promigas's registered offices are located on Calle 66 No. 67-123, Barranquilla, Colombia.

Promigas is an integrated services conglomerate that participates both directly and through subsidiaries and related companies in the natural gas and power sectors in Colombia and Peru. In Colombia, Promigas is the only vertically integrated natural gas company allowed by Colombian law to operate both in the gas transportation and gas distribution sectors, since Promigas was already engaged in natural gas transportation and distribution activities when Law 142 of 1994, which limits such integration, was enacted by the Colombian government.

Promigas participates in the natural gas distribution sector in Colombia through its consolidated subsidiaries Gases de Occidente S.A. ("Gases de Occidente") and Surtigas S.A. E.S.P. ("Surtigas"), its related company Gases del Caribe S.A. E.S.P. ("Gases del Caribe"), including through Gases del Caribe's subsidiaries Gases de la Guajira S.A. E.S.P. ("Gases de la Guajira") and Efigas S.A. E.S.P. ("Efigas"), which together serve more than 4.1 million customers throughout Colombia as of December 31, 2022. Each natural gas distribution company has limited competition in its area and competes only with alternative energy sources. Promigas holds interest in Peruvian natural gas distribution companies, owning 40% of Cálidda which has more than 1,682,288 connected costumers as of June 30, 2023 from Lima and Callao, 95.49% of Gases del Pacífico S.A.C., 99.09% of Gases del Norte del Perú S.A.C., and 100% of Promigas Perú S.A., that by the end of 2022 reached 1.7 million customers.

Promigas's consolidated subsidiaries Gases de Occidente and Surtigas, its related company Gases del Caribe (including Gases del Caribe's subsidiaries Gases de la Guajira, Efigas and Compañía Energética de Occidente S.A.S. E.S.P. ("CEO")) also provide financing services to their natural gas distribution customers. The financing is provided directly by each company as part of its non-regulated business. The loans are unregulated and cannot exceed the usury rate. As of December 31, 2022, through the Program

Brilla, Promigas granted 472,000 loans and Col\$1,007 billion (U.S.\$240.2 million) in credit placements, reaching over 775,000 active users in the portfolio.

Natural Gas Distribution and Commercialization Business

Natural gas distribution and commercialization activities consist of conducting gas from city entrances to end-users through lower and mid-level pressure pipelines, mostly made of polyethylene. Natural gas distribution tariffs are subject to a lowest price methodology. The tariff formula is applicable to all of Promigas's subsidiaries that undertake the distribution and commercialization of natural gas.

Promigas's Natural Gas Distribution Business

Gases del Caribe

Gases del Caribe and its subsidiaries, Gases de la Guajira and Efigas supply natural gas to the majority of the municipalities located in the Departments of Atlántico, Magdalena, Cesar, Bolivar, Guajira, Caldas, Quindio and Risaralda. As of December 31, 2022, Gases del Caribe and its subsidiaries had approximately 1.15 million customers and distributed approximately 1,434 Mm³ of natural gas in 2022. Promigas owns 31% of Gases del Caribe. Gases del Caribe holds an exclusive long-term renewable concession from the Colombian MME. Gases del Caribe's concession agreement, the first term of which is scheduled to expire in 2028, provides for exclusive natural gas distribution rights within the concession area. Since 1994, a concession has no longer been required to distribute natural gas in Colombia. Natural gas distribution companies in Colombia are obligated to contract 100% of the volume of the regulated natural gas distribution market.

Gases de Occidente

Gases de Occidente supplies natural gas to a service area with a population of approximately 1.3 million in 282 towns in the area of Valle del Cauca and in Cauca, located on Colombia's western coast. As of December 31, 2022, Gases de Occidente had 1,291,027 customers and it distributed approximately 1,352 Mm³ of natural gas in 2022. Promigas owns 94.43% of Gases de Occidente.

Surtigas

Surtigas supplies natural gas to a service area that encompasses 217 towns in the areas of Bolívar, Sucre, Antioquia and Córdoba, located on Colombia's northern coast. As of December 31, 2022, Surtigas had 879,176 customers and it distributed approximately 867 Mm³ of natural gas in 2022. Promigas owns 99.9% of Surtigas. Surtigas holds an exclusive long-term renewable concession from the Colombian MME the first term of which expires in 2034.

Promigas Natural Gas Transportation Assets

Promigas and its subsidiaries operate several pipelines described below.

Promigas Pipeline

The Promigas pipeline is a 2,753 km natural gas pipeline with a maximum capacity of 952 MMPCD and transports natural gas from fields in the region of the Department of La Guajira through Valle Inferior de Magdalena, La Creciente and Sinú San Jacinto (the "Promigas Pipeline"). The Promigas Pipeline also provides subcontracted pipeline design, construction, operation and maintenance services for government or third-party-owned natural gas transportation customers who own pipelines.

Promigas holds an exclusive long-term renewable concession for the Promigas Pipeline from MME.

Transmetano Pipeline

The Transmetano pipeline is a 190 km natural gas pipeline with a maximum capacity of 78,0 MMPCD and transports natural gas from Sebastopol to the city gate in Medellín in the Department of Antioquia. The natural gas transported comes from the gas field in the Department of La Guajira. Promigas owns 99.7% of Transmetano's capital stock.

Transoccidente Pipeline

The Transoccidente Pipeline is a 11 km natural gas pipeline with a maximum capacity of 73.6 MMPCD and transports natural gas from Yumbo to the city gate in Cali in the Department of Valle del Cauca. The natural gas transported comes from the Llanos Orientales gas field. Promigas owns 79% of Transoccidente. Transoccidente was established in 1998 as a result of a spin-off overseen by CREG. Because of the spin-off and because it began to operate after the public services law was issued in 1994, Transoccidente does not have a concession agreement for its operation.

Promioriente Pipeline

The Promioriente Pipeline is a 335 km natural gas pipeline that transports gas to 491,000 users across 13 municipalities in the departments of Santander (9 municipalities) and Norte de Santander (4 municipalities). The pipeline interconnects the production well in the municipality of Gibraltar, Norte de Santander, to the National Transportation System located in Barrancabermeja, Santander. Promigas owns 73.3% of Promioriente.

Tariffs

In October 2011, CREG issued CREG Resolutions 111, 114, 115 and 117 of 2011, which set the maximum natural gas transportation rates (applicable for a minimum of five years) that Promioriente, Transmetano, Transoccidente and Promigas, respectively, can charge their customers under natural gas transportation contracts. While these maximum rates are higher than the maximum rates in effect prior to the date of such resolutions, Promigas believes that, in setting such maximum rates, CREG did not recognize the full value of Promigas' and its consolidated subsidiaries' investments and capital expenditures in the assets comprising the Promigas Pipeline System. As a result, in September 2011, Promigas and its consolidated subsidiaries filed petitions (*recursos de reposición*) requesting that CREG review such resolutions, increase the investment amount recognized by such resolutions and recalculate the maximum rates. Promigas tariff was approved by CREG through Resolution 122 of 2012, issued in November 2012.

Subsequent decisions by CREG have also led to further recognition of Promigas investments and costs. Through Resolution 068 of 2013, it modified the regulated tariff for Cartagena-Sincelejo's pipeline, approving investments for capacity expansion for the project "Loop del Sur" of 122 km. In July 2014, CREG issued Resolution 082, by means of which the tariff was adjusted as a result of the recognition of new replacement value for the pipelines that met their regulatory life of 20 years as of 2013, increasing the rate base by 36%. In May of 2015, by means of Resolution 040 of 2015, Promigas tariffs were adjusted once again increasing its rate base, due to CREG's mistake in the application of the formula for indexing the cost of pipeline steel and labor costs to calculate the efficiency cost of pipelines.

For Promioriente, CREG agreed with Promioriente's suggested revised maximum rates and, in December 2011, issued CREG Resolution 195 of 2011, which established the tariffs for the Barranca—

Payoa— Bucaramanga pipeline. Later in May of 2015, CREG approved the investments for a compression station that will allow injecting gas to the SNT.

For Transmetano, CREG held that it had filed its petition a day too late and had thus waived its right to contest the maximum rates established by CREG Resolution 114. In May of 2015, CREG modified Transmetano's tariff through Resolution 041 of 2015, due to CREG's mistake in the application of the formula for indexing the cost of pipeline steel and labor costs to calculate the efficiency cost, which led to an increase in its rate base. In August 2015, by means of Resolution 092 of 2015, CREG approved the investments for a compression unit, but Transmetano filed a petition requesting an increase in the investment variables, operation and maintenance ("AOM" for its Spanish acronym) amount recognized.

Tariffs for Transoccidente were established by CREG in 2012 by CREG Resolution 123 of 2012. In 2014, a tariff revision was made in CREG Resolution 043 of 2014 due to changes in the investment plan caused by road modifications made by the City Hall of Cali.

A new remuneration methodology for natural gas transportation was issued by CREG Resolution 175 of 2021. This methodology has two application stages: i) calculation of charges by updating the Capital Cost Rate and currency of the charges, and ii) update of investments, AOM, demand, among others, to update the charges. Currently, Promigas and its subsidiaries are in the first stage of applying the new methodology. The updated charges under the second stage are expected to be effective either in the fourth quarter of 2023 or the first quarter of 2024, upon issuance of the respective resolutions.

Vanti

We participate in the natural gas distribution business in Colombia through our related company Vanti, in which we hold a 24.99% interest (the maximum shareholding we are permitted to have pursuant to CREG regulations). The Brookfield Infrastructure Group through Gamper Acquireco II S.A.S., indirectly owns 74.95% of, and exercises control over, Vanti. For further information, see "Risk Factors — Risk Factors Relating to Us, Our Consolidated Subsidiaries, and Our Related Companies and the Industries in which We, Our Consolidated Subsidiaries, and Our Related Companies Operate — We derive a substantial portion of our Adjusted EBITDA and cash flow from dividends and other distributions from our related companies Enel Colombia, Vanti, REP and CTM, over which we have no control and which may not distribute profits under certain circumstances, which could adversely affect our results of operations." Vanti is the largest natural gas distribution company in Colombia, distributing and selling natural gas in Bogotá, Soacha, Viotá, El Colegio, Sibaté, La Calera, El Rosal, La Mesa and Anapoima, serving over 3.5 million customers through a distribution network of 24,738 km, with sales of more than 2,687 Mm³ of natural gas in 2022.

Vanti has four subsidiaries: Gas Natural Cundiboyacense, S.A. ESP, Gas Natural de Oriente, S.A. ESP, Gas Natural del Cesar S.A. ESP, and Vanti Soluciones S.A.S., in which it directly owns 77.45%, 64.30%, 6.29% and 100%, respectively. Vanti also holds stakes in Metrex S.A. and Colombiana de Extrusión S.A., with ownership of 32.03% and 15% respectively.

Our Natural Gas Distribution Business in Peru

Cálidda

Overview

GEB owns 100% of the capital stock of E.E.B Perú Holdings LTD., which in turn holds 60% of Cálidda's capital stock. The remaining 40% ownership interest in Cálidda is held by Promigas. GEB, in

turn, holds a 15.24% ownership interest in Promigas, resulting in an indirect ownership interest by GEB in Cálidda of 6.24%. In addition, on February 14, 2011, GEB acquired the outstanding capital stock of AEI Peru Holdings Ltd. (“AEI”) in Cálidda for Col\$466 billion (U.S.\$111.2 million). Following these acquisitions, the company changed its name to EEB Perú Holdings Ltd.

Cálidda supplies natural gas to a service area with a population of more than 10 million that encompasses approximately 24,855 square miles in Lima and Callao, Peru. Much of this area is densely populated and is home to major industrial and commercial operations, which could utilize natural gas in their operations. Cálidda provides natural gas service to residential, commercial and industrial customers, electricity generators and also to NGV customers. As of December 31, 2022, Cálidda had approximately 1,560,379 customers and invoiced approximately 775 MMPCD of natural gas. In 2022, Cálidda distributed approximately 75% of the total natural gas distributed in Peru. From 2013 to 2022, the volume of natural gas Cálidda distributed grew at a compound annual rate of 3.3% since 2013.

Cálidda’s registered offices are located on Calle Morelli 150, San Borja, Lima, Peru.

Concession Agreement

Cálidda holds an exclusive long-term renewable concession from the Peruvian government granted in 2000 to TGP and subsequently assigned to Cálidda in 2002. Cálidda’s concession agreement, the first term of which is scheduled to expire in 2033, provides for exclusive natural gas distribution rights within the concession area. The concession is granted by a BOOT Concession Agreement contract and allows for 10-year extensions with a maximum accumulated period of 60 years.

As of June 30, 2023, we were in compliance in all respects with the commitments under the BOOT Concession Agreement, as amended.

The OSINERGMIN periodically reviews the single tariffs for Peruvian natural gas distribution companies. This single tariff system integrates both tariffs related to the main grid and tariffs applicable to the secondary network. Pursuant to Resolution No. 079-2022-OS/CD dated May 3, 2022, amended by the Resolution N° 138-2022-OS/CD dated July 7, 2022, approved the single tariff for natural gas distribution in Lima and Callao to be applied since May 7, 2018, and will expire on May 3, 2026. The final average tariff approved is 24.67 U.S.\$/1,000m³.

Distribution Systems

Natural Gas Distribution Assets

As of December 31, 2022, Cálidda’s natural gas distribution network consisted of primary and secondary pipelines with a total length of approximately 15,961 km with a total capacity of 420 MMPCD. The distribution network consists of the City Gate, pressure control stations, a high-pressure trunk pipeline and secondary pipelines, branching from the trunk pipeline, designed for medium and low pressure. Of this network, approximately 128 km of the network is considered to be a high-pressure pipeline that crosses the provinces of Lima and Callao and the districts of Lurín, Pachacamac, Villa El Salvador, Villa María del Triunfo, San Juan de Miraflores, Santiago de Surco, Ate, Santa Anita, El Agustino, San Juan de Lurigancho, Cercado de Lima, San Martín de Porres, Carmen de la Legua Reynoso, Cercado de Callao and Ventanilla.

Natural gas enters Cálidda’s distribution network at the City Gate and other delivery points in Chilca. The City Gate’s primary function is to reduce the pressure of the received gas, as the transporter delivers gas to Cálidda at 153 bars of pressure, which is incompatible with the distribution network designed, as per the BOOT Concession Agreement, to operate at a maximum level of 50 bars. The City Gate also

measures the volume of gas received, heats and adds an odor to the natural gas. Once natural gas has been received into the distribution network, it travels through Cálidda's high-pressure steel pipelines, which are buried and coated with a protective covering to extend their useful lives. Branching from high-pressure pipelines are medium and low-pressure pipelines, which are made from either steel or polyethylene and are used to deliver natural gas to industrial and residential zones of the concession area. Throughout the pipeline network, Cálidda has installed valve blocks and computerized pressure regulation stations that continually monitor and regulate pressure levels within the network so as to ensure the operation remains within each portion of the network's design thresholds.

For the expansion and operation of its natural gas distribution system, Cálidda is a party to five service agreements for the construction and installation of exterior natural gas pipelines and complementary works.

Supply Chain

Natural Gas Supply Contracts

On July 26, 2004, Cálidda entered into a long-term natural gas supply contract with the Camisea Consortium, for the supply of natural gas to us (the "Gas Supply Agreement"). This contract has since been modified by nine addenda entered into by the parties in 2009, 2011, 2015 (amended twice), 2018 (amended twice), 2020, and 2022 (amended twice). Under the Gas Supply Agreement, which expires on December 31, 2033, neither party can unilaterally terminate the contract in advance of the agreed upon expiration date. Either party may, however, temporarily suspend its obligations, with prior written notice, upon the occurrence of certain events, including, among others, acts of war, terrorism, work stoppages, or a declaration of an event of force majeure by the gas transporter, which prevents either or both parties from either fully or partially satisfying their contractual obligations. If Cálidda's supply from the Camisea Consortium is interrupted without prior written notice, and the Camisea Consortium's obligations under the contract have not been temporarily suspended, both parties agreed to the provisions considered under the Natural Gas dispatch regulations issued by the relevant Peruvian governmental authorities.

Cálidda has contracted increasing volumes of firm (fixed) and interruptible natural gas supplies that ranged from 118 MMPCD in August 2011 to 220 MMPCD in December 2022. In addition, under the Gas Supply Agreement, any gas supply that is not allocated to other purchasers is required to be allocated to Cálidda before it can be allocated to any other customers of the Camisea Consortium. Cálidda received priority access to excess natural gas, provided there is enough transportation capacity available for any additional volume that Cálidda may purchase, because it is the Camisea Consortium's largest customer, provides gas to the local market and is a public service provider. As Cálidda is the largest purchaser of natural gas in Peru, and the natural gas from Block 88 is dedicated exclusively for domestic use, Cálidda expects to be able to renew its Gas Supply Agreement with the Camisea Consortium on the same or similar terms.

In addition, pursuant to the terms of the current Gas Supply Agreement dated June 30, 2022, Cálidda is required to take the fixed volume at the reception point established in the contract. In that sense, if Cálidda fails to, take the minimum volume of gas for the effective supply days for the corresponding period ("CTOP"), subject to certain exceptions, Cálidda must pay the Camisea Consortium for the CTOP of such period. However, in practice Cálidda acts as an intermediary for its customers, and such customers are contractually bound to pay to Cálidda the CTOP in full each month.

Natural Gas Transportation Contracts

In order to obtain the natural gas that it subsequently delivers to its distribution customers, Cálidda contracts with TGP, a Peruvian natural gas transportation company. These contracts have terms expiring between years 2031 and 2033, as transportation rates are not subject to short-term fluctuations in the price of natural gas.

Cálidda purchases natural gas transportation services either on a firm (fixed) or interruptible basis under transportation contracts. Under interruptible transportation contracts, the natural gas transportation company will transport gas when and if unutilized capacity exists in their pipeline systems. Interruptible transportation services are subject to interruption when deliveries under such services would interfere with or restrict deliveries under transportation services having a higher delivery priority. Conversely, firm transportation services are not subject to delivery priority in favor of another customer and take priority over interruptible service. Pursuant to firm transportation contracts, the natural gas transportation company agrees to make its pipeline system available and transport natural gas as required by Cálidda, which must pay fixed transportation rates, regardless of whether Cálidda actually utilizes all of the contracted capacity. As a result, Cálidda strives to achieve the highest possible load factor, meaning the highest possible percentage of the firm transportation capacity for which it has contracted. In 2020, 2021, and 2022 its load factors were 76%, 80% and 81%, respectively. The load factor has increased as Cálidda has distributed higher volumes to its regulated customers. Cálidda acts as an intermediary for its customers, and such customers are contractually bound to pay Cálidda for the contracted firm capacity in full each month.

As of the date of this offering memorandum, Cálidda participates in natural gas transportation agreements providing for firm and interruptible capacity with TGP, the company that holds the concession for the transportation of the Camisea Consortium's natural gas to Lima. These agreements are amended from time to time to modify contracted for volumes and to lengthen the term of the contract. Under the firm capacity agreement, Cálidda has contracted with TGP for the transportation of approximately 5.6 MMSCMD, from 2017 until 2032 and for approximately 2.1 MMSCMD in 2032. Under this firm capacity agreement, Cálidda must pay TGP for the capacity it purchased regardless of whether Cálidda needs all or part of it, as TGP is obligated to reserve that capacity for Cálidda's use. Under the interruptible capacity agreement, Cálidda has contracted with TGP for the transportation of varying amounts between approximately 0.6 MMSCMD and 0.9 MMSCMD for various periods from January 2017 through August 2032, on an as-available basis. Under the interruptible capacity agreement, Cálidda is only obligated to pay TGP for the capacity it utilizes.

Customers

Cálidda provides natural gas distribution services to its unregulated customers and regulated customers pursuant to natural gas distribution agreements and supply and transportation agreements pursuant to a BOOT (build-own-operate-transfer) concession agreement, which was executed on December 9, 2000 (the "BOOT Concession Agreement"). The BOOT Concession Agreement expires in 2033 and is renewable for successive additional 10-year terms up to a maximum term of 60 years. Its customers include residential and commercial customers, small and medium-sized industries, small power generators and NGV, which are classified as regulated customers, and large power generation companies (including Enel, Distribución Perú (former Edegel S.A.A.), Kallpa Generación S.A. ("Kallpa") and Engie Energía Perú S.A. ("Engie" former Enersur S.A.) and large industrial companies (including Union Andina de Cementos S.A.A. ("Unacem" (former Cementos Lima S.A.A.), Alicorp S.A.A. ("Alicorp") and Owens-Illinois Peru S.A. ("Owens-Illinois"), among others), which are classified as unregulated customers.

As of December 31, 2022, Cálidda had approximately 1,560,379 regulated customers connected to its natural gas distribution system and held long-term natural gas distribution contracts with approximately

29 unregulated customers, including Engie, Kallpa and SDF Energía. Cálidda's contracts with unregulated customers' amount to approximately 80% of the total invoiced volume by the company, for the year ended December 31, 2022. Unregulated customers are customers that consume more than 30,000 m³/day, including, large consumers such a power generation plants and large industries.

Competition

Cálidda does not currently face any significant direct competition in its natural gas distribution business, which in Peru is deemed a public service. Although the BOOT Concession Agreement grants Cálidda an exclusive right to provide services within its service area, pursuant to the BOOT Concession Agreement if within fifteen years of commencement of commercial operation (2019) certain portions of the concession area granted to Cálidda are not being served by Cálidda, a third party can request authorization to provide service in that portion of the service area. See "Peruvian Natural Gas Industry and Regulatory Framework."

Natural Gas Distribution Concession for Lima and Callao

In 2022, Cálidda invested approximately Col\$466 billion (U.S.\$168 million) in the expansion of its pipeline network, an approximate 11.7% increase relative to its 2021 investment of approximately Col\$629 billion (U.S.\$150 million), which resulted in an addition of 1,554 km to our network.

As of December 31, 2022, Cálidda's natural gas distribution network consisted of primary and secondary pipelines with a total length of approximately 15,961 km, a result of by Cálidda's continual expansion of its secondary pipeline network, which is used to reach different types of customers in the concession area and contributes adding up to its goal of providing natural gas to over 1,700,000 users by 2023.

Cálidda Project Development

Cálidda is currently undertaking various projects aimed at improving and maintaining various residential, commercial and industrial supply networks, including, building additional kilometers of underground pipelines throughout Peru with the hopes of making their supply network more efficient. This involves building and maintaining both high pressure steel pipelines as well as low pressure polyethylene pipelines with the goal of creating additional connections in the existing supply network in order to supply natural gas more efficiently. In addition to these construction projects, Cálidda is also reviewing, upgrading and maintaining various aspects of their technological infrastructure with the hopes of increasing the efficiency of the various operations of the company. This includes the creation of various new systems that will allow for, among other things, automation of payments to suppliers, improved detection of potential cyber-attacks and improving the utility of their geographic information systems. The chart below summarizes the new clusters currently being planned.

Cluster	Project Customers
Chilca	Industrial
Callao	Industrial, Power Generation and NGV Stations
Puente Piedra	Industrial and NGV Stations
Ate	Industrial and NGV Stations
San Juan de Lurigancho	Industrial and NGV Stations
Lurigancho	Industrial and Power Generation

Shareholders' Agreement

On August 30, 2007, AEI and Promigas entered into a shareholders' agreement, as amended from time to time (the "Cálidda Shareholders' Agreement"). The Cálidda Shareholders' Agreement sets forth the terms and conditions relating to AEI's and Promigas' direct ownership and management of Cálidda, as well as their rights and obligations as shareholders of Cálidda. When GEB acquired its controlling interest in Cálidda in 2011, it consummated such transaction through the acquisition of a 100% interest in AEI, through E.E.B. Perú Holdings LTD. Since AEI was a party to the Cálidda Shareholders' Agreement, E.E.B. Perú Holdings LTD. became bound by the terms thereof.

Share Transfer

Pursuant to the Cálidda Shareholders' Agreement, if a shareholder desires to transfer any or all of its shares in Cálidda to a third party (which is not an affiliate of such transferring shareholder), the other shareholders enjoy a preferential right to purchase such shares at the same price and on the same terms and conditions offered to the third party. Any shareholder that does not exercise its right during the fifteen (15) days following the delivery of a transfer notice shall be deemed to have waived such right. If no shareholder exercises its preferential right, the transferring shareholder shall be entitled to transfer its shares to the potential acquirer within a period of time specified in the Cálidda Shareholders' Agreement, subject to compliance with the Cálidda Shareholders' Agreement. If the transferring shareholder fails to transfer its shares within such period, the proposed transfer shall again become subject to the preferential purchase right. If the transferring shareholder transfers any or all of its shares in violation of these requirements, the other shareholders are entitled to demand compensation from the transferring shareholder in the form of liquidated damages in the amount of Col\$126 billion (U.S.\$30 million) in accordance with the Cálidda Shareholders' Agreement.

The Cálidda Shareholders' Agreement grants Promigas, or any wholly owned Promigas affiliate, provided they have not exercised their preferential rights in accordance with the terms set forth in the preceding paragraph, a tag-along right to include in the shares to be transferred to the third party or other purchasing shareholder (as applicable), a number of shares up to the product of the number of the shares subject to the transfer less such shares representing 9.99% of Cálidda, multiplied by a fraction, the numerator of which is the number of shares owned by Promigas (or its wholly owned affiliate) and the denominator of which is the sum of (a) the number of shares owned by Promigas (or its wholly owned affiliate) and (b) the number of shares owned by the transferring shareholder. However, Promigas and its wholly owned affiliates will have no tag-along rights to E.E.B. Perú Holdings Ltd.'s transfer or series of transfers of shares representing in the aggregate less than 10% of Cálidda's shares.

Board of Directors and Management

Under the Cálidda Shareholders' Agreement, Cálidda has a board of directors composed of seven principal members, with each shareholder having the right to appoint an alternate director. E.E.B. Perú Holdings LTD. has a right to appoint four directors and their respective alternates and Promigas has the right to appoint the remaining three directors and their respective alternates. One of the directors appointed by each of E.E.B. Perú Holdings LTD. and Promigas, and its alternate, must be independent. Pursuant to the Cálidda Shareholders' Agreement, the following matters require the affirmative vote of five directors (i) any decision regarding the entering by Cálidda into an agreement with a shareholder or an affiliate of a shareholder, provided, however, that any such agreement shall be on arm's-length basis, (ii) any decision by Cálidda related to the incurrence of indebtedness for borrowed money from third parties in an amount exceeding Col\$63 billion (U.S.\$15 million), (iii) approval for the acquisition of another company, and (iv) decisions involving or related to any of the matters requiring a supermajority resolution (66% or more of all outstanding shares) by the general meeting of shareholders.

All other decisions of the board of directors shall require the affirmative vote of at least four directors (or their respective alternates) E.E.B. Perú Holdings LTD. and its successors have the right to appoint the General Manager and the Chief Financial Officer of Cálidda and Promigas has the right to appoint Cálidda's technical manager and commercial manager. All other officers of Cálidda shall be appointed by the general manager.

Dividend

In accordance with Section 14.1 of the Cálidda Shareholders' Agreement, subject to the requirements of the financing agreements and shareholder loans (as applicable) and to the extent permitted by Peruvian law, Cálidda shall dividend to the shareholders, on a periodic basis established by the shareholders, all of the funds on hand and not needed (a) to pay obligations of Cálidda, including payment of (i) the lenders under the financing agreements, (ii) all taxes of any nature, and (ii) any other operating or capital costs incurred, or (b) to fund reserves that shareholders establish with respect to working capital and contingent or future liabilities of Cálidda, including all reserves required by financing agreements, Peruvian law or the budget; provided, however, that no dividends shall be paid to the shareholders until all the shareholder loans have been fully paid, and to that effect the shareholders agree not to exercise their rights to claim distribution of dividends while any shareholder loans are outstanding. In addition to distributing dividends, Cálidda may lend funds to its shareholders, to the extent permitted by applicable law and as approved by the general meeting of shareholders by means of a resolution approved by a supermajority of shareholders (66.6% or more of the outstanding shares). Cálidda may also reimburse capital contributed by the shareholder pursuant to any capital reduction, subject to all applicable approvals and requirements set forth in its organizational documents and applicable law.

Resolution of Deadlocks

In accordance with the Section 8.1 of the Cálidda Shareholders' Agreement, in the event that the shareholders are unable to reach an agreement on any matter which effectively requires their mutual agreement or consent and such situation continues without resolution for a period of ninety days, E.E.B. Perú Holdings LTD. may send a notice to all other shareholders who, or whose designated directors, voted contrary to E.E.B. Perú Holdings LTD., offering, at E.E.B. Perú Holdings LTD.'s option, (i) to sell all, but not less than all, of its shares or (ii) to purchase all, but not less than all, of the shares of the dissenting shareholders. The dissenting shareholders have the right to accept E.E.B. Perú Holdings LTD's offer or counter with an offer to purchase all of E.E.B. Perú Holdings LTD. shares or sell all of their shares, in each case on the same terms and conditions of E.E.B. Perú Holdings LTD.'s offer. Any transfer of shares by E.E.B. Perú Holdings LTD. in accordance with the Shareholders' Agreement shall not be subject to any tag-along rights for any shareholder.

Qualified Strategic Operator

Under the Cálidda Shareholders' Agreement, E.E.B. Perú Holdings LTD., in its capacity as the qualified strategic operator, shall be responsible for (i) maintaining a minimum thirty percent shareholding participation in the capital stock of Cálidda, either individually or in aggregate together with any of its affiliates, for a term of ten years from the effective date of the BOOT Concession Agreement; (ii) controlling the technical operations of the Distribution System (as defined in the BOOT Concession Agreement) and appointing to that effect the manager of distribution operations (*Gerente de Operaciones de Distribución*), and (iii) being jointly liable with Cálidda for the technical operations of the Distribution System.

Contugas

Overview

We own 68.58% of the capital stock of Contugas and TGI owns the remaining 31.42%. Through Contugas, we participate in the distribution and sale of natural gas to the region of Ica in the Chinchá, Ica, Pisco, Nazca and Marcona localities in Peru. As of December 31, 2022, our investment in this project amounted to Col\$1,287 billion (U.S.\$307 million) (net of amortization and depreciation). However, as of December 31, 2022, losses were recognized for Col\$50 thousand (U.S.\$12 thousand) corresponding to asset impairment.

Contugas was organized in 2008 under the name Transportadora de Gas Internacional de Perú S.A.C., and subsequently changed its name to Transcogas Perú S.A.C. in 2008, Congas Perú S.A.C. in 2009, and Contugas S.A.C in 2010.

Concession

Contugas has a 30-year concession through which it participates in the transportation and distribution of natural gas in the Department of Ica, in the southern region of Peru. The concession was granted by Peruvian Private Investment Promotion Agency (PROINVERSION) in 2008 to a consortium integrated by GEB and TGI. As a result of this award, on March 7, 2009, the BOOT Concession Contract for the Natural Gas Distribution System by Duct Network in the Department of Ica was signed by Transcogas Perú S.A.C. (now Contugas) in its capacity as concessionaire.

In 2010, Contugas entered into (i) a natural gas transportation contract with Transportadora de Gas del Perú S.A. (TGP) and (ii) a natural gas supply agreement with the Camisea Consortium (Block 88 Producers), on a firm basis.

In 2014, Contugas started commercial operations in the cities of Macona and Nazca in Peru after having completed the construction of the Natural Gas Distribution System by Duct Network in Ica. Contugas's concession assets represent the rights of collection for the natural gas distribution services, associated to the users' real consumption, and are within the regulatory regime established by OSINERGMIN.

In 2019, Contugas and Camisea amended the natural gas supply agreement, reducing the firm basis quantity from 37.6 MMPCD to 27.61 MMPCD. The agreement is expected to remain in effect until 2032. Under the agreement, the Contractual Daily Quantity ("CDC") varies to 28.82 MMPCD for 2022. The agreement sets prices as follows:

- The tariff applicable under the natural gas supply agreement is calculated on the basis of the wellhead base price and depending on its uses for 2023: U.S.\$2.17/Million British Thermal Units ("MMBTU") for electric generation, U.S.\$1.73/MMBTU for residential uses and minor electric generation, and U.S.\$2.17/MMBTU for other uses. In some cases, tariff applicable to customer can be U.S.\$3.9/MMBTU which is the tariff applicable to independent customers (which are those who purchase natural gas directly from the producer, marketer or concessionaire, provided that it is in a volume greater than 30,000 m³/day).
- In addition to pricing, the Contugas natural gas supply agreement also establishes take or pay penalties if Contugas' monthly consumption does not reach at least 80% of the CDC. In addition, take or pay penalties for the Camisea Consortium are applicable if a delivery of 100% of the CDC is not reached. As of the date of this offering memorandum, Contugas' CDC is below its distribution offer. As a result, Contugas is currently paying the take or pay penalty to Block 88 Producers.

Contugas' obligations under its natural gas supply agreement are guaranteed by 7 letters of credit (one for each member of the Camisea consortium).

The concession agreement subscribed between Contugas and the Peruvian government can be terminated before the 30-year period. The causes for termination are specified in the concession agreement.

Tariffs

The applicable natural gas distribution tariffs (denominated in U.S. dollars) have been established in the concession contract with no variation during the first eight years of operation but which is updated annually by the annual inflation index, the Price Index for rubber and plastic products, the Price Index for steel pipelines and pipes and the Annual Interpolation according to the annual volume of the previous year distributed. Following such period, the tariffs will be reviewed and adjusted by OSINERGMIN. Rates vary according to the level of consumption, the recognition of the investment and the type of consumer, every four years.

The estimated demand considering the main projects such as petrochemicals and thermal generation is expected to be 200-300 MMPCD, one of the highest in the region. According to Contugas, the demand for natural gas is expected to increase in the next few years due to the iron and steel, agro industrial, electric generators and petrochemical operations in the region, although a significant portion of the demand is expected to come from current operating companies.

The company's facilities are located at the various distribution points for natural gas in five cities in the Ica region of Peru.

Construction of the natural gas distribution and retail network has been funded through (i) equity contributions in the amount of Col\$1,169 billion (U.S.\$279 million) as of December 31, 2022, all of which have already been disbursed by GEB and TGI on the basis of their participation interest, and (ii) a Col\$1,488 billion (U.S.\$355 million) loan with international banks, which matures in September 2024.

Contugas completed construction of the natural gas distribution and retail network in January 2014 with over 294 km of the main trunk, 974 km of distribution network, and over 9,319 residential connections sold. Operations commenced in April 2014. As of December 31, 2020, Contugas had a distribution network of 1,023 km, which increased to 1,701 km as of December 31, 2022. As of December 31, 2022, Contugas has signed distribution contracts for approximately 67 Million Standard Cubic Feet Per Day ("MMSCFD") with steel industries, fishing companies, and natural gas for vehicles industries, among others. As of December 31, 2022, we had 74,158 residential connections sold. As of December 31, 2022, GEB and TGI had jointly invested (effective capital expenditures) over Col\$1,061 billion (U.S.\$253.1 million) in Contugas

Gases del Pacífico S.A.C. and Gases del Norte del Perú S.A.C.

Gases del Pacífico was awarded the concession to distribute natural gas in the northern region of Peru through a bidding process, serving customers in the Áncash, Cajamarca, La Libertad, and Lambayeque regions. Gases del Norte del Perú received a concession to distribute natural gas in Piura, serving customers in Piura, Sullana, and Talara. Under their commercial brand Quavii, Gases del Pacífico and Gases del Norte del Perú had approximately 210,000 natural gas customers as of December 31, 2022. Our related company Promigas owns 95.49% of Gases del Pacífico S.A.C. and 99.09% of Gases del Norte del Perú S.A.C.

Smart Cities

Our Operations in Colombia

Enel Colombia

Overview

We hold 42.515% of the voting common stock of Enel Colombia. Therefore, we do not exercise control over Enel Colombia for purposes of Colombian IFRS and, consequently, we do not consolidate Enel Colombia's results of operations. See "Transmission For Tomorrow—Our Electricity Distribution Business in Colombia — Enel Colombia — Investment Framework Agreement."

In Colombia, we will seek to leverage our investment in, and proactively participate in the management of our related company Enel Colombia. Enel Colombia supports the decarbonization and electrification of cities through mass electric mobility, leading the construction and operation of electric terminals and electric buses with state-of-the-art technologies that contribute to improve air quality by reducing CO₂ emissions, as well as the modernization of public lighting in the District-Capital of Bogotá, Cundinamarca and nationwide.

Ongoing Projects

As part of the project to modernize the public lighting of the Mayor's Office of the District-Capital of Bogotá to LED technology, during the year 2022, Enel Colombia in coordination with the *Unidad Administrativa Especial de Servicios Públicos* (UAESP) installed 29,000 luminaires in different areas of the District-Capital of Bogotá, which sought to eliminate the sodium technology use of these spaces.

Similarly, Enel Colombia installed 7,300 luminaires in main avenues of the District-Capital of Bogotá such as Boyacá Avenue, Américas Avenue, Suba Avenue, Autopista Norte, Autopista Sur, La Esperanza Avenue, and Carrera 60, which seeks to improve pedestrian and vehicular lighting in these spaces with a high flow of people.

In 2022, two new electroterminals were delivered by Enel Colombia to Transmilenio, the company responsible of the bus rapid transit system in the District Capital of Bogotá, in the districts of Fontibón and Usme to supply energy to a new fleet of 401 electric buses for the Integrated Public Transportation System of Bogotá. The electroterminal Patio Escritorio in Fontibon has 81 chargers and 172 electric buses, with an installed capacity of 13.6 MVA. The electroterminal Patio El Prado in Usme is the largest in Latin America, with an installed capacity of 19 MVA, 229 electric buses, and 108 intelligent chargers. With the entry of these two electroterminals, there are a total of six electroterminals in Bogotá with 878 electric buses and 412 150 kVA.

These projects have a comprehensive impact, as their implementation contributes to improving the quality of life in Bogotá by reducing noise pollution and CO₂ and particulate matter emissions. Additionally, the electric bus terminals have LED technology, solar panels for self-supply, wastewater treatment plants, and water recirculation, making the yards a self-efficient ecosystem. The electroterminals also have a relevant social impact, including the generation of employment both in the construction process and in operation, contributing to the city's economic reactivation. In 2022, important commercial relationship work was carried out in different cities of the country, both with local administrations and public transportation operators, in cities such as Cartagena, Barranquilla, Medellín, Bucaramanga, Manizales, Pereira, and Pasto, to seek growth at a national level in mass electric mobility.

Agata

We joined as a founding partner, with a share of 40%, in the incorporation of Ágata, as the entity that seek to improve the quality of life for the citizens by using data analysis in decision-making processes to transform cities, entities, and corporations. Agata is a strategic alliance established by *Empresa de Telecomunicaciones de Bogotá* (ETB), GEB, *Empresa de Acueducto y Alcantarillado de Bogotá*, *Unidad Administrativa Especial de Catastro Distrital* and *Secretaría Distrital de Planeación*.

Agata aims to become the leading data analytics agency in the region, serving as a catalyst for the development of smart cities. By creating a synergistic ecosystem and crafting innovative, sustainable solutions, we strive to make a positive societal impact.

Sustainable Generation

Enel Colombia

Overview

We hold 42.515% of the voting common stock of Enel Colombia. Therefore, we do not exercise control over Enel Colombia for purposes of Colombian IFRS and, consequently, we do not consolidate Enel Colombia's results of operations. See “— Our Electricity Distribution Business in Colombia — Enel Colombia — Investment Framework Agreement.”

Enel Colombia is among the three main electricity generators in Colombia, measured both by total electricity generation, with a market share of 17.8% as of December 2022, and by installed capacity, with a market share of 19% as of December 31, 2022. Enel Colombia supplies electricity to distribution companies, large industrial and commercial customers and other electricity generation companies in the SIN. Enel Colombia is a stock corporation (*sociedad anónima*) organized as a public utility company (*empresa de servicios públicos*) under Colombian law. Beginning in May 2008, the management of Enel Colombia (prior to March 2022, Emgesa) was consolidated with the management of Codensa. Enel Colombia's registered offices are located at Calle 93 #13 - 45 Piso 1, Bogotá, Colombia.

Enel Colombia has a presence in four countries, primarily in Colombia with twelve hydroelectric power plants, two thermoelectric power plants, and one photovoltaic power plant. As of December 31, 2022, Enel Colombia had a net installed capacity of 3,571 MW, of which 3,097 MW is attributable to its hydroelectric power plants, 406 MW is attributable to its thermoelectric power plants, and 67.9 MW is attributable to its photovoltaic power plant.

In 2022, Enel Colombia's net energy generation in Colombia reached 13,663 GWh, a 4.2% increase compared to 2021. This increase in generation was due to the inclusion of the El Paso Solar Power Plant following the March 2022 merger incorporating renewable energy assets in Colombia, as well as increased output from the hydroelectric power plants, aligned with the commercial strategy to maximize company income.

In 2022, energy generated from hydroelectric sources accounted for 13,272 GWh, equivalent to 97% of total generation, with 240 GWh from thermal sources and 151 GWh from solar plants. In Central America, Enel Colombia operates 9 hydroelectric generation plants with an installed capacity of 542 MW and 9 solar parks with an installed capacity of 101 MW, located in Panama, Guatemala, and Costa Rica.

In 2022, the net energy generation from Enel Colombia's Central American plants was 2,374 GWh. Of this, 1,499 GWh were generated in Panama, with 1,382 GWh from hydroelectric technology and 117

GWh from solar technology and 657 GWh and 216 GWh from hydroelectric plants in Guatemala and Costa Rica, respectively.

History

Emgesa (now Enel Colombia) was the result of the merger of two Colombian generation companies, Emgesa S.A. E.S.P. (“Former Emgesa”), and Central Hidroeléctrica de Betania S.A. E.S.P. (“Betania”). Former Emgesa was incorporated on October 23, 1997 by Capital Energía S.A. (“CESA”) pursuant the GEB’s restructuring process in 1997, by which GEB’s electricity generation business was transferred to Former Emgesa and its electricity distribution business was transferred to Codensa.

On August 29, 2007, the merger of Former Emgesa and Betania was consummated, with Betania continuing as the surviving corporation. In connection with the merger, Betania changed its name to Emgesa S.A. E.S.P. The merger was structured so that Endesa Spain and GEB retained the same ownership interests in the surviving corporation that they held in Former Emgesa before the merger. Endesa Spain contributed its interest in Emgesa to Energis S.A. (now Enel Americas S.A.) in connection with a 2013 capital increase.

On March 1, 2022, the merger by absorption between Emgesa (which changed its corporate name to Enel Colombia) and Codensa, Enel Green Power Colombia S.A.S. ESP and the Chilean company ESSA 2 SpA was completed, with Enel Colombia as the surviving company.

Enel Colombia is a subsidiary of Enel Américas S.A., which owns 57.345% of Enel Colombia and is controlled by Enel S.P.A. The minority interests are held by GEB with 42.515% and other shareholders with 0.140%.

Enel Colombia exercises direct control over the companies Inversora Codensa S.A.S. (now Enel X Colombia S.A.S. E.S.P.), Fundación Enel Colombia, Guayepo Solar S.A.S., Latamsolar Fotovoltaica Fundación S.A.S., Atlántico Photovoltaic S.A.S. E.S.P., Sociedad Portuaria Central Cartagena S.A., EGP, Fotovoltaica La Loma S.A.S. - In Liquidation and Latamsolar Energías Renovables S.A.S. Enel Colombia also owns 20% of the shares in Enel X Colombia S.A.S. (now Colombia ZE S.A.S.) which exercises direct control over the company Bogotá ZE S.A.S., which, in turn, exercises direct control over the companies Usme ZE S.A.S. and Fontibón ZE S.A.S.

Enel Colombia’s investments in Central America are held through its interests in Enel CAM Panamá S.R.L. (formerly Enel Green Power Panamá SR), Enel Costa Rica CAM S.A. (formerly Enel Green Power Costa Rica S.A.), and Enel Guatemala S.A. (formerly Enel Green Power Guatemala, S.A.), including the subsidiaries of each of these companies.

Enel Colombia’s Electricity Generation Assets

Enel Colombia’s portfolio of power generation facilities includes 12 hydroelectric plants located in three different river basins within Colombia, two thermoelectric plants (one operating on natural gas or diesel oil and the other on coal), and one photovoltaic power plant in Colombia. In Central America, Enel Colombia owns 9 hydroelectric generation plants and 4 solar parks in Panama, Guatemala, and Costa Rica. This forms the basis of Enel Colombia’s System Operation and Market Structure.

Enel Colombia’s System Operation and Market Structure

Enel Colombia operates only in Colombia, which has a single interconnected national electricity grid (the SIN), existing interconnections with Ecuador and Venezuela, and a planned interconnection with Panama. Substantially all of the electricity generated in Colombia is initially purchased on a wholesale basis

through the MEM. The MEM is formed by various systems designed to enable generation and commercialization companies operating in the SIN to make short-and medium-term electricity transactions. All the electricity supply offered by generation companies connected to the SIN is traded at the MEM. The designated participants of the MEM are generation and commercialization companies.

Electricity transactions carried out in the MEM include sales in the spot market, bilateral supply contracts and reliability charge settlement. All generation companies in the MEM can freely enter into any or all of these transactions. See “Colombian and Peruvian Electricity Industry, Regulatory and Environmental Framework — Colombia — The Electricity Market.”

Generation companies are required to participate in a day-ahead centralized dispatch with all of their generation plants or units connected to the SIN with capacities equivalent to or exceeding 20 MW and generation plants between 1 MW — 20 MW can voluntarily decide whether or not to participate in the centrally dispatched system. Generators declare their energy availability and the price at which they are willing to sell it. This electricity is centrally dispatched by the CND.

Electricity generation companies in Colombia generally derive revenues from:

- electricity sales in the spot market or bilateral contracts;
- Reliability Payments. See “Reliability Payment” and “Colombian and Peruvian Electricity Industry, Regulatory and Environmental Framework — Colombia — Electricity Transmission — The Reliability Charge”;
- Payments for automatic generation control (*Control Automático de Generación*) or AGC, which are fees paid to electricity generators by XM acting on behalf of electricity generators in the MEM, for implementing technology that allows a rapid response of upward or downward generation, when system operator requires to stabilize the frequency of the system.

The pricing and other terms of the electricity supply contracts are determined either through public tenders, the Centralized information system for public tenders (“SICEP” for its Spanish acronym), non-conventional renewable energy source auctions, the standardized derivatives market (Derivex), or the spot market for the regulated market, or through direct bilateral negotiations for the non-regulated market. See “Colombian Electricity Industry — Colombia — The Electricity Market.”

Market Share

The following table shows the composition of the Colombian firm energy market for December 1, 2021 through November 30, 2022 (taking into consideration the last declaration of firm energy in February 2022), as calculated in accordance with CREG Resolution 071 of 2006.

Company	Firm Energy GWh/annual	Participation in Firm Energy
Enel Colombia	13,636	16.9%
EPM	18,930	23.5%
Isagen	9,255	11.5%
Celsia	2,168	2.7%
TEBSA – Barraquilla 3 and 4	7,463	9.3%
Gecelca	5,362	6.7%
Gensa	1,348	1.7%
URRA	767	1.0%
Tasajero	2,757	3.4%
Termo Valle	2,104	2.6%
Proelectrica	712	0.9%

Company	Firm Energy GWh/annual	Participation in Firm Energy
CHIVOR	2,780	3.5%
Candelaria	2,504	3.1%
TermoEmCali	1,539	1.9%
Others	9,214	11.4%
Total	80,539	100%

Source: XM, calculations by Enel Colombia

The following tables summarize Enel Colombia's market share for the periods indicated in terms of installed capacity, generation, AGC service fees and Firm Energy:

Market	For the Year Ended December 31,		
	2020	2021	2022
Enel Colombia net installed capacity (MW)	3,506	3,503	3,571
Generation (GWh)	14,009	13,112	13,663
Market share (%)	20	18	18

Source: Enel Colombia

Principal Competitors

Electricity generation companies in Colombia compete largely on the basis of the competitiveness of their power generation mix, technical experience, reliability and ability to obtain electricity supply contracts with customers. Enel Colombia's principal competitors are Empresas Públicas de Medellín S.A. E.S.P., Isagen, AES Chivor & Cía S.C.A. E.S.P. and EPSA S.A. E.S.P.

In 2022 Enel Colombia was ranked third with respect to total electricity generation, with a market share of 17.8%.

Electricity Sales

Enel Colombia's revenue is primarily derived from (i) sales of electricity under electricity supply contracts with customers in the wholesale market (mainly generation, commercialization or wholesale companies that sell to Regulated Customers), (ii) sales of electricity under supply agreements with unregulated customers (mainly large industrial and commercial companies and governmental entities with consumption levels equal to or above 55,000 kWh/month) and (iii) sales of electricity in the spot market. See "Colombian and Peruvian Electricity Industry, Regulatory and Environmental Framework — Colombia — Functional Separation of the Electricity Sector — Electricity Generation." Enel Colombia also receives revenues for Reliability Payments which are a result of the OEFs allocated to Enel Colombia. In addition, Enel Colombia receives payments for AGC services in connection with the implementation of technology that improves the quality of electricity delivered. Enel Colombia also receives revenues for the provision of ancillary services, such as technical and connection services to Unregulated Customers. Please find below a table that provides Enel Colombia's recent electricity sales figures, broken down by contract type and client type.

Market	For the Year Ended December 31,	
	2021	2022
Spot Sales (GWh)	2,656	2,748
Contract Sales (GWh)		
MM	10,991	11,242
MNR	3,941	4,605

Source: Enel Colombia

A central objective of Enel Colombia's commercial policy is achieving the optimal mix of revenues from contract sales and spot sales. To determine Enel Colombia's optimal mix, Enel Colombia considers factors such as its hydro/thermoelectric generation mix, prevailing electricity sales prices, indexation mechanisms, risk-sharing mechanisms, forecasts of new capacity and forecasts of spot market prices, among others. Enel Colombia relies on statistical data and simulation models to determine its optimal contract level.

Enel Colombia enters into electricity supply contracts, the terms of which vary depending on whether the end customers are Regulated Customers and Unregulated Customers. Prices under most of Enel Colombia's electricity supply contracts are adjusted for inflation on a monthly basis using the PPI. Prices under other supply agreements are linked to the spot market price.

Sales under electricity supply contracts are the largest source of income for Enel Colombia. Enel Colombia enters into freely negotiated electricity supply contracts under which Enel Colombia generally agrees to sell electricity at agreed prices. Prices for supply contracts of electricity for Wholesale Customers that sell to Regulated Customers are determined based on a competitive bidding process conducted by the electricity commercialization or distribution company soliciting bids to be supplied electricity. This competitive bidding process is governed by rules and regulations issued by CREG, pursuant to which the electricity generator that offers the lowest price in the bidding process can be assigned up to 100% of the energy offered, depending on the need of the purchaser's agent. The agent may cancel the tender if the prices offered are not suitable. Supply contracts entered into with Wholesale Market customers typically have a term ranging from three to five years.

Prices for supply contracts entered into with unregulated customers are freely negotiated by electricity generators and unregulated customers and are not subject to limitations or requirements established by CREG or required to be set through competitive bidding. Supply agreements entered into with unregulated customers have an average of term of approximately three years.

Enel Colombia also conducts operations in the spot market where prices are determined by market conditions. Spot market prices depend directly on, among other factors, hydrological weather conditions, with prices increasing during below-average rainfall seasons and falling during years of high rainfall levels, the levels of regional, national and international supply and demand of energy, international oil and natural gas prices, energy laws and regulations, and taxes.

Enel Colombia's current sales strategy is designed to account for the fact that 88% of Enel Colombia's installed capacity is from hydroelectric plants, which are characterized by low marginal costs. Because generators are dispatched based on an "optimal dispatch" of price bids, during normal hydrological conditions, hydroelectric plants are generally dispatched before thermoelectric plants. However, during low hydrological conditions when Enel Colombia must take into account the opportunity cost of hydroelectric reserves and adhere to regulated minimum reservoir levels, thermoelectric electric generation facilities may be dispatched before Enel Colombia's hydroelectric facilities. In the event that Enel Colombia is unable to generate sufficient electricity to meet its contractual obligations as a result of adverse hydrological conditions or other operational or external causes, Enel Colombia may purchase electricity on the spot market, enter into supply agreements with other generation or commercialization companies or generate thermoelectric electricity through Enel Colombia's two thermoelectric plants. Such purchases are typically made at higher spot prices than under supply contract prices. Enel Colombia hedges part of its exposure to spot market prices using instruments such as Derive Energy Futures.

The following table sets forth, for the periods indicated, certain statistical information regarding Enel Colombia's purchases from commercialization or wholesale companies pursuant to supply contracts

(which typically represent approximately 18% of Enel Colombia's total purchases) and in the spot market (which typically represent approximately 82% of Enel Colombia's total purchases).

Market	For the Year Ended December 31,		
	2020	2021	2022
Contract purchases (GWh)	612	745	1,072
Spot purchases (GWh)	<u>3,077</u>	<u>3,831</u>	<u>4,005</u>
Total purchases (GWh)	<u>3,689</u>	<u>4,576</u>	<u>5,077</u>

Source: Enel Colombia

One of the most critical goals of Enel Colombia's commercial policy is to maintain an optimal mix between medium-term contracts and sales on the spot market. Enel Colombia's optimal level of electricity supply commitments is one that allows Enel Colombia to protect itself against low marginal cost conditions, such as those existing during the rainy season, while still taking advantage of high marginal cost conditions, such as higher spot market prices during the dry season. Enel Colombia's commercial policy is to estimate for each year the level of energy sales that Enel Colombia should contract to maximize profits, subject to maintaining a certain level of volatility of the operating margin within a certain threshold and therefore assuming a limited and controlled amount of risk from the average level.

With respect to the spot market, Enel Colombia's strategy is to maximize the commercial margin of Enel Colombia's business in the short-term through effective resource management (availability and hydrological storage levels), market opportunities and future risk perception. This strategy will also depend on Enel Colombia's own and Enel Colombia's competitors' particular financial and hydrological conditions.

On average, during the year ended December 31, 2022, Enel Colombia served more than 470 unregulated customers and 17 distribution and commercialization companies. Sales by Emgesa (now Enel Colombia) to its distribution business (formerly Codensa), accounted for 27% of Enel Colombia's total contracted sales in 2022.

The following are the main categories of contractual electricity supply arrangements that Enel Colombia enters into with its customers:

- *“Pague lo contratado.”* This contract is similar to a “take or pay” contract, whereby the purchaser commits to pay for all contracted electricity, regardless of actual consumption. If the consumption is higher than the contracted volume, the additional supply of electricity required by the purchaser generally is acquired by it in the spot market or through additional electricity supply contracts with the same or another electricity generation company. If consumption is lower than the contracted amount, the purchaser may sell the surplus energy in the spot market at the applicable spot price. For the year ended December 31, 2022, 73% of Enel Colombia's sales were contracted in this modality.
- *“Pague lo demandado.”* This contract is similar to a “take and pay” contract, whereby the purchaser only pays for the electricity that it consumes at the contract price for a specified period, but without a cap. For the year ended December 31, 2022, 27% of Enel Colombia's sales were contracted in this modality.

The following table sets forth Enel Colombia's contract sales to the wholesale market and unregulated customers by volume to Enel Colombia's principal customers for each of the periods indicated. Volume is determined based on the award of the competitive bidding process conducted by the electricity commercialization or distribution company soliciting bids to be supplied electricity.

	2020	2021	2022
Regulated Market	5,456.73	4,993.23	4,235.94
Unregulated Market	120.16	82.16	124.70

Source: Enel Colombia

Reliability Payment

In order to encourage electricity generation companies to invest in electricity generation projects, CREG adopted the Reliability Payment system. These obligations must be backed by generation assets that are able to produce firm energy in a dry or critical period (adverse hydrological conditions). In the auction, the OEF value or price, which is called the Reliability Payment, is determined competitively. See “Colombian and Peruvian Electricity Industry, Regulatory and Environmental Framework — Functional Separation of the Electricity Sector — Generation — Reliability Payment.” The first Firm Energy auction took place in May 2008, in which Enel Colombia achieved the allocation of Firm Energy for *El Quimbo* Project.

Automatic Generation Control Payment

Payments for Automatic Generation Control (“AGC”), are fees paid for the service that some plants can offer to the system, related to a rapid response of upward or downward generation, when system operator requires to stabilize the frequency of the system.

Fuel

Enel Colombia’s Termozipa thermoelectric power plant has a total installed capacity of 225 MW and is comprised of four coal-fired units and a storage facility. Enel Colombia purchases coal for the Termozipa thermoelectric power plant from several suppliers in the Cundinamarca and Boyacá departments under contracts with an average term of two years at prices that are negotiated and not necessarily directly linked to international coal prices.

Enel Colombia’s Cartagena thermoelectric power plant has a total installed capacity of 184 MW and is a dual plant able to operate with natural gas and residual oil fuel. Considering that the regulation requires the presentation of firm fuel supply and transportation contracts and a document that includes logistics associated with fuel supply (which is auditable) in order to obtain the Reliability Charge for thermal power plants, it is not possible to support Cartagena’s reliability charge with natural gas contracts because those contracts are full take-or-pay contracts which have a higher cost than the incomes received from the Reliability Charge, taking into account that Cartagena’s power plant does not operate on an ongoing basis but at intervals, when electricity is generated by security or during periods of electric power shortages (e.g. El Niño Phenomenon or emergency situations). Therefore, Cartagena supports its reliability charge with residual oil fuel contracts signed with wholesale distributors of petroleum derivatives. Usually, when liquid thermoelectric power plants operate the constraint costs of the final user price are affected. If the operation occurs in a shortage period, the payment received for the electric power generated has a price cap according to the regulation.

Ongoing Projects

Enel Colombia has a diversified portfolio in areas with high energy potential, aligned with the regional growth plan. The various geographical locations provide options for interconnection projects. For this reason, there is a project pipeline with a potential of 14 GW, distributed in Colombia and Panama, with expansion potential in other regions. The list of projects is continually updated to find the best options for early commercial operation. Enel Colombia is a leading operator in Colombia for developing non-conventional renewable energy projects of this scale in regions in which it operates.

Enel Colombia currently has six projects under construction that, once operational, are expected to supply a total of 870 MW.

Colombia	• La Loma (Cesar): 187 MW generated by means of 400,000 solar panels, distributed in an area of 437 hectares. • Fundación (Atlántico): 132 MW generated by means of 244,800 solar panels, distributed in an area of 237 hectares. • Guayepo I and II (Cesar): 487 MW generated by means of 820,600 solar panels distributed in an area of 1,110 hectares
Panama	• Madre Vieja (Chiriquí): 30 MW generated by means of 68,220 solar panels, distributed in an area of 33 hectares. • Baco (Chiriquí): 30 MW generated by means of 50,400 solar panels, distributed in an area of 32 hectares.

Enel Colombia has established itself as a strategic ally of the energy transition in the region, executing large-scale projects, in addition to contributing to a cleaner, safer and more efficient energy matrix. With the development of wind and solar farms, it contributes to the decarbonization goals for 2050, reducing CO₂ emission.

Framework Investment Agreement

See description of the Framework Investment Agreement “Our Electricity Distribution Business in Colombia — Enel Colombia — Investment Framework Agreement.”

Tax Stabilization Agreements

Certain of our subsidiaries and related companies have entered into tax stabilization agreements with the governments of the respective jurisdictions in which such subsidiaries operate.

Colombia

In 2010, Enel Colombia entered into a stabilization agreement (the “Enel Colombia Stabilization Agreement”) with the Colombian government (MME), pursuant to which Enel Colombia is required to develop an investment project consisting of the construction of the hydroelectric plant “*El Quimbo*” in the Department of Huila, in the amounts, timeframe and other conditions indicated in the Enel Colombia Stabilization Agreement. The consideration provided by the Colombian government consists of guaranteeing stability in certain investment driving tax regulations that are indicated in the third clause of the Enel Colombia Stabilization Agreement. The term for this agreement is 20 years (2030), without prejudice to the provisions related to early termination established in the Enel Colombia Stabilization Agreement.

Peru

In 1998, CTM entered into a stabilization agreement with the Peruvian government, pursuant to which it is subject to a corporate tax rate of 30% for the remainder of its concession until 2031.

In 2000, Cálidda entered into a stabilization agreement with the Peruvian government, pursuant to which it is subject to a corporate tax rate of 30% for the remainder of its concession until 2033.

In 2002, REP entered into a stabilization agreement with the Peruvian government, pursuant to which it is subject to a corporate tax rate of 27% for the remainder of its concession until 2032.

In 2011, Contugas entered into a stabilization agreement with the Peruvian government, pursuant to which it is subject to a corporate tax rate of 30% for the remainder of its concession until 2042. Within the gas distribution concession agreements in Lima and Callao (Cálidda) and Ica (Contugas), the Peruvian government guaranteed a legal stability regime, including for income tax, during the term of the concession. As a result, Cálidda and Contugas are governed by the income tax regulation in force on the stabilization date, including the applicable corporate tax rate. Therefore, any change to the income tax regulation after that date would not be applicable to Cálidda and Contugas.

Health, Safety and Environmental Matters

GEB

We endeavor to comply with applicable Colombian national and local environmental standards, rules and regulations and believes that our current operations are substantially in compliance with such standards, rules and regulations as they have historically been interpreted and enforced.

We consider the protection of life, as well as the safety of employees and contractors, to be a central objective, reflected in our corporate value of “Life Comes First.” For this reason, we stay abreast of global trends and contribute to achieving Sustainable Development Goal 8 (SDG 8): Decent Work and Economic Growth, which focuses on creating decent and safe jobs. We have identified the need to consolidate an Occupational Safety and Health (OSH) culture as a strategic objective. This culture incorporates caring for life as a corporate value for us and serves as a focal point in operations. We have established an Occupational Safety and Health Management System (OSHMS) that not only complies with the applicable laws in each country where we operate but is also designed in accordance with the international standard ISO 45001-2018 and best international practices like VISION ZERO, developed by the International Social Security Association (ISSA).

We operate our facilities and conduct our operations in accordance with internationally accepted good management practices on environmental and social issues.

We adopted a corporate environmental policy that promotes initiatives for environmental protection, ecosystems, biodiversity, and project surroundings in a responsible manner. Our environmental management system is certified by Bureau Veritas under the 14,001/2015 standard of the International Standard Organization (“ISO 14,001/2015”). We believe that our business must coexist with a sustainable environment and strives to balance shareholder value with community well-being and environmental impact mitigation in our operational areas.

Since 2005, we have been a member of the United Nations Global Compact and annually reports progress in human rights, labor, environment, and anti-corruption. In our commitment to transparency and accountability, we publish annually a Sustainability Report covering environmental, social, economic, and governance issues. In 2022, GEB released its first Integrated Report, adopting GRI and SASB standards and including TCFD recommendations and S&P Global indicators. The Integrated Report was externally verified by Ernst & Young Audit SAS.

Enel Colombia

Enel Colombia endeavors to comply with applicable Colombian national and local environmental standards, rules and regulations and believes that its current operations are substantially in compliance with such standards, rules and regulations as they have historically been interpreted and enforced.

Enel Colombia operates its facilities and conducts its operations in accordance with internationally accepted best practices in wellness, safety, environmental quality, and social issues. The company has received certifications in ISO 9001, ISO 45001, ISO 14001, ISO 37001, ISO 55001, and GUIA V5 from the Colombian Foundation for Health as a healthy company. Enel Colombia also achieved Gold Seal status in both LEED and WELL certification, becoming the first energy company to obtain these certifications.

Legal Proceedings

GEB and its consolidated subsidiaries are parties to several civil, tax, commercial, environmental and labor proceedings and claims that have arisen in the ordinary course of its business. GEB's management believes that, based upon available information and after consultation with external legal counsel handling the proceedings, the outcome of these proceedings, individually or in the aggregate, will not have a material adverse effect on GEB's financial position, cash flows or results of operations. As of December 31, 2022, GEB had established provisions in an aggregate amount of Col\$124,331 million (U.S.\$29.7 million) to cover probable losses under ongoing proceedings affecting GEB and its consolidated subsidiaries. However, the actual amounts that GEB may be obligated to pay in connection with these proceedings could differ from the estimated recorded amounts.

Following is a summary of most significant proceedings as of the date of this offering memorandum.

GEB and its consolidated subsidiaries:

- *Consorcio CLI.* On February 5, 2010, TGI entered into a contract with Consorcio CLI, comprised of Lavman Ingenieros Ltda and Cosacol S.A., for the construction of certain portions of the Phase II expansion of the Cusiana-La Belleza gas pipeline. During the beginning of construction, Consorcio CLI alleged that insufficient and inconsistent information had been delivered during the pre-contractual phase, leading to certain delays in the processing of environmental licenses. On that basis Consorcio CLI sought to nullify the order through which GEB unilaterally terminated the contract and sought a judgment against TGI S.A. E.S.P. for the payment of its financial losses, consequential damages and loss of earnings for Col\$16,000 million. TGI has provisioned the entire amount claimed by Consorcio CLI because TGI's internal counsel believes there is a probable risk of loss with respect to this proceeding.
- *Muña Reservoir Class Action.* In 2001, a class action was filed by the residents of Sibaté, Department of Cundinamarca, against GEB, Emgesa (now Enel Colombia), the Corporación Autónoma Regional ("CAR") and other public entities seeking compensation for personal damages caused to them as a result of the pollution in the Muña reservoir, allegedly caused by GEB and Emgesa (now Enel Colombia) pumping polluted water from the Bogotá River into the reservoir. GEB and Emgesa (now Enel Colombia) have denied liability and asserted various defenses, including the fact that the alleged pollution predated Emgesa's (now Enel Colombia) involvement. Furthermore, due to a request presented by the CAR, this process was joined with a previous class action filed in 2000, which was based on the same facts. The claimants' requested damages amount to Col\$536,620 million in the aggregate or Col\$165 million for each of the 3,240 claimants (equal to 200 monthly legal minimum wages for each of the 3,240 members of the class). This action is still in the procedural stages.

These proceedings were presented before the Fifth Administrative Tribunal of Bogotá's Circuit (Record 2011-096) and have been in a preliminary phase for purposes of rendering notices to the parties since 2001, without any further procedural movement. During this period, the duty to notify of the procedure is not GEB's responsibility. Thus, GEB is aware of this proceeding, but does not need to complete any actions with respect to it.

- *Muña Reservoir Action for protection of Collective Rights*. In 2001 a collective action related with Muña Reservoir's environmental protection, was filed against several governmental entities and companies, including Emgesa (now Enel Colombia). In this case, the decision of the Tribunal Administrativo de Cundinamarca declared Enel Colombia as not responsible for the claimed damages. However, the Tribunal also accepted a plan of action (*pacto de cumplimiento*) signed by Enel Colombia and GEB, where both of them committed to improve the conditions of the reservoir which is being executed. All requisite contractual, technical, and legal procedures essential for the construction of the wastewater treatment plants are actively in progress.

- The Council of State (*Consejo de Estado*) issued its definitive ruling on March 28, 2014. The obligations that were imposed on GEB are not measurable, since they mainly involve the specific performance of certain covenants by GEB (*obligaciones de hacer*) and their related costs are yet to be determined. The obligations include the construction, operation and maintenance of a lifting station (*estación elevadora*) designed to help decrease the pollution of the Bogotá River. Various verification hearings are currently being held before the Administrative Tribunal of Cundinamarca — Section Four, in which GEB has been participating according to its obligations.

- In 2021, a Simple Nullity Action (*Acción de Nulidad Simple*) lawsuit was filed by Maria del Pilar Pardo and others, against the Ministry of Environment and Sustainable Development (*Ministerio de Medio Ambiente y Desarrollo Sostenible*) and other defendants, claiming the nullity of Resolution No. 968 of May 31, 2018 “By which some upper basin producer and projector forest reserve areas of the Bogotá River are definitively and temporarily subtracted and other decisions are taken” and Resolution No. 478 of April 11, 2019 “By which a reconsideration petition (*recurso de reposición*) against Resolution No. 0968 of May 31, 2018 is solved, within file SRT-0393”, both related to the UPME Project No. 03 2010 -North, and were both issued by the Direction of Forestry, Biodiversity and Ecosystem Services (*Dirección de Bosques, Biodiversidad y Servicios Ecosistémicos*) of the Ministry of Environment and Sustainable Development (*Ministerio de Medio Ambiente y Desarrollo Sostenible*). Through an order of June 15, 2021, this action was admitted by the Council of State – Administrative Litigation Chamber – First Section (*Consejo de Estado – Sala de lo Contencioso Administrativo – Sección Primera*) and is currently going through the procedural stages in single instance.

- In 2022, a Simple Nullity Action (*Acción de Nulidad Simple*) lawsuit was filed by Sergio Pianezze and Vanna Tecchiato, against ANLA claiming the nullity of the Administrative Act of Environmental License No. 01058 of June 12, 2020, and Act No. 0467 of March 10, 2021, by means of which the Environmental License for the UPME Project No. 03-2010 was issued. GEB was involved to this process as an interested third party. This action was admitted through order of June 30, 2022, issued by the Council of State — First Section (*Consejo de Estado – Sección Primera*), and it is currently going through the procedural stages in single instance.

- In 2021, TRANSELCA S.A. filed a Nullity and Reestablishment of Rights (*Nulidad y Restablecimiento del Derecho*) lawsuit against UPME, process in which GEB was involved as an interested third party. Through this lawsuit, the plaintiff claimed the nullity of communications No. 2021152000441 of January 29, 2021 and No. 20211520024741 of March 30, 2021 issued by UPME, whereby it provided that GEB would execute the project “*Installation of type FACTS series SSSC devices in both circuits Ternera-Candelaria 2220 kV*”. The value of the claim of this lawsuit amounts Col\$80,444 million.

- The Administrative Tribunal of Cundinamarca – Third Section (*Tribunal Administrativo de Cundinamarca Sección Tercera*), whose Reporting Judge (*Magistrado Ponente*) is Juan Carlos Garzón Martínez, issued the first instance ruling, whereby the entirety of the claim was denied. TRANSELCA S.A. appealed this ruling, therefore the lawsuit is currently under the second instance procedure.
- In 2022, the Consortium UNIELES, whose members are ELÉCTRICAS DE MEDELLÍN INGENIERÍA Y SERVICIOS S.A.S. and UNIÓN ELÉCTRICA S.A.S., filed a Contractual Disputes (*Controversias Contractuales*) lawsuit against GEB substantiated on Contract No. 100868 of 2016 executed between the parties. The value of the claim of this lawsuit amounts Col\$20,195,451,807. The different claims can be grouped and summarized as follows: (i) costs of the contract suspension, (ii) facts related to the development of the construction, (iii) default interests, and (iv) lost profits. The lawsuit was admitted through order of May 8, 2023, issued by the Administrative Tribunal of Valle del Cauca (*Tribunal Administrativo de Valle del Cauca*), and is currently going through the procedural stages in first instance.
- *ACA filed by Contugas against OSINERGMIN.* OSINERGMIN determined that tariffs charged by Contugas to independent consumers (i.e., industrials and power generators) were inefficient and uncompetitive, because an alleged wrong transfer of transportation costs. Hence, it ordered Contugas to adjust such tariffs. Contugas resorted to an administrative contentious action against OSINERGMIN's decision, claiming that such charges were well calculated because they were grounded in the regulation issued by the MINEM. Contugas' claim was declared well founded in the first and second instances. Subsequently, OSINERGMIN lodged an appeal, which was declared in favor of OSINERGMIN and, consequently the execution of the mandate has begun. To the date, OSINERGMIN has not established what the form/method of execution of the mandate will be, and we are in discussions with OSINERGMIN on this matter. However, OSINERGMIN initiated a sanctioning procedure against Contugas, which is currently under appeal in the OSINERGMIN Court, since the calculation of the fine against Contugas has deficiencies that would allow the fine to be annulled.
- Judicial proceeding between Cálidda and OSINERGMIN. OSINERGMIN determined that Cálidda had not complied with its investment plan for 2014. The amounts claimed in respect of the penalty fee are up to Col\$5 billion (U.S.\$1,3 million). Cálidda resorted to an administrative contentious action against OSINERGMIN's decision before the judiciary. In first instance, the court resolved in favor of Cálidda. OSINERGMIN appealed the decision and the second instance the court issued a ruling against Cálidda. Currently, it is pending a final judicial decision. The legal advisor for the case (Miranda & Amado) considers that the probability of loss is remote.
- Judicial proceeding between Cálidda and OSINERGMIN. OSINERGMIN determined that Cálidda had not complied with its investment plan for 2015. The amounts claimed of the penalty fee are up to Col\$54 billion (U.S.\$13 million). Cálidda resorted to an administrative contentious action against OSINERGMIN's decision before the judiciary. In first instance, the court issued a ruling against Cálidda. We appealed such ruling, and the second instance decision is that the first instance must issue a new judgment. This is pending. The legal advisor for the case (Miranda & Amado) considers that the probability of loss is remote.
- Judicial proceeding between Cálidda and OSINERGMIN. OSINERGMIN determined that Cálidda had not complied with its investment plan for 2016. The amounts claimed of the penalty fee are up to Col\$54 billion (U.S.\$13 million). Cálidda resorted to an administrative contentious action against OSINERGMIN's decision. The court issued a ruling against Cálidda. We appealed such ruling, and the second instance decision is currently pending resolution. The legal advisor for the case (Miranda & Amado) considers that the probability of loss is remote.
- Judicial proceeding between Cálidda and OSINERGMIN. OSINERGMIN determined that Cálidda had not complied with its investment plan for 2017. The amounts claimed of the penalty fee are up to Col\$54

billion (U.S.\$13 million). Cálidda resorted to an administrative contentious action against OSINERGMIN's decision. The court issued a ruling against of Cálidda. We appealed such ruling, and the second instance decision is currently pending resolution. The legal advisor for the case (Miranda & Amado) considers that the probability of loss is possible.

- Administrative proceeding between Cálidda and OSINERGMIN. OSINERGMIN (the Peruvian Authority of regulation in energy) determined that Cálidda had not complied with its investment plan for 2014-2018. The amounts claimed in respect of the penalty fee are up to Col\$54 billion (U.S.\$13 million) Cálidda appealed administratively in OSINERGMIN and the second instance decision is currently pending resolution. The legal advisor for the case (Miranda & Amado) considers that the probability of loss is remote.

- *Constitutional Action filed against TGI.* A motion for the protection of fundamental constitutional rights (*Acción de Tutela*) was filed against TGI related to the development of the Riohacha and Hatonuevo Project. On April 12, 2016, the company filed a defense recourse and in April 2017 it was notified of the judicial decision ordering the authorities to review the fulfillment of certain license obligations and to listen to the accusing community. Currently, TGI is working with the Interior Ministry (*Ministerio del Interior*) and the National Agency of Environmental Licenses (ANLA) to comply the orders of the Constitutional Court (*Corte Constitucional*).

- *GEB's Labor Proceedings.* There are currently 67 labor proceedings against GEB, for an aggregate amount of claimed damages of Col\$16,713 billion. Seven of those proceedings have been provisioned as reserves by GEB to cover probable losses, for an amount of Col\$1,538 billion. The proceedings that have reserves provisioned are those categorized as "probable". From the remaining labor proceedings, 50 proceedings have been categorized as "possible" meaning that, such labor proceedings have a risk of being decided against GEB between 25% and 50% and the other 10 proceedings have been categorized as "remote" and have a risk of being decided against GEB below 25%.

- Currently, GEB oversees two claims that are considered relevant and could eventually become judicial proceedings:

1. Brigard & Urrutia has raised a claim for an amount of Col\$19,591 million in relation to the executed Contract No. 101586 of 2018, in which Brigard & Urrutia considers GEB has improperly interpreted a clause which provides for a success fee in favor of Brigard & Urrutia for GEB's interests representation in the context of an arbitration tribunal initiated by GEB against Enel Americas.

2. GEB seeks the declaration of nullity (*nullidad*) of the administrative act by which DIAN imposed a financial penalty for Col\$29,335,720,885 and the nullity (*nullidad*) of the administrative act by which DIAN denied the reconsideration petition (*recurso de reconsideración*) of the act mentioned above. Due to this course of action, GEB seeks to be declared not obliged to pay the imposed sanction by DIAN. This is a claim raised by GEB against DIAN, for an amount of Col \$29,335,720,885.

Enel Colombia

Enel Colombia is party to several civil, tax, commercial, environmental and labor proceedings and claims that have arisen in the ordinary course of its business. As of December 31, 2022, Enel Colombia had established reserves in an aggregate amount of Col\$536,612 million (U.S.\$128.031 million) to cover potential losses under these proceedings. The actual amounts that Enel Colombia may be required to pay in connection with these proceedings could differ from the estimated provisioned amounts. Enel Colombia's management believes that, based upon available information and after consultation with external legal counsel representing Enel Colombia in these proceedings, the outcome of these proceedings, individually or in the aggregate, will not have a material adverse effect on Enel Colombia's financial position, cash flows or results of operations.

El Quimbo Litigation

In April 2010, Enel Colombia faced legal challenges in the form of class actions, constitutional actions and, other joined and individual actions initiated by both private and state actors. A nullity action (*acción de nulidad*) was filed against *El Quimbo's* environmental license in relation to possible environmental and contractual damages. Such nullity action also considered the alleged impact of the construction and operation of the *El Quimbo* hydroelectric power plant on forest resources and, water resources, as well as the impossibility of the project to finish the construction of resettlement communities. The parties have claimed both damages and injunctive relief. Following these actions, operations at the plant were briefly suspended due to an injunction issued in November of 2015 but have subsequently resumed following judicial review and ANLA's approval of the management of the water resources flowing through the *El Quimbo* hydroelectric plant. For further information see, "Risk Factors Relating to Our Company and Our Related Companies and the Industries in which we and our Related Companies Operate — Environmental regulations in the countries where we operate have become increasingly stringent, and we have faced certain delays in the construction of certain projects as a result of environmental matters."

UAESP (Unidad Administrativa Especial de Servicios Públicos) Litigation

In February 2009, an action for protection of collective rights (*acción popular*) was filed against Codensa (now Enel Colombia) for the alleged infringement of collective rights of administrative moral and protection of public heritage. The court decided in 2009 that an excessive payment was made to Codensa (now Enel Colombia) considering a difference between the amount of public luminaires existing versus the amount the company billed from 1998 until 2004. Due to the inability to settle an agreement between both parties to calculate the amount of the retribution payment during the deadline established by the court, the UAESP proceeded to unilaterally perform a final settlement for the payment of the retribution in 2017 for the amount of Col\$113 million. As a result, Codensa (now Enel Colombia) filed a nullity and restoration of right action against the decision, considering excessive the amount determined by the UAESP. The company also proceeded to pay approximately Col\$24 million in order to meet the obligation in 2018. At first instance, the Tribunal ruled against Codensa's (now Enel Colombia) claims and the appellate procedure was presented. A final decision is yet to be taken by Colombian Council of State.

Nivel de Tensión Uno Litigation

In April 2015, a class action (*acción de grupo*) against Codensa (now Enel Colombia) was filed on behalf of certain residential clients alleging the ownership of the 1kv residential interconnection lines. The plaintiffs consider that as clients and owners of the infrastructure, they should have been subject to a lower tariff than they were originally charged. The amount alleged in damages is Col\$337,000 million, or Col\$600,000 per affected user. Codensa (now Enel Colombia) argued that the users' right to claim ownership over the 1kv interconnection is no longer actionable due to the statute of limitations of the claim.

As of the date of this offering memorandum, Enel Colombia has yet to establish a provision due to the preliminary stage of the process.

Easements

GEB and its consolidated subsidiaries and related companies generally do not own the land on which their electricity lines and pipelines are located but rather hold easement rights with respect to such lands. Easements are obtained either by negotiating directly with the property owner regarding the compensation owed to them with respect to the easement or through a judicial procedure for the imposition of such easement.

In Colombia, GEB and its consolidated subsidiaries and related companies generally obtain their easements through consensual arrangements with land owners. Such easements generally require a one-time payment at the commencement of the easement. Under Colombian law, if they do not reach an agreement with a landowner with respect to an easement or the amount of compensation payable, the requesting party is entitled to commence easement imposition proceedings (*proceso de imposición de servidumbres*) to determine the payment required for the property owners to grant easements that are necessary for the provision of the service. Under such proceedings, the relevant party is required to compensate the property owner and the amount of such compensation is usually determined by the intervening court. See “Risk Factors — Risk Factors Relating to GEB, its Consolidated Subsidiaries and Related Companies and the Industries in which GEB and its Consolidated Subsidiaries and Related Companies Operate — The expansion of GEB’s and its consolidated subsidiaries’ and related companies’ electricity generation, transmission and distribution or natural gas transportation and distribution infrastructure subjects GEB and its consolidated subsidiaries and related companies to construction and other risks that may adversely affect GEB’s financial condition and results of operations.”

Insurance

Colombian law requires that employers provide mandatory coverage of workers’ compensation. The authorized providers of such policies are called Labor Risks Managers or *Administradora de Riesgos Laborales*. Colombian law also requires mandatory social security coverage, administered through entities designated as Health Promoter Entities or *Entidades Promotoras de Salud* (“EPS”). The social security system is monitored and controlled by the Colombian government and financed through contributions made by employers, workers and independent contractors and the Government. Colombian law also requires a mandatory pension scheme, which is administered by public or private AFPs.

We believe that we currently maintain customary insurance of the types and amounts that are generally consistent with prudent industry practice and applicable legal requirements for electricity transmission and gas transportation systems of a similar size and nature in Colombia. Our insurance coverage is subject to limits and exclusions or limitations on coverage that we believe to be reasonable, given the cost of procuring insurance and current operating conditions.

On May 5, 2023, GEB renewed its all-risk material damage insurance policy for its assets that covers property damage and business interruption (*lucro cesante*) and it also has a policy covering sabotage and terrorism for all its companies. The insurable value under this policy is Col\$2,026 billion (U.S.\$483.5 million). The maximum coverage under this policy is Col\$147 billion (U.S.\$35 million), which includes U.S.\$16 million for business interruption. The deductible for the all-risk material damage policy is 2% of the loss value (with a minimum amount of U.S.\$100,000). In the event of earthquakes, the deductible is 2% of the loss value, (with a minimum amount of U.S.\$100,000). This policy is currently being renewed and is set to expire on May 4, 2024.

Under the same policy, we have coverage for sabotage and terrorism. The deductible for the terrorism coverage is 5% of the loss value (with a minimum amount of U.S.\$15,000) for towers and transmission systems and 5% of the loss value (with a minimum amount of U.S.\$15,000) for other property.

GEB also has a marine/inland transit policy. The insured value under this policy is Col\$169,290 million. This policy covers war and strikes, total loss, looting, delivery default, breakdown and rollover. The limit under this policy is Col\$5,951 million per dispatch. The deductible for this policy is 15% of the loss with a minimum equivalent to five current legal minimum salaries for imports and exports.

In addition, GEB holds the following insurance policies:

- general liability (including employer’s liability) with a limit of Col\$210 billion (U.S.\$50 million) per event;
- general liability (including sabotage and terrorism) with a limit of Col\$126 billion (U.S.\$30 million) per event and in the aggregate;
- directors’ and officers’ liability with a limit of Col\$147 billion (U.S.\$35 million);
- fidelity (crime) with a limit of Col\$23 billion (U.S.\$5.5 million) per event and Col\$46 billion (U.S.\$11 million) in the aggregate;
- material damage, business interruption and terrorism insurance for our subsidiaries with a combined limit of up to Col\$796 billion (U.S.\$190 million); and
- other insurance policies customary in our business, such as environmental liability (Col\$42 billion or U.S.\$10 million), data protection and computer security (Col\$42 billion or U.S.\$10 million), and cyber gab (Col\$105 billion or U.S.\$25 million)

Employees and Pension Plan

GEB

On 2019, GEB entered into a collective bargaining agreement with the Electricity Employee Union (*Sindicato de Trabajadores de la Energía de Colombia*) (the “Collective Bargaining Agreement”). This Collective Bargaining Agreement will be valid until June 30, 2024. As of June 30, 2023, GEB has 778 employees, of which 295 are covered by the Collective Bargaining Agreement. The Collective Bargaining Agreement is negotiated by the Electricity Employee Union, on behalf of GEB’s employees.

As of the date of this offering memorandum, GEB’s pension obligations were fully funded. At the end of each fiscal year, an independent company Mercer Colombia Ltda. conducts an actuarial appraisal and redefines surpluses or deficits related to the pension obligations of GEB under this pension plan, which amount is then added to or subtracted from the assets transferred to the trust. In recent years, the actuarial appraisals have resulted in a deficit and, as a result, GEB has made additional contributions to fully fund its pension plan.

<u>As of December 31,</u>	<u>GEB Contribution</u>	<u>Number of Pensioners</u>
	<u>(in millions of Col\$)</u>	
2020	13,325	1,512
2021	24,688	1,474
2022	11,431	1,444

The pension liabilities covered by the assets transferred to the trust correspond to obligations assumed by GEB under collective bargaining agreements that exceed the obligations set forth under Colombian law.

Contugas

Contugas has 121 employees, none of whom are members of a labor union.

TGI

The Colombian Energy Employee Union (*Sindicato de Trabajadores de la Energía de Colombia*) has been a majority labor union since October 2015, and accounts for more than a third of the energy workers. TGI entered into a collective bargaining agreement with the Colombian Energy Employee Union on March 20, 2019 which will remain valid until December 31, 2023. As of January 1, 2023, TGI has 455 employees, of whom 323 are covered by the collective bargaining agreement. Because the agreement accounts for more than a third of TGI's workers, under Colombian law, the benefits provided for under the collective bargaining agreement with the Colombian Energy Employee Union are extended to all employees of TGI (other than those employees that are excluded by law or by means of the collective bargaining agreement).

Cálidda

Cálidda's Employee Union (*Sindicato Unitario de Trabajadores de Cálidda*) has been a minority labor union since July 11, 2015. Cálidda entered into a collective bargaining agreement with Cálidda's Employee Union which will expire on December 10, 2024. As of December 31, 2022, Cálidda has 388 employees, of which 20 are covered by the Cálidda's Employee Union.

Enel Colombia

Enel Colombia entered into a collective bargaining agreement with the Sintraelecol (*Sindicato de Trabajadores de la Electricidad de Colombia*) on December 16, 2022, which will remain valid until December 31, 2025.

Enel Colombia entered into a three-year collective bargaining agreement (the "Union Agreement") with the Colombian Energy Employee Union - *SINTRAELECOL* (Majority union), effective from January 1, 2023, to December 31, 2025. If neither party explicitly states in writing their intent to terminate the Union Agreement, it will automatically be extended for successive six-month periods following its expiration date.

As of December 31, 2022, Enel Colombia had 2,316 employees, of which 1,666 were covered by majority collective bargaining agreements.

Also, Enel Colombia has two other trade union organizations, which are currently in negotiation as the decision of the Court of Arbitration regarding the list of demands is pending. These organizations are: ASIEB with 108 affiliates and REDES with 76 affiliates as of December 31, 2022.

Intellectual Property

Our intellectual property rights portfolio in Colombia includes 160 trademarks. We aim to protect the value of our intellectual property by establishing our ownership rights through trademarks and other relevant conventions and agreements and by using legal and regulatory recourse in the event of infringement

by third parties. We currently enjoy such protection for each of our trademarks in the principal market in which they are used.

Anti-Money Laundering and Counter-Terrorism Financing risk management

In accordance with the terms established in the Basic Legal Circular (*Circular Básica Jurídica*) of the SFC, issuers of securities like GEB, must implement anti-money laundering (“AML”), Financing of the Proliferation of Weapons of Mass Destruction (“FPWMD”), and counter-terrorism financing (“CTF”) policies that reduce the risks concerning money laundering and the financing of terrorism that may arise from the placement and trading of securities in the Colombian securities market.

To comply with the above, on August 15, 2013, GEB’s Board of Directors approved the Prevention and Control of Money Laundering, Terrorist Financing, and Financing the Proliferation of Weapons of Mass Destruction (“SIPLA” for its Spanish acronym) which contains policies for the prevention and control of money laundering and the financing of terrorism. These policies were last updated on December 13, 2022.

The SIPLA establishes the framework, procedural rules, and general aspects for developing the methodologies used in the Comprehensive System for SIPLA (“risks of AML/CTF”) within GEB. This system aims to mitigate the possibility of GEB becoming an instrument for these illegal activities. Through this system, we aim to drive coordinated actions to identify, detect, prevent, manage, mitigate, and combat the risks of AML/ CTF, prohibit conduct associated with them, and promote the commitment of GEB and its Employees, Managers, Shareholders, and generally, all stakeholders and related parties, against AML/ CTF.

SIPLA contains all of the measures required by the compulsory regulation, such as measures for knowing the identity of shareholders through: (i) forms, (ii) requests for additional documentation, (iii) verification of provided information, (iv) prior and periodic verification against restrictive lists (such as, UN and OFAC), (v) procedures to detect suspicious transactions carried out by its shareholders, among others. Additionally, and in accordance with Colombian and international standards in the matter, GEB has also developed policies for the due diligence of its suppliers, employees, and clients, for which it also carries out verification against restrictive lists for the companies, their managers and shareholders. Finally, considering the economic activity of the GEB, different measures have also been established to prevent and control money laundering and the financing of terrorism in the cases of real estate leases, acquisition or disposition of easements, purchase and sale of real estate assets, and activities related to support communities.

However, recognizing the importance of the issues outlined in the comprehensive self-control regime for the risk of AML/CTF/FPWMD, GEB chooses to develop the essential elements set forth in Basic Legal Notice, Chapter X, issued by the Colombian Superintendence of Corporations. This is in relation to the prevention of the risks of ML/TF/FPWMD, and is done voluntarily and in accordance with good corporate practices, in conjunction with its obligations and capabilities, with the aim of elevating its ethical culture.

Anti-Corruption and Anti-Bribery System

In accordance with Corporate Governance provisions, and to fully realize GEB’s mission of “improving lives with sustainable and competitive energy,” we adhere to a zero-tolerance policy for acts of Corruption and Bribery. These are threats that undermine economic and social development. In this vein, GEB complies with all applicable national and international laws, as well as standards and conventions that guide best practices in combating such unethical behaviors.

GEB fosters a culture against Corruption and Bribery through established guidelines and procedures aimed at preventing, detecting, and addressing these issues in all operational aspects and relationships. Every Employee, Administrator, Board Member, Shareholder, Counterpart, and stakeholder must contribute to a culture of ethics, transparency, and legality.

All actions, decisions, and relationships of GEB and its affiliates must align with the Transparency and Business Ethics Program (Anti-Bribery and Anti-Corruption System). This encompasses the Business Ethics Anti-Corruption and Anti-Bribery Policy, the Gifts and Hospitality Policy, the GEB Codes of Ethics and Conduct, the Annual Anti-Corruption and Citizen Service Plan (PAAC), and other internal rules and procedures.

The program also integrates international standards like the ten principles of the United Nations Global Compact, especially those related to fighting Corruption and Bribery. It also considers other global standards such as the United Nations Convention against Corruption, the OAS's Inter-American Convention, the UK Bribery Act, and the OECD Anti-Bribery Convention.

Finally, through our system, we ensure compliance with legal requirements such as the Anti-Corruption and Citizen Service Program (PAAC) and the regulation on transparency and access to public information. We maintain a close relationship with oversight entities, particularly the Office of the Comptroller of Bogotá, which exercises surveillance and independent fiscal control due to GEB's public ownership.

Data Protection Program

The GEB Corporate Compliance Department, led by the Personal Data Protection Officer, oversees the implementation, monitoring, control, and continuous improvement of GEB's Personal Data Protection Program. This management scope includes periodic evaluations of the Program to ensure its relevance and functionality, with adjustments made as needed.

MANAGEMENT

GEB

GEB is managed by a board of directors (the “Board of Directors”). GEB’s registered offices are located at Carrera 9, No. 73-44, floor 6, Bogotá, Colombia.

Board of Directors of GEB

The Board of Directors is responsible for establishing GEB’s general business policies and guidelines, as well as GEB’s long-term strategy. Pursuant to GEB’s by-laws, the Board of Directors consists of nine principal members and their corresponding alternate members determined by a resolution of the general shareholders’ meeting of GEB. Pursuant to Colombian law, at least 25% of the directors must be independent. All directors are elected for a term of two years. Directors must remain in office until their successors are elected and have taken office. The term of the current Board of Directors expires in March 2024.

The Board of Directors ordinarily meets monthly, or extraordinarily when called by any of its President, 5 of its members, the company President or the statutory auditor (*revisor fiscal*). The quorum required for meetings of the Board of Directors is a majority of its members and the decisions are adopted by a majority vote.

The members of the Board of Directors are elected at the general shareholders’ meetings. The aggregate compensation of the directors is determined by resolution of the general shareholders’ meeting of GEB. The aggregate amount of compensation paid by us to our directors in the fiscal year ended December 31, 2022, was Col\$5 million (U.S.\$1,193), as compared to Col\$4.5 million (U.S.\$1,074) in the fiscal year ended December 31, 2021.

GEB’s by-laws provide that GEB shall have a statutory auditor (*Revisor Fiscal* or “Statutory Auditor”) and an alternate Statutory Auditor. The primary responsibilities of the Statutory Auditor are to monitor the management of GEB as to compliance with Colombian law, GEB’s by-laws and the shareholders’ and the Board of Directors’ resolutions, to present any irregularities to GEB’s management and the board of directors and, without prejudice to the role of external auditors, to present a report to the shareholders at the annual ordinary shareholders’ meeting regarding GEB’s financial situation and the accuracy of the financial information presented at such meeting by the Board of Directors.

GEB’s by-laws provide that the Statutory Auditor be elected by GEB’s shareholders to serve for a period of up to two years.

As of the date of this offering memorandum, the Board of Directors is comprised of the following members:

<u>Name</u>	<u>Position</u>	<u>Current Position Held Since</u>	<u>Initial Election</u>
Juan Mauricio Ramírez Cortés	Director	March 28, 2022	January 31, 2020
Rafael Pardo Rueda	Director*	March 28, 2022	January 31, 2020
María Mercedes Cuellar López	Director*	March 28, 2022	January 31, 2020
Luis Javier Castro Lachner	Director	March 28, 2022	January 31, 2020
María Lorena Gutiérrez Botero	Director	March 28, 2022	January 31, 2020
Juan Mauricio Benavides Estévez	Director*	March 28, 2022	January 31, 2020
Ignacio Pombo Villar	Director*	March 28, 2022	January 31, 2020
Martha Yaneth Veleño Quintero	Director	March 28, 2022	January 31, 2020
Andrés Escobar Arango	Director*	March 28, 2022	January 31, 2020

* Independent members

A brief biographical description of the members of GEB's Board of Directors is set forth below:

Juan Mauricio Ramírez Cortes has a bachelor's degree in economics from *Universidad de los Andes* and holds a master's degree in economics from *Universidad de los Andes* and pursued a Ph. D at Stanford University in the United States (not finalized). Mr. Ramírez has served as Associate Investigator and *General Subdirector* of the Foundation for Superior Education and Development (Fededesarrollo), Coordinator of the National Development Plan at the National Planning Department, General Subdirector of the National Planning Department, and Technical Vice President of the of the Private Competitiveness Council.

Rafael Pardo Rueda has a bachelor's degree in economics from *Universidad de los Andes* with studies in Urban and Regional Planning from International Institute of Social Studies (ISS) and International Relations from Harvard University (United States). Mr. Pardo has served as High Presidential Advisor for the Postconflict, Labor Ministry, Mayor (Acting) of the City of Bogotá, Director of the Liberal Party, Senator of Colombia, and Secretary-General Advisor of the United Nations.

María Mercedes Cuellar López has a bachelor's degree in economics from *Universidad de los Andes*, a master's degree in economics development from Boston University (United States), and Master of Laws degree from *Universidad de los Andes*. Ms. Cuellar has served as Consultant in economic and financial analysis, Minister of Economic Development, Vice Minister of Finance, Minister (Acting) of Finance and Public Credit, President of the Latin American Banking Federation, President of the Banking Association and Financial Entities of Colombia (*Asobancaria*), President of the Colombian Institute of Savings and Housing (*Instituto Colombiano de Ahorro y Vivienda*), and Co-Director of the Bank of the Republic of Colombia.

Luis Javier Castro Lachner has a bachelor's degree in economics from Texas University A&M and a master's degree in business administration from Georgetown University (United States). Mr. Castro has served as Funding Partner and President of Mesoamerica Investments, a Latin American private equity firm that consciously invests to foster wealth in the Latin American region, and Consultant at Bain & Company. He is considered one of the 100 most influential people in Latin America according to *América Economía* and has received twice the Entrepreneur of the Year award from the newspaper *El Financiero* in Costa Rica.

María Lorena Gutiérrez Botero has a bachelor's degree in industrial engineering and specialization graduate degree in Finance from *Universidad de los Andes*, and a M.A. in Management and a Ph.D. in Finance from Tulane University (United States). Ms. Gutiérrez has served as Minister (Acting) of Commerce, Industry and Tourism, Minister (Acting) of Mines and Energy, Advisor Minister for the Government and the Private Sector, Colombian Ambassador in Germany, Dean of the Administration Department (*Facultad de Administración*) of *Universidad de los Andes*. Ms. Gutiérrez is the President of the *Corporación Financiera Colombiana S.A. (Corficolombiana)*.

Juan Mauricio Benavides Estévez has a bachelor's degree in electrical engineering and a specialization graduate degree in energy systems management from *Universidad de los Andes*. Mr. Benavides also has a specialization graduate degree in advanced mathematics from *Universidad Nacional de Colombia* and a Ph.D. in Mineral Economics from The Pennsylvania State University (United States). Mr. Benavides has served as a Senior Specialist in Infrastructure and Energy at the Interamerican Development Bank, Director of the Specialization in Energy Systems at the *Universidad de los Andes*, and he has published several research articles on natural gas with the Foundation for Superior Education and Development (Fededesarrollo).

Ignacio Pombo Villar has a bachelor's degree in management from *Colegio Mayor de Nuestra Señora del Rosario*, a specialization graduate degree in telecommunication projects management from

Politécnico Grancolombiano, and a specialization graduate degree in Municipal Management from *Universidad Externado in Colombia*. Mr. Pombo has served as President of Assure S.A., Advisor of Neogen Fund, Energy and Gas Advisor of International Venture Partners, President of Inversiones Assure, President of Medplus Holding Group, President of Althea Farmacéutica, President of Grupo RV Inmobiliaria, and National Director of Coldeportes.

Martha Yaneth Veleño Quintero has a bachelor's degree in law from *Universidad Santo Tomás de Aquino*, a specialization graduate degree in administrative law from Universidad del Rosario, and a specialization graduate degree in constitutional law from Universidad de Salamanca (Spain). Ms. Veleño has served as Executive Vice President of the Chamber of Commerce of Bogotá, Legal Vice President of the Chamber of Commerce of Bogotá, Partner and Chair of Veleño, Orrego, Martínez, Díaz Abogados, Legal Defense Director of the State Legal Defense Agency (*Agencia de Defensa Jurídica del Estado*), Legal Director of the *Fondo para la Acción Ambiental y la Niñez*, and Legal Director of the Mayor's Office of Bogotá (*Alcaldía Mayor de Bogotá*).

Andrés Escobar Arango has a bachelor's degree in economics and a master's degree in economics from *Universidad de los Andes*. Mr. Escobar also has a master's degree in economics from New York University (United States) and he is a Ph.D. candidate in economics at the same University. Mr. Escobar has served as Technical Vice Minister of the Ministry of Finance and Public Credit, President of Econcept, ARI, General Subdirector of the National Planning Department, Director of Economic Studies of the National Planning Department, Researcher at the Foundation for Superior Education and Development (Fededesarrollo), and Advisor in Economic Matter for BankBoston.

Committees of the Board of Directors

The Board of Directors has four committees, composed of various board members, responsible for making recommendations to the Board of Directors based on their supervision and analysis of different aspects of GEB's political circumstances and actions. The committees are chaired by an independent member. Also, each committee is governed by its own independent governance code that sets forth the committee governance. The members of the committees are appointed by the Board of Directors. They receive on a regular basis a report with the different matters to address and oversee.

The Financial and Investment Committee of the Board of Directors is responsible for monitoring the financial management of GEB and analyzing new business opportunities and the valuation of existing investments in order to make specialized recommendations to the Board of Directors on such matters, as well as to support it in the exercise of its decision-making functions related to the committee's competence. This committee is currently chaired by Juan Mauricio Benavides and composed of Juan Mauricio Benavides, Andrés Escobar, María Mercedes Cuellar, Luis Javier Castro, Juan Mauricio Ramírez and Ignacio Pombo.

The Compensation Committee of the Board of Directors aims to analyze and discuss all issues related to the compensation of employees, such as fixed compensation, variable compensation, incentives and benefits, worker-employer relations and industrial relations, and to make specialized recommendations to the Board of Directors on such matters; as well as supporting the Board of Directors in the exercise of its decision-making or advisory functions, associated with the appointment and remuneration of the members of the Board of Directors and executive officers. This committee is currently chaired by María Mercedes Cuellar and composed primarily with independent members appointed by the Board of Directors. The members of the committee are Rafael Pardo, María Lorena Gutiérrez, Ignacio Pombo, Martha Veleño and María Mercedes Cuellar.

The Audit and Risk Committee of the Board of Directors is intended to monitor and evaluate compliance with the annual internal audit plan used to review the risks associated with our business and

our internal controls and procedures. It also supervises and evaluates the internal control system of GEB and makes recommendations based on such evaluations to the Board of Directors. This committee is currently chaired by Ignacio Pombo and composed primarily with independent members appointed by the Board of Directors. The members of this committee are María Mercedes Cuellar, Martha Veleño, Juan Benavides and Ignacio Pombo.

The Corporate Governance and Sustainability Committee of the Board of Directors aims to propose and supervise our compliance with the corporate governance and sustainability measures adopted by us. This Committee is currently chaired by Rafael Pardo and composed of Martha Veleño, Rafael Pardo, Luis Javier Castro and María Lorena Gutiérrez.

GEB's policies on familial relationships between members of the Board of Directors and officers

According to GEB's by-laws, the members of the Board of Directors may not be related by kinship to each other, to the President, or to any other executive officer, within the fourth degree of relationship by consanguinity, second degree of relationship by affinity or first degree of civil relationship. Nor can the Board of Directors be composed of people linked by marriage or de facto marital union. If the appointment of any Board member occurs that is made in contravention of these provisions, the predecessor or the President must proceed to convene the general meeting of shareholders for a new election. Our by-laws state that any appointment that violates these restrictions shall be considered null, and new members must be approved at another Shareholders Meeting.

Executive Officers

In accordance with the GEB's by-laws, the President will be elected based upon the following criteria: suitability, knowledge, experience and leadership.

The following are some general responsibilities of GEB's President:

- Manage the company and represent it judicially and extra judicially;
- Carry out the decisions taken by the shareholders meeting and the Board of Directors;
- Execute all contracts and agreements necessary for the development of the company's corporate purpose;
- Manage the company's patrimony, its movable and immovable assets, its infrastructure, credits and debit; and
- Annually submit the budget and financing projects of the company to the board of directors for its approval.

Set forth below are GEB's executive officers. All executive officers are residents of Colombia.

Name	Position	Year of Appointment
Juan Ricardo Ortega López	President	June 30, 2020
Jorge Andrés Tabares	Chief Financial Officer	November 9, 2020
Néstor Fagua Guauque	Legal Vice President	April 8, 2019
Andrés Baracaldo Sarmiento	Vice President of Growth	November 9, 2017
Álvaro Villasante Losada	Vice President of Business Management and Innovation	November 9, 2017
Rafael Eduardo Díaz Vasquez	General Auditor	November 9, 2017
Maria Virginia Torres	Vice President Administrative Affairs	August 10, 2020
Eduardo Uribe Botero	Sustainability and Communications Director	February 1, 2020
	Acting Corporate Director of Compliance	
Luis Rodolfo Hernandez Casadiego	Strategic Planning Director	May 2, 2023
Alberto Javier Galeano Henao	Director of Regulation	September 1, 2016
Jaime Orjuela		January 24, 2011

A brief biographical description of GEB's executive officers is set forth below:

Juan Ricardo Ortega López has a bachelor's degree in economics from Universidad de los Andes, master's degrees in economics, finance and mathematics from Yale University (United States) and is a Ph.D. candidate in economics development at Yale University (United States). Mr. Ortega has served as economic advisor to the President of Colombia, Director of the Financial Institutions Guarantee Fund, Chief Economist at Banco Bilbao Vizcaya Argentaria, Director of Economic Studies of the National Planning Department, Secretary of Finance of the City of Bogotá, Vice Minister of Finance and Commerce, Advisor to the Inter-American Development Bank (IDB), Director of the Colombian National Tax and Customs Directorate (DIAN), and General Coordinator of the Alliance for Prosperity of the Northern Triangle Countries of Central America at the IDB. He has also been a lecturer at different universities in Colombia.

Jorge Andrés Tabares has a bachelor's degree in civil engineering from the School of Engineering of Antioquia, specialization graduate degree in Finance from Universidad Eafit and a master's of science degree in management from Stanford University (United States). Mr. Tabares served as Chief Finance Officer of EPM from 2015 to 2020 prior to joining GEB.

Néstor Fagua Guauque has a bachelor's degree in law from Universidad Externado de Colombia and a specialization graduate degree in banking and commercial law from the Universidad de los Andes. Mr. Fagua has extensive experience in infrastructure projects, privatizations, financing agreements, corporate matters, financial regulation, and capital markets. Mr. Fagua has served as Legal Vice President and General Secretary of the Colombian National Development Financial Institution. He is Director of Contugas.

Andres Baracaldo Sarmiento has a bachelor's degree in economics from University of the Andes and an MBA from London Business School. Mr. Baracaldo has served as investment banker in the utilities M&A segment in different institutions such as Corporación Financiera del Valle and Schroder Salomon Smith Barney – Citibank and Royal Bank of Scotland. Mr. Baracaldo worked in Corporación Financiera Colombiana overseeing the energy investment portfolio of the company, and he was Vice President of Business Development of Interconexión Eléctrica S.A. (ISA). Mr. Baracaldo is directors of six GEB's subsidiaries and affiliates. Mr. Baracaldo also serves as the Country Manager of GEB in Brazil.

Alvaro Villasante Losada has a bachelor's degree in management and a master's degree in strategic management and human resources from University of Salamanca (Spain), and a master's degree in international commerce from the ESIC Business and Marketing School. Mr. Villasante has served as Developer of International Business at Ade Internacional Excal in Spain from 2010 to 2011, Director of International Development of Invest in Latam in Panama from 2011 to 2013, Business Developer at ECOS

Group from 2013 to 2015, Director of Business Development at ECOS Group from 2015 to 2016, External Advisor at Energyyear, and Manager of Business Development in Central America and the Caribbean of Acciona Energía.

Rafael Eduardo Diaz Vasquez has a bachelor's degree in management from National University of Colombia. Mr. Diaz is a Certified Fraud Examiner (CFE) and Certified Internal Auditor (CIA) from the Association of Certified Fraud Examiners (ACFE). Mr. Diaz has served as Administrative Assistant in the Office of Internal Control of the Secretary of Finance of the City of Bogotá, Auditor at Empresa de Energía de Bogotá, Auditor at Colsubsidio, Internal Audit Manager of Farmacity Colombia S.A, Internal Control Manager of Novartis of Colombia S.A., and Regulation, Anti-corruption and Anti-bribery Compliance Manager for the Andina Region at Johnson & Johnson of Colombia S.A.-Medical Equipment and Diagnostic Division, and Audit Director at Oleoducto Central S.A. (Ocensa) from 2009 to 2017.

Maria Virginia Torres has a bachelor's degree in law from the Universidad Externado de Colombia, and she is specialist in Land Policy and Market Management for Latin America. Ms. Torres has extensive knowledge of the administrative regime, governmental contracts, utility industry, municipal government, urban law and public finance. Ms. Torres has served as President of *Sociedad de Activos Especiales* SAE SAS, Director of Resources Management and Economic Administration of the Colombian National Tax and Customs Directorate (DIAN), and Legal Director of the Secretary of Finance of the City of Bogotá.

Eduardo Uribe Botero has a bachelor's degree in agricultural engineering from Universidad de Caldas, a master's degree in agronomy from Virginia Tech, and a Ph.D. in tropical soil fertility from North Carolina State University (United States). Mr. Uribe has served as the Director of Environmental Policy of the National Planning Department, Vice Minister of Environment, Director of the Department of the Environment of Bogotá, professor and researcher at the Center for Economic Studies of the School of Economics of the Universidad de los Andes, Vice President of Sustainable Development of Ecopetrol, researcher at Fedesarrollo, and advisor and consultant to several multilateral organizations, governments and companies.

Alberto Javier Galeano Henao has a bachelor's degree in food engineering, a master's degree in business management and administration from Bureau Veritas Business School, Prince2® certified Project Manager and VR® certified Project Management Office. Prior to joining GEB, Mr. Galeano has served as leader of Inventory Management and Corporate PMO Project Management at Cementos Argos S.A.

Luis Rodolfo Hernandez Casadiego has a bachelor's degree in law from the Universidad Externado de Colombia, and he is specialist in criminal law and business law. He has more than 10 years of experience in management positions in public and private companies nationwide. He served as Manager of Response and Detection at GEB and Manager of Ethics and Compliance at Grupo Summum Corp.

Jaime Orjuela has a bachelor's degree in electrical engineering, a specialization graduate degree in public opinion and political marketing from Pontificia Universidad Javeriana (Colombia), and master's degree in economics from Universidad Federal do Rio de Janeiro (Brazil). Mr. Orjuela has served as President (Acting) of TGI, consultant for several public entities, analyst and advisor on tariff issues, energy planning and regulation in distribution companies, such as *Electrificadora del Meta*, Electricaribe (now Air-e and Afinia), Unión Fenosa and Vanti, and coordinator of the Energy Planning Group of the Energy Planning Unit (UPME).

PRINCIPAL SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

Principal Shareholders

As of the date of this offering memorandum, GEB has an outstanding share capital of 9,181,177,017 shares. GEB does not have treasury shares. All of the outstanding shares of capital stock of GEB have been fully paid-in.

GEB's current shareholders and their respective shareholdings are set forth in the following table:

Shareholders	Number of Shares	Percentage
District-Capital of Bogotá.....	6,030,406,241	65.68%
Fondo de Pensiones Obligatorias Porvenir Moderado.....	709,225,630	7.72%
Fondo de Pensiones Obligatorias Protección Moderado	535,849,356	5.84%
Corporación Financiera Colombiana S.A.....	475,298,648	5.18%
Fondo de Pensiones Obligatorias Colfondos Moderado.....	201,727,187	2.20%
Management ⁽¹⁾	170,140	0.0%
Others	1,228,499,815	13.38%
Total	9,181,177,017	100.0%

(1) This includes all directors, fiscal council members, their alternates and executive officers as a group.

Composition of GEB's Share Capital

As of the date of this Offering Memorandum, our capital stock is composed by 9,181,177,017 ordinary shares, at par value of Col\$53.60 per share.

Shareholders' General Meeting

Pursuant to the Colombian Commerce Code and GEB's bylaws, the shareholders' general meeting must be held at least annually but, in any case, the shareholders' general meeting must occur within three (3) months after the expiration of each fiscal year.

Under the Colombian Commerce Code, a shareholders' general meeting may deliberate when at least half plus one of the subscribed shares are represented in the meeting. Generally, all decisions require the approval of more than 50% of the represented shares, subject to certain exceptions, and, in case the company's bylaws, decisions require a special majority, provided the stock corporation is not a publicly traded company.

Under the Colombian Commerce Code, a stock corporation shareholders' general meeting may approve, among others, the following actions:

- the distribution of less than 50% of the net profits (such decision requires the approval of 78% of the represented shares);
- the payment of dividends through bonus shares (such decision requires the approval of 80% of the represented shares); and
- the waiver to the right of first refusal in the subscription of common voting stock (such decision requires the approval of 70% of the represented shares).

Pursuant to GEB's bylaws, and provided that GEB is not a publicly traded company, the following corporate decisions require a special affirmative vote of Holders of GEB's total subscribed stock:

- 70% of the shares represented at the meeting in order to modify the by-laws.
- 78% of the shares represented at the meeting in order to distribute dividends less than 50% of the net profits;
- 70% of the shares represented at the meeting in order to approve an increase of capital stock without giving effect to the shareholders' preemptive rights; and
- 80% of the shares represented at the meeting in order to approve a dividend payment with GEB stock.

GEB's Dividends and Capital Distributions

As of the date of this offering memorandum, and besides the restrictions imposed by applicable law, GEB's bylaws contain no restrictions to the distribution or payment of dividends by GEB.

Related Party Transactions

Colombian law sets forth certain restrictions and limitations on transactions carried out with certain related parties, such as directors and senior management of a company, as well as its subsidiaries. The transactions that are limited or prohibited are described in the Colombian Code of Commerce, as amended by Law 222 of 1995, which establishes, among other things, the following: (i) subsidiaries must carry out their activities independently and with administrative autonomy; (ii) transactions between the parent company and its subsidiaries or affiliates must be of a real nature and may not differ considerably from standard market conditions, nor be to the detriment of the Colombian government, stockholders or third parties, and (iii) subsidiaries may not acquire any shares issued by their parent company.

GEB's Intercompany Loan Agreements

GEB carries out transactions and operations with related parties on an arm's-length basis and in accordance with usual market practices. As of the date of this offering memorandum, GEB has the following intercompany loan agreements:

Borrower	Lender	Principal	Interest	Maturity	Interest Payments
GEBBRAS	GEB	\$180 million Brazilian <i>Reais</i>	Fixed at 9.0%	08/19/2031	Semiannual
GEBBRAS	GEB	U.S.\$31 million	Sofr 6M + 2.11%	08/08/2026	Semiannual
TGI	GEB	U.S.\$370 million	5.22%	12/21/2023	Semiannual
TRECSA	GEB	U.S.\$70 million	6%	05/20/2028	Semiannual after a three-year grace period
Elecnorte	GEB	Col\$ 12.2 billion	15% E.A.	11/22/2028	Semiannual
Elecnorte	GEB	Col\$ 281 million	15% E.A.	12/23/2028	Semiannual
Elecnorte	GEB	Col\$ 9.02 billion	15% E.A.	11/22/2028	Semiannual
Elecnorte	GEB	Col\$ 6.34 billion	15% E.A.	12/13/2028	Semiannual
GEB	EEB GAS SAS	Col\$ 100 billion	IBR 6M + 6.02%	09/17/2024	Semiannual
GEB	EEB Perú Holdings	U.S.\$53 million	Sofr 6M + 2.00%	12/10/2025	Semiannual

GEB's Technical Support Services

Pursuant to the Technical Support Agreement dated January 5, 2009, as amended on May 28, 2010; November 21, 2016; June 29, 2021; August 30, 2021; November 12, 2021 and December 27, 2022, GEB shall advise and/or define policies or services to be contracted by TGI regarding treasury, accounting, financial planning, human resources, technology, physical resources, quality and procedures, strategic planning, purchases, general secretariat, external relations and internal control matters. In exchange, TGI pays the fees included in the Technical Support Agreement Exhibit. Accordingly, the amount to be paid for

the services rendered by GEB may not exceed an annuity equivalent to 1.2% of TGI's EBITDA of the previous year plus VAT.

This Technical Support Agreement has a term of 20 years, ending on January 5, 2043.

Under the Corporate Synergies Agreement with subsidiaries TGI and TRECSA, GEB is obligated through its Shared Services Center ("CSC") to provide operational activities related to cross-functional processes such as supply management, financial management, administrative services, infrastructure management, human talent management, and information technology services. These activities are in line with the scope outlined in the agreement, which covers activities associated with cross-functional processes, as well as the categorization of processes into strategic, tactical, and operational tiers, required for fulfilling the contractee's corporate objective of achieving operational and economic efficiencies. In return, TGI and TRECSA are obligated to pay remuneration equal to the CSC's direct costs, along with a margin on these costs and any applicable taxes, as stipulated in the agreement.

Corporate Synergies Agreement with TGI and TRECSA subsidiaries

GEB is obligated to each subsidiary retaining its services to conduct operational activities related to Transversal Processes such as Procurement Management, Financial Management, Administrative Services and Infrastructure Management, Human Talent Management, and Information Technology Services Management via its Shared Services Center (CSC). In return, the subsidiary shall pay remuneration equivalent to the direct costs of the CSC, including a margin and any applicable taxes, as stipulated in the respective contracts with each subsidiary.

DESCRIPTION OF THE NOTES

We will issue U.S.\$400 million of our 7.850% Senior Notes due 2033 (the “Notes”) offered hereby under an indenture (the “Indenture”) between us and UMB Bank, N.A., as trustee (the “Trustee”), to be dated as of November 9, 2023. The terms of the Notes include those set forth in the Indenture. The Indenture is not required to be nor will it be qualified under the Trust Indenture Act.

The following description is a summary of the material terms of the Indenture and the Notes. It does not, however, restate the Indenture in its entirety, and where reference is made to particular provisions of the Indenture, such provisions are qualified in their entirety by reference to the provisions of the Indenture and the Notes. You should read the Indenture because it contains additional information and because it, and not this description of the Notes, defines your rights as Holder of the Notes. The Holders will be entitled to the benefits of, be bound by and be deemed to have notice of all the provisions of the Indenture. Copies of the Indenture (which we incorporate by reference) may be obtained by requesting them from the Issuer. Application will be made for the listing and quotation of the Notes on the Singapore Exchange Securities Trading Limited (the “SGX-ST”). The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this offering memorandum. Admission of the Notes to the Official List of the SGX-ST and the quotation of the Issuer on the SGX-ST are not to be taken as an indication of the merits of the Issuer or the Notes. For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, in the event that a Global Note is exchanged for a Certificated Note, the Issuer will appoint and maintain a paying agent in Singapore, where the Certificated Notes may be presented or surrendered for payment or redemption. In addition, in the event that a Global Note is exchanged for a Certificated Note, an announcement of such exchange will be made by or on behalf of the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the Certificated Notes, including details of the paying agent in Singapore. The Notes will be traded on the SGX-ST in a minimum board lot size of SGD\$200,000 (or its equivalent in foreign currencies) for so long as the Notes are listed on the SGX-ST. Certain terms used in this description are defined below under “— Certain Defined Terms.” For purposes of this Description of the Notes, GEB is referred to as the “Issuer.”

The Notes and the Indenture

The Notes will be issued in an aggregate principal amount of U.S.\$400 million. Each of the Notes offered hereby and issued pursuant to the Indenture on the Closing Date will represent the right of the applicable Holder to receive:

- (1) payments of interest on such Note. The Notes will bear interest at an annual rate of 7.850% on the outstanding principal amount, payable semi-annually in arrears on May 9 and November 9 of each year (each a “Payment Date”) commencing on May 9, 2024,
- (2) payment of 100% of the principal on the Notes in a single installment on the Maturity Date, and
- (3) any Additional Amounts on any of the foregoing.

For purposes of all payments of interest, principal or Additional Amounts contemplated herein:

- The Issuer will pay all amounts in respect of the principal of and interest on the Notes and any Additional Amounts in U.S. Dollars.

- Interest on the Notes will be payable to the persons who are registered Holders on the Record Date immediately preceding the corresponding Payment Date (whether or not a Business Day). Interest on the Notes will be computed on the basis of 360-day years comprised of twelve 30-day months.
- Payments due on a date other than a Business Day shall be made on the next succeeding Business Day and such extension of time shall not be included in computing interest and fees in connection with that payment.
- The principal amount of the Notes will be repaid in a single installment on the Maturity Date.
- The Notes constitute senior, unconditional, unsecured and unsubordinated obligations of the Issuer and will rank equally in right of payment without any preference among themselves and will rank equally in right of payment with all the Issuer's existing and future senior and unsecured External Indebtedness and senior to the Issuer's existing and future debt that by its terms is junior and subordinated in right of payment to the Notes. The final payment of principal, interest and Additional Amounts (if any) is expected to be made on the Notes on the Maturity Date. The Notes will not be redeemable prior to the Maturity Date except as otherwise provided herein.

Additional Notes

The Issuer may, without your consent, incur additional Indebtedness. At the Issuer's option, this additional Indebtedness may consist of additional Notes ("Additional Notes") issued in one or more transactions, which have substantially identical terms (other than issue price, issue date, initial Payment Date and, to the extent necessary, certain temporary securities law transfer restrictions) as Notes offered hereby, as may be amended prior to the issuance of the Additional Notes, including to add a Co-Obligor (as defined below under "—Co-Obligors") for the benefit of the Holders of the Notes (the "Original Notes"); provided that, unless such Additional Notes are issued under a separate CUSIP, such Additional Notes will be fungible with the Original Notes for U.S. federal income tax purposes. Any Additional Notes will be consolidated and form a single class of Notes with the Original Notes, so that, among other things, Holders of any Additional Notes will have the right to vote together with Holders of Original Notes as one class of Notes.

Additional Amounts

Pursuant to the Indenture, all payments to be made in respect of the Notes are to be made free and clear of, and without deduction or withholding for or on account of, any Taxes, except to the extent such Taxes are imposed by applicable law. In the event that any Taxes are required by a Taxing Jurisdiction to be deducted or withheld from any payment required to be made in respect of the Notes or otherwise under the Indenture, then the amount of such payment shall be increased by such additional amounts as may be necessary for such payment to be made, after withholding or deduction for or on account of such Taxes, in an amount equal to the amount that would have been received by the applicable recipient(s) in respect of such payment had no such Taxes (including any Taxes imposed by a Taxing Jurisdiction and payable in respect of such Additional Amounts) been required to be so deducted or withheld (any such amounts, "Additional Amounts"). Furthermore, the amount of any Taxes required to be withheld or deducted from any payment made in respect of the Notes or otherwise under the Indenture shall be withheld or deducted from such payment (as increased by any Additional Amounts) and paid to the taxing authority imposing such Taxes in accordance with applicable law. Notwithstanding the preceding sentences, no such Additional Amounts will be payable in respect of:

- (1) any Tax assessed or imposed in a Taxing Jurisdiction to the extent that such Tax would not have been assessed or imposed but for the applicable recipient or beneficial owner of such payment

- having a present or former connection with such Taxing Jurisdiction other than solely by reason of the applicable recipient's or beneficial owner's mere holding of the Notes (or such beneficial interest);
- (2) any estate, inheritance, capital gains, gift, personal property, sales, use, excise, transfer or other similar Tax (including any related value-added tax payable) imposed with respect to such payment;
 - (3) any such Taxes that would not have been imposed but for the failure of the applicable recipient or beneficial owner of such payment to comply with any certification, identification, information, documentation or other reporting requirement concerning the nationality, residence identity or connection of such recipient (or beneficial owner of such payment) with a taxing authority to the extent (a) such compliance is required by applicable law or an applicable treaty as a precondition to exemption from, or reduction in the rate of deduction or withholding of, such Taxes and (b) at least 30 days before the first Payment Date with respect to which the obligor shall apply this clause (3) with respect to a payment, such obligor shall have notified the recipient in writing that such recipient will be required to comply with such requirement;
 - (4) any Tax required to be withheld by any paying agent from any payment of principal, premium (if any) or interest on the Note, if such Tax results from the presentation of such Note for payment (where presentation is required) in the European Economic Area and the payment can be made without such withholding or deduction by the presentation of such Note for payment to at least one other paying agent in the European Economic Area;
 - (5) any Note presented for payment (where presentation is required) more than 30 days after the later of: (i) the date on which such payment first becomes due and (ii) if the full amount payable has not been received by the Trustee on or prior to such due date, the date on which notice is given to the recipients that the full amount has been received by the Trustee (except to the extent that such recipient would have been entitled to Additional Amounts had the Note been presented during such 30-day period);
 - (6) any Tax payable other than by withholding or deduction;
 - (7) any Tax, withholding or deduction required by sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended ("FATCA"), any current or future Treasury regulations or rulings promulgated thereunder, any intergovernmental agreement between the United States and any other jurisdiction to implement FATCA or any law, regulation or other official guidance enacted by such other jurisdiction to give effect to such agreement or FATCA, or any agreement with the U.S. Internal Revenue Service under FATCA; or
 - (8) any combination of the circumstances described in clauses (1) through (7),

nor will any Additional Amounts be paid with respect to any payment to a recipient who is a fiduciary or partnership or any person other than the sole beneficial owner of such payment to the extent that payment would be required by a Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary, or settlor with respect to such fiduciary, or a member of such partnership or a beneficial owner and such beneficiary, settlor, member or beneficial owner would not have been entitled to the Additional Amounts had it been in the place of such recipient.

In addition, the Issuer shall pay any and all Other Taxes imposed by the Taxing Jurisdiction imposing such Other Taxes in accordance with applicable law.

The Issuer will provide the Trustee upon its request with documentation reasonably satisfactory to it evidencing the payment of Taxes in respect of which the Issuer has paid any Additional Amounts. Copies of such documentation will be made available to the applicable Noteholders or any paying agent upon written request therefor to the Trustee.

Any reference in this offering memorandum, the Indenture or the Notes to principal, interest or any other amount payable in respect of the Notes by the Issuer will be deemed also to refer to any Additional Amount, unless the context requires otherwise, that may be payable with respect to that amount under the obligations referred to in this subsection.

The obligation to pay Additional Amounts will survive the repayment of the Notes and the sale or transfer of the Notes (or beneficial interests therein) by any investor.

For purposes of the provisions described in “Additional Amounts,” the term “applicable recipient” means the direct nominee of any beneficial owner of the relevant Note, which holds such beneficial owner’s interest in such Note.

Optional Redemption

Optional Redemption at Par

At any time or from time to time on or after August 9, 2033 (three months prior to the Maturity Date) (the “Par Call Date”), the Issuer will have the right to redeem the Notes, in whole or in part, on at least 10 days’ but not more than 60 days’ prior notice, as provided herein under “— Notices,” at a redemption price equal to 100% of the outstanding principal amount of the Notes to be redeemed plus accrued but unpaid interest (if any) on the principal amount of the Notes to be redeemed and any Additional Amounts to, but excluding, the Redemption Date (subject to the right of the Holders of record on the relevant Record Date to receive interest and Additional Amounts (if any) on the relevant Redemption Date).

Optional Redemption with “Make-Whole” Amount

The Issuer will have the right to redeem any of the Notes, in whole or in part, at any time or from time to time prior to the Par Call Date, at its option, on at least 10 days’ but not more than 60 days’ prior notice, given to the Holders as provided herein under “— Notices,” at a redemption price equal to the greater of (1) 100% of the principal amount of the Notes to be redeemed and (2) the sum of the present values of each remaining scheduled payment of principal and interest thereon as if redeemed on the Par Call Date (exclusive of interest accrued to the Redemption Date) discounted to the Redemption Date on a semiannual basis (assuming a 360-day year consisting of 12 30-day months) at the Treasury Rate *plus* 50 basis points, in each case *plus* accrued but unpaid interest (if any) on the principal amount of the Notes to be redeemed and any Additional Amounts to, but excluding, the Redemption Date (subject to the right of the Holders of record on the relevant Record Date to receive interest and Additional Amounts (if any) on the relevant Redemption Date).

“Treasury Rate” shall mean, with respect to any Redemption Date, the rate per annum equal to the semiannual equivalent yield to maturity or interpolated maturity (on a day count basis) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such Redemption Date.

“*Comparable Treasury Issue*” shall mean the United States Treasury security or securities selected by an Independent Investment Banker appointed by the Issuer as having an actual or interpolated maturity comparable to the remaining term of the Notes to be redeemed through the Par Call Date that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of investment grade corporate debt securities of comparable maturity to the remaining term of the Notes to be redeemed through the Par Call Date.

“*Comparable Treasury Price*” shall mean, with respect to any Redemption Date (1) the average of the Reference Treasury Dealer Quotations, as calculated by the Independent Investment Banker, for such Redemption Date, after excluding the highest and lowest such Reference Treasury Dealer Quotation or (2) if we obtain fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations.

“*Independent Investment Banker*” shall mean one of the Reference Treasury Dealers appointed by the Issuer.

“*Reference Treasury Dealer*” shall mean J.P. Morgan Securities LLC, Santander US Capital Markets LLC and Scotia Capital (USA) Inc. or their respective affiliates, which are primary United States government securities dealers and two other leading primary United States government securities dealers in New York City reasonably designated by the Issuer; *provided, however*, that if any of the foregoing shall cease to be a primary United States government securities dealer in New York City (a “Primary Treasury Dealer”), the Issuer will substitute therefor another Primary Treasury Dealer.

“*Reference Treasury Dealer Quotation*” shall mean, with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to us by such Reference Treasury Dealer at 3:30 pm New York time on the third Business Day preceding such Redemption Date.

If the Issuer redeems any Notes in part, the Trustee will select the Notes for redemption on a pro rata basis, by lot or by such other method as the Trustee shall deem fair and appropriate; *provided, however*, that the selection of any Notes held in the form of a Global Note shall be subject to the applicable procedures of the depositary therefor. The Issuer shall not redeem Notes of U.S.\$200,000 principal amount in part, and Notes of a principal amount in excess of U.S.\$200,000 may be redeemed in part only in multiples of U.S.\$1,000; *provided, however*, that if the Notes are redeemed in part only, Notes in an aggregate principal amount of at least U.S.\$100 million shall remain Outstanding after any such partial redemption. If any Note is to be redeemed in part only, the notice of redemption will state the portion of the principal amount to be redeemed. A new Note in principal amount equal to the unredeemed portion of the original Note will be issued upon the cancellation of the original Note.

On and after the Redemption Date, interest will cease to accrue on the Notes or any portion of the Notes called for redemption (unless the Issuer defaults in the payment of the redemption price and accrued interest and premium, if *any*). On or before the Business Day prior to the Redemption Date, the Issuer will deposit with the Trustee money sufficient to pay the redemption price of and (unless the Redemption Date shall be a Payment Date) accrued interest to, but excluding, the Redemption Date on the Notes to be redeemed on such date.

Notice of any optional redemption shall be, at the Issuer’s discretion, subject to one or more conditions precedent, including, but not limited to, the completion of an equity offering or other corporate or financing transactions. In addition, if such optional redemption is subject to satisfaction of one or more conditions precedent, such notice shall describe each such condition, and if applicable, shall state that, in the Issuer’s discretion, the Redemption Date may be delayed until such time as any or all such conditions

shall be satisfied, or such optional redemption may not occur and such notice may be rescinded in *the* event that any or all such conditions shall not have been satisfied by the Redemption Date, or by the Redemption Date as so delayed.

Optional Tax Redemption

The Notes may be redeemed at the Issuer's election in whole (but not in part) on any date prior to the Maturity Date, by the giving of notice as provided herein under "—Notices," at a redemption price equal to 100% of the *outstanding* principal amount thereof, together with any Additional Amounts (if any) and accrued and unpaid interest to, but excluding, the Redemption Date, if, as a result of:

- (a) any change in, or amendment to, laws or treaties (or any regulation or rulings promulgated thereunder) of a Taxing Jurisdiction or any political subdivision or taxing authority thereof or therein; or
- (b) any change in the official application, administration or interpretation of such laws, treaties, regulations or rulings in such jurisdictions,

which amendment, change, application, administration or interpretation is proposed and becomes effective on or after the Closing Date or, if later, the date a jurisdiction becomes a Taxing Jurisdiction, as a result of which the Issuer has become or would become obligated to pay any Additional Amounts on the next date on which any amount would be payable in respect of such Notes and the Issuer determines in good faith that such obligation cannot be avoided by taking commercially reasonable measures available to the Issuer; *provided, however*, that no such notice of redemption shall be given earlier than 60 days prior to the earliest date on which the Issuer would be obligated to pay such Additional Amounts. For the avoidance of doubt, commercially reasonable measures shall include a change in the jurisdiction of the paying agent(s).

Notice of any optional tax redemption will be given in accordance with the provision set out under "—Notices" below, at least 10 days but not more than 60 days before the Redemption Date to each Holder of the Notes to be redeemed. Prior to the giving of notice of redemption of such Notes pursuant to the preceding paragraph, the Issuer will deliver to the Trustee: (i) an Officers' Certificate stating that the Issuer is entitled to redeem the Notes and setting forth a statement of facts showing that the condition or conditions precedent to the right of the Issuer to so redeem have occurred or been satisfied and (ii) a written opinion of counsel of such Taxing Jurisdiction, which counsel shall be independent of the Issuer and its Affiliates, to the effect that all governmental approvals necessary for it to effect such redemption have been, or at the time of redemption will be, obtained and in full force and effect, and that the Issuer has or will become obligated to pay such Additional Amounts as a result of such change, amendment, application, administration or interpretation.

Open Market Purchases

The Issuer or any of its Subsidiaries may at any time purchase any Note in the open market or otherwise at any price. Any Note so purchased by the Issuer may be surrendered to the Trustee for *cancellation*.

Certain Covenants

The Indenture contains the following covenants:

Limitation on Liens

The Issuer will not and will not permit any of its Subsidiaries to incur any Indebtedness secured, directly or indirectly, by a Lien on any property, assets, income or profits of the Issuer or any of its Subsidiaries without effectively providing that the Notes (together with, if the Issuer so determines, any other Indebtedness or obligation then existing or thereafter created which is not subordinated to the Notes) shall be secured equally and ratably with (or prior to) such Indebtedness so long as such Indebtedness shall be so secured, except that the foregoing provisions shall not apply to:

- (1) Liens in existence on the Closing Date;
- (2) Liens that secure Indebtedness owing by a Subsidiary of the Issuer to the Issuer and/or one or more other Subsidiaries of the Issuer or by the Issuer to one or more of its Subsidiaries;
- (3) Liens on any property or assets acquired from a Person that is merged with or into the Issuer or any of its Subsidiaries, or any Liens on the property, Capital Stock, assets, income or profits of any Person, existing at the time such Person becomes a Subsidiary of the Issuer and, in either such case, is not created as a result of or in connection with or in anticipation of any such transaction (unless such Lien was created to secure or provide for the payment of any part of the purchase price of such Person or was created in contemplation of such Person being merged with or into, or such Person becoming a Subsidiary of, either the Issuer or any of its Subsidiaries); *provided, however*, that such Liens may not extend to any other property, assets, income or profits of the Issuer or any of its Subsidiaries;
- (4) any Lien on any property or assets existing at the time of acquisition thereof, including any acquisition by means of a merger or consolidation, and that is not created as a result of or in connection with or in anticipation of such acquisition (unless such Lien was created to secure or provide for the payment of any part of the purchase price of such property or assets); *provided, however*, that such Liens may not extend to any other property, assets, income or profits of the Issuer or any of its Subsidiaries;
- (5) any Lien on the Capital Stock of any Subsidiary of the Issuer;
- (6) Liens (including extensions and renewals) with respect to Indebtedness incurred to finance the acquisition of real or personal property (including Capital Stock) acquired after the Closing Date; *provided, however*, that (a) such Lien is created solely for the purpose of securing the payment of Indebtedness incurred to finance the cost (including the cost, other than internal costs of the Issuer or any of its Subsidiaries, of design, development, acquisition, construction, installation, improvement, transportation or integration) of acquiring the item of property subject thereto and such Lien is created prior to, at the time of or within 180 days after the later of the acquisition, the completion of construction or the commencement of the full operation of such property, (b) the principal amount of the Indebtedness secured by such Lien does not exceed 100% of the cost (including the cost, other than internal costs of the Issuer or any of its Subsidiaries, of design, development, acquisition, construction, installation, improvement, transportation or integration) of such property or assets; and (c) such Lien shall not extend to cover any property, assets, income or profits other than such items of property and any improvements on such items; *provided, further*, that to the extent that the assets or property acquired is Capital Stock, and subject to the limitations in clause (a) above, the Lien may also encumber other property or assets of the Person whose Capital Stock was acquired;

- (7) Liens imposed by law, including carriers', warehousemen's, suppliers' and mechanics' Liens and other similar Liens, on the property or assets of the Issuer or any of its Subsidiaries arising in the ordinary course of business and securing payment of obligations that are not more than 60 days past- due or are being contested in good faith by appropriate proceedings;
- (8) Liens on the property or assets of the Issuer or any of its Subsidiaries incurred in the ordinary course of business to secure the performance of tenders, bids, statutory obligations, surety and appeal bonds and deposits, government contracts, workers' compensation and social security claims, performance and return-of-money bonds, or other obligation of a like nature and incurred in a manner consistent with industry practice, in each case which are not incurred in connection with the borrowing of money, the obtaining of advances or credit or the payment of the deferred purchase price of property or assets in the operation of the business of the Issuer and its Subsidiaries;
- (9) easements, rights of way, sewers, electric lines, zoning, building codes or other restrictions, or defects or irregularities in title and other similar charges or encumbrances which do not interfere in any material respect with the business of the Issuer or any Subsidiary;
- (10) Liens arising solely by virtue of any statutory or common law provision relating to banker's liens, rights of set-off or similar rights or remedies as to deposit accounts or other funds maintained with a creditor depository institution; *provided, however*, that (a) such deposit account is not a dedicated cash collateral account and is not subject to restrictions against access by the Issuer or any of its Subsidiaries in excess of those set forth by regulations promulgated by the Board of Governors of the Federal Reserve System of the United States and (b) such deposit account is not intended by the Issuer or any of its Subsidiaries to provide collateral to such depository institution;
- (11) Liens arising out of judgments or awards against the Issuer or a Subsidiary which do not give rise to an Event of Default;
- (12) Liens securing Purchase Money Obligations;
- (13) Liens imposed by law for taxes not yet due or delinquent (or which may be paid without interest or penalties) or that are otherwise being contested in good faith by appropriate procedures and for which adequate reserves have been maintained in accordance with Colombian IFRS;
- (14) Liens securing counter-guarantee obligations in respect of Government Guaranteed Indebtedness of the Issuer or any Subsidiary of the Issuer, *provided* that such Lien is no more extensive than that required by applicable laws, rules or regulations in Colombia;
- (15) licenses, sublicenses, leases or subleases granted by the Issuer or any of its Subsidiaries to other Persons not materially interfering with the conduct of the business of the Issuer or any of its Subsidiaries and (b) any interest or title of a lessor, sublessor or licensor under any lease or license agreement permitted by the Indenture to which the Issuer or any Subsidiary is a party;
- (16) Liens on patents, trademarks, service marks, trade names, copyrights, technology, know-how and processes to the extent such Liens arise from the granting of license to use such patents, trademarks, service marks, trade names, copyrights, technology, know-how and processes to any Person in the ordinary course of business of the Issuer or any of its Subsidiaries;

- (17) Liens securing reimbursement obligations with respect to commercial letters of credit which encumber documents and other property relating to such letters of credit and products and proceeds thereof;
- (18) deposits in the ordinary course of business securing liability for reimbursement obligations of insurance carriers providing insurance to the Issuer or its Subsidiaries and any Liens thereon;
- (19) Liens upon specific items of inventory or other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods in the ordinary course of business;
- (20) Liens to secure the Notes;
- (21) any extension, renewal or replacement (or successive extensions, renewals or replacements), in whole or in part, of any Lien referred to in the foregoing clauses (1) through (20) or of any Indebtedness secured thereby; *provided* that the principal amount of Indebtedness so secured thereby shall not exceed the principal amount of Indebtedness so secured at the time of such extension, renewal or replacement (plus accrued and unpaid interest and reasonable fees and expenses incurred in connection therewith), and that such extension, renewal or replacement Lien shall be limited to all or part of the property that secured the Lien extended, renewed or replaced (plus improvements on or additions to such property);
- (22) Liens securing Hedging Obligations entered into in the ordinary course of business and not for speculative purposes;
- (23) Liens on cash, cash equivalents or securities to secure obligations under treasury transactions or custodial arrangements arising in the ordinary course of business; or
- (24) Liens not otherwise permitted by clauses (1) through (23) above securing Indebtedness in a principal amount not in excess of 10.0% of the Consolidated Net Tangible Assets.

Liens or deposits required by any contract or statute or other regulatory requirements in order to permit the Issuer or any of its Subsidiaries to perform any contract or subcontract made by it with or at the request of a governmental entity or any department, agency or instrumentality thereof, or to secure partial *progress*, advance or any other payments to the Issuer or any Subsidiary by a governmental entity or any department, agency or instrumentality thereof pursuant to the provisions of any contract or statute shall not be deemed to create Indebtedness secured by Liens.

Limitation on Sale and Lease-Back Transactions

The Issuer shall not, and shall not permit any of its Significant Subsidiaries to, directly or indirectly, enter into any sale and lease-back transaction unless the Issuer complies with this restrictive covenant. A "sale and lease-back transaction" generally is an arrangement between the Issuer or any of its Significant Subsidiaries and a *bank*, insurance company or other lender or investor where the Issuer or any of its Significant Subsidiaries leases real or personal property for an initial term of three years or more which was or will be sold by the Issuer or any of its Significant Subsidiaries to that lender or investor for a sale price of U.S.\$5 million (or its equivalent in any other currency) or more.

The Issuer can comply with this restrictive covenant if (A) (i) within 12 months after the effective date of such sale and lease-back transaction (whether made by the Issuer or any of its Significant

Subsidiaries), the Issuer or any of its Significant Subsidiaries applies an amount equal to 100% of the net cash proceeds received from such sale lease-back transaction to repay and permanently reduce any Indebtedness which is secured by a Lien; (ii) the sale lease-back transaction is entered into prior to, concurrently with or within four months after the acquisition, the completion of construction (including any improvements on an existing property) or the commencement of commercial operations of the property which is *the* subject of the sale lease-back transaction; or (iii) the gross cash proceeds or fair market value of any property received in connection with the sale and lease-back transaction are in the good faith opinion of the Issuer at least substantially equal to the fair market value (as set forth in an Officers' Certificate) of the property that is the subject of such transaction; and (B) the Issuer or its Significant Subsidiaries could otherwise grant a lien on the property as described in "— Limitation on Liens."

Financial Reporting

For so long as any of the Notes are Outstanding, the Issuer shall, within 90 days after the end of each fiscal quarter of each fiscal year (other than the final fiscal quarter of any fiscal year) and 120 days after the end of each fiscal year of the Issuer, provide to the Trustee copies of an unaudited (with respect to a fiscal quarter) or audited (with respect to a fiscal year) consolidated balance sheet, statements of income and statements of cash flows of the Issuer, prepared in a form substantially similar to the financial statements included in this offering memorandum, prepared in accordance with Colombian IFRS and presented in the English language. The audited information provided with respect to a fiscal year shall also include a report thereon by the Issuer's certified independent public accountants.

The Issuer may, in lieu of delivering such information to the Trustee, post the reports specified above on its website no later than the date that the Issuer is required to provide those reports to the Trustee.

The *Trustee* shall not be responsible or liable for determining or monitoring whether or not the Issuer has delivered (or otherwise made available on its website) any report or other information in accordance with the requirements specified in the foregoing paragraphs.

Delivery of any of the reports, information and documents to the Trustee is for informational purposes only, and the Trustee's receipt of such reports shall not constitute actual or constructive notice or knowledge of any information contained therein or determinable from information contained therein, including the Issuer's compliance with any covenants under the Indenture or the Notes (as to which the Trustee is entitled to conclusively rely on Officers' Certificates).

Maintenance of Ratings

The Issuer shall, for so long as any Notes are Outstanding, use commercially reasonable efforts to maintain ratings on the Notes from at least two of the Rating Agencies (it being acknowledged and agreed that the Issuer shall not be required to maintain any minimum credit rating).

Limitation on Line of Business

The Issuer will not, and will not permit any of its Subsidiaries, to engage in any material business other than a Related Business.

Additional Covenants

The Indenture will contain affirmative covenants with respect to, among other things, the following matters: (i) notice of default and compliance certificates; (ii) maintenance of books and records; (iii) maintenance of existence and properties; and (iv) compliance with laws.

Consolidation, Merger, Conveyance, Sale or Lease

Nothing contained in the Indenture will prevent the Issuer from consolidating with or merging into another Person or conveying, transferring or leasing the Issuer's properties and assets substantially as an entirety (determined on a consolidated basis, with its Subsidiaries) to any Person; *provided* that

- (1) the resulting, surviving or transferee Person (if not the Issuer or a Subsidiary) shall be a Person organized and existing or under the laws of Colombia or under the laws of the jurisdiction under which such Subsidiary was organized; *provided* that the foregoing shall not apply in the case of a Subsidiary of the Issuer that (A) has been disposed of in its entirety to another Person (other than to the Issuer or any of its Subsidiaries), whether through a merger, consolidation or sale of Capital Stock or assets or (B) as a result of the disposition of all or a portion of its Capital Stock ceases to be a Subsidiary of the Issuer;
- (2) the Issuer shall be obligated under the Indenture to cause the Person formed by such consolidation (if not the Issuer) or into which the Issuer is merged or the Person which acquires by conveyance or transfer, or which leases, the Issuer's properties and assets substantially as an entirety (determined on a consolidated basis, with its Subsidiaries) (the "Successor"), to expressly assume, by a supplemental indenture to the Indenture, executed and delivered to the Trustee, all of the Issuer's obligations under the Indenture (including, but not limited to, the payment of Additional Amounts) and the Notes;
- (3) immediately after giving effect to such transaction on a *pro forma* basis (and treating any Indebtedness which becomes an obligation of the resulting, surviving or transferee Person as a result of such transaction as having been issued by such Person at the time of such transaction) no Default or Event of Default would occur;
- (4) all requisite governmental approvals therefor shall have been obtained;
- (5) the Issuer has delivered to the Trustee an Officers' Certificate and an opinion of counsel, each stating that all conditions precedent provided for in the Indenture relating to such transaction (and execution of such supplemental indenture, if applicable) have been complied with; and
- (6) the Issuer has delivered to the Trustee an opinion of counsel to the effect that the Noteholders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such transaction and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such transaction had not occurred.

Co-Obligors

Without the consent of any Holders of the Notes, the Issuer and the Trustee may enter into a supplemental indenture to the Indenture for the purpose of adding one or more Subsidiaries of the Issuer as a co-obligor (whether as an additional issuer or a guarantor) of the Notes and the Indenture (each, a "Co-Obligor"); *provided* that any such Co-Obligor shall be organized or formed under the laws of Colombia, Peru, Guatemala or Brazil. The Issuer will only add a Co-Obligor if the Issuer determines that adding such Co-Obligor will not adversely affect the interests of the Holders of the Notes in any material respect.

Repurchases at the Option of the Holders of the Notes Upon Change of Control Repurchase Event

If a Change of Control Repurchase Event occurs, each Holder of Notes will have the right to require the Issuer to repurchase all or any part (in integral multiples of U.S.\$1,000) of that Holder's Notes pursuant to a Change of Control Offer (as defined below) on the terms set forth in the Indenture. No such purchase

in part shall reduce the outstanding principal amount at maturity of the Notes held by any Holder to below U.S.\$200,000. In the Change of Control Offer, the Issuer will offer a “Change of Control Payment” in cash equal to 101% of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest and Additional Amounts (if any) on the Notes repurchased, to, but excluding, the date of purchase (subject to the right of the Holders of record on the relevant Record Date to receive interest and Additional Amounts (if any) on the relevant Payment Date).

Within 30 days following any Change of Control Repurchase Event, the Issuer will make a “Change of Control Offer” by giving notice to each Holder of Notes (with a copy to the Trustee) by giving such notice in *accordance* with the provision set out under “— Notices” below, describing the transaction or transactions that constitute the Change of Control Repurchase Event and offering to repurchase Notes on the date specified in the notice (the “Change of Control Payment Date”), which date will be no earlier than 10 days and no later than 60 days from the date such notice is given, pursuant to the procedure required by the Indenture and described in such notice.

The Issuer will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other applicable securities laws or regulations in connection with the repurchase of Notes pursuant to *this* covenant. To the extent that the provisions of any applicable securities laws or regulations conflict with provisions of this covenant, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue of its compliance with such securities laws or regulations.

The Issuer will, to the *extent* lawful:

- (1) deposit with the paying agent on the Business Day immediately preceding the Change of Control Payment Date an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and
- (2) on the Change of Control Payment Date:
 - (i) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer; and
 - (ii) deliver or cause to be delivered to the Trustee the Notes properly accepted, together with an Officers’ Certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by the Issuer.

The paying agent under the Indenture will promptly deliver each Holder of Notes properly tendered the Change of Control Payment for such Notes, and the Trustee will authenticate and deliver (or cause to be transferred by book-entry), to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; *provided* that each new Note will be in a principal amount of U.S.\$200,000 or an integral multiple of U.S.\$1,000 in excess thereof. The Issuer will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

The provisions described above that require the Issuer to make a Change of Control Offer following a Change of Control Repurchase Event will be applicable whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control Repurchase Event, the Indenture does not contain provisions that permit the Holders of the Notes to require that the Issuer repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control Repurchase Event if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements, set forth in the Indenture, that are applicable to a Change of Control Offer made by the Issuer and such third party purchases all Notes properly tendered and not withdrawn under the Change of Control Offer.

Notwithstanding anything to the contrary contained herein, the Issuer shall not be required to make a Change of Control Offer prior to the actual occurrence of a Change of Control Repurchase Event.

Rule 144A Information

For so long as any of the Notes remain Outstanding and are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer shall furnish, upon the request of any Holder, such information as is specified in Rule 144A(d)(4) under the Securities Act: (i) to such Holder, and (ii) to a prospective purchaser of such Note (or beneficial interests therein) who is a QIB designated by such Holder, in each case in order to permit compliance by such Holder with Rule 144A in connection with the resale of such Note (or beneficial interest therein) in reliance upon Rule 144A. All such information shall be in the English language.

Events of Default

Events of Default with respect to the Notes in the Indenture will include (each, an “Event of Default”):

- (1) default in the payment of any interest (or Additional Amounts, if any) on any Note when it becomes due and payable and such default shall continue unremedied for a period of 30 days; or
- (2) default in the payment of the principal of (or premium, if any, on) any Note when it becomes due and payable, whether at Stated Maturity or otherwise, and the continuance of any such failure for a period of seven (7) days; or
- (3) default in the performance, or breach, of any covenant, agreement or obligation of the Issuer or any of its Subsidiaries contained in the Indenture or the Notes and continuance of such default or breach for a period of 60 consecutive days after there has been given, by registered or certified mail, to the Issuer by the Trustee or to the Issuer and the Trustee by the Noteholders of at least 25% in aggregate principal amount of the Outstanding Notes, a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a “Notice of Default” hereunder; or
- (4) with respect to either the Issuer or any of its Subsidiaries, any final and non-appealable judgment or order for the payment of money in excess of 6.0% of the Consolidated Net Tangible Assets or its equivalent in other currencies (to the extent not covered by insurance as acknowledged in writing by the insurer) is rendered against the Issuer or any of its Subsidiaries and such judgment or order remains undischarged or unstayed for a period of 180 days after such judgment becomes final and non-appealable; or
- (5) either:
 - (i) the Issuer or any of its Subsidiaries shall default (as principal or guarantor or other surety) in the payment of principal of any External Indebtedness in the principal amount of at least U.S.\$75 million in the aggregate (or its equivalent in any other currency) and such default

shall have continued for more than any applicable period of grace and any time for payment of such amounts has not been expressly extended; or

- (ii) External Indebtedness (except, in the case of the Issuer, Indebtedness under the Notes) of the Issuer or any of its Subsidiaries is accelerated by the holders thereof because of a default, and the total amount of such accelerated External Indebtedness exceeds U.S.\$75 million (or its equivalent in any other currency); or
- (6) either the Issuer or any Subsidiary shall stop generally paying or admit that it is unable to pay its debts as they become due or pass a resolution to dissolve; or
- (7) the entry by a court or superintendency having competent jurisdiction of certain decisions or orders under insolvency, administrative takeover or other similar laws relating to the Issuer.

The Issuer will be required to provide to the Trustee written notice, within ten Business Days of obtaining knowledge thereof, of any Event of Default. The Indenture provides that the Trustee may withhold notice to the Holders of any Event of Default (except on payment of principal of (or premium, if any, on), or interest, if any, on the Notes) if a Responsible Officer or Officers of the Trustee in good faith determine that it is in the interest of the Holders of the Notes to do so.

The Indenture will provide that:

- (a) if any Event of Default (other than an Event of Default involving a bankruptcy, insolvency or other similar event described in paragraphs (6) and (7) above) with respect to the Notes specified therein shall have occurred and be continuing, either the Trustee acting at the written direction of Holders holding at least 25% in aggregate principal amount of Outstanding Notes or the Holders of at least 25% in aggregate principal amount of the Outstanding Notes may declare the principal amount of all the Notes to be due and payable immediately; and
- (b) if an Event of Default involving a bankruptcy, insolvency or other similar event described in paragraphs (6) and (7) above shall have occurred and be continuing, the principal amount of all the Notes will be immediately due and payable without notice or any other act on the part of the Trustee or any Holder.

however, if all Defaults are cured (except the nonpayment of principal of and accrued interest on Notes which shall become due by acceleration) and certain other conditions are met, such declaration may be rescinded by the Holders of not less than a majority in aggregate principal amount of the Outstanding Notes. In addition, past Defaults with respect to the Notes may be waived by the Holders of not less than a majority in aggregate principal amount of the Outstanding Notes except (1) a Default in the payment of principal of (or premium, if any) or interest, if any, on any Note or (2) in respect of a covenant or provision of the Indenture or the Notes that cannot be modified or amended without the consent of the Holder of each Outstanding Note affected. A Holder shall not have any right to institute any suit, action or proceeding for the enforcement of the Indenture, or for the exercise of any other remedy thereunder unless:

- (i) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Notes;
- (ii) Holders of more than 25% in aggregate principal amount of Outstanding Notes shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee thereunder;

- (iii) such Holder or Holders have offered to the Trustee indemnity or security reasonably satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such request;
- (iv) the Trustee during the 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and
- (v) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Notes;

it being understood and intended that no one or more Holders shall have any right to affect, disturb or prejudice in any manner whatsoever the benefit of the Indenture afforded the Notes by its or their action, or to enforce, except in the manner provided in the Indenture, any remedy, right or power thereunder. Any suit, action or proceeding shall be instituted and maintained in the manner provided in the Indenture for the benefit of the Holders of all Outstanding Notes.

Notwithstanding any other provision in the Indenture, the right of any Holder to receive payment of principal of and interest on the Notes held by such Holder, on or after the respective due dates expressed in the Notes, or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder. The Indenture contains provisions requiring the consent of the Holder of each Outstanding Note affected by any proposed amendment to the Indenture in order to, among other things, reduce in any manner the amount of, delay the timing of or alter the priority of, any payments that are required to be made under the Indenture on any Note or reduce any premium and Additional Amounts in respect thereof, or change any date of payment on any Note, or change the place of payment where, or the coin or currency in which, any Note is payable, or impair any Holder's right to institute suit for the enforcement of any payment on or after the due dates therefor, as further described under "— Modification of the Indenture."

Defeasance

The Issuer may at any time terminate all of its obligations with respect to the Notes ("defeasance"), except for certain obligations, including those regarding any trust established for a defeasance and obligations to register the transfer or exchange of the Notes, to replace mutilated, destroyed, lost or stolen Notes, to maintain agencies in respect of the Notes and the rights, protections, immunities and indemnities of the Trustee and the obligations of the Issuer in connection therewith. The Issuer may at any time terminate its obligations under certain covenants set forth in the Indenture, and any omission to comply with such obligations will not constitute a Default or an Event of Default with respect to the Notes issued under the Indenture ("covenant defeasance"). In order to exercise either defeasance or covenant defeasance, the Issuer must irrevocably deposit in trust, for the benefit of the Holders of the Notes, with the Trustee money or U.S. Government Obligations, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent accountants, investment bank or consultants expressed in a written certificate delivered to the Trustee, without consideration of any reinvestment, to pay the principal of, premium, if any, and interest on the Notes to redemption or Stated Maturity and comply with certain other conditions, including the delivery of opinions of Colombian and U.S. counsel as to certain tax matters (including that Holders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such defeasance or covenant defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such defeasance or covenant defeasance, as the case may be, had not occurred). In the case of defeasance, such opinion from U.S. counsel must be based on a ruling by the Internal Revenue Service or a change in the applicable U.S. federal income tax law.

Form, Denomination and Registration

Any Notes sold outside the United States to non-U.S. Persons in reliance on Regulation S will be in fully registered form without interest coupons attached and only in denominations of U.S.\$200,000 and in integral multiples of U.S.\$1,000 in excess thereof. Any Notes sold pursuant to Rule 144A will be issued in fully registered form without interest coupons attached and only in denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof. No service charge will be made for any registration of transfer or exchange of Notes, but the Trustee may require payment of a sum sufficient to cover any Tax or other government charge payable in connection therewith. The Notes (or beneficial interests therein) may not be transferred unless the principal amount so transferred is in an authorized denomination.

The Global Notes will be deposited on or about the Closing Date with the Trustee as custodian for (and registered in the name of a nominee of) DTC. Except as described in the limited circumstances described under “— Book Entry, Delivery and Form,” Holders holding beneficial interests in Global Notes through DTC will not be entitled to receive physical delivery of Certificated Notes. The Notes are not (and will not be) issuable in bearer form.

Listing

Application will be made for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this offering memorandum. Admission of the Notes to the Official List of the SGX-ST and the quotation of the Issuer on the SGX-ST are not to be taken as an indication of the merits of the Issuer or the Notes. For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, in the event that a Global Note is exchanged for a Certificated Note, the Issuer will appoint and maintain a paying agent in Singapore, where the Certificated Notes may be presented or surrendered for payment or redemption. In addition, in the event that a Global Note is exchanged for a Certificated Note, an announcement of such exchange will be made by or on behalf of the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the Certificated Notes, including details of the paying agent in Singapore. The Notes will be traded on the SGX-ST in a minimum board lot size of SGD\$200,000 (or its equivalent in foreign currencies) for so long as the Notes are listed on the SGX-ST.

Singapore Listing Agent

Allen & Gledhill LLP is the Singapore Listing Agent in respect of the Notes. The Issuer will maintain such agency so long as the Notes are listed on the Official List of the SGX-ST. The address of the Singapore Listing Agent is set forth on the inside back cover of this offering memorandum.

Lost, Stolen and Mutilated Notes

In case any Note shall become mutilated, defaced, destroyed, lost or stolen, the Issuer will execute and the Trustee will, upon direction by the Issuer, authenticate, register and deliver a new definitive Note of like tenor and equal principal amount registered in the same manner, dated the date of its authentication and bearing interest from the date to which interest has been paid on such Note, in exchange and substitution for such Note (upon surrender and cancellation thereof in the case of mutilated or defaced Notes) or in lieu of and in substitution for such Note. In case a Note is destroyed, lost or stolen, the applicant for a substitute Note shall furnish the Issuer and the Trustee (a) such security or indemnity as may be required by them to save each of them harmless and (b) satisfactory evidence of the destruction, loss or theft of such Note and of the ownership thereof. Upon the issuance of any substituted Note, the Trustee may require the payment by the registered Holder thereof of a sum sufficient to cover any tax or other governmental charge that may

be imposed in relation thereto and any fees and expenses (including those of the Trustee) connected therewith.

With respect to mutilated, defaced, destroyed, lost or stolen definitive Notes, a Holder thereof may obtain new definitive registered Notes from the office of the transfer agent.

Notwithstanding any statement herein, the Issuer and the Trustee reserve the right to impose such transfer, certificate, exchange or other requirements, and to require such restrictive legends on Notes, as the Issuer may determine are necessary to ensure compliance with the securities laws of the United States and the states therein and any other applicable laws.

Payments; Registration of Transfer

The Trustee will be responsible for (among other things) (a) in its capacity as security registrar, maintaining a record of the aggregate holdings of Notes represented by the Global Notes and, in its capacity as transfer agent, accepting Notes for exchange and registration of transfer, (b) in its capacity as paying agent, making payments in respect of the Notes to the Holders to the extent funds are available therefor (as contemplated by the Indenture) and (c) transmitting notices to Holders and from Holders to the Issuer (in each case as contemplated by the Indenture).

The security registrar will keep at its office a register (the “Register”) in which, subject to such reasonable regulations as it may prescribe, the security registrar will register the Notes and registration of transfers and exchanges of the Notes. In the event of a partial transfer of a Certificated Note, new Certificated Notes will be obtainable at the office of the Trustee in connection with such transfer. In accordance with the Indenture, the Issuer may terminate the appointment of the Trustee and any agent or appoint additional trustees or other agents. The Issuer will cause notice of any resignation, termination or appointment of the Trustee or any agent, and of any change in the office through which any agent will act, to be provided to Holders in accordance with “— Notices” below.

Distributions

Distributions on the Notes will be made by the Trustee directly to the Holders in accordance with the procedures set forth in the Indenture. Payments of interest that may be due on the Notes will be made on each Payment Date to the Holders in whose names the Notes were registered as of the Record Date immediately preceding the corresponding Payment Date. Distributions on Certificated Notes will be made by check mailed to the address of each such Holder as it appears on the Register maintained by the security registrar or by electronic funds transfer to an account maintained by such Holder with a bank having electronic funds transfer capability. Unless such designation for payment by electronic funds transfer is revoked in writing, any such designation made by such Holder with respect to such Note will remain in effect with respect to any future payments in respect of such Note. Distributions on Global Notes will be made to DTC in accordance with its applicable procedures. The Issuer will pay any administrative costs that are imposed in connection with making payments by wire transfer. The final payment on any Note (including any Global Note registered in the name of the nominee of DTC), however, will be made only upon presentation and surrender of such Note at the office or agency of the Trustee.

Any monies deposited with or paid to the Trustee for the payment of the principal, premium, interest or any other amount due with respect to the Notes and not applied but remaining unclaimed for three years after the date upon which such principal, premium, interest or other amount shall have become due and payable, will (to the extent not required to escheat to any governmental authority) upon receipt by the Trustee of a written request transfer from the Issuer be repaid by the Trustee to or for the account of the Issuer, and, to the extent permitted by applicable law, the Person claiming such

money shall thereafter look only to the Issuer for any related payment that it may be entitled to receive, and all liability of the Trustee with respect to such monies shall thereupon cease.

Notices

Any notice or communication to a Holder shall be deemed to have been duly given (i) to Holders of Certificated Notes, upon the mailing of such notice by first class mail to such Holder at its registered address as recorded in the Register; (ii) to Holders of Global Notes in accordance with the applicable procedures of DTC, in each case not later than the latest date, and not earlier than the earliest date, prescribed in the Indenture for the giving of such notice and (iii) for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST shall so require, notices regarding the Notes shall be disclosed by us to the SGX-ST via SGXNET and published by us in a leading newspaper having general circulation in Singapore (which is expected to be The Business Times). If and so long as such Notes are listed on any other securities exchange, notices will also be given in accordance with any applicable requirements of such securities exchange. In the case of Global Notes, notices shall be sent to DTC or its nominees (or any successors), as the Holders thereof, and DTC will communicate such notices to the DTC participants (as defined below) in accordance with its standard procedures. Any requirement of notice hereunder may be waived by the Person entitled to such notice before or after such notice is required to be given, and such waivers shall be filed with the Trustee.

Modification of the Indenture

The Indenture will contain provisions permitting the Issuer and the Trustee, with the consent of the Holders of a majority in aggregate in principal amount of the Outstanding Notes, to modify the Indenture, any supplemental indenture, or the rights of the Holders; *provided* that no such modification shall, without the consent of the Holder of each Outstanding Note adversely affected thereby:

- reduce in any manner the amount of, delay the timing of or alter the priority of, any payments that are required to be made in the Indenture on any Note or reduce any premium and Additional Amounts in respect thereof, or change any date of payment on any Note, or change the place of payment where, or the coin or currency in which, any Note is payable, or impair any Holder's right to institute suit for the enforcement of any payment on or after the due dates therefor;
- reduce the percentage of the Outstanding Notes the consent of which is required for any such amendment, or reduce such percentage required for any waiver or instruction provided for in the Indenture;
- modify certain provisions of the Indenture;
- reduce the premium payable upon the redemption or repurchase of any Note or change the time at which any Note may or shall be redeemed or repurchased in accordance with the Indenture; or
- modify or amend in any manner adverse to the Holders the terms and conditions of the obligation of the Issuer for the due and punctual payment of the principal of or interest on the Notes.
- The Indenture will provide that Notes (or beneficial interests therein) owned by the Issuer or any of its Affiliates shall be disregarded and deemed not to be Outstanding for, among other purposes, consenting to any such modification.

Notwithstanding the foregoing, without the consent of any Holder of the Notes, the Issuer and the Trustee may modify, amend or supplement the Indenture:

- (a) to evidence the succession by another Person to the Issuer and the assumption by any such Successor of the covenants in the Indenture and in the Notes in accordance with “— Certain Covenants — Consolidation, Merger, Conveyance, Sale or Lease”;
- (b) to add to Issuer’s covenants and those of any other Co-Obligor for the benefit of the Holders of the Notes or to surrender any right or power conferred upon us or any other Co-Obligor, as applicable, in the Indenture or in the Notes for the benefit of the Holders of the Notes;
- (c) to cure any ambiguity, or to correct or supplement any provision in the Indenture or the Notes that may be defective or inconsistent with any other provision in the Indenture, the Notes or this description in this offering memorandum;
- (d) to make any other changes with respect to matters or questions arising under the Indenture or the Notes; *provided* that, such changes shall not materially adversely affect the interests of the Holders of the Notes;
- (e) to evidence and provide the acceptance of the appointment of a successor or additional trustee under the Indenture;
- (f) to mortgage, pledge, or grant a security interest in favor of the Trustee or a collateral agent for the benefit of the Holders of the Notes as security for the payment and performance of the Issuer’s obligations under the Indenture, in any property, or assets, including any of which are required to be mortgaged, pledged or hypothecated, or in which a security interest is required to be granted to the Trustee or the collateral agent pursuant to the Indenture or otherwise;
- (g) to add any of the Issuer’s Subsidiaries as Co-Obligor for the benefit of the Holders of the Notes and to make conforming and other related changes to the Indenture not adverse to the Holders of the Notes to reflect any such addition, including, but not limited to, the provisions described in “— Additional Amounts,” “— Optional Redemption—Optional Tax Redemption,” and “— Currency Indemnity” and to set forth conditions to release, if any, of such Co-Obligor from its obligations under the Indenture; and
- (h) to provide for the issuance of Additional Notes in accordance with the terms of and limitations set forth in the Indenture.

Pursuant to article 5 of Law 781 of 2002, any amendment, modification or supplement to the Indenture requires the prior approval from the General Directorate of Public Credit and National Treasury (*Dirección General de Crédito Público y Tesoro Nacional*) pursuant to article 5 of Law 781 of 2002 and other applicable regulation. Notwithstanding the above, the issuance of any Additional Notes requires prior approval from the Ministry of Finance and Public Credit.

The Trustee

UMB Bank, N.A. will be the Trustee under the Indenture. The Trustee’s corporate trust office is presently located at 100 William Street, Suite 1850, New York, New York 10038. The Issuer and its Affiliates may from time to time enter into normal banking and trustee relationships with the Trustee and its Affiliates. In addition, the Trustee may appoint co- or separate trustees to the extent required to meet the legal requirements of a particular jurisdiction.

The Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request or direction of any of the Holders unless such Holders shall have offered to the Trustee security or indemnity acceptable to the Trustee. Subject to such provision for indemnification, the Holders of a majority in principal amount of the Outstanding Notes will have the right to direct the time, method

and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee with respect to the Notes, *provided* that the Trustee shall have the right to decline to follow any such direction if the Trustee shall determine that the action so directed conflicts with any law or the provisions of the Indenture or subjects the Trustee to personal liability.

The rights and duties of the Trustee shall be more fully set forth in the Indenture.

Appointment to Fill Vacancy in Office of Trustee

If the Trustee resigns or is removed or if a vacancy exists in the office of the Trustee for any reason, the Issuer will promptly appoint a successor Trustee meeting certain eligibility requirements by notifying the Trustee in writing. Within one year after the successor Trustee takes office, Holders representing more than 50% of the aggregate principal amount of the Notes then Outstanding may appoint a successor Trustee reasonably acceptable to the Issuer to replace the successor Trustee appointed by the Issuer.

Each successor Trustee shall execute, acknowledge and deliver to the Holders, the Issuer and to its predecessor Trustee an instrument accepting such appointment and, upon the resignation or removal of the predecessor Trustee, such appointment shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor, with like effect as if originally named as Trustee. Upon written request of any such successor Trustee, the Holders and the Issuer shall execute any and all instruments in writing for fully and certainly vesting in and confirming to such successor Trustee all such rights and powers. In the event of a change of Trustee, a notice regarding such a change will be published in Singapore as provided under “— Notices.”

No Personal Liability of Incorporators, Stockholders, Directors, Officers or Employees

The Indenture provides that there will be no recourse against any incorporator, stockholder, officer, director, employee or controlling person of the Issuer for the payment of the principal of, premium, if any, or interest on the Notes or for any claim based thereon or otherwise in respect thereof, and no recourse under or upon any obligation, covenant or agreement of the Issuer in the Indenture or the Notes or because of the creation of any Indebtedness represented thereby. Each Holder, by accepting the Notes, waives and releases all such liability.

Governing Law; Consent to Jurisdiction and Service of Process

The Indenture and the Notes will provide that they will be governed by, and construed in accordance with, the laws of the State of New York, except that (i) all matters relating to authorization and execution by the Issuer of both the Notes and the Indenture will be governed by the laws of Colombia and (ii) all matters related to the authorization and execution of a supplemental indenture to the Indenture by any Co-Obligor will be governed by the jurisdiction of incorporation of any such Co-Obligor. The Issuer (and any Co-Obligor) shall consent to the non-exclusive jurisdiction of (i) the courts of the State of New York and the United States District Court for the Southern District of New York (in either case sitting in Manhattan, New York City), and (ii) the courts of its own corporate domicile, and irrevocably appoint Corporation Service Company as agent for service of process, with respect to any action that may be brought in connection with the Indenture and the Notes and irrevocably appoint Corporation Service Company as agent for service of process in respect of any such actions in the State of New York.

Prescription

Claims against the Issuer for the payment of principal or interest and Additional Amounts in respect of the Notes will be prescribed unless made within six years of the due date for payment of such principal or interest and Additional Amounts.

Currency Indemnity

The Indenture provides that, except to the extent otherwise stated, U.S. Dollars are the sole currency of payment for all sums payable under or in connection with the Indenture or any Note, including with respect to indemnities. To the fullest extent permitted by law (and, subject to Article 86 of External Resolution No. 1 of 2018 of the Board of Governors of the Central Bank of Colombia, as amended or complemented from time to time, which repealed and replaced External Resolution No. 8 of 2000), any amount received or recovered in a currency other than U.S. Dollars (whether as a result of, or of the enforcement of, a judgment, decree or order of a court of any jurisdiction, in the winding-up or dissolution of the Issuer or otherwise) in respect of any sum expressed to be due on the Notes and under the Indenture, shall only constitute a discharge of such obligation to the extent of the amount of U.S. Dollars that the payee of such amounts due is able to purchase in accordance with normal banking or other normal currency exchange procedures with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If such amount of U.S. Dollars is more than the amount expressed to be due on the Notes or under the Indenture, then the payee shall reimburse such excess to the payor. If such amount of U.S. Dollars is less than the amount expressed to be due on the Notes or under the Indenture, then the payor shall indemnify the payee of such amounts against any loss sustained by it as a result. In any event, the payor shall indemnify the payee of such amounts against the cost of making any such purchase. For these purposes, in the event the payee finds it impracticable to make a purchase on the date it receives the payment in a currency other than in U.S. Dollars, it will be sufficient for the payee of such amounts to certify in a reasonable manner (indicating the sources of information used) that it would have suffered a loss had an actual purchase of U.S. Dollars been made with the amount so received in such other currency on the date of receipt or recovery. These indemnities constitute a separate and independent obligation from the other obligations under the Indenture, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by such payee and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any amount due under the Indenture or under any Note.

Certain Defined Terms

The terms listed below have the following meanings when used herein:

“Additional Notes” shall have the meaning given to it under *“— Additional Notes.”*

“Affiliates” shall mean, with respect to any specified Person, any other Person which, directly or indirectly, is in control of, is controlled by or is under common control with such specified Person. For purposes of this definition, control of a Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise, and the terms “controlling” and “controlled” have meanings correlative to the foregoing. For the avoidance of doubt, Persons controlling or under common control of the Issuer or any Subsidiary thereof as of the Closing Date shall include the Capital District of Bogotá and any Persons, directly or indirectly, controlled by the Capital District of Bogotá.

“Board of Directors” shall mean, with respect to any Person, the Board of Directors of such Person or any committee thereof duly authorized to act on behalf of the Board of Directors of such Person.

“*Business Day*” shall mean a day, other than a Saturday, Sunday or other day on which banking institutions in New York City, New York, or Bogotá, Colombia, are permitted or required by applicable law, regulation or executive order, to remain closed.

“*Capital Stock*” of any Person shall mean any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into such equity.

“*Capitalized Lease Obligations*” shall mean an obligation that is required to be classified and accounted for as a capitalized lease for financial reporting purposes in accordance with Colombian IFRS and the amount of Indebtedness represented by such obligation shall be the capitalized amount of such obligation determined in accordance with Colombian IFRS, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

“*Change of Control*” shall mean the occurrence of any of the following events:

- (1) the sale, transfer, conveyance or other disposition (other than by way of a merger or consolidation transaction permitted by the covenant “— Consolidation, Merger, Conveyance, Sale or Lease”) of all or substantially all of the properties or assets of the Issuer and the Subsidiaries, taken as a whole, to any Person (other than to (i) a Subsidiary of the Issuer, (ii) the Capital District of Bogotá, (iii) Colombia or (iv) any governmental entity or political subdivision of Colombia or an entity controlled, directly or indirectly, by the Capital District of Bogotá or Colombia, (v) any Affiliate of the Issuer or (vi) any Person of which Holders of securities that represented 100% of the Voting Stock of the Issuer immediately prior to such transaction own directly or indirectly at least a majority of the voting power of the Voting Stock of such Person immediately after such transaction); or
- (2) the Capital District of Bogotá (or Colombia or any governmental entity or political subdivision thereof) ceases to have, directly or indirectly, the power to elect, or shall not have elected a majority of the Board of Directors of the Issuer; or
- (3) the Capital District of Bogotá (or Colombia or any governmental entity or political subdivision thereof) ceases to own beneficially and of record more than 50% of the Capital Stock and the Voting Stock of the Issuer.

“*Change of Control Offer*” shall have the meaning given to it under “— Repurchases at the Option of the Holders of the Notes Upon Change of Control Repurchase Event.”

“*Change of Control Payment*” shall have the meaning given to it under “— Repurchases at the Option of the Holders of the Notes Upon Change of Control Repurchase Event.”

“*Change of Control Payment Date*” shall have the meaning given to it under “— Repurchases at the Option of the Holders of the Notes Upon Change of Control Repurchase Event.”

“*Change of Control Repurchase Event*” shall mean the occurrence of both a Change of Control and a Rating Downgrade Event.

“*Closing Date*” shall mean November 9, 2023.

“*Colombian IFRS*” shall mean IFRS as adopted in Colombia.

“*Colombia*” shall mean the Republic of Colombia.

“*Consolidated Net Tangible Assets*” shall mean the Total Assets of the Issuer and its Subsidiaries less goodwill and intangibles (other than intangibles arising from, or relating to, intellectual property, licenses or permits (including, but not limited to, emissions rights) of the Issuer and its Subsidiaries), in each case calculated in accordance with Colombian IFRS, less current liabilities (other than current maturities of long-term debt); *provided* that in the event that the Issuer or any of its Subsidiaries assumes any indebtedness or acquires any assets in connection with the acquisition by the Issuer or any of its Subsidiaries of another Person subsequent to the commencement of the period for which the Consolidated Net Tangible Assets is being calculated but prior to the event for which the calculation of the Consolidated Net Tangible Assets is made, then the Consolidated Net Tangible Assets shall be calculated giving *pro forma* effect to such assumption of indebtedness or acquisition of assets, as if the same had occurred at the beginning of the applicable period.

“*Co-Obligor*” shall have the meaning given to it under “— Co-Obligors.”

“*Corporate Trust Office*” shall mean the office of the Trustee on the Closing Date located at 100 William Street, Suite 1850, New York, New York 10038, or such other office as the Trustee may from time to time designate in writing to the Issuer.

“*covenant defeasance*” shall have the meaning given to it under “— Defeasance.”

“*Currency Agreement*” shall mean, with respect to any Person, any foreign exchange contract, currency swap agreement or other similar agreement or arrangement to which such Person is a party or of which it is a beneficiary.

“*Default*” shall mean any event that is, or after notice or passage of time or both would be, an Event of Default.

“*defeasance*” shall have the meaning given to it under “— Defeasance.”

“*DTC*” shall mean The Depository Trust Company, a New York corporation.

“*Exchange Act*” shall mean the United States Securities and Exchange Act of 1934, as amended.

“*External Indebtedness*” shall mean Indebtedness other than Internal Indebtedness.

“*Fitch*” shall mean Fitch Ratings Ltd. or any successor thereto (including the surviving entity of any merger with another Rating Agency).

“*GEB*” shall mean Grupo Energía Bogotá S.A. E.S.P., a public utility company (*empresa de servicios públicos*) organized as a stock corporation (*sociedad anónima por acciones*) under the laws of Colombia.

“*Government Guaranteed Indebtedness*” means any Indebtedness incurred by a Person with a multilateral or development financial institution as creditor or guarantor, which Indebtedness is guaranteed by the Republic of Colombia.

“*Guarantee*” shall mean any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any other Person and any obligation, direct or indirect, contingent or otherwise, of any Person (1) to purchase or pay (or advance or supply funds for the purchase

or payment of) such Indebtedness of such other Person (whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise) or (2) entered into for purposes of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part); *provided, however*, that the term “Guarantee” shall not include endorsements for collection or deposit in the ordinary course of business. The term “Guarantee” used as a verb has a correlative meaning.

“*Hedging Agreement*” shall mean (a) any and all Interest Rate Agreements, Currency Agreements, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts or any other similar transactions or any combination of the foregoing (including any option to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, traded at the over-the-counter or standardized markets and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or are governed by any form of master agreement published by the International Swaps and Derivative Association, Inc., any International Foreign Exchange Master Agreement or any other master agreement (including such master agreement, together with any related schedules, a “Master Agreement”) including any such obligations or liabilities under any Master Agreement.

“*Hedging Obligations*” of any Person shall mean the obligations of such Person pursuant to any Interest Rate Agreement or Hedging Agreement.

“*IFRS*” shall mean the International Financial Reporting Standards, as issued by the International Accounting Standards Board.

“*Indebtedness*” shall mean, with respect to any Person, on any date of determination (without duplication):

- (1) any obligation of such Person (a) for borrowed money, under any reimbursement obligation relating to a letter of credit (other than letters of credit payable to suppliers, customer deposits and advance customer payments, each in the ordinary course of business), under any reimbursement obligation relating to a financial bond or under any reimbursement obligation relating to a similar instrument or agreement, (b) for the payment of money relating to any obligations under any capital lease of real or personal property, or (c) to the extent not otherwise included in this definition, the aggregate net termination value of all Hedging Obligations of such Person; and
- (2) any amendment, supplement, modification, deferral, renewal, extension or refunding of any liability of the types referred to in clause (1) above. For the purpose of determining any particular amount of Indebtedness under this definition, Guarantees of (or obligations with respect to letters of credit) Indebtedness otherwise included in the determination of such amount shall not be included.

“*Interest Rate Agreement*” shall mean, with respect to any Person, any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement or other similar agreement or arrangement to which such Person is a party or a beneficiary.

“*Internal Indebtedness*” shall mean any Indebtedness between residents of the Colombian territory (as defined in Article 2.17.1.2 of Decree 1068 of 2015 of Colombia and denominated in Pesos.

“*Investment Grade Rating*” means a rating equal to or higher than Baa3 (or the equivalent) by Moody’s, BBB- (or the equivalent) by S&P and BBB- (or equivalent) by Fitch.

“*Issuer*” shall mean Grupo Energía Bogotá S.A. E.S.P., a public utility company (*empresa de servicios públicos*) organized as a stock corporation (*sociedad anónima por acciones*) under the laws of Colombia.

“*Lien*” shall mean any mortgage, pledge, lien, hypothecation, security interest or other charge or encumbrance on any property or asset including, without limitation, any equivalent created or arising under applicable law.

“*Maturity Date*” shall mean November 9, 2033.

“*Moody’s*” shall mean Moody’s Investor Services, Inc. or any successor thereto (including the surviving entity of any merger with another Rating Agency).

“*Noteholder*” or “*Holder*” shall mean the Person in whose name a Note is registered on the Register.

“*Officers’ Certificate*” shall mean a certificate signed by two officers (as defined in the Indenture) or by an officer and the Chief Financial Officer of the Issuer or any Subsidiary, as the case may be, and delivered to the Trustee.

“*Other Taxes*” shall mean any and all stamp, documentary or similar taxes, or any other excise or similar levies that arise on account of the execution, delivery, registration, recording or enforcement of the Notes and the Indenture (other than any Taxes paid in accordance with the first paragraph of “— Additional Amounts”).

“*Outstanding*” when used with respect to the Notes, shall mean, as of the date of determination, all Notes theretofore authenticated and delivered under the Indenture, except:

- (1) Notes theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;
- (2) Notes, or portions thereof, for whose payment or redemption money in the necessary amount has been theretofore deposited with the Trustee or any paying agent (other than the Issuer) in trust or set aside and segregated in trust by the Issuer (if the Issuer shall act as its own paying agent) for the Holders of such Notes; *provided* that, if such Notes are to be redeemed, notice of such redemption has been duly given pursuant to the Indenture or provision therefor satisfactory to the Trustee has been made; and
- (3) Notes which have been paid pursuant to the provisions for mutilated Notes under the Indenture or in exchange for or in lieu of which other Notes have been authenticated and delivered pursuant to the Indenture, other than any such Notes in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Notes are held by a protected purchaser in whose hands such Notes are valid obligations of the Issuer;

provided, however, that in determining whether the Holders of the requisite principal amount of the Outstanding Notes have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Notes owned by the Issuer or its Subsidiaries shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such

request, demand, authorization, direction, notice, consent or waiver, only Notes which a Responsible Officer of the Trustee actually knows to be so owned shall be so disregarded. Notes so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the reasonable satisfaction of the Trustee the pledgee's right so to act with respect to such Notes and that the pledgee is not any of the Issuer or its Subsidiaries.

"Payment Date" shall have the meaning given to it under "— The Notes and the Indenture."

"Person" shall mean an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, other entity or governmental authority.

"Pesos" or "Ps." shall mean the lawful currency of Colombia;

"Preferred Stock" shall mean, with respect to the Capital Stock of any Person, any class or classes (however designated) that is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

"Purchase Money Obligation" shall mean:

- (1) mortgage financings, purchase money obligations or other Indebtedness incurred or assumed for the purpose of financing or refinancing all or any part of the purchase price, lease, expense or cost of any property or asset, tangible or intangible used in any Related Business (including the documented cost of design, development, acquisition, construction (including capitalized interests), installation, improvement, transportation, integration and prepaid maintenance and all reasonable and documented related fees or expenses) or
- (2) Indebtedness incurred in connection with any lease financing transaction whether such lease will be treated as an operating lease or a Capitalized Lease Obligation in accordance with Colombian IFRS.

"QIB" shall mean a "qualified institutional buyer" as such term is defined from time to time for purposes of Rule 144A.

"Rating Agencies" shall mean Fitch, Moody's and S&P or, if any of Fitch, Moody's or S&P shall not make a rating on the Notes publicly available, such other "nationally recognized statistical rating organization" (within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act) as the Issuer may select (as certified by a resolution of the Board of Directors of the Issuer) as a replacement agency for Fitch, Moody's or S&P or each of them, as the case may be.

"Rating Downgrade Event" shall mean the downgrade below an Investment Grade Rating of the rating of the Notes, during a period (the "Trigger Period") commencing on the earlier of (a) the first public announcement by the Issuer of any Change of Control (or pending Change of Control) and (b) the consummation of a Change of Control, and ending sixty (60) days following consummation of such Change of Control (which Trigger Period shall be extended following consummation of a Change of Control for so long as any of the Rating Agencies has publicly announced that it is considering a possible ratings change in whole or in part related to or in connection with such Change of Control), by at least two Rating Agencies (if the Notes are rated by two or more Rating Agencies at the time of such public notice) or one Rating Agency (if the Notes are rated by only one Rating Agency at the time of such public notice); *provided* that any such Rating Downgrade Event is in whole or in part related to or in connection with a Change of Control.

“*Record Date*” shall mean, with respect to any payment of principal or interest on any Note, the fifteenth day prior to the due date for such payment (whether or not a Business Day).

“*Redemption Date*” shall mean, when used with respect to any Note to be redeemed, the date fixed for such redemption by or pursuant to the Indenture.

“*Register*” shall have the meaning given to it under “— Payments; Registration of Transfer.”

“*Regulation S*” shall mean Regulation S under the Securities Act.

“*Related Business*” shall mean the businesses conducted by the Issuer and its Subsidiaries on the Closing Date and any business related, incidental, ancillary or complementary to the businesses of the Issuer and its Subsidiaries on the Closing Date as described in the offering memorandum related to the Notes.

“*Responsible Officer*” shall mean, with respect to the Trustee, except as otherwise provided in the Indenture, any officer of the Trustee who shall have direct responsibility for the administration of the Indenture, and also means, with respect to a particular matter, any other officer to whom such matter is referred because of such officer’s knowledge of and familiarity with the particular subject.

“*Rule 144A*” shall mean Rule 144A under the Securities Act.

“*S&P*” shall mean S&P Global Ratings, a division of The McGraw Hill Corporation, or any successor thereto (including the surviving entity of any merger with another Rating Agency).

“*Securities Act*” shall mean the United States Securities Act of 1933, as amended.

“*Significant Subsidiary*” shall mean a Subsidiary of any Person which would be a “significant subsidiary” within the meaning of Rule 405 under the Securities Act in effect on the date of the Indenture, assuming such Person is the registrant referred to in such definition.

“*Stated Maturity*” shall mean, with respect to any Indebtedness, the date specified in such Indebtedness as the fixed date on which the final payment of principal of such Indebtedness is due and payable, including, with respect to any principal amount that is then due and payable pursuant to any mandatory redemption or prepayment provision, the date specified for the payment thereof (but excluding any provision providing for the repurchase or prepayment of such Indebtedness at the option of the Holder thereof upon the happening of any contingency beyond the control of the obligor thereunder unless such contingency has occurred).

“*Subsidiary*” shall mean, with respect to any Person (the “parent”) at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent’s consolidated financial statements if such financial statements were prepared in accordance with Colombian IFRS as of such date, as well as any other corporation, limited liability company, partnership, association or other entity (1) of which securities or other ownership interests representing more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held; or (2) that is, as of such date, otherwise controlled by the parent or one or more Subsidiaries of the parent.

“*Taxes*” shall mean any and all income, stamp or other taxes, duties, levies, imposts, charges, fees, deductions or withholdings (including interest and penalties with respect to the foregoing), now or hereafter imposed, levied, collected, withheld or assessed by any governmental authority of Colombia (or the

jurisdiction of incorporation of any Co-Obligor) or any political subdivision thereof, any authority of or in such jurisdiction having the power to impose taxes, any jurisdiction in which the Issuer (or any Co-Obligor) is deemed resident for tax purposes or any jurisdiction through which payments are made (each, a “Taxing Jurisdiction”).

“*Total Assets*” shall mean with respect to any Person, the total consolidated assets of such Person and its Subsidiaries, without giving effect to any amortization of the amount of intangible assets since the Closing Date, (x) as shown on the most recent balance sheet of such Person, or (y) in regards to the Issuer only, as shown on the most recent balance sheet required to be delivered pursuant to the covenant under “— Certain Covenants — Financial Reporting.”

“*U.S. Dollars*” or “*U.S.\$*” shall mean the lawful currency for the time being in the United States of America.

“*U.S. Government Obligations*” shall mean direct obligations (or certificates representing an ownership interest in such obligations) of the United States (including any agency or instrumentality thereof) for the payment of which the full faith and credit of the United States is pledged and that are not callable or redeemable at the issuer’s option.

“*Voting Stock*” of a Person shall mean all classes of Capital Stock or other interests (including partnership interests) of such Person then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof.

Book-Entry, Delivery and Form

The Notes will be represented by one or more definitive, fully registered securities in global form. A global security is a special type of indirectly held debt security.

All Notes initially sold in the United States or to U.S. persons will be restricted Notes (“Restricted Notes”). The Restricted Notes will be issued in definitive, fully registered form without interest coupons to QIBs pursuant to Rule 144A, in the form of beneficial interests in one or more global notes in registered form (“Restricted Global Notes”) registered in the name of a nominee of DTC, and will be deposited with the Trustee as custodian for DTC.

The Restricted Global Notes (and any Notes issued in exchange for them) will be subject to certain restrictions on transfer set forth therein and in the Indenture (the “Transfer Restrictions”) and will bear the legend relating to such restrictions set forth under “Transfer Restrictions — Investors’ Representations and Restrictions on Resale” in this offering memorandum.

Notes sold to persons other than U.S. persons in offshore transactions in reliance on Regulation S (“Regulation S Notes”) will initially be represented by one or more global Notes in definitive, fully registered form without interest coupons (collectively, the “Regulation S Global Notes” and, together with the Restricted Global Notes, the “Global Notes”) registered in the name of a nominee of DTC, and will be deposited with the Trustee as custodian for DTC. The Notes will be subject to certain restrictions on transfer set forth therein and will bear the legend relating to such restrictions set forth under “Transfer Restrictions — Investors’ Representations and Restrictions on Resale” in this offering memorandum.

Each Global Note will be deposited with the Trustee, as custodian for DTC, and will be registered in the name of Cede & Co., as nominee of DTC. Any person wishing to own a beneficial interest in the Notes must do so indirectly by virtue of an account with a broker, bank or other financial institution that in turn has an account with DTC.

As an indirect holder, an investor's rights relating to a Global Note will be governed by the account rules of the investor's financial institution and of DTC, as well as general laws relating to securities transfers. The Issuer does not recognize this type of investor as a Holder of the Notes under the Indenture and instead deals only with DTC, as the registered owner of the Global Notes.

- An investor should be aware that because the Notes are issued only in global form:
- the investor cannot get the Notes registered in the investor's own name;
- the investor cannot receive physical certificates for the investor's interest in the Notes except in limited circumstances;
- the investor will be a "street name" holder and must look to his or her own bank or broker for payments on the Notes and protection of the investor's legal rights relating to the Notes;
- the investor may not be able to sell interests in the Notes to some insurance companies and other institutions that are required by law to own their securities in the form of physical certificates; and
- DTC's policies will govern payments, transfers, exchange and other matters relating to the investor's interest in the Global Note. None of the Issuer, the Trustee and their respective agents have any responsibility for any aspect of DTC's actions or for its records of ownership interests in the Global Note. The Issuer, the Trustee and their respective agents also do not supervise DTC in any way.

In a few special situations described below, the Global Notes will terminate and interests in them will be exchanged for physical certificates representing the Notes. After that exchange, the choice of whether to hold the Notes directly or in "street name" will be up to the investor. Investors must consult their own bank or brokers in the event of such special situation to find out how to have their interests in the Notes transferred to their own name so that they will be direct Holders.

The special situations for termination of the Global Notes are when:

- DTC or its successor depository is unwilling, unable or no longer qualified to continue as depository for the Notes or ceases to be a "clearing agency" registered under the Exchange Act, and no successor depository has been appointed within 90 days of notification of this to the Issuer or of the Issuer becoming aware of this; or
- an Event of Default on the Notes has occurred and not been cured.

The laws of some jurisdictions may require that certain persons take physical delivery of securities in certificated form. Consequently, the ability to transfer beneficial interests in a Global Note to such persons may be limited. Because DTC can act only on behalf of DTC participants, which, in turn, act on behalf of indirect DTC participants and certain banks, the ability of an investor to pledge the investor's beneficial interest in a Note to persons that do not participate in the DTC system, or otherwise take actions in respect of such beneficial interest, may be affected by the lack of a physical certificate evidencing such interest.

DTC

DTC has advised the Issuer as follows:

- DTC is a limited-purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform

Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for DTC participants and to facilitate the clearance and settlement of transactions among its participants in those securities through electronic book-entry changes in accounts of DTC participants, thereby eliminating the need for physical movement of certificates.

- DTC participants include certain securities brokers and dealers, banks, trust companies and clearing corporations and may in the future include certain other organizations (“DTC participants”). Indirect access to the DTC system is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a DTC participant, either directly or indirectly (“indirect DTC participant”).
- Transfers of ownership or other interests in Notes in DTC may be made only through DTC participants. Indirect DTC participants are required to effect transfers through a DTC participant. DTC has no knowledge of the actual beneficial owners of the Notes. DTC’s records reflect only the identity of the DTC participants to whose accounts the Notes are credited, which may not be the beneficial owners. DTC participants will remain responsible for keeping account of their holdings on behalf of their customers and for forwarding all notices concerning the Notes to their customers.
- So long as DTC, or its nominee, is a registered owner of the Global Notes, payments of principal and interest on the Notes will be made in immediately available funds in accordance with the DTC participants’ holdings shown on DTC’s records. Each relevant DTC participant is credited with an amount proportionate to its beneficial ownership of an interest in the principal amount of the relevant security as shown on the records of DTC. Payments by the DTC participants and the indirect DTC participants to the beneficial owners of Notes will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of the DTC participants and not of DTC, the Trustee or the Issuer, or their respective agents subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Issuer. Disbursement of payments to DTC participants will be DTC’s responsibility, and disbursement of payments to the beneficial owners will be the responsibility of DTC participants and indirect DTC participants.
- Because DTC can only act on behalf of DTC participants, who in turn act on behalf of indirect DTC participants, and because owners of beneficial interests in the Notes holding through DTC will hold interests in the Notes through DTC participants or indirect DTC participants, the ability of the owners of beneficial interests to pledge the Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to the Notes, may be limited.
- Ownership of interests in the Notes held by DTC will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC, the DTC participants and the indirect DTC participants. The laws of some jurisdictions require that certain persons take physical delivery in definitive form of securities which they own. Consequently, the ability to transfer beneficial interests in the Notes held by DTC is limited to that extent.

Euroclear and Clearstream Positions and Procedures

Euroclear and Clearstream will hold omnibus positions on behalf of their participants through customers’ securities accounts in Euroclear’s and Clearstream’s names on the books of their respective system depositaries which in turn will hold the positions in customers’ securities accounts in the system depositaries’ names on the books of DTC. Euroclear and Clearstream are indirect DTC participants.

Subject to compliance with the transfer restrictions applicable to the Notes described below under “— Registration of Transfer and Exchange,” cross-market transfers between DTC participants, on the one hand, and Euroclear participants or Clearstream participants, on the other hand, will be effected in DTC in accordance with DTC’s rules on behalf of Euroclear or Clearstream, as the case may be; *provided*, that such cross-market transfers will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with the rules and procedures and within the established deadlines (Brussels/Luxembourg time) of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depository to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant Global Notes in DTC, and by making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositories for Euroclear or Clearstream.

Because of time zone differences, the securities account of a participant with Euroclear or Clearstream purchasing a beneficial interest in a Global Note from a DTC participant will be credited during the securities settlement processing day (which must be a business day for Euroclear or Clearstream, as applicable) immediately after the DTC settlement date, and such credit of any transaction or beneficial interest in a Global Note settled during such processing day will be reported to the relevant participant with Euroclear or Clearstream on such day. Cash received in Euroclear or Clearstream as a result of sales of beneficial interests in a Global Note by or through a participant with Euroclear or Clearstream to a DTC participant will be received with value on the DTC settlement date, but will be available in the relevant Euroclear or Clearstream cash account only as of the Business Day after settlement in DTC.

The Issuer expects that DTC will take any action permitted to be taken by a Holder (including the presentation of Notes for exchange as described below) only at the direction of one or more DTC participants to whose account such DTC interests in the Global Notes are credited and only in respect of such portion of the aggregate principal amount of the Notes to which such DTC participant(s) has/have given such direction.

Although the foregoing procedures are those currently in place to facilitate transfers of interests in the Global Notes among DTC participants, Euroclear participants and Clearstream participants, DTC, Euroclear and Clearstream are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither the Issuer nor the Trustee nor any of their respective agents will have any responsibility for the performance by DTC, Euroclear, Clearstream or their respective participants, or indirect participants, of their respective obligations under the rules and procedures governing their transactions.

Registration of Transfer and Exchange

General

Subject to the restrictions on transfer contained in the Indenture, and described below and in “Transfer Restrictions — Investors’ Representations and Restrictions on Resale,” and the limitations applicable to Global Notes, Notes may be presented for exchange for other Notes of any authorized denominations and of a like tenor and aggregate principal amount or for registration of transfer by the Holder thereof or his attorney duly authorized in writing, with the form of transfer thereon duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Issuer or the Trustee duly executed, at the office of the security registrar or at the office of any transfer agent designated by the Issuer for such purpose. No service charge will be made for any exchange or registration of transfer of Notes, but the Issuer may require payment of a sum by the Holder of a Note sufficient to cover any tax or other governmental charge payable in connection therewith.

Such transfer or exchange will be effected upon the security registrar or such transfer agent, as the case may be, being satisfied with the documents of title and identity of the person making the request. The security registrar may decline to accept any request for an exchange or registration of transfer of any Note during the period of 15 days preceding the due date for any payment of principal of or any other payments on or in respect of the Notes. The Issuer has appointed the Trustee as security registrar and transfer agent for the Notes. The Issuer may at any time designate additional transfer agents or rescind the designation of any transfer agent or approve the change in the office through which any transfer agent acts; *provided, however*, that there shall at all times be a security registrar in the Borough of Manhattan, City of New York.

Upon the transfer, exchange or replacement of Restricted Notes or Regulation S Notes bearing the legend referred to under “Transfer Restrictions — Investors’ Representations and Restrictions on Resale,” or upon specific request for removal of such legend on a Note, the Trustee will deliver only Notes that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to the Issuer or the Trustee such evidence as shall be satisfactory to the Issuer, which may include an opinion of counsel, as may reasonably be required by the Issuer or the Trustee that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

Transfers Within Global Notes

Subject to the procedures and limitations described above, transfers of beneficial interests within a Global Note may be made without delivery to the Issuer or the Trustee of any written certifications or other documentation by the transferor or transferee.

Transfers Between Global Notes

Prior to the 41st day after the later of the commencement of this offering and the Closing Date (the “Restriction Date”), a beneficial interest in a Regulation S Global Note may be transferred only to another person who takes delivery in the form of an interest in a Regulation S Global Note or to a person who takes delivery in the form of an interest in a Restricted Global Note, upon receipt by the Trustee of a written certification from the transferor (in the form provided in the Indenture) to the effect that such Notes are being transferred in accordance with Rule 144A under the Securities Act to a transferee that the transferor reasonably believes is purchasing the Notes for its own account or for accounts as to which it exercises sole investment discretion and that it, and, if applicable, each such account is a QIB within the meaning of Rule 144A, in each case, in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

Beneficial interests in a Restricted Global Note may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Note, whether before, on or after the Restriction Date, only upon receipt by the Trustee of a written certification from the transferor (in the form provided in the Indenture) to the effect that such transfer is being made in accordance with Rule 903 or Rule 904 of Regulation S (as applicable). Except in the circumstances described herein, owners of beneficial interests in Global Notes will not be entitled to receive physical delivery of Certificated Notes (as defined below).

Any beneficial interest in any Global Note that is transferred to a person who takes delivery in the form of an interest in the other type of Global Note will, upon transfer, cease to be an interest in such Global Note and become an interest in the other type of Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other type of Global Note for as long as it remains such an interest.

Transfers or Exchanges from Global Notes to Certificated Notes

If (a) DTC or any successor depositary is at any time unwilling, unable or no longer qualified to continue as a depositary for the Notes or ceases to be a “clearing agency” registered under the Exchange Act, and a successor depositary is not appointed by the Issuer within 90 days of notification of this to the Issuer or of the Issuer becoming aware of this or (b) an Event of Default on the Notes has occurred and not been cured, the Issuer will issue Notes in certificated, non- global, definitive form (“Certificated Notes”) of like tenor in denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof in exchange for the Regulation S Global Notes and Restricted Global Notes, as the case may be.

In all cases, Certificated Notes delivered in exchange for any Global Note or beneficial interests therein will be registered in the names, and issued in any approved denominations, requested by DTC.

For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, in the event that a Global Note is exchanged for a Certificated Note, the Issuer will appoint and maintain a paying agent in Singapore, where the Certificated Notes may be presented or surrendered for payment or redemption. In addition, in the event that a Global Note is exchanged for a Certificated Note, an announcement of such exchange will be made by or on behalf of the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the Certificated Notes, including details of the paying agent in Singapore.

Same Day Settlement and Payment

Settlement for the Notes must be made by the Initial Purchasers in immediately available funds. All payments of interest or premium on, principal of, or Additional Amounts on, Global Notes will be made in immediately available funds.

So long as Notes are represented by a Global Note registered in the name of DTC or its nominee, the Notes will trade in DTC’s Same-Day Funds Settlement System and secondary market trading activity in the Notes will be required by DTC to settle in immediately available funds on trading activity in the Notes. Transfers between participants in Euroclear and Clearstream will be effected in the ordinary manner in accordance with their respective rules and operating procedures.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a general discussion based upon present law of certain U.S. federal income tax considerations for prospective purchasers of the Notes. The discussion addresses only persons that purchase Notes in the original offering, hold the Notes as capital assets, and, in the case of U.S. Holders (as defined below), use the U.S. dollar as their functional currency. The discussion does not consider the circumstances of particular purchasers, some of which (such as financial institutions, insurance companies, regulated investment companies, tax exempt organizations, dealers, traders who elect to mark their investment to market, persons required to accelerate the recognition of any item of gross income as a result of such income being recognized on an “applicable financial statement,” and persons holding the Notes as part of a hedge, straddle, conversion, constructive sale or integrated transaction) are subject to special tax regimes. The discussion does not address any state, local or foreign taxes, the Medicare tax on net investment income or the federal alternative minimum tax. Prospective investors should note that no rulings have been, or are expected to be, sought from the U.S. Internal Revenue Service (the “IRS”) with respect to any of the U.S. federal income tax consequences discussed below, and no assurance can be given that the IRS or a court will not take contrary positions.

EACH PROSPECTIVE PURCHASER IS URGED TO CONSULT ITS OWN TAX ADVISOR ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE NOTES UNDER THE STATE AND LOCAL LAWS OF THE UNITED STATES, COLOMBIA AND THE LAWS OF ANY OTHER JURISDICTION WHERE THE PURCHASER MAY BE SUBJECT TO TAXATION.

For purposes of this discussion, “U.S. Holder” means the beneficial owner of a Note that for U.S. federal income tax purposes is:

- a citizen or individual resident of the United States;
- a corporation organized in or under the laws of the United States or any political subdivision thereof;
- a trust subject to the control of one or more U.S. persons and the primary supervision of a U.S. court or that has validly elected to be treated as a U.S. person; or
- an estate the income of which is subject to U.S. federal income taxation regardless of its source.

“Non-U.S. Holder” means a person (other than a partnership) that is a beneficial owner of a Note other than a U.S. Holder.

The treatment of partners in a partnership that owns Notes may depend on the status of such partners and the status and activities of the partnership and such persons should consult their own tax advisors about the consequences of an investment in the Notes.

Potential Contingent Payment Debt Instrument Treatment

In certain circumstances GEB may be required to make payments on a Note that would change the yield of the Note. See “Description of the Notes — Repurchases at the Option of the Holders of the Notes Upon Change of Control Repurchase Event” and “— Optional Redemption.” This obligation may implicate the provisions of Treasury regulations relating to contingent payment debt instruments (“CPDIs”). According to the applicable Treasury regulations, certain contingencies will not cause a debt instrument to be treated as a CPDI if such contingencies, as of the date of issuance, are “remote or incidental” or certain other circumstances apply. GEB intends to take the position that the Notes are not CPDIs. This determination, however, is not binding on the IRS and if the IRS were to challenge this determination, a

U.S. Holder may be required to accrue income on the Notes that such U.S. Holder owns in excess of stated interest, and to treat as ordinary income rather than capital gain any income realized on the taxable disposition of such Notes before the resolution of the contingency. If the Notes are not CPDIs but such contingent payments were required to be made, it would affect the amount and timing of the income that a U.S. Holder recognizes. U.S. Holders are urged to consult their own tax advisors regarding the potential application to the Notes of the CPDI rules and other rules above and the consequences thereof. The remainder of this discussion assumes that the Notes will not be treated as CPDIs.

Interest

Stated interest paid to a U.S. Holder, and any Additional Amounts with respect to withholding tax on the Notes (including the amount of tax withheld from payments of interest and Additional Amounts), will be includible in the U.S. Holder's gross income as ordinary interest income at the time interest and Additional Amounts are received or accrued in accordance with the U.S. Holder's regular method of tax accounting for U.S. federal income tax purposes. It is expected, and the remainder of this discussion assumes, that the Notes will not be issued with original issue discount for U.S. federal income tax purposes.

Interest on the Notes generally will be treated as foreign source income for U.S. federal income tax purposes and generally will constitute "passive category" income for most U.S. Holders. Subject to generally applicable restrictions and conditions (including a minimum holding period requirement), a U.S. Holder generally will be entitled to a foreign tax credit in respect of any foreign income taxes withheld on interest payments on the Notes. Alternatively, the U.S. Holder may be able to deduct such taxes in computing taxable income for U.S. federal income tax purposes. The rules governing the foreign tax credit are complex. U.S. Holders are urged to consult their tax advisors regarding the availability of the foreign tax credit or a deduction for foreign taxes paid under their particular circumstances.

Sale, Exchange or Other Taxable Disposition

Upon the sale, exchange or other taxable disposition (including redemption) of a Note, a U.S. Holder generally will recognize taxable gain or loss equal to the difference, if any, between the amount realized on the sale, exchange or other taxable disposition (other than accrued but unpaid interest, which will be taxable as interest) and the U.S. Holder's adjusted tax basis in the Note. A U.S. Holder's adjusted tax basis in a Note generally will be equal to the amount that the U.S. Holder paid for the Note. Any such gain or loss generally will be capital gain or loss and generally will be long-term capital gain or loss if the Note has been held for more than one year at the time of its sale, exchange or other taxable disposition. Certain noncorporate U.S. Holders (including individuals) may be eligible for preferential rates of U.S. federal income tax in respect of long-term capital gains. The deductibility of capital losses is subject to limitations.

Significant Modification Resulting from a Co-Obligor Addition

It is possible that any of the Issuer's Subsidiaries or another party may become a co-issuer, additional obligor or guarantor of the Original Notes (a "Co-Obligor Addition"). For U.S. federal income tax purposes, the addition or deletion of a co-obligor or guarantor on a debt instrument as a result of a Co-Obligor Addition is a significant modification if the addition or deletion of such co-obligor results in a change in payment expectations. If a Co-Obligor Addition were treated as a "significant modification" for U.S. federal income tax purposes, then unless an exception exists at the time of the Co-Obligor Addition, the Co-Obligor Addition could cause a U.S. Holder of Notes to recognize gain for U.S. federal income tax purposes equal to the difference, if any, between (i) the fair market value of the modified Notes (if the Notes are treated as publicly traded) or its principal amount (if the Notes are not treated as publicly traded), in each case not including any accrued but unpaid interest (which will be taxable as such) and (ii) the U.S.

Holder's tax basis in the Notes. Any gain will be long-term capital gain if the Notes were held as a capital asset for more than one year at the time of the Co-Obligor Addition, or otherwise short-term capital gain. The tax on any such gain may exceed the after-tax distributions on the Notes during the taxable year in which the Co-Obligor Addition occurs, in which case the U.S. Holder would be required to fund its tax liability in respect of the gain from other sources. In the event that a Co-Obligor Addition is treated as a taxable exchange for U.S. federal income tax purposes, the U.S. Holder's holding period in respect of the Notes will begin on the day following the Co-Obligor Addition. U.S. Holders may not be permitted to recognize loss upon a Co-Obligor Addition. In addition, a Co-Obligor Addition that results in a significant modification could create or change the amount of any original issue discount ("OID") that U.S. Holders are required to include with respect to their Notes. Finally, in the event that the issue price of the deemed new Notes were less than the adjusted issue price of such Notes, the Issuer may be required to recognize cancellation of indebtedness income. This may result in adverse consequences for any U.S. Holders of equity in the Issuer (and any Notes recharacterized as equity in the Issuer for U.S. federal income tax purposes). For example, a U.S. Holder of equity in the Issuer may be required to include its pro rata share of the Issuer's cancellation of indebtedness income. U.S. Holders should consult their own tax advisors regarding the tax consequences of a Co-Obligor Addition.

Issuances of Additional Notes May Not Be Fungible with Outstanding Notes.

The Issuer may issue and sell Additional Notes if the conditions for such additional issuance are satisfied. Such Additional Notes may have terms that are identical to the respective terms of the Original Notes. Whether any Additional Notes would be fungible for U.S. federal income tax purposes with the Original Notes would depend on whether the issuance of such Additional Notes would be treated as a "qualified reopening" for such purposes. This determination will depend on facts that cannot be determined at this time, including the date on which such issuance occurs, the yield of the Outstanding Notes (based on their fair market value) and whether such Outstanding Notes are publicly traded or quoted at that time. If Additional Notes are not issued in a qualified reopening and such Additional Notes are issued with OID (or with more OID than the Original Notes), the price of the Original Notes could be adversely affected.

Non-U.S. Holders

Subject to the discussion of backup withholding below, a Non-U.S. Holder generally will not be subject to U.S. federal withholding tax on interest and Additional Amounts on or gain with respect to the Notes. A Non-U.S. Holder also generally will not be subject to U.S. federal income tax on a net income basis with respect to interest and Additional Amounts received in respect of the Notes or gain realized on the sale, exchange or other taxable disposition (including redemption) of the Notes, unless that interest or gain is effectively connected with the conduct by the Non-U.S. Holder of a trade or business within the United States or, in the case of gain realized by an individual Non-U.S. Holder, the Non-U.S. Holder is present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met.

U.S. Backup Withholding and Information Reporting

Information reporting generally will apply to payments of principal of, and interest on, Notes (including Additional Amounts), and to proceeds from the sale, exchange or other taxable disposition (including redemption) of Notes, to a U.S. Holder (other than an exempt recipient). Backup withholding may be required on reportable payments if the holder fails to furnish its correct taxpayer identification number or otherwise fails to comply with, or establish an exemption from, information reporting and backup withholding. Non-U.S. Holders generally will be required to comply with applicable certification procedures to establish that they are not U.S. Holders in order to avoid the application of information reporting and backup withholding. Backup withholding is not an additional tax. A holder of Notes generally

will be entitled to credit any amounts withheld under the backup withholding rules against its U.S. federal income tax liability or to obtain a refund of the amounts withheld provided the required information is furnished to the IRS in a timely manner.

“Specified Foreign Financial Asset” Reporting

Owners of “specified foreign financial assets” with an aggregate value in excess of U.S.\$50,000 (and in some circumstances, a higher threshold), may be required to file an information statement with respect to such assets with their U.S. federal income tax returns, currently on IRS Form 8938. The Notes generally are expected to constitute “specified foreign financial assets” unless they are held in accounts maintained by financial institutions. U.S. Holders are urged to consult their tax advisors regarding the application of this legislation to their ownership of the Notes.

THE ABOVE DESCRIPTION IS NOT INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL TAX CONSEQUENCES RELATING TO THE OWNERSHIP OF THE NOTES. PROSPECTIVE PURCHASERS OF NOTES SHOULD CONSULT THEIR OWN TAX ADVISORS CONCERNING THE TAX CONSEQUENCES OF THEIR PARTICULAR SITUATIONS.

CERTAIN COLOMBIAN TAX CONSIDERATIONS

The following general summary contains a description of the principal Colombian income tax considerations in connection with the purchase, ownership and disposition of the Notes, but does not purport to be a comprehensive description of all Colombian tax considerations that may be relevant to a decision to purchase the Notes. This summary does not describe any tax consequences arising under the laws of any state, locality or taxing jurisdiction other than those of Colombia.

This summary is based on Colombian tax Law as in effect on the date of this offering memorandum, as well as regulations, rulings and decisions in Colombia available on or before such date and now in effect. All of the foregoing is subject to changes that could apply retroactively, or to new or different interpretations, which could affect the continued validity of this general summary.

Prospective purchasers of the Notes should consult their own tax advisors as to Colombian tax consequences of the purchase, ownership and disposition of the Notes, including, in particular, the application of the tax considerations discussed below to their particular situations, as well as the application of state, local, foreign or other tax laws.

Non-resident taxpayers are taxed in Colombia only on their Colombian-sourced income and, in most cases, the corresponding tax is collected via withholding tax (Article 12 of the Colombian Tax Code, “CTC”). Colombian-sourced income is generally defined as income originated, amongst other things, on the exploitation of assets located in Colombia (Article 24 CTC). Specifically, section Credit rights (including those stemming for a bondholder from a bond) are understood to be located in Colombia if the issuer of the bond has its residence or domicile in the country or if they are economically linked to the country.

As an exception, bonds and other notes that, (i) are issued or co-issued by a Colombian entity, and (ii) are negotiated outside of Colombia by non-residents are deemed not to be located in Colombia. In this regard, case-law from the Colombian Tax Court (Judgement number 17358 issued on August 11, 2011) and the official doctrine of the Colombian Tax Authority (Revenue Rulings 32227 of 2016 and 1397 of 2020) have established that interest payments deriving from bonds or notes issued or co-issued abroad by a Colombian tax resident are not Colombian-sourced income for the recipient, as the financial asset itself is not an asset possessed in Colombia, nor economically linked to Colombia, since the creditor is not a Colombian tax resident. Under this line of interpretation, interest payments on the Notes would not be subject to Colombian taxation.

By the same token, Article 416 of the CTC states that the payment of the principal, interest, and commissions made by the Nation and other public law entities that derive from foreign debt are not subject to withholding taxes.

Likewise, Article 218 of the Colombian Tax Code, payments of principal and interest of foreign public indebtedness are exempt from all taxes in Colombia when these are made to entities and individuals that are not residents of Colombia. In this vein, it is important to point out that GEB is a mixed economy entity (*sociedad de economía mixta*), decentralized by services and linked to the Executive Branch at the territorial level. Hence, the aforementioned Articles 218 and 416 of the CTC would apply to foreign debt acquired by GEB.

Considering the prior statements, interest payments to non-resident noteholders, should not be subject to withholding taxes both under the general provisions and precedents concerning bonds issued abroad, and under the specific public foreign indebtedness provisions.

Residency and Domicile for Colombian Tax Purposes

Pursuant to current Colombian Law, entities and individuals who are not residents of Colombia are subject to Colombian income tax solely on their Colombian-source income. Conversely, Colombian entities and tax residents are liable to tax on worldwide income. An entity is considered a Colombian entity if it is incorporated under Colombian Law, has its domicile in the country or has its effective place of management in Colombia. Therefore, foreign entities whose effective place of management is located in Colombia are considered as Colombian entities for tax purposes, and will be liable to tax on income and gains sourced in Colombia and abroad.

However, payments of principal and interest on the notes are not subject to Colombian income tax, including income withholdings, provided that the holder of the notes is not a Colombian resident and is not domiciled in Colombia, considering that the issuance of the notes qualifies as an external public debt, which based on Section 218 of the Colombian Tax Code, is tax exempted in Colombia (no tax, impost, charges or any levy is triggered on this type of credit). In addition, gains accrued on the sale or other disposition of the notes will not be subject to Colombian income withholding tax, provided that the holder of the notes is not a Colombian resident and is not domiciled in Colombia.

So long as the holders of the notes are not Colombian residents, there are no Colombian transfer, inheritance, gift or succession taxes applicable to the notes.

An individual is deemed to be a tax resident of Colombia if they meet any of the following criteria:

- Is present in Colombian territory for more than 183 continuous or discontinuous calendar days within any given term of 365 consecutive days;
- Is a member of the Colombian diplomatic corps (or a person related to a member of the Colombian diplomatic corps) and, as a consequence of that reason, is exempt from taxes during such service by virtue of the Vienna Conventions on Diplomatic Relations;
- Is a Colombian national and meets any of the following criteria:
 1. Has a spouse or permanent companion, or dependent children, who is a tax resident of Colombia, or
 2. 50% or more of such person's total revenues are sourced in Colombia, or
 3. 50% or more of such person's assets are managed in Colombia, or
 4. 50% or more of such person's assets are deemed to be possessed in Colombia, or
 5. Has been summoned by the Colombian Tax Office to provide proof of tax residency in another country (other than Colombia) and has failed to provide such evidence, or
 6. Is a resident of a country deemed a tax haven under Colombian Law and/or by the Colombian government.

In any of the six cases immediately above, the Colombian national should not be considered as a tax resident if:

1. 50% or more of the individual's annual revenues are sourced in the jurisdiction where he or she is a resident, or
2. 50% or more of such individual's assets are located in the jurisdiction where he or she is a resident.

Colombian Tax Law includes a definition of a permanent establishment in Colombia. A foreign entity or individual performing activities in Colombia through (i) a fixed place of business (i.e., branches, factories or offices among others) or (ii) a dependent agent empowered to conclude agreements on behalf of the foreign entity or individual, will be considered to have a permanent establishment in Colombia and will be subject to Colombian income tax in connection with the worldwide income and taxable gains attributable to said permanent establishment. A foreign entity or individual will not be deemed to have a permanent establishment in Colombia solely by the fact that it acts through a broker or any other independent agent.

Double taxation agreements entered into by Colombia may include additional or different provisions that may lead to consider that a foreign entity or individual performing activities in Colombia has a permanent establishment in Colombia.

Changes to tax laws and regulations, and interpretations thereof, can affect holders' tax burden by increasing tax rates, creating new taxes, limiting tax deductions, and eliminating tax incentives and tax-exempt income.

PLAN OF DISTRIBUTION

J.P. Morgan Securities LLC, Santander US Capital Markets LLC, and Scotia Capital (USA) Inc. are acting as sustainable bond structuring agents, joint book-runners and joint lead managers of the offering. Subject to the terms and conditions stated in the purchase agreement dated the date of this offering memorandum, each Initial Purchaser named below has severally, and not jointly, agreed to purchase, and we have agreed to sell to that Initial Purchaser, the principal amount of the Notes set forth opposite the Initial Purchaser's name.

Initial Purchaser	Principal Amount of Notes
J.P. Morgan Securities LLC	\$ 133,334,000.00
Santander US Capital Markets LLC	\$133,333,000.00
Scotia Capital (USA) Inc.	\$133,333,000.00
Total	\$400,000,000

The Initial Purchasers may offer and sell the Notes through certain of their respective affiliates. The purchase agreement provides that the obligations of the Initial Purchasers to purchase the Notes are subject to approval of legal matters by counsel and to other conditions. The Initial Purchasers must purchase all the Notes if they purchase any of the notes. The Initial Purchasers are offering the Notes, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the Notes, and other conditions contained in the Purchase Agreement, such as the receipt by the Initial Purchasers of officer's certificates and legal opinions. The Initial Purchasers reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

The Initial Purchasers propose to resell the Notes at the offering price set forth on the cover page of this offering memorandum within the United States to QIBs in reliance on Rule 144A and outside the United States in reliance on Regulation S. See "Transfer Restrictions." The price at which the Notes are offered may be changed at any time without notice.

The Notes have not been and will not be registered under the Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in transactions exempt from, or not subject to, the registration requirements of the Securities Act. See "Transfer Restrictions."

In addition, until 40 days after the commencement of this offering, an offer or sale of notes within the United States by a dealer that is not participating in this offering may violate the registration requirements of the Securities Act if that offer or sale is made otherwise than in accordance with Rule 144A.

The Notes will constitute a new class of securities with no established trading market. We will use our reasonable best efforts to obtain a listing of the Notes on the Official List of the SGX-ST. However, we cannot assure you that the prices at which the Notes will sell in the market after this offering will not be lower than the initial offering price or that an active trading market for the Notes will develop and continue after this offering. The Initial Purchasers have advised us that they currently intend to make a market in the Notes. However, they are not obligated to do so and they may discontinue any market-making activities with respect to the Notes at any time without notice. Accordingly, we cannot assure you as to the liquidity of, or the trading market for, the Notes.

In connection with the offering, the Initial Purchasers may purchase and sell notes in the open market.

Purchases and sales in the open market may include short sales, purchases to cover short positions and stabilizing purchases.

- Short sales involve secondary market sales by the Initial Purchasers of a greater number of Notes than they are required to purchase in the offering.
- Covering transactions involve purchases of Notes in the open market after the distribution has been completed in order to cover short positions.
- Stabilizing transactions involve bids to purchase notes so long as the stabilizing bids do not exceed a specified maximum.

Purchases to cover short positions and stabilizing purchases, as well as other purchases by the Initial Purchasers for their own accounts, may have the effect of preventing or retarding a decline in the market price of the Notes. They may also cause the price of the Notes to be higher than the price that would otherwise exist in the open market in the absence of these transactions. The Initial Purchasers may conduct these transactions in the over-the-counter market or otherwise. If the Initial Purchasers commence any of these transactions, they may discontinue them at any time.

We expect to deliver the Notes against payment for the Notes on or about the date specified in the last paragraph of the cover page of this offering memorandum, which will be the third business day following the date of the pricing of the Notes (“T+3”). Under Rule 15c6-1 under the Securities Exchange Act of 1934, trades in the secondary market are generally required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes on the date of the pricing of the Notes will be required, by virtue of the fact that the Notes initially settle in T+3, to specify an alternate settlement arrangement at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade the Notes prior to their date of delivery hereunder should consult their own advisor.

Some of the Initial Purchasers have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions. Certain of the Initial Purchasers or their affiliates may be lenders and/or agents under other of our indebtedness and may receive a portion of the proceeds of this offering. See “Use of Proceeds.”

In addition, in the ordinary course of their business activities, the Initial Purchasers may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours and our affiliates. Certain of the Initial Purchasers that have a lending relationship with us routinely hedge their credit exposure to us consistent with their customary risk management policies. Typically, the Initial Purchasers would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes.

Any such short positions could adversely affect future trading prices of the Notes. The Initial Purchasers may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

We have agreed to indemnify the Initial Purchasers against certain liabilities, including liabilities under the Securities Act, or to contribute to payments that the Initial Purchasers may be required to make because of any of those liabilities.

Selling Restrictions

Prohibition of Sales to EEA Retail Investors

Each Initial Purchaser has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of this offering memorandum to any retail investor in the EEA. For the purposes of this provision, the expression “retail investor” means a person who is one (or more) of the following:

- a retail client as defined in point (11) of Article 4(1) of EU MiFID II; or

a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. United Kingdom

Prohibition of Sales to UK Retail Investors

Each Initial Purchaser has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of this offering memorandum to any retail investor in the United Kingdom. For the purposes of this provision, the expression retail investor means a person who is one (or more) of the following:

- a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
- a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.
- *Other UK regulatory restrictions*

Each Initial Purchaser has represented and warranted that:

- *Financial promotion:* it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to us; and
- *General compliance:* it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Securities in, from or otherwise involving the UK.

Notice to Prospective Investors in Colombia

YOU SHOULD NOT DISTRIBUTE THE DOCUMENTS RELATING TO THE OFFERING OF THE NOTES IN COLOMBIA, OR THE INFORMATION CONTAINED THEREIN, EXCEPT UNDER CIRCUMSTANCES WHICH DO NOT CONSTITUTE A PUBLIC OFFERING OF SECURITIES UNDER APPLICABLE COLOMBIAN SECURITIES LAWS OR REGULATIONS. NEITHER SHOULD YOU USE SUCH DOCUMENTS AND INFORMATION IN CONNECTION WITH ANY PUBLIC OFFER OF THE NOTES IN COLOMBIA. THE INITIAL PURCHASERS HAVE AGREED NOT TO OFFER OR SELL THE NOTES IN COLOMBIA, EXCEPT UNDER

CIRCUMSTANCES WHICH DO NOT CONSTITUTE A PUBLIC OFFERING OF SECURITIES UNDER APPLICABLE COLOMBIAN SECURITIES LAWS AND REGULATIONS.

THE NOTES HAVE NOT BEEN REGISTERED IN THE RNVE OF THE REPUBLIC OF COLOMBIA AND MAY ONLY BE EXCHANGED IN THE TERRITORY OF THE REPUBLIC OF COLOMBIA TO THE EXTENT PERMITTED BY APPLICABLE LAW.

Notice to Prospective Investors in Switzerland

This offering memorandum is not intended to constitute, and does not constitute, an offer to the public or solicitation to purchase or invest in the notes described therein. The Notes have not been and will not be publicly offered, directly or indirectly, in Switzerland, within the meaning of the Swiss Financial Services Act (“FinSA”) except (i) to any investor that qualifies as a professional within the meaning of the FinSA, and (ii) in any other circumstance qualifying as an exemption within the meaning of article 36 paragraph 1 of the FinSA, provided in each case, that no such offer of notes referred to in clauses (i) and (ii) above shall require the publication of a prospectus for offers of the notes in Switzerland pursuant to FinSA. The Notes have not been and shall not be admitted to any trading venue (exchange or multilateral trading facility) in Switzerland. The Notes will not be listed on the SIX Swiss Exchange (the “SIX”) or on any other stock exchange or regulated trading facility in Switzerland. This offering memorandum has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this offering memorandum nor any other offering or marketing material relating to the Notes or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Notice to Prospective Investors in Canada

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Initial Purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Notice to Prospective Investors in Hong Kong

This offering memorandum has not been approved by or registered with the Securities and Futures Commission of Hong Kong or the Registrar of Companies of Hong Kong. The notes will not be offered or sold in Hong Kong other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances

which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the notes which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) has been issued or will be issued in Hong Kong or elsewhere other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Notice to Prospective Investors in Singapore

This offering memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this offering memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes may not be circulated or distributed, nor may the notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions, specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the SFA, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes are “prescribed capital markets products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

Where the notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the notes under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or

- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Notice to Prospective Investors in Japan

The securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the “Financial Instruments and Exchange Law”) and the Initial Purchaser has agreed that it will not offer or sell any securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Notice to Prospective Investors in Panama

The Notes have not been, and will not be, registered for public offering in Panama with the National Securities Commission of Panama under Decree-Law 1 of July 8, 1999, as reformed by Law 67 of 2011 (the “Panamanian Securities Act”). Accordingly, the Notes may not be offered or sold in Panama, except in certain limited transactions exempted from the registration requirements of the Panamanian Securities Act. The Notes do not benefit from tax incentives accorded by the Panamanian Securities Act, and are not subject to regulation or supervision by the National Securities Commission of Panama as long as the Notes are offered to no more than 25 persons domiciled in Panama and result in the sale to no more than ten of such persons.

Notice to Prospective Investors in Peru

The Notes and the information contained in this offering memorandum are not being publicly marketed or offered in Peru and will not be distributed or caused to be distributed to the general public in Peru. Peruvian securities laws and regulations on public offerings will not be applicable to the offering of the Notes and therefore, the disclosure obligations set forth therein will not be applicable to the Issuer or the sellers of the Notes before or after their acquisition by prospective investors. The Notes and the information contained in this offering memorandum have not been and will not be reviewed, confirmed, approved or in any way submitted to the Peruvian National Supervisory Commission of Companies and Securities (*Comisión Nacional Supervisora de Empresas y Valores*) nor have they been registered under the Securities Market Law (*Ley del Mercado de Valores*) or any other Peruvian regulations. Accordingly, the Notes cannot be offered or sold within Peruvian territory except to the extent any such offering or sale qualifies as a private offering under Peruvian regulations and complies with the provisions on private offerings set forth therein.

Notice to Prospective Investors in Chile

The Notes being offered will not be registered under the Chilean Securities Market Law (*Ley de Mercado de Valores*) in the Chilean Securities Registry (*Registro de Valores*) or in the Foreign Securities Registry (*Registro de Valores Extranjeros*) both kept by the CMF and, therefore, the Notes are not subject to the oversight of the CMF. As unregistered securities in Chile, we are not required to disclose public

information about the Notes in Chile. Accordingly, the Notes cannot and will not be publicly offered to persons in Chile unless they are registered in the corresponding Chilean Securities Registry. The Notes may only be offered in Chile in circumstances that do not constitute a public offering under Chilean law or in compliance with General Rule No. 336 of the CMF (“NCG 336”). Pursuant to the Chilean Securities Market Law, a public offering of securities is an offering that is addressed to the general public or to certain specific categories or groups thereof. Considering that the definition of public offering is quite broad, even an offering addressed to a small group of investors may be considered to be addressed to a certain specific category or group of the public and therefore be considered public under applicable law and, as such, subject to registration in Chile. However, pursuant to the Chilean Securities Market Law and NCG 336 of the CMF, the Notes may be privately offered in Chile to certain “qualified investors” identified as such by NCG 336 (which in turn are further described in General Rule No. 216, dated June 12, 2008, issued by the CMF as amended).

NCG 336 requires the following information to be provided to prospective investors in Chile:

1. Date of commencement of the offer: November 6, 2023. The offer of the Notes is subject to NCG 336, issued by the CMF.
2. The subject matter of this offer are securities not registered with the Securities Registry (*Registro de Valores*) of the CMF, nor with the foreign securities registry (*Registro de Valores Extranjeros*) of the CMF, due to the Notes not being subject to the oversight of the CMF.
3. Since the Notes are not registered in Chile there is no obligation by the issuer to make publicly available information about the Notes in Chile.
4. The Notes shall not be subject to public offering in Chile unless registered with the relevant Securities Registry of the CMF.

Notice to Prospective Investors in Brazil

The Notes have not been and will not be issued nor publicly placed, distributed, offered or negotiated in the Brazilian capital markets. The issuance of the Notes has not been nor will be registered with the CVM. Any public offering or distribution, as defined under Brazilian laws and regulations, of the Notes in Brazil is not legal without prior registration under Law No. 6,385/76 and CVM Instruction No. 400. The Notes may not be offered or sold in Brazil. Documents relating to the offering of the Notes, as well as information contained therein, may not be supplied to the public in Brazil (as the offering of Notes is not a public offering of securities in Brazil), nor be used in connection with any offer for subscription or sale of the Notes to the public in Brazil.

TRANSFER RESTRICTIONS

The Notes have not been registered, and will not be registered, under the Securities Act or any other applicable securities laws, and thus, the Notes may not be offered or sold except pursuant to an effective registration statement or pursuant to transactions exempt from, or not subject to, registration under the Securities Act.

Accordingly, the Notes are being offered and sold only:

1. in the United States to QIBs in reliance on Rule 144A under the Securities Act; and
2. outside of the United States, to certain persons, other than U.S. persons, in offshore transactions meeting the requirements of Rule 903 of Regulation S under the Securities Act.

Purchasers' Representations and Restrictions on Resale and Transfer

Each purchaser of Notes (other than the Initial Purchasers in connection with the initial issuance and sale of Notes) and each owner of any beneficial interest therein will be deemed, by its acceptance or purchase thereof, to have represented and agreed as follows:

1. It is purchasing the Notes for its own account or an account with respect to which it exercises sole investment discretion and it and any such account is either (i) a QIB and is aware that the sale to it is being made in reliance on Rule 144A, or (ii) a non-U.S. person that is outside the United States.
2. It acknowledges that the Notes have not been registered under the Securities Act or with any securities regulatory authority of any jurisdiction and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below.
3. It understands and agrees that Notes initially offered in the United States to QIBs will be represented by one or more global notes, each, a Rule 144A Global Note, and that Notes offered outside the United States in reliance on Regulation S will also be represented by one or more global notes, each, a Regulation S Global Note.
4. It will not resell or otherwise transfer any of such Notes except (i) to us, (ii) within the United States to a QIB in a transaction complying with Rule 144A under the Securities Act, (iii) outside the United States in compliance with Rule 903 or 904 under the Securities Act, (iv) pursuant to the exemption from registration provided by Rule 144 or another exemption under the Securities Act (if available) or (v) pursuant to an effective registration statement under the Securities Act.
5. It agrees that it will give to each person to whom it transfers the Notes notice of any restrictions on transfer of such Notes.
6. It acknowledges that prior to any proposed transfer of Notes (other than pursuant to an effective registration statement or in respect of Notes sold or transferred either pursuant to (i) Rule 144A or (ii) Regulation S), the Holder of such Notes may be required to provide certifications relating to the manner of such transfer as provided in the Indenture.
7. It acknowledges that the Trustee, security registrar or transfer agent for the Notes will not be required to accept for registration transfer of any Notes acquired by it, except upon presentation of evidence satisfactory to us that the restrictions set forth herein have been complied with.

8. It acknowledges that we, the Initial Purchasers and other persons will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of the acknowledgements, representations and agreements deemed to have been made by its purchase of the Notes are no longer accurate, it will promptly notify us and the Initial Purchasers. If it is acquiring the Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgements, representations, and agreements on behalf of each account.

The following is the form of restrictive legend which will appear on the face of each Restricted Global Note, and which will be used to notify transferees of the foregoing restrictions on transfer:

“Neither this Note nor any beneficial interest herein has been registered under the United States Securities Act of 1933, as amended (the “Securities Act”). Each of the Holder hereof and each owner of a beneficial interest herein, by holding this Global Note and acquiring their beneficial interests herein, respectively, agrees for the benefit of Grupo Energía Bogotá S.A. E.S.P (the “Company”) that this Global Note and beneficial interests herein may be offered, sold, pledged or otherwise transferred only by a Holder (as defined in the Indenture pursuant to which this Note was issued) (1) to the Company, (2) so long as this Global Note is eligible for resale pursuant to Rule 144A under the Securities Act (“Rule 144A”) to a person who the seller reasonably believes is a qualified institutional buyer, as defined in Rule 144A, acquiring for its own account or for the account of one or more other qualified institutional buyers in a transaction meeting the requirements of Rule 144A, (3) in an offshore transaction meeting the requirements of Rule 903 or Rule 904 (as applicable) of Regulation S under the Securities Act, (4) pursuant to an exemption from registration under the Securities Act under the Securities Act (if available) or (5) pursuant to an effective registration statement under the Securities Act, and in each of such cases in accordance with any applicable securities laws of any state of the United States (provided that as a condition to the registration of any notes pursuant to (4) above, the Company or the Trustee may, in circumstances that any of them deems appropriate, require evidence that the Company deems necessary or appropriate to evidence compliance with such exemption and with any state securities laws that may be applicable). Each owner of a beneficial interest in this Global Note, by acquiring such beneficial interest, represents and agrees for the benefit of the Company that it will notify any purchaser of such beneficial interest from it of the resale restrictions referred to above. This legend can only be removed at the option of the Company and in compliance with applicable law.”

The following is the form of restrictive legend which will appear on the face of each Regulation S Global Note and which will be used to notify transferees of the foregoing restrictions on transfer:

“This Note has not been registered under the United States Securities Act of 1933, as amended (the “Securities Act”), and may not be offered, sold or delivered in the United States or to, or for the account or benefit of any U.S. person, unless the Note is registered under the Securities Act or any exemption from the registration requirements thereof is available. The foregoing shall not apply following the expiration of forty days from the later of (a) the date on which the Notes were first offered and (b) the date of issuance of this Note.”

For further discussion of the requirements (including the presentation of transfer certificates) under the Indenture to effect exchanges or transfers of interest in global notes and certificated notes, see “Description of the Notes — Book Entry, Delivery and Form” and “Description of the Notes Registration of Transfer and Exchange.”

LISTING AND GENERAL INFORMATION

Since June 30, 2023, the date of the latest unaudited financial statements of GEB included herein, there has been no material adverse change, or any development involving a prospective material adverse change, in or affecting our condition, financial position, management, properties, shareholders' equity, earnings, business affairs, business prospects or results of operations which is not otherwise disclosed herein.

GEB was formed under the laws of Colombia in 1896 under the name Samper Brush & Compañía to generate, transmit and distribute electricity, primarily to and within the District-Capital of Bogotá. The District-Capital of Bogotá acquired all of GEB's capital stock in 1959 and changed our corporate name to Empresa de Energía de Bogotá. The issuance and offering of the Notes were duly authorized by resolutions of GEB's board of directors adopted on October 26, 2023, and at a meeting of our shareholders on March 29, 2023.

GEB requires the prior approval from the General Directorate of Public Credit and National Treasury (*Dirección General de Crédito Público y del Tesoro Nacional*) of the MHCP for the issuance of the Notes offered hereby. This approval was granted by means of Resolution No. 2801 dated November 3, 2023.

The Notes sold in offshore transactions in reliance on Regulation S and represented by the Regulation S Global Note have been accepted for clearance through Clearstream and Euroclear under CUSIP No. P4R53VAB9 and ISIN No. USP4R53VAB95. The CUSIP number for the Rule 144A Global Note sold to QIBs is 40053XAB5 and ISIN No. US40053XAB55.

Application will be made for the listing and quotation of the Notes on the Official List of the SGX-ST. Approval in-principle from the SGX-ST and admission of the Notes to the Official List of the SGX-ST are not to be taken as an indication of the merits of the offering, the Issuer, its subsidiaries (if any), its associated companies (if any), its joint venture companies (if any) or the Notes.

Except as disclosed in this offering memorandum, GEB is not involved in any litigation or arbitration proceedings relating to claims or amounts that are material in the context of this offering, nor, so far as GEB is aware, is any such litigation or arbitration pending or threatened.

The GEB Audited Consolidated Financial Statements as of December 31, 2022 and 2021 and for the years ended December 31, 2022, 2021 and 2020 and the audit report thereon are included in this offering memorandum. The GEB Unaudited Condensed Consolidated Interim Financial Statements as of June 30, 2023, and for the six-month periods ended June 30, 2023 and 2022 are also included in this offering memorandum.

Copies of GEB Audited Consolidated Financial Statements, GEB Unaudited Condensed Consolidated Interim Financial Statements, GEB's charter and bylaws (*estatuto social*), as well as the Indenture (including the forms of Notes), may be obtained, free of charge, at the offices of the paying agent and any other agent other than the Singapore Listing Agent.

Copies of all the following documents may be obtained, free of charge, during normal business hours at GEB's offices at Carrera 9, No. 73-44, floor 6, Bogotá, Colombia:

- (i) the charter and bylaws of GEB;

- (ii) the Indenture, dated as of the closing date between us and UMB Bank N.A. as trustee, security registrar, paying agent and transfer agent;
- (iii) the final versions of the Notes; and
- (iv) the GEB Audited Consolidated Financial Statements and the GEB Unaudited Condensed Consolidated Interim Financial Statements.

Pursuant to the Indenture, the Trustee may resign at any time by written notice to GEB. The Holders of a majority in principal amount of the outstanding Notes may remove the Trustee by written notice to the Trustee. If the Trustee is no longer eligible or does not have a combined capital and surplus of at least U.S.\$50,000,000 as set forth in its most recent published annual report or does not have a corporate department (or branch, Subsidiary or other Affiliate thereof) organized and doing business under the laws of the United States or any State thereof, in the City of New York, New York, any Holder of Notes may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee. GEB (so long as no Default or Event of Default with respect to any Notes exists) may remove the Trustee if: (i) the Trustee is no longer eligible as described in the previous sentence; (ii) the Trustee is adjudged a bankrupt or an insolvent; (iii) a receiver or other public officer takes charge of the Trustee or its property; or (iv) the Trustee becomes incapable of acting.

LEGAL MATTERS

The validity of the Notes will be passed upon for us by Winston & Strawn LLP, our U.S. counsel, and for the Initial Purchasers by Clifford Chance US LLP, U.S. counsel for the Initial Purchasers. Winston & Strawn LLP and Clifford Chance US LLP will rely, as to all matters of Colombian law, on the opinion of Cuatrecasas, Goncalves Pereira S.A.S., our Colombian counsel, and Garrigues Colombia S.A.S., Colombian counsel to the Initial Purchasers, respectively and as to matters of Peruvian law, on the opinion of Rebaza Alcázar & de las Casas, our Peruvian counsel.

TRUSTEE, SECURITY REGISTRAR, PAYING AGENT AND TRANSFER AGENT

UMB Bank, N.A. is the trustee, security registrar, paying agent and transfer agent for the Notes. UMB Bank, N.A. is located at 100 William Street, Suite 1850, New York, New York, 10038, Attention: Ray Haniff - Vice President, Relationship Manager and may be contacted at the above address.

INDEPENDENT AUDITORS

The consolidated financial statements of Grupo Energía Bogotá S.A. E.S.P. and subsidiaries as of December 31, 2022 and 2021 and for the years ended December 31, 2022, 2021 and 2020, included elsewhere in this offering memorandum, have been audited by KPMG S.A.S., independent auditors as stated in their report appearing herein.

The audit report referred to in the preceding paragraph covering the December 31, 2022 consolidated financial statements contains an Other Matters paragraph that states that the consolidated financial statements at and for the years ended December 31, 2021 and 2020 were audited by KPMG S.A.S. and that their reports dated February 25, 2022 and February 26, 2021, respectively were unqualified.

With respect to the unaudited interim condensed consolidated financial statements for the periods ended June 30, 2023 and 2022, included herein, the independent auditors have reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included herein, states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

The consolidated financial statements of Enel Colombia S.A. E.S.P. and subsidiaries as of December 31, 2022 and 2021 and for the years then ended, included elsewhere in this offering memorandum, have been audited by KPMG S.A.S., independent auditors as stated in their report appearing herein.

The audit report referred to in the preceding paragraph covering the December 31, 2022 consolidated financial statements contains an Other Matters paragraph that states that the consolidated financial statements at and for the year ended December 31, 2021 were audited by KPMG S.A.S. and that their report dated February 23, 2022 was unqualified.

INDEX TO FINANCIAL STATEMENTS

	Page
Grupo Energía Bogotá S.A. E.S.P.	
Statutory Auditor's Limited Review Report	F-3
Condensed Consolidated Statements of Financial Position as of June 30, 2023	F-5
Condensed Consolidated Statements of Income and Other Comprehensive Income for the Three and Six-Month Periods Ended June 30, 2023 and 2022	F-6
Condensed Interim Consolidated Statements of Changes in Equity for the Six-Month Periods Ended June 30, 2023 and 2022	F-7
Condensed Interim Consolidated Statements of Cash Flow for the Six-Month Periods Ended June 30, 2023 and 2022	F-8
Notes to the Condensed Consolidated Financial Statements	F-9
Statutory Auditor's Report.....	F-58
Consolidated Statements of Financial Position as of December 31, 2022 and 2021	F-64
Consolidated Statements of Income and Other Comprehensive Income for the years ended December 31, 2022 and 2021 and 2020.....	F-65
Consolidated Statements of Changes in Shareholders' Equity for the years ended December 31, 2022, 2021, and 2020	F-66
Consolidated Statements of Cash Flows for the years ended December 31, 2022, 2021 and 2020.....	F-67
Notes to the Consolidated Financial Statements.....	F-68
Enel Colombia S.A. E.S.P.	
Statutory Auditor's Report.....	F-171
Consolidated Statement of Financial Position as of December 31, 2022 and 2021.....	F-177
Consolidated Statement of Profit or Loss, by Nature for the years ended December 31, 2022, and 2021	F-179
Consolidated Statement of Other Comprehensive Income For the years ended December 31, 2022, and 2021	F-180
Consolidated Statement of Changes in Equity for the years ended December 31, 2022, and 2021	F-181
Consolidated Statements of Cash of Flows, Direct Method for the years ended December 31, 2022, and 2021	F-182
Notes to the Consolidated Financial Statements.....	F-185

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.

**Condensed Interim Consolidated Financial
Statements as of June 30, 2023 and December
31, 2022 and for the three and six month
periods ended June 30, 2023 and 2022**

(Unaudited)

(Continued)



STATUTORY AUDITOR'S REPORT ON THE INTERIM FINANCIAL INFORMATION REVIEW

To the Shareholders
Grupo Energía Bogotá S.A., E.S.P.:

Introduction

I have reviewed the accompanying condensed interim consolidated financial statements as at June 30, 2023 of Grupo Energía Bogotá S.A., E.S.P. and Subsidiaries (the Group), which comprises:

- the condensed interim consolidated statement financial position as of June 30, 2023;
- the condensed interim consolidated statement of income and other comprehensive income for the three- and six-months periods ended June 30, 2023;
- the condensed interim consolidated statement of changes in equity for the six-month period ended June 30, 2023;
- the condensed interim consolidated statement of cash flows for the six-month period ended June 30, 2023; and
- notes to the interim financial information.

Management is responsible for the preparation and presentation of these condensed interim consolidated financial statements in accordance with the International Accounting Standard 34 (IAS 34) – Interim Financial Reporting included in the Accounting and Financial Reporting Standards accepted in Colombia. My responsibility is to express a conclusion on these condensed interim consolidated financial statements based on my review.

Scope of the Review

I have performed my review in accordance with the International Standard for Review Engagements 2410 "Review of Interim Financial Information performed by the Independent Auditor of the Entity", included in the Information Assurance Standards accepted in Colombia. A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing accepted in Colombia and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.



Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying condensed interim consolidated financial statements as at June 30, 2023 is not prepared, in all material respects, in accordance with the International Accounting Standard 34 (IAS 34) – Interim Financial Reporting included in the Accounting and Financial Reporting Standards accepted in Colombia.

Lidia Roa

Lidia Nery Roa Mendoza
Statutory Auditor of Grupo Energía Bogotá S.A., E.S.P.
Registration 167431 - T
Member of KPMG S.A.S.

October 31, 2023

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES
Condensed Interim Consolidated Statements of Financial Position
As of June 30, 2023 and December 31, 2022
(In millions of Colombian pesos)

	<u>Note</u>	<u>June</u> <u>2023</u> (Unaudited)	<u>December</u> <u>2022</u>		<u>Note</u>	<u>June</u> <u>2023</u> (Unaudited)	<u>December</u> <u>2022</u>
<u>Assets</u>				<u>Liabilities and equity</u>			
Current assets:				Current liabilities:			
Cash and cash equivalents	6	\$ 1,482,628	1,477,821	Loans and borrowings	19	\$ 1,579,449	1,075,261
Other investments	7	4,214	4,214	Trade and other payables	20	2,696,463	825,487
Trade and other receivables	8	1,375,319	1,260,691	Lease liabilities		27,607	40,318
Receivables from related parties	34	1,447,634	153,830	Payables from related parties	34	2,655	389
Inventories		380,164	346,179	Derivative liabilities	25	231,096	125,016
Tax assets	9	377,601	188,934	Employee benefits	21	121,551	147,687
Derivative assets	25	608,931	691,536	Provisions	22	117,805	149,729
Other non-financial assets	11	94,082	85,527	Contract liabilities		15,617	21,316
Assets held for sale	10	181,098	180,809	Tax liabilities	23	328,126	177,027
Total current assets		<u>5,951,671</u>	<u>4,389,541</u>	Other non-financial liabilities		<u>25,809</u>	<u>19,325</u>
				Total current liabilities		<u>5,146,178</u>	<u>2,581,555</u>
Non-current assets:				Non-current liabilities:			
Investments in associates and joint ventures	13	14,153,541	15,556,173	Loans and borrowings	19	16,817,156	19,268,104
Property, plant and equipment	14	15,922,744	17,013,241	Trade and other payables	20	70,532	54,134
Right of use assets	16	67,470	78,021	Lease liabilities		66,621	66,921
Investment properties	15	30,116	30,118	Employee benefits	21	91,791	98,020
Other investments	7	48,339	13,029	Provisions	22	584,579	566,936
Trade and other receivables	8	312,935	305,851	Prepaid revenues		56,375	56,536
Goodwill	17	586,392	623,489	Deferred tax liabilities	24	<u>2,787,742</u>	<u>2,774,435</u>
Intangible assets	18	7,713,383	8,608,035				
Tax assets	9	126,070	122,953	Total non-current liabilities		<u>20,474,796</u>	<u>22,885,086</u>
Deferred tax assets	23	-	4,083				
Other non-financial assets	11	<u>12</u>	<u>13</u>	Total liabilities		25,620,974	25,466,641
Total non-current assets		<u>38,961,002</u>	<u>42,355,006</u>	Equity:			
Total assets		<u><u>44,912,673</u></u>	<u><u>46,744,547</u></u>	Issued capital		492,111	492,111
				Additional paid-in-capital		837,799	837,799
				Reserves		5,692,697	4,841,398
				Retained earnings		6,743,619	8,069,359
				Other comprehensive income		<u>4,996,052</u>	<u>6,326,247</u>
				Equity attributable to the owners of the parent company		18,762,878	20,566,914
				Non-controlling interest	12	<u>529,421</u>	<u>710,992</u>
				Total equity		\$ <u>19,291,699</u>	<u>21,277,906</u>
				Total equity and liabilities		\$ <u><u>44,912,673</u></u>	<u><u>46,744,547</u></u>

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

(Continued)

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES
Condensed Interim Consolidated Statement of Income and Other Comprehensive Income
For the three- and six-month periods ended on June 30, 2023 and 2022
(In millions of Colombian pesos)

For the three-month periods ended on June 30			For the six-month periods ended on June 30		
Note	(Unaudited)		(Unaudited)		
	2023	2022	2023	2022	
Natural gas distribution	\$ 1,014,687	909,795	2,112,691	1,742,232	
Natural gas transportation	466,452	390,779	961,433	790,537	
Electricity transmission	271,176	211,270	616,152	407,001	
Electricity distribution	188,353	122,336	371,601	246,219	
Total revenue	29 1,940,668	1,634,180	4,061,877	3,185,989	
Natural gas distribution	(721,592)	(628,843)	(1,516,179)	(1,195,793)	
Natural gas transportation	(171,600)	(144,473)	(336,722)	(290,134)	
Electricity transmission	(104,039)	(69,328)	(200,085)	(135,485)	
Electricity distribution	(102,972)	(79,532)	(234,268)	(150,570)	
Total costs	30 (1,100,203)	(922,176)	(2,287,254)	(1,771,982)	
Gross profit	840,464	712,004	1,774,623	1,414,007	
Administrative and operating expenses	31 (230,801)	(273,000)	(475,870)	(479,593)	
Other income, net	14,433	4,575	31,603	11,315	
Operating profit	624,096	443,579	1,330,356	945,729	
Financial income	32 90,401	14,620	177,652	36,026	
Financial expenses	33 (425,210)	(240,695)	(765,716)	(448,207)	
Net gain (loss) in currency translation	157,614	38,569	175,745	46,137	
Share of gain from associates and joint ventures	13 477,822	546,101	1,055,899	1,057,782	
Profit before income tax	924,723	802,174	1,973,936	1,637,467	
Income tax expense					
Current tax	24 (289,627)	(109,244)	(290,907)	(216,385)	
Deferred tax	24 106,130	7,778	(53,882)	(10,094)	
Net profit for the period	\$ 741,226	700,708	1,629,147	1,410,988	
Other comprehensive income:					
Items that will be reclassified to profit or loss					
Foreign exchange difference in currency translation of foreign operations	(870,561)	693,129	(1,336,748)	460,328	
Cash flow hedges - effective portion of changes in fair value, before taxes	376,548	(107,630)	459,216	170,098	
Deferred income tax from cash flow hedges - effective portion of changes in fair value, before taxes	(162,710)	47,197	(198,112)	(52,482)	
Gain (loss) from other comprehensive income of associates	(338,916)	234,104	(338,184)	225,748	
Total other comprehensive income	(995,639)	866,800	(1,413,828)	803,692	
Consolidated comprehensive income for the period, net of tax	(254,413)	1,567,508	215,319	2,214,680	
Consolidated net profit for the period attributable to:					
Controlling interest	692,224	660,598	1,532,445	1,331,660	
Non-controlling interest	49,002	40,110	96,702	79,328	
	741,226	700,708	1,629,147	1,410,988	
Consolidated Other comprehensive income for the period attributable to:					
Controlling interest	(953,091)	811,989	(1,330,195)	776,437	
Non-controlling interest	(42,548)	54,811	(83,633)	27,255	
	(254,413)	1,567,508	(1,413,828)	803,692	
Earnings per share:					
Basic and diluted (in Colombian pesos)	\$ 80,73	76,32	177,44	153,68	

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

(Continued)

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES
Condensed Interim Consolidated Statements of Changes in Equity
For the six-month periods ended on June 30, 2023 and 2022
(In millions of Colombian pesos)

	Reserves											
	Issued Capital	Additional paid- in-capital	Legal Reserve	For rehabilitation, extension and replacement of systems	For equity method	Other reserves Article 130 Tax Statute	Occasional Reserve	Total	Retained earnings	Other comprehens ive income	Non- controlling interest	Total Equity
Balances as of December 31, 2021	492,111	837,799	332,496	125,695	2,658,247	38,448	923,426	4,078,312	6,016,094	3,685,691	570,859	15,680,866
Net profit for the period	-	-	-	-	-	-	-	-	1,331,660	-	79,328	1,410,988
Transfer to reserves	-	-	-	-	538,632	-	224,454	763,086	(763,086)	-	-	-
Equity changes of recognized investments by the equity method	-	-	-	-	-	-	-	-	8,717	-	-	8,717
Dividend distribution	-	-	-	-	-	-	-	-	(1,762,786)	-	(143,856)	(1,906,642)
Effect of Enel merger	-	-	-	-	-	-	-	-	1,849,058	-	-	1,849,058
<u>Other comprehensive income:</u>												
Foreign exchange difference in currency translation of foreign operations	-	-	-	-	-	-	-	-	-	448,395	11,933	460,328
Cash flow hedges - effective portion of changes in fair value, before taxes	-	-	-	-	-	-	-	-	-	154,776	15,322	170,098
Deferred income tax	-	-	-	-	-	-	-	-	-	(52,482)	-	(52,482)
Gain from other comprehensive income of associates and joint ventures	-	-	-	-	-	-	-	-	-	225,748	-	225,748
Balances as of June 30, 2022 (unaudited)	492,111	837,799	332,496	125,695	3,196,879	38,448	1,147,880	4,841,398	6,679,657	4,462,128	533,586	17,846,679
Balances as of December 31, 2022	492,111	837,799	332,496	125,695	3,196,879	38,448	1,147,880	4,841,398	8,069,359	6,326,247	710,992	21,277,906
Net profit for the period	-	-	-	-	-	-	-	-	1,532,445	-	96,702	1,629,147
Transfer to reserves	-	-	-	-	704,456	-	146,843	851,299	(851,299)	-	-	-
Equity changes of recognized investments by the equity method	-	-	-	-	-	-	-	-	(5,389)	-	-	(5,389)
Dividend distribution	-	-	-	-	-	-	-	-	(2,001,497)	-	(194,640)	(2,196,137)
<u>Other comprehensive income:</u>												
Foreign exchange difference in currency translation of foreign operations	-	-	-	-	-	-	-	-	-	(1,251,417)	(85,331)	(1,336,748)
Cash flow hedges - effective portion of changes in fair value, before taxes	-	-	-	-	-	-	-	-	-	453,769	5,447	459,216
Deferred income tax	-	-	-	-	-	-	-	-	-	(194,363)	(3,749)	(198,112)
Gain from other comprehensive income of associates and joint ventures	-	-	-	-	-	-	-	-	-	(338,184)	-	(338,184)
Balances as of June 30, 2023 (unaudited)	492,111	837,799	332,496	125,695	3,901,335	38,448	1,294,723	5,692,697	6,743,619	4,996,052	529,421	19,291,699

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

(Continued)

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Condensed Interim Consolidated Statements of Cash Flow
For the six-month periods ended on June 30, 2023 and 2022
(In millions of Colombian pesos)

	Note	June 2023 (Unaudited)	June 2022 (Unaudited)
Cash flows from operating activities:			
Net profit for the period		\$ 1,629,147	1,410,988
Adjustments to reconcile net profit for the year to net cash from (used in)			
operating activities:			
Income Tax expense	24	344,789	226,479
Share of gain from associates and joint ventures	13	(1,055,899)	(1,057,782)
Depreciation and amortization	30, 31	491,293	377,077
Loss on sale or de-recognition of property, plant and equipment		(238)	314
Provisions, net		1,380	5,626
Impairment loss on trade receivables and contract asset, net		15,460	88,352
Impairment of long-term assets, net		73	-
Impairment of inventories, net		273	(49)
Foreign exchange differences		(175,745)	(46,137)
Financial expenses	33	720,621	421,250
Financial income	32	(146,950)	(19,961)
Other financial expenses	33	45,095	26,957
Other financial income	32	(30,702)	(16,065)
		1,838,597	1,417,049
Changes in operating assets and liabilities:			
Trade and other accounts receivable		(56,993)	18,934
Inventories		(69,968)	3,723
Other non-financial assets		(44,486)	(8,248)
Trade and other accounts payable		(88,534)	33,892
Employee benefits		(34,783)	(32,153)
Provisions		(8,245)	3,055
Other liabilities		(92,152)	35,970
Income tax paid		(363,856)	(237,137)
Net cash from operating activities		1,079,580	1,235,085
Cash flow from investing activities:			
Net cash flow used in acquisition of a subsidiary		-	(393,675)
Capitalization of investments in associates		-	(5,205)
Dividends received		300,154	702,096
Interest received		182,349	10,129
Investment in financial assets		29,332	(5,900)
Acquisition of property, plant and equipment	14	(454,726)	(480,375)
Acquisition of intangible assets	18	(306,268)	(474,117)
Proceeds from sale of property, plant and equipment		769	-
Net cash (used in) from investing activities		(248,390)	(647,047)
Cash flow from financing activities:			
Dividends paid		(194,654)	(904,436)
Interest paid		(653,183)	(366,452)
Loans received	19	2,056,109	360,494
Lease payments		(33,142)	(11,472)
Loans paid	19	(1,844,158)	(18,406)
Net cash used in financing activities		(669,028)	(940,272)
Net (decrease) increase in cash and cash equivalents		162,162	(352,234)
Effect of exchange rate fluctuations on cash and cash equivalents		(157,355)	34,081
Opening balance of cash and cash equivalents		1,477,821	1,691,537
Cash and cash equivalents at the end of the year		\$ 1,482,628	1,373,384

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

(Continued)

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

1. General information

Parent Company - As stated in Law 142/1994 and Resolution 1/1996 of the District Council, on May 31, 1996, Grupo Energía Bogotá S.A E.S.P. was transformed from a government-owned industrial and commercial company to a joint stock company. Grupo Energía Bogotá S.A E.S.P., (hereinafter, “GEB” or the “Group”) was transformed into a public utilities company under Law 142/1994, and continued to be dedicated to the generation, transmission, distribution, and commercialization of energy. The Company’s legal term of duration is indefinite. At the General Meeting of Shareholders held on October 6, 2017, as documented in Minutes No. 078, formalized in Public Deed No. 3679/2017, registered on October 25, 2017, in the Chamber of Commerce of Bogotá, the Company changed its company name from Empresa de Energía de Bogotá S.A. E.S.P. to Grupo Energía Bogotá S.A. E.S.P. Its main registered office is at Carrera 9 No. 73-44 in Bogotá D.C., Colombia.

The Group’s main corporate purpose is the generation, transmission, distribution, and commercialization of energy, including gas and liquid fuels of all forms. It may also participate as partner or shareholder in other public utility companies, either directly or in partnership with others. Currently, the Group performs operating activities related to electricity transmission, and has a portfolio of investments in the energy sector.

It holds investments in subsidiaries, associates and joint ventures, and directly offers electricity transportation services in Colombia.

In the value chain, the business controls the largest natural gas operator in Colombia, TGI S.A., which has a substantial market share and serves the country’s most populated areas, including Bogotá, Cali, the Coffee Triangle, Medellín and the foothills area of the Plains region. The Group operates and maintains the largest network of gas pipelines in Colombia, from La Guajira to Valle del Cauca and from the Eastern Plains to Cundinamarca, Boyacá, Tolima, and Huila.

Starting on June 1, 2023, TGI (Subsidiary) changed its functional currency from dollars to Colombian pesos, due to the change in the remuneration for natural gas transportation services established by the Resolution 175/2021 issued by Energy and Gas Regulation Commission (CREG by its acronym in Spanish). In Colombia, CREG establish general criteria for the remuneration of natural gas transportation services and the general schedule of charges of the national gas transportation system. The change in currency was made prospectively in the financial statements starting on June 1, 2023. As of May 31, 2023, the amount of the cumulative translation effect in other comprehensive income is COP 3,036,758.

In Peru, through its shareholdings in Calidda, it has a concession to design, build and operate the natural gas distribution system in the Department of Lima and the Constitutional Province of Callao in Peru. It is the pioneering company in providing this public utility service in Peru, contributing in this way to improving the quality of life of the population and the preservation of the environment.

Through the company Contugas, it has a 30-year concession to participate in the natural gas transportation and distribution sector in the Department of Ica. On April 25, 2008, the Private Investment Promotion Agency (PROINVERSION) awarded the consortium comprised of Grupo Energía Bogotá S.A. E.S.P. and Transportadora de Gas del Interior S.A. E.S.P. the international public bid, under

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

the modality of comprehensive project, to design, finance, build, operate and maintain the natural gas distribution system in the Department of Ica in Peru. Based on this award, on March 7, 2009, the BOOT Concession Contract was signed for the natural gas distribution system through a gas pipeline in the Department of Ica. This contract is being performed by the Company in its capacity of concession holder.

The Company began commercial operations on April 30, 2014, after having completed construction of the Natural Gas Pipeline Distribution System in Ica.

On August 9, 2019, Grupo Energía Bogotá acquired the shares of Dunas Energía S.A.A., Cantalloc Perú Holding S.R.L. and PPC Perú Holdings S.R.L. (hereinafter, Grupo Dunas). It obtained control of the group through the purchase of 100% of the shares.

The Group's aim was to achieve greater regional coverage to consolidate its position in the energy sector value chain.

Also in that country, jointly with Interconexión Eléctrica S.A. E.S.P. (ISA), it has shareholdings in REP S.A. and TRANSMANTARO S.A., which operate 63% of the electricity network of Peru, operating through four transmission departments: The North transmission department serves the facilities of Chiclayo and Chimbote; the Central transmission department serves the facilities of Lima and Pisco; the East transmission department serves the facilities of Huánuco and Huncayo, and the South transmission department serves the facilities of Arequipa and Cuzco.

In Guatemala, through its investment in Transportadora de Centroamérica S.A (TRECASA), the Group provides electricity transmission services and related activities through the construction of the most important infrastructure project in Guatemala, which began to provide electric energy transportation services in 2014. This company's projects focus on the construction, operation and maintenance of a group of transmission works.

On June 17, 2022, the Group acquired control over Elecnorte S.A.E.S.P., a public utilities company whose main business is the distribution of electricity, especially the regional transmission of electric energy in accordance with Colombian regulations, and the operation of all the energy infrastructure required to perform its activities.

Additionally, on October 26, 2022, the Group constituted the company Enlaza Grupo Energía Bogotá SAS E.S.P., with the purpose of strengthening management of the electric energy transmission projects and its operating assets in Colombia.

Additionally, GEB has a portfolio of investments in major energy companies, including Enel S.A. E.S.P., VANTI S.A., E.S.P., and Promigas S.A., E.S.P.

2. Legal and regulatory framework

Colombian companies - In the framework of constitutional provisions, the Residential Public Utilities Law 142/1994 and Law 143/1994 or Electricity Law were issued, which establish the provisions and general criteria that govern residential public utility service companies in the national territory.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

The Electricity Law of July 1, 1994 (Law 143/1994) regulates activities related to the generation, transmission, distribution, and commercialization of electric energy, creating a structure to promote competition and strengthen the electricity sector in the country.

The main government body of the electricity sector is the Ministry of Mines and Energy, which develops the national energy plan and the plan of reference for the expansion of generation–transmission through its Mining-Energy Planning Unit (UPME, for the Spanish original). Additionally, the Superintendence for Residential Public Utility Services (SSPD, for the Spanish original) and the Energy and Gas Regulatory Commission (CREG, for the Spanish original), are the entities responsible for the supervision and regulation of companies in this sector.

Companies in Peru - They are governed by the Organic Hydrocarbons Law No. 26221, issued on August 19, 1993, and the Natural Gas Industry Promotion and Development Law No.27133, issued on November 18, 1999, and its regulation approved by means of D.S. 040-99-EM, which establishes the conditions for the promotion and development of the natural gas industry. They are supervised by the Investments in Energy and Mining Supervising Body (OSINERGMIN, for the Spanish original), which oversees the quality and efficiency of the service provided and fulfillment of the obligations taken on by the concession holders in the concession contracts, as well as compliance with current legal provisions and technical standards.

Companies in Guatemala - They are governed by the legal framework defined in the General Law on Electricity (Decree 93-96 of the Congress of Guatemala) issued on November 15, 1996, the Regulation of the General Law on Electricity (Resolution 256-97 of April 2, 1997, amended by Resolution 68-2007), and the Regulation of the Wholesale Market Administrator (AMM, for the Spanish original) (Resolution 299-98 of June 1, 1998, amended by Resolution 69-2007).

The Ministry of Energy and Mines (MEM) is the government body responsible for formulating and coordinating the policies, government plans and indicative programs related to the electricity sub-sector and for enforcing the Law and its Regulations.

Companies in Brazil - In 2015, the Company formally acquired a 51% equity interest in four electric energy transmission concessions in Brazil: Transenergia Renovável S.A., Transenergia Sao Paulo S.A., Goiás Transmissão S.A. and MGE Transmissão, S.A.

The four concessions acquired by the Company were awarded by means of public bids in 2008 and 2009 for a 25-year period. The transmission lines cover 1,094 km, and comprise assets operating at 500, 345, 230 and 138 kV, located in the following states: Espírito Santo, Goiás, Mato Grosso, Mato Grosso do Sul, Minas Gerais and São Paulo.

This acquisition provides the Company, through GEBBRAS, the holding company of these four concessions, as well as future expansions, a strategic partner in Brazil, Furnas, which holds the remaining 49% of the shares of these four concessions.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

3. Basis of preparation and presentation

3.1 Accounting Standards Applied

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Statements, which are part of the Accounting and Financial Reporting Standards accepted in Colombia (NCIF, by its acronym in Spanish) established in Law 1314 of 2009, regulated by the Single Regulatory Decree 2420 of 2015, modified by Decrees 2496 of 2015, 2131 of 2016, 2170 of 2017, 2483 of 2018, 2270 of 2019, 1432 of 2020, 938 of 2021 and 1611 of 2022. The NCIF are based on the complete International Financial Reporting Standards (IFRS), issued and officially translated into Spanish by the International Standards Council of Accounting (International Accounting Standards Board – IASB, for its acronym in English).

3.2 Condensed Consolidated Interim Financial Statements

Subsidiaries:

The condensed consolidated interim financial statements include the financial statements of Grupo Energía Bogotá S.A. E.S.P. and its subsidiaries as of June 30, 2023 and December 31, 2022. The parent company consolidates the financial statements of the entities it controls.

The following are the companies controlled by GEB and which are therefore included in the consolidation of Grupo Energía de Bogotá:

<u>Name of Subsidiary</u>	<u>Main Activity</u>	<u>% Shareholdings</u>	<u>Country of incorporation and operation</u>
Transportadora de Gas Internacional S.A. E.S.P.	Gas transport	99.9%	Colombia
EEB Internacional LTD.	Investment vehicle	100%	Cayman Islands
Contugas S.A.C.	Gas distribution	100%	Perú
Gas Natural de Lima y Callao S.A.	Gas distribution	60%	Perú
Transportadora de Energía de Centroamérica S.A.	Electric energy transportation	96.84%	Guatemala
EEB Perú Holdings LTD.	Investment vehicle	100%	Cayman Islands
EEB Ingeniería y Servicios S.A.	Engineering services	100%	Guatemala
EEB Gas S.A.S.	Investment vehicle	100%	Colombia
EEB Energy RE.	Captive insurance company	100%	Bermuda
GEBBRAS Participacoes LTDA.	Investment vehicle	100%	Brazil
Dunas Energía S.A.A.	Electric energy distribution and commercialization	100%	Perú
PPC Peru Holdings S.R.L.	Electric energy distribution and commercialization	100%	Perú
Cantalloc Perú Holdings S.R.L.	Electric energy distribution and commercialization	100%	Perú
Elecorte S.A.S. E.S.P.	Power Transmission	100%	Colombia
Enlaza Grupo Energía Bogotá S.A.S. E.S.P.	Power Transmission	100%	Colombia

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

Investments in associates and joint ventures:

The following are the investments in associates and joint ventures recognized in the condensed consolidated interim financial statements:

<u>Name</u>	<u>Main Activity</u>	<u>% Shareholdings</u>	<u>Country of incorporation and operation</u>
Enel Colombia S.A.S. E.S.P.	Electric energy generation and commercialization	42.52%	Colombia
Promigas S.A. E.S.P.	Gas	15.24%	Colombia
VANTI S.A. E.S.P.	Gas	24.99%	Colombia
Electrificadora del Meta S.A. E.S.P. – EMSA	Energía	16.23%	Colombia
Consortio Transmantaro S.A.	Energía	40.00%	Peru
Red de Energía del Perú S.A.	Energía	40.00%	Peru
Agencia Analítica de Datos S.A.S.	Other	40.00%	Colombia
Goiás Transmissao S.A.	Power transmission	51.00%	Brazil
Mge Transmissao S.A.	Power transmission	51.00%	Brazil
Transenergia Renovavel S.A.	Power transmission	51.00%	Brazil
Transenergia Sao Paulo S.A.	Power transmission	51.00%	Brazil
Argo	Power transmission	50.00%	Brazil
Argeb Energía S.A.	Investment vehicle	37.50%	Brazil

The investments in Brazil are entities that are under joint control.

3.3 Basis for measurement

The Group's condensed consolidated interim financial statements have been prepared on the basis of historic cost, except financial assets and liabilities measured at fair value through profit or loss and/or through other comprehensive income, which are measured at fair value at the end of each period, as explained in the accounting policies described further below.

In general, the historical cost is based on the fair value of the consideration paid for the goods or services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the market for the instrument at the measurement date.

3.4 Functional and Presentation Currency

Each Group entity uses the functional currency of the main economic environment in which it operates. The condensed consolidated interim financial statements are presented in Colombian pesos, which is the functional and presentation currency of the Group's parent company; consequently, all balances and transactions denominated in currencies other than the Colombian peso are considered foreign currencies.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

The consolidated figures are stated in millions of Colombian pesos, except earnings per share and the market representative exchange rate, which are stated in Colombian pesos.

Balances denominated in foreign currency are stated in Colombian pesos translated at the market representative exchange rates as of June 30, 2023 and December 31, 2022, i.e., COP 4,191.28 and COP 4,810.20 per USD 1, COP 646.89 and COP 921.95 per 1 real, and, per 1 sol S/1,154.11 and S/1,262.85 respectively.

4 Significant Accounting Policies

The same accounting policies and calculation methods used in the Group's financial statements as of December 31, 2022 continued being applied to these condensed interim financial statements.

Standards issued but not yet effective – A number of new standards and amendments to standards are effective for annual periods beginning after January 1, 2023 and earlier application is permitted. The Group has not early adopted any of the forthcoming new or amended accounting standards in preparing these condensed consolidated interim financial statements.

5 Critical accounting judgments and estimations

In applying the accounting policies, Management must make judgments, estimates and assumptions about the carrying amounts of the assets and liabilities that apparently are not derived from other sources. The estimates and their associated assumptions are based on historical experience and other factors that are deemed relevant. The actual outcomes may differ from such estimates.

The underlying estimates and assumptions are regularly reviewed. The revisions of accounting estimates are recognized in the period of the revision if the revision only affects that period, or in future periods if the revision affects both the current and subsequent periods.

5.1 Critical judgments

The following are the main critical judgments, other than those involving estimates, that the Group's Management has used in the application of the Group's accounting policies and that have a significant impact on the amounts recognized in the financial statements. The judgments basically refer to:

Contingencies – The Group has established provisions for the estimated impact of losses related to various claims, situations or circumstances that have uncertain outcomes. The Group companies recognize a loss if an event occurred on or before the reporting date of the statement of financial position, and (i) information is available on the date when the financial statements were issued indicating that it is probable that the loss will occur, given the probability of uncertain future events, and (ii) the amount of the loss can be reasonably estimated. The Group continuously assesses contingencies arising from judgments, environmental remediation and other events.

Deferred tax – Judgment is required to determine whether deferred tax assets are recognized in the statement of financial position. Deferred tax assets, including those derived from unused tax losses, require Management to assess the probability that the Group will generate sufficient

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

taxable income in future periods to be able to use the recognized deferred tax assets. The assumptions on the generation of taxable income in the future depend on expectations about future cash flows. The estimations of future taxable income are based on the forecast cash flows of the operations and judgments on the application of tax laws in effect in each jurisdiction. If the future cash flows and taxable income differ significantly from the estimations, the Group's capacity to realize the net deferred tax assets recognized as of the reporting date could be affected.

Functional currency – Management uses its judgment to determine its functional currency. The functional currency of Grupo Energía Bogotá S.A. E.S.P. and each of its investments in subsidiaries, associates and joint ventures is determined based on the principles and indicators set out in IAS 21: "The Effects of Changes in Foreign Exchange Rates."

Cash generation units – For the effects of impairment testing of non-current assets, assets that do not generate cash flows that are largely independent from the cash flows generated by other assets or groups of assets must be grouped into the cash generation unit to which the asset belongs, which is the smallest group of identifiable assets that generates cash inflows for the Company, and that is largely independent from the cash flows derived from other assets or groups of assets. Management uses its judgment to determine the cash generation units for the effects of impairment testing.

Determining the average exchange rates for the translation of the financial statements – The consolidated revenues, costs and expenses of the subsidiaries whose functional currency is different from the functional currency of the parent company are translated into the presentation currency using the average exchange rate of the reporting period. Management considers that the average exchange rates are approximately equal to the rates in effect on the transaction dates.

5.2 Key sources of uncertainty in the estimations

The following are the key sources of uncertainty in the estimations at the end of the reporting period that have a significant risk of giving rise to substantial adjustments to the carrying values of assets and liabilities.

Impairment of investments in associates – At the end of each reporting period, the Group reviews the carrying values of its investments in associates in order to determine whether there are any indications of impairment of these assets. If so, the recoverable amount of the asset is calculated in order to determine the extent of the impairment loss (if any).

Impairment of goodwill – Determining the impairment of goodwill involves calculating the value in use of the cash generation units to which the goodwill has been assigned. To determine the value in use, the Group must estimate the future cash flows that should be generated by the cash generation units and an appropriate discount rate to calculate the present value.

Impairment of assets – property, plant and equipment and investment properties – Investments in joint ventures, other investments, advance payments and loans, property, plant and equipment and intangible assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amount might not be fully recovered. If the recoverable value of an asset is less than its carrying amount, an impairment loss is recognized in the income statement.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

The future cash flows used to calculate fair value are discounted using specific rates based on future expectations of the Group's operations, mainly estimates of sales, costs, commodity prices, capital investments, among others. Changes in these estimates could affect the recoverable value of the assets. The estimates are periodically reviewed by Management.

Impairment of financial assets – The Group recognizes an allowance for expected credit losses on investments in debt instruments measured at amortized cost, lease accounts receivable, balances owed by clients in construction contracts, as well as credit commitments in favor and financial guarantee contracts. The amount of expected credit losses is updated on each reporting date to reflect any changes in credit risk since the initial recognition of the respective financial instrument.

The Group recognizes expected credit losses on trade accounts receivable at the end of the reporting period. In calculating the expected credit losses under IFRS 9, GEB uses a simplified approach that allows not monitoring changes in credit risk, but instead recognizing a loss allowance based on the expected credit losses over the life of the asset on each reporting date, i.e., to recognize the expected credit losses that arise from possible default events over the expected life of the financial instrument. Whenever there is objective evidence that a financial asset is impaired, the Group recognizes an individual impairment allowance, and excludes that item from the collective assessment under the expected loss model.

To determine the expected credit losses, GEB and its subsidiaries use an allowance matrix based on the number of days a trade account receivable is past due, i.e., by grouping the accounts receivable in ranges of days past due, and applying a percentage of expected credit losses to the current balance of accounts receivable at the measurement date of each subsidiary, segmented into two homogeneous groups: the industrial business and the consumer business.

The impairment loss is recognized under management and sales expenses in the Group's condensed interim consolidated income statement. When confirmation is received that a trade account receivable is deemed uncollectible, the gross carrying amount of the account receivable is derecognized against the associated allowance.

Dismantling, removal or rehabilitation liabilities – The provision for future costs of dismantling, removal and rehabilitation requires making estimates and assumptions about the relevant regulatory framework; the magnitude of the possible effects; the duration, extension and costs of the required dismantling and rehabilitation activities, and the risk-adjusted discount rates to determine the present and future value of cash outlays. If the actual future costs differ from the estimates, the amount recognized for the adjustments may affect profit or loss. The provisions, including their associated estimates and assumptions, are regularly reviewed by Management.

The calculations involved in estimating the liabilities for dismantling, removal or rehabilitation are complex and involve significant judgments by Management, such as internal cost forecasts and future inflation and discount rates.

Significant variations in the external factors used for the calculation of the estimate may have a significant effect on the financial statements.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

6 Cash and cash equivalents

As of June 30, 2023 and as of December 31, 2022, the balance of cash and cash equivalents includes the following:

	June 30, 2023 (Unaudited)	December 31, 2022
Cash and bank accounts	\$ 581,109	\$ 931,976
Deposits (1)	901,519	545,845
	<u>\$ 1,482,628</u>	<u>\$ 1,477,821</u>

- (1) Short-term liquidity deposits, which are mainly of Grupo Energía Bogotá for COP 572,662, Transportadora de Gas Internacional S.A. E.S.P (TGI) for COP 107,974, and Contugas for COP 76,153.

There are not any restrictions over cash and cash equivalents.

7 Other investments

As of June 30, 2023 and December 31, 2022, the balance of financial assets includes the following:

	June 30, 2023 (Unaudited)	December 31, 2022
Corporate debt securities (1)	\$ 48,283	\$ 12,944
Equity securities at FVTPL	4,270	4,299
	<u>\$ 52,553</u>	<u>\$ 17,243</u>
Current	4,214	4,214
Non-current	48,339	13,029
	<u>\$ 52,553</u>	<u>\$ 17,243</u>

- (1) The increase corresponds mainly to new funds established for the purpose of maintaining water reservoirs, construction of educational centers and solar panel systems during 2023. These projects are executed to fulfill obligations to pay some taxes through activities developed by the Group. These investments are at FVTPL.

8 Trade and other receivables

The following are the balances of receivables as of June 30, 2023 and December 31, 2022:

	June 30, 2023 (Unaudited)	December 31, 2022
Customers	\$ 1,937,096	\$ 1,858,129
Advance payments	18,589	23,483
Employees and pension quota - shares	84,717	90,455
Other (1)	82,156	68,198
Impairment loss on trade receivables and contract asset (2)	(434,304)	(473,723)
Total receivables	<u>\$ 1,688,254</u>	<u>\$ 1,566,542</u>
Current	1,375,319	1,260,691
Non-current	312,935	305,851
	<u>\$ 1,688,254</u>	<u>\$ 1,566,542</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

(1) As of June 30, 2023, it mainly includes leases, recoveries, other receivables, judicial deposits for seizures and rights of way. In 2022, it mainly includes recoveries, private debtors and pension-quota shares.

(2) As of June 30, 2023 and December 31, 2022, the Impairment loss on trade receivables and contract asset amounted COP 434,304 and COP 473,723, respectively. Information about the Group's exposure to credit risk is included in Note 26.

9 Tax assets

As of June 30, 2023 and December 31, 2022, the balance of tax assets includes the following:

	June 30, 2023 (Unaudited)	December 31, 2022
Income tax (1)	\$ 255,933	\$ 71,397
Prepaid tax (2)	121,668	117,537
VAT - Balances in favor	126,070	122,953
	<u>\$ 503,671</u>	<u>\$ 311,887</u>
Current	377,601	188,934
Non-current	126,070	122,953
	<u>\$ 503,671</u>	<u>\$ 311,887</u>

- (1) The income tax balance in favor is the difference between the companies' withholdings and self-withholdings and the current income tax expense.
- (2) They are income tax withholdings and self-withholdings made during the period, which at the end of the year will be offset against the current income tax.

10 Assets held for sale

They correspond to land and fixed assets buildings which are available in their current conditions for immediate sale, although these assets have remained in this classification for more than a year, as of June 30, 2023 GEB continues to classify these assets as held for sale, since, the Board of Directors of the GEB, the decision to sell them has been made, the actions and strategies to commercialize the assets have been carried out, reasonable prices have been established for them, the plans for the search buyers for the assets, and in general the efforts have been made to sell these assets, however, due to circumstances beyond the control of GEB, their sale has not materialized.

As of June 30, 2023, the Group has reviewed the sales plans and intensified the marketing of the assets to achieve their effective sale; among the main activities carried out by the Group are:

- Monitoring by the Board of Directors and the Audit Committee of the property sale process.
- Holding auctions for the sale of assets (with the participation of four interested buyers).
- Additional studies of the relevance of the established sales prices.
- Signing of contracts with specialized real estate agencies for the management and promotion of the sale.
- These assets are kept without use by the Administration.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

No indicators of impairment have been identified.

	June 30, 2023 (Unaudited)	December 31, 2022
Land and buildings	\$ 181,098	\$ 180,809

11 Other non-financial assets

As of June 30, 2023 and December 31, 2022, the balance of other non-financial assets includes the following:

	June 30, 2023 (Unaudited)	December 31, 2022
Insurance	\$ 37,484	\$ 31,108
Legal deposits	28,865	27,446
Prepaid expenses	22,517	24,997
Other	5,228	1,989
	<u>\$ 94,094</u>	<u>\$ 85,540</u>
Current	94,082	85,527
Non-current	12	13
	<u>\$ 94,094</u>	<u>\$ 85,540</u>

12 Non-controlling interest

As of June 30, 2023 and December 31, 2022, income from the non-controlling interest of Gas Natural de Lima y Callao S.A. totaled COP 96,702 and COP 174,153, respectively, and the accumulated balance of non-controlling interest was COP 593,821 and COP 710,992, respectively. Dividends declared to non-controlling interests totaled COP 194,640.

13 Investments in associates and joint ventures

The following table summarizes the financial information of the Group's investments in associates. All investments are accounted for using the equity method:

Name of associate	Main activity	Place of incorporation and operations	Type	Percentage ownership interest	
				June 30, 2023 (Unaudited)	December 31, 2022
Enel Colombia S.A. E.S.P.	Energía	Colombia	Ordinary	42.52%	42.52%
Consorcio Transmantaro S.A.	Energía	Peru	Ordinary	40.00%	40.00%
Red de Energía del Perú S.A.	Energía	Peru	Ordinary	40.00%	40.00%
Agencia Analítica de Datos S.A.S.	Other	Colombia	Ordinary	40.00%	40.00%
VANTI S.A. E.S.P.	Gas	Colombia	Ordinary	24.99%	24.99%
EMSA S.A. E.S.P.	Energía	Colombia	Ordinary	16.23%	16.23%
Promigas S.A. E.S.P.	Gas	Colombia	Ordinary	15.24%	15.24%

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

The following table summarizes the financial information of the Group's investments in joint ventures. All investments are accounted for using the equity method:

Name of joint venture	Main activity	Country of incorporation and operations	Type	June 30, 2023 (Unaudited)	December 31, 2022
Goiás Transmissao S.A.	Power Transmission	Brazil	Ordinary	51.00%	51.00%
Mge Transmissao S.A.	Power Transmission	Brazil	Ordinary	51.00%	51.00%
Transenergia Renovavel S.A.	Power Transmission	Brazil	Ordinary	51.00%	51.00%
Transenergia Sao Paulo S.A.	Power Transmission	Brazil	Ordinary	51.00%	51.00%
ARGO S.A.	Power Transmission	Brazil	Ordinary	50.00%	50.00%
Argeb Energía S.A. (*)	Investment vehicle	Brazil	Ordinary	37.50%	37.50%

(*) The contractual agreement specifies that decisions about the relevant activities of the agreement to agree unanimously.

The financial information regarding the Group's interest in each of the associates and joint ventures is displayed below, as reported in the statement of financial position and statement of income:

June 30, 2023

	Total net assets of the associates/joint ventures	The Group's interest in the net assets of the associates/joint ventures	Goodwill	Carrying amount of interest in joint venture / associates (Unaudited)
<u>Associates</u>				
Enel Colombia S.A. ESP.	12,964,838	42.52%	1,690,561	7,202,562
VANTI S.A. E.S.P.	472,811	24.99%	193,855	312,054
Red de Energía del Perú S.A.	453,474	40.00%	-	181,390
Consorcio Transmantaro S.A.	1,871,335	40.00%	45,088	793,622
Promigas S.A. E.S.P.	5,410,021	15.24%	-	964,170
Agencia Analítica de Datos S.A.S.	16,535	40.00%	-	6,614
Electrificadora del Meta S.A. E.S.P.	305,632	16.23%	-	49,605
Total interest in associates				\$ 9,510,017
<u>Joint ventures</u>				
Goiás Transmissao S.A.	318,914	51.00%	-	162,646
Mge Transmissao S.A.	357,984	51.00%	-	182,572
Transenergia Renovavel S.A.	171,526	51.00%	-	87,478
Transenergia Sao Paulo S.A.	64,196	51.00%	-	32,740
Argeb Energía S.A.	3,306,151	37.50%	-	1,239,806
Argo S.A.	5,876,564	50.00%	-	2,938,282
Total interest in joint ventures				\$ 4,643,524
Total interest in associates and joint ventures				\$ 14,153,541

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

December 31, 2022

	Total net assets of the associates/joint ventures	The Group's interest in the net assets of the associates/joint ventures	Goodwill	Carrying amount of interest in joint venture / associates
<u>Associates</u>				
Enel Colombia S.A. ESP. (1)	15,171,931	42.52%	1,690,561	8,140,908
VANTI S.A. E.S.P.	588,679	24.99%	193,855	341,020
Red de Energía del Perú S.A.	670,061	40.00%	-	268,024
Consorcio Transmantaro S.A.	2,284,359	40.00%	45,088	958,832
Promigas S.A. E.S.P.	5,696,741	15.24%	-	1,007,858
Agencia Analítica de Datos S.A.S.	23,477	40.00%	-	9,391
EMSA, S.A. E.S.P.	320,109	16.23%	-	51,938
Total interest in associates				\$ 10,777,971
<u>Joint ventures</u>				
Goias Transmissao S.A.	364,708	51.00%	-	186,001
Mge Transmissao S.A.	354,768	51.00%	-	180,932
Transenergia Renovavel S.A.	168,356	51.00%	-	85,862
Transenergia Sao Paulo S.A.	85,295	51.00%	-	43,501
Argeb Energía S.A. (2)	3,398,331	37.50%	-	1,274,372
Argo S.A.(3)	4,409,841	50.00%	-	3,007,534
Total interest in joint ventures				\$ 4,778,202
Total interest in associates and joint ventures				\$ 15,556,173

- (1) Increase in the value of the investment due to the merger carried out in 2022 between Emgesa, Codensa and other entities of the Enel Group for a value of COP 1,849,056.
- (2) Constitution of the joint venture "Argeb Energía S.A." in Brazil obtaining 37.5% of total shares for a value of COP 1,131,942.
- (3) Increase in investment in the ARGO joint venture for a value of COP 961,953.

The following are the Group's interest in the profit (or loss) of its investments in associates and joint ventures during the period:

June 30, 2023

	Profit (loss) of the associates / joint ventures	The Group's interest in profit (loss) of the associates/joint ventures	Carrying amount of interest in joint venture / associates (Unaudited)
<u>Associates</u>			
Enel Colombia S.A. ESP.	1,326,596	42.52%	564,002
VANTI S.A. E.S.P.	234,116	24.99%	58,528
Red de Energía del Perú S.A.	149,361	40.00%	59,744
Consorcio Transmantaro S.A.	213,224	40.00%	85,290
Promigas S.A. E.S.P.	503,704	15.24%	76,765
Agencia Analítica de Datos S.A.S.	(3,160)	40.00%	(1,264)
Electrificadora del Meta S.A E.S.P.	12,884	16.23%	2,091
Total interest in associates			\$ 845,156

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

	Profit (loss) of the associates / joint ventures	The Group's interest in profit (loss) of the associates/joint ventures	Carrying amount of interest in joint venture / associates (Unaudited)
<u>Joint ventures</u>			
Goias Transmissao S.A.	18,580	51.00%	9,476
Mge Transmissao S.A.	26,324	51.00%	13,425
Transenergia Renovavel S.A.	14,612	51.00%	7,183
Transenergia Sao Paulo S.A.	5,991	51.00%	3,055
Argeb Energía S.A.	123,546	37.50%	46,330
Argo S.A.	262,548	50.00%	131,274
Total interest in joint ventures			\$ 210,743
Total interest in associates and joint businesses			\$ 1,055,899

December 31, 2022

	Profit (loss) of the associates / joint ventures	The Group's interest in profit (loss) of the associates/joint ventures	Carrying amount of interest in joint venture / associates
<u>Associates</u>			
Enel Colombia S.A. ESP.	2,859,964	42.52%	1,215,908
Codensa S.A. E.S.P. (1)	-	0.00%	76,222
VANTI S.A. E.S.P.	349,098	24.99%	87,272
Red de Energía del Perú S.A.	272,325	40.00%	108,930
Consorcio Transmantaro S.A.	318,386	40.00%	127,354
Promigas S.A. E.S.P.	1,116,722	15.24%	170,155
Agencia Analítica de Datos S.A.S.	(1,191)	40.00%	(476)
Electrificadora del Meta S.A E.S.P.	39,194	16.23%	6,358
Total interest in associates			\$ 1,791,723
<u>Joint ventures</u>			
Goias Transmissao S.A.	65,045	51.00%	33,173
Mge Transmissao S.A.	63,241	51.00%	32,253
Transenergia Renovavel S.A.	20,453	51.00%	10,431
Transenergia Sao Paulo S.A.	19,943	51.00%	10,171
Argeb Energía S.A.	18,318	37.50%	6,869
Argo S.A.	473,847	50.00%	211,464
Total interest in joint ventures			\$ 304,361
Total interest in associates and joint businesses			\$ 2,096,084

- (1) Enel Colombia S.A. E.S.P. – By means of Resolution No. 325-002477 of February 28, 2022, the Superintendence of Companies approved the merger between Emgesa S.A. ESP, Codensa S.A. E.S.P., Enel Green Power Colombia S.A.S. ESP and ESSA2 SpA (Central American subsidiaries) into a single company whose company name is Enel Colombia S.A. ESP.

The merger of these Grupo Enel companies involves the combination of assets in Colombia, Costa Rica, Panama and Guatemala. It also enables a corporate reorganization between Enel Américas (57.345%), Grupo Energía Bogotá (42.515%) and minority shareholders (0.140%). The above is in the context of an Investment Framework Agreement signed with GEB in January 2021.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

The effect on equity as a result of the merger amounts to COP 1,849,056.

June 30, 2022

	Profit (loss) of the associates / joint ventures	The Group's interest in profit (loss) of the associates/joint ventures	Carrying amount of interest in joint venture / associates (Unaudited)
<u>Associates</u>			
Enel Colombia S.A. ESP.	1,383,573	42.52%	588,221
Codensa S.A. E.S.P. (1)	-	0.00%	76,222
Gas Natural S.A. E.S.P.	200,668	24.99%	50,165
Red de Energía del Perú S.A.	117,735	40.00%	47,094
Consortio Transmantaro S.A.	140,077	40.00%	56,031
Promigas S.A. E.S.P.	659,548	15.24%	100,495
Agencia Analítica de Datos S.A.S.	(3,049)	40.00%	(1,220)
Electrificadora del Meta S.A E.S.P.	26,413	16.23%	4,286
Total interest in associates			921,294
<u>Joint ventures</u>			
Goiás Transmissao S.A.	(4,889)	51.00%	(2,493)
Mge Transmissao S.A.	9,983	51.00%	5,092
Transenergia Renovavel S.A.	(997)	51.00%	(508)
Transenergia são Paulo S.A.	(2,162)	51.00%	(1,103)
Argo S.A.	271,000	50.00%	135,500
Total interest in joint ventures			136,488
Total interest in associates and joint businesses			1,057,782

The following table summarizes the financial information of the dividends declared in favor of GEB:

	June 30, 2023 (Unaudited)	December 31, 2022
Enel Colombia S.A. E.S.P.	1,164,169	1,477,942
Consortio Transmantaro S.A.	140,125	30,565
Red de Energía del Perú S.A.	124,680	43,726
Promigas S.A. E.S.P.	89,225	82,104
VANTI S.A. E.S.P.	87,815	68,729
Argo S.A.	9,383	1,326
Electrificadora del Meta S.A E.S.P.	4,493	6,383
Total	\$ 1,619,890	\$ 1,710,775

The movement of receivables by dividends is as follows:

Account receivables related parties— note 34		
Balance as of December 31, 2022	\$	153,830
Dividends declared		1,619,890
Dividends collected		(300,154)
Foreign exchange		(25,932)
Balance as of June 30, 2023	\$	1,447,634

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

14 Property, plant and equipment

The following are the balances and movements of property, plant and equipment as of June 30, 2023 and December 31, 2022:

	June 30, 2023 (Unaudited)	December 31, 2022
Cost	\$ 19,772,805	\$ 20,951,379
Accumulated depreciation	(3,849,723)	(3,938,138)
Impairment losses	(338)	-
	<u>\$ 15,922,744</u>	<u>\$ 17,013,241</u>

Cost	Property, plant and equipment	Constructions in progress	Total
Balance as of December 31, 2021	\$ 13,612,749	\$ 2,867,931	\$ 16,480,680
Additions	\$ 88,585	1,101,733	1,190,318
Internal transfers	751,529	(751,529)	-
Transfers to intangibles	-	(18,762)	(18,762)
Capitalized interest (1)	-	143,212	143,212
Disposals	(44,680)	(4,338)	(49,018)
Change in accounting policy (2)	(199,581)	-	(199,581)
Assets retirement cost	114,964	-	114,964
Consumption	-	(6,455)	(6,455)
Acquisitions through business combinations	489,621	-	489,621
Translation effect	2,615,080	191,320	2,806,400
Balance as of December 31, 2022	\$ 17,428,267	\$ 3,523,112	\$ 20,951,379
Additions	\$ 12,903	441,823	454,726
Internal transfers	6,540	(6,540)	-
Transfers to intangibles	-	(1,013)	(1,013)
Capitalized interest	-	65,788	65,788
Disposals	(125,438)	(895)	(126,333)
Provisions	-	11,234	11,234
Advance payments	-	(7,036)	(7,036)
Translation effect	(1,404,390)	(171,550)	(1,575,940)
Balance as of June 30, 2023 (Unaudited)	\$ 15,917,882	\$ 3,854,923	\$ 19,772,805

- (1) The capitalized borrowing rate is regarding to the following loans: (i) International Bond Issuance – 4.875%; (ii) GEB Bonds tranche 1 A/7 - IPC + 3,19 %; (iii) GEB Bonds tranche 2 A/7 - IPC + 3,21 %; (iv) GEB Bonds tranche 2 A/15/ 25 - IPC + 3,85 %; (v) GEB Bonds tranche 1 A/25 - IPC + 4,04 %; and (vi) GEB Bonds tranche 2 A/25 - IPC + 4,10 %.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

- (2) Elecnorte made a change in the accounting policy for measuring property, plant and equipment to apply the same policy as GEB.

Accumulated depreciation

Balance as of December 31, 2021	\$ (2,842,492)
Depreciation	(491,059)
Disposals	44,930
Translation effect	(649,517)
Balance as of December 31, 2022	\$ (3,938,138)
Depreciation	(271,052)
Disposals	8,732
Translation effect	350,735
Balance as of June 30, 2023 (Unaudited)	\$ (3,849,723)

Impairment

Balance as of December 31, 2021	\$ (6,709)
Additions	(697)
Reversals	6,656
Translation effect	750
Balance as of December 31, 2022	\$ -
Additions	(73)
Translation effect	(265)
Balance as of June 30, 2023 (Unaudited)	\$ (338)

15 Investment properties

The following are the carrying amounts of investment properties as of June 30, 2023 and December 31, 2022:

	June 30, 2023 (Unaudited)	December 31, 2022
Land	\$ 29,911	\$ 29,911
Buildings	226	226
Accumulated depreciation	(21)	(19)
	\$ 30,116	\$ 30,118

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

16 Right-of-use assets

Right of use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment. The following is a breakdown of right-of-use assets as of June 30, 2023 and December 31, 2022:

		Real estate property	Vehicle	Machinery and equipment	Computer equipment	Total
Balance as of December 31, 2021	COP	61,644	27,534	3,550	7,263	\$ 99,991
Additions		15,784	7,049	870	3,641	27,344
Disposal		-	(217)	-	-	(217)
Transfer to PPE		(22,851)	-	-	-	(22,851)
Depreciation		(25,150)	(13,233)	(1,227)	(3,084)	(42,694)
Translation effect		10,202	4,380	723	1,143	16,448
Balance as of December 31, 2022	COP	39,629	25,513	3,916	8,963	\$ 78,021
Depreciation		(39,761)	(7,497)	(202)	(88)	(47,548)
Translation effect		35,509	(1,144)	3,320	(688)	36,997
Balance as of June 30, 2023 (Unaudited)	COP	35,377	16,872	7,034	8,187	\$ 67,470

17 Goodwill

The following are the carrying amounts of goodwill as of June 30, 2023 and December 31, 2022:

	June 30, 2023 (Unaudited)	December 31, 2022
Grupo Dunas	\$ 222,684	\$ 243,664
Transportadora de Gas Internacional S.A. E.S.P.	61,096	70,118
EEB Perú – Holding	48,037	55,132
Elecnorte S.A. E.S.P.	254,575	254,575
	<u>\$ 586,392</u>	<u>\$ 623,489</u>

Reconciliation of carrying amount of goodwill:

		Total
Balance as of December 31, 2021	\$	302,554
Business combinations		254,575
Translation effect		66,360
Balance as of December 31, 2022	\$	623,489
Translation effect		(37,097)
Balance as of June 30, 2023	\$	<u>586,392</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

18 Intangible assets

The following are the balances and movements of intangible assets as of June 30, 2023 and December 31, 2022:

	June 30, 2023 (Unaudited)	December 31, 2022
Concession assets (1)	\$ 7,754,793	\$ 8,606,642
Business rights	1,074,328	1,175,555
Right of way	916,554	978,576
Software and licenses	408,098	443,283
Accumulated amortization and impairment	(2,440,390)	(2,596,021)
	<u>\$ 7,713,383</u>	<u>\$ 8,608,035</u>

(1) Decrease in concessions is due to the Translation effect of COP 1,050,351 given the decrease in the exchange rate on December 31, 2022 (\$4,810) compared to that on June 30, 2023 (\$4,191).

Cost	Concession assets	Business rights	Right of way	Software and licenses	Total
Balance as of December 31, 2021	\$ 6,624,141	953,251	751,209	303,707	8,632,308
Acquisitions	535,889	103	98,816	94,840	729,648
Transfers	-	801	7,845	15,153	23,799
Disposals	-	-	(137)	(21,473)	(21,610)
Translation effect	1,446,612	221,400	120,843	51,056	1,839,911
Balance as of December 31, 2022	<u>\$ 8,606,642</u>	<u>1,175,555</u>	<u>978,576</u>	<u>443,283</u>	<u>11,204,056</u>
Acquisitions	198,502	58,503	23,790	25,473	306,268
Transfers	-	-	(3)	1,016	1,013
Translation effect	(1,050,351)	(159,730)	(85,809)	(61,674)	(1,357,564)
Balance as of June 30, 2023 (Unaudited)	<u>\$ 7,754,793</u>	<u>1,074,328</u>	<u>916,554</u>	<u>408,098</u>	<u>10,153,773</u>

Accumulated amortization and impairment	Concession assets	Business rights	Right of way	Software and licenses	Total
Balance as of December 31, 2021	\$ (1,637,799)	(131,040)	(57,312)	(126,869)	(1,953,020)
Amortization	(236,324)	(9,891)	(13,828)	(46,125)	(306,168)
Impairment	85,109	-	-	-	85,109
Terminations	-	-	-	1,899	1,899
Translation effect	(360,641)	(28,900)	(8,177)	(26,123)	(423,841)
Balance as of December 31, 2022	<u>\$ (2,149,655)</u>	<u>(169,831)</u>	<u>(79,317)</u>	<u>(197,218)</u>	<u>\$ (2,596,021)</u>
Amortization	(131,730)	(5,383)	(7,612)	(27,966)	(172,691)
Translation effect	285,701	14,524	9,773	18,324	328,322
Balance as of June 30, 2023 (Unaudited)	<u>\$ (1,995,684)</u>	<u>(160,690)</u>	<u>(77,156)</u>	<u>(206,860)</u>	<u>\$ (2,440,390)</u>
Net balance as of December 31, 2022	<u>\$ 6,456,987</u>	<u>1,005,724</u>	<u>899,259</u>	<u>246,065</u>	<u>8,608,035</u>
Net balance as of June 30, 2023 (Unaudited)	<u>\$ 5,759,109</u>	<u>913,638</u>	<u>839,398</u>	<u>201,238</u>	<u>\$ 7,713,383</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

19 Loans and borrowings

The following are the carrying of loans and borrowings as of June 30, 2023 and December 31, 2022:

	June 30, 2023 (Unaudited)	December 31, 2022
Issued bonds (1) (*)	\$ 7,571,307	\$ 9,952,534
Loans (2) (**)	10,639,954	10,215,093
Financial interest	185,344	175,738
	<u>\$ 18,396,605</u>	<u>\$ 20,343,365</u>
Current	1,579,449	1,075,261
Non-current	16,817,156	19,268,104
	<u>\$ 18,396,605</u>	<u>\$ 20,343,365</u>

(*) Credit payments correspond to: (i) Repurchase of TGI subsidiary bonds for USD 46.5; (ii) Maturity and payment of Calidda bonds for USD 320; and (iii) payments of financial obligations in subsidiary Dunas for Peruvian Sol \$111, Elecnorte COP 9,449 and Tresca USD 4.3.

(**) The increase in loans corresponds mainly to the acquisition of a syndicated loan in Calidda (subsidiary) for USD \$420.

(1) Issued bonds:

Local Bond Issuance in Colombian pesos:

			Carrying amount	
	Nominal Interest Rate	Year of maturity	June 30, 2023 (Unaudited)	December 31, 2022
GEB:				
GEB - 2045 Bonds in UVR tranche 1	Fixed 3.99%	June 25, 2045	521,519	485,817
GEB Bonds tranche 2 A/30	CPI + 4.10%	February 28, 2047	327,516	327,243
GEB - 2027 Bonds in COP tranche 1	CPI + 3.24%	June 25, 2027	324,098	324,233
GEB Bonds tranche 1 A/15	CPI + 3.85%	February 28, 2032	286,301	191,312
GEB - 2035 Bonds in COP tranche 1	CPI + 3.87%	June 25, 2035	217,418	217,342
GEB Bonds tranche 2 A/15	CPI + 3.85%	February 28, 2032	191,977	286,670
GEB Bonds tranche 1 A/7	CPI + 3.19%	February 28, 2024	188,005	188,587
GEB Bonds tranche 1 A/25	CPI + 4.04%	February 28, 2042	182,130	181,986
GEB- 2035 Bonds in COP tranche 2 (1)	CPI + 3.87%	June 25, 2035	165,082	164,831
GEB- 2042 Bonds in UVR tranche 2 (1)	Fixed 5.45%	June 25, 2042	104,648	97,469
GEB Bonds tranche 2 A/7	CPI + 3.21%	February 28, 2024	130,707	130,978
Issued in Colombian currency, expressed in COP Million			<u>\$ 2,639,401</u>	<u>\$ 2,596,468</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

International bond issuance in foreign currency:

	Nominal Interest Rate	Year of maturity	Carrying amount	
			June 30, 2023 (Unaudited)	December 31, 2022
GEB - 2030 international Issued bonds	Fixed 4.875%	May 15, 2030	1,657,735	1,901,240
TGI Bonds	5.55% SV	November 01, 2028	2,310,832	2,862,600
Calidda international bonds	4.375% SV	March 15, 2023	-	1,538,757
Calidda local bonds in PEN 200 million	6.47%	July 23, 2028	229,996	251,088
Calidda local bonds in PEN 342 million	5.03%	September 06, 2029	393,289	429,973
Electrodunas bonds	4.59%	December 11, 2030	264,459	289,690
Electrodunas bonds	2.75%	December 11, 2025	75,595	82,718
Issued in foreign currency, expressed in COP Millions			\$ 4,931,906	\$ 7,356,066
TOTAL			\$ 7,571,307	\$ 9,952,534

(2) Loans

	Nominal Interest Rate	Year of maturity	Carrying amount	
			June 30, 2023 (Unaudited)	December 31, 2022
GEB				
Syndicated Loan	LIBOR 6M + 1.625	22/07/2024	1,343,795	1,541,374
Banco Davivienda	LIBOR6M+2.35%	09/03/2032	1,273,919	1,458,878
UMB BANK	SOFR6M+1.95%	24/11/2027	2,116,112	2,422,769
			4,733,826	5,423,021
Contugas				
Syndicated Loan	LIBOR 5.13614% + Fixed 1.75%	31/08/2024	1,494,104	1,735,771
Gas Natural de Lima y Callao				
BBVA	1.37%	1/07/2023	335,289	384,671
Financiamiento IDB	LIBOR 6M + 2,10% (to May 2024)	15/11/2028		
	LIBOR 6M + 2,35%		419,920	481,536
Scotia Bilateral	2.25% + LIBOR 3M	16/12/2026	833,401	473,890
Syndicated loan	1.35% + LIBOR 3M	28/12/2026	1,457,781	138,188
			3,046,391	1,478,285
Trecsa				
Citibank N.A.	3.14%	30/06/2028	266,146	278,270
BAC International Bank Inc	4.35%	20/10/2023	272,433	312,663
Banco de América Central S.A.	4.35%	22/09/2023	209,564	248,944
			748,143	839,877

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

			Carrying amount	
	Nominal Interest Rate	Year of maturity	June 30, 2023 (Unaudited)	December 31, 2022
EEBIS				
Citibank N.A.	5.40%	26/03/2025	188,608	216,459
BAC International Bank Inc.	4.35%	20/10/2023	117,356	137,938
			305,964	354,397
Calidda Energía				
Banco de crédito del Perú	2.36% E.A.	29/05/2024	9,686	11,112
Elecnorte				
Itaú	15.90%	25/03/2032	122,188	126,679
Itaú	15.90%	25/03/2032	6,338	6,571
Banco Davivienda	15.90%	25/03/2032	122,188	126,679
Banco Davivienda	15.90%	25/03/2032	6,338	6,571
			257,052	266,500
Dunas				
Banco de crédito del Perú	7.78%	17/02/2023	-	10,883
Banco de crédito del Perú	8.12%	17/03/2023	-	10,883
Banco de crédito del Perú	8.75%	2/06/2023	-	12,629
Banco de crédito del Perú	8.80%	13/02/2023	-	12,629
Banco de crédito del Perú	10.85%	7/12/2023	-	4,254
Interbank	5.73%	2/01/2027	44,788	54,852
			44,788	106,130
TOTAL			\$ 10,639,954	\$10,215,093

Reconciliation between movements of liabilities and cash flows arising from financing activities:

	Bonds	Loans	Total
Balance as of December 31, 2021	\$ 9,000,208	\$ 6,123,617	\$ 15,123,825
Additions	262,611	2,924,041	3,186,652
Payments	(663,227)	(457,734)	(1,120,961)
Interest paid	(606,114)	(266,143)	(872,257)
Interest expense	685,923	375,624	1,061,547
Foreign exchange differences	355,822	498,842	854,664
Transaction costs	21,238	-	21,238
Reclassification to leases	-	(51,299)	(51,299)
Business combinations	-	285,660	285,660
Translation effect	1,005,107	849,189	1,854,296
Balance as of December 31, 2022	\$ 10,061,568	\$ 10,281,797	\$ 20,343,365
Additions	-	2,056,109	2,056,109
Payments	(1,678,582)	(165,576)	(1,844,158)
Interest paid	(354,894)	(298,289)	(653,183)
Interest expense	369,600	351,021	720,621
Foreign exchange differences	(257,288)	(712,602)	(969,890)
Translation effect	(697,850)	(558,409)	(1,256,259)
Balance as of June 30, 2023 (Unaudited)	\$ 7,442,554	\$ 10,954,051	\$ 18,396,605

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

Reconciliation of movements of lease liabilities to cash flows arising from financing activities:

	Leases
Balance as of December 31, 2021	62,198
Additions	52,139
Reclassification from loans	51,299
Payments	(120,778)
Interest expense	5,294
Exchange difference	7,064
Translation effect	50,024
Balance as of December 31, 2022	107,240
Additions	2,409
Payments	(33,142)
Interest expense	8,026
Exchange difference	(595)
Translation effect	10,290
Balance as of June 30, 2023	94,228

20 Trade and other payables

The following are the carrying amounts of trade and other payables as of June 30, 2023 and December 31, 2022:

	June 30, 2023 (Unaudited)	December 31, 2022
Dividends (1)	\$ 2,002,348	\$ 843
Suppliers	764,647	878,778
	\$ 2,766,995	\$ 879,621
Current	2,696,463	825,487
Non-current	70,532	54,134
	\$ 2,766,995	\$ 879,621

- (1) As of June 30, 2023 there are dividends declared on March 2023 by GEB for COP 2,001,497. As of June 30, payments have been made for COP 13.

As of June 30, 2023 dividend payments reflected in the Statements of Cash Flow of COP 194,654 corresponds to the payment of dividends to the non-controlling interest of the Calidda (subsidiary). In FY22, the total amount of COP 904,436 includes: (i) \$143,856 related to payment of dividends to the non -controlling interest of the Calidda (subsidiary); and (ii) COP 760,580 related to payment of GEB dividends declared in 2021.

Information about the Group's exposure to liquidity risk is included in Note 26.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

21 Employee benefits

The following is a breakdown of employee benefit liabilities as of June 30, 2023 and December 31, 2022:

	June 30, 2023 (Unaudited)	December 31, 2022
Short-term benefits (a)	\$ 96,775	\$ 122,911
Net defined benefit liability (b)	97,242	102,965
Supplementary benefits	19,325	19,831
	<u>\$ 213,342</u>	<u>\$ 245,707</u>
Current	121,551	147,687
Non-current	91,791	98,020
	<u>\$ 213,342</u>	<u>\$ 245,707</u>

(a) *Short-term benefits*

	June 30, 2023 (Unaudited)	December 31, 2022
Bonuses	\$ 26,435	\$ 54,442
Mandatory benefits	58,695	50,706
Salaries	11,645	17,763
	<u>\$ 96,775</u>	<u>\$ 122,911</u>

(b) *Net defined benefit liability*

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	June 30, 2023 (Unaudited)	December 31, 2022	June 30, 2023 (Unaudited)	December 31, 2022	June 30, 2023 (Unaudited)	December 31, 2022
Opening balances	\$ 198,287	226,062	(95,322)	(113,449)	102,965	112,613
Financial expenses (income)	12,340	18,391	(6,315)	(9,642)	6,025	8,749
Taxes paid	-	-	-	250	-	250
Payments made	(15,149)	(26,435)	15,156	26,435	7	-
Contributions made	-	-	(11,755)	(11,431)	(11,755)	(11,431)
Other comprehensive income	-	(19,731)	-	12,515	-	(7,216)
Closing balances	<u>\$ 195,478</u>	<u>198,287</u>	<u>(98,236)</u>	<u>(95,322)</u>	<u>97,242</u>	<u>102,965</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

22 Provisions

As of June 30, 2023 and December 31, 2022, the carrying amount of provisions includes the following:

	June 30, 2023 (Unaudited)	December 31, 2022
Assets retirement obligations	\$ 393,551	\$ 372,301
Legal	125,180	124,331
Other provisions (1)	181,359	217,740
Pension quota-shares	2,294	2,293
	<u>\$ 702,384</u>	<u>\$ 716,665</u>
Current	117,805	149,729
Non-current	584,579	566,936
	<u>\$ 702,384</u>	<u>\$ 716,665</u>

- (1) Includes provisions for estimated liabilities, provisions for investment projects and supplementary employee benefits.

The movements in provisions are described below:

	Legal	Other provisions	Assets retirement obligations	Pension quota-shares	Total
Balance as of December 31, 2021	\$ 88,150	137,079	227,180	3,006	\$ 455,415
Increases	7,843	58,867	120,751	-	187,461
Use	-	(69,380)	(233,820)	(712)	(303,912)
Other	1,742	13,223	-	-	14,965
Financial expenses	-	-	20,662	-	20,662
Translation effect	26,596	77,950	237,528	-	342,074
Balance as of December 31, 2022	<u>\$ 124,331</u>	<u>217,739</u>	<u>372,301</u>	<u>2,294</u>	<u>\$ 716,665</u>
Increases	16,825	-	22,051	-	38,876
Use	-	(37,497)	-	-	(37,497)
Other	(5,872)	6,520	(815)	-	(167)
Translation effect	(10,104)	(5,404)	15	-	(15,493)
Balance as of June 30, 2023 (Unaudited)	<u>\$ 125,180</u>	<u>181,358</u>	<u>393,552</u>	<u>2,294</u>	<u>\$ 702,384</u>

23 Tax liabilities

As of June 30, 2023 and December 31, 2022, the balance of tax liabilities includes the following:

	June 30, 2023 (Unaudited)	December 31, 2022
Income Tax	\$ 261,576	\$ 125,007
Withholdings payable	7,583	28,816
Sales Tax	53,035	9,336
Municipal Tax	4,593	12,900
Other taxes, duties and levies	1,339	968
	<u>328,126</u>	<u>177,027</u>
Current	<u>328,126</u>	<u>177,027</u>
	<u>\$ 328,126</u>	<u>\$ 177,027</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

24 Income taxes

Amounts recognized in profit or loss:

	For the three-month periods ended on June 30 (Unaudited)		For the six-month periods ended on June 30 (Unaudited)	
\$	2023	2022	2023	2022
Current tax expense	289,627	109,244	290,907	216,385
Deferred tax expense	(106,130)	(7,778)	53,882	10,094
Total tax expense	\$ 183,497	\$101,466	\$ 344,789	\$ 226,479

Amounts recognized in other comprehensive income (OCI):

As of June 30, 2023 (Unaudited)

	Amount before taxes	Deferred tax OCI	Net after tax
Cash flow hedges - effective portion of changes in fair value, before taxes	(80,577)	28,202	(52,375)
Financial liabilities	651,074	(226,314)	424,760
Total	\$ 570,497	\$ (198,112)	\$ 372,385

As of June 30, 2022 (Unaudited)

	Amount before taxes	Deferred tax OCI	Net after tax
Cash flow hedges - effective portion of changes in fair value, before taxes	44,606	(15,612)	28,994
Financial liabilities	122,900	(36,870)	86,030
Total	\$ 167,506	\$ (52,482)	\$ 115,024

Reconciliation of effective tax rate:

	June 30, 2023 (Unaudited)	June 30, 2022 (Unaudited)
Combined profit before tax	\$ 2,968,671	\$ 2,178,616
Statutory income tax rate	35%	35%
Tax using the Company's domestic tax rate	1,039,035	762,516
Difference in rate with the country of origin	7,044	(11,167)
Non-taxable expenses recognized in accounting	112,406	160,314
Taxable revenues not recognized in net income	-	880
Tax credits not recognized in net income	(95,155)	(54,645)
Non-taxable revenues recognized in net income	(718,503)	(603,629)
Effect of tax-exempt revenues	(34)	(16,562)
Offsetting of tax losses	-	(11,742)
Taxes from prior years	(4)	514
	\$ 344,789	\$ 226,479

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

The effective rate as of June 2023 and 2022 was 11.67% and 10.40%, respectively.

Deferred tax balances – The differences between the carrying amounts of assets and liabilities and their respective tax bases give rise to the following temporary differences, which generate deferred taxes that are measured and recognized in the years ended on June 30, 2023 and December 31, 2022, based on tax rates currently in effect as reference for the years in which such temporary differences will be reversed.

The following is the analysis of the deferred tax assets and liabilities presented in the condensed consolidated interim financial statements of financial position:

	June 30, 2023 (Unaudited)	December 31, 2022 (Unaudited)
Deferred tax assets	\$ -	\$ 4,083
Deferred tax liabilities	(2,787,742)	(2,774,435)
Net deferred tax	\$ (2,787,742)	\$ (2,770,352)

Movement in deferred tax balances:

June 30, 2023

	Balance ats of December 31, 2022	Recognized in profit or loss	Recognized in OCI	Translation effect	Balance as of June 30, 2023 (Unaudited)
Deferred tax asset:					
Allowance on trade accounts receivable	9,640	-	-	-	9,640
Inventories	1,386	73	-	(114)	1,345
Accounts receivable	-	2,354	-	66	2,420
Accounts payable	330,715	(133,089)	-	(44,458)	153,168
Obligations	7,210	(1,958)	-	-	5,252
Mandatory benefits	32,742	(3,926)	-	(1,963)	26,853
Other non-financial assets	-	6,578	-	1,308	7,886
Other liabilities	236,641	(7,264)	-	(1,779)	227,598
Other financial liabilities	424,510	(126,070)	(226,314)	5,104	77,230
Employee benefits	2,552	1,412	-	(613)	3,351
Dismantling	88,694	19,359	-	(1,127)	106,926
Tax losses	110,244	2,295	-	(267)	112,272
Total deferred tax assets	\$ 1,244,334	\$ (240,236)	\$ (226,314)	\$ (43,843)	\$ 733,941
Deferred tax liabilities:					
Property, plant and equipment	(2,655,967)	90,384	-	215,116	(2,350,467)
Investment properties	(175,830)	2,361	-	19,168	(154,301)
Accounts receivable	(2,098)	2,098	-	-	-
Other non-financial assets	(7,408)	7,408	-	-	-
Trade accounts	(298,887)	109,338	-	(865)	(190,414)
Intangible assets	(561,184)	(20,520)	-	44,833	(536,871)
Financial assets	(160,129)	(5,090)	28,202	(172)	(137,189)
Investments in controlled companies	(107,299)	-	-	-	(107,299)
Provisions	(34,912)	1,368	-	367	(33,177)
Actuarial calculation of pensions	(10,972)	(993)	-	-	(11,965)
Total deferred liabilities	\$ (4,014,686)	\$ 186,354	\$ 28,202	\$ 278,447	\$ (3,521,683)
Total deferred tax	\$ (2,770,352)	\$ (53,882)	\$ (198,112)	\$ 234,604	\$ (2,787,742)

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

June 30, 2022

	Balance as of December 31, 2021	Effect of business combinations	Recognized in profit or loss	Recognized in OCI	Translation effect	Balance as of June 30, 2022 (Unaudited)
Deferred tax asset:						
Allowance on trade accounts receivable	9,279	-	(8,799)	-	(95)	385
Accounts receivable from employees	40	-	-	-	-	40
Inventories	784	-	(3)	-	36	817
Accounts payable	23,572	-	521	-	(456)	23,637
Mandatory benefits	7,829	-	(3,011)	-	106	4,924
Other liabilities	325,537	-	42,262	-	14,187	381,986
Other financial liabilities	197,209	-	54,891	(15,612)	(13,290)	223,198
Employee benefits	1,834	-	(225)	-	625	2,234
Actuarial calculation of pensions	515	-	(1,600)	-	-	(1,085)
Tax losses	94,309	4,009	-	-	3,159	101,477
Dismantling	119,432	-	(79,525)	-	60	39,967
Total deferred tax assets	\$ 780,340	\$ 4,009	\$ 4,511	\$ (15,612)	\$ 4,332	\$ 777,580
Deferred tax liabilities						
Trade accounts	(136,467)	-	(15,120)	-	497	(151,090)
Intangible assets	(421,417)	-	(20,277)	-	(16,645)	(458,339)
Financial assets	(39,453)	-	(29,374)	(36,870)	-	(105,697)
Investments in controlled companies	(107,299)	-	-	-	-	(107,299)
Property, plant and equipment	(2,087,725)	(54,379)	25,343	-	(73,222)	(2,189,983)
Investment properties	(141,277)	-	1,939	-	(15,005)	(154,343)
Other non-financial assets	1	-	(13,998)	-	(762)	(14,759)
Provisions	(12,445)	-	36,882	-	1,809	26,246
Total deferred tax assets	\$ (2,946,082)	\$ (54,379)	\$ (14,605)	\$ (36,870)	\$ (103,328)	\$ (3,155,264)
Total deferred tax	\$ (2,165,742)	\$ (50,370)	\$ (10,094)	\$ (52,482)	\$ (98,996)	\$ (2,377,684)

Income tax recognized in profit or loss – The following are the income tax rates that apply to each company, depending on their respective jurisdictions:

Country	June 30, 2023	December 31, 2022
Colombia	35% nominal	35% nominal
Perú	29.5%	29.5%
	30% for legal stability	30% for legal stability
Guatemala	25% on profits of for-profit activities	25% on profits of for-profit activities
Brazil	34%	34%

The following are the income tax returns that have not been reviewed by the tax authorities:

Company	years
Grupo Energía Bogotá	2017 to 2020, 2022
Transportadora de Gas Internacional	2018, 2020, 2021, 2022
Contugas	2018 to 2022
Transportadora de Energía de Centro América	2019 to 2022

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

Company	years
Gas Natural de Lima y Callao	2018 to 2022
EEB Perú Holdings	2018 to 2022
EEB Ingeniería y Servicios	2018 to 2022
EEB Gas S.A.S.	2018 to 2022
Dunas Energía	2017 to 2022
PPC	2017 to 2022
Cantalloc	2017 to 2022

Non-recognized deductible temporary differences, unused tax losses and unused tax credits – The following is the balance of tax losses pending offsetting as of June 30, 2023:

	Year generated	Original amount	Non-recognized unused balance	Expiration year
Grupo Energía Bogotá	2015	44,584	44,584	Does not expire
Contugas	2019	25,238	25,238	2023
	2022	388,376	388,376	2026
	2023	24,000	24,000	2027
Calidda Energía	2019	2,219	2,219	2023
	2020	1,668	1,668	2024
	2021	268	268	2025
Transportadora de Energía de Centro América	2020	1,819	1,819	2023
	2021	2,615	2,615	2024
	2022	2,335	2,335	2025
EEB Ingeniería y Servicios	2020	364	364	2023
	2021	662	662	2024
	2022	611	611	2025
Elecnorte	2018	1,000	1,000	2030
	2019	4,075	4,075	2031
	2020	1,882	1,882	2032
	2021	4,498	4,498	2033

Non-recognized taxable temporary differences, unused tax losses and unused tax credits – The temporary differences related to investments in subsidiaries, branches and associates and interests in joint ventures on which no deferred tax liabilities have been recognized are attributable to the following:

	June 30, 2023 (Unaudited)	December 31, 2022
Local subsidiaries	\$ (2,999,568)	\$ (3,599,923)
Foreign subsidiaries	(58,696)	(61,670)
Associates and joint ventures	(215,400)	(239,638)
	<u>\$ (3,273,664)</u>	<u>\$ (3,901,231)</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

Significant changes to the income tax regime

In Peru, Guatemala and Brazil there were no significant changes in the income tax regime that would affected operating results.

Tax Reform for Equality and Social Justice

In Colombia, by means of Law 2277 of December 13, 2022, a tax reform was enacted that introduces certain changes related to income tax, which we describe below:

- A minimum tax is established for Colombian residents, setting an additional tax in the event the “cleansed” income tax with certain adjustments is less than 15% of pre-tax accounting profits with certain adjustments. Consequently, taxpayers must: (i) Determine the cleansed tax of the Colombian taxpayer, or the cleansed tax of the group, if it is part of a business group. (ii) Determine the cleansed income of the Colombian taxpayer or of the group, if it is part of a business group, and (iii) Determine the cleansed tax rate of the Colombian taxpayer or of the group, if it is part of a business group. If the effective rate (cleansed tax/cleansed income) is less than 15%, the tax to be added must be calculated until reaching the rate of fifteen percent (15%) for the taxpayer or the group, if it is part of a business group. Based on the above, GEB calculated the minimum tax rate as of June 30, 2023, which was greater than 15%, and therefore no additional income tax amounts must be recognized.
- The sum of certain non-taxable revenues, special deductions, tax exemptions and tax credits is limited to 3% of ordinary taxable income per year.
- Article 158-1 is rescinded, which eliminates the possibility of deducting costs and expenses associated with investments in Science, Technology and Innovation, i.e., such investments will only be entitled to a tax credit. The possibility is maintained a taking a tax credit on 30% of investments in Science, Technology and Innovation that have been approved by the National Council of Tax Benefits (CNBT, for the Spanish original); the previous rule provided a 25% tax credit.
- The tax credit on 50% of municipal tax (ICA) effectively paid before filing the tax return is eliminated. 100% of the amount accrued and paid before filing the income tax return will be deductible.
- Taxes, duties and levies (except income tax) effectively paid during the year that have a causal relationship with income generation continue to be 100% deductible. 50% of the tax on financial transactions (GMF) will be deductible, regardless of whether or not it has a causal relationship with the income producing activity.
- Capital gains are taxed at a rate of 15%.
- A tax withholding of 10% is established on dividends received by national companies when they are classified as neither taxable income nor capital gains (previously, 7.5%), which may be transferred to individual residents or foreign investors. The exceptions established in current regulations are maintained. Dividends and distributions received by permanent establishments of foreign companies in Colombia classified as neither taxable income nor capital gains will be taxed at a special rate of 20%.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

- It establishes that the tax on taxable dividends will be determined by: (i) applying the income tax rate of the year in which they are declared (35%), and (ii) on the rest, the rate of non-taxable dividends will apply, depending on the beneficiary (in the case of resident individuals or non-settled estates of residents, the table of article 241 of the Tax Statute will apply).

Dividends declared on profits from tax year 2016 and earlier years will maintain the treatment in effect at that time; and dividends on profits from tax years 2017 and 2018 and 2019 declared after 2020 will be governed by the rules established in Law 2010.

Uncertainty over Income Tax treatments

GEB currently has two proceedings in progress with the tax administration related to the income tax for tax years 2017 and 2020. The matter under discussion in both proceedings is whether unrealized income is taxable pursuant to the Controlled Entities Abroad Regime, particularly the unrealized income of EEB Energy RE (a captive insurance company based in Bermuda), Transportadora de Energía de Centroamérica S.A., and EEB Ingeniería y Servicios S.A. (operating companies based in Guatemala). In this regard, the tax administration considers that such income is operating income, which is an inadequate interpretation of the rule.

In connection with the proceedings related to the income tax of the 2017 tax year, in July 2021 GEB received a special request for information. On April 27, 2022, the tax administration served notice of the revised official tax calculation regarding the unrealized income of ECE without tax residence in Colombia, and the Company appealed through a motion for reconsideration. Response was duly given to the special request for information in October, highlighting why we believe that the amounts claimed by DIAN for that period are inappropriate.

Regarding the income tax for tax year 2020, the Company received notice of a tax inspection in 2021, in connection with the request for the balance in favor reported in the 2020 income tax return. By means of DIAN Resolution dated May 12, 2022, a refund of part of the balance in favor reported in the 2020 income tax return was confirmed, for a confirmed refund amount of COP 27,481. On May 9, 2022, the tax administration issued a provisional decision of non-admittance of a balance in favor of COP 9,236, in connection with the unrealized income of ECE. Meanwhile, a special request for information was received on May 4, 2022, which was replied within the established terms on July 1, 2022. On February 8, 2023, a revised tax calculation was received, and on April 13 the Company submitted a motion for reconsideration.

No additional taxes are expected for the Group's companies.

25 Derivative financial instruments

Given the Group's nature and the composition of its assets and liabilities denominated in foreign currency, exchange rate fluctuations affect its results, due to which the Group uses natural and financial hedging as a risk management strategy.

Natural hedges are intended to achieve a balance between assets and liabilities denominated in a foreign currency, while financial hedges aim to minimize the effects of these risks through the use of derivative financial instruments.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

Regarding interest rate risks, the Group engages in derivative transactions through swaps to hedge the exchange rate risk of future transactions, as required.

A Swap is a contract through which two parties agree to exchange cash flows on the basis of an asset, index and/or specific national underlying securities. For additional information on GEB's risk management, see Note 27 Risk Management.

GEB enters into interest rate swap (IRS) contracts whose critical terms are identical to those of the hedged item, such as benchmark rate, restart dates, payment dates, maturities and nominal amount. Since during the year all the critical terms matched, an economic relationship exists.

Regarding exchange rate risks, the Group engages in transactions with derivatives such as currency forwards and cross currency swaps (CCS). On the latter, it should be noted that their critical terms are identical to those of the hedged item, such as benchmark rate, reset dates, payment dates, maturities and nominal amount.

The Company does not hedge 100% of its loans, because it also has natural hedges that mitigate the impact of exchange rate fluctuations. Consequently, the hedged item is identified as a proportion of the loans outstanding for up to the nominal value of the swaps. Since during the year all the critical terms matched, an economic relationship exists.

The currency forwards have critical terms that are similar to those of the hedged item, such as benchmark rate, payment dates, maturities and nominal amount.

As of June 30, 2023 and December 31, 2022 the fair value of derivative instruments includes the following:

	June 30, 2023 (Unaudited)	December 31, 2022
Assets		
Swap contracts		
Interest Rate Swaps (IRS)	602,790	691,536
Cross-Currency Swaps (CCS)	1,545	-
Total swap contracts	\$ 604,335	\$ 691,536
Forward contracts	4,596	-
Total derivative assets	\$ 608,931	\$ 691,536
Liabilities		
Swap contracts		
Cross-Currency Swaps (CCS)	(164,179)	(120,411)
Forward contracts	(66,917)	(4,605)
Total derivative liabilities	\$ (231,096)	\$ (125,016)

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

26 Risk Management

Financial risk management objectives - Financial risks are monitored on an ongoing basis through the analysis of net exposures and their magnitudes, in order to manage them in a timely manner.

The risk management system includes the assessment of different mitigation strategies, which include both natural and financial hedges. Financial hedges are used to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures, duly approved by the Board of Directors.

1. Market risk

Given the Group's nature and the composition of its assets and liabilities denominated in foreign currency, exchange rate fluctuations affect its results. In order to manage these risks, the Group uses natural and financial hedges. Natural hedges are intended to achieve a balance between assets and liabilities denominated in a foreign currency, while financial hedges aim to minimize the effects of these risks through the use of derivative financial instruments. In its activities, the Group is also exposed to interest rate risk.

1.1. Foreign exchange risk management

Given that the Group engages in transactions denominated in foreign currency, it continuously monitors exchange rates in order to adequately manage such risks, either through natural or financial hedging.

The following are the assets and liabilities denominated in foreign currency as of June 30, 2023 and December 31, 2022, taking into consideration that a foreign currency is any currency other than each entity's functional currency. Below we show USD exposure of GEB separately and TGI (functional currency: Colombian peso - COP), as well as exposure to Peruvian Sols (PEN) for Cálidda and Contugas (functional currency: US dollar - USD), respectively:

Currency	Liabilities				Assets			
	June 30, 2023		December 31, 2022		June 30, 2023		December 31, 2022	
	(Unaudited)		(Unaudited)		(Unaudited)		(Unaudited)	
	(USD 000)	COP	(USD 000)	COP	(USD 000)	COP	(USD 000)	COP
USD	1,777,209	7,448,781	1,736,325	8,352,072	596,075	2,498,319	566,878	2,726,798
COP	-	-	146,257	703,528	-	-	154,746	744,358
PEN	151,107	633,334	43,489	209,189	115,791	485,312	37,455	180,165

Due to new regulations, in June 2023 TGI changed its functional currency from dollars to Colombian pesos. Consequently, exposure to COP does not apply, because said subsidiary was the only one with COP foreign exchange exposure because of its previous functional currency (USD).

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

Foreign currency contracts – GEB has natural hedges that mitigate the impact of exchange rate fluctuations. It also evaluates financial hedges to mitigate both short-term and long-term risks that are considered relevant. To engage in hedging, changes in operating variables, market variables and the entity's accounting balances are permanently monitored and updated to ensure that the hedging strategy is consistent with the Group's reality and the market conditions.

The Group also engages in hedging to cover foreign exchange risks arising from future transactions.

Hedging is used to cover foreign exchange exposures to the Peruvian Sol. In this regard, the table below presents the foreign currency forward contracts in effect at the end of the reporting period, as well as information on the associated hedged items.

Contracts outstanding	Balances in thousands of dollars							
	Average exchange rate		Foreign currency		Notional value		Fair value	
	June 30, 2023 (Unaudited)	December 31, 2022	June 30, 2023 (Unaudited)	December 31, 2022	June 30, 2023 (Unaudited)	December 31, 2022	June 30, 2023 (Unaudited)	December 31, 2022
Cash flow hedges	4,353.91		USD	USD	370,000		1,000	
Purchase of USD								
3 months or less	3,659	3,898	PEN	PEN	19,000	49,561	(152)	(930)
Longer than 3 months	3,785	N.A.	PEN	PEN	13,450	-	(360)	-

It should also be mentioned that Cálidda and TGI use cross currency swaps (CCS) to hedge financial liabilities denominated in PEN through cash flows denominated in that currency and financial liabilities in USD, respectively. The following are the financial conditions of such transactions:

Amounts in millions

Entity	Amount (USD)	Currency right	Currency obligation	Maturity	Fair value (COP)	Fair value (USD)
Cálidda	USD 29.1	PEN	USD	July 23, 2028	\$ (16,414.7)	USD (3.9)
Cálidda	USD 29.1	PEN	USD	July 23, 2028	\$ (16,414.7)	USD (3.9)
Cálidda	USD 99.4	PEN	USD	September 6, 2029	\$ (31,178.5)	USD (7.4)
Cálidda	USD 0.7	USD	PEN	July 27, 2023	\$ 180.3	USD 0.0
Cálidda	USD 0.8	USD	PEN	August 31, 2023	\$ 248.4	USD 0.1
Cálidda	USD 0.6	USD	PEN	September 29, 2023	\$ 194.3	USD 0.0
Cálidda	USD 0.6	USD	PEN	November 30, 2023	\$ 187.0	USD 0.0
Cálidda	USD 0.6	USD	PEN	December 29, 2023	\$ 214.3	USD 0.1
Cálidda	USD 0.5	USD	PEN	January 31, 2024	\$ 147.6	USD 0.0
Cálidda	USD 1.7	USD	PEN	February 29, 2024	\$ 373.0	USD 0.1
Cálidda	USD 12.4	USD	PEN	October 31, 2023	\$ (5,400.7)	USD (1.3)
Cálidda	USD 7.7	USD	PEN	December 29, 2023	\$ (15,419.9)	USD (3.7)
Cálidda	USD 3.0	USD	PEN	January 31, 2024	\$ (1,308.2)	USD (0.3)
Cálidda	USD 3.8	USD	PEN	February 29, 2024	\$ (2,710.7)	USD (0.6)

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

Entity	Amount (USD)	Currency right	Currency obligation	Maturity	Fair value (COP)	Fair value (USD)
Cálidda	USD 3.8	USD	PEN	March 27, 2024	\$ (862.3)	USD (0.2)
Cálidda	USD 7.0	USD	PEN	April 30, 2024	\$ (159.6)	USD (0.0)
TGI	USD 300	USD	COP	November 1, 2028	\$ (38,477.6)	USD (9.2)
TGI	USD 148	USD	COP	November 1, 2028	\$ (21,308.3)	USD (5.1)
TGI	USD 100	USD	COP	November 1, 2028	\$ (14,684.4)	USD (3.5)

Hedging for Net Investments Abroad – With the purpose of stabilizing variations in equity arising from exchange differences in its businesses abroad, GEB has defined an amount of USD 801 million as hedging instrument to cover the above risk, which is equivalent to part of its liability position in financial debt.

Foreign currency sensitivity analysis – The following is a sensitivity analysis assuming a change in the Colombian peso (COP) in terms of a movement in the market representative exchange rate (TRM), based on the exposure as of June 30, 2023 and December 31, 2022, and the implemented risk management:

Potential Impact on the Income Statement (+/-)		
TRM	June 30, 2023 (Unaudited)	December 31, 2022
Increase or decrease in:	COP millions	COP millions
1%	49	408
5%	247	2,042

Additionally, we present a sensitivity analysis assuming a change in the Peruvian Sol, given the exposure as of June 30, 2023 and December 31, 2022, respectively:

Potential Impact on the Income Statement (+/-)		
USD/PEN	June 30, 2023 (Unaudited)	December 31, 2022
Increase or decrease in:	COP millions	COP millions
1%	1,634	290
5%	8,170	1,451

1.2 Interest rate risk management

GEB is exposed to interest rate risk arising from its debts with variable rates; however, a proportion of debts is held at fixed rates, and market variables are continuously monitored in order to implement risk mitigation strategies in a timely manner.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

Interest rate swap contracts– In the interest rate swap contracts, the Company agrees to exchange the difference between the fixed rate and floating rate amounts calculated over the agreed notional principal amounts. Said contracts enable the Company to mitigate changes in interest rates over the fair value of the exposures of cash flows and fixed-rate debt issued over the floating rate debts issued.

As of June 30, 2023, GEB had nine *Interest Rate Swap* transactions with the following financial terms:

Amounts in millions

Entity	Amount (USD)	Currency right	Currency obligation	Maturity	Fair value (COP)	Fair value (USD)
GEB	USD 319.0	USD	USD	July 22, 2024	98,510.0	USD 23.5
GEB	USD 300.0	USD	USD	March 9, 2032	289,580.3	USD 69.1
Cálidda	USD 80.0	USD	USD	November 15, 2028	39,430.4	USD 9.4
Cálidda	USD 20.0	USD	USD	November 15, 2028	9,446.3	USD 2.3
Cálidda	USD 100.0	USD	USD	December 16, 2026	38,552.3	USD 9.2
Cálidda	USD 320.0	USD	USD	December 28, 2026	102,173.2	USD 24.4
Cálidda	USD 30.0	USD	USD	December 28, 2026	10,426.4	USD 2.5
Cálidda	USD 60.0	USD	USD	December 16, 2026	7,676.6	USD 1.8
Cálidda	USD 40.0	USD	USD	December 16, 2026	6,995.1	USD 1.7

Interest rate sensitivity analysis– As of June 30, 2023, 39.31% of GEB’s debt is at fixed rate, and the remaining 60.69% of total debt is at floating rates (Libor 6 months 19.45%, SOFR 11.67%, CPI 11.02%, Libor 3 months 4.58% and DTF 1.45%). The following is the potential annual impact of a 100-point change in GEB’s interest rates, holding everything else constant, excluding the mitigating effects of interest rate hedges:

Increase or decrease in Interest Rate	Potential Impact on the Comprehensive Income Statement (increase or decrease) Thousands of USD	Equivalent in millions of Pesos (increase or decrease)
100 bps	26,478	\$110,979

1.3 Credit risk management

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group’s receivables from customers. The carrying amounts of financial assets represent the maximum credit exposure.

The Group applies the simplified approach of IFRS 9 to measure expected credit losses using a provision for expected losses over the life of the instrument for all receivables. The Group considers the risk of credit exposure by assigning 100% expected loss to overdue greater than 90 days.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

As of June 30, 2023 and December 31, 2022, accounts receivable overdue for more than 90 days amount to COP \$434,304 and COP \$473,723, respectively, of which 100% is provisioned in both years.

The movement of impairment loss on trade receivables and contract asset during the year was as follows:

Balance as of December 31, 2021	\$ (566,380)
Impairment loss on trade receivables and contract asset	(27,753)
Reversals (1)	208,177
Foreign exchange	8,987
Translation effect	(96,754)
Balance as of December 31, 2022	<u>\$ (473,723)</u>
Impairment loss on trade receivables and contract asset	(21,156)
Reversals	5,696
Foreign exchange	5,621
Translation effect	49,258
Balance as of June 30, 2023	<u>\$ (434,304)</u>

(1) The subsidiary Contugas S.A.C. had legal processes to collect portfolio from its client Corporación Aceros de Arequipa S.A. (CAASA), these processes had a favorable ruling for the Subsidiary, so the Company registered a reversal of Impairment loss on trade receivables and contract asset.

1.4 Liquidity risk management

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it Will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses.

June 30, 2023	Carrying amount	Total	Less than a year	Between two and five years	More than five years
Non derivatives financial liabilities					
Loans and borrowings	18,396,605	20,335,600	2,291,792	7,334,322	10,709,486
Trade and other payables	2,766,995	4,555,974	4,239,354	274,496	42,124
Lease liabilities	94,228	266,154	51,671	195,032	19,451
Derivatives financial liabilities					
Derivative liabilities	231,096	245,281	143,844	35,324	66,113
	<u>\$ 21,488,924</u>	<u>25,403,009</u>	<u>6,726,661</u>	<u>7,839,174</u>	<u>10,837,174</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

December 31, 2022	Carrying amount	Total	Less than a year	Between two and five years	More than five years
Non derivatives financial liabilities					
Loans and borrowings	20,343,365	24,644,709	1,612,969	10,136,423	12,895,317
Trade and other payables	879,621	1,235,769	929,153	259,264	47,352
Lease liabilities	107,239	331,105	71,392	223,711	36,002
Derivatives financial liabilities					
Derivative liabilities	125,016	125,016	125,016	-	-
	\$ 21,455,241	26,336,599	2,738,530	10,619,398	12,978,671

1.5 Business or operating risks

Starting on June 1, 2023, a regulatory risk materialized for the TGI subsidiary (change in the remuneration for natural gas transportation services, see note 1), due to the first stage of implementation of CREG Resolution 175/2021.

On May 20, 2023, the risk of non-continuity of critical business functions materialized at the TGI subsidiary, due to the suspension of transportation services in the Mariquita-Cali pipeline, caused by a natural phenomenon at Cerro Bravo, with an impact of USD 1.9 million on the organization, which made it necessary to activate the crisis management governance structure.

1.6 Capital risk management

The Group manages its capital to ensure its capacity to remain a going concern, while maximizing shareholder returns through the optimization of debt and capital balances.

The capital structure consists of net debt (loans offset against cash balances) and the Entity's capital (comprised of issued shares, reserves and retained earnings).

Debt ratio - The following is the debt ratio for the reporting period:

	June 30, 2023 (Unaudited)	December 31, 2022
Debt (1)	\$ 18,490,833,	\$ 20,343,365
Cash and cash equivalents	(1,482,628)	(1,477,821)
Net Debt	\$ 17,008,205	\$ 18, 865,544
Carrying value of equity	\$ 18,762,278	\$ 20,566,914
Ratio of net debt over carrying value of equity	90.65%	91.73%

(1) Including financial debt and financial lease liabilities.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

27 Fair values

Accounting classifications and fair values:

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Measurements at fair value on a recurring basis:

	June 30, 2023		December 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
	Fair value – hedging instruments	Level 2	Fair value – hedging instruments	Level 2
Financial assets measured at fair value				
Interests Rate Swaps	602,790	602,790	691,536	691,536
Cross-Currency Swaps	1,545	1,545	-	-
Forward contracts	4,596	4,596	-	-
\$	<u>608,931</u>	<u>608,931</u>	<u>691,536</u>	<u>691,536</u>
Financial liabilities measured at fair value				
Cross Currency Swaps	(164,179)	(164,179)	(120,411)	(120,411)
Forward contracts	(66,917)	(66,917)	(4,605)	(4,605)
\$	<u>(231,096)</u>	<u>(231,096)</u>	<u>(125,016)</u>	<u>(125,016)</u>

Valuation techniques and significant unobservable inputs:

Financial instruments measured at fair value.

Interest rate swap: Swap models - The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a interest rates curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps.

Cross Currency Swaps: Swap models - The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices, interbank borrowing rates and currencies prices. Estimated cash flows are discounted using a interest rates curve constructed from similar sources and which reflects the relevant benchmark interbank rate and cross currency data used by market participants for this purpose when pricing cross currency swaps.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

Forward exchange contracts: Forward pricing - The fair value is determined using forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.

Transfers between Hierarchies: There were no transfers between hierarchy levels during the period 2023 and 2022.

Measurements at fair value on a non-recurring basis:

The carrying amount is a reasonable approximation of the fair value for the financial assets and liabilities that its fair value is not measured on a recurring basis.

28 Equity

Capital - The authorized capital of GEB is 44,216,417,910 shares with nominal value of COP 53.60 each, of which 9,181,177,017 shares were subscribed and paid in as of June 30, 2023 and December 31, 2022, distributed as follows:

	June 30, 2023 (Unaudited)		December 31, 2022	
	Shares	%	Shares	%
Bogotá, Capital District	6,030,406,241	65.68%	6,030,406,241	65.68%
Fondo de Pensiones Obligatorias Porvenir Moderado	714,495,030	7.79%	719,678,230	7.84%
Fondo de Pensiones Obligatorias Protección Moderado	535,849,356	5.84%	535,849,356	5.84%
Corporación Financiera Colombiana S.A.	475,298,648	5.18%	475,298,648	5.18%
Fondo de Pensiones Obligatorias Colfondos Moderado	204,058,994	2.22%	206,558,994	2.25%
Other	1,221,068,748	13.30%	1,213,385,548	13.22%
	9,181,177,017	100%	9,181,177,017	100%

Dividends— Pursuant to Minutes 091 of March 29, 2023, the General Meeting of Shareholders decided to declare dividends payable for COP 2,001,497.

Pursuant to Minutes 090 of March 28, 2022, the General Meeting of Shareholders decided to declare dividends payable for COP 1,762,786.

Dividends declared- The \$2,001,497 millions during the first half of 2023 are presented in the Changes in Equity . No payments has been made over the amount declared in the first half since it was agreed to pay in two installments (50% on July 7, 2023 / and the 50% on December 14, 2023). The dividend payments reflected in the Statements of Cash Flow of \$194,654 millions correspond to the payment of dividends to the non-controlling interest of the Calidda's subsidiary. Balance of \$2,002,348 of Dividends payable as of June 30, 2023 corresponds mainly to the amount decreed by the GEB Shareholders' Meeting in March 2023 for \$2,001,497.

Pursuant to Minutes 090 of March 28, 2022, the General Meeting of Shareholders decided to declare dividends payable for COP 1,762,786.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

Occasional reserve- Include: i) reserves for the execution of growth projects for the energy transmission business, and ii) accumulated profits by the Group from the unrealized exchange difference from previous years, which by the Group policy are not eligible for distribution to shareholders.

29 Revenue

Information on reporting segments of the Company is shown as follows:

		For the three-month period (Unaudited)		For the six-month period (Unaudited)	
		June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Natural gas distribution	\$	1,014,687	909,795	2,112,691	1,742,232
Natural gas transportation		466,452	390,779	961,433	790,537
Electricity transmission		271,176	211,270	616,152	407,001
Electricity distribution		188,353	122,336	371,601	246,219
Total revenue	\$	1,940,668	1,634,180	4,061,877	3,185,989

30 Cost

The following table show the of cost of sales as of June 30, 2023 and 2022:

		For the three-month period (Unaudited)		For the six-month period (Unaudited)	
		June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
General (1)	\$	792,178	691,913	1,644,083	1,314,999
Depreciation and amortization		207,291	170,742	442,060	338,859
Personal services		59,148	36,459	120,692	62,794
Contributions and levies		35,602	(19,261)	69,366	3,235
Taxes		4,198	706	7,946	4,536
Contributions		1,786	41,456	3,107	46,746
Provisions		-	161	-	813
	\$	1,100,203	922,176	2,287,254	1,771,982

(1) These are mainly gas transport services, professional fees and maintenance.

31 Administrative and operating expenses

The following is a breakdown of administrative and operating expenses as of June 30, 2023 and 2022:

		For the three-month period (Unaudited)		For the six-month period (Unaudited)	
		June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Professional fees, supplies and maintenance	\$	94,373	46,218	187,348	140,844
Personal services		65,924	69,670	134,672	124,676
Provisions		10,556	90,178	23,424	97,682
Taxes, contributions and levies		25,770	39,047	57,667	59,388
Depreciation and amortization		23,636	19,633	49,233	39,028
Contributions		10,542	8,254	23,526	17,975
	\$	230,801	273,000	475,870	479,593

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

32 Financial income

The following is a breakdown of financial revenues as of June 30, 2023 and 2022:

		For the three-month period (Unaudited)		For the six-month period (Unaudited)	
		June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Interest (1)	\$	32,305	7,812	61,438	15,725
Hedging transactions (2)		44,318	2,608	85,512	4,236
Investment valuation		-	13	-	13
Other		13,778	4,187	30,702	16,052
	\$	<u>90,401</u>	<u>14,620</u>	<u>177,652</u>	<u>36,026</u>

(1) The increase of \$45,713 million in interest corresponds to the increase in financial returns on cash and cash equivalents.

(2) The increase of \$81,276 million in Hedging transactions corresponds to the valuation of hedging instruments of the subsidiary Calidda in its non-effective portion.

33 Financial expenses

The following is a breakdown of financial expenses as of June 30, 2023 and 2022:

		For the three-month period (Unaudited)		For the six-month period (Unaudited)	
		June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Interest (1)	\$	403,481	227,231	720,621	421,250
Fees		2,515	2,310	7,002	3,938
Actuarial calculation		7,736	11,448	15,472	11,448
Other		11,478	(294)	22,621	11,571
	\$	<u>425,210</u>	<u>240,695</u>	<u>765,716</u>	<u>448,207</u>

(1) The increase in financial expenses, mainly interest expenses, is due to: i) increase in the local interest rate that affected the cost of Colombian loans; ii) interest generated by the new issuance of local bonds in the GEB in May 2022 for \$13,612 million pesos; iii) interest generated by the acquisition of new debt in November 2022 in GEB with Banco UMB for USD \$509 million; iv) interest generated by the increase in the obligation of USD \$10 million of Contugas with Banco Santander; and v) interests generated by the new issuance of bonds in the international market, Calidda in March 2023 for \$ USD 320 million with a rate of 4.375%.

34 Related Parties

Key management personnel transactions -Compensation received by key management personnel amounted to COP 5,541 and COP 16,554, in June, 2023 and December 2022, respectively. Compensation for key management personnel includes salaries, non-cash benefits, and out of pocket expenses, among others. Key Management Personnel has no long-term compensation.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

Other related party transactions - The balances and transactions between GEB and its subsidiaries, which are related parties, have been eliminated in the consolidation and are not disclosed in this note. The transactions between the Entity and other related parties are described further below. The balance mainly represents dividends receivable from associates.

The following balances were outstanding at the end of the reporting period:

	Receivables		Payables	
	June 30, 2023 (Unaudited)	December 31, 2022	June 30, 2023 (Unaudited)	December 31, 2022
Associates				
Enel Colombia S.A. E.S.P. (1)	\$ 1,164,169	-	146	389
Promigas S.A. E.S.P.	61,189	13,499	-	-
VANTI S.A. E.S.P.	66,100	101,417	2,509	-
Electrificadora del Meta S.A E.S.P.	3,744	-	-	-
Consorcio Transmantaro S.A.	76,202	-	-	-
Red de Energía del Perú S.A.	7,891	-	-	-
Joint ventures				
Gebbras – Joint ventures	68,339	38,914	-	-
	<u>\$ 1,447,634</u>	<u>153,830</u>	<u>2,655</u>	<u>389</u>

(1) These are dividends declared by Enel Colombia S.A. E.S.P. in favor of GEB in the amount of COP 1,164,169.

35 Contingent Assets and Liabilities

GEB

Contingencies – As of June 30, 2023 and December 31, 2022, claims against the Company in administrative, civil and labor lawsuits totaled COP 122,686 and COP 112,573, respectively. Based on the assessment of the probability of success in the defense of these cases, the Company has set aside provisions for COP 2,639 and COP 2,918, respectively to cover the probable losses from these contingencies.

The Group's Management, jointly with its external advisors, has concluded that the outcomes of the proceedings on which no provisions have been made will be favorable to the interests of the Group and will not produce material liabilities that should be recognized, or, in the event any do arise, they will not significantly affect the Group's financial position.

Legal proceedings whose outcome could be an unfavorable ruling for GEB are classified as "contingent liabilities" and disclosed, as follows:

Type of Process	Number of processes at GEB	Total value	Number of processes at Enlaza	Total value at Enlaza	Total value
Labor	50	\$ 12,827	-	\$ -	\$ 12,827
Administrative	1	45	6	33,007	\$ 33,058
Total	51	\$ 12,872	6	\$ 33,007	\$ 45,885

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

Proceedings classified as probable and that are not included in the provision because they are ordinary labor proceedings filed by retirees for the reestablishment of extra-legal benefits that were eliminated through direct application of Legislative Act 01/2005. They are classified as a probable unfavorable ruling, and are included in the actuarial calculation provision (Note 21):

Type of Process	Number of processes	Total value
Provisions	2	\$ 270

36 Information segments

The major segments identified for the Grupo de Energía de Bogotá, according to the information requirements from management and in accordance with IFRS 8 are:

- Electricity transmission: Electric power transportation service through high-tension networks, plus the services of connection to the National Transmission System, and coordination, control and supervision of the operation of the transmission assets
- Electricity distribution: After receiving the energy from the generation process, GEB is responsible for reducing its voltage in the substations. After this, the energy goes to transformers located on the poles in the cities. This entire process is done through distribution networks, which are the set of lines and substations - with their associated equipment - intended for the service of users.
- Natural gas transportation: Gas transportation service through pipelines towards the cities for household, industrial or vehicular consumption.
- Natural gas distribution: Natural gas supply service for distribution from a distribution substation through networks, delivering the gas to each user, covering the household, commercial, industrial and vehicular markets.

Information on reporting segments of the Group is shown as follows:

Electricity transmission	Electricity distribution	Natural gas transportation	Natural gas distribution
Grupo Energía de Bogotá Elecorte S.A.S. E.S.P. Transportadora de Energía de Centroamérica S.A. TRECSA Enlaza Grupo Energía Bogotá SAS E.S.P. EEB Ingeniería y Servicios S.A. EEBIS	Grupo Dunas Calidda Energía S.A.C.	Transportadora de Gas Internacional S.A. E.S.P. TGI	Gas Natural de Lima y Callao S.A. Calidda Contugas S.A.C.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

Below are the assets, liabilities and income statement by segment:

June 30, 2023

	Electricity transmission	Electricity distribution	Natural gas transportation	Natural gas distribution	Other non- reportable segment (1)	Total segments
Assets						
Property, plant and equipment	6,034,405	980,714	8,862,007	45,618	-	15,922,744
Concessions assets	-	-	-	7,754,793	-	7,754,793
Investments in associates and joint ventures	-	-	-	-	14,153,541	14,153,541
Liabilities						
Loans and borrowings	3,911,186	395,535	2,332,066	5,212,405	6,545,413	18,396,605
Bonds	2,585,924	340,959	2,332,066	441,527	1,742,078	7,442,554
Loans	1,325,262	54,576	-	4,770,878	4,803,335	10,954,051
Total revenue	616,151	371,602	961,433	2,112,691	-	4,061,877
Total costs	(200,085)	(234,268)	(336,722)	(1,516,179)	-	(2,287,254)
Gross profit	416,066	137,334	624,711	596,512	-	1,774,623
Equity method in associates and joint ventures	-	-	-	-	1,055,899	1,055,899
Expenses						
Financial expenses	-	-	-	-	305,188	305,188
Depreciation	44,077	27,378	198,051	1,546	-	271,052
Amortization	-	-	-	172,691	-	172,691
Total expenses	44,077	27,378	198,051	174,237	305,188	748,931

(1) Corresponds to GEB Holding's and GEBBRAS Participacoes LTDA.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

December 31, 2022

	Electricity transmission	Electricity distribution	Natural gas transportation	Natural gas distribution	Other non- reportable segment (1)	Total segments
Assets						
Property, plant and equipment	6,062,812	1,061,538	9,836,277	52,614	-	17,013,241
Concessions assets	-	-	-	8,606,642	-	8,606,642
Investments in associates and joint ventures	-	-	-	-	15,556,173	15,556,173
Liabilities						
Loans and borrowings	4,050,141	491,566	2,895,561	5,467,423	7,438,674	20,343,365
Bonds	2,588,660	373,039	2,895,561	2,250,768	1,953,540	10,061,568
Loans	1,461,481	118,527	-	3,216,655	5,485,134	10,281,797
Total revenue	911,153	568,465	1,704,844	3,690,129	-	6,874,591
Total costs	(303,935)	(340,675)	(633,533)	(2,634,379)	-	(3,912,522)
Gross profit	607,218	227,790	1,071,311	1,055,750	-	2,962,069
Equity method in associates and joint ventures						
	-	-	-	-	2,096,085	2,096,085
Expenses						
Financial expenses	-	-	-	-	377,357	377,357
Depreciation	76,887	50,755	361,675	1,742	-	491,059
Amortization	-	-	-	236,324	-	236,324
Total expenses	76,887	50,755	361,675	238,066	377,357	1,104,740

June 30, 2022

Total revenue	407,001	246,219	790,537	1,742,232	-	3,185,989
Total costs	(135,485)	(150,570)	(290,134)	(1,195,793)	-	(1,771,982)
Gross profité	271,516	95,649	500,403	546,439	-	1,414,007
Equity method in associates and joint ventures	-	-	-	-	1,057,782	1,057,782
Expenses						
Financial expenses	-	-	-	-	107,570	107,570
Depreciation	32,733	23,132	170,651	851	-	227,367
Amortization	-	-	-	104,343	-	104,343
Total expenses	32,733	23,132	170,651	105,194	107,570	439,280

(1) Corresponds to GEB Holding's and GEBBRAS Participacoes Ltda.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

The following is the segment information by country:

June 30, 2023

	Electricity transmission			Electricity distribution	Natural gas transport	Natural gas distribution	Other non- reportable segment		Total
	Colombia	Perú	Guatemala	Perú	Colombia	Perú	Colombia	Brasil	
Property plant and equipment	4,033,104	29,050	1,972,251	980,714	8,862,007	45,618	-	-	15,922,744
Concessions assets	-	-	-	-	-	7,754,793	-	-	7,754,793
Investments in associates and joint ventures	-	-	-	-	-	-	12,448,286	1,705,255	14,153,541
Total non-current assets	4,033,104	29,050	1,972,251	980,714	8,862,007	7,800,411	12,448,286	1,705,255	37,831,078
Revenue	539,831	-	76,320	371,602	961,433	2,112,691	-	-	4,061,877
Cost	(166,693)	-	(33,392)	(234,268)	(336,722)	(1,516,179)	-	-	(2,287,254)
Total gross profit	373,138	-	42,928	137,334	624,711	596,512	-	-	1,774,623
Equity method in associates and joint ventures	-	-	-	-	-	-	976,429	79,470	1,055,899

December 31, 2022

	Electricity transmission			Electricity distribution	Natural gas transport	Natural gas distribution	Other non- reportable segment		Total
	Colombia	Perú	Guatemala	Perú	Colombia	Perú	Colombia	Brasil	
Property plant and equipment	3,825,165	33,513	2,204,134	1,061,538	9,836,277	52,614	-	-	17,013,241
Concessions assets	-	-	-	-	-	8,606,642	-	-	8,606,642
Investments in associates and joint ventures	-	-	-	-	-	-	13,785,504	1,770,669	15,556,173
Total non-current assets	3,825,165	33,513	2,204,134	1,061,538	9,836,277	8,659,256	13,785,504	1,770,669	41,176,056

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.
Notes to the Condensed Interim Consolidated Financial Statements
As of June 30, 2023 and December 31, 2022
(Values expressed in millions of Colombian pesos)

June 30, 2022

Revenue	351,584	-	55,417	246,219	790,537	1,742,232	-	-	3,185,989
Cost	(110,784)	-	(24,701)	(150,570)	(290,134)	(1,195,793)	-	-	(1,771,982)
Total gross profit	240,800	-	30,716	95,649	500,403	546,439	-	-	1,414,007
Equity method in associates and joint ventures	-	-	-	-	-	-	1,056,795	987	1,057,782

37 Subsequent Events

After the reporting date and up to the publication date, no relevant events have occurred that would require adjustments or additional disclosures to the condensed consolidated interim financial statements.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.

Consolidated Financial Statements

**As of December 31, 2022 and 2021 and for the
years ended December 31, 2022, 2021 and 2020**

Including the Statutory Auditor's Report



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STATUTORY AUDITOR'S REPORT

To the Shareholders
Grupo Energía Bogotá S.A. E.S.P.:

Report on the audit of the consolidated financial statements

Opinion

I have audited the consolidated financial statements of Grupo Energía Bogotá S.A. E.S.P. and Subsidiaries (the Group), which comprise the consolidated statement of financial position as of December 31, 2022 and the consolidated statements of income and other comprehensive income, changes in equity, and cash flows for the year then ended, and their respective notes that include the summary of significant accounting policies and other explanatory notes.

In my opinion, the above mentioned consolidated financial statements, attached to this report, present fairly, in all material aspects, the consolidated financial position of the Group as of December 31, 2022, the consolidated results of its operations, and its consolidated cash flows for the year then ended, in conformity with Accounting and Financial Reporting Standards accepted in Colombia, except for the application for one only time, as of December 31, 2021, of the voluntary exemption allowed by Decree 1311 of 2021 "Accounting alternative to mitigate the effects of the change in the income tax rate for the taxable period 2021."

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs) accepted in Colombia. My responsibilities under those standards are further described in the "Statutory Auditor' Responsibilities for the Audit of the Consolidated Financial Statements" section of my report. I am independent of the Group in accordance with the Accountant's Professional Code of Ethics issued by the International Ethics Standards Board for Accountants (IESBA Code), included in the Information Assurance Standards accepted in Colombia together with the ethical requirements established in Colombia that are relevant to my audit of the consolidated financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code mentioned. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

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



Assessment of the Group's impairment for Contugas concession agreement asset (included in Intangible assets) under IAS 36 (see note 20 to the consolidated financial statements)	
Key Audit Matter	How our audit approached this matter
The Group maintains Contugas concession agreement asset (included in Intangible assets) s as of December 31, 2022, of COP \$1,458,147 million. The Group performs the assessment of the impairment of Contugas concession agreement asset to the extent that there is objective evidence that the book value of the assets is higher than its recoverable value. Such determination is considered a complex estimate in the preparation of the consolidated financial statements, due to the high level of judgment involved in the development of the financial model for the determination of whether there is impairment of the Group's Contugas concession agreement asset based on the approach required by IAS 36. I considered the assessment of Contugas concession agreement asset impairment as a key audit matter because there was significant judgment and audit effort to evaluate the evidence obtained in relation with: (1) methodology; (2) the main inputs: (i) the volume of sales agreed in the contracts, (ii) the projected prices, (iii) the working capital investments, (iv) the projection periods; (3) the discount rates; (4) the macroeconomic assumptions; (5) the mathematical accuracy of the model; and (6) the recovery periods of projected cash flows.	My audit procedures to assess impairment of the Group's Contugas concession agreement asset included, among others, the following: • Evaluation of the design, implementation, and operative efficiency of certain internal controls established by the Group to perform the review of the impairment test of the Contugas concession agreement asset. This included controls related to: (1) the review of the execution of the business plans of Contugas S.A.C., (2) the determination of the macroeconomic hypothesis and variables used in the measurement of the recoverable value of the Contugas concession agreement asset, and (3) the review by management of the impairment calculation. • Involvement of professionals with experience and knowledge in valuation, who assisted me in: (1) evaluate if the methodology used is consistent with the valuation practices generally used for this purpose; (2) analyze and evaluate the main inputs such as: (i) volumes agreed on the contracts, (ii) the logic of the prices projected in relation with external sources, (iii) working capital investments, (iv) projection periods; (3) Recalculate the discount rates used in the model; (4) Compare the macroeconomic assumptions included in the valuation with historical and market data, and available information; and (5) perform independent recalculations to ensure the mathematical accuracy of the model.



Assessment of the acquisition of Elecnorte S.A.S. ESP (see note 14 to the consolidated financial statements)	
Key audit matter	How our audit approached this matter
On June 17, 2022, the Group acquired 100% of the shares of Elecnorte S.A.S. ESP for a consideration of COP \$ 457,500 million. The transaction was recorded by the acquisition methods established in the International Financial Reporting Standards IFRS 3 – “Business combinations”. Under this approach, the Group assigned the fair value of the consideration transferred on the assets acquired and liabilities assumed based on the fair value estimates at the date of the acquisition. The audit of this transaction is complex due to the judgments and significant estimates required to determine the values of the consideration transferred and the identification and measurement of the fair value of the assets acquired, liabilities assumed, and the goodwill. Due to the size and complexity of the acquisition, I consider this acquisition is a key audit matter.	My audit procedures to assess the acquisition of Elecnorte S.A. ESP, included, among others, the following: • Evaluation of the competence and objectivity of the external expert hired by the Group, as well as the competence of those responsible within the Group for reviewing and approving the final designation of the price paid in the transaction. • Meetings with those responsible from the Group of reviewing the transaction and with the external experts to understand the conclusions in the report and obtaining the support for the valuation from the external expert hired by Management. • Involvement of professionals with knowledge and experience in valuation, who assisted me in the evaluation of: (1) the methodology used in the valuation of the business acquired, and (2) the key assumptions used in determining the fair value of the assets acquired, liabilities assumed, and the goodwill. • Assessment of the disclosures on the consolidated financial statements, including the disclosures of the key assumptions and the judgements used by management for the recognition of the transaction.

Other matters

The consolidated financial statements at and for the years ending December 31, 2021 and 2020 are submitted only for comparison purposes, were audited by me and in my reports dated February 25, 2022 and February 26, 2021, respectively, I expressed unqualified opinions thereon.



Other information

Management is responsible for the other information. The other information includes the information included in the Corporate Governance Report, which includes the consolidated financial statements and my corresponding audit report. The other information is expected to be available to me after the date of this audit report.

My opinion on the consolidated financial statements does not cover the other information and I do not express any form of assurance conclusion on it.

In connection with my audit of the consolidated financial statements, my responsibility is to read the other information when available and, in doing so, consider whether there is a material inconsistency between that information and the consolidated financial statements or my knowledge obtained in the audit, or whether, somehow, there appears to be a material misstatement.

When reading the content of the corporate governance report, if I conclude that there is a material misstatement in that other information, I am required to report this fact to those charged with governance and take applicable action under the ISAs.

Responsibilities of Management and those in charge with the Group's corporate governance for the consolidated financial statements

Management is responsible for the fair preparation and presentation of these consolidated financial statements in accordance with Accounting and Financial Reporting Standards accepted in Colombia. This responsibility includes: designing, implementing and maintaining the internal control relevant that management considers necessary for the preparation and presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.



Auditor's responsibilities for the audit of the consolidated financial statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes my 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 aggregate, they could reasonably be expected to influence the users' economic decisions taken on the basis of these consolidated financial statements.

As part of an audit conducted in accordance with ISAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated 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 my 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 for the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriate accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern hypothesis and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I would conclude that a material uncertainty exists, I am required to draw attention in my statutory auditor's report to the related disclosure in the consolidated financial statements or, if such disclosure is inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Group ceases to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.



I communicate to those charged with the corporate governance regarding, among other matters, the planned scope and timing for the audit, as well as significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

Lidia Roa

Lidia Nery Roa Mendoza
Statutory Auditor of Grupo Energía Bogotá S.A. E.S.P.
Registration 167431 - T
Member of KPMG S.A.S.

February 26, 2023

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Consolidated Statements of Financial Position

As of December 31, 2022 and 2021

(In millions of Colombian pesos)

	<u>Note</u>	<u>December 2022</u>	<u>December 2021</u>		<u>Note</u>	<u>December 2022</u>	<u>December 2021</u>
<u>Assets</u>				<u>Liabilities and equity</u>			
Current assets:				Current liabilities:			
Cash and cash equivalents	7	\$ 1,477,821	1,691,538	Loans and borrowings	21	\$ 1,075,261	873,713
Other investments	8	4,214	4,214	Trade and other payables	22	825,487	581,458
Trade and other receivables	9	1,260,691	1,149,778	Lease liabilities	21	40,318	9,376
Receivables from related parties	37	153,830	127,839	Payables from related parties	37	389	11
Inventories		346,179	252,316	Derivative liabilities	28	125,016	151,085
Tax assets	10	188,934	136,260	Employee benefits	23	147,687	138,161
Derivative assets	28	691,536	107,108	Provisions	24	149,729	85,041
Other non-financial assets	12	85,527	38,741	Contract liabilities		21,316	22,941
Assets held for sale	11	180,809	181,751	Tax liabilities	25	177,027	111,648
Total current assets		<u>4,389,541</u>	<u>3,689,545</u>	Other non-financial liabilities	27	19,325	86,438
				Total current liabilities		<u>2,581,555</u>	<u>2,059,872</u>
Non-current assets:				Non-current liabilities:			
Investments in associates and joint ventures	15	15,556,173	9,925,807	Loans and borrowings	21	19,268,104	14,250,112
Property, plant and equipment	16	17,013,241	13,631,479	Trade and other payables	22	54,134	45,672
Right of use assets	18	78,021	99,991	Lease liabilities	21	66,921	52,821
Investment properties	17	30,118	30,123	Tax liabilities	25	-	763
Other investments	8	13,029	7,611	Employee benefits	23	98,020	105,025
Trade and other receivables	9	305,851	294,099	Provisions	24	566,936	370,374
Goodwill	19	623,489	302,554	Prepaid revenues		56,536	54,684
Intangible assets	20	8,608,035	6,679,288	Deferred tax liabilities	26	2,774,435	2,168,302
Tax assets	10	122,953	109,158	Other non-financial liabilities	27	-	20,983
Deferred tax assets	26	4,083	2,560				
Other non-financial assets	12	13	37,259	Total non-current liabilities		<u>22,885,086</u>	<u>17,068,736</u>
Total non-current assets		<u>42,355,006</u>	<u>31,119,929</u>	Total liabilities		25,466,641	19,128,608
Total assets		<u>46,744,547</u>	<u>34,809,474</u>	Equity:	31		
				Issued capital		492,111	492,111
				Additional paid-in-capital		837,799	837,799
				Reserves		4,841,398	4,078,312
				Retained earnings		8,069,359	6,016,094
				Other comprehensive income		6,326,247	3,685,691
				Equity attributable to the owners of the parent company		20,566,914	15,110,007
				Non-controlling interest	13	710,992	570,859
				Total equity		\$ 21,277,906	15,680,866
				Total equity and liabilities		\$ 46,744,547	34,809,474

The accompanying notes are an integral part of the consolidated financial statements.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES
Consolidated Statements of Income and Other Comprehensive Income
For the years ended on December 31, 2022, 2021 and 2020
(In millions of Colombian pesos)

	Note	2022	2021	2020
Natural gas distribution		\$ 3,690,129	3,008,197	2,361,401
Natural gas transportation		1,704,844	1,440,089	1,683,318
Electricity transmission		911,153	693,334	681,900
Electricity distribution		568,465	416,973	399,327
Total revenue	32	6,874,591	5,558,593	5,125,946
Natural gas distribution		(2,634,379)	(2,112,994)	(1,640,209)
Natural gas transportation		(633,533)	(562,547)	(614,599)
Electricity transmission		(303,935)	(240,782)	(228,954)
Electricity distribution		(340,675)	(251,743)	(245,780)
Total costs	33	(3,912,522)	(3,168,066)	(2,729,542)
Gross profit		2,962,069	2,390,527	2,396,404
Administrative and operating expenses	34	(898,843)	(711,744)	(684,223)
Other income, net	34	50,161	116,903	98,256
Operating profit		2,113,387	1,795,686	1,810,437
Financial income	35	259,002	76,592	85,487
Financial expenses	36	(1,019,884)	(672,707)	(664,230)
Net gain (loss) in currency translation		154,498	(85,920)	178,247
Share of gain from associates and joint ventures		2,096,085	1,997,939	1,602,363
Profit before income tax		3,603,088	3,111,590	3,012,304
Income tax expense				
Current tax	26	(439,092)	(403,745)	(409,086)
Deferred tax	26	(137,010)	(38,682)	13,659
Net profit for the year		\$ 3,026,986	2,669,163	2,616,877
Other comprehensive income:				
Items that will not be reclassified to profit or loss				
Re-measurement of defined benefit obligations, before taxes		11,677	56,901	(978)
Deferred income tax of re-measurement of defined benefit obligations	26	(2,760)	(13,961)	-
Items that will be reclassified to profit or loss				
Foreign exchange difference in currency translation of foreign operations		2,175,812	1,136,905	(49,163)
Cash flow hedges - effective portion of changes in fair value, before taxes		33,983	(138,369)	29,782
Deferred income tax Cash flow hedges - effective portion of changes in fair value	26	4,088	69,458	(14,869)
Gain from other comprehensive income of associates		527,509	41,392	9,036
Total other comprehensive income for the year		2,750,309	1,152,326	(26,192)
Consolidated comprehensive income for the year, net of tax		5,777,295	3,821,489	2,590,685
Consolidated net profit for the year attributable to:				
Controlling interest		2,852,795	2,525,872	2,514,449
Non-controlling interest		174,191	143,291	102,428
		3,026,986	2,669,163	2,616,877
Consolidated other comprehensive income for the year attributable to:				
Controlling interest		2,576,156	1,088,554	(65,460)
Non-controlling interest		174,153	63,772	39,268
		2,750,309	1,152,326	(26,192)
Earnings per share:				
Basic and diluted (in Colombian pesos)	\$	329.69	290.72	285.03

The accompanying notes are an integral part of the consolidated financial statements.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Consolidated Statement of Changes in Equity
For the years ended on December 31, 2022 and 2021
(In millions of Colombian pesos)

	Reserves							Retained earnings	Other comprehensive income	Non-controlling interest	Total Equity
	Issued Capital	Additional paid-in-capital	Legal Reserve	For rehabilitation, extension and replacement of systems	For equity method	Other reserves Article 130 Tax Statute	Occasional Reserve				
Balances as of December 31, 2020	492,111	837,799	332,496	125,695	2,865,309	38,448	708,376	4,070,324	6,246,332	2,597,137	14,730,470
Net profit for the year	-	-	-	-	-	-	-	2,525,872	-	143,291	2,669,163
Transfer to reserves	-	-	-	-	665,150	-	215,050	(880,200)	-	-	-
Equity changes of recognized investments by the equity method	-	-	-	-	-	-	-	(10,373)	-	-	(10,373)
Dividend distribution	-	-	-	-	(872,212)	-	-	(1,634,249)	-	(96,640)	(2,603,101)
Acquisition of non-controlling interest	-	-	-	-	-	-	-	12,916	-	(26,324)	(13,408)
Application of Decree 1311/2021 - Law 2155/2021	-	-	-	-	-	-	-	-	-	-	-
Social investment	-	-	-	-	-	-	-	(244,204)	-	(8)	(244,212)
<u>Other comprehensive income:</u>											
Re-measurement of defined benefit obligations	-	-	-	-	-	-	-	-	56,901	-	56,901
Foreign exchange difference in currency translation of foreign operations	-	-	-	-	-	-	-	-	1,063,985	72,920	1,136,905
Cash flow hedges - effective portion of changes in fair value, before taxes	-	-	-	-	-	-	-	-	(129,221)	(9,147)	(138,368)
Deferred income tax from Cash flow hedges - effective portion of changes in fair value and Re-measurement of defined benefit obligation	-	-	-	-	-	-	-	-	55,497	-	55,497
Gain from other comprehensive income of associates and joint ventures	-	-	-	-	-	-	-	-	41,392	-	41,392
Balances as of December 31, 2021	492,111	837,799	332,496	125,695	2,658,247	38,448	923,426	4,078,312	6,016,094	3,685,691	15,680,866
Net profit for the year	-	-	-	-	-	-	-	2,852,795	-	174,191	3,026,986
Transfer to reserves	-	-	-	-	538,632	-	224,454	(763,086)	-	-	-
Equity changes of recognized investments by the equity method	-	-	-	-	-	-	-	(122,714)	-	-	(122,714)
Dividend distribution	-	-	-	-	-	-	-	(1,762,786)	-	(143,811)	(1,906,597)
Effect of Enel merger	-	-	-	-	-	-	-	1,849,056	-	-	1,849,056
<u>Other comprehensive income:</u>											
Re-measurement of defined benefit obligations, before taxes	-	-	-	-	-	-	-	-	11,677	-	11,677
Foreign exchange difference in currency translation of foreign operations	-	-	-	-	-	-	-	-	2,066,059	109,753	2,175,812
Cash flow hedges - effective portion of changes in fair value, before taxes	-	-	-	-	-	-	-	-	33,983	-	33,983
Deferred income tax from Cash flow hedges - effective portion of changes in fair value and Re-measurement of defined benefit obligation	-	-	-	-	-	-	-	-	1,328	-	1,328
Gain from other comprehensive income of associates and joint ventures	-	-	-	-	-	-	-	-	527,509	-	527,509
Balances as of December 31, 2022	492,111	837,799	332,496	125,695	3,196,879	38,448	1,147,880	4,841,398	8,069,359	6,326,247	21,277,906

The accompanying notes are an integral part of the consolidated financial statements.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Consolidated Statements of Cash Flow
For the year ended on December 31, 2022, 2021 and 2020
(In millions of Colombian pesos)

	Note	December 2022	December 2021	December 2020
Cash flows from operating activities:				
Net profit for the year		\$ 3,026,986	2,669,163	2,616,877
Adjustments to reconcile net profit for the year to net cash from (used in) operating activities:				
Income tax expense	26	576,102	442,427	395,427
Share of gain from associates and joint ventures		(2,096,085)	(1,997,939)	(1,602,363)
Depreciation and amortization	33, 34	836,217	687,381	667,167
Loss on sale or de-recognition of property, plant and equipment		6,677	5,455	7,029
Impairment loss on trade receivables and contract asset, net		(180,424)	26,323	87,584
Accounts receivable write-off	9	327,377	-	-
Impairment (reversal) of long-term assets, net	34	(85,109)	(123,522)	(75,159)
Impairment of inventories, net		(926)	1,366	3,753
Provisions, net		12,124	(5,247)	(5,056)
Foreign exchange differences		(154,498)	85,920	(178,247)
Financial expenses	36	1,019,884	672,511	664,230
Financial income	35	(259,002)	(76,592)	(85,487)
		3,029,323	2,387,246	2,495,755
Changes in operating assets and liabilities:				
Trade and other accounts receivable		243,307	(444,916)	(152,565)
Inventories		(40,128)	13,112	90
Other non-financial assets		(8,825)	(8,349)	(8,374)
Trade and other accounts payable		44,378	5,781	12,436
Employee benefits		(9,761)	10,883	(9,739)
Provisions		147,196	(32,333)	8,319
Other liabilities		48,474	29,637	92,977
Income tax paid		(370,551)	(534,961)	(366,476)
Net cash from operating activities		3,083,413	1,426,100	2,072,423
Cash flow from investing activities:				
Net cash flow used in acquisition of a subsidiary	14	(385,674)	-	-
Acquisition of non-controlling interest		-	(13,408)	-
Acquisition of joint ventures	15	(1,131,942)	-	(1,366,929)
Capitalization of investments in associates	15	(961,953)	(8,531)	-
Reductions in Capital		-	86,186	-
Dividends received		1,840,580	2,207,558	1,075,413
Interest received		40,188	30,716	59,582
Investment in financial assets		(183)	1,167,108	(549,219)
Acquisition of property, plant and equipment	16	(1,190,318)	(536,407)	(610,436)
Acquisition of intangible assets		(716,357)	(707,198)	(323,442)
Proceeds from sale of property, plant and equipment		-	-	2,708
Net cash (used in) from investing activities		(2,505,659)	2,226,024	(1,712,323)
Cash flow from financing activities:				
Dividends paid		(1,920,054)	(2,596,797)	(1,395,242)
Interest paid	21	(872,257)	(614,765)	(673,059)
Loans received	21	3,186,652	1,299,584	5,057,952
Loans paid	21	(1,120,961)	(975,296)	(3,235,170)
Lease payments	21	(120,778)	(66,143)	(64,616)
Net cash used in financing activities		(847,398)	(2,953,417)	(310,135)
Net (decrease) increase in cash and cash equivalents		(269,644)	698,707	49,965
Effect of exchange rate fluctuations on cash and cash equivalents		55,927	141,599	31,911
Opening balance of cash and cash equivalents		1,691,538	851,232	769,357
Cash and cash equivalents at the end of the year		\$ 1,477,821	1,691,538	851,232

The accompanying notes are an integral part of the consolidated financial statements.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

1. General information

Parent Company - As stated in Law 142/1994 and Resolution 1/1996 of the District Council, on May 31, 1996, Grupo Energía Bogotá S.A. E.S.P. was transformed from a government-owned industrial and commercial company to a joint stock company. Grupo Energía Bogotá S.A. E.S.P., (hereinafter, “GEB” or the “Group”) was transformed into a public utilities company under Law 142/1994, and continued to be dedicated to the generation, transmission, distribution and commercialization of energy. The Company’s legal term of duration is indefinite. At the General Meeting of Shareholders held on October 6, 2017, as documented in Minutes No. 078, formalized in Public Deed No. 3679/2017, registered on October 25, 2017 in the Chamber of Commerce of Bogotá, the Company changed its company name from Empresa de Energía de Bogotá S.A. E.S.P. to Grupo Energía Bogotá S.A. E.S.P. Its main registered office is at Carrera 9 No. 73-44 in Bogotá D.C., Colombia.

The Group’s main corporate purpose is the generation, transmission, distribution and commercialization of energy, including gas and liquid fuels of all forms. It may also participate as partner or shareholder in other public utility companies, either directly or in partnership with others. Currently, the Group performs operating activities related to electricity transmission, and has a portfolio of investments in the energy sector.

It holds investments in subsidiaries, associates and joint ventures, and directly offers electricity transportation services in Colombia.

In the value chain, the business controls the largest natural gas operator in Colombia, TGI S.A., which has a substantial market share, including approximately 3,957 kilometers of gas pipelines, with available capacity of approximately 733.8 MMSCFD (million standard cubic feet per day), through which it serves the country’s most populated areas, including Bogotá, Cali, the Coffee Triangle, Medellín and the foothills area of the Plains region. The Group operates and maintains the largest network of gas pipelines in Colombia, from La Guajira to Valle del Cauca and from the Eastern Plains to Cundinamarca, Boyacá, Tolima and Huila.

In Peru, through its shareholdings in Calidda, it has a concession to design, build and operate the natural gas distribution system in the Department of Lima and the Constitutional Province of Callao in Peru. It is the pioneering company in providing this public utility service in Peru, contributing in this way to improving the quality of life of the population and the preservation of the environment.

Through the company Contugas, it has a 30-year concession to participate in the natural gas transportation and distribution sector in the Department of Ica. On April 25, 2008, the Private Investment Promotion Agency (PROINVERSION) awarded the consortium comprised of Grupo Energía Bogotá S.A. E.S.P. and Transportadora de Gas del Interior S.A. E.S.P. the international public bid, under the modality of comprehensive project, to design, finance, build, operate and maintain the natural gas distribution system in the Department of Ica in Peru. Based on this award, on March 7, 2009, the BOOT Concession Contract was signed for the natural gas distribution system through a gas pipeline in the Department of Ica. This contract is being performed by the Company in its capacity of concession holder.

The Company began commercial operations on April 30, 2014, after having completed construction of the Natural Gas Pipeline Distribution System in Ica.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

On August 9, 2019, Grupo Energía Bogotá acquired the shares of Dunas Energía S.A.A., Cantalloc Perú Holding S.R.L. and PPC Perú Holdings S.R.L. (hereinafter, Grupo Dunas). It obtained control of the group through the purchase of 100% of the shares.

The Group's aim was to achieve greater regional coverage to consolidate its position in the energy sector value chain.

Also in that country, jointly with Interconexión Eléctrica S.A. E.S.P. (ISA), it has shareholdings in REP S.A. and TRANSMANTARO S.A., which operate 63% of the electricity network of Peru, operating through four transmission departments: The North transmission department serves the facilities of Chiclayo and Chimbote; the Central transmission department serves the facilities of Lima and Pisco; the East transmission department serves the facilities of Huánuco and Huncayo, and the South transmission department serves the facilities of Arequipa and Cuzco.

In Guatemala, through its investment in Transportadora de Centroamérica S.A (TRECASA), it provides electricity transmission services and related activities through the construction of the most important infrastructure project in Guatemala, which began to provide electric energy transportation services in 2014. This company's projects focus on the construction, operation and maintenance of a group of transmission works.

On June 17, 2022, the Group acquired control over Elecnorte S.A.E.S.P., a public utilities company whose main business is the distribution of electricity, especially the regional transmission of electric energy in accordance with Colombian regulations, and the operation of all the energy infrastructure required to perform its activities. This acquisition was recognized under IFRS 3 Business mergers included in Colombia's Generally Accepted Accounting and Financial Reporting Standards (IFRS as Accepted in Colombia). For additional information see Note 14 on Business Combinations further below.

Additionally, on October 26, 2022, the Group constituted Enlaza Grupo Energía Bogotá SAS E.S.P., with the purpose of strengthening management of the electric energy transmission projects and its operating assets in Colombia.

Additionally, GEB has a portfolio of investments in major energy companies, including Enel S.A. E.S.P., VANTI S.A, E.S.P, and Promigas S.A., E.S.P.

2. Legal and regulatory framework

Colombian companies – In the framework of constitutional provisions, the Residential Public Utilities Law 142/1994 and Law 143/1994 or Electricity Law were issued, which establish the provisions and general criteria that govern residential public utility service companies in the national territory.

The Electricity Law of July 1, 1994 (Law 143/1994) regulates activities related to the generation, transmission, distribution and commercialization of electric energy, creating a structure to promote competition and strengthen the electricity sector in the country.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

The main government body of the electricity sector is the Ministry of Mines and Energy, which develops the national energy plan and the plan of reference for the expansion of generation–transmission through its Mining-Energy Planning Unit (UPME, for the Spanish original). Additionally, the Superintendence for Residential Public Utility Services (SSPD, for the Spanish original) and the Energy and Gas Regulatory Commission (CREG, for the Spanish original), are the entities responsible for the supervision and regulation of companies in this sector.

Companies in Peru – They are governed by the Organic Hydrocarbons Law No. 26221, issued on August 19, 1993, and the Natural Gas Industry Promotion and Development Law No.27133, issued on November 18, 1999, and its regulation approved by means of D.S. 040-99-EM, which establishes the conditions for the promotion and development of the natural gas industry. They are supervised by the Investments in Energy and Mining Supervising Body (OSINERGMIN, for the Spanish original), which oversees the quality and efficiency of the service provided and fulfillment of the obligations taken on by the concession holders in the concession contracts, as well as compliance with current legal provisions and technical standards.

Companies in Guatemala – They are governed by the legal framework defined in the General Law on Electricity (Decree 93-96 of the Congress of Guatemala) issued on November 15, 1996, the Regulation of the General Law on Electricity (Resolution 256-97 of April 2, 1997, amended by Resolution 68-2007), and the Regulation of the Wholesale Market Administrator (AMM, for the Spanish original) (Resolution 299-98 of June 1, 1998, amended by Resolution 69-2007).

The Ministry of Energy and Mines (MEM) is the government body responsible for formulating and coordinating the policies, government plans and indicative programs related to the electricity sub-sector and for enforcing the Law and its Regulations.

GEB guarantees the development of TRECSA's open tender PET-1-2009, through a guarantee in favor of the Guatemalan Ministry of Energy and Mines of USD 18,417,426.

Companies in Brazil – In 2015, the Company formally acquired a 51% equity interest in four electric energy transmission concessions in Brazil: Transenergia Renovável S.A., Transenergia Sao Paulo S.A., Goiás Transmissão S.A. and MGE Transmissão, S.A.

The four concessions acquired by the Company were awarded by means of public bids in 2008 and 2009 for a 25-year period. The transmission lines cover 1,094 km, and comprise assets operating at 500, 345, 230 and 138 kV, located in the following states: Espírito Santo, Goiás, Mato Grosso, Mato Grosso do Sul, Minas Gerais and São Paulo.

This acquisition provides the Company, through GEBBRAS, the holding company of these four concessions, as well as future expansions, a strategic partner in Brazil, Furnas, which holds the remaining 49% of the shares of these four concessions.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

3. Basis of preparation and presentation

3.1 Accounting Standards Applied

The Group's Consolidated Financial Statements have been prepared in accordance with Colombian Generally Accepted Accounting and Reporting Standards ("IFRS as accepted in Colombia"). IFRS as accepted in Colombia is based on IFRS established in Law 1314/2009, regulated by Single Regulatory Decree 2420/2015, as amended by Decrees 2496/2015, 2131/2016, 2170/2017, 2483/2018, 2270/2019, 1432/2020, 938/2021 and 1611/2022. The IFRS as accepted in Colombia are based on the complete International Financial Reporting Standards (IFRS), issued and officially translated into Spanish by the International Accounting Standards Board (IASB, for its acronym in English).

In addition, GEB applies the following rule (in accordance with applicable laws and regulations in Colombia) which differ from IFRS:

Decree 1311 of October 20, 2021, which offers a one-time alternative to recognize, for accounting purposes, against retained earnings in equity, the change in deferred income tax derived from the increase in the income tax rate established in the Social Investment Law 2155.

For legal effects in Colombia, the primary financial statements are the separate financial statements, which are stated in terms of Colombian pesos, which is the presentation or reporting currency for all effects.

3.2 Consolidated Financial Statements

Subsidiaries:

The consolidated financial statements include the financial statements of Grupo Energía Bogotá S.A. E.S.P. and its subsidiaries as of December 31, 2022 and 2021. The parent company consolidates the financial statements of the entities it controls.

Control is only held when the Group:

- Has power over an investee;
- Is exposed to or has rights to variable returns from its involvement with the investee, and
- Has the ability to use its power over the investee to affect the amount of the investor's returns.

The Group reassess whether or not it controls an investee whenever facts and circumstances indicate that any of the three aforementioned elements have changed.

When the Group has less than a majority of voting rights in an investee, it has power over the investee when its voting rights are sufficient to provide it the practical ability to unilaterally direct the relevant activities of the investee. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to grant it power, including:

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

- The percentage of the Group's voting rights compared to the size and dispersion of the percentages of other vote holders;
- Potential voting rights held by the Group, other shareholders or other parties;
- Rights derived from contractual agreements; and
- Any additional facts or circumstances that indicate that the Group has, or does not have, the actual ability to direct the relevant activities at the time a decision must be made, including voting patterns in previous shareholder meetings.

The consolidation of a subsidiary begins when the Group acquires control over the subsidiary. Specifically, the revenues and expenses of a subsidiary acquired or sold during a year are included in the consolidated statement of income and other comprehensive income starting on the date on which the Group obtains control until the date on which the Group no longer controls the subsidiary.

The profit or loss of each component of other comprehensive income is attributed to the Group owners and to non-controlling interests. The total comprehensive income of the subsidiaries is attributed to the Group owners and to non-controlling interests, even if the results of the non-controlling interests have a negative balance.

If necessary, adjustments may be made to the financial statements of the subsidiaries to adapt their accounting policies to these used by other Group members.

All inter-company transactions, balances, revenues and expenses are eliminated in the consolidation.

Changes in the Group's shareholdings in its existing subsidiaries – The changes in shareholdings in the subsidiaries that do not lead to loss of control by the Group in the subsidiaries are recognized as capital transactions. The amounts of the Group's interests and the non-controlling interests are adjusted to reflect changes in the relative shareholdings in the subsidiaries. Any difference between the amount of the adjustment to non-controlling interests and the fair value of the consideration paid or received is recognized directly in net equity and attributed to the Group's owners.

When the Group loses control over a subsidiary, a gain or loss is recognized in the period's profit or loss and is calculated as the difference between (i) the sum of the fair value of the consideration received and the fair value of any retained interest, and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income regarding that subsidiary are recognized as if the Group had directly disposed of the assets or liabilities related to the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as specified/allowed by applicable standards). The fair value of the investment retained in the former subsidiary at the date when control is lost is considered the fair value of initial recognition for subsequent recognition in accordance with IFRS 9, as the cost in the initial recognition of an investment in an associate or joint venture, as the case may be.

The following are the companies controlled by GEB and therefore are included in the consolidation of Grupo Energía de Bogotá:

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

<u>Name of Subsidiary</u>	<u>Main Activity</u>	<u>% Shareholdings</u>	<u>Country of incorporation and operation</u>
Transportadora de Gas Internacional S.A. E.S.P.	Gas transportation	99.9%	Colombia
EEB Internacional LTD.	Investment vehicle	100%	Cayman Islands
Contugas S.A.C.	Gas distribution	100%	Perú
Gas Natural de Lima y Callao S.A.	Gas distribution	60%	Perú
Transportadora de Energía de Centroamérica S.A.	Electric energy transportation	96.84%	Guatemala
EEB Perú Holdings LTD.	Investment vehicle	100%	Cayman Islands
EEB Ingeniería y Servicios S.A.	Engineering services	100%	Guatemala
EEB Gas S.A.S.	Investment vehicle	100%	Colombia
EEB Energy RE.	Captive insurance company	100%	Bermuda
GEBBRAS Participacoes LTDA.	Investment vehicle	100%	Brazil
Dunas Energía S.A.A.,	Electric energy distribution and commercialization	100%	Peru
PPC Perú Holdings S.R.L.	Electric energy distribution and commercialization	100%	Perú
Cantalloc Perú Holdings S.R.L.	Electric energy distribution and commercialization	100%	Perú
Elecnorte S.A.S. E.S.P.	Power Transmission	100%	Colombia
Enlaza Grupo Energía Bogotá SAS E.S.P.	Power Transmission	100%	Colombia

Transactions between jointly controlled entities:

The combination of entities under joint control, i.e., transactions in which entities controlled by the GEB group are combined, are beyond the scope of IFRS 3. There is currently no specific guidance for the treatment of such transactions in other IFRS, which implies that, in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the Group has developed an accounting policy taking into consideration the opinions issued by other standard-setting bodies.

The recognized assets and liabilities arising from transactions between entities under common control are recognized at the carrying amount of the financial statements of the acquiring entity.

Investments in associates and joint ventures:

An associate is a company over which the Group has significant influence. Significant Influence is the power to intervene in financial and management policies of the entity, although without having control over the entity.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

A joint venture is an agreement through which the Group, along with other participants, jointly controls the relevant activities of the agreement, and decision-making requires the unanimous consent of the parties that share control.

The following are the investments in associates and joint ventures recognized in the consolidated financial statements:

<u>Name</u>	<u>Main Activity</u>	<u>% Shareholdings</u>	<u>Country of incorporation and operation</u>
Enel Colombia S.A.S. E.S.P.	Electric energy generation and commercialization	42.52%	Colombia
Promigas S.A. E.S.P.	Gas	15.24%	Colombia
Gas Natural S.A. E.S.P.	Gas	24.99%	Colombia
Electrificadora del Meta S.A. E.S.P. – EMSA	Electricity	16.23%	Colombia
Consortio Transmantaro S.A.	Electricity	40.00%	Perú
Red de Energía del Perú S.A.	Electricity	40.00%	Perú
Agencia Analítica de Datos S.A.S.	Other	40.00%	Colombia
Goias Transmissao S.A.	Power transmission	51.00%	Brazil
Mge Transmissao S.A.	Power transmission	51.00%	Brazil
Transenergia Renovavel S.A.	Power transmission	51.00%	Brazil
Transenergia Sao Paulo S.A.	Power transmission	51.00%	Brazil
Argo	Power transmission	50.00%	Brazil
Argeb Energía S.A.	Investment vehicle	37.50%	Brazil

The investments in Brazil are entities that are under joint control.

Non-controlling interest:

Non-controlling interests are initially measured at fair value, or at the proportional share held by non-controlling shareholders in the identifiable net assets of the acquired entity. The choice is made for each transaction. The non-controlling interests in the net assets of the consolidated subsidiaries are presented separately under the Group's equity. Similarly, the current period's income and other comprehensive income are attributed to the non-controlling interests and the owners of the controlling entity.

Purchases or sales of shareholdings in subsidiaries to non-controlling interests that do not involve loss of control are recognized directly under equity.

3.3 Basis for measurement

The Group's consolidated financial statements have been prepared on the basis of historic cost, except financial assets and liabilities measured at fair value through profit or loss and/or through other comprehensive income, which are measured at fair value at the end of each period, as explained in the accounting policies described further below.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

In general, the historical cost is based on the fair value of the consideration paid for the goods or services. Fair value the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the market for the instrument at the measurement date.

3.4 Functional and Presentation Currency

Each Group entity uses the functional currency of the main economic environment in which it operates. The consolidated financial statements are presented in Colombian pesos, which is the functional and presentation currency of the Group's parent company; consequently, all balances and transactions denominated in currencies other than the Colombian peso are considered foreign currencies.

The consolidated figures are stated in millions of Colombian pesos, except earnings per share and the market representative exchange rate, which are stated in Colombian pesos.

Transactions in foreign currencies – Transactions in foreign currency are recognized using the exchange rates in effect on the transaction date. At the end of each period, the monetary items denominated in foreign currency are translated using the exchange rate in effect at that date. Non-monetary items measured at cost are maintained at the exchange rate as of the transaction date. Non-monetary items denominated in foreign currency and carried at fair value are translated using the exchange rate as of the date on which fair value was determined.

During the year, foreign currency gains or losses that arise in the settlement of transactions due to the difference between the exchange rate at the time of recognition and the exchange rate in effect at the time of collection or payment are recognized in the consolidated income statement.

Foreign exchange gains or losses are recognized in equity (other comprehensive income) if they are related to cash flow hedging transactions or to net investments in foreign businesses. Whenever a gain or loss related to a non-monetary item is recognized in other comprehensive income, any exchange differences associated with such gain or loss is also recognized in other comprehensive income. On the other hand, when a gain or loss related to a non-monetary item is recognized in profit or loss of the period, any currency exchange difference derived from such transaction will also be recognized in the consolidated income statement.

Balances denominated in foreign currency are stated in Colombian pesos translated at the market representative exchange rates as of December 31, 2022 and December 31, 2021, i.e., COP 4,810.20 and COP 3,981.16 per USD 1, COP 921.95 and COP 707.98 per 1 real, per sol S/1,262.85 and S/999.06 respectively.

Operations abroad – the assets and liabilities of operations abroad are translated using the exchange rates in effect at the end of the year. Revenue and expense items are translated at the average exchange rates in effect during the year. Any differences in exchange rates that may arise are recognized in consolidated other comprehensive income.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

3.5 Classification of assets and liabilities as current and non-current

The Group presents in its statement of financial position the assets and liabilities classified as current and non-current on the basis of their expiration dates. Current assets and liabilities are those that expire within twelve months, and non-current assets and liabilities are those that expire later than twelve months.

For the effects of current and non-current classification, the Group considers assets and liabilities available for sale and cash and cash equivalents as current, because its intention is to realize, dispose of or consume them within the normal operating cycle or within twelve months from the reporting period.

In all cases, deferred tax balances recognized as assets or liabilities are classified as non-current assets and liabilities in the presentation of the consolidated statement of financial position.

3.6 Accounting Period

The Group prepares and publishes its general-purpose financial statements once a year, with cut-off date as of December 31.

A decision of the Ordinary General Meeting of Shareholders of Grupo Energía Bogotá S.A. E.S.P, documented in Minutes No. 32 of August 22, 2002, and by means of a Reform to the Bylaws duly authorized and formalized, authorized the Board of Directors, subject to previous study and assessment of the financial statements, and pursuant to the provisions of the Code of Commerce, to decide any other cut-off dates it deems necessary, with the purpose of distributing profits.

4. Significant Accounting Policies

The following are the main accounting policies applied to the preparation of the attached general purpose consolidated financial statements:

4.1 Cash and cash equivalents

The Group considers cash and cash equivalents to include cash and balances at banks, freely available deposits that are short-term liquidity, other highly liquid short-term investments with original maturities of three months or less.

4.2 Financial Instruments

Financial assets and liabilities are initially recognized at fair value plus (less) any directly attributable transaction costs, except for those that are subsequently measured at fair value through profit or loss. GEB and its subsidiaries subsequently measure the financial assets and liabilities at amortized cost or at fair value, depending on the Group's business model for managing the financial assets, and the characteristics of the instrument's cash flows.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

4.2.1 Financial assets - Financial assets other than those carried at amortized cost are subsequently measured at fair value through profit or loss. However, in the case of investments in equity instruments not held for trading purposes, GEB and its subsidiaries may choose, upon initial recognition and irrevocably, to present any gains or losses from subsequent fair value measurements under other comprehensive income.

In the disposal of investments at fair value through other comprehensive income, the accumulated value of gains and losses is transferred directly to retained earnings and is not reclassified to the current period's profit or loss. Cash dividends received from these investments are recognized in the income statement. A financial asset is subsequently measured at amortized cost, using the effective interest rate, if the asset is held within a business model whose objective is to hold it in order to obtain the contractual cash flows, and its contractual terms provide for, on specific dates, cash flows that are solely payments of principal and interest over the outstanding principal.

A financial asset or a portion thereof is derecognized from the statement of financial position when it is sold or transferred, when it has expired, or when control is lost over the instrument's contractual rights or cash flows. A financial liability or a portion thereof is derecognized from the statement of financial position when the contractual obligation has been settled or has expired.

When an existing financial liability is replaced for another of the same counterparty under substantially different terms, or when the terms of an existing liability are substantially changed, such replacement or change will be treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts will be recognized in other comprehensive income.

4.2.1.1 Impairment of financial assets – The Group recognizes an allowance for expected credit losses on investments in financial assets measured at amortized cost or at fair value through other comprehensive income, lease accounts receivable, balances owed by clients in construction contracts, as well as credit commitments in favor and financial guarantee contracts. No impairment losses are recognized on investments in equity instruments. The amount of expected credit losses is updated on each reporting date to reflect any changes in credit risk since the initial recognition of the respective financial instrument.

GEB and its subsidiaries recognize expected credit losses on its debt securities, trade accounts receivable, and lease accounts receivable at the end of the reporting period. In calculating the expected credit losses under IFRS 9, GEB and its subsidiaries use a simplified approach that allows not monitoring changes in credit risk, but instead recognizing a loss allowance based on the expected credit losses over the life of the asset on each reporting date, i.e., to recognize the expected credit losses that arise from possible default events over the expected life of the financial instrument. Whenever there is objective evidence that a financial asset is impaired, the Group recognizes an individual impairment allowance, and excludes that item from the collective assessment under the expected loss model.

To determine the expected credit losses, GEB and its subsidiaries use an allowance matrix based on the number of days a trade account receivable is past due, i.e., by grouping the accounts receivable in ranges of days past due, and applying a percentage of expected credit losses to the current balance of accounts receivable at the measurement date of each subsidiary, segmented into two homogeneous groups: the industrial business and the consumer business.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Impairment loss on trade receivables and contract asset is recognized under Administrative and operating expenses in the Group's consolidated income statement. When confirmation is received that a trade account receivable is deemed uncollectible, the gross carrying amount of the account receivable is derecognized against the associated allowance.

4.2.2 Financial liabilities - The financial liabilities are the financing sources obtained by the Group through bank loans and bond issuances, and accounts payable to suppliers and creditors.

The financial liabilities are generally recognized for the cash received, net of costs involved in the transaction. In subsequent periods, these liabilities are measured at amortized cost using the effective interest rate method.

Accounts payable to suppliers and creditors are short-term financial liabilities measured at their nominal value, which does not differ significantly from fair value.

The Group derecognizes a financial liability if, and only if, it has expired, been settled, or when the Group has fulfilled its obligations. The difference between the carrying amount of the derecognized financial liability and the consideration paid or payable is recognized in profit or loss.

4.2.3 Derivative financial instruments and hedge accounting - A derivative financial instrument is an instrument whose value varies depending on the changes of a variable, such as an interest rate, exchange rate, the price of a financial asset, a rating or a credit index. Instruments of this type do not require an initial investment, or the investment is less compared to other financial instruments with similar responses to changes in market conditions, and they are generally settled at a future date.

Transactions with derivative financial instruments - The derivative instruments are initially recognized at fair value on the date the derivative contract is signed, and they are subsequently remeasured at fair value at the end of each reporting period. Any gain or loss is recognized immediately in profit or loss, unless the instrument is designated and is effective as a hedging instrument, in which case the timing of recognition in profit or loss will depend on the nature of the hedging relationship.

GEB uses different financial instruments to manage its exposure to exchange rate risks. Financial debt is measured at amortized cost. Gains or losses arising from exchange differences in obligations denominated in foreign currency are recognized in the current period's profit or loss, unless the financial obligation is designated as a hedging instrument, in which case the timing of recognition through profit or loss depends on the nature of the hedging relationship.

A hedge is designated as a hedge on net investments abroad when it hedges the exchange rate risk arising from the translation of a net investment abroad.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Hedging of net investments abroad

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of changes in the fair value of a derivative or foreign exchange gains and losses for a non-derivative is recognized in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivative is recognized immediately in profit or loss. The amount recognized in OCI is fully or partially reclassified to profit or loss as a reclassification adjustment on disposal or partial disposal of the foreign operation, respectively.

Hedge accounting is discontinued when the hedge relationship does not meet the requirements of the effectiveness test; the hedge instrument is terminated, sold or exercised; the item no longer fulfills the conditions for hedge accounting, or the hedging relationship no longer fulfills the risk management objectives.

4.2.4 Fair value of financial instruments - The fair value of all financial assets and liabilities is determined at the consolidated statement of financial position date, for recognition or disclosure in the notes to the consolidated financial statements.

To determine fair value, characteristics of the asset or liability are taken into account in the same way that market participants would use when pricing the asset or liability at the measurement date; the following items are taken into consideration to assess the estimates:

Level 1: Based on quoted prices (unadjusted) in active markets for identical assets or liabilities to which the Group can access at the measurement date.

Level 2: Based on inputs of valuation methodologies commonly used by the market participants, these inputs are other than quoted prices that are observable for the assets or liabilities, either directly or indirectly; considering inputs as quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities like interest rates and yield curves observable at commonly quoted intervals, implied volatilities and credit spreads, and market-corroborated inputs.

Level 3: Based on internal valuation techniques of discounted cash flow and other valuation methodologies, where one or more inputs are unobservable and therefore estimated by the Group for the assets or liabilities, in the absence of observable inputs.

4.3 Inventories

The Group's inventories consist of stocks of materials over which it has acquired the risks and rewards of ownership. Inventories are presented in the consolidated statement of financial position under current assets.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Inventories are measured at the lower of cost and net realizable value. Cost is calculated using the weighted average method. The net realizable value is the estimated sales price less all estimated costs.

The inventories acquisition cost includes the purchase cost and all costs directly or indirectly attributable to the inventory item, including, for example, transportation, customs fees, insurance, non-recoverable indirect taxes, etc., less any discounts, rebates or trade premiums.

The inventory cost might not be recoverable if the inventory items are damaged, are partially or totally obsolete, or have low turnover.

Obsolete materials are defined as those that are not expected to be sold or used over the Group's ordinary operating cycle, including, for example, scrap material. The Group establishes an allowance for inventory based on the obsolescence and impairment of the inventory items.

4.4 Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale in its current condition rather than through continue use. Management must be committed to the sale, and it must be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets held for sale are generally measured at the lower of their carrying amount and fair value less costs to sell.

When the Group is committed to a sales plan that implies the disposal of an investment in an associate, or part of an investment in an associate, the investment or part of the investment in the associate to be disposed of is classified as held for sale when the above criteria are fulfilled. The Group stops applying the equity method to the portion classified as held for sale. Any retained portion of an investment in an associate that has not been classified as held for sale continues to be measured using the equity method.

4.5 Property, plant and equipment

The Group measures its property, plant and equipment at acquisition cost, net of accumulated depreciation and any impairment losses.

Land is not depreciated. Constructions in progress for the effects of service provision are recognized at cost less any recognized impairment losses. The cost includes professional fees, and in the case of qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy. Constructions in progress are transferred to assets in use once the testing period has been completed, i.e., when they are ready to be used in the conditions foreseen by Management.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

In addition to the cost paid to acquire each component, the cost also includes, as the case may be, the following:

- General and specific borrowing costs that are directly attributable to the acquisition, construction or production of suitable assets, whenever the assets necessarily take a long time to prepare before they are ready for their intended use or sale, are added to the cost of these assets until they are substantially ready for their intended use or sale. The Group defines a long time period as longer than twelve months. The interest rate used is the rate of the specific loan, or, if unavailable, the average financing rate of the company that makes the investment.
- Personnel expenses directly related to the constructions in progress.
- Future disbursements the Group must make to close down the facilities are included in the asset's cost at the updated value, recognizing a provision for dismantling or restoration.

Assets that qualify for capitalization are those that are individually worth more than 50 tax value units (UVT, for the Spanish original). Assets whose value is less than 50 UVT must be capitalized and depreciated during the remaining part of the year in which they are capitalized.

Expansion, updating or upgrading costs that increase the assets' productivity, capacity or useful life are capitalized as a greater cost of the corresponding assets.

The replacement or refurbishing of complete elements that extend the asset's useful life or economic capacity are recognized as a greater cost of the assets, with the consequent derecognition of the replaced or refurbished elements.

Periodic maintenance, conservation and repair expenses are recognized directly in the consolidated income statement as costs in the period in which they are incurred.

Depreciation is calculated to write off the cost of the assets (except land and constructions in progress) to profit or loss, less their estimated residual values, over their useful lives using the straight-line method. The estimated useful life, residual value and depreciation method are reviewed at the end of each year, and any changes in the estimations are recognized prospectively.

An item of property, plant and equipment is derecognized when it is sold or when no further future economic benefits are expected from the continued use of the asset. The gain or loss arising from the sale or withdrawal of an item of property, plant and equipment is calculated as the difference between the resources received from the sale and the carrying amount of the asset and is recognized in profit or loss.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

The following are the main classes of property, plant and equipment and their respective estimated useful lives in years:

	Electricity transmission	Electricity distribution	Gas distribution	Natural gas transportation
Buildings	50	40 to 50	-	20 to 50
Plants, ducts and stations	10 to 40	15 to 40	-	10 to 50
Networks, lines and cables	40 to 63	15 to 40	-	-
Machinery and equipment	10	15 to 40	10	10
Scientific equipment	10	-	-	-
Furniture and accessories	10	5 to 10	10	10
Communications equipment	10	3 to 10	-	3 to 5
Computer equipment	5	3 to 10	4	3 to 5
Transportation equipment	5	5	4 to 5	20
Other equipment	10	3 to 10	4 to 10	5

4.6 Investment properties

Investment properties are those maintained to earn income and/or goodwill (including investment properties under construction for such purpose). They are initially measured at the acquisition cost, including the costs incurred in the transaction. After initial recognition, investment properties are measured at cost less accumulated depreciation.

An investment property is derecognized upon disposal or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss from the derecognition of the property (calculated as the difference between the net revenues from disposal and the carrying value of the asset) is included in the income statement of the period in which the property is derecognized.

4.7 Intangible assets

4.7.1 intangible assets acquired separately - Intangible assets with finite useful life acquired separately are measured at the acquisition cost less accumulated amortization and impairment. Amortization is recognized using the straight-line method over the estimated useful live. The estimated useful life and amortization method are reviewed at the end of each year, and any changes in the estimations are recognized prospectively.

Intangible assets with indefinite useful life acquired separately are measured at cost less accumulated impairment.

The intangible assets mainly consist of computer programs, rights of way and use. They are initially recognized at the acquisition or production cost, and they are subsequently measured at cost less accumulated amortization and any impairment they may have suffered.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

The useful lives of the rights of way and rights of use are linked to the duration of the main asset for which they were acquired. Amortization of the rights of way and associated rights begins when the main asset begins to operate.

4.7.2. Derecognition of intangible assets - An intangible asset is derecognized when it is sold, or when no future economic benefits are expected from its use or disposal. Any gain or loss from the derecognition of an intangible asset, measured as the difference between the net revenues and the carrying value of the asset, is recognized in profit or loss when the asset is derecognized.

4.7.3 Concessions - The Group's subsidiaries Contugas S.A.C. and Calidda S.A treats a Build-Own-Operate-Transfer (BOOT) contract as a concession in accordance with the guidelines established in IFRIC 12 – Concession Contracts. The Group considers that IFRIC 12 applies because:

- The Ministry of Energy and Mines (“grantor”) regulates the services that must be provided by Contugas and Calidda subsidiaries, defines the method for setting rates, and controls contract fulfillment.
- The Ministry of Energy and Mines controls a significant portion of the residual value of the concession, given that the assets will be returned to the grantor at the end of the contract at its carrying value.
- The infrastructure was build exclusively for the concession. Said construction is not performed directly by Contugas and Calidda but is assigned to a third party under its supervision and responsibility.

Management considers that the IFRIC 12 model that applies to the Group is the intangible model, because Contugas and Calidda have the right to charge for the natural gas distribution services, which are associated to actual consumption by the users, and are governed by the regulatory regime established by the OSINERGMIN regulatory agency. The government also controls any residual interest in the assets, if any.

The distribution assets under construction or improvement are classified as contract assets and are assets that will form part of the right to charge for the natural gas distribution services.

The construction revenues on the concession's assets are measured at fair value of the paid or payable consideration. To these effects, the Contugas and Calidda subsidiaries will use a margin of 0% on the construction costs incurred, because the construction contracts are with independent third parties and the margin is not retained by the concession, taking into consideration that they would be the market prices that the clients would pay if they directly contracted the services with said third parties, because they are expected to produce future economic benefits for the subsidiaries since “according to law” they will be remunerated through rates.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

The concession assets include professional fees, and for qualifying assets they include borrowing costs. The subsidiary recognizes the amortization expense using the straight-line method over the remaining term of the concession contract.

Calidda's concession contract has a term of 33 years, which started on December 9, 2020 until 2033. Contugas' concession contract has a term of 30 years, which started on September 19, 2011 until 2042 (includes 200 calendar days granted as Force Majeure by the Ministry of Mines and Energy). The estimations of useful life, residual interest and amortization method, as appropriate, are periodically reviewed to ensure that the amortization method and period are consistent with the pattern of expected future benefits from the concession assets.

4.7.4 Goodwill- arising from business combinations, and reflected upon consolidation, represents the excess value of the consideration paid plus the amount of any non-controlling interests over the Group's share of the net value of the assets acquired and liabilities assumed, measured at fair value at the acquisition date. If the accounting for a business combination is completed within the following year after the acquisition date, and thus the goodwill determination as well, the entity recognizes the related adjustments to the provisional amounts as if the accounting for the business combination had been completed at the acquisition date.

Goodwill is not amortized; instead, at the end of each reporting period or when there are indicators that an impairment might have occurred, the Group estimates whether any impairment loss has reduced its recoverable amount to an amount less than the carrying amount and, if so, an impairment loss is immediately recognized in profit or loss.

4.8 Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying values of its tangible and intangible assets in order to determine whether there are any indications of impairment of these assets. If so, the recoverable amount of the asset is calculated in order to determine the extent of impairment (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group calculates the recoverable amount of the cash generation unit to which the asset belongs. When a reasonable and consistent basis for allocation is identified, common assets are also assigned to the individual cash generation units, or assigned to the smallest group of cash generation units for which a reasonable and consistent basis for allocation is identified.

Intangible assets with indefinite useful lives or that are not yet available for use must be subject to annual impairment testing, or at any other time whenever indications of impairment are found.

The recoverable amount is whichever is greater between the fair value less disposal costs and value in use. In estimating the value in use, the future estimated cash flows are discounted to present value using a pre-tax discount rate that reflects the current market assessment of the time value of money, adjusted for any specific risks of the asset's future cash flows.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

If the recoverable amount calculated for an asset (or cash generation unit) is less than its carrying amount, the carrying amount of the asset (or cash generation unit) is reduced to its recoverable amount. Impairment losses are recognized immediately in the income statement.

If impairment is subsequently reversed, the carrying amount of the asset (or cash generation unit) is increased to the revised estimated recoverable amount, ensuring that the increased carrying amount is not greater than the carrying amount that would have been calculated if no impairment had been recognized for the asset (or cash generation unit) in previous years. The reversal of impairment is automatically recognized in profit or loss.

4.8.1. Impairment of investments in subsidiaries and associates- At the end of each reporting period, the Group reviews the carrying values of its investments in subsidiaries and associates in order to determine whether there is any objective evidence of impairment of these assets. If so, impairment testing will be made on the full carrying amount of the investment (including the goodwill that is part of the cost of the investment, if applicable), in accordance with IAS 36, as if it were an individual asset, by comparing its recoverable amount (whichever is greater between the value in use and fair value less cost of disposal) and the carrying amount.

4.8.2. Impairment of assets – property, plant and equipment and investment properties - Property, plant and equipment and investment properties are tested for impairment whenever events or changes in circumstances indicate that the carrying amount might not be fully recoverable. If the recoverable value of an asset is less than its carrying amount, impairment is recognized in the income statement. The future cash flows used to calculate fair value are discounted using specific rates based on future expectations of the operations of the Group, mainly estimates of sales, costs, capital investments, among others. Changes in these estimates could affect the recoverable value of the assets. The estimates are periodically reviewed by Management.

4.9 Investments in associates and joint ventures

An associate is an entity in which the Group has significant influence over financial policy and operating decisions, but does not have full or joint control.

A joint venture is a mutual agreement through which the parties have joint control over the agreement and have rights to the net assets of the agreement.

At the acquisition date, the excess amount of the acquisition cost over the share of the net fair value of the identifiable assets, liabilities and contingent liabilities taken on of the associate or joint venture, is recognized as goodwill. The goodwill is included in the carrying amount of the investment; it is not amortized and is subject to individual impairment testing.

Investments in joint ventures and associates are recognized in the financial statements using the equity method.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Under the equity method, the investments in associates and joint ventures are initially recognized in the statement of financial position at cost and are subsequently adjusted to recognize the Group's share of the profit or loss and other comprehensive income of the associate.

4.10 Business Combinations

The Group recognizes Business Combinations using the acquisition method when control is transferred to the Group. Under this method, the identifiable assets, liabilities and contingent liabilities acquired or taken on in the acquisition are recognized at fair value as of the acquisition date. Any goodwill is recognized as an asset in the consolidated statement of financial position or as a profit derived from a purchase in extraordinarily advantageous conditions, as the case may be.

The consideration paid for the acquisition is measured as the fair value of the transferred assets, the liabilities assumed on from the previous owners of the acquired entity, and the equity interests issued by the Group (if applicable).

When positive, goodwill is measured as the difference between the consideration paid, the value of the non-controlling interests, and, if applicable, the fair value of any shareholdings held previously, over the net fair value of the acquired assets and the liabilities and contingent liabilities assumed on.

The non-controlling interest is measured at fair value, or the proportional share of the identifiable assets acquired and the liabilities and contingent liabilities taken on in the acquired entity.

Any contingent consideration is measured at fair value as of the acquisition date. If an obligation to pay a contingent consideration that meets the definition of a financial instrument is classified as equity, it must not be remeasured, and its subsequent settlement must be recognized within equity. Otherwise, the contingent consideration is remeasured at fair value at each reporting date, and any subsequent changes in the fair value of the contingent consideration are recognized through profit or loss.

Transaction costs are recognized as expenses as they incur, except those related to the issuance of debt or equity instruments.

4.11 Leases

A lease is defined as "a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time."

The assessment of whether a contract conveys the right to control the use of an identified asset throughout the period of use takes into consideration whether it grants:

- (a) the right to obtain substantially all the economic rewards from the use of the identified asset; and
- (b) the right to decide on the use of the identified asset.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

The Group assesses whether a contract contains a lease at its inception. The Company recognizes a right-of-use asset and a corresponding lease liability for all lease contracts in which it acts as lessee, except short-term leases (term of 12 months or less) and leases on low-amount assets (such as tablets, personal computers, small office furnishings and telephones). For such leases, the Group recognizes the rent payments as an operating expense using the straight-line method over the term of the lease, unless a different method better represents the time pattern of the economic benefits derived from the consumption of the leased assets.

Identification of an asset - The asset covered by a lease must be specifically identified. It is identified if any of the following is true:

- The asset is explicitly specified in the contract (e.g., a specific serial number); or
- The asset is implicitly specified at the time it is made available for use by the client (e.g., when there is only one asset that can be used to fulfill the terms of the contract).

Initial measurement of the right-of-use asset - On the start date, a lessee measures a right-of-use asset at cost. The cost of the right-of-use asset shall include:

- The amount of the initial measurement of the lease liability;
- The rental payments made before or on the start date, less any lease incentives received;
- The initial indirect costs incurred by the lessee, and
- An estimation of the costs to be incurred by the lessee to dismantle and dispose of the underlying assets, restore the location where it is located, or restore the underlying asset to the conditions required by the lease terms and conditions, unless these costs are incurred to produce inventories. The lessee may incur in obligations arising from such costs either at the start date or as a result of having used the underlying asset for a given time period.

Initial measurement of the lease liability - At the start date, a lessee measures the lease liability at the present value of the rental payments that have not been paid at that date.

The rental payments are discounted using the implicit interest rate in the lease, if it is easily determinable. If this rate is not easily determinable, the lessee uses the incremental rate of the lessee's loans.

On the start date, the lease payments included in the measurement of the lease liability include the following payments for the right of use of the underlying asset over the term of the lease that have not been paid as of the start date:

- Fixed installments, less any lease incentives receivable;
- Variable lease payments that are tied to an index or rate, initially measured using the index or rate as of the start date;
- Amounts the lessee expects to pay as guarantee for the residual value;

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

- The price of exercising a purchase option if the lessee is reasonably certain that it will exercise such option;
- Payments of penalties for lease termination, if the term of the lease reflects that the lessee will exercise an option to terminate the lease.

Subsequent measurement of the right-of-use asset - After the start date, the Group measures the right-of-use asset using the cost model.

4.12 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets that require a substantial time period to prepare for their use or sale are added to the cost of such assets during such period up to when they are ready for use or sale.

The revenues obtained on the temporary investments of funds for specific loans pending use in the qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

4.13 Employee benefits

The calculation of defined benefits obligations is performed annually by a qualified actuary using the projected unit credit method. Under IAS 19, an entity uses an actuarial technique (the projected unit credit method) to estimate the ultimate cost to the entity of the benefits that employees have earned in return for their service in the current and prior periods; discounts that benefit in order to determine the present value of the defined benefit obligation and the current service cost; deducts the fair value of any plan assets from the present value of the defined benefit obligation; determines the amount of the deficit or surplus; and determines the amount to be recognized in profit and loss and other comprehensive income in the current period. Those measurements are updated each period.

Employee benefits include:

(a) Short-term employee benefits such as the following, if they are expected to be fully settled within twelve months from the annual reporting period during which the employees provided the associated services:

- (i) wages, salaries and social security contributions;
- (ii) remunerated leaves of absence and remunerated sick leave;
- (iii) profit sharing benefits and incentives, and

(b) Post-employment and other short-term benefits.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

In the case of defined benefit plans, which include seniority bonuses and pensions, the cost is determined using the projected credit unit method, based on actuarial calculations made at the end of each reporting period.

Remeasurements of the net defined benefit liabilities (assets) recognized in other comprehensive income are not reclassified to profit or loss in subsequent periods.

Net interest is calculated using the discount rate at the start of the obligation period of the defined benefit assets or liabilities. Defined benefit costs are classified as follows:

- Cost of service (including the current cost of service, the cost of previous services, as well as gains or losses from reductions and settlements).
- Net interest expenses or revenues.

The Group presents the first two components of defined benefit costs as revenue or expense, depending on the item. Gains or losses for reduction of the service are recognized as costs of past services.

The retirement benefit obligations recognized in the statement of financial position represent the current gains and losses of the Group's defined benefit plans. Any gain arising from this calculation is limited to the present value of any economic benefit available from the reimbursements and any reduction of future contributions to the plan.

4.14 Income tax

The taxes include the amount of the mandatory obligations arising from privately prepared tax returns, determined using the tax rates of the respective tax period, in accordance with national and territorial tax regulations.

The income tax expense represents the sum of the current income tax payable and deferred tax.

Current tax - The current income tax is based on the taxable income reported during the year. Taxable income differs from the net income reported in the comprehensive income statement due to income or expenses that are taxable or deductible in other years, and items that are never taxable or deductible. The Group's current tax liability is calculated using the tax rates that have been enacted or substantially enacted at the end of the reporting period. The Group recognizes the income tax provision based on taxable income, estimated at the rates specified by tax law.

Deferred tax - The differences between the carrying amount of assets and liabilities and their tax bases give rise to asset or liability deferred tax balances, which are calculated using the tax rates that are expected to be in force when the assets and liabilities are to be realized, considering for these effects the rates that at the end of the reporting period have been enacted or substantially enacted.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Deferred tax assets are recognized for all temporary tax differences in deductibles, losses and unused tax credits, to the extent that it is probable that sufficient taxable income will be available in the future to recover the temporary tax differences in deductibles and make effective the tax credits, except when the deferred tax asset related to a temporary difference in deductibles arises from the initial recognition of an asset or liability in a transaction that:

- Is not a business combination, and
- At the time it was made it did not affect accounting net income nor taxable income (losses).

Regarding the temporary differences in tax deductibles related to investments in subsidiaries, associates and joint ventures, the deferred tax assets are recognized only to the extent that it is probable that the temporary differences will revert in the foreseeable future and that taxable income is available against which to use the temporary differences.

Deferred tax liabilities are recognized for all temporary differences, except those derived from the initial recognition of goodwill and those arising from the valuation of investments in subsidiaries, associates and joint ventures in which the Group can control their reversion and it is probable that they will not revert in the foreseeable future.

The effect of temporary differences that imply payment of a lesser or larger amount of income tax in the current year is recognized as a deferred tax credit or debit, respectively, at the tax rate in effect when the differences are reverted, as long as there is a reasonable expectation that such differences will revert in the future, and additionally for an asset, that at that time sufficient taxable income will be available.

The income tax expense is recognized in accordance with IAS 12 "Income Tax".

The current tax and the changes in deferred tax assets and liabilities are recognized in profit or loss for the period, other comprehensive income or consolidated equity, depending on where the profit or loss that gave rise to them was recognized.

Any tax credits that may apply to the calculated current tax liability are recognized in profit or loss in the "income tax expense" item, except when there are any doubts that they can be realized for tax effects, in which case they are not recognized until they have effectively materialized, or when they arise from specific tax incentives, in which case they are recognized as subsidies.

At the end of each reporting period the recognized deferred tax assets and liabilities are reviewed, in order to verify that they remain current, and any appropriate adjustments are made based on the results of such analysis.

The income tax is presented in net terms, after deducting any prepayments made and income tax withholdings in favor.

The deferred tax assets and liabilities are presented in net terms in the statement of financial position if there is a legally enforceable right to offset the current tax assets against the current tax liabilities, and only if such deferred taxes are related to income taxes of the same tax authority.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

The Group periodically reviews the tax positions taken in the tax returns to establish any possible tax contingencies, as long as a present obligation exists and it is probable that an outflow of economic resources from the Group will be required to settle the obligation, making the best estimate of the obligation amount.

Social Investment Law – (2021 Tax Reform)

In September 2021, the Colombian tax law was amended through Law 2155, which increased the income tax rate starting in 2022 to 35%, and such rate will be reviewed after 5 years of application of the law.

Other changes introduced by the Social Investment Law (2021 Tax Reform in force since 2022) include a change in tax credit on municipal tax (*industria y comercio*) which was set at 50% rather than the 100%.

Decree 1311/2021:

The Group chose to recognize under retained earnings in equity the change in deferred income tax derived from the increase in the income tax rate established in the Social Investment Law 2155 of October 20, 2021.

The above is pursuant to the provisions of Decree 1311 of October 20, 2021, issued by the Ministry of Industry and Commerce.

4.15 Provisions

A provision is recognized if: it results from a past event, the Group has a legal or constructive obligation that can be reliably estimated and it is probable that an outflow of resources will be required to settle the obligation. Provisions are determined by discounting the expected future cash flow to expected future cash flows at the pre-tax rate, which reflects the current market assessment of the time value of money value of money over time and the risks specific to the obligation. The unwinding of the discount is recognized as a finance cost.

The provisions are quantified taking into consideration the best information available at the financial statement reporting date of the consequences of the associated event, and they are remeasured at each subsequent reporting date.

The Company includes under provisions the best estimates of the risks arising from civil, labor and administrative proceedings, which implies that no further liabilities are expected over those that have been recognized. Given the characteristics of the risks covered by these provisions, it is not possible to determine a certain date of settlement of the estimated liability. The assessment of the probability of loss takes into consideration all available evidence, legal precedents and legal analysis.

The risks arising from civil and labor proceedings that are considered possible are disclosed in the notes to the financial statements.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

A contingent asset arises from the occurrence, or non-occurrence, of one or more uncertain future events that are not fully under the entity's control. It is disclosed when an inflow of benefits is probable. If the realization of the income is practically certain, it is recognized in the financial statements. The Group does not recognize contingent assets.

Contingent liabilities are not recognized but are disclosed in the explanatory notes when the probability of an outflow of resources is possible, including those whose amount cannot be estimated.

The disbursements related to environmental conservation associated with revenues from current or future operations are recognized as expenses or assets, as applicable. These provisions are created based on the identification of an obligation related to environmental remediation on which the Group has adequate information to make a reasonable estimate of the respective cost.

4.16 Revenue recognition

The Group recognizes revenues from contracts with customers related to electricity transmission and transportation and natural gas distribution activities:

- Electricity transmission: Electric power transportation service through high-tension networks, plus the services of connection to the National Transmission System, and coordination, control and supervision of the operation of the transmission assets. Transmission service is remunerated by the availability of the networks and infrastructure, income is recognized over time.
- Electricity distribution: After receiving the energy from the generation process, GEB is responsible for reducing its voltage in the substations. After this, the energy goes to transformers located on the poles in the cities. This entire process is done through distribution networks, which are the set of lines and substations - with their associated equipment - intended for the service of users. Clients include residential clients, business and government customers. Revenue is recognized at a point in time.
- Natural gas transportation: Gas transportation service through pipelines towards the cities for household, industrial or vehicular consumption. Clients include ECOPETROL, Gases de Oriente and others. Revenue is recognized at a point in time.
- Natural gas distribution: Natural gas supply service for distribution from a distribution substation through networks, delivering the gas to each user, covering the household, commercial, industrial and vehicular markets. Services are billed on a monthly basis considering cyclical readings and applicable rates. Income for each period in which the service is provided is recognized at a point in time.

During the construction phase of the distribution network the Group recognize the intangible asset arising from a service concession agreement when there is the right to charge for the use of concession infrastructure. The revenues from the construction and costs related to the construction of concessions are recorded in the income statement over time. This applies for Contugas and Calidda.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Revenue is recognized when the control over a good or service is transferred to the customer. Revenue is measured based on the consideration to which the Group is expected to be entitled for said transfer of control, excluding the amounts collected on behalf of third parties. The Group analyzes and takes into consideration all the relevant facts and circumstances for revenue recognition, applying the five-step model, as follows:

- i. Identify the performance obligations of the contract.
- ii. Establish the transaction price.
- iii. Allocate the transaction price among the performance obligations of the contract.
- iv. Recognize revenues from ordinary activities when (or as) the entity fulfills each performance obligation.

When (or as) the performance obligations are satisfied, the Group recognizes as revenue from ordinary activities the amount of the transaction price allocated to that performance obligation.

A contract is an agreement between two or more parties that gives rise to enforceable rights and obligations. The enforceability of the rights and obligations of a contract depends on the legal system. Contracts may be in writing, oral, or be implicit in the Group's traditional business practices.

4.17 Recognition of costs and expenses

The Group recognizes costs expenses as the economic events occur, in such a manner that they are systematically recorded in the corresponding accounting period, independently from their monetary or financial flows. The expenses consist of outlays that do not qualify to be recognized as costs or investments.

Costs include the costs of personnel, or third parties directly involved in providing services, depreciation, and amortization, among others.

Expenses include asset maintenance, taxes, and public utilities, among others. All are incurred in the processes involved in providing the services.

Costs directly related to building or acquiring assets that require a substantial amount of time to bring to the required conditions of use or sale are recognized as investment. Costs capitalized in constructions in progress include the costs of personnel directly involved in project construction, borrowing costs on the loans received to finance projects, and major maintenance costs that lengthen the useful lives of existing assets, among others.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

4.18 Statement of Cash Flow

The statement of cash flow summarizes the cash movements made during the year, determined by the indirect method using the terms with the meanings described below:

- Cash flows: Inflows and outflows of cash and cash equivalents, the latter defined as highly liquid investments with terms of three months or less and low risk of changes in value.
- Operating activities: The activities that represent the main source of ordinary revenues for the Group, as well as other activities not classified as investment or financing activities.
- Investment activities: The acquisition, sale or disposal by other means of non-current assets and other investments not included in cash and cash equivalents.
- Financing activities: Activities that produce changes in the size and composition of total equity and financial liabilities.

4.19 Related parties

Related parties are defined as those over which the Group has control, significant influence or joint control in their decision-making, or in which it is a member of key management personnel.

4.20 Earnings per share

Basic earnings per share is calculated as the quotient between net income for the year attributable to the Company and the weighted average number of ordinary shares of the Company outstanding during the period.

4.21 Fair Value

Is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction. If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price.

Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

4.21.1 Measurement of fair values

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Accounting Standards, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's audit committee. When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

5. Critical accounting judgments and estimations

In applying the accounting policies, which are described in Note 4, Management must make judgments, estimates and assumptions about the carrying amounts of the assets and liabilities that apparently are not derived from other sources. The estimates and their associated assumptions are based on historical experience and other factors that are deemed relevant. The actual outcomes may differ from such estimates.

The underlying estimates and assumptions are regularly reviewed. The revisions of accounting estimates are recognized in the period of the revision if the revision only affects that period, or in future periods if the revision affects both the current and subsequent periods.

5.1 Critical judgments

The following are the main critical judgments, other than those involving estimates, that the Group's Management has used in the application of the Group's accounting policies and that have a significant impact on the amounts recognized in the financial statements. The judgments basically refer to:

Contingencies - The Company has established provisions for the estimated impact of losses related to various claims, situations or circumstances that have uncertain outcomes. The Company recognizes a loss if an event occurred on or before the reporting date of the statement of financial position, and (i) information is available on the date when the financial statements were issued indicating that it is probable that the loss will occur, given the probability of uncertain future events, and (ii) the amount of the loss can be reasonably estimated. The Company continuously assesses contingencies arising from judgments, environmental remediation and other events.

Deferred tax - Judgment is required to determine whether deferred tax assets are recognized in the statement of financial position. Deferred tax assets, including those derived from unused tax losses, require Management to assess the probability that the Company will generate sufficient taxable income in future periods to be able to use the recognized deferred tax assets. The assumptions on the generation of taxable income in the future depend on expectations about future cash flows. The estimations of future taxable income are based on the forecast cash flows of the operations and judgments on the application of tax laws in effect in each jurisdiction. If the future cash flows and taxable income differ significantly from the estimations, the Company's capacity to realize the net deferred tax assets recognized as of the reporting date could be affected.

Functional currency - The functional currency of Grupo Energía Bogotá S.A. E.S.P. and each of its investments in subsidiaries, associates and joint ventures is determined based on the principles and indicators set out in IAS 21: "The Effects Changes in Foreign Exchange Rates."

Management used judgment in the application of the primary factors, as well as in determining their sufficiency to conclude on the functional currency. Within the application of primary factors such as the currency that fundamentally influences the sales prices of services, additional considerations were made such as: (i) whether the industry in which the subordinate entity operates is a regulated entity and if regulatory or market operation entities intervene to determine prices (i.ex. TGI, Calidda & Contugas)

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

and/or if there are different currencies in which services are billed depending on the type of client (i.ex. Calidda & Contugas), among others; and (ii) the Group and its subsidiaries manage various types of currency in which the costs of the goods and services acquired are denominated and paid, so additional evaluations must also be carried out to determine which currency has a fundamental influence in the costs of providing services (i.ex. TGI).

Cash generation units - For the effects of impairment testing of non-current assets, assets that do not generate cash flows that are largely independent from the cash flows generated by other assets or groups of assets must be grouped into the cash generation unit to which the asset belongs, which is the smallest group of identifiable assets that generates cash inflows for the Company, and that is largely independent from the cash flows derived from other assets or groups of assets. Management uses its judgment to determine the cash generation units for the effects of impairment testing.

Determining the average exchange rates for the translation of the financial statements - The consolidated revenues, costs and expenses of the subsidiaries whose functional currency is different from the functional currency of the parent company are translated into the presentation currency using the average exchange rate of the reporting period. Management considers that the average exchange rates are approximately equal to the rates in effect on the transaction dates.

5.2 Key sources of uncertainty in the estimations

The following are the key sources of uncertainty in the estimations at the end of the reporting period that have a significant risk of giving rise to substantial adjustments to the carrying values of assets and liabilities.

Useful lives of property, plant and equipment - The Group's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on projected life cycles. These could change as a result of technical innovations or competitor actions in response to severe industry cycles. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

Employee benefits - The cost of the defined benefit pension plan, other post-retirement benefits, and the present value of pension obligations are determined based on actuarial valuations. Actuarial valuations involve several assumptions that may differ from actual future outcomes. These include determining the discount rate, future salary increases, mortality rates, and increases in pensions. Due to the complexity of the valuation process and its long-term nature, the obligations are sensitive to changes in these assumptions. All the assumptions are reviewed on each reporting date.

Impairment of investments in associates - At the end of each reporting period, the Group reviews the carrying values of its investments in associates in order to determine whether there are any indications of impairment of these assets. If so, the recoverable amount of the asset is calculated in order to determine the extent of the impairment loss (if any).

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Impairment of goodwill - Determining the impairment of goodwill involves calculating the value in use of the cash generation units to which the goodwill has been assigned. To determine the value in use, the Group must estimate the future cash flows that should be generated by the cash generation units and an appropriate discount rate to calculate the present value.

Impairment of assets – property, plant and equipment and investment properties - Investments in joint ventures, other investments, advance payments and loans, property, plant and equipment and intangible assets (including concession assets) are tested for impairment whenever events or changes in circumstances indicate that their carrying amount might not be fully recovered.

The Group performs the assessment of the impairment of Contugas concession agreement asset to the extent that there is objective evidence that the book value of the assets is higher than its recoverable value. Such determination is considered a complex estimate in the preparation of the consolidated financial statements, due to the high level of judgment involved in the development of the financial model for the determination of whether there is impairment of the Group's Contugas concession agreement asset based on the approach required by IAS 36.

If the recoverable value of an asset is less than its carrying amount, an impairment loss is recognized in the income statement. To determine the recoverable value, the Group estimate the future cash flows that should be generated by the cash generation units. The future cash flows used to calculate fair value are discounted using specific rates based on future expectations of the operations of each Company, mainly estimates of sales, costs, commodity prices, capital investments, among others. Changes in these estimates could affect the recoverable value of the assets.

The estimates are periodically reviewed by Management.

Impairment of financial assets – The Group recognizes an allowance for expected credit losses on investments in debt instruments measured at amortized cost or at fair value through comprehensive income, lease accounts receivable, balances owed by clients in construction contracts, as well as credit commitments in favor and financial guarantee contracts. No impairment losses are recognized on investments in equity instruments. The amount of expected credit losses is updated on each reporting date to reflect any changes in credit risk since the initial recognition of the respective financial instrument.

The Group recognizes expected credit losses on its debt securities and trade accounts receivable at the end of the reporting period. In calculating the expected credit losses under IFRS 9, GEB uses a simplified approach that allows not monitoring changes in credit risk, but instead recognizing a loss allowance based on the expected credit losses over the life of the asset on each reporting date, i.e., to recognize the expected credit losses that arise from possible default events over the expected life of the financial instrument. Whenever there is objective evidence that a financial asset is impaired, the Group recognizes an individual impairment allowance, and excludes that item from the collective assessment under the expected loss model.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

To determine the expected credit losses, GEB and its subsidiaries use an allowance matrix based on the number of days a trade account receivable is past due, i.e., by grouping the accounts receivable in ranges of days past due, and applying a percentage of expected credit losses to the current balance of accounts receivable at the measurement date of each subsidiary, segmented into two homogeneous groups: the industrial business and the consumer business.

The impairment loss is recognized under management and sales expenses in the Group's consolidated income statement. When confirmation is received that a trade account receivable is deemed uncollectible, the gross carrying amount of the account receivable is derecognized against the associated allowance.

Dismantling, removal or rehabilitation liabilities – The provision for future costs of dismantling, removal and rehabilitation requires making estimates and assumptions about the relevant regulatory framework; the magnitude of the possible effects; the duration, extension and costs of the required dismantling and rehabilitation activities, and the risk-adjusted discount rates to determine the present and future value of cash outlays. If the actual future costs differ from the estimates, the amount recognized for the adjustments may affect profit or loss. The provisions, including their associated estimates and assumptions, are regularly reviewed by Management.

The calculations involved in estimating the liabilities for dismantling, removal or rehabilitation are complex and involve significant judgments by Management, such as internal cost forecasts and future inflation and discount rates.

Significant variations in the external factors used for the calculation of the estimate may have a significant effect on the financial statements.

6. Standards issued but not yet effective

The following accounting pronouncements issued and incorporated in the accounting framework accepted in Colombia apply to annual periods that begin on or after January 1, 2023. They have not been applied in the preparation of these consolidated financial statements. The Group plans to adopt the applicable accounting standards on their respective effective dates and will not choose early adoption.

Benchmark Interest Rate Reform, amendments to IFRS 9 – Financial Instruments, IAS 39 – Financial Instruments: Recognition and Measurement; and IFRS 7 – Financial Instruments: Disclosures:

Following the financial crisis, the reform and replacement of the benchmark interest rates, such as LIBOR GBP and other interbank offer rates (IBOR), has become a priority for global regulators. At present, the timing and exact nature of these changes is uncertain. In order to transition the existing contracts and agreements that make reference to LIBOR, it may be necessary to make adjustments for differences in terms and differences in credit to make the two benchmark rates economically equivalent during the transition.

The amendments to IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures offer certain alternatives in connection with the benchmark interest rate. The alternatives are related to hedge accounting, and their general intent is for the reforms not

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

to imply the termination of hedge accounting. However, any ineffectiveness of the hedge must continue to be recognized in the income statement. Given the generalized use of hedging involving contracts based on interbank offer rates (IBOR), the alternatives will affect companies in all industries.

The accounting policies related to hedge accounting must be updated to reflect the alternatives. Fair value disclosures may also be affected due to transfers between levels in the fair value hierarchy, to the extent that markets become more or less liquid.

The Group will assess the impacts they may have on the consolidated financial statements.

Reference to the Conceptual Framework, amendments to IFRS 3:

The amendments published in May 2021 address three aspects of the standard, with the objective of: updating the references to the Conceptual Framework; adding an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and IFRIC 21 Levies; and confirming that contingent assets must not be disclosed on the acquisition date. The Group will assess the impacts they may have on the financial statements.

IAS 1 – Presentation of Financial Statements, amendments related to the classification of liabilities as current or non-current:

The amendments issued in January 2021 clarify the criteria for the classification of liabilities as current or non-current, as a function of the rights that exist at the end of the reporting period. The classification is not affected by the entity's expectations or by subsequent events from the reporting date. The changes also clarify the meaning of "settlement" of a liability in terms of the standard. The Group will assess the impacts they may have on the financial statements.

IAS 16 – Property, Plant and Equipment, amendments regarding proceeds before intended use:

The amendment published in May 2021 prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, the entity shall record the proceeds from such sales in the profit or loss of the period.

IAS 37 – Provisions, Contingent Liabilities and Contingent Assets, onerous contracts — cost of fulfilling a contract:

The purpose of this amendment, also published in May 2021, is to specify the costs an entity should include to determine the "cost of fulfilling" a contract when determining whether a contract is onerous. It clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and the allocation of other costs directly related with contract fulfillment. Before recognizing a separate provision for an onerous contract, the entity must recognize the impairment losses on the assets used to fulfill the contract. GEB will assess the impacts they may have on the financial statements.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

IFRS 4 – Insurance Contracts, extension of the temporary exemption from applying IFRS 9 – Financial Instruments:

This amendment extended the effective date for applying IFRS 9 Financial Instruments in the annual periods that begin on or after January 1, 2023.

2018–2020 Annual Improvements to the IFRS Standards, amendments to IFRS 1 – First time adoption of the International Financial Reporting Standards, IFRS 9 – Financial Instruments, and IAS 41 – Agriculture:

The following improvements were issued in May 2022:

- IFRS 9 Financial Instruments: It clarifies which fees should be included in the 10% test for the derecognition of financial liabilities.
- IFRS 16 Leases: Illustrative example 13 of the standard was changed to delete the illustration of lessee payments related to improvements to the leased assets, in order to avoid any confusion on the treatment of lease incentives.
- IFRS 1 First time adoption of the International Financial Reporting Standards: It allows entities that have measured their assets and liabilities at the carrying amount recognized in the accounting of the parent company to also measure accumulated exchange differences using the amounts reported by the parent company. This amendment will also apply to associates and joint ventures with certain conditions.
- IAS 41 Agriculture: It eliminates the requirement of excluding tax cash flows when entities measure fair value under IAS 41.

GEB will assess the impacts they may have on the consolidated financial statements.

Conceptual Framework:

The IASB has issued a revised Conceptual Framework that will be used in decisions to establish standards, with immediate effect. The key changes include:

- Increase the importance of Management in the objectives of financial reporting;
- Reestablish prudence as a component of neutrality;
- Define the reporting entity, which may be a legal entity or part of an entity;
- Review the definitions of an asset and a liability;
- Eliminate the probability threshold for recognition and add guidelines on derecognition;
- Add guidelines on different bases of measurement, and
- Indicate that profit or loss is the main performance indicator, and that, in principle, the revenues and expenses under other comprehensive income should be recycled only if doing so improves the relevance or faithful presentation of the financial statements.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

No changes were made to the current accounting standards. However, entities that rely on the Framework to determine their accounting policies for transactions, events or conditions that are not otherwise addressed by the accounting standards must apply the revised Framework starting on January 1, 2023. Such entities must assess whether their accounting policies continue to be appropriate under the revised Framework.

The following accounting standards were issued and incorporated in the accounting framework accepted in Colombia, and their application is mandatory starting on January 1, 2024. The Company plans to adopt the applicable accounting standards on their respective effective dates and will not choose early adoption.

IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, definition of accounting estimates:

The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how a company should distinguish between changes in accounting policies and changes in accounting estimates. This distinction is important because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies generally apply retrospectively to past transactions and other past events, as well as the current period. The amendment applies to all annual periods that begin on or after January 1, 2024. Early adoption is allowed and will apply prospectively to changes in accounting estimates and changes in accounting policies that occur on or after the start of the first annual reporting period in which the Company applies the amendments.

IAS 1 – Presentation of Financial statements and IFRS 2 Practice Statement, disclosure of accounting policies:

The IASB amended IAS 1 to require entities to disclose their material accounting policies rather than significant accounting policies. The amendments define “material information on accounting policies” and explain how to identify when the information on accounting policies is material. It also clarifies that it is not necessary to disclose non-material information about the accounting policies. If it is disclosed, it should not conceal important accounting information.

To support this amendment, the IASB also amended the IFRS 2 Practice Statement - Making Materiality Judgments to provide guidance on how to apply the concept of materiality to the disclosure of accounting policies.

IFRS 16 – Leases, COVID-19 related rent concessions beyond June 30, 2021:

COVID-19 related rent concessions beyond June 30, 2021. The amendment applies to all annual periods that begin on or after January 1, 2024. Early adoption is allowed.

IAS 12 – Income Tax, deferred tax related to assets and liabilities arising from a single transaction:

The amendments to IAS 12 Income Tax require companies to recognize deferred tax on transactions that at the time of initial recognition give rise to equal amounts of taxable and deductible temporary differences. In general, they apply to transactions such as lessee accounting of leases, and dismantling obligations that require the recognition of additional deferred tax assets and liabilities.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

The amendment must be applied to transactions produced starting in the first comparative period that is presented. Additionally, entities must recognize the deferred tax assets (to the extent that is probable that they can be used) and the deferred tax liabilities at the start of the first comparative period for all deductible and taxable temporary differences associated with: right-of-use assets and lease liabilities, and liabilities for dismantling, restoration and similar items, and the corresponding amounts recognized as cost of the respective assets.

The accumulated amount of recognition of these adjustments are recognized in retained earnings or in another component of net equity, as applicable.

IAS 12 did not previously address the way of recognizing the tax effects of leases and similar transactions in the balance sheet, and several approaches are considered acceptable. It is possible that some entities have already recognized such transactions in accordance with the new requirements. Such entities will not be affected by the amendments.

IAS 1 - Presentation of Financial Statements, amendment on the classification of liabilities as current or non-current:

The limited scope amendments to IAS 1 Presentation of Financial Statements clarify that liabilities are classified as current or non-current depending on the rights that exist at the end of the reporting period. The classification is not affected by the entity's expectations or subsequent events from the reporting date (e.g., reception of a waiver or non-fulfillment of a clause). The amendments also clarify the meaning of "settlement" of a liability in the context of IAS 1.

The amendments could affect the classification of liabilities, particularly in the case of entities that previously took into consideration Management's intentions for determining the classification, and in the case of certain liabilities that are convertible into equity.

They must be applied retrospective in accordance with the standard requirements of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

After these amendments were approved, the IASB issued a draft standard that proposes additional changes and the postponement of the amendments at least until January 1, 2024.

The following are the new standards issued by the International Accounting Standards Board (IASB) that have not yet been incorporated in the accounting framework accepted in Colombia:

IFRS 17 - Insurance Contracts

IFRS 17 Insurance Contracts establishes principles for the recognition, measurement, presentation and disclosure of issued insurance contracts. It also requires the application of similar principles to reinsurance contracts held and investment contracts issued with discretionary participation features. The objective is to ensure that entities provide relevant information in a manner that faithfully represents such contracts, in order to assess the effect that the contracts within the scope of IFRS 17 have on an entity's financial position, financial performance and cash flows.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

IFRS 17 replaces IFRS 4 Insurance Contracts, which was a provisional standard that enabled entities to use a wide variety of accounting practices for insurance contracts, reflecting national accounting requirements and variations in such requirements. Some of the previous insurance accounting practices allowed by IFRS 4 did not adequately reflect the true underlying financial positions or the financial performance of the insurance contracts.

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture: Amendments to IFRS 10 and IAS 28

The IASB has issued limited scope amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures.

The amendments clarify the accounting treatment of sales or contributions of assets between an investor and its associates or joint ventures. They confirm that the accounting treatment depends on whether the non-monetary assets sold or contributed by an associate or joint venture constitute a “business” (as defined in IFRS 3 Business Combinations).

When the non-monetary assets constitute a business, the investor shall recognize the full amount of the gain or loss in the sale or contribution of assets. When the assets do not fit the definition of a business, the investor recognizes the gain or loss only to the extent of the share of the other investor in the associate or joint venture. These amendments apply prospectively.

In December 2015, the IASB decided to postpone the effective date of this amendment until the IASB has completed its research project on the equity method.

7. Cash and cash equivalents

For the effects of the statement of cash flow, cash and cash equivalents include cash on hand, cash in bank accounts, deposits and trust funds. The following is the detail of cash and cash equivalents at the end of the year:

	December 31, 2022	December 31, 2021
Cash and bank accounts	\$ 931,976	\$ 1,289,659
Cash equivalents (1)	545,845	401,879
	<u>\$ 1,477,821</u>	<u>\$ 1,691,538</u>

(1) The cash equivalents are displayed below:

	December 31, 2022	December 31, 2021
Deposits (a)	\$ 545,845	\$ 151,150
Trust funds	-	250,658
Other	-	71
	<u>\$ 545,845</u>	<u>\$ 401,879</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

(a) Short-term liquidity deposits are mainly of Transportadora de Gas Internacional S.A. E.S.P (TGI) for COP 170,624, Grupo de Energía Bogotá for COP 215,924 and EEB Gas for COP 63,616.

There are not any restrictions over cash and cash and equivalents.

8. Other investments

As of December 31, 2022 and 2021, the balances of financial assets include the following:

	December 31, 2022	December 31, 2021
Corporate debt securities (1)	\$ 12,944	\$ 7,500
Equity securities at FVTPL	4,299	4,325
	<u>\$ 17,243</u>	<u>\$ 11,825</u>
Current	4,214	4,214
Non-current	13,029	7,611
	<u>\$ 17,243</u>	<u>\$ 11,825</u>

(1) The increase corresponds mainly to new funds established for the purpose of maintaining water reservoirs during 2022. These projects are executed to fulfill obligations to pay some taxes through activities developed by the Group. These investments are at FVTPL.

9. Trade and other receivables

The following are the balances of trade and other receivables as of December 31, 2022 and 2021:

	December 31, 2022	December 31, 2021
Customers (1)	\$ 1,858,129	\$ 1,817,425
Advance payments	23,483	18,943
Employees and pension quota - shares	90,455	91,735
Other (2)	68,198	82,154
Impairment loss on trade receivables and contract asset	(473,723)	(566,380)
Total receivables	<u>\$ 1,566,542</u>	<u>\$ 1,443,877</u>
Current	1,260,691	1,149,778
Non-current	305,851	294,099
	<u>\$ 1,566,542</u>	<u>\$ 1,443,877</u>

(1) As of December 31, 2022, the variation includes the net effect of: (i) decrease by an direct write-off (not previously provisioned) of COP \$327,377 from the subsidiary Contugas S.A.C. due to that in October 2022, the arbitration with the clients EGASA and EGESUR was ruled against the Group; and (ii) increase due to the effect of conversion to presentation currency for \$412,117 (with counterpart in the OCI), due to the variation in the foreign exchange rate that went from COP \$3,981.16 on December 31, 2021 to COP \$4,810.20 to closing December 31, 2022.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

- (2) As of December 31, 2022 and 2021, it mainly includes recoveries, other receivables, judicial deposits for seizures and rights of way, and subsidies to Organismo Supervisor de la Inversión en Energía y Minería – OSINERGMIN who is a regulatory entity of the service in Peru.

As of December 31, 2022 and 2021, the Impairment loss on trade receivables and contract asset amounted COP 473,723 and COP 566,380, respectively. Information about the Group's exposure to credit risk is included in Note 29.

10. Tax assets

As of December 31, 2022 and 2021, the balance of tax assets includes the following:

	December 31, 2022	December 31, 2021
Income tax (1)	71,397	64,098
Prepaid tax (2)	117,537	72,162
VAT - Balances in favor (3)	122,953	109,158
	<u>\$ 311,887</u>	<u>\$ 245,418</u>
Current (4)	188,934	136,260
Non-current (4)	122,953	109,158
	<u>\$ 311,887</u>	<u>\$ 245,418</u>

- (1) The income tax balance in favor is the difference between the companies' withholdings and self-withholdings and the current tax expense.
- (2) They are income tax withholdings and self-withholdings made during the period, which at the end of the year will be offset against the current income tax.
- (3) The balance is mainly for VAT balances in favor.
- (4) The current tax asset corresponds to taxes that will be offset in a period equal to or less than one year and the non-current tax asset corresponds to taxes that will be offset and/or discounted in a period greater than one year. The value of the non-current tax asset corresponds to VAT balances in favor from Guatemala's companies (TRECSA and EEBIS) generated in the construction projects that will not be compensated until full remuneration for the project is obtained.

11. Assets held for sale

They correspond to land and fixed assets buildings which are available in their current conditions for immediate sale, although these assets have remained in this classification for more than a year, as of December 31, 2022 GEB continues to classify these assets as held for sale, since, the Board of Directors of the GEB, the decision to sell them has been made, the actions and strategies to commercialize the assets have been carried out, reasonable prices have been established for them, the plans for the search buyers for the assets, and in general the efforts have been made to sell these assets, however, due to circumstances beyond the control of GEB, their sale has not materialized.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

During 2022 and so far in 2023, the Group has reviewed the sales plans and intensified the marketing of the assets to achieve their effective sale; among the main activities carried out by the Group are:

- Monitoring by the Board of Directors and the Audit Committee of the property sale process.
- Holding auctions for the sale of assets (with the participation of four interested buyers).
- Additional studies of the relevance of the established sales prices.
- Signing of contracts with specialized real estate agencies for the management and promotion of the sale.
- These assets are kept without use by the Administration.

No indicators of impairment have been identified.

	December 31, 2022	December 31, 2021
Land and buildings	180,809	\$ 181,751

12. Other non-financial assets

As of December 31, 2022 and 2021, the balance of other non-financial assets includes the following:

	December 31, 2022	December 31, 2021
Insurance	\$ 31,108	\$ 32,065
Legal deposits	27,446	37,249
Prepaid expenses	24,997	5,316
Other	1,989	1,370
	<u>\$ 85,540</u>	<u>\$ 76,000</u>
Current	85,527	38,741
Non-current	13	37,259
	<u>\$ 85,540</u>	<u>\$ 76,000</u>

13. Non-controlling interest

The following table summarizes the information relating to Group's subsidiaries that has NCI (Non-controlling interest), before any intra-group eliminations:

As of December 31, 2022

Company name	Country	NCI Percentage	Current assets	Non-current assets	Current liabilities	Non-current liabilities
Gas Natural de Lima y Callao S.A.	Peru	40%	\$ 539,314	\$ 2,166,837	\$ 328,138	\$ 1,602,803

Company name	Revenues	Profit	Dividends
Gas Natural de Lima y Callao S.A.	\$ 1,414,955	\$ 174,170	\$ 143,797

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

As of December 31, 2021

Company name	Country	NCI Percentage	Current assets	Non-current assets	Current liabilities	Non-current liabilities
Gas Natural de Lima y Callao S.A.	Peru	40%	\$ 441,561	\$ 1,636,868	\$ 290,134	\$ 1,217,494

Company name	Revenues	Profit	Dividends
Gas Natural de Lima y Callao S.A.	\$ 1,119,263	\$ 143,279	\$ 241,555

As of December 31, 2022 and 2021, profit of non-controlling interest in this subsidiary totaled COP 174,153 and COP 207,063, respectively.

As of December 31, 2022 and 2021, the accumulated balance of non-controlling interests in Gas Natural de Lima y Callao S.A. totaled COP 710,992 and COP 570,859, respectively.

14. Business combinations

On June 17 2022, Grupo Energía Bogotá S.A. E.S.P. signed an agreement to acquire the shares that Green Electribus S.A.S, Fondo Ashmore Andino II FCP and NB Laof Wayu S.a.r.l. held in ELECNOTRE SAS ESP, with shareholdings of 68.70135%, 31.29860% and 0.00005% respectively. As a result, Grupo Energía Bogotá S.A. E.S.P. acquired 100% of shares, taking over direct control of this company. This transaction was made in the framework of the expansion strategy and focused portfolio to strengthen the Group.

Elecnorte seeks to strengthen the electricity system in the Caribbean coast region and is responsible for the design, acquisition of supplies, construction, operation and maintenance of the electric reinforcement of La Guajira: Riohacha-Maicao 110 kV and Riohacha-Cuestecitas 110 kV in the Department of La Guajira.

For the six months ended 31 December 2022, Elecnorte contributed revenue of COP 50,245 and profit of COP 7,825 to the Group's results. If the acquisition had occurred on 1 January 2022, management estimates that consolidated revenue would have been COP \$6,907,190, and consolidated profit for the year would have been COP \$3,032,411.

In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2022.

Consideration transferred:

The consideration paid to obtain control over Elecnorte totaled COP 457,500, in cash, of which COP 27,833, was in the form of a loan from GEB to Elecnorte to settle the financial obligations held by the acquired entity at the time of the transaction, and which will be recovered through an account receivable from Elecnorte, and COP 429,667. which is the price paid in the purchase transaction of Elecnorte for the acquired assets and assumed liabilities.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Acquisition related-cost:

The Group incurred acquisition-related costs of COP 1,650 on legal fees and due diligence costs. These costs have been included in administrative and operating expenses.

Identifiable assets acquired and liabilities assumed:

The following is a summary of the consideration paid by GEB and the fair value of the acquired assets and assumed liabilities at the acquisition date:

	<u>Fair value</u>
Cash and cash equivalents	\$ 43,993
Trade and other accounts receivable	7,352
Current tax assets	6,029
Other non-financial assets	243
Advance payments	7
Inventories	523
Property, plant and equipment, net	489,621
Borrowings and debt	(285,660)
Trade and other accounts payable	(6,836)
Employee benefits	(99)
Withholdings as guarantee	(238)
Deposits as guarantee	(963)
Deferred tax liabilities	(50,369)
Other non-financial liabilities	(678)
Net identifiable net assets acquired	\$ 202,925
Consideration paid	457,500
Goodwill	\$ 254,575

Goodwill is mainly attributed to the cash flows expected to be generated through energy transmission services in the northern part of the country. None of the goodwill recognized is expected to be deductible for tax purposes.

Measurement of fair values.

The valuation techniques used for measuring the fair value of material assets acquired were as follows.

Property, plant and equipment

In accordance with the purchase price allocation (PPA), property, plant and equipment are at fair value and do not differ significantly from the initial cost of the property, plant and equipment considering these are new assets of Elecnorte.

Other balance sheet accounts such as inventories, cash and cash equivalents, trade accounts receivable and other assets were recognized at fair value.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Consideration paid – cash outflows

	June 17, 2022
<i>Cash outflows to acquire the subsidiary, net of acquired cash</i>	
Consideration paid in cash	<u>429,667</u>
Less: Acquired balances	
Cash and cash equivalents	<u>43,993</u>
	<u>43,993</u>
Net cash flow used in acquisition of a subsidiary - investment activities	<u>385,674</u>

15. Investments in associates and joint ventures

The following table summarizes the financial information of the Group's investments in associates. All investments are accounted for using the equity method:

Name of associate	Main activity	Place of incorporation and operations	Type	Percentage ownership interest	
				December 31, 2022	December 31, 2021
Enel Colombia S.A. E.S.P.	Electricity	Colombia	Ordinary	42.52%	-
Emgesa S.A. E.S.P.	Electricity	Colombia	Ordinary	-	37.44%
Emgesa S.A. E.S.P.	Electricity	Colombia	Preferred	-	14.07%
Codensa S.A. E.S.P.	Electricity	Colombia	Ordinary	-	36.49%
Codensa S.A. E.S.P.	Electricity	Colombia	Preferred	-	14.83%
Consortio Transmantaro S.A.	Electricity	Perú	Ordinary	40.00%	40.00%
Red de Energía del Perú S.A.	Electricity	Perú	Ordinary	40.00%	40.00%
Agencia Analítica de Datos S.A.S.	Other	Colombia	Ordinary	40.00%	40.00%
VANTI S.A. E.S.P.	Gas	Colombia	Ordinary	24.99%	24.99%
EMSA S.A. E.S.P.	Electricity	Colombia	Ordinary	16.23%	16.23%
Promigas S.A. E.S.P.	Gas	Colombia	Ordinary	15.24%	15.24%

The following table summarizes the financial information of the Group's investments in joint ventures. All investments are accounted for using the equity method:

Name of joint venture	Main activity	Place of incorporation and operations	Type	December 31, 2022	December 31, 2021
Goiás Transmissao S.A.	Power Transmission	Brazil	Ordinary	51.00%	51.00%
Mge Transmissao S.A.	Power Transmission	Brazil	Ordinary	51.00%	51.00%
Transenergia Renovavel S.A.	Power Transmission	Brazil	Ordinary	51.00%	51.00%
Transenergia Sao Paulo S.A.	Power Transmission	Brazil	Ordinary	51.00%	51.00%
ARGO S.A.	Power Transmission	Brazil	Ordinary	50.00%	50.00%
Argeb Energía S.A.(*)	Investment vehicle	Brazil	Ordinary	37.50%	-

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

(*) The contractual agreement specifies that decisions about the relevant activities of the agreement to agree unanimously.

The following are the corporate purposes and other relevant information of the main associates:

Enel Colombia S.A. E.S.P. – By means of Resolution No. 325-002477 of February 28, 2022, the Superintendence of Companies approved the merger between Emgesa S.A. ESP, Codensa S.A. E.S.P., Enel Green Power Colombia S.A.S. ESP and ESSA2 SpA (Central American subsidiaries) into a single company whose company name is Enel Colombia S.A. ESP.

The merger of these Grupo Enel companies involves the combination of assets in Colombia, Costa Rica, Panama and Guatemala. It also enables a corporate reorganization between Enel Américas (57.345%), Grupo Energía Bogotá (42.515%) and minority shareholders (0.140%). The above is in the context of an Investment Framework Agreement signed with GEB in January 2021.

The effect on equity as a result of the merger amounts to COP 1,849,056.

Consorcio Transmantaro S.A. – CTM– Transmantaro is a Peruvian company with registered office in the city of Lima. It was incorporated in January 1998, and GEB became involved in this company on December 13, 2006. Its main activity is the transmission of electric energy, and it provides operating and maintenance services. GEB directly owns 40% of its share capital.

Red De Energía Del Perú S.A. (REP)– It is a Peruvian company with registered office in the city of Lima. It was incorporated on July 3, 2002. REP offers electric energy transmission and associated services, including the operation and maintenance of electricity transmission and transportation facilities and specialized technical services. GEB directly owns 40% of the share capital of this company.

Gas Natural S.A E.S.P. - It was incorporated as a trade company on April 13, 1987. In June 1997, Ecopetrol completed the sale of its shareholdings in the Company, and the new majority shareholder is a Spanish investment group through the company Gas Natural Latinoamericana. The majority shareholder position of the Spanish investment group through the company Gas Natural Internacional SDG was formalized in 1999. The purpose of this company is the distribution and commercialization of natural gas, as well as performance of exploration, production, generation, transportation and/or transmission, distribution and commercialization activities for any type of energy.

According to Minutes No 270 dated October 25, 2018, the Board of Directors approved publication of the new trade name “VANTI S.A. E.S.P.” starting on November 23, 2018. At the reporting date, GEB has significant influence over its investment, given its percentage of shareholdings.

Electrificadora del Meta S.A E.S.P. (EMSA) - Electrificadora del Meta S.A. E.S.P. is a private-public joint stock corporation that is one of the national government companies. Its main purpose is the provision of electric energy public utility services.

EMSA E.S.P performs electric energy commercialization and distribution activities in 24 of the 29 municipalities of the Department of Meta.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Although GEB has less than 20% of participation in EMSA, it maintains significant influence, since it maintains representation on the Company's Board of Directors, participates in making relevant decisions and receives quarterly financial information.

Promigas S.A E.S.P. - It is a Colombian company whose purpose is to acquire, sell, transport, distribute, exploit and explore natural gas, oil and hydrocarbons in general, and gas and oil related activities of all types.

Although GEB has less than 20% of participation in Promigas, it maintains significant influence, since it maintains representation on the Company's Board of Directors, participates in making relevant decisions and receives quarterly financial information.

Transenergia Renovável S.A. (TER) - Incorporated on December 18, 2008 as a closely held joint stock company held by Furnas Centrais Elétricas SA and Gebbras Participações Ltda, it was awarded Lot C of Auction No. 008/2008 of the National Electric Energy Agency (ANEEL), to perform Concession Contract No. 009/2009.

In the electric energy transmission sector, TER is responsible for the construction, operation and maintenance of transmission lines and substations in the States of Goiás, Mato Grosso and Mato Grosso do Sul, with the objective of draining surplus energy from co-generation processes at seven sugar and alcohol mills in the region.

Transenergia São Paulo S.A. (TSP) - Incorporated on July 08, 2009, as a closely held joint stock company, currently held by Furnas Centrais Elétricas SA and Gebbras Participações Ltda, it was awarded Lot G of Auction No. 001/2009 of the National Electric Energy Agency (ANEEL) to perform Concession Contract No. 024/2009.

In the electric energy transmission sector, TSP is responsible for the construction, operation and maintenance of transmission facilities in the State of São Paulo.

Goiás Transmissão S.A. (GOT) - Incorporated on February 3, 2010, as a closely held joint stock company, currently held by Furnas Centrais Elétricas SA and Gebbras Participações Ltda, it was awarded Lot A of Auction No. 005/2009 of the National Electric Energy Agency (ANEEL) to perform Concession Contract No. 002/2009.

In the electric energy transmission sector, GOT is responsible for the construction, operation and maintenance of transmission lines in the State of Goiás.

MGE Transmissão S.A. (MGE) - Incorporated on February 03, 2010, as a closely held joint stock company, currently held by Furnas Centrais Elétricas SA and Gebbras Participações Ltda, it was awarded Lot G of Auction No. 005/2009 of the National Electric Energy Agency (ANEEL) to perform Concession Contract No. 008/2010.

In the electric energy transmission sector, MGE is responsible for the construction, operation and maintenance of transmission lines in the States of Minas Gerais and Espírito Santo.

Argo Energia Empreendimentos e Participações S.A.: In February 2022, the Brazilian company Argo Energia Empreendimentos e Participações S.A. (Argo), 50% owned by GEB, having fulfilled the terms of the share purchase contract signed with Rialma Administração e Participações S.A., and following approval of the transaction by Brazilian regulators, acquired all the share capital of Rialma Transmissora de Energia III S.A.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

(Rialma III). Rialma III was the company awarded Lot 30 of the 005/2016 auction, carried out by the Agencia Nacional de Energía Eléctrica (ANEEL) in April 2017. The concession is located in the states of Piauí, Pernambuco and Ceará, and is responsible for the construction and operation of 322 kilometers of transmission lines at 500kv – C1. From now on, the company name of Rialma III will be Argo IV Transmissão de Energia S.A.

At the end of 2022, Argo Energia Empreendimentos e Participações S.A. (Argo, with the Spanish company Redeia) and Gebbras Participações Ltda (Gebbras) acquired 100% of the ordinary shares of five electric energy transmission concessions in northeastern Brazil.

They are the concessions Esperanza Transmissora de Energia S.A., Odoyá Transmissora de Energia S.A., Transmissora José Maria de Macedo de Eletricidade S.A., Giovanni Sanguinetti Transmissora de Energia S.A., and Veredas Transmissora de Energia S.A., which are in the states of Bahia, Ceará, Minas Gerais, Paraíba, Piauí and Rio Grande do Norte. They began commercial operations between 2017 and 2021. In combination they have 2,416 kilometers of transmission lines at 500 kilovolts (kV) and 230 kV and 20 substations. The acquisition was made for close to USD 834 million.

Agencia Analítica de Datos (AGATA): Grupo Energía Bogotá joined as founding partner, with equity interest of 40%, in the creation of Agencia Analítica de Datos (Ágata), an entity that will enable improving the quality of life of citizens and decision-making through information analysis. During 2022, two capitalizations were made, one in January for COP 3,120 and the other in June for COP 2,085. These capitalizations did not imply a change in the percentage of the Company's shareholdings.

Argeb Energia Empreendimentos e Participações S.A: is a joint stock company listed on the Sao Paulo Securities Exchange under category "B" - B3, incorporated on August 2, 2022. The corporate purpose of Argeb is to hold interests as shareholder in other entities. Additionally, Argeb may explore activities related to the areas of infrastructure, electricity, civil construction works and electric facilities, and may participate in auctions and concessions, participate in bidding processes and create Special Purpose Companies (SPEs).

On July 29, 2022, Argeb signed a contract to acquire all the shares of Argo V Transmissão de Energia S.A. (previously ODOYA TRANSMISSORA DE ENERGIA S.A.), Argo VI Transmissão de Energia S.A., (previously Esperanza Transmissora de Energia S.A.), Transmissora JoéMaria de Macedo de Eletricidade S.A., Giovanni Sanguinetti Transmissora de Energia S.A. and Argo IX Transmissão de Energia S.A (previously Veredas Transmissora de Energia S.A.). The transfer of control took place on November 30, 2022.

As of December 31, 2022, Argeb holds 100% of the shares of the following companies: Argo V Transmissão de Energia S.A. ("Argo V"), Argo VI Transmissão de Energia S.A. ("Argo VI"), Transmissora José Maria de Macedo de Eletricidade S.A. ("Argo VII"), Giovanni Sanguinetti Transmissora de Energia S.A. ("Argo VIII"), Argo IX Energia Transmissão S.A. ("Argo IX").

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

The financial information regarding the Group's interest in each of the associates and joint ventures is displayed below, as reported in the statement of financial position and statement of income:

December 31, 2022

	Total net assets of the associates/joint ventures	The Group's interest in the net assets of the associates/joint ventures	Goodwill	Carrying amount of interest in joint venture / associates
<u>Associates</u>				
Enel Colombia S.A. ESP. (1)	15,171,931	42.52%	1,690,561	8,140,908
VANTI S.A. E.S.P.	588,679	24.99%	193,855	341,020
Red de Energía del Perú S.A.	670,061	40.00%	-	268,024
Consorcio Transmantaro S.A.	2,284,359	40.00%	45,088	958,832
Promigas S.A. E.S.P.	5,696,741	15.24%	-	1,007,858
Agencia Analítica de Datos S.A.S.	23,477	40.00%	-	9,391
EMSA, S.A. E.S.P.	320,109	16.23%	-	51,938
Total interest in associates				<u>\$ 10,777,971</u>
<u>Joint ventures</u>				
Goias Transmissao S.A.	364,708	51.00%	-	186,001
Mge Transmissao S.A.	354,768	51.00%	-	180,932
Transenergia Renovavel S.A.	168,356	51.00%	-	85,862
Transenergia Sao Paulo S.A.	85,295	51.00%	-	43,501
Argeb Energía S.A. (2)	3,398,331	37.50%	-	1,274,372
Argo S.A. (3)	4,409,841	50.00%	-	3,007,534
Total interest in joint ventures				<u>\$ 4,778,202</u>
Total interest in associates and joint ventures				<u>\$ 15,556,173</u>

(1) Increase in the value of the investment due to the merger carried out in 2022 between Emgesa, Codensa and other entities of the Enel Group for a value of COP 1,849,056.

(2) Constitution of the joint venture "Argeb Energía S.A." in Brazil obtaining 37.5% of total shares for a value of COP 1,131,942.

(3) Increase in investment in the ARGO joint venture for a value of COP 961,953.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

December 31, 2021

	Total net assets of the associates/joint ventures	The Group's interest in the net assets of the associates/joint ventures	Goodwill	Other	Carrying amount of interest in joint venture / associates
<u>Associates</u>					
Emgesa S.A. E.S.P. (1)	\$ 5,092,633	51.51%	\$1,224,140	\$ 8,275	\$3,855,631
Codensa S.A. E.S.P. (1)	3,231,195	51.32%	466,421	7,127	2,131,846
VANTI S.A. E.S.P.	581,315	24.99%	193,855	-	339,180
Red de Energía del Perú S.A.	510,294	40.00%	-	-	204,118
Consorcio Transmantaro S.A.	1,672,407	40.00%	45,088	-	714,050
Promigas S.A. E.S.P.	4,984,830	15.24%	139,806	-	899,384
Agencia Analítica de Datos S.A.S.	14,753	40.00%	-	-	3,838
EMSA, S.A. E.S.P.	318,564	16.23%	-	-	51,687
Total interest in associates					\$ 8,199,734
<u>Joint ventures</u>					
Goiás Transmissao S.A.	\$ 237,443	51.00%	-	-	\$ 121,096
Mge Transmissao S.A.	230,992	51.00%	-	-	117,806
Transenergia Renovavel S.A.	131,231	51.00%	-	-	66,928
Transenergia Sao Paulo S.A.	61,155	51.00%	-	-	31,091
Argo S.A.	2,778,304	50.00%	-	-	1,389,152
Total interest in joint ventures					\$ 1,726,073
Total interest in associates and joint ventures					\$ 9,925,807

- (1) For the effects of calculating the carrying amount of the investment, the equity of Emgesa S.A. E.S.P. and Codensa S.A. E.S.P. is reduced by the effect of preferred dividends.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

The following is the summarized financial information of each of the Group's associates and joint ventures which are recognized for by the equity method:

Associates

As of December 31, 2022

	Current assets	Non-current assets	Current liabilities	Non- current liabilities
Enel Colombia S.A. ESP. (1)	3,731,686	23,329,382	4,934,210	6,954,927
VANTI S.A. E.S.P.	789,669	1,030,852	648,269	583,573
Red de Energía del Perú S.A.	428,682	1,875,126	458,773	1,174,974
Consortio Transmantaro	379,709	8,705,647	311,673	6,489,324
Electrificadora del Meta S.A. E.S.P.	157,599	617,384	247,246	207,628
Promigas S.A. E.S.P.	1,172,417	10,015,521	630,692	4,860,505
Agencia Analítica de Datos S.A.S.	20,302	4,439	1,264	-

- (1) On March 1, 2022, Emgesa S.A. E.S.P. and Codensa S.A. E.S.P., following approval by the Superintendence of Companies, merged into a single company whose company name is Enel Colombia S.A. E.S.P.

	Revenues	Profit (loss)	Dividends
Enel Colombia S.A. ESP.	\$ 10,935,202	\$ 2,859,964	\$ 1,477,942
VANTI S.A. E.S.P.	3,370,956	349,098	68,729
Red de Energía del Perú S.A.	776,656	272,325	43,726
Consortio Transmantaro S.A.	1,550,757	318,386	30,565
Electrificadora del Meta S.A. E.S.P.	119,268	39,194	6,383
Promigas S.A. E.S.P.	1,123,428	1,116,722	82,104
Agencia Analítica de Datos S.A.S.	7,622	(1,191)	-

As of December 31, 2021

	Current assets	Non-current assets	Current liabilities	Non-current liabilities
Emgesa S.A. E.S.P.	665,359	8,371,024	1,519,446	2,415,070
Codensa S.A. E.S.P.	1,711,058	7,392,184	2,278,161	3,585,920
VANTI S.A. E.S.P.	925,866	801,694	600,889	545,356
Red de Energía del Perú S.A.	296,639	1,652,604	488,515	950,434
Consortio Transmantaro S.A.	566,284	6,688,765	497,043	5,085,599
Electrificadora del Meta S.A. E.S.P.	160,253	616,321	206,990	251,020
Promigas S.A. E.S.P.	31,340	8,915,640	413,406	3,888,744
Agencia Analítica de Datos S.A.S.	14,313	986	547	-

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

	Revenues	Profit (loss)	Dividends
Emgesa S.A. E.S.P.	4,726,600	1,703,087	920,481
Codensa S.A. E.S.P.	6,389,002	974,420	608,205
VANTI S.A. E.S.P.	2,946,796	274,924	60,341
Red de Energía del Perú S.A.	669,438	202,746	105,763
Consortio Transmantaro S.A.	1,385,399	234,606	171,050
Electrificadora del Meta S.A. E.S.P.	586,556	56,196	3,908
Promigas S.A. E.S.P.	953,821	1,149,047	32,681
Agencia Analítica de Datos S.A.S.	678	(7,386)	-

Joint ventures

The following table summarizes the financial information of ARGO as included in its own financial statements:

	Financial Information Joint venture - ARGO	
	December 2022	December 2021
Balance Statement		
Cash and cash equivalents	23,798	14,483
Current financial liabilities	773,379	339,122
Non-current financial liabilities	4,637,588	3,088,093
Income Statement		
Revenues	970,198	703,905
Depreciation and amortization	(4,557)	(3,474)
Interest Expense	(324,372)	(233,600)
Income Tax expense	(122,939)	(137,485)

As of December 31, 2022

	Assets	Liabilities	Equity	Profit
Goiás Transmissao S.A.	751,739	387,031	364,708	65,045
Mge Transmissao S.A.	490,017	135,249	354,768	63,241
Transenergia Renovavel S.A.	295,666	127,310	168,356	20,453
Transenergia Sao Paulo S.A.	219,175	133,880	85,295	19,943
Argeb Energía S.A.	4,035,519	657,688	3,377,831	18,318
ARGO S.A.	9,837,909	5,428,068	4,409,841	473,847

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

As of December 31, 2021

	<u>Assets</u>	<u>Liabilities</u>	<u>Equity</u>	<u>Profit</u>
Goiás Transmissao S.A.	\$ 520,079	\$ 282,636	\$ 237,443	\$ 63,226
Mge Transmissao S.A.	342,487	111,495	230,992	52,874
Transenergia Renovavel S.A.	237,993	106,762	131,231	20,521
TransenergSão Sao Paulo S.A.	156,035	94,880	61,155	15,268
ARGO S.A.	<u>4,961,208</u>	<u>3,447,553</u>	<u>1,513,655</u>	<u>202,028</u>

As of December 31, 2022 and 2021, there are no commitments with associated investments and joint ventures that have not been recognized in GEB's financial information. Additionally, there are no guarantees or other requirements that may restrict dividends and other capital distributions to be paid, or loans and advances to be made or repaid to, or from, entities over which joint control is maintained by the Group.

16. Property, plant and equipment

The following are the balances and movements of property, plant and equipment as of December 31, 2022 and 2021:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Costs	\$ 20,951,379	\$ 16,480,680
Accumulated depreciation	(3,938,138)	(2,842,492)
Impairment losses	-	(6,709)
	<u>\$ 17,013,241</u>	<u>\$ 13,631,479</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

	Land	Constructions in progress (1)	Buildings	PPE components	Plants and ducts	Networks, lines and cables	Machinery and equipment	Furniture, fixtures and office equipment	Communications and computer equipment	Transportation equipment	Leasehold improvements	Other	Total
Balance as of December 31, 2020	\$ 81,370	2,523,525	379,271	26,808	9,535,883	732,962	737,025	48,587	57,214	41,672	36,116	16,401	14,216,834
Additions	\$ 2,087	507,635	1,755	1,155	688	7,568	11,905	459	554	821	1,713	67	536,407
Internal transfers	(130)	(322,600)	66,375	-	92,263	84,792	98,225	(12,800)	34,818	(765)	(40,218)	40	-
Transfers to intangibles	-	(8,872)	-	-	-	-	-	-	-	-	-	-	(8,872)
Capitalized interest (2)	-	41,552	-	-	-	-	-	-	-	-	-	-	41,552
Disposals	(773)	(18,613)	(11,840)	(23,754)	(1,935)	(3,271)	(5,299)	(1,655)	(325)	(30,335)	(144)	(338)	(98,282)
Assets retirement cost	-	-	-	-	8,193	-	-	-	-	-	-	-	8,193
Consumption	-	-	-	(4,741)	-	-	-	-	-	-	-	-	(4,741)
Translation effect	8,550	145,304	51,037	2,268	1,442,283	56,857	58,008	5,813	10,085	4,044	4,055	1,285	1,789,589
Balance as of December 31, 2021	\$ 91,104	2,867,931	486,598	1,736	11,077,375	878,908	899,864	40,404	102,346	15,437	1,522	17,455	16,480,680
Additions	\$ 8,670	1,101,733	7,822	-	7,068	16,265	34,253	209	11,958	228	-	2,112	1,190,318
Internal transfers	(303)	(751,529)	20,795	-	495,522	231,452	2,556	71	(3,565)	-	-	5,001	-
Transfers to intangibles	-	(18,762)	-	-	-	-	-	-	-	-	-	-	(18,762)
Capitalized interest (2)	-	143,212	-	-	-	-	-	-	-	-	-	-	143,212
Disposals	(28)	(4,338)	(1,501)	-	(8,191)	-	(6,377)	(2,478)	(24,814)	(746)	(5)	(540)	(49,018)
Change in accounting policy (3)	-	-	-	-	-	(199,581)	-	-	-	-	-	-	(199,581)
Assets retirement cost	-	-	-	-	114,964	-	-	-	-	-	-	-	114,964
Consumption	-	(6,455)	-	-	-	-	-	-	-	-	-	-	(6,455)
Acquisition through business combinations	-	-	-	-	-	489,451	-	11	66	93	-	-	489,621
Translation effect	17,122	191,320	94,804	-	2,077,292	118,737	266,191	7,270	22,801	4,141	3,888	2,834	2,806,400
Balance as of December 31, 2022	\$ 116,565	3,523,112	608,518	1,736	13,764,030	1,535,232	1,196,487	45,487	108,792	19,153	5,405	26,862	20,951,379

(1) Projects for the construction of networks and transmission lines and in general construction of infrastructure for the transmission of electrical energy.

(2) The capitalized borrowing rate is regarding to the following loans: (i) International Bond Issuance – 4.875%; (ii) GEB Bonds tranche 1 A/7 - IPC + 3,19 %; (iii) GEB Bonds tranche 2 A/7 - IPC + 3,21 %; (iv) GEB Bonds tranche 2 A/15/ 25 - IPC + 3,85 %; (v) GEB Bonds tranche 1 A/25 - IPC + 4,04 %; and (vi) GEB Bonds tranche 2 A/25 - IPC + 4,10 %.

In 2022, the Elecnorte subsidiary modified its accounting policy for property, plant and equipment, going from Fair Value to Cost to align the policy with that applied by the Group. The effect of this change during 2022 in the amount of COP \$199,581 was recognized against consolidated equity.

(Continued)

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

	Buildings	PPE components	Plants and ducts	Networks, lines and cables	Machinery and equipment	Furniture, fixtures and office equipment	Communications and computer equipment	Transportation equipment	Leasehold improvement	Other minor items	Total
Accumulated depreciation											
Balance as of December 31, 2020	\$ (83,858)	-	(1,783,377)	(81,601)	(67,578)	(26,763)	(36,837)	(27,447)	(4,981)	(4,851)	(2,117,293)
Depreciation	(21,553)	-	(285,086)	(50,197)	(45,120)	(1,929)	(26,218)	(1,176)	(655)	(859)	(432,793)
Disposals	8,408	-	(4,516)	(1,173)	11,254	1,947	3,926	30,323	64	169	50,402
Translation effect	(12,067)	-	(292,451)	(6,179)	(17,863)	(3,617)	(6,374)	(3,538)	(577)	(142)	(342,808)
Balance as of December 31, 2021	\$ (109,070)	-	(2,365,430)	(139,150)	(119,307)	(30,362)	(65,503)	(1,838)	(6,149)	(5,683)	(2,842,492)
Depreciation	(15,687)	(347)	(381,065)	(37,546)	(39,417)	(2,466)	(10,583)	(1,721)	(589)	(1,638)	(491,059)
Disposals	1,378	(87)	4,705	4,784	5,979	2,318	24,612	719	5	517	44,930
Translation effect	(16,094)	-	(522,381)	(19,725)	(67,173)	(4,872)	(10,230)	(2,867)	(877)	(5,298)	(649,517)
Balance as of December 31, 2022	\$ (139,473)	(434)	(3,264,171)	(191,637)	(219,918)	(35,382)	(61,704)	(5,707)	(7,610)	(12,102)	(3,938,138)
Impairment											
Balance as of December 31, 2020	\$ -	-	(5,199)	-	-	-	-	-	-	-	(5,199)
Additions	(1)	-	-	-	(367)	(14)	(42)	(232)	-	-	(656)
Reversals	-	-	-	-	(13)	(1)	(1)	(8)	-	-	(23)
Translation effect	-	-	(831)	-	-	-	-	-	-	-	(831)
Balance as of December 31, 2021	\$ (1)	-	(6,030)	-	(380)	(15)	(43)	(240)	-	-	(6,709)
Additions	(2)	-	-	-	(395)	(23)	(31)	(246)	-	-	(697)
Reversals	-	-	6,030	-	636	(1)	(1)	(8)	-	-	6,656
Translation effect	3	-	-	-	781	(2)	(3)	(29)	-	-	750
Balance as of December 31, 2022	\$ -	-	-	-	642	(41)	(78)	(523)	-	-	-

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Guarantees for UPME projects - GEB has the following guarantees for compliance with the obligations arising from the awarded contract:

Financial entity	Amount	Project
Banco Itaú	\$ 31,785	STN- UPME 05-2009 Quimbo 230 kV Substation and associated Transmission Lines
Banco Scotiabank Colpatría	\$ 25,267	STN- UPME 03-2010 Chivor II (San Luis) y Norte 230 kV and associated Transmission Lines.
Banco Scotiabank Colpatría	\$ 80,520	STN- UPME 01-2013 1er Refuerzo Área Oriental 500 KV(Líneas Sogamoso - Norte - Nueva Esperanza 500 kV)
Scotiabank Colpatría	\$ 100,026	STN-UPME 04-2014 SubstationAlferez 500 kV and associated Transmission Lines. -Refuerzo Suroccidental 500 kV
Banco Davivienda	\$ 13,678	STR-UPME STR 13-2015 Substation La Loma 110 kV and connection STN two transformers 500/110 kV de150 MVA.
Banco Davivienda	\$ 118,240	STN-UPME 06-2017 SE Colectora 500 kV and associated Transmission Lines.
Scotiabank Colpatría	\$ 6,222	UPME 10 –2019-Rio CórdobaBonda 220KV

17. Investment properties

The following are the carrying amounts of investment properties as of December 31, 2022 and 2021:

	December 31, 2022	December 31, 2021
Land	\$ 29,911	\$ 29,911
Buildings	226	226
Accumulated depreciation	(19)	(14)
	<u>\$ 30,118</u>	<u>\$ 30,123</u>

The amounts recognized in the financial statements do not differ significantly from fair value.

Investment property comprises a building and two lands that are leased to third parties. Each of the leases contains an initial non-cancellable period of two years. Subsequent renewals are negotiated with the leased and historically the average renewal period is one years.

Rental income recognized by the Group as of December 31, 2022 and 2021 was COP 8,725 and COP 9,492 respectively. Maintenance expense, included in administrative and operating expenses amounted to COP 864 and COP 677, as of December 31, 2022 and 2021, respectively.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

18. Right-of-use assets

Right of use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment. The company leases real estate property. The leases typically run for a period of 5 years, with an option to renew the lease, with an option to renew the lease after the date. The following is a breakdown of right-of-use assets as of December 31, 2022 and 2021:

	Real estate property	Vehicle	Machinery and equipment	Computer equipment	Total
Balance as of December 31, 2020	\$ 28,811	2,336	2,750	11,714	45,611
Additions	44,103	30,783	1,780	3,981	80,647
Disposals	(259)	-	-	(1,677)	(1,936)
Depreciation	(14,449)	(7,288)	(1,246)	(7,941)	(30,924)
Translation effect	3,438	1,703	266	1,186	6,593
Balance as of December 31, 2021	\$ 61,644	27,534	3,550	7,263	99,991
Additions	15,784	7,049	870	3,641	27,344
Disposals	-	(217)	-	-	(217)
Transfers to PPE	(22,851)	-	-	-	(22,851)
Depreciation	(25,150)	(13,233)	(1,227)	(3,084)	(42,694)
Translation effect	10,202	4,380	723	1,143	16,448
Balance as of December 31, 2022	\$ 39,629	25,513	3,916	8,963	78,021

19. Goodwill

The following are the carrying amounts of goodwill as of December 31, 2022 and 2021:

	December 31, 2022	December 31, 2021
Grupo Dunas	243,664	198,892
Transportadora de Gas Internacional S.A. E.S.P.	70,118	58,033
EEB Perú – Holding	55,132	45,629
Elecnorte S.A. E.S.P.	254,575	-
	<u>\$ 623,489</u>	<u>\$ 302,554</u>

Reconciliation of carrying amount of goodwill:

		Total
Balance as of December 31, 2020	\$	278,351
Translation effect		24,203
Balance as of December 31, 2021	\$	302,554
Business combinations (1)		254,575
Translation effect		66,360
Balance as of December 31, 2022	\$	<u>623,489</u>

(1) Corresponds to the goodwill recognized for the acquisition of Elecnorte. See Note 14 Business Combinations.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Impairment Test:

The Group performs impairment testing of the goodwill arising from Business Combinations at least once a year, by estimating the recoverable value of a group of cash generation units (CGU). Fair value is determined in reference to market prices, if available, using valuation models. In determining fair value, Management must make assumptions and estimations to forecast cash flows over periods that go beyond the requirements of normal management reports: determining the appropriate discount rate, the estimation of the fair value of the cash generation units, and the valuation of the separable assets of each business.

Pursuant to the provisions of IAS 36 Impairment of Assets, below we present some of the key assumptions used for impairment testing of these assets with indefinite lives.

As of December 31, 2022 and 2021, our assessments conclude that these indefinite life assets have not suffered impairment.

Grupo Dunas:

A valuation methodology based on Discounted Cash Flows was used, taking the following factors into consideration:

- A WACC of 15.83% (pre-tax) was used to discount the projected cash flows.
- The non-leveraged beta was used, considering the Damodaran database for emerging countries and the industry to which Electro Dunas S.A.A. belongs.
- The long-term growth rate used was 3.50%.
- The cash flow projection was made for 5 years.

Transportadora de Gas Internacional S.A. E.S.P.:

A Market Multiple valuation methodology was used, assuming:

- Comparable Multiple (lower limit) 8.8x
- Enterprise value USD 2,790 million.
- Exchange rate COP/ USD 4,810 pesos.

EEB Perú – Holding – Investment vehicle that owns 60% of Calidda:

- A WACC of 14.90% (pre-tax) was used to discount the cash flows.
- The cash flow projection was made up to 2034, considering that the concession contract generates income until 2033 and a final and liquidation value in 2034.

Perpetuity is not considering; the projection was made to term of contract and therefore does not apply a long-term growth rate.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Elecnorte S.A. E.S.P.

Given that this company was acquired during 2022, it was measured at fair value.

For measurement effects, the acquisition price was allocated based on a report prepared by a Group internal expert, using the revenue approach as valuation methodology, based on Elecnorte's capacity to generate income in the future through its cash flows projected until 2065; the income from the asset is insured until 2045 (25 years), and after the end of the contract the asset will be remunerated under the new formulation for the rest of years. The using a WACC (pre-tax) of 14.59%, a non-leveraged industry beta of 0.41, and a debt/equity ratio of 111.4%. The long-term growth rate used was 2.6%.

See Note 14 for additional information on this acquisition.

20. Intangible assets

The following are the balances and movements of intangible assets as of December 31, 2022 and 2021:

	December 31, 2022	December 31, 2021
Concession assets (1) (*)	\$ 8,606,642	\$ 6,624,141
Business rights (2)	1,175,555	953,251
Rights of way	978,576	751,209
Software and licenses	443,283	303,707
Accumulated amortization and impairment	(2,596,021)	(1,953,020)
	<u>\$ 8,608,035</u>	<u>\$ 6,679,288</u>

(*) The increase in intangible assets corresponds mainly to the concessions category, as follows: i) additions mainly in the Calidda concession for a value of COP 535,889; and ii) conversion effect to presentation currency amounting to COP 1,446,612, due to the increase in the exchange rate that went from COP 3,981.16 on December 31, 2021 to COP 4,810.20 on December 31, 2022.

Cost	Concession assets (1)	Business rights (2)	Rights of way	Software and licenses	Total
Balance as of December 31, 2020	\$ 5,224,517	855,039	570,180	165,558	6,815,294
Acquisitions	532,689	-	77,063	97,446	707,198
Transfers	-	-	25,283	9,812	35,095
Disposals	-	-	(692)	(312)	(1,004)
Translation effect	866,935	98,212	79,375	31,203	1,075,725
Balance as of December 31, 2021	<u>\$ 6,624,141</u>	<u>953,251</u>	<u>751,209</u>	<u>303,707</u>	<u>8,632,308</u>
Acquisitions	535,889	103	98,816	81,549	716,357
Transfers (*)	-	801	7,845	15,153	23,799
Disposals	-	-	(137)	(21,473)	(21,610)
Translation effect	1,446,612	221,400	120,843	63,347	1,853,202
Balance as of December 31, 2022	<u>\$ 8,606,642</u>	<u>1,175,555</u>	<u>978,576</u>	<u>443,283</u>	<u>11,204,056</u>

(*) Includes transfers from property, plant and equipment of COP \$18,762.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Accumulated amortization and impairment	Concession assets (1)	Business rights (2)	Rights of way	Software and licenses	Total
Balance as of December 31, 2020	\$ (1,350,496)	(105,027)	(40,140)	(86,225)	(1,581,888)
Amortization	\$ (190,778)	(8,696)	(10,218)	(22,037)	(231,729)
Impairment	123,522	-	-	(5,514)	118,008
Terminations	-	-	-	32	32
Other	-	-	(6)	(347)	(353)
Translation effect	(220,047)	(17,317)	(6,948)	(12,778)	(257,090)
Balance as of December 31, 2021	\$ (1,637,799)	(131,040)	(57,312)	(126,869)	(1,953,020)
Amortization	\$ (236,324)	(9,891)	(13,828)	(46,125)	(306,168)
Impairment	85,109	-	-	-	85,109
Terminations	-	-	-	1,899	1,899
Translation effect	(360,641)	(28,900)	(8,177)	(26,123)	(423,841)
Balance as of December 31, 2022	\$ (2,149,655)	(169,831)	(79,317)	(197,218)	(2,596,021)
Net balance as of December 31, 2021	4,986,342	822,211	693,897	176,838	6,679,288
Net balance as of December 31, 2022	6,456,987	1,005,724	899,259	246,065	8,608,035

As of December 31, 2022, there were no restrictions of ownership over the Group's intangible assets, nor were they offered as collateral for loans, and there were no contractual commitments to acquire assets of this type.

The following are the useful lives used to calculate amortization:

Rights of way	30 years
Business rights	10- 65 years
Concession assets	30-35 years
Software and licenses	5 years

(1) Concession assets

Contugas S.A.C.

The concession assets represent the right to charge for the natural gas distribution services, associated with actual consumption by the users, and the charges are governed by the regulatory regime established by the OSINERGMIN regulatory agency. The concession contract is recognized in accordance with IFRIC 12 measured by the intangible asset model, since the Company has the right to collect natural gas distribution services, which are associated with actual consumption by users, and are within the regulatory regime established by OSINERGMIN. Likewise, the state controls any residual participation in the assets, should they be generated. The value of the intangible assets of Contugas S.A.C. totals COP 1,458,147.

On April 30, 2014, operations began of the main and branch networks that supply gas to the cities of Marcona and Nazca; consequently, the amortization of all the concession assets began on that date. Distribution assets in progress are contract assets represented in constructions of networks that have not been put into service as of the reporting date. Once they are put into service, these assets will be transferred to the "distribution assets" line item.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

As of December 31, 2022 and 2021, retained earnings of Contugas are of COP 16,744 and COP 69,569, respectively. Impairment testing of the concession assets in 2022 led to recovery of COP 85,109 and COP 123,522 in 2021. Said estimation of impairment was made on the base of the recovery of the investment through the Company's future cash flows. In 2021 and 2020, Contugas did not receive capital contributions from its shareholders.

Management of Contugas considers that its business plans will be fulfilled, which will enable it to recover the value of its long-life assets. Such business plans include cash flows of revenues from gas distribution to be produced once electricity generation and liquefied natural gas (LNG) projects begin to operate in the concession area of Contugas and have been taken into consideration to measure the recoverable value of the long-life assets. It also expects the continued financial support from its shareholders to enable it to develop profitable operations and fulfill its obligations and its planned development plans, in accordance with the structure of Contugas.

Gas Natural de Lima y Callao S.A. (Calidda)

Based on the approval of each rate schedule by the regulator, Calidda performs an assessment of the recoverability of current and planned investments required for the five-year investment plan, taking into consideration the terms set out in the BOOT contract, and estimating the portions that are remunerated through the approved rates, and which remunerate the net carrying value of the concession assets depending on their residual value. On April 11, 2018, OSINERGMIN set the Single Rate for Natural Gas Distribution through Pipelines, in effect for the 2018-2022 period. The value of the intangible assets of CÁLIDDA totals COP 4,998,840. The Concession Contract is recognized in accordance with IFRIC 12 measured by the intangible asset model, since The Ministry of Energy and Mines is the regulator of the services, it has control over a significant residual part of the assets of the concession and these will be returned to the Ministry at the end of the contract, the construction of the infrastructure was done exclusively for the purposes of the Concession.

(2) Business rights:

Transportadora de Gas Internacional S.A. E.S.P (TGI)

The financial closing of the disposal of the assets, rights and contracts of Ecogas was finalized on March 2, 2007. Each asset was recognized independently.

An intangible asset was recognized for the rights of contracts with customers acquired in the Ecogas disposal for a value of USD 111 million. The intangible asset was measured at historical cost and is amortized by the straight-line method over the estimated useful life of the gas pipelines in a period of 65 years.

Grupo Dunas

As a result of the Purchase Price Assignment (PPA) made for the acquisition of Group Dunas in 2019, an intangible asset for business rights was recognized for COP 391,902 million, which is of definite useful life.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

21. Loans and borrowings

The following are the carrying amounts of loans and borrowings acquired by the Group as of December 31, 2022 and 2021:

	December 31, 2022	December 31, 2021
Issued bonds (1)	\$ 9,952,534	\$ 8,917,615
Loans (2) (*)	10,215,093	6,046,196
Lease liabilities (**)	-	12,190
Financial interest (**)	175,738	147,824
	<u>\$ 20,343,365</u>	<u>\$ 15,123,825</u>
Current	1,075,261	873,713
Non-current	19,268,104	14,250,112
	<u>\$ 20,343,365</u>	<u>\$ 15,123,825</u>

(*) During the year 2022 GEB acquired a new debt with UMB Bank worth US 509.

(**) As of December 31, 2022, the balance includes financial interest of Bonds for \$109,034 and Loans for \$66,704. As of December 31, 2021, the balance includes financial interest for Bonds for \$82,593 and for Loans for \$77,421. Lease liabilities of \$12,190 were included in the Loans line.

There are not any breach of covenants.

(1) Issued bonds:

Local Bond Issuance in Colombian pesos:

	Nominal Interest Rate	Year of maturity	Carrying amount December 31, 2022	December 31, 2021
GEB:				
GEB Bonds tranche 2 A/25 (a)	CPI + 4.10%	February 28, 2047	327,243	323,911
GEB Bonds tranche 1 A/15 (a)	CPI + 3.85%	February 28, 2032	191,312	283,408
GEB Bonds tranche 2 A/15 (a)	CPI + 3.85%	February 28, 2032	286,670	189,858
GEB Bonds tranche 1 A/7 (a)	CPI + 3.19%	February 28, 2024	188,587	187,535
GEB Bonds tranche 1 A/25 (a)	CPI + 4.04%	February 28, 2042	181,986	180,143
GEB Bonds tranche 2 A/7(a)	CPI + 3.21%	February 28, 2024	130,978	129,967
GEB - 2045 Bonds in UVR tranche 1(c)	Fixed 3.99%	June 25, 2045	485,817	432,194
GEB - 2027 Bonds in COP tranche 1 (c)	CPI + 3.24%	June 25, 2027	324,233	321,190
GEB - 2035 Bonds in COP tranche 1 (c)	CPI + 3.87%	June 25, 2035	217,342	215,122
GEB- 2035 Bonds in COP tranche 2	CPI + 3.87%	June 25, 2035	164,831	-
GEB- 2042 Bonds in UVR tranche 2	Fixed 5.45%	June 25, 2042	97,469	-
Issued in Colombian currency, expressed in COP Million			<u>\$ 2,596,468</u>	<u>\$ 2,263,328</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

International bond issuance in foreign currency:

	Nominal Interest Rate	Year of maturity	Carrying amount	
			December 31, 2022	December 31, 2021
GEB - 2030 international bonds issuance (b)	Fixed 4.875%	May 15, 2030	1,901,240	1,571,285
TGI Bonds (d)	5.55% SV	November 01, 2028	2,862,600	2,975,240
Calidda international bonds (e)	4.375% SV	March 15, 2023	1,538,757	1,272,626
Calidda local bonds in PEN 200 million (f)	6.47%	July 23, 2028	251,088	199,402
Calidda local bonds in PEN 342 million (g)	5.03%	September 06, 2029	429,973	341,298
Bonds – Electrodonas (h)	4.59%	December 11, 2030	289,690	229,282
Bonds – Electrodonas (h)	2.75%	December 11, 2025	82,718	65,154
Issued in foreign currency, expressed in COP Millions			\$ 7,356,066	\$ 6,654,287
TOTAL			\$ 9,952,534	\$ 8,917,615

(2) Bonds issued:

Grupo Energía Bogotá S.A. E.S.P.:

- (a) Local Bond Issuance: on February 28, 2017, the Company placed the first tranche of local bonds for COP 650, indexed to the CPI, sub-series A7, A15 and A25, and the second tranche of bonds was placed on November 15, 2017, for COP 650, indexed to the CPI, sub-series A7, A15, A30. GEB used the funds from the bond placement to finance its investment plan, refinance debts, and the costs and expenses involved in structuring and obtaining the financing, as well as to cover working capital requirements. The following are the main features of the issuance:

Tranche 1

Series – Sub-series	Approved amount (COP)	Margin/Cut- off rate
Sub-series A/7 – 7 years – CPI+EAR Margin	\$ 187,000	3.19% EAR
Sub-series A/15 – 15 years – CPI+EAR Margin	283,000	3.85% EAR
Sub-series A/25 – 25 years – CPI+EAR Margin	180,000	4.04% EAR
Total	<u>\$ 650,000</u>	

Tranche 2

Series – Sub-series	Approved amount (COP)	Margin/Cut- off rate
Sub-series A/7 – 7 years – CPI+EAR Margin	\$ 130,200	3.21% EAR
Sub-series A/15 – 15 years – CPI+EAR Margin	191,700	3.85% EAR
Sub-series A/30 – 30 years – CPI+EAR Margin	328,100	4.10% EAR
Total	<u>\$ 650,000</u>	

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

- (b) International Bond Issuance: Based on the authorization granted by the Ministry of Finance and Public Credit by means of Resolution No. 1087 of May 7, 2020, an External Public Debt bond issuance was placed in the international capital market, with the terms described below. The funds from the issuance were used to finance the 2020-2022 investment plan.

Amount	USD 400,000,000
Term	10 years
Transaction date	May 12, 2020
Issuance date (t + 3)	May 15, 2020
Maturity date	May 15, 2030 (Bullet)
Price	99.026
Yield	5.00%
Coupon rate	4.875%
Interest payment periodicity	Semi-annual (May and November)

- (c) Credit by means of Resolution No. 0749 of March 4, 2020, and by the SFC by means of Resolution No. 264/2020, on June 25, 2020, Grupo Energía Bogotá S.A. E.S.P. issued the first tranche of internal public debt bonds for an amount of up to eight hundred billion pesos (COP 800,000,000,000), with the option of awarding up to nine hundred and fifty billion pesos (COP 950,000,000,000), as follows:

Sub-series	C7	C15	E25
Issuance date	June 25, 2020	June 25, 2020	June 25, 2020
Term	7 years	15 years	25 years
Maturity date	June 25, 2027	June 25, 2035	June 25, 2045
Indexation	CPI	CPI	Fixed rate (UVR)
Cut-off rate	3.24% EAR	3.87% EAR	3.99% EAR
Interest payment period	Quarter in arrears	Quarter in arrears	Year in arrears
Amortization	At maturity	At maturity	At maturity
Interest payment date	September 25, December 25, March 25, June 25, from the issuance date to the maturity date	September 25, December 25, March 25, June 25, from the issuance date to the maturity date	June 25, from the issuance date to the maturity date
Base	365	365	365
Requested amount	\$508,291,000,000	\$317,750,000,000	\$890,132,064,975*
Awarded amount	\$320,852,000,000	\$214,900,000,000	\$414,203,723,837*

* These results were calculated based on the UVR at the fulfillment date, Friday, June 26, 2020: 276.1975
The funds from the issuance were used to refinance GEB financial debt (debt substitution).

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Transportadora de Gas Internacional S.A. E.S.P.:

- (d) TGI Bonds2: During 2018, TGI arranged a bond issuance in the international capital markets, pursuant to Rule 144 A / Reg. S, in the amount of USD 750 million, to refinance the bonds issued in 2012 with maturity in 2022, the rate of which was 5.70%. The issuance took place on November 1, 2018. On the same date, the Company also performed the early redemption of the aforementioned bonds. The following are the terms of the bonds that mature in 2028:

Amount:	USD 750 million
Interest Rate	5.55% annual, quarter in arrears
Issuance date:	November 01, 2018
Maturity date	November 01, 2028

Covenants – The 2028 Bonds issuance represented a significant improvement for TGI in terms of Covenants, because the new issuance reflects the investment grade rating held by the company and eliminates several restrictive covenants. The main covenants included in the Indenture of the 2028 Bonds are:

- Limitation for liens.
- Limitation for sale and lease-back transactions.
- Limitation for engaging in businesses other than those related to the normal course of business.

This issuance was granted investment grade ratings by the following rating agencies:

- Fitch Ratings: BBB, stable outlook.
- Moody's: Baa3, stable outlook.

Gas Natural de Lima y Callao (Calidda):

- (e) International bonds: In March 2013, the Company made an international bond placement for USD 320 million, under rule 144A Regulation S, with a 10-year term. The funds were used to prepay the loans from International Finance Corporation (IFC), Corporación Andina de Fomento (CAF), Infrastructure Crisis Facility Debt Pool (ICF) and Citibank del Perú S.A., as well as a subordinated shareholder loan. With the remaining funds from the bond issuance, the Company financed its investments plans for 2013 and 2014, which enables it to continue expanding the gas network in the Department of Lima and the Constitutional Province of Callao. The following are the main features of the issuance:

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Type of security:	Public debt bonds
Issuance date	March 2013
Nominal amount	USD 320 million
Term	10 years
Yield	4.375%
Rating	AAA (col) granted by Fitch Ratings, BBB- by Standard & Poor's and Baa3 by Moody's.

- (f) Local Bonds PEN 200 million – In July 2018, the Company issued bonds for PEN 200 million, which were placed in the local market. The term of the bonds is ten years, with no collateral, a coupon rate of 6.468% per year and semi-annual interest payments.
- (g) Local Bonds PEN 342 million – In September 2019, the Company issued bonds for PEN 342 million, which were placed in the local market. The term of the bonds is ten years, with no collateral, a coupon rate of 5.031% per year and semi-annual interest payments.

Electro Dunas S.A.A.

- (h) Bonds: The General Meeting of Shareholders held on June 16, 2020, approved the First Program of Debt Representative Instruments for up to USD 300 million, or its equivalent in PEN, at a rate of 4.59% for the first issuance and 2.75% for the second issuance.

The funds raised through the public offering of bonds were used to finance the investment plan, refinance and substitute liabilities, and to finance the Company's working capital.

The bonds were issued with maturities as of December 2030 and December 2025.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

(2) Loans

			Carrying amount	
	Nominal Interest Rate	Year of maturity	December 31, 2022	December 31, 2021
GEB				
Syndicated Loan (a)	LIBOR 6M + 1,625	22/07/2024	1,541,374	1,259,701
Banco Davivienda (b)	LIBOR 6M+2,35%	9/03/2032	1,458,878	1,193,015
UMB BANK (c)	SOFR6M+1,95%	24/11/2027	2,422,769	-
			5,423,021	2,452,716
Contugas				
	LIBOR 5.13614% +			
Syndicated loan (d)	Fixed 1.75%	31/08/2024	1,735,771	1,405,614
Gas Natural de Lima y Callao (e)				
BBVA	1.37%	1/07/2023	384,671	318,135
Financiamiento IDB	LIBOR 6M + 2,10%(to may 2024)	15/11/2028		
	LIBOR 6M + 2,35%		481,536	394,340
Scotia Bilateral	2.25% + LIBOR 3M	16/16/2026	473,890	389,797
Syndicated loan	1.35% + LIBOR 3M	28/12/2026	138,188	(12,086)
			1,478,285	1,090,186
Trecsa				
Citibank N.A. (f)	3.14%	30/06/2028	278,270	225,135
BAC International Bank Inc (g)	4.35%	21/04/2023	312,663	258,775
Banco de América Central S.A. (h)	4.35%	21/04/2023	248,944	199,079
			839,877	682,989
EEBIS				
Citibank N.A. (i)	5.40%	26/03/2025	216,459	179,152
BAC International Bank Inc. (j)	4.35%	21/04/2023	137,938	113,325
			354,397	292,477
Calidda Energía				
Banco de crédito del Perú	2.36% E.A.	29/05/2024	11,112	9,135
Elecnorte				
Itaú	15.90%	25/03/2032	126,679	-
Itaú	15.90%	25/03/2032	6,571	-
Banco Davivienda	15.90%	25/03/2032	126,679	-
Banco Davivienda	15.90%	25/03/2032	6,571	-
			266,500	-
Dunas				
Banco de crédito del Perú	7.78%	17/02/2023	10,883	-
Banco de crédito del Perú	8.12%	17/03/2023	10,883	-
Banco de crédito del Perú	8.75%	2/06/2023	12,629	-
Banco de crédito del Perú	8.80%	13/02/2023	12,629	-
Banco de crédito del Perú	10.85%	7/12/2023	4,254	-
Interbank	5.73%	2/01/2027	54,852	-
Banco de crédito del Perú	0.79%	28/02/2022	-	39,942
Banco de crédito del Perú	0.86%	2/03/2022	-	15,977
BBVA	0.87%	28/02/2022	-	39,942
Interbank	1.70%	27/02/2022	-	8,609
Interbank	2.00%	23/03/2022	-	8,609
			106,130	113,079
TOTAL			\$ 10,215,093	\$ 6,046,196

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Grupo Energía Bogotá S.A. E.S.P.:

- (a) **Syndicated Loan:** Pursuant to the authorization issued by General Directorate of Public Credit and the National Treasury of the Ministry of Finance and Public Credit (MHCP, for the Spanish original) by means of Resolution No. 2262 of July 15, 2019, GEB signed on July 22, 2019, the First Amendment to the Loan Contract signed in December 2017, as a result of which the new terms of the loan are:

Currency	USD
Amount	USD 749,000,000.00
First amendment signing date	July 22, 2019
Maturity date	July 22, 2024
Term	5 years from the signing date of the First Amendment
Principal	Bullet
Interest form of payment	Biannual
Interest Rate	Libor 6 months + 1.625%
Base	Act/360

Banks involved: Bank of América, Citibank, Sumitomo Mitsui Banking, Export Development Canada, Mizuho Bank, Natixis, New York Branch, Scotia, BBVA, BNP Paribas, MUFG Bank, Sabadell, Credit Agricole, JPMorgan, Intesa Sanpaolo, Bancolombia (Panamá), ICBC Perú, Bancaribe.

Pursuant to the authorization issued by the MHCP by means of Resolution No. 3933 of October 23, 2019, in May 2020 a hedging transaction was made (Interest Rate Swap) at 2.056%, including the fixed margin.

During 2020, the Company repaid USD 249 million, for a remaining balance of USD 500 million.

By means of Resolution No 1469 of June 28, 2021, the Ministry of Finance and Public Credit authorized GEB to perform the early partial termination of the hedging transaction authorized by means of Resolution 3933 of October 23, 2019, in the amount of USD 51,000,000. By means of Resolution No. 3472 of December 30, 2021, GEB S.A. E.S.P was authorized to perform the early partial termination of a foreign public debt hedging transaction, consisting in a hedging transaction authorized by means of Resolution 3933 of October 23, 2019, for a notional amount of USD 130,000,000, as part of the prepayment made in December 2021.

During 2021, the Company repaid USD 181 million, for a new balance payable as of December 31, 2021 of USD 319 million.

By means of Resolution No. 1469 of June 28, 2021, the Ministry of Finance and Public Credit authorized GEB to perform the early partial termination of the hedging transaction authorized by means of Resolution 3933 of October 23, 2019, in the amount of USD 51,000,000. By means of Resolution No. 3472 of December 30, 2021, GEB S.A. E.S.P was authorized to perform the early partial termination of a foreign public debt hedging transaction, consisting in a hedging transaction authorized by means of Resolution 3933 of October 23, 2019, for a notional amount of USD 130,000,000, as part of the prepayment made in December 2021.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

- (b) **Banco Davivienda External Loan:** Pursuant to the authorization issued by the Ministry of Finance and Public Credit by means of Resolution No. 4791 of December 19, 2019, GEB signed an External Loan Contract with Banco Davivienda S.A. for up to USD 300 million, to finance the Company's 2019-2022 investment plan. The above funds were fully disbursed on March 9, 2020, bullet at 12 years and semi-annual interest payments at Libor (6M) + 2.35%.

Pursuant to Resolution No. 1656 of August 27, 2020, GEB made a hedging transaction (Interest Rate Swap) of interest payments of the aforementioned loan (Interest Rate Swap) at IRS 3.3514%, including the fixed margin.

- (c) **External Syndicated Loan (UMB Admin Agent):** Pursuant to the authorization issued by the Ministry of Finance and Public Credit by means of Resolution No. 3131 of November 23, 2022, on November 23, 2022 an External Loan Contract was signed with UMB Bank N.A. as Administrative Agent, and The Bank of Nova Scotia, Sumitomo Mitsui Banking Corporation, Bank of China Limited Panamá Branch, Citibank N.A. International Banking Facility and Banco de Sabadell S.A. Miami Branch, as lenders, for up to USD 509 million, to partially finance the 2022 investment plan. The disbursement was made on November 29, 2022, bullet and interest rate SOFR 6M + 1.95%.

Contugas

- (d) **Syndicated loan:** On September 24, 2019, the Company signed a Syndicated Loan for USD 355million, with Mizuho Bank Ltd. and BBVA as lead banks, and Mizuho as administrative agent. The loan and collateral agreements are governed by the laws of New York, Colombia and Peru. The following is the participation of each bank (hereinafter “the Lenders”).

Entity	Commitment	Applicable percentage
Banco Bilbao Vizcaya Argentaria S.A., New York Branch	U.S.\$ 85,000,000	23.94366%
Mizuho Bank, Ltd.	U.S.\$ 85,000,000	23.94366%
Sumitomo Mitsui Banking Corporation	U.S.\$ 45,000,000	12.67606%
Banco de Sabadell, S.A., Miami Branch	U.S.\$ 26,000,000	7.32394%
Banco Santander, S.A.	U.S.\$ 26,000,000	7.32394%
Export Development Canada	U.S.\$ 26,000,000	7.32394%
Banco de Bogotá (Panamá) S.A.	U.S.\$ 26,000,000	7.32394%
Banco Latinoamericano de Comercio Exterior S.A.	U.S.\$ 18,000,000	5.07043%
Citibank, N.A. International Banking Facility	U.S.\$ 18,000,000	5.07043%
Total	<u>U.S.\$ 355,000,000</u>	<u>100%</u>

The contractual term is 60 months, with principal to be paid in full at the end of the term, plus interest accrued as consideration up to said date. Upon signing the agreement, the Company paid structuring expenses in the amount of USD 3.4 million and administrative agent expenses for USD 25,000.

This loan accrues interest at the LIBOR 180-day rate plus 1.75%. Interest is paid semi-annually in the months of March and September.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

The main use of the funds raised from this loan was to repay a Syndicated Loan (for COP 342 to Banco Davivienda S.A., Banco de Bogotá S.A. Nassau, Banco de Bogotá S.A. Panamá and Corporación Andina de Fomento).

This loan is secured by a corporate lien granted by its shareholders Grupo Energía Bogotá S.A. ESP (GEB) and Transportadora de Gas Internacional, to guarantee the loan repayment obligations.

Gas Natural de Lima y Callao (Calidda):

- (e) **Loan** - USD 90 million, net of structuring expenses, granted between August and November 2020 by IDB Invest at an annual rate of between 2.10% and 2.35% + Libor 6M, with semi-annual amortization and a term of 8 years.

Loan from Banco BBVA Perú for USD 80,000 disbursed on July 1, 2021, at an annual rate of 1.37% with a 2-year term.

In December 2021, the Company signed a bilateral loan with Bank of Nova Scotia for a total amount of USD 200,000, on which the Company received a partial disbursement in 2021 for USD 100,000. The deadline for receiving the rest of the loan is April 2023. The loan's term is 5 years, with bullet amortization upon expiration, unsecured, with variable rate of 2.25% + Libor 3M.

Trecca:

- (f) **Citibank N.A.:** Loan for an original amount of USD 87,000,000 with start date June 30, 2016 and due date on June 30, 2028, interest rate of 2.97% (+) Libor 6 months. Amortization of principal starting in December 2018, semi-annual interest payments from the start date. This loan has a corporate guarantee from Grupo Energía Bogotá regarding payment obligations of USD 57,850,000.
- (g) **Bac International Bank Inc.:** Trust loan for USD 65,000,000 with fixed interest rate of 4.35% per year the first 90 days and 5.35% per year from day 90 to the due date. The term is 11 months with contractual expiration on October 1, 2022, and payment of principal and interest upon expiration. This loan has a corporate guarantee from Grupo Energía Bogotá regarding payment obligations of USD 65,000,000.
- (h) **Banco de América Central S.A.:** Trust loan for USD 50,000,000 with fixed interest rate of 4.35% per year the first 90 days and 5.35% per year from day 90 to the due date. The term is 11 months with contractual expiration on October 1, 2022, and payment of principal and interest upon expiration. This loan has a corporate guarantee from Grupo Energía Bogotá regarding payment obligations of USD 65,000,000.

EEBIS:

- (i) **Citibank N. A.:** A trust loan is included for USD 45,000,000, with start date March 26, 2020 and due date March, 26 2025, fixed interest rate of 5.40%, amortization upon expiration, semi-annual interest payments. This loan has a corporate guarantee from GEB regarding payment obligations of USD 45,000,000.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

(j) **Bac International Bank Inc.:** Trust loan for USD 28,000,000 with fixed interest rate of 4.35% per year. The term is 11 months with contractual expiration on October 1, 2022, and payment of principal and interest upon expiration. This loan has a corporate guarantee from Grupo Energía Bogotá regarding payment obligations of USD 28,000,000.

Reconciliation of movements of liabilities to cash flows arising from financing activities:	Bonds	Loans	Total
Balance as of December 31, 2020	<u>\$ 8,107,648</u>	<u>\$ 4,844,003</u>	<u>\$ 12,951,651</u>
Additions	-	1,299,584	1,299,584
Payments	-	(975,296)	(975,296)
Interest paid	(451,107)	(163,658)	(614,765)
Interest expense	491,285	169,479	660,764
Exchange difference	169,201	408,100	577,301
Translation effect	683,181	541,405	1,224,586
Balance as of December 31, 2021	<u>\$ 9,000,208</u>	<u>\$ 6,123,617</u>	<u>\$ 15,123,825</u>
Additions	262,611	2,924,041	3,186,652
Payments	(663,227)	(457,734)	(1,120,961)
Interest paid	(606,114)	(266,143)	(872,257)
Interest expense	685,923	375,624	1,061,547
Exchange difference	355,822	498,842	854,664
Transaction cost	21,238	-	21,238
Reclassification to leases	-	(51,299)	(51,299)
Business combinations	-	285,660	285,660
Translation effect	1,005,107	849,189	1,854,296
Balance as of December 31, 2022	<u>\$ 10,061,568</u>	<u>\$ 10,281,797</u>	<u>\$ 20,343,365</u>

Reconciliation of movements of lease liabilities to cash flows arising from financing activities:

	Leases
Balance as of December 31, 2020	<u>\$ 44,589</u>
Additions	53,876
Payments	(66,143)
Interest expense	14,386
Exchange difference	1,073
Translation effect	14,417
Balance as of December 31, 2021	<u>\$ 62,198</u>
Additions	52,139
Reclassification from loans	51,299
Payments	(120,778)
Interest expense	5,294
Exchange difference	7,064
Translation effect	50,024
Balance as of December 31, 2022	<u>\$ 107,240</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

22. Trade and other payables

The following are the carrying amounts of trade and other payables as of December 31, 2022 and 2021:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Dividends	\$ 843	\$ 769
Suppliers	878,778	611,693
Advance payments received	-	14,668
	<u>\$ 879,621</u>	<u>\$ 627,130</u>
Current	825,487	581,458
Non-current	54,134	45,672
	<u>\$ 879,621</u>	<u>\$ 627,130</u>

Information about the Group's exposure to liquidity risk is included in Note 29.

23. Employee benefits

The following is a breakdown of employee benefit liabilities as of December 31, 2022 and 2021:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Short-term benefits (a)	\$ 122,911	\$ 107,702
Net defined benefit liability (b)	102,965	112,932
Supplementary benefits	19,831	22,552
	<u>\$ 245,707</u>	<u>\$ 243,186</u>
Current	147,687	138,161
Non-current	98,020	105,025
	<u>\$ 245,707</u>	<u>\$ 243,186</u>

- (a) *Short-term employee benefits* - Based on signed collective bargaining agreements and applicable labor laws, the Group recognizes short-term employee benefits, which include accrued mandatory benefits, performance bonuses, pension payments, and salaries pending payment, and the estimation of pension quota-shares payable in the current period to employees and retirees.

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Bonuses	54,442	64,760
Mandatory benefits	50,706	42,942
Salaries	17,763	-
Short-term employee benefits	<u>122,911</u>	<u>107,702</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

(b) *Net defined benefit liability*

Movement in net defined benefit (asset) liability:

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Opening balances	\$ 226,062	286,799	(113,449)	(128,256)	112,613	158,543
Financial expenses (income)	18,391	16,648	(9,642)	(7,376)	8,749	9,272
Taxes paid	-	-	250	194	250	194
Payments made	(26,435)	(25,780)	26,435	35,870	-	10,090
Contributions made	-	-	(11,431)	(24,688)	(11,431)	(24,688)
Other comprehensive income	(19,731)	(51,605)	12,515	11,126	(7,216)	(40,479)
Closing balances	\$ 198,287	226,062	(95,322)	(113,130)	102,965	112,932

Retirement pension plan:

Based on the collective bargaining agreements signed with the workers' union, the Group recognizes in its financial statements the obligations arising from the retirement pension benefits plan for employees who have fulfilled the requirements of age and time of employment at the Group. Currently, this benefit is only recognized for employees who have fulfilled the requirements, i.e., current employees are not entitled to receiving this benefit directly from the Group, and pursuant to Colombian law they only have access to this benefit through a pension fund management company.

Funding:

Plan assets - Plan assets comprise two funds in administration and payment trusts, their funding is based on updating the respective actuarial calculations each year.

The pension plan assets are held separately from the Company's assets, through trust funds controlled by the trust management companies Fiducolumbia and Fiduprevisora, which manage these funds and make the payments to the retirees. The Group makes new contributions to these trust funds each year, to the extent that they are required. The terms of the contracts is five (5) years, and they were renewed in July 2022 for one year until July 2023.

The fair value of the equity and debt instruments that make up the asset plan of the pension plan is updated based on market prices quoted in active markets.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Actuarial assumptions:

The following were the principal actuarial assumptions at the reporting date.

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Discount rate	13.25%	8.5%
Future salary growth	12.63%	3%
Inflation	12.63%	3%
Mortality Table (1)	RV-08	RV-08

(1) Demographic hypothesis table

Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Present Value of the Obligation for Defined Benefits

Assumption	Increase / Decrease	Effect on Defined Benefit Obligation	
		<u>December 31, 2022</u>	<u>December 31, 2021</u>
Discount rate	50 decrease	206,139	237,336
Discount rate	50 increase	195,309	221,312
Pension increases	50 decrease	194,375	220,285
Pension increases	50 increase	207,096	238,385

Percentage impact on the Defined Benefit Obligation

Assumption	Increase / Decrease	Effect on Defined Benefit Obligation	
		<u>December 31, 2022</u>	<u>December 31, 2021</u>
Discount rate	50 decrease	2.77%	3.61%
Discount rate	50 increase	(2.63%)	(3.39%)
Pension increases	50 decrease	(3.09%)	(3.83%)
Pension increases	50 increase	3.25%	4.07%

Change in Defined Benefit Obligation

Assumption	Increase / Decrease	Effect on Defined Benefit Obligation	
		<u>December 31, 2022</u>	<u>December 31, 2021</u>
Discount rate	50 decrease	5,558	8,270
Discount rate	50 increase	(5,272)	(7,754)
Pension increases	50 decrease	(6,205)	(8,781)
Pension increases	50 increase	6,516	9,318

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Weighted Duration of the Defined Benefit Obligation

Assumption	Increase / Decrease	Effect on Defined Benefit Obligation	
		December 31, 2022	December 31, 2021
Discount rate	50 decrease	5.47	7.09
Discount rate	50 increase	5.33	6.89

24. Provisions

As of December 31, 2022 and 2021, the carrying amount of the provisions includes the following:

	December 31, 2022	December 31, 2021
Assets retirement obligations (*)	\$ 372,301	\$ 227,180
Legal	124,331	88,150
Other provisions	217,739	137,079
Pension quota-shares	2,294	3,006
	<u>716,665</u>	<u>455,415</u>
Current	149,729	85,041
Non-current	566,936	370,374
	<u>716,665</u>	<u>455,415</u>

(*) The increase in provisions corresponds mainly to assets retirement obligations, as follows: i) additions mainly in the TGI provision for a value COP 141,413; and ii) conversion effect to presentation currency amounting to COP 237,528, due to the increase in the exchange rate that went from COP/USD 3,981.16 pesos on December 31, 2021 to COP/ USD 4,810.20 pesos on December 31, 2022.

The movements in provisions are described below:

	Legal	Other provisions	Assets retirement obligations	Pension quota-shares	Total
Balance as of December 31, 2020	\$ 99,224	126,853	254,279	3,751	484,107
Increases	10,854	44,035	-	-	54,889
Use	(21,018)	(44,205)	(35,639)	(745)	(101,607)
Other	1,324	2,160	-	-	3,484
Financial expenses	-	-	18,219	-	18,219
Translation effect	(2,234)	8,236	(9,679)	-	(3,677)
Balance as of December 31, 2021	<u>\$ 88,150</u>	<u>137,079</u>	<u>227,180</u>	<u>3,006</u>	<u>455,415</u>
Increases	7,843	58,867	120,751	-	187,461
Use	-	(69,380)	(233,820)	(712)	(303,912)
Other	1,742	13,223	-	-	14,965
Financial expenses	-	-	20,662	-	20,662
Translation effect	26,596	77,950	237,528	-	342,074
Balance as of December 31, 2022	<u>\$ 124,331</u>	<u>217,739</u>	<u>372,301</u>	<u>2,294</u>	<u>716,665</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

25. Tax liabilities

As of December 31, 2022 and 2021, the balance of tax liabilities includes the following:

	December 31, 2022	December 31, 2021
Income Tax	\$ 125,007	\$ 78,277
Withholdings payable	28,816	14,152
Sales Tax	9,336	4,998
Municipal Tax	12,900	12,112
Other taxes, duties and levies	968	2,872
	<u>177,027</u>	<u>112,411</u>
Current	177,027	111,648
Non-current	-	763
	<u>\$ 177,027</u>	<u>\$ 112,411</u>

26. Income Taxes

Amounts recognized in profit or loss:

	December 31, 2022	December 31, 2021	December 31, 2020
Current tax expense			
Current year	434,783	403,745	409,086
Changes in estimates related to prior years	4,309	-	-
Total current tax expense	<u>\$ 439,092</u>	<u>\$ 403,745</u>	<u>\$ 409,086</u>
Deferred tax expense			
Net deferred tax	137,010	38,682	(13,659)
Total deferred tax expense	<u>137,010</u>	<u>38,682</u>	<u>(13,659)</u>
Total tax expense	<u>\$ 576,102</u>	<u>\$ 442,427</u>	<u>\$ 395,427</u>

Amounts recognized in other comprehensive income (OCI):

As of December 31, 2022

	Amount before taxes	Deferred tax OCI	Net value
Cash flow hedges - effective portion of changes in fair value	(512,397)	179,339	(333,058)
Financial liabilities	522,685	(175,251)	347,434
Re-measurement of defined benefit obligations	7,886	(2,760)	5,126
Total	<u>18,174</u>	<u>1,328</u>	<u>19,502</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

As of December 31, 2021

	Amount before taxes	Deferred tax OCI	Net value
Cash flow hedges - effective portion of changes in fair value	(115,357)	40,375	(74,982)
Financial liabilities	(96,943)	29,083	(67,860)
Re-measurement of defined benefit obligations	39,803	(13,961)	25,842
Total	(172,497)	55,497	(117,000)

As of December 31, 2020

	Amount before taxes	Deferred tax OCI	Net value
Cash flow hedges - effective portion of changes in fair value	5,057	(1,517)	3,540
Financial liabilities	44,507	(13,352)	31,155
Total	49,564	(14,869)	34,695

Reconciliation of effective tax rate:

	December 31, 2022	December 31, 2021	December 31, 2020
Combined pre-tax income	4,929,138	4,289,828	4,148,228
Statutory income tax rate	35%	31%	32%
Tax using the Company's domestic tax rate	1,725,198	1,329,847	1,327,433
Difference in rate with the country of origin	22,980	(3,457)	26,223
Non-taxable expenses recognized in accounting	191,715	125,858	245,212
Taxable revenues not recognized in net income	112,411	65,378	679,797
Tax credits not recognized in net income	(160,176)	(62,669)	(245,389)
Non-taxable revenues recognized in net income	(1,201,391)	(885,610)	(1,009,932)
Effect of tax-exempt revenues	(85,617)	(58,715)	(140,956)
Effect of income that is neither taxable income nor capital gains	(30,865)	(24,554)	(477,330)
Foreign currency exchange effect	-	-	(2,376)
Offsetting of tax losses	(2,462)	(44,353)	(4,520)
Taxes from prior years	4,309	702	(2,735)
	\$ 576,102	442,427	395,427

The effective rate as of December 2022, 2021 and 2020 was 11.69%, 10.31% and 9.53% respectively.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Income tax recognized in profit or loss – The following are the income tax rates that apply to each company, depending on their respective jurisdictions:

Country	December 31, 2022	December 31, 2021
Colombia	35% nominal	31% nominal
Perú	29.5%	29.5%
	30% for legal stability	30% for legal stability
Guatemala	25% on profits of for-profit activities	25% on profits of for-profit activities
Brazil	34%	34%

The following are the income tax returns that have not been reviewed by the tax authorities:

Company	Years
Grupo Energía Bogotá	2017 to 2021
Transportadora de Gas Internacional	2018 - 2020 - 2021
Contugas	2018 to 2021
Transportadora de Energía de Centro América	2019 to 2021
Gas Natural de Lima y Callao	2018 to 2021
EEB Perú Holdings	2018 to 2021
EEB Ingeniería y Servicios	2018 to 2021
EEB Gas S.A.S.	2018 to 2021
Dunas Energía	2017 to 2021
PPC	2017 to 2021
Cantalloc	2017 to 2021

Deferred tax balances – The differences between the carrying amounts of assets and liabilities and their respective tax bases give rise to the following temporary differences, which generate deferred taxes that are measured and recognized in the years ended on December 31, 2022 and 2021, based on tax rates currently in effect as reference for the years in which such temporary differences will be reversed.

The following is the analysis of the deferred tax assets and liabilities presented in the consolidated financial statements of financial position:

	December 31, 2022	December 31, 2021
Deferred tax assets	\$ 4,083	\$ 2,560
Deferred tax liabilities	(2,774,435)	(2,168,302)
Net deferred tax	\$ (2,770,352)	\$ (2,165,742)

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Movement in deferred tax balances:

December 31, 2022

	Balance as of December 31, 2021	Effect of business combinations (Note 14)	Recognized in profit or loss	Recognized in OCI	Recognized in equity (1)	Translation effect	Balance as of December 31, 2022
Deferred tax asset:							
Allowance on trade accounts receivable	9,279	-	(11,804)	-	-	427	(2,098)
Accounts receivable	40	-	8,493	-	-	1,107	9,640
Inventories	784	-	443	-	-	159	1,386
Accounts payable	23,572	-	1,149	-	-	(1,345)	23,376
Mandatory benefits	7,829	-	(1,219)	-	-	600	7,210
Other liabilities	325,537	-	(138,829)	-	-	49,934	236,642
Other financial liabilities	197,209	-	434,812	(175,251)	-	(32,260)	424,510
Employee benefits	1,834	-	196	-	-	522	2,552
Actuarial calculation of pensions	515	-	(8,726)	(2,760)	-	-	(10,971)
Tax losses	94,309	4,009	(4,009)	-	-	15,936	110,245
Dismantling	119,432	-	(49,193)	-	-	18,455	88,694
Obligations	-	-	292,574	-	-	38,141	330,715
Total deferred tax assets	780,340	4,009	523,887	(178,011)	-	91,676	1,221,901
Deferred tax liabilities							
Trade accounts	(136,467)	-	(160,446)	-	-	(1,975)	(298,888)
Intangible assets	(421,417)	-	(45,950)	-	-	(93,817)	(561,184)
Financial assets	(39,453)	-	(300,016)	179,339	-	-	(160,130)
Investments in controlled companies	(107,299)	-	-	-	-	-	(107,299)
Property, plant and equipment	(2,087,725)	(54,378)	(142,277)	-	53,229	(425,899)	(2,657,050)
Investment properties	(141,277)	-	4,371	-	-	(38,924)	(175,830)
Other non-financial assets	1	-	(6,554)	-	-	(854)	(7,407)
Provisions	(12,445)	-	(10,025)	-	-	(1,995)	(24,465)
Total deferred tax liabilities	(2,946,082)	(54,378)	(660,897)	179,339	53,229	(563,464)	(3,992,253)
Total deferred tax	(2,165,742)	(50,369)	(137,010)	1,328	53,229	(471,788)	(2,770,352)

- (1) Deferred tax is recognized under equity due to a change in the fixed assets accounting policy of Elecnorte starting on January 1, 2022, which changed the measurement for the functional units and rights of way, performing the calculations retrospectively.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

December 31, 2021

	Balance at December 31, 2020	Recognized in profit or loss	Recognized in OCI	Recognized in equity (2)	Translation effect	Balances as of December 31, 2021
Deferred tax asset:						
Accounts receivable from employees	4,999	(6,762)	-	1,388	416	41
Allowance on trade accounts receivable	3,904	4,564	-	-	811	9,279
Inventories	1,259	(307)	-	(291)	124	785
Other non-financial assets	(44,875)	45,620	-	-	(745)	-
Accounts payable	24,255	(343)	-	-	(340)	23,572
Social benefits	6,503	456	-	472	397	7,828
Employee benefits	1,248	500	-	-	85	1,833
Actuarial calculation of pensions	15,169	(2,905)	(13,961)	2,212	3	518
Asset dismantling	69,637	22,747	-	14,205	12,843	119,432
Other financial liabilities	(20,482)	166,865	29,083	17,899	3,844	197,209
Other liabilities	153,840	104,906	-	38,003	28,789	325,538
Tax losses	77,461	4,074	-	1,900	10,871	94,306
Total deferred tax assets	292,918	339,415	15,122	75,788	57,098	780,341
Deferred tax liabilities:						
Investments in controlled companies	(91,970)	-	-	(15,329)	-	(107,299)
Trade accounts	(40,356)	(79,734)	-	(16,378)	1	(136,467)
Financial assets	(21,169)	(53,355)	40,375	(5,197)	(107)	(39,453)
Intangible assets	(314,013)	(28,279)	-	(26,260)	(52,864)	(421,416)
Property, plant and equipment	(1,571,586)	(29,133)	-	(258,021)	(228,986)	(2,087,726)
Investment properties	33,663	(174,269)	-	(1)	(670)	(141,277)
Provisions	(347)	(13,327)	-	1,186	43	(12,445)
Total deferred tax assets	(2,005,778)	(378,097)	40,375	(320,000)	(282,583)	(2,946,083)
Total net deferred tax asset	(1,712,860)	(38,682)	55,497	(244,212)	(225,485)	(2,165,742)

- (2) Pursuant to the provisions of Decree 1311 of October 20, 2021, the Group has chosen to recognize the effects on deferred tax from the change in the rates at which the temporary differences will be reversed directly under equity for COP 244,212, in the retained earnings account (see recognition in Consolidated Statement of Changes in Equity).

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Un-recognized deductible temporary differences, unused tax losses and unused tax credits – The following is the balance of tax losses pending offsetting as of December 31, 2022:

	Year generated	Original amount	Non- recognized unused balance	Expiration year
				Does not expire
Grupo Energía Bogotá	2015	38,028	38,028	2023
Contugas	2019	83,649	83,649	2026
	2022	374,770	374,770	2023
Calidda Energía	2019	2,399	2,399	2024
	2020	1,804	1,804	2025
	2021	290	290	2023
Transportadora de Energía de Centro América	2020	1,966	1,966	2024
	2021	2,827	2,827	2024
	2022	2,524	2,524	2022
EEB Ingeniería y Servicios	2020	716	716	2023
	2021	661	661	2024
	2022	1,286	1,286	2030
Elecnorte	2018	1,000	1,000	2031
	2019	4,075	4,075	2032
	2020	1,882	1,882	2033
	2021	4,498	4,498	

Un-recognized taxable temporary differences, unused tax losses and unused tax credits – The temporary differences related to investments in subsidiaries, branches and associates and interests in joint ventures on which no deferred tax liabilities have been recognized are attributable to the following:

	December 31, 2022	December 31, 2021
Local subsidiaries	(3,599,923)	\$ (2,391,723)
Foreign subsidiaries	(61,670)	(10,310)
Associates and joint ventures	(239,638)	(7,779)
	<u>(3,901,231)</u>	<u>\$ (2,409,812)</u>

Significant changes to the income tax regime

In Peru, Guatemala and Brazil there were no significant changes in the income tax regime that would affected operating results.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Tax Reform for Equality and Social Justice

In Colombia, by means of Law 2277 of December 13, 2022, a tax reform was enacted that introduces certain changes related to income tax, which we describe below:

- A minimum tax is established for Colombian residents, setting an additional tax in the event the “cleansed” income tax with certain adjustments is less than 15% of pre-tax accounting profits with certain adjustments. Consequently, taxpayers must: (i) Determine the cleansed tax of the Colombian taxpayer, or the cleansed tax of the group, if it is part of a business group. (ii) Determine the cleansed income of the Colombian taxpayer or of the group, if it is part of a business group, and (iii) Determine the cleansed tax rate of the Colombian taxpayer or of the group, if it is part of a business group. If the effective rate (cleansed tax/cleansed income) is less than 15%, the tax to be added must be calculated until reaching the rate of fifteen percent (15%) for the taxpayer or the group, if it is part of a business group.
- The sum of certain non-taxable revenues, special deductions, tax exemptions and tax credits is limited to 3% of ordinary taxable income per year.
- Article 158-1 is rescinded, which eliminates the possibility of deducting costs and expenses associated with investments in Science, Technology and Innovation, i.e., such investments will only be entitled to a tax credit. The possibility is maintained taking a tax credit on 30% of investments in Science, Technology and Innovation that have been approved by the National Council of Tax Benefits (CNBT, for the Spanish original); the previous rule provided a 25% tax credit.
- The tax credit on 50% of municipal tax (ICA) effectively paid before filing the tax return is eliminated. 100% of the amount accrued and paid before filing the income tax return will be deductible.
- Taxes, duties and levies (except income tax) effectively paid during the year that have a causal relationship with income generation continue to be 100% deductible. 50% of the tax on financial transactions (GMF) will be deductible, regardless of whether or not it has a causal relationship with the income producing activity.
- Capital gains are taxed at a rate of 15%.
- A tax withholding of 10% is established on dividends received by national companies when they are classified as neither taxable income nor capital gains (previously, 7.5%), which may be transferred to individual residents or foreign investors. The exceptions established in current regulations are maintained. Dividends and distributions received by permanent establishments of foreign companies in Colombia classified as neither taxable income nor capital gains will be taxed at a special rate of 20%.
- It establishes that the tax on taxable dividends will be determined by: (i) applying the income tax rate of the year in which they are declared (35%), and (ii) on the remainder, the rate of non-taxable dividends will apply, depending on the beneficiary (in the case of resident individuals or non-settled estates of residents, the table of article 241 of the Tax Statute will apply).

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

- Dividends declared on profits from tax year 2016 and earlier years will maintain the treatment in effect at that time; and dividends on profits from tax years 2017, 2018 and 2019 declared after 2020 will be governed by the rules established in Law 2010.

Law 2155 of 2021 Social investment - Decree 1311 of 2021

On October 20, 2021, the Ministry of Commerce, Industry and Tourism, which issues the principles, standards, interpretations and guidelines on accounting and financial reporting and information assurance, issued Decree 1311, which establishes a one-time alternative to recognize in accounting, against retained earnings under equity, the change in deferred income tax arising from the increase in the income tax rate, as defined in the aforementioned Social Investment Law 2155.

As of December 31, 2021, the Group has complied with Decree 1311/2021, recognizing the effect directly in retained earnings.

Transfer Prices

Colombia

To the extent that companies engage in transactions with related companies abroad, they are subject to transfer price regulations, which in Colombia are governed by Laws 788/2002 and 863/2003. Consequently, the Company has performed a technical study of the transactions made during 2021, concluding that there are no situations that would affect that year's income tax. The information statements for tax year 2021 were submitted in September 2022.

Perú

Transactions between related parties and transactions through tax havens from tax year 2016 onwards no longer require a Technical Study on Transfer Prices, but instead a local sworn information statement is required, whose deadline for submission is April 2018 (for transactions made during the 2016 tax year) and June for all subsequent years (transactions made during tax year 2017 and subsequent years).

At the same time, for transactions from tax year 2017 and later years, a master and country-by-country sworn information statement must be submitted, though the forms, terms and conditions have not yet been approved by the Tax Administration.

Based on the analysis of the companies' transactions, Management and its legal advisors believe that no material liabilities will arise in connection with transfer prices that would affect the financial statements as of December 31, 2022 and 2021.

Guatemala

The special regulations on the valuation of transactions between related parties initially became effective on January 1, 2013. These regulations require all taxpayers that engage in transactions with related parties that are not residents of Guatemala and that affect the tax base to determine the prices of such transactions based on the principle of free competition, and to document such assessment in a transfer prices study. However,

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

article 27 of Decree 19-2013 published on December 20, 2013, suspended the application and effectiveness of these regulations, and established that they once again became effective and applicable starting on January 1, 2015.

The companies submitted the Technical Study on Transfer Prices for the 2021 tax year (required from all taxpayers by the Tax Administration Superintendence (SAT, for the Spanish original)). The study concluded that the transactions with related parties comply with the Principle of Free Competition.

Uncertainty over Income Tax treatments

GEB currently has two proceedings in progress with the tax administration related to the income tax for tax years 2017 and 2020. The matter under discussion in the two proceedings is whether unrealized income is taxable pursuant to the Controlled Entities Abroad Regime, particularly the unrealized income of EEB Energy RE (a captive insurance company based in Bermuda), Transportadora de Energía de Centroamérica S.A., and EEB Ingeniería y Servicios S.A. (operating companies based in Guatemala). In this regard, the tax administration considers that such income is operating income, which is an inadequate interpretation of the rule.

In connection with the proceedings related to the income tax of the 2017 tax year, in July 2021 the Company received a special request for information. On April 27, 2022, the tax administration served notice of the revised official tax calculation regarding the unrealized income of ECE without tax residence in Colombia, and the Company appealed through a motion for reconsideration. Response was duly given to the special request for information in October, highlighting why we believe that the amounts claimed by DIAN for that period are inappropriate.

Regarding the income tax for tax year 2020, the Company received notice of a tax inspection in 2021, in connection with the request for the balance in favor reported in the 2020 income tax return. By means of DIAN Resolution dated May 12, 2022, a refund of part of the balance in favor reported in the 2020 income tax return was confirmed, for a confirmed refund amount of COP 27,481. On May 9, 2022, the tax administration issued a provisional decision of non-admittance of a balance in favor of COP 9,236, in connection with the unrealized income of ECE. Meanwhile, a special request for information was received on May 4, 2022, which was replied within the established terms on July 1, 2022. To date, notice is pending on any decision to dismiss or issuance of a revised calculation.

No additional taxes are expected, given that the Company has sufficient exempt income and tax losses to make annual taxable income equal to zero.

27. Other non-financial liabilities

As of December 31, 2022 and 2021, the carrying amount of other liabilities includes the following:

	December 31, 2022	December 31, 2021
Advance payments	\$ -	\$ 49,581
Deposits received from third parties	-	39,621
Revenues received for third parties	19,325	18,219
Total	<u>\$ 19,325</u>	<u>\$ 107,421</u>
Current	\$ 19,325	\$ 86,438
Non-current	-	20,983
	<u>\$ 19,325</u>	<u>\$ 107,421</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

28. Derivative Financial Instruments

Given the Group's nature and the composition of its assets and liabilities denominated in foreign currency, exchange rate fluctuations affect its results, due to which the Group uses natural and financial hedging as a risk management strategy.

Natural hedges are intended to achieve a balance between assets and liabilities denominated in a foreign currency, while financial hedges aim to minimize the effects of these risks through the use of derivative financial instruments.

Regarding interest rate risks, the Group engages in derivative transactions through swaps to hedge the exchange rate risk of future transactions, as required.

A Swap is a contract through which two parties agree to exchange cash flows on the basis of an asset, index and/or specific national underlying securities. For additional information on GEB's risk management, see Note 29 Risk Management.

GEB enters into interest rate swap (IRS) contracts whose critical terms are identical to those of the hedged item, such as benchmark rate, restart dates, payment dates, maturities and nominal amount. Since during the year all the critical terms matched, an economic relationship exists.

Regarding exchange rate risks, the Group engages in transactions with derivatives such as currency forwards and cross currency swaps (CCS). On the latter, it should be noted that their critical terms are identical to those of the hedged item, such as benchmark rate, reset dates, payment dates, maturities and nominal amount.

The Company does not hedge 100% of its loans, because it also has natural hedges that mitigate the impact of exchange rate fluctuations. Consequently, the hedged item is identified as a proportion of the loans outstanding for up to the nominal value of the swaps. Since during the year all the critical terms matched, an economic relationship exists.

The currency forwards have critical terms that are similar to those of the hedged item, such as benchmark rate, payment dates, maturities and nominal amount.

As of December 31, 2022 and 2021, the fair value of derivative instruments includes the following:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Assets		
Swap contracts		
Interests Rate Swaps – IRS (1)	691,536	107,108
Total Swap contracts	\$ 691,536	\$ 107,108
Total derivative assets	\$ 691,536	\$ 107,108
Liabilities		
Swap contracts		
Cross Currency Swaps – CCS	(120,411)	(151,757)
Forward contracts	<u>(4,605)</u>	<u>672</u>
Total derivative liabilities	\$ (125,016)	\$ (151,085)

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

- (1) The increase in derivative assets corresponds to: i) acquisition of new hedges in 2022 by the subsidiary Calidda; and ii) updating the fair value of the 2 GEB hedges.

29. Risk Management

Financial risk management objectives - Financial risks are monitored on an ongoing basis through the analysis of net exposures and their magnitudes, in order to manage them in a timely manner.

The risk management system includes the assessment of different mitigation strategies, which include both natural and financial hedges. Financial hedges are used to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures, duly approved by the Board of Directors.

1. Market risk

Given the Group's nature and the composition of its assets and liabilities denominated in foreign currency, exchange rate fluctuations affect its results. In order to manage these risks, the Company uses natural and financial hedges. Natural hedges are intended to achieve a balance between assets and liabilities denominated in a foreign currency, while financial hedges aim to minimize the effects of these risks through the use of derivative financial instruments. In its activities, the Company is also exposed to interest rate risk.

1.1 Foreign exchange risk management

Given that the Company engages in transactions denominated in foreign currency, it continuously monitors exchange rates in order to adequately manage such risks, either through natural or financial hedging.

The following are the assets and liabilities denominated in foreign currency as of December 31, 2022 and December 31, 2021, taking into consideration that a foreign currency is any currency other than each entity's functional currency. Below we present the exposure in USD for GEB Separately (functional currency, COP), as well as the exposure in COP for TGI (functional currency, USD), and in Peruvian Sols (PEN) for Calidda and Contugas (functional currency, USD), respectively:

Currency	Liabilities				Assets			
	<u>December 31, 2022</u>		<u>December 31, 2021</u>		<u>December 31, 2022</u>		<u>December 31, 2021</u>	
	<u>(USD 000)</u>	<u>COP</u>	<u>(USD 000)</u>	<u>COP</u>	<u>(USD 000)</u>	<u>COP</u>	<u>(USD 000)</u>	<u>COP</u>
USD	1,736,325	8,352,072	1,096,754	4,366,352	566,878	2,726,798	516,445	2,056,052
COP	146,257	703,528	137,532	547,535	154,746	744,358	173,387	690,283
PEN	43,489	209,189	26,159	104,143	37,455	180,165	90,268	359,371

Foreign currency contracts – GEB has natural hedges that mitigate the impact of exchange rate fluctuations. It also evaluates financial hedges to mitigate both short-term and long-term risks that are considered relevant. To engage in hedging, changes in operating variables, market variables and the entity's accounting balances are permanently monitored and updated to ensure that the hedging strategy is consistent with the Entity's reality and the market conditions.

The Group also engages in hedging to cover foreign exchange risks arising from future transactions.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Hedging is used to cover foreign exchange exposures to the Peruvian Sol. In this regard, the table below presents the foreign currency forward contracts in effect at the end of the reporting period, as well as information on the associated hedged items:

Contracts outstanding	Balances in thousands of dollars							
	Average exchange rate		Currency Foreign		Value Notional		Value Fair	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Cash flow hedges								
Purchase of USD								
3 months or less	3,898	4,092	Soles	Soles	49,561	60,846	(930)	(167)
Longer than 3 months	N.A.	3,527	Soles	Soles	-	182,561	-	(37,783)

It should also be mentioned that Cálidda uses cross currency swap (CCS) to hedge both financial liabilities denominated in PEN and cash flows denominated in that currency. The following are the financial conditions of such transactions:

Amounts in millions

Entity	Amount (USD)	Currency right	Currency obligation	Maturity	Fair value (COP)	Fair value (USD)
Cálidda	USD 29.1	PEN	USD	July 23, 2028	\$ (27,194.8)	USD (5.7)
Cálidda	USD 29.1	PEN	USD	July 23, 2028	\$ (27,194.8)	USD (5.7)
Cálidda	USD 99.4	PEN	USD	September 6, 2029	\$ (59,810.4)	USD (12.4)
Cálidda	USD 0.6	USD	PEN	January 31, 2023	\$ 376.6	USD 0.1
Cálidda	USD 0.5	USD	PEN	February 28, 2023	\$ 313.4	USD 0.1
Cálidda	USD 0.5	USD	PEN	March 31, 2023	\$ 342.2	USD 0.1
Cálidda	USD 0.3	USD	PEN	April 28, 2023	\$ (2,078.4)	USD (0.4)
Cálidda	USD 0.6	USD	PEN	May 31, 2023	\$ 388.6	USD 0.1
Cálidda	USD 1.1	USD	PEN	June 30, 2023	\$ 766.0	USD 0.2
Cálidda	USD 0.7	USD	PEN	July 27, 2023	\$ 431.5	USD 0.1
Cálidda	USD 0.9	USD	PEN	August 31, 2023	\$ 551.0	USD 0.1
Cálidda	USD 0.7	USD	PEN	September 29, 2023	\$ 439.0	USD 0.1
Cálidda	USD 0.7	USD	PEN	November 30, 2023	\$ 429.7	USD 0.1
Cálidda	USD 0.6	USD	PEN	December 29, 2023	\$ 462.8	USD 0.1
Cálidda	USD 0.6	USD	PEN	January 31, 2024	\$ 353.0	USD 0.1
Cálidda	USD 1.9	USD	PEN	February 29, 2024	\$ 1,006.1	USD 0.2
Cálidda	USD 15.5	USD	PEN	October 31, 2023	\$ (876.0)	USD (0.2)

Hedging for Net Investments Abroad (INE) – With the purpose of stabilizing variations in equity arising from exchange differences in its businesses abroad, the Company has defined an amount of USD 1,110 million as hedging instrument to cover the above risk, which is equivalent to part of its liability position in financial debt.

Foreign currency sensitivity analysis – The following is a sensitivity analysis assuming a change in the Colombian peso (COP) in terms of a movement in the market representative exchange rate (TRM), based on the exposure as of December 31, 2022 and 31 December, 2021, and the implemented risk management:

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Potential Impact on the Income Statement (+/-)			
TRM Increase or decrease in:	December 31, 2022		December 31, 2021
	COP millions		COP millions
1%		408	46
5%		2,042	232

Additionally, we present a sensitivity analysis assuming a change in the Peruvian Sol, given the exposure as of December 31, 2022 and December 31, 2021, respectively:

Potential Impact on the Income Statement (+/-)			
USD/PEN Increase or decrease in:	Dec-22		Dec-21
	COP millions		COP millions
1%		290	2,552
5%		1,451	12,761

1.2 Interest rate risk management

GEB is exposed to interest rate risk arising from its debts with variable rates; however, a proportion of debts is held at fixed rates, and market variables are continuously monitored in order to implement risk mitigation strategies in a timely manner.

Interest rate swap contracts - In the interest rate swap contracts, the Company agrees to exchange the difference between the fixed rate and floating rate amounts calculated over the agreed notional principal amounts. Said contracts enable the Company to mitigate changes in interest rates over the fair value of the exposures of cash flows and fixed-rate debt issued over the floating rate debts issued.

At the end of December 2022, GEB had nine *Interest Rate Swap* transactions with the following financial terms:

Amounts in millions.

Entity	Amount (USD)	Currency right	Currency obligation	Maturity	Fair value (COP)	Fair value (USD)
GEB	USD 319.0	USD	USD	July 22, 2024	122,912.7	USD 25.6
GEB	USD 300.0	USD	USD	March 9, 2032	333,737.7	USD 69.4
Cálidda	USD 80.0	USD	USD	November 15, 2028	48,338.9	USD 10.0
Cálidda	USD 20.0	USD	USD	November 15, 2028	11,102.5	USD 2.3
Cálidda	USD 100.0	USD	USD	December 16, 2026	45,740.0	USD 9.5
Cálidda	USD 320.0	USD	USD	December 28, 2026	105,789.2	USD 22.0
Cálidda	USD 30.0	USD	USD	December 28, 2026	11,717.2	USD 2.4
Cálidda	USD 60.0	USD	USD	December 16, 2026	6,148.7	USD 1.3
Cálidda	USD 40.0	USD	USD	December 16, 2026	6,048.5	USD 1.3

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Interest rate sensitivity analysis – As of December 31, 2022, 62% of GEB’s debt is at fixed rate, and the remaining 38% of total debt is at floating rates (Libor 6 months 13.21%, SOFR 12.6%, CPI 8.4%, Libor 3 months 2.48% and DTF 1.37%). The following is the potential annual impact of a 100-point change in GEB’s interest rates, holding everything else constant, and excluding the mitigating effects of interest rate hedges:

Increase or decrease in Interest Rate	Potential Impact on the Comprehensive Income Statement (increase or decrease) Thousands of USD	Equivalent in millions of Pesos (increase or decrease)
100 bps	16,161	\$77,737

1.3 Credit risk management

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group’s receivables from customers. The carrying amounts of financial assets represent the maximum credit exposure.

The Group applies the simplified approach of IFRS 9 to measure expected credit losses using a provision for expected losses over the life of the instrument for all receivables. The Group considers the risk of credit exposure by assigning 100% expected loss to overdue greater than 90 days.

As of December 31, 2022 and 2021, accounts receivable overdue for more than 90 days amount to COP \$473,723 and COP \$566,380, respectively, of which 100% is provisioned in both years.

The movement of impairment loss on trade receivables and contract asset during the year was as follows:

Balance as of December 31, 2020	\$ (318,935)
Impairment loss on trade receivables and contract asset	(95,502)
Reversals	69,179
Foreign exchange	9,919
Translation effect	(231,041)
Balance as of December 31, 2021	\$ (566,380)
Impairment loss on trade receivables and contract asset	(27,753)
Reversals (1)	208,177
Foreign exchange	8,987
Translation effect	(96,754)
Balance as of December 31, 2022	\$ (473,723)

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

- (1) The subsidiary Contugas S.A.C. had legal processes to collect portfolio from its client Corporación Aceros de Arequipa S.A. (CAASA), these processes had a favorable ruling for the Subsidiary, so the Company registered a reversal of Impairment loss on trade receivables and contract asset.

1.4 Liquidity risk management

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it Will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments:

December 31, 2022	Carrying amount	Total	less than a year	Between two and five years	More than five years
Non derivatives financial liabilities					
Loans and borrowings	20,343,365	24,644,709	1,612,969	10,136,423	12,895,317
Trade and other payables	879,621	1,235,769	929,153	259,264	47,352
Lease liabilities	107,239	331,105	71,392	223,711	36,002
Derivatives financial liabilities					
Derivative liabilities	125,016	125,016	125,016	-	-
\$	21,455,241	26,336,599	2,738,530	10,619,398	12,978,671
 December 31, 2021					
Non derivatives financial liabilities					
Loans and borrowings	15,123,825	17,231,920	1,398,255	7,220,132	8,613,533
Trade and other payables	627,130	905,121	666,828	194,109	44,184
Lease liabilities	62,197	303,365	48,539	183,305	71,521
Derivatives financial liabilities					
Derivative liabilities	151,085	151,085	151,085	-	-
\$	15,964,237	18,591,491	2,264,707	7,597,546	8,729,238

1.5 Capital risk management

The Group manages its capital to ensure its capacity to remain a going concern, while maximizing shareholder returns through the optimization of debt and capital balances.

The capital structure consists of net debt (loans offset against cash balances) and the Entity's capital (comprised of issued shares, reserves and retained earnings).

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Debt ratio - The following is the debt ratio for the reporting period:

	December 31, 2022	December 31, 2021
Debt (i)	\$ 20,343,365	\$ 15,123,825
Cash and cash equivalents	(1,477,821)	(1,691,538)
Net Debt	\$ 18,865,544	\$ 13,432,287
Carrying value of equity (ii)	\$ 20,566,914	\$ 15,110,007
Ratio of net debt over carrying value of equity	91.73%	88.90%

- (i) Debt is defined as long and short-term loans (excluding derivatives and financial guarantee contracts).
- (ii) The carrying value of equity includes all reserves and the Entity's share capital, which are managed as equity.

30. Fair values

Accounting classifications and fair values:

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Measurements at fair value on a recurring basis:

		December 31, 2022		December 31, 2021	
		Carrying amount	Fair value	Carrying amount	Fair value
		Fair value – hedging instruments	Level 2	Fair value – hedging instruments	Level 2
Financial assets measured at fair value					
Interests Rate Swaps		691,536	691,536	107,108	107,108
	\$	691,536	691,536	107,108	107,108
Financial liabilities measured at fair value					
Cross Currency Swaps		(120,411)	(120,411)	(151,757)	(151,757)
Forward contracts		(4,605)	(4,605)	672	672
	\$	(125,016)	(125,016)	(151,085)	(151,085)

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Valuation techniques and significant unobservable inputs:

Financial instruments measured at fair value.

Interest rate swap: Swap models - The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a interest rates curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps.

Cross Currency Swaps: Swap models - The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices, interbank borrowing rates and currencies prices. Estimated cash flows are discounted using a interest rates curve constructed from similar sources and which reflects the relevant benchmark interbank rate and cross currency data used by market participants for this purpose when pricing cross currency swaps.

Forward exchange contracts: Forward pricing - The fair value is determined using forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.

Transfers between Hierarchies: There were no transfers between hierarchy levels during the years 2022 and 2021.

Measurements at fair value on a non-recurring basis:

The amortized cost t is a reasonable approximation of the fair value for the following assets and liabilities:

	December 31, 2022		December 31, 2021	
Assets	Amortized cost	Fair value	Amortized cost	Fair value
Cash and cash equivalents	1,477,821	1,477,821	1,691,538	1,691,538
Trade and other receivables	1,566,542	1,566,542	1,443,877	1,443,877
Receivables from related parties	153,830	153,830	127,839	127,839
Liabilities				
Loans and borrowings	20,343,365	20,343,465	15,123,825	15,123,825
Lease liabilities	107,239	107,239	62,197	62,197
Trade and other payables	879,621	879,621	627,130	627,130
Payables from related parties	389	389	11	11

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

31. Equity

Capital - The authorized capital of the Company is 44,216,417,910 shares with nominal value of COP 53.60 each, of which 9,181,177,017 shares were subscribed and paid in as of December 31, 2022 and December 31, 2021, distributed as follows:

	December 31, 2022		December 31, 2021	
	Shares	%	Shares	%
Bogotá, Capital District	6,030,406,241	65.68%	6,030,406,241	65.68%
Fondo de Pensiones Obligatorias Porvenir Moderado	719,678,230	7.84%	755,130,630	8.22%
Fondo de Pensiones Obligatorias Protección Moderado	535,849,356	5.84%	531,885,551	5.79%
Corporación Financiera Colombiana S.A.	475,298,648	5.18%	475,298,648	5.18%
Fondo de Pensiones Obligatorias Colfondos Moderado	206,558,994	2.25%	218,003,632	2.37%
Other	1,213,385,548	13.22%	1,170,452,315	12.76%
	9,181,177,017	100%	9,181,177,017	100%

Additional paid-in-capital – It mainly arises from the issuance and placement of shares performed by the Company in 2011.

Legal reserve – According to Colombian law, the Company must transfer as a minimum 10% of each year's profits to a legal reserve, until it reaches an amount equal to 50% of subscribed capital. This reserve is not available for distribution, but it can be used to absorb losses.

Reserve for system upgrades, expansions and replacements – In order for the 1997 profits to qualify for the income tax exemption of article 211 of the Tax Statute, an appropriation was made as a reserve for system upgrades, expansions and replacements for the provision of residential public utility services.

Equity method reserve – A reserve is created from reported earnings for the application of special valuation techniques under the equity method.

Occasional reserve - Art. 130 of the TS– It was established in compliance with article 130 of the Tax Statute, due to a surplus in the depreciation for tax effects that is deductible from income tax.

Other occasional reserves – The Group has not distributed to shareholders the profits arising from currency exchange differences (net) that arise from accounting movements and have not been effectively realized as profits. In addition, it also includes reserves for the execution of growth projects for the energy transmission business.

Dividends – Pursuant to Minutes 090 of March 28, 2022, the General Meeting of Shareholders decided to declare dividends payable for COP 1,762,786.

The extraordinary General Meeting of Shareholders No. 089 held on September 13, 2021, released from reserves and declared an extraordinary dividend for COP 872,212.

Pursuant to Minutes 088 of March 29, 2021, the General Meeting of Shareholders decided to declare dividends payable for COP 1,634,250.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

32. Revenue

The following is a breakdown of revenue as of December 31, 2022, 2021 and 2020:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Natural gas distribution	3,690,129	3,008,197	2,361,401
Natural gas transportation	1,704,844	1,440,089	1,683,318
Electricity transmission	911,153	693,334	681,900
Electricity distribution	568,465	416,973	399,327
Total revenue	\$ 6,874,591	\$ 5,558,593	\$ 5,125,946

33. Cost

The following is a breakdown of cost of sales as of December 31, 2022, 2021 and 2020:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
General (1)	2,883,274	2,330,533	1,917,773
Depreciation and amortization	749,041	632,459	604,625
Personal services	163,409	93,137	99,468
Contributions and levies	97,055	91,448	88,954
Taxes	10,615	10,909	10,967
Contributions	9,128	9,580	7,755
	<u>3,912,522</u>	<u>3,168,066</u>	<u>2,729,542</u>

(1) These are mainly professional fees, services, maintenance, facilities, transportation, purchases, costs of EPC contracts, gas and transitory inventory sales.

34. Administrative and operating expenses and other income, net

Administrative and operating expenses

The following is a breakdown of administrative and operating expenses as of December 31, 2022, 2021 and 2020:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Professional fees, supplies and maintenance	347,135	329,536	282,247
Personal services	215,623	218,122	198,465
Provisions	184,242	103,791	97,455
Impairment (reversal) of long-term assets	(85,109)	(123,522)	(75,159)
Taxes, contributions and levies	116,538	96,187	93,807
Depreciation and amortization	87,176	54,922	62,552
Contributions	33,238	32,708	24,856
	<u>898,843</u>	<u>711,744</u>	<u>684,223</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Other income, net

In 2022, other income corresponds mainly to recoveries from claims of COP 14,634, recovery of provisions of COP 7,492, income from leases of investment properties of COP 8,725, compared to 2021 where higher income was recognized from the recovery of provisions for which that generate the significant decrease between the two years.

35. Financial income

The following is a breakdown of financial revenues as of December 31, 2022, 2021 and 2020:

	December 31, 2022	December 31, 2021	December 31, 2020
Interest	88,102	62,330	69,466
Hedging transactions	65,158	8,672	10,227
Repurchase of TGI bonds(1)	62,524	-	-
Income from the sale of client receivables	42,481	-	-
Investment valuation	-	5,006	3,983
Other	737	452	1,649
Dividends – equity investments	-	132	162
	259,002	76,592	85,487

- (1) Income from Repurchase of TGI bonds was generated by a lower value of the nominal rate applied on the bond repurchase date that reduced the amount nominal paid and for this reason is considered as financial income.

36. Financial expenses

The following is a breakdown of financial expenses as of December 31, 2022, 2021 and 2020:

	December 31, 2022	December 31, 2021	December 31, 2020
Interest (1)	960,682	651,012	662,131
Fees	12,562	21,695	2,099
Actuarial calculation	22,897	-	-
Other	23,743	-	-
	1,019,884	672,707	664,230

- (1) Includes interest derived from financial leases.

The increase in financial expenses, mainly due to interest expenses, is due to: i) increase in the local interest rate that affected the cost of Colombian loans; ii) interest generated by the new local bond issue in GEB in May 2022 for COP 13,612; iii) interest generated by the acquisition of new debt in GEB with UMB Bank for USD 509 million in November 2022; iv) increase in interest expense on TGI's dollar debt due to the increase in the exchange rate in 2022; and v) recognition in 2022 of financial interests in Calidda for the loan acquired at the end of 2021 with BBVA bank.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

37. Related Parties

Key management personnel transactions - Compensation received by key management personnel amounted to COP 16,554 and COP 15,932 in 2022 and 2021, respectively. Compensation for key management personnel includes salaries, non-cash benefits, and out of pocket expenses, among others. Key Management Personnel has no long-term compensation.

Other related party transactions - The balances and transactions between GEB and its subsidiaries, which are related parties, have been eliminated in the consolidation and are not disclosed in this note. The transactions between the Entity and other related parties are described further below. The balance mainly represents dividends receivable from associates.

The following balances were outstanding at the end of the reporting period:

	Receivables		Payables	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Investments in associates and joint ventures				
Enel Colombia S.A. E.S.P.	\$ -	-	389	-
Promigas S.A. E.S.P.	13,499	10,894	-	-
VANTI S.A. E.S.P.	101,417	96,196	-	-
Other	-	693	-	11
GEBBRAS Participacoes LTDA. (joint venture)	38,914	20,056	-	-
	<u>\$ 153,830</u>	<u>127,839</u>	<u>389</u>	<u>11</u>

38. Contingent Assets and Liabilities

Contingencies – As of December 31, 2022 and December 31 2021, claims against the Group in administrative, civil and labor lawsuits totaled COP 112,573 and COP 41,081, respectively. Based on the assessment of the probability of success in the defense of these cases, the Company has set aside provisions for COP 2,918 and COP 4,689, respectively to cover the probable losses from these contingencies.

The Group's Management, jointly with its external advisors, has concluded that the outcomes of the proceedings on which no provisions have been made will be favorable to the interests of the Group and will not produce material liabilities that should be recognized, or, in the event any do arise, they will not significantly affect the Group's financial position.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

Legal proceedings whose outcome could be an unfavorable ruling for GEB are classified as “contingent liabilities” and disclosed as follows:

Type of Process	Number of processes at GEB	Total value
Labor	38	\$ 11,178
Labor through expedite channel	2	5
Administrative	7	9,356
Total	47	\$20,539

Proceedings classified as probable and that are not included in the provision because they are ordinary labor proceedings filed by retirees for the reestablishment of extra-legal benefits that were eliminated through direct application of Legislative Act 01/2005. They are classified as a probable unfavorable ruling, and are included in the actuarial calculation provision (Note 25):

Type of Process	Number of processes	Total value
Provisions	5	\$1,608

39. Information segments

IFRS 8 Operating Segments requires an entity to report financial and descriptive information about its reportable segments, which are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components of an entity about which separate financial information is available that is evaluated regularly by the chief operating decision maker ("CODM") in deciding how to allocate resources and in assessing performance. The Group's CODM is the Board of Directors. The Group's CODM in conjunction with the managers reviews on a quarterly basis these internal reports and uses the KPI information to make decisions on the allocation of resources and the assessment of the performance of the operating segments for each reportable segment.

The major segments identified for the Grupo de Energía de Bogotá, according to the information requirements from management and in accordance with IFRS 8 are:

- Electricity transmission: Electric power transportation service through high-tension networks, plus the services of connection to the National Transmission System, and coordination, control and supervision of the operation of the transmission assets.
- Electricity distribution: After receiving the energy from the generation process, GEB is responsible for reducing its voltage in the substations. After this, the energy goes to transformers located on the poles in the cities. This entire process is done through distribution networks, which are the set of lines and substations - with their associated equipment - intended for the service of users.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

- Natural gas transportation: Gas transportation service through pipelines towards the cities for household, industrial or vehicular consumption.
- Natural gas distribution: Natural gas supply service for distribution from a distribution substation through networks, delivering the gas to each user, covering the household, commercial, industrial and vehicular markets.

Information on reporting segments of the Group is shown as follows:

Electricity transmission	Electricity distribution	Natural gas transportation	Natural gas distribution
Grupo Energía de Bogotá	Grupo Dunas	Transportadora de Gas	Gas Natural de Lima y Callao
Elecnorte S.A.S. E.S.P.	Calidda Energía S.A.C.	Internacional S.A. E.S.P. TGI	S.A. Calidda
Transportadora de Energía de Centroamérica S.A. TRECSA			Contugas S.A.C.
Enlaza Grupo Energía Bogotá S.A.S. E.S.P.			
EEB Ingeniería y Servicios S.A.			
EEBIS			

Below are the assets, liabilities and income statement by segment:

December 31, 2022

	Electricity transmission	Electricity distribution	Natural gas transportation	Natural gas distribution	Other non-reportable segment (1)	Total segments
Assets						
Property, plant and equipment	6,062,812	1,061,538	9,836,277	52,614	-	17,013,241
Concessions assets	-	-	-	8,606,642	-	8,606,642
Investments in associates and joint ventures	-	-	-	-	15,556,173	15,556,173
Liabilities						
Loans and borrowings	4,050,141	491,566	2,895,561	5,467,423	7,438,674	20,343,365
Bonds	2,588,660	373,039	2,895,561	2,250,768	1,953,540	10,061,568
Loans	1,461,481	118,527	-	3,216,655	5,485,134	10,281,797
Total revenue	911,153	568,465	1,704,844	3,690,129	-	6,874,591
Total costs	(303,935)	(340,675)	(633,533)	(2,634,379)	-	(3,912,522)
Gross profit	607,218	227,790	1,071,311	1,055,750	-	2,962,069
Equity method in associates and joint ventures	-	-	-	-	2,096,085	2,096,085
Expenses						
Financial expenses	-	-	-	-	377,357	377,357
Depreciation	76,887	50,755	361,675	1,742	-	491,059
Amortization	-	-	-	236,324	-	236,324
Total expenses	76,887	50,755	361,675	238,066	377,357	1,104,740

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

- (1) The amount of loans and borrowings corresponds to (i) repurchase of bonds from subsidiary TGI for COP 1,541,374; (ii) debt for acquisition of participation in joint ventures in Brazil (Argeb and Argo) in the amount of COP 3,881,647; (iii) capitalization of investments in Peru (Dunas) and Guatemala (TRECSA) for COP 1,585,985; and (iv) debt for the acquisition of Elecnorte for COP 429,667. The amount of assets corresponds to Investments in associates and joint ventures for COP 15,556,173, the amount of financial expenses corresponds to interest expenses for COP 377,357, and the income is related to equity method in associates and joint venture for COP 2,096,085.

	Electricity transmission	Electricity distribution	Natural gas transportation	Natural gas distribution	Other non- reportable segment (1)	Total segments
December 31, 2021						
Assets						
Property, plant and equipment	4,515,099	808,691	8,277,212	30,477	-	13,631,479
Concessions assets	-	-	-	6,624,141	-	6,624,141
Investments in associates and joint ventures	-	-	-	-	9,925,807	9,925,807
Liabilities						
Loans and borrowings	3,691,210	420,544	3,045,022	4,344,187	3,622,862	15,123,825
Bonds	2,713,292	294,947	3,002,859	1,838,401	1,150,709	9,000,208
Loans	977,918	125,597	42,163	2,505,786	2,472,153	6,123,617
Total revenue	693,334	416,973	1,440,089	3,008,197	-	5,558,593
Total costs	(240,782)	(251,743)	(562,547)	(2,112,994)	-	(3,168,066)
Gross profit	452,552	165,230	877,542	895,203	-	2,390,527
Equity method in associates and joint ventures	-	-	-	-	1,997,939	1,997,939
Expenses						
Financial expenses	-	-	-	-	161,450	161,450
Depreciation	59,326	41,402	324,638	7,427	-	432,793
Amortization	-	-	-	190,778	-	190,778
Total expenses	59,326	41,402	324,638	198,205	161,450	785,021

- (1) The amount of loans and borrowings corresponds to (i) repurchase of bonds from subsidiary TGI for COP 1,259,701; (ii) debt for acquisition of participation in joint ventures in Brazil (Argo) in the amount of COP 1,193,015; and (iii) capitalization of investments in Peru (Dunas) and Guatemala (TRECSA) for COP 1,170,146. The amount of assets corresponds to Investments in associates and joint ventures for COP 9,925,807, the amount of financial expenses corresponds to interest expenses for COP 161,450, and the income is related to equity method in associates and joint venture for COP 1,997,939.

Geographic information - The geographic information analyses the Group's revenue and non-current assets by the Company's country of domicile and other countries. In presenting the geographic information, segment revenue has been based on the geographic location of customers and segment assets were based on the geographic location of the assets.

Customer concentration - The Group and subsidiaries have not any individual external customer that represent 10% or more of total revenue. The Group and subsidiaries have a large number of corporate clients.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

The following is the segment information by country:

December 31, 2022

	Electricity transmission			Electricity distribution	Natural gas transport	Natural gas distribution	Other non- reportable segment		Total
	Colombia	Perú	Guatemala	Perú	Colombia	Perú	Colombia	Brasil	
Property plant and equipment	3,825,165	33,513	2,204,134	1,061,538	9,836,277	52,614	-	-	17,013,241
Concessions assets	-	-	-	-	-	8,606,642	-	-	8,606,642
Investments in associates and joint ventures	-	-	-	-	-	-	13,785,504	1,770,669	15,556,173
Total non-current assets	3,825,165	33,513	2,204,134	1,061,538	9,836,277	8,659,256	13,785,504	1,770,669	41,176,056
Revenue	782,437	-	128,716	568,465	1,704,844	3,690,129	-	-	6,874,591
Cost	(243,939)	-	(59,996)	(340,675)	(633,533)	(2,634,379)	-	-	(3,912,522)
Total gross profit	538,498	-	68,720	227,790	1,071,311	1,055,750	-	-	2,962,069
Equity method in associates and joint ventures	-	-	-	-	-	-	2,003,188	92,897	2,096,085

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

December 31, 2021

	Electricity transmission			Electricity distribution	Natural gas transport	Natural gas distribution	Other non- reportable segment		Total
	Colombia	Perú	Guatemala	Perú	Colombia	Perú	Colombia	Brasil	
Property plant and equipment	2,785,449	8,719	1,720,931	808,691	8,277,212	30,477	-	-	13,631,479
Concessions assets	-	-	-	-	-	6,624,141	-	-	6,624,141
Investments in associates and joint ventures	-	-	-	-	-	-	9,588,888	336,919	9,925,807
Total non-current assets	2,785,449	8,719	1,720,931	808,691	8,277,212	6,654,618	9,588,888	336,919	30,181,427
Revenue	598,429	-	94,905	416,973	1,440,089	3,008,197	-	-	5,558,593
Cost	(190,804)	-	(49,978)	(251,743)	(562,547)	(2,112,994)	-	-	(3,168,066)
Total Gross profit	407,625	-	44,927	165,230	877,542	895,203	-	-	2,390,527
Equity method in associates and joint ventures	-	-	-	-	-	-	2,016,746	(18,807)	1,997,939

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES

Notes to the Financial Statements

As of December 31, 2022 and 2021

(Values expressed in millions of Colombian pesos)

40. Subsequent Events

After the reporting date and up to the publication date, no relevant events have occurred that would require adjustments or additional disclosures to the consolidated financial statements.

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WE EMPOWER
SUSTAINABLE
PROGRESS.



CONSOLIDATED FINANCIAL STATEMENTS

Enel Colombia S.A. E.S.P. and Subsidiaries

(formerly Emgesa S.A. E.S.P. and its subsidiary)

As of December 31, 2022 and 2021 and for the years
ended December 31, 2022 and 2021

With the Statutory Auditor's Report.

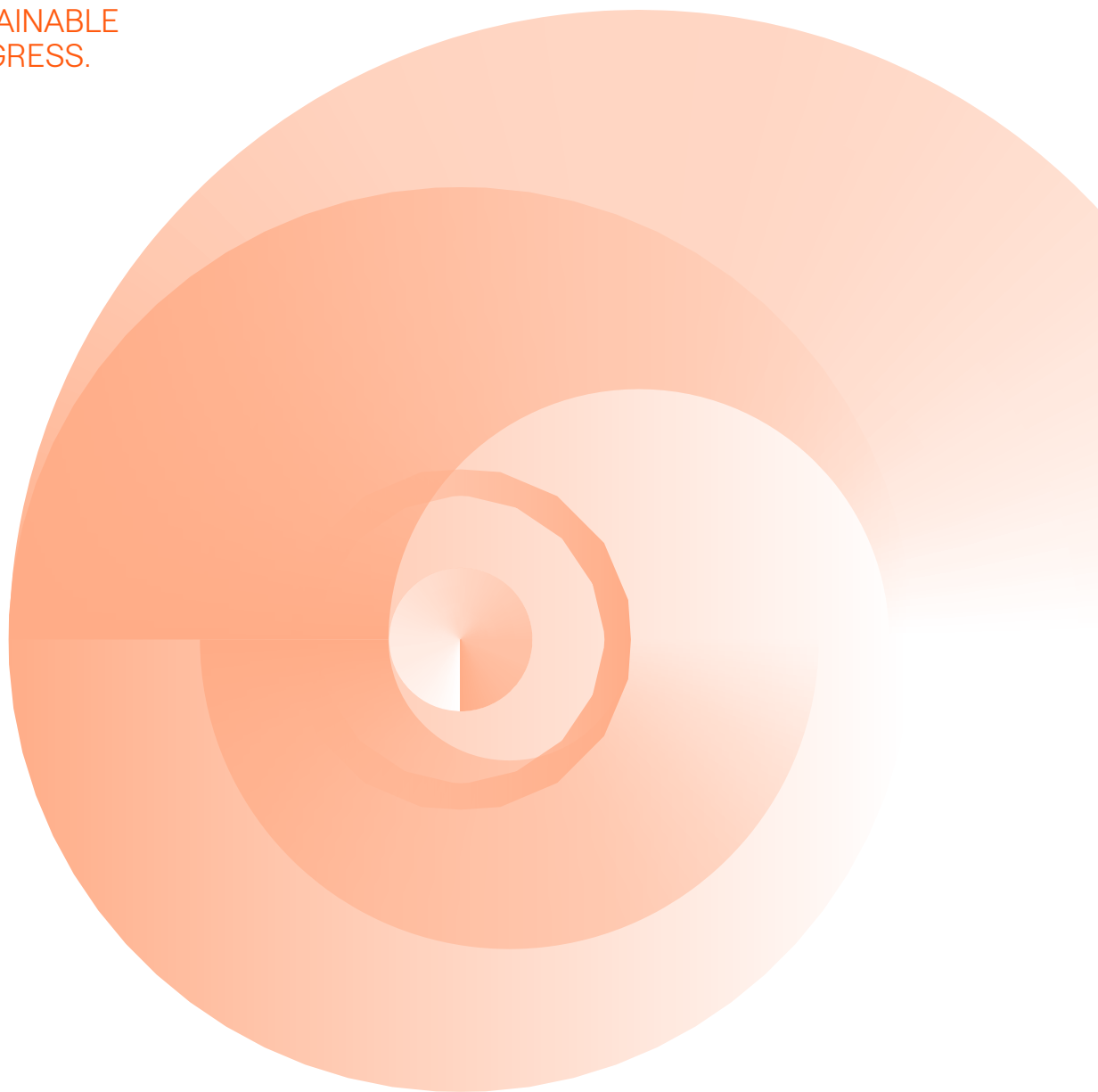
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CONSOLIDATED FINANCIAL STATEMENTS

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)

As of December 31, 2022 and 2021 and for the years ended December 31, 2022 and 2021

With the Statutory Auditor's Report.



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STATUTORY AUDITOR'S REPORT

To the Shareholders
Enel Colombia S.A. E.S.P. (formerly Emgesa S.A. E.S.P.):

Opinion

I have audited the consolidated financial statements of Enel Colombia S.A. E.S.P. and subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary) (the Group), which comprise the consolidated statement of financial position as at December 31, 2022, the consolidated statements of profit or loss, and the statement other comprehensive income, changes in equity, and cash flows for the year then ended, and their respective notes that include the summary of significant accounting policies and other explanatory notes.

In my opinion, the above mentioned consolidated financial statements, attached to this report, present fairly, in all material aspects, the consolidated financial position of the Group as of December 31, 2022, the consolidated results of its operations, and its consolidated cash flows for the year then ended, in conformity with Accounting and Financial Reporting Standards accepted in Colombia, applied on a consistent basis with previous year.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs) accepted in Colombia. My responsibilities under those standards are further described in the "Statutory Auditor' Responsibilities for the Audit of the Consolidated Financial Statements" section of my report. I am independent from the Group, in accordance with the Accountant's Professional Code of Ethics issued by the International Ethics Standards Board for Accountants (IESBA Code), included in the Information Assurance Standards accepted in Colombia together with the ethical requirements established in Colombia that are relevant to my audit of the consolidated financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code mentioned.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

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



<i>Estimate of income for sale of energy delivered and not billed (see Note 2.5 to the consolidated financial statements)</i>	
Key audit matter	How our audit approached this matter
Enel Colombia S.A. E.S.P. (formerly Emgesa S.A. E.S.P.) has established a procedure for the recognition of estimated income at the close of each month, with regard to the sale of energy delivered and not billed to the wholesale and non-regulated markets in relation with the generation and distribution of energy at the close of each month, which is billed the following month. At the close of December 2022, estimated non-billed income recognized in relation with generation and distribution amount to \$380.965 million and \$319.454 million, respectively. I considered the estimate of income for sale of energy delivered and not billed as a key audit matter due to the significance of the variables incorporated in determining this income, especially regarding: • Generation and renewables: a) the amount of energy consumed calculated based on the average consumption history from previous months or the typical consumption curve, depending on the type of client, and b) prices agreed-on with clients, which for wholesale market and non-regulated market correspond to the Producer Price Index (PPI) and Consumer Price Index (CPI). • Distribution: a) the amount of energy estimated based on the cycle reading from the previous month, the seasonal factors, and days pending of billing, and b) prices established in accordance with voltage level and socioeconomic stratum.	My audit procedures to evaluate the estimate of income for sale of energy delivered and not billed included, among others: Generation and renewables: • Evaluation of the design, implementation, and operative effectiveness or certain internal controls established by the Company for the estimate of income, such as: 1) review of the monthly consumption which base for the calculation of the estimate by client and contract; 2) review and approval of price variables incorporated in the contractual agreements with each clients (PPI and CPI); 3) preparation, review, and approval of estimated income at the close of each month; 4) comparison of income estimate with definite billing, including validation of incorporated variables in the process of estimating the income delivered and not billed. • For a selection of contracts, a comparison of the Producer Price Index (PPI) and Consumer Price Index (CPI) used in the estimate of income at the close of the year against real data published by the National Statistics Department – DANE was made in order to identify possible deviations and the Company's justification for them. • Comparison of consumption used in the estimate versus information reported by the operator and administrator of the Colombia electric market (XM) and the wholesale market contracts. • Recalculation of estimated income at the close of the year.

	• Comparison of the accuracy of recognized estimated income at the close of the year versus real billing issued in January of the following year and follow-up to the Company's explanation for possible deviations. • Analysis of age of the portfolio originated by the recognition of energy delivered and not billed. Distribution: • Involvement of professionals with experience and knowledge in IT evaluation, who assisted me in the evaluation of design, implementation and operative effectiveness of automatic internal controls established by the Company to determine the estimate of non-billed income at the close of the month. This included the evaluation of certain controls associated with historic-quantities and prices of energy consumed, such as: 1) review, approval, and inclusion of the billing calendar in the commercial system; 2) independent recalculation on tariffs and their inclusion in the commercial system, in accordance with prices established by the CREG for voltage levels and socioeconomic stratum; 3) interfaces between systems that capture meter readings (TPL) to the commercial system; 4) calculation and review of season factor; 5) preparation, review, record, and comparison of estimated versus real income; and 6) access to make changes to the commercial system. • Comparison of the accuracy of recognized estimated income at the close of the year versus real billing issued in January of the following year and follow-up to the Company's explanation for possible deviations. • Month-to-month comparison of tariffs by socioeconomic stratum in order to determine possible significant variations and follow-up to the Company's explanation for possible deviations.



	• For a sample of invoices issued throughout the year, I performed a verification of prices billed, real consumption, and corresponding collection.

Other matters

The consolidated financial statements at and for the year ending December 31, 2021 are submitted only for comparison purposes, were audited by me, and in my report dated February 23, 2022, I expressed an unqualified opinion thereon.

Responsibilities of Management and those in charge with the Group's corporate governance for the consolidated financial statements

Management is responsible for preparation and fair presentation of these consolidated financial statements in accordance with Accounting and Financial Reporting Standards accepted in Colombia. This responsibility includes: designing, implementing and maintaining the internal control relevant that management considers necessary for the preparation and presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Statutory Auditor's responsibilities for the audit of the consolidated financial statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes my 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



As part of an audit conducted in accordance with ISAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

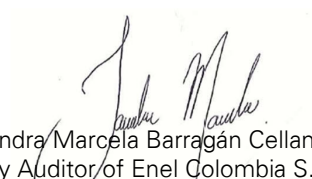
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my statutory auditor's report to the related disclosure in the consolidated financial statements or, if such disclosure is inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision, and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with the corporate governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.



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



Sandra Marcela Barragán Cellamén
Statutory Auditor of Enel Colombia S.A. E.S.P.
(formerly Emgesa S.A. E.S.P.)
Registration 177728 - T
Member of KPMG S.A.S.

February 24, 2023

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)

Consolidated Statement of Financial Position as of December 31, 2022 and 2021

(In Thousand of Colombian pesos)

	Note	As of December 31, 2022	As of December 31, 2021
ASSET			
<i>Current assets:</i>			
Cash and cash equivalents	4	\$ 1.215.342.798	\$ 213.701.458
Other financial assets	5	114.966.645	12.765.018
Other non-financial assets	6	167.333.581	33.969.267
Trade accounts and other accounts receivable, net	7	1.877.569.647	292.469.954
Trade receivables due from related entities	8	16.090.113	18.351.128
Inventories, net	9	469.017.806	94.157.639
Assets held for sale	10	849.007.899	-
Income tax assets	11	16.511.626	2.443.847
Total current assets		\$ 4.725.840.115	\$ 667.858.311
<i>Non-Current Assets:</i>			
Other financial assets	5	500.665.883	481.721
Other non-financial assets	6	252.413.327	28.364.465
Trade receivables and other accounts receivables, net	7	61.470.109	15.494.296
Investments in subsidiaries, joint ventures and associates	12	14.584.815	-
Intangible assets other than goodwill, net	13	2.053.980.064	186.628.205
Property, plant and equipment, net	14	21.902.550.769	8.137.849.765
Goodwill	15	135.721.027	-
Deferred tax assets	16	16.045.520	2.175
Total non-current assets		\$ 24.937.431.514	\$ 8.368.820.627
Total assets		\$ 29.663.271.629	\$ 9.036.678.938
Liabilities and Equity			
<i>Current liabilities:</i>			
Financial liabilities	17	1.533.889.089	632.995.321
Trade accounts and other accounts payables	18	1.956.448.087	300.189.124
Accounts payables to related entities	8	377.013.942	45.442.837
Other provisions	19	240.450.528	79.148.948
Tax liabilities	20	778.684.744	276.650.021
Other non-financial liabilities	21	303.228.538	145.456.539
Employee benefits provisions	22	126.210.924	39.827.607
Liabilities directly associated with assets held for sale	10	114.332.710	-
Total current liabilities		\$ 5.430.258.562	\$ 1.519.710.397
<i>Non-current liabilities:</i>			
Financial liabilities	17	5.930.600.508	1.771.817.266
Trade accounts and other accounts payable	18	330.205.607	-
Accounts payable to related entities	8	372.569.066	-
Other provisions	19	327.957.287	249.309.459
Employee benefits provisions	22	376.872.392	76.236.137
Deferred tax liabilities	16	581.439.937	317.707.109
Total non-current liabilities		7.919.644.797	2.415.069.971
Total liabilities		\$ 13.349.903.359	\$ 3.934.780.368

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Consolidated Statement of Financial Position as of December 31, 2022 and 2021

(In Thousand of Colombian pesos)

	Note	As of December 31, 2022	As of December 31, 2021
Equity			
Issued capital	23	\$ 655.222.313	\$ 655.222.313
Share premiums		113.255.816	113.255.816
Merger premiums		5.448.823.679	-
Other reserves		1.882.254.998	542.975.682
Capital costs		(6.508.367)	-
Other comprehensive income (OCI)		1.080.945.992	(18.019.694)
<i>Profit for the period</i>		2.859.963.898	1.712.321.388
<i>Retained profits</i>		392.697.042	615.482.071
<i>Retained losses</i>		(258.367.060)	-
<i>Profit from effect of conversion to NCIF</i>		3.267.493.838	1.480.629.747
<i>Equity effect of business combination retained</i>		(263.850.751)	-
Retained earnings		5.997.936.967	3.808.433.206
Equity attributable to the owners of the parent company		\$ 15.171.931.398	\$ 5.101.867.323
Non-controlling interests		1.141.436.872	31.247
Total equity		\$ 16.313.368.270	\$ 5.101.898.570
Total liabilities and equity		\$ 29.663.271.629	\$ 9.036.678.938

The accompanying notes are an integral part of the consolidated financial statements.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Consolidated Statement of Profit or Loss, by Nature
For the years ended on December 31, 2022 and 2021

(In thousands of Colombian pesos, except earning per share)

	Note	For the year ended December 31, 2022	For the year ended December 31, 2021
Revenue from ordinary activities	24	\$ 12.100.256.342	\$ 4.722.685.057
Other operating income	24	123.626.589	3.996.937
Total income from ordinary activities and other operating income		12.223.882.931	4.726.681.994
Supplies and services	25	(4.969.695.663)	(1.530.064.448)
Contribution margin		\$ 7.254.187.268	\$ 3.196.617.546
Work performed by the entity and capitalised		115.490.616	9.712.839
Personnel expenses	26	(442.892.776)	(107.771.244)
Other fixed expenses, by nature	27	(599.077.204)	(142.543.855)
Gross operating result		6.327.707.904	2.956.015.286
Depreciation and amortization	28	(859.900.474)	(247.319.743)
Impairment losses	29	(380.706.921)	(4.807.234)
Operation result		5.087.100.509	2.703.888.309
Financial income		302.620.414	11.070.520
Financial expenses		(774.195.278)	(182.299.775)
Exchange difference, net		(109.763.270)	(5.082.019)
Financial result, net	30	(581.338.134)	(176.311.274)
Result of other investments			
Share of profit of equity-accounted investees	31	(1.093.254)	756.425
Results on sale and disposal of assets	32	(3.442.229)	(1.637.912)
Results before taxes		4.501.226.892	2.526.695.548
Income tax expense	33	(1.540.448.212)	(814.374.147)
Profit for the period		\$ 2.960.778.680	\$ 1.712.321.401
Profit attributable to:			
To shareholders		2.859.963.898	1.712.321.388
Non-controlling interests		100.814.782	13
Profit for the period		\$ 2.960.778.680	\$ 1.712.321.401
Basic and diluted earnings per share			
Basic and diluted earnings per share	34	19.205,45	11.436,70
Number of ordinary shares outstanding		148.914.162	148.914.162

The accompanying notes are an integral part of the consolidated financial statements.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Consolidated Statement of Other Comprehensive Income
For the years ended on December 31, 2022 and 2021

(In Thousand of Colombian pesos)

	For the year ended December 31, 2022	For the year ended December 31, 2021
Profit for the period	\$ 2.960.778.680	\$ 1.712.321.401
Components of other comprehensive income that will not be reclassified to profit or loss for the period, before taxes:		
Profit (losses) on new measurements of financial instruments measured at fair value with changes in OCI	241.892	(35.329)
Losses (profit) from new measurements of defined benefit plans	(40.824.175)	14.150.443
Foreign operations - foreign currency translation differences	801.814.678	-
Merger effect (Enel Colombia) - (losses) on new measurements of financial instruments measured at fair value with changes in OCI	(28.741)	-
Merger effect (Enel Colombia) - (losses) due to new measurements of defined benefit plans	(79.996.688)	-
Enel Colombia merger effect - Presentation currency translation effect	268.764.068	-
Other income for the year, before taxes	949.971.034	14.115.114
Components of other comprehensive income that will be reclassified to profit or loss for the period, before taxes:		
Profit on cash flow hedges	232.471.931	4.311.953
Merger effect - Profits on cash flow hedges	171.902.542	-
Other income that will be reclassified to the result of profit or loss, before taxes	404.374.473	4.311.953
Income taxes related to components of other comprehensive income that will not be reclassified to profit or loss for the period		
Profit (losses) from new measurements of defined benefit plans	8.623.854	(3.841.325)
Merger effect (Enel Colombia) - Profits from new measurements of defined benefit plans	15.281.807	-
Income tax related to recorded dividends	(151.255.493)	-
Total income taxes related to components of other comprehensive income that will not be reclassified to profit or loss for the period	(127.349.832)	(3.841.325)
Income taxes related to components of other comprehensive income that will be reclassified to profit or loss for the period		
Income tax related to cash flow hedges	(76.489.244)	(1.439.523)
Merger effect (Enel Colombia) Income tax related to cash flow hedges	(51.540.745)	-
Total income taxes related to components of other comprehensive income will be reclassified to profit or loss for the period	(128.029.989)	(1.439.523)
Total Other Comprehensive Income	1.098.965.686	13.146.219
Total Comprehensive Income	\$ 4.059.744.366	\$ 1.725.467.620
Attributable profit to:		
To shareholders	3.958.929.584	1.725.467.633
Non-controlling interests	100.814.782	(13)
Total Comprehensive Income	\$ 4.059.744.366	\$ 1.725.467.620

The accompanying notes are an integral part of the consolidated financial statements.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Consolidated Statement of Changes in Equity
For the years ended on December 31, 2022 and 2021

(In Thousand of Colombian pesos)

	Other reserves								Other comprehensive income								
	Issued capital	Costs of capital	Share premiums	Merger premiums	Legal Reserve	Statutory	Occasional	Other	Total Reserves	Earnings and losses for new measurements of financial instruments measured at fair value reasonable and flow coverage of cash	Defined benefit plan's earnings and losse	Effect on conversion	Total other comprehensive income	Accumulated Profits	Equity Total	Non-controlling Interests	Equity Total
Initial equity at 01-01-2021	\$ 655.222.313	\$ -	\$ 113.255.816	\$ -	\$ 327.611.157	\$ 178.127	\$ 223.904.394	\$ -	\$ 551.693.678	\$ (419.514)	\$ (30.746.399)	-	\$ (31.165.913)	\$ 3.867.187.215	\$ 5.156.193.109	\$ 31.235	\$ 5.156.224.344
Comprehensive income																	
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	1.712.321.388	1.712.321.388	13	1.712.321.401
Other comprehensive income	-	-	-	-	-	-	-	-	-	2.837.101	10.309.118	-	13.146.219	-	13.146.219	-	13.146.219
Comprehensive income	-	-	-	-	-	-	-	-	-	2.837.101	10.309.118	-	13.146.219	1.712.321.388	1.725.467.607	13	1.725.467.620
Dividends decreed	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.779.036.969)	(1.779.036.969)	-	(1.779.036.969)
Increases (decreases) due to other changes, equity	-	-	-	-	-	-	(8.717.996)	-	(8.717.996)	-	-	-	-	7.961.572	(756.425)	(1)	(756.425)
Total increase (decrease) in equity	-	-	-	-	-	-	(8.717.996)	-	(8.717.996)	2.837.101	10.309.118	-	13.146.219	(58.754.009)	(54.325.786)	12	(54.325.774)
Final equity at 12-31-2021	\$ 655.222.313	\$ -	\$ 113.255.816	\$ -	\$ 327.611.157	\$ 178.127	\$ 215.186.398	\$ -	\$ 542.975.682	\$ 2.417.587	\$ (20.437.281)	-	\$ (18.019.694)	\$ 3.808.433.206	\$ 5.101.867.323	\$ 31.247	\$ 5.101.898.570
Initial equity at 01-01-2022	\$ 655.222.313	\$ -	\$ 113.255.816	\$ -	\$ 327.611.157	\$ 178.127	\$ 215.186.398	\$ -	\$ 542.975.682	\$ 2.417.587	\$ (20.437.281)	\$ -	\$ (18.019.694)	\$ 3.808.433.206	\$ 5.101.867.323	\$ 31.247	\$ 5.101.898.570
Comprehensive income																	
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	2.859.963.898	2.859.963.898	100.814.782	2.960.778.680
Increases (decreases) merger	-	-	-	-	-	-	-	-	-	120.333.056	(64.714.881)	268.764.068	324.382.243	-	324.382.243	-	324.382.243
Other comprehensive income	-	-	-	-	-	-	-	-	-	156.224.580	(32.200.322)	650.559.185	774.583.443	-	774.583.443	-	774.583.443
Total comprehensive income	-	-	-	-	-	-	-	-	-	276.557.636	(96.915.203)	919.323.253	1.098.965.686	2.859.963.898	3.958.929.584	100.814.782	4.059.744.366
Dividends declared	-	-	-	-	-	-	-	-	-	-	-	-	-	(3.658.796.333)	(3.658.796.333)	-	(3.658.796.333)
Increases (decreases) merger	-	(6.508.367)	-	5.448.823.679	26.454.481	-	189.950.866	1.146.052.277	1.362.457.624	-	-	-	-	2.965.157.888	9.769.930.824	961.436.906	10.731.367.730
Increases (decreases) due to other changes	-	-	-	-	-	-	(23.178.308)	-	(23.178.308)	-	-	-	-	23.178.308	-	79.153.937	79.153.937
Total increase (decrease) in equity	-	(6.508.367)	-	5.448.823.679	26.454.481	-	166.772.558	1.146.052.277	1.339.279.316	276.557.636	(96.915.203)	919.323.253	1.098.965.686	2.189.503.761	10.070.064.075	1.141.405.625	11.211.469.700
Final equity at 12-31-2022	\$ 655.222.313	\$ (6.508.367)	\$ 113.255.816	\$ 5.448.823.679	\$ 354.065.638	\$ 178.127	\$ 381.958.956	\$ 1.146.052.277	\$ 1.882.254.998	\$ 278.975.223	\$ (17.352.484)	\$ 919.323.253	\$ 1.080.945.992	\$ 5.997.936.967	\$ 15.171.931.398	\$ 1.141.436.872	\$ 16.313.368.270

The accompanying notes are an integral part of the consolidated financial statements.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Consolidated Statement of Cash Flows, Direct Method
For the year ended on December 31, 2022 and 2021

(In Thousand of Colombian pesos)

	Twelve-month period from January 1 to December 31, 2022	Twelve-month period from January 1 to December 31, 2021
Cash flows from operating activities		
Types of receipts from operating activities		
<i>Collections from the sale of goods and provision of services</i>	\$ 11.726.554.662	\$ 4.683.905.944
<i>Collections from royalties, quotas, commissions and other income from ordinary activities</i>	189.558.517	102.805.691
<i>Collections from premiums and benefits, annuities and other benefits of subscribed policies</i>	23.733.527	-
<i>Other payments for operating activities</i>	2.198.967.051	-
Types of cash payments from operating activities:		
<i>Payments to suppliers for the supply of goods and services</i>	(5.562.276.559)	(1.636.297.263)
<i>Payments and/or on behalf of employees</i>	(308.723.472)	(107.037.584)
<i>Payments for premiums and benefits, annuities and other obligations derived from the subscribed policies</i>	(49.409.025)	(25.468.313)
<i>Other payments for operating activities</i>	(1.963.465.303)	(9.519.371)
Net cash flows from the operation	6.254.939.398	3.008.389.104
Interest received	4.298.163	-
Income taxes paid	(1.239.042.526)	(673.206.045)
Reclassification of cash held for sale	(16.066.432)	-
Other cash outflows	(147.921.065)	(44.324.831)
Net cash flows from the operation	4.856.207.538	2.290.858.228
Cash flows used in investing activities:		
Other collections from the sale of equity or debt instruments of other entities	48.363.111	-
Purchase of property, plant and equipment and intangibles	(2.774.960.896)	(304.746.322)
Payments derived from futures, forward, option and swap contracts	(57.457.044)	-
Proceeds derived from futures, forward, option and financial swap contracts	196.993.915	-
Proceeds from related entities	215.617.215	-
Interest received from investment activities	71.861.280	6.299.516
Merger effects and other cash equivalents	1.122.538.377	-
Net cash flows used in investing activities	(1.177.044.042)	(298.446.806)
Cash flows used in financing activities:		
Amounts from the issuance of shares	1.136.250.000	-
Amounts from loans	2.171.594.344	1.144.525.658
Loan payment	(1.585.429.321)	(1.520.865.658)
Dividends paid shareholders	(3.658.723.560)	(1.994.439.875)
Interest paid financing	(601.188.237)	(224.670.935)
Interest paid for leases (IFRS 16)	(18.470.400)	(359.381)
Payments of liabilities for leases (IFRS 16)	(22.507.536)	(5.971.113)
Payments of loans to related entities	(92.298.117)	-
Other financing cash outflows and inflows	(6.749.329)	1.880.632
Net cash flows used in financing activities	(2.677.522.156)	(2.599.900.672)
Net increase (decrease) in cash and cash equivalents	1.001.641.340	(607.489.250)
Cash and cash equivalents at the beginning of the period	213.701.458	821.190.708
Cash and cash equivalents at the end of the period	\$ 1.215.342.798	\$ 213.701.458

The accompanying notes are an integral part of the consolidated financial statements.



Contenido

1.	General Information	12
2.	Basis of presentation	41
3.	Accounting policies	49
4.	Cash and cash equivalents	67
5.	Other financial assets	68
6.	Other non-financial assets	71
7.	Trade accounts and other accounts receivable, net	72
8.	Trade receivables due from related parties	78
9.	Inventories, net	84
10.	Assets and liabilities held for sale	85
11.	Income tax assets	88
12.	Investments in subsidiaries, joint ventures and associates	88
13.	Intangible assets other than goodwill, net	89
14.	Property, Plant and Equipment, net	93
15.	Goodwill	101
16.	Deferred tax assets and liabilities	102
17.	Financial liabilities	105
18.	Trade accounts and other accounts payable	115
19.	Provisions	116
20.	Tax liabilities	128
21.	Other non-financial liabilities	131
22.	Employee benefits provisions	132
23.	Equity	138
24.	Income from ordinary activities and other operating income	140
25.	Supplies and services	144



26.	Personnel expenses	145
27.	Other fixed operating expenses	145
28.	Expenses for depreciation, amortization	146
29.	Impairment losses	147
30.	Financial results	148
31.	Results of companies accounted for using the equity method	152
32.	Results on sale and disposition of assets	152
33.	Income tax expense	152
34.	Earnings per share	154
35.	Comprehensive income	155
36.	Foreign currency assets and liabilities	156
37.	Sanctions	157
38.	Other insurance	158
39.	Commitments and Contingencies	158
40.	Litigation and arbitration	159
41.	Risk management	168
42.	Energy derivatives market	171
43.	Information on fair values	171
44.	Categories of financial assets and liabilities	174
45.	Operating Segments	174
46.	Relevant issues	176
47.	Reclassification in the Financial Statements.	177
48.	Approval of financial statements	177
49.	Subsequent events	177

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)

Notes to the Consolidated Financial Statements

(In thousands of pesos)

1. General Information

1.1. Economic entity

Enel Colombia S.A. E.S.P. (formerly Emgesa S.A. E.S.P.) -hereinafter "The Group"- is a commercial corporation constituted in accordance with Colombian law as a public service company, regulated by Law 142 and 143 of 1994; is of Colombian origin, has its domicile and main offices at Calle 93 No. 13-45 1st Floor, Bogotá D.C. Its term of duration is indefinite.

It was incorporated by public deed No.003480 of the Notary Public 18 of Bogotá D.C. on October 15, 1980, and registered before in the Cámara de Comercio de Bogotá on August 17, 2007 under number 01151755 of Book IX, commercial registration No. 01730333.

Through Public Deed No. 562 granted on March 1, 2022 by Notary 11 of the Círculo de Bogotá registered in the Public Registry administered by the Cámara de Comercio de Bogotá under number 02798609 of March 1, 2022 of Book IX, Enel Colombia S.A. E.S.P. absorbed Codensa S.A. E.S.P., Enel Green Power Colombia S.A.S. E.S.P. and ESSA2 S.p.A. through a merger, acquiring all the assets and rights of the absorbed companies and assuming all their liabilities and obligations; likewise, it changed its name from Emgesa S.A. E.S.P. to Enel Colombia S.A. E.S.P.

The shareholding composition of Enel Colombia S.A. E.S.P. as of December 31, 2022, is:

Shareholders	No. of Shares	% Participation
Enel Americas S.A.	85.394.808	57,345%
Grupo Energía de Bogotá S.A. E.S.P.	63.311.437	42,515%
Other Minority Shareholders	207.917	0,140%
Total	148.914.162	100%

Enel Colombia S.A. E.S.P. is a subsidiary of Enel Américas S.A., an entity controlled in its majority by Enel S.p.A. (hereinafter, Enel).

The situation of the group registered in the commercial registry of the Cámara de Comercio de Bogotá was updated through the registration of a private document dated March 10, 2022, registered on March 25, 2022 under No. 02807497, through which the foreign company Enel S.p.A. (Parent Company) communicates that it exercises Control Situation and that a Business Group is set up directly over the company Enel Américas S.A. (Subsidiary), which in turn exercises direct control over the companies Enel Colombia S.A. E.S.P. and Energía y Servicios South America S.p.A. (Subsidiaries). In turn, the company Enel Colombia S.A. E.S.P. (Subordinate), exercises direct control over the companies Inversora Codensa S.A.S. (today Enel X Colombia S.A.S. E.S.P.), Fundación Enel Colombia, Enel X Colombia S.A.S. (today Colombia ZE S.A.S.), Bogotá ZE S.A.S., Guayepo Solar S.A.S., Latamsolar Fotovoltaica Fundación S.A.S., Atlántico Photovoltaic S.A.S. E.S.P., Sociedad Portuaria Central Cartagena S.A., Enel Green Power Fotovoltaica La Loma S.A.S. - In liquidation and Latamsolar Energías Renovables S.A.S. (Subordinated). In turn, the company Enel X Colombia S.A.S. (today Colombia ZE S.A.S.) exercises direct control over the company Bogotá ZE S.A.S., which, in turn, exercises direct control over the companies Usme ZE S.A.S. and Fontibón ZE S.A.S. (Subordinates).

As a result of the acquisition of 100% of the company's shares, the update of the control situation and business group is pending in the Cámara de Comercio de Bogotá, to indicate that the Group exercises direct control over the company Latamsolar Renewable Energy S.A.S. (Subordinated).

The consolidated financial statements include Enel Colombia S.A. E.S.P. and its subsidiaries. Each of the companies is detailed below, the economic interest that the has in them and their corporate purpose as of December 31, 2022:

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Type of direct participation

Company	% economic participation
Enel Costa Rica CAM S.A. (formerly Enel Green Power Costa Rica S.A.).	100,00%
Enel Guatemala S.A. (formerly Enel Green Power Guatemala S.A.).	99,99%
Enel Panama CAM S.R.L. (formerly Enel Green Power Panama S.R.L.).	99,97%
Generadora de Occidente Ltda.	99,00%
Generadora Montecristo S.A.	99,99%
Generadora Edica Alto Pacora S.R.L.	0,99%
Enel Renovable S.R.L. (formerly Enel Solar S.R.L.).	0,99%
Generadora Solar Tole S.R.L.	0,99%
Llano Sanchez Solar Power One S.R.L.	0,20%
P.H. Chucas S.A.	37,79%
Tecnoguat S.A.	75,00%
Transmisora de Energía Renovable S.A.	99,99%
Renovables de Guatemala S.A.	99,99%
Sociedad Portuaria Central Cartagena S.A.	99,99%
Enel X Colombia S.A.S. E.S.P. (formerly Inversora Codensa S.A.S.).	100,00%
Colombia ZE S.A.S. (formerly Enel X Colombia S.A.S.).	100,00%

Type of indirect participation

Company	% economic participation
Generadora Solar Occidente, S.A.	100,00%
Enel Fortuna S.A.	50,05%
Energía Global Operaciones S.A.	100,00%
Fontibón ZE S.A.S.	100,00%
Generadora Solar Austral, S.A.	100,00%
Generadora Solar El Puerto, S.A.	100,00%
Jaguito Solar 10MW, S.A.	100,00%
P.H. Don Pedro S.A.	99,46%
P.H. Rio Volcán S.A.	99,15%
Progreso Solar 20MW, S.A.	100,00%
Usme ZE S.A.S.	100,00%
Bogotá ZE S.A.S.	100,00%

Below are the economic entities in which Enel Colombia S.A. E.S.P. has direct participation:

» **Colombia**

• **Economic entity Central Port Company Cartagena S.A.**

Sociedad Portuaria Central Cartagena S.A., – SPCC S.A. is a commercial corporation, incorporated on September 18, 2009, through public deed No. 2643 of the Notary 11 of Bogotá and registered in the Cámara de Comercio de Bogotá on November 18, 2009. Its legal duration extends until September 18, 2059.

Social object: Its main purpose is the investment, construction and maintenance of docks and public and private ports, port administration, the provision of loading and unloading services, storage in ports and other services directly related to port activity, development and exploitation of docks and multipurpose ports, in accordance with the law.

In addition, provide port services, either as a port operator and allow the provision of services by other port operators; in the development of its main corporate purpose, it may associate with other port companies or holders of special authorizations referred to in Article 4 of Law 1 of 1991, temporarily or permanently, with the purpose of facilitating the use of marine areas for common use adjacent to the port by conducting works such as: dredging, filling, and ocean engineering works, among others, providing the common benefit services that are necessary, as well as carrying out other complementary activities.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

On July 30, 2010, the Company signed a concession contract identified as No. 006 of 2010, with the National Concessions Institute (INCO), today the National Infrastructure Agency (ANI), modified by Addendum No.001 that was signed on December 22, 2014.

• **Economic Entity Enel X Colombia S.A.S. E.S.P. (Formerly Inversora Codensa S.A.S.)**

Enel X Colombia S.A.S. E.S.P. formerly Inversora Codensa S.A.S. is a simplified joint-stock company, incorporated on July 1, 2009, registered with the Cámara de Comercio de Bogotá on August 15, 2009, under number 01319972 of Book IX. The Company has an indefinite term of duration.

On July 1, 2009, by private document registered in the Bogotá Cámara de Comercio de Bogotá on August 15, 2009, under No.01319972 of Book IX, the company Inversora Codensa Ltda., which was dissolved and not liquidated, is reconstituted for continue its corporate purpose in the company Inversora Codensa S.A.S.

Relevant information about Enel X Colombia S.A.S. E.S.P. formerly Inversora Codensa S.A.S.: By means of minutes No. 21 of April 4, 2022, the Sole Shareholder Assembly of the company Inversora Codensa S.A.S. approved the statutory reform by which the company name was changed to Enel X Colombia S.A.S. E.S.P.

Social object: Its purpose is to invest in home public energy service activities, especially the acquisition of shares of any public service company whose main purpose is the home public service of electric energy in accordance with the definition established in Law 142 of 1994. Within commercial strategies is to participate in the process of alienation of shares approved by the National Government of the Electricity Companies.

• **Economic Entity Colombia ZE S.A.S. (formerly Enel X Colombia S.A.S.)**

Relevant information on Colombia ZE S.A.S. (formerly Enel X Colombia S.A.S.): the Shareholders' Meeting of Enel X Colombia S.A.S. through Minutes No. 8 of March 16, 2022, registered with the Bogotá Cámara de Comercio de Bogotá on April 1, 2022, with No. 02811563 of book IX, the Company changed its name from Enel X Colombia S.A.S. to Colombia ZE S.A.S.

On July 19, 2022, by means of Minutes No. 10 corresponding to the "Extraordinary Shareholder Assembly Meeting, sole shareholder Colombia ZE S.A.S.", the capitalization of the company Colombia ZE S.A.S. was approved with a contribution in kind from Enel Colombia S.A. E.S.P. of 317,248,010 shares that has in the company Bogotá ZE S.A.S., with a participation for a nominal value plus a placement premium that contributes in kind for \$31,724,801.

According to the above, the only shareholder of Bogotá ZE S.A.S. is the company Colombia ZE S.A.S. which was incorporated on April 17, 2018, which in turn has a single shareholder Enel Colombia S.A. E.S.P.

Social object –The Company may carry out any lawful commercial or civil activity. In particular, the company could, among others: A) Execute public lighting projects for the development of modernizations, administrations, operation and maintenance, expansions, remote management, inventory survey, photometric designs, auditing, among others; under the different modalities of contracting with the State as concessions individually or jointly forming strategic alliances. B) Develop electrical engineering projects in low, medium and high voltage, special lighting projects, architectural lighting and Christmas lighting, energy storage and renewable energy projects through participation in public and private tenders or contests,

The Group's main purpose is the generation, distribution, sale and storage of electrical energy under the terms of Law 143 of 1994 and the rules that regulate, add and modify or repeal it, and all types of activities directly related, indirect, complementary or auxiliary with them; as well as; execute all activities related to the provision of public services in general.

Any of the activities provided for in the corporate purpose may be carried out by the company directly or as a partner or shareholder in other commercial companies with any corporate purpose.

Additionally, in the exercise of its corporate purpose; among others, the Group offers financing services for goods and services to customers, including the "Crédito Fácil Codensa" line, subscriptions and insurance, part of which were transferred to Banco Colpatría Red Multibanca Colpatría S.A. as of November 27 of 2009. Likewise, it has a line of business consisting of the constitution of a commercial financing entity to continue operating jointly with Scotiabank Colpatría the product

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

"Crédito Fácil Codensa" and in turn to develop complementary activities; one of them related to e-commerce businesses to conduct business with customers through different digital platforms and strengthen the Group's position in terms of marketing and mass placement of insurance policies as insurance correspondent.

» **Costa Rica**

• **Economic entity Enel Costa Rica CAM S.A. (formerly Enel Green Power Costa Rica S.A.)**

Enel Costa Rica CAM S.A. is a corporation incorporated in accordance with Costa Rican laws as a service company in the electricity sector for commercial purposes, it is of Costa Rican origin, and has its main offices in San José, Escazú, Guachipelín Centro 27, third floor. The corporate term of the legal entity is for 99 years, beginning on September 11, 1991, ending on September 11, 2090. This duration can be extended by agreement of the Shareholders' Meeting.

It was incorporated by public deed No. Five-Seven before Notaries Juan Carlos Esquivel Favareto and Javier Enrique Castillo Castro, on September 11, 1991, registered before the Public Mercantile Registry on October 11, 1991 in volume 682, page 102, seat 127, with legal entity ID 3-101-120506.

It has a capital stock of US \$27,500,000 represented by 27,500,000 common and registered shares of US \$1.00 each. The shareholding composition of Enel Costa Rica CAM S.A., as of December 31, 2022, belongs entirely to Enel Colombia S.A. E.S.P.

It has the following companies as subsidiaries at the country level:

- P.H. Chucás S.A.
- P.H. Rio Volcan S.A.
- P.H. Don Pedro S.A.
- Global Energy Operations S.R.L.

Social object: Enel Costa Rica CAM S.A. main corporate purpose is the design, marketing and construction of systems for the conservation of electrical energy in all types of public or private buildings, energy production for commercial, industrial and agricultural purposes, and all types of related commerce. with the above.

• **Economic entity P.H. Chucás S.A.**

P.H. Chucás S.A. is a corporation incorporated in accordance with Costa Rican laws as a service company in the electricity sector for commercial purposes, it is of Costa Rican origin, and has its main offices in San José, Escazú, Guachipelín Centro 27, third floor. The company was incorporated on April 10, 2008, and its social term expires on April 10, 2108. This duration can be extended by agreement of the Shareholders' Meeting.

It was incorporated by public deed No. Three before the Notary Public Edgar Odio Rohrmoser, on April 10, 2008, registered with the Public Mercantile Registry on April 16, 2008 in volume 575, page 50651, entry 1, with the identity card of legal person. 3-101-528730.

It has a capital stock of 100,000 colones represented by 100,000 shares, of which 65,000 are common and registered shares of 1.00 colon each and 35,000 preferred and registered shares of 1.00 colon each. The shareholding composition of P.H. Chucás S.A., as of December 31, 2022, belongs to Enel Colombia S.A. E.S.P., Enel Costa Rica CAM S.A., and Inversiones Eólicas La Esperanza.

Social object: the generation and commercialization of electrical energy, generation plants and the design, construction, maintenance, and commercial exploitation of electricity generating plants.

The company P.H. Chucás S.A. operates the 50 Mw Chucás Hydroelectric Project, located in the cantons of Atenas and Mora. The Chucás Hydroelectric Project began operations on December 9, 2016, and was built under a Build-Operate-Transfer (BOT) scheme, according to the conditions contractually agreed with the Costa Rican Electricity Institute (ICE) and in adherence to the Law that Authorizes Autonomous or Parallel Electric Generation No. 7200.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

» **Panama**

• **Economic entity Enel Panama CAM S.R.L. (formerly Enel Green Power Panama S.R.L.)**

Enel Panama CAM S.R.L., formerly Enel Green Power Panama S.R.L., was incorporated in 1998 and modified to a limited liability company according to Public Deed No.11,856 registered on October 17, 2019.

Between April 14, 2006 and February 2007, the shares of Enel Panama CAM S.R.L., (formerly Enel Green Power Panama S.R.L.), were fully acquired by Enel Investment Holding BV. Currently, and as a result of corporate changes, the shares of Enel Panama CAM, S.R.L. are 99.97% owned by Enel Colombia S.A. E.S.P.

The main activity of Enel Panama CAM S.R.L. consists of operating and developing hydroelectric, photovoltaic and renewable energy generation plants. The total installed capacity is 361.7 MW DC plus 65 MW DC under construction.

Enel Panama CAM S.R.L. (formerly Enel Green Power Panama S.R.L.), is made up of ten (10) companies incorporated under the laws of the Republic of Panama; operates one (1) hydroelectric generation plant and ten (10) photovoltaic generation plants, three (3) of these photovoltaic generation plants are under construction as of December 31, 2022.

Shareholders	No. of Shares	% Participation
Enel Colombia S.A. E.S.P.	49.944.830	99,9667%
Enel Américas S.A.	32.197	0,0333 %
Total	49.977.027	100%

The subsidiary companies are listed below:

- Enel Fortuna S.A.
- Enel Renewable S.R.L. (formerly Enel Solar S.R.L.).
- Jaguito Solar 10MW S.A.
- Progreso Solar 20MW S.A.
- Generadora Solar Austral S.A.
- Generadora Solar El Puerto S.A.
- Generadora Solar Occidente S.A.
- Llano Sanchez Solar Power One S.R.L.
- Generadora Eólica Alto Pacora S.R.L.
- Generadora Solar Tolé S.R.L.

• **Economic Entity Enel Fortuna S.A.**

Enel Fortuna S.A., (formerly Empresa de Generación Eléctrica Fortuna S.A.), is a corporation incorporated under the laws of the Republic of Panama. It began operations under private management on January 8, 1999, resulting from the privatization process in which the Government of Panama sold 49% of the common shares to Américas Generation Corporation (AGC), currently Enel Panama CAM, S.R.L. and 1.1 % to the employees of the old IRHE.

In April 2009 Enel Panama CAM, S.R.L., (formerly Enel Green Power Panama S.R.L.), acquired 1.06% of the shares owned by the former employees of the former IRHE, thereby becoming the holder of 50.06% of the Company's shares. The Government of Panama always retains 49.9%, and the former employees of the former IRHE the remaining 0.04%.

Between April 14, 2006 and February 2007, the shares of Enel Panama CAM, S.R.L., (formerly Enel Green Power Panama S.R.L.), were fully acquired by Enel Investment Holding BV. Currently, and as a result of corporate changes, the shares of Enel Panama CAM, S.R.L. are 99.97% owned by Enel Colombia S.A. E.S.P., a company of the Enel Group whose ultimate controller is Enel S.p.A. and domiciled in Rome, Italy.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The Company's principal activity consists of operating a 300 megawatt hydroelectric generation plant located on the Chiriquí River, Chiriquí Province, Republic of Panama.

The Company operates and sells electricity and electric generation capacity to distribution companies pursuant to the terms of power purchase agreements; as well as; sales through the occasional market within Panama and in other Central American countries.

Through Law 6 of February 3, 1997, the regulatory and institutional framework for the provision of public electricity service is established, which includes the construction, installation, operation and maintenance of hydroelectric and thermal generation plants subject to the regime of concessions and licences.

Effective December 18, 1998, Enel Fortuna S.A. and the public services regulator (now the National Public Services Authority – ASEP) entered into a concession contract. The most important terms of the contract are detailed below:

- The ASEP grants Enel Fortuna S.A. a concession for the generation of hydroelectric energy, through the exploitation of the hydroelectric development located on the Chiriquí River.
- Enel Fortuna S.A. is authorized to provide the public electricity generation service, which includes the operation and maintenance of an electricity generation plant, with its respective connection lines to the transmission networks and transformation equipment, in order to produce and sell in the national electrical system and make international sales of energy.
- The term of validity of the concession granted has a duration of fifty (50) years. It can be extended for a period of up to fifty (50) years, prior request to the ASEP and its due approval.
- Enel Fortuna S.A. will have the right to own, operate and maintain the assets of the complex and make improvements to them. Prior approval will be required in cases where plant capacity is increased by 15% or more at the same site.
- Enel Fortuna S.A. will have free availability of its own assets and assets of the complex.
- Enel Fortuna S.A. will have the rights to real estate and rights of way or way, within the Hydroelectric Complex, being able to carry out all the necessary activities for the generation and sale of hydroelectric energy. Likewise, it will also have the right of way or access to the areas of the hydroelectric complex currently enabled and in use.
- Enel Fortuna S.A. may request the compulsory acquisition of real estate and the constitution of easements in its favor as stipulated in Law No.6 and its regulations. The Company's main office is located in Panama City, Bella Vista Township, Aquilino de la Guardia Avenue, P.H. Marbella Office Plaza, 3rd floor. As of December 31, 2022, the Company had a total of 74 permanent employees.

Shareholders	No. of Shares	% Participation
Enel Panama CAM S.R.L.	50.055.171	50,0552%
Government of Panama	49.912.633	49,9126%
Other minor shareholders	32.196	0,0322%
Total	100.000.000	100%

• **Economic Entity Enel Renewable S.R.L. (formerly Enel Solar S.R.L.)**

Enel Renewable S.R.L., formerly Enel Solar S.R.L., was incorporated and named on December 15, 2015, as Generadora Fotovoltaica Chiriquí S.A. and modified to a limited liability company according to Public Deed No.12,269 of October 18, 2019 and registered on October 30, 2019.

That on November 26, 2019, Deed No. 15,608 of November 25, 2019 was duly registered, by which the Merger by Absorption Agreement entered into on November 22, 2019 between Llano Sanchez Solar Power Tres S.R.L., Llano Sánchez Solar Power Cuatro S.R.L., Sol Real Istmo S.R.L., Generadora Solar Caldera S.R.L., Generadora Estrella Solar S.R.L., as absorbed companies and Generadora Fotovoltaica Chiriquí S.R.L., as absorbing and/or surviving company, in said merger.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

In the same way and in the same legal act/document, the change of name from Generadora Fotovoltaica Chiriquí, S.R.L., to Enel Solar S.R.L. was registered, continuing its corporate existence subject to the provisions of Law 4 of 2009 and other applicable regulations of the Republic of Panama.

On August 27, 2022, Public Deed No. 18, 634 of August 18, 2022, was duly registered in the Public Registry of Panama, Mercantile Section, by which it was modified in the name of the company and hereinafter called Enel Renewable S.R.L., continuing its corporate existence subject to the provisions of Law 4 of 2009 and other applicable regulations of the Republic of Panama.

The commercial activity of Enel Renewable S.R.L. is the operation of seven (7) photovoltaic power generation plants (Estrella Solar, Sol de David, Chiriquí, Vista Alegre, Generadora Solar Caldera, Milton Solar and Sol Real). The total installed capacity is 61.66MW. To date, the resolutions approving the assignment of the seven generation licenses in favor of Enel Renewable, S.R.L. are in process before the National Public Services Authority (ASEP), since to date they remain under the ownership of Enel Solar S.R.L.

• **Economic entity Generadora Eólica Alto Pacora S.R.L.**

Generadora Eólica Alto Pacora S.R.L., was incorporated on December 15, 2015 and modified to a limited liability company according to Public Deed No. 12,270 of October 18, 2019 and registered on October 30, 2019.

To date, the company has no commercial operations, no employees, no generation licenses and/or any other nature under its ownership.

• **Economic entity Generadora Solar Tolé S.R.L.**

Generadora Solar Tolé S.R.L., was incorporated on December 15, 2015 and modified to a limited liability company according to Public Deed No. 12,272 of October 18, 2019 and registered on October 30, 2019.

To date, the company has no commercial operations, no employees, no generation licenses and/or any other nature under its ownership.

• **Economic entity Llano Sánchez Solar Power One S.R.L.**

Llano Sánchez Solar Power One S.R.L., was incorporated on September 22, 2014 and modified to a limited liability company according to Public Deed No. 12,274 of October 18, 2019 and registered on October 24, 2019.

On December 20, 2019, Deed No. 34,578 of December 13, 2019 was duly registered, by which the Company is partially split and the beneficiary of said spin-off is Enel Solar S.R.L. (today Enel Renewable S.R.L.)

Therefore, once the partial spin-off took effect, as of December 20, 2019, all licenses, permits, authorizations, concessions, rights, powers, privileges, claims, actions and contracts of Llano Sánchez Solar Power One S.R.L., were transferred and assumed by the beneficiary company Enel Solar S.R.L., with the exception of the assets resulting from the expansion of the Llano Sánchez Substation in the 34.5 kV yard, which remain the property of Llano Sánchez Solar Power One S.R.L., as well as all rights and obligations resulting therefrom.

To date, the company has no commercial operations, no employees, no generation licenses and/or any other nature under its ownership.

» **Guatemala**

• **Economic Entity Enel Guatemala S.A. (formerly Enel Green Power Guatemala S.A.)**

Enel Guatemala S.A. (formerly Enel Green Power Guatemala S.A.), is a corporation incorporated under Guatemalan law, of Guatemalan origin, with its domicile and main offices at Centro de Negocios Spazio, 15 avenida 5-50 zona 15, Level 11, Office 1103, Guatemala City. Its term of duration is indefinite.

Enel Guatemala S.A. (formerly Enel Green Power Guatemala S.A.), was incorporated by public deed No. 23 authorized on November 4, 1999 by Notary Ana Beatriz Ponce Rivera de Ibargüen, and registered in the Mercantile Registry under Registry number 42426, folio 55, book 136 of Companies dated November 15, 1999.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The shareholding composition of Enel Guatemala S.A. (formerly Enel Green Power Guatemala S.A.) as of December 31, 2022 is:

Shareholders	No. of Shares	% Participation
Enel Américas S.A.	100	0.0001%
Enel Colombia S.A. E.S.P.	67.207.900	99.9999%
Total	67.208.000	100%

Social object: Enel Guatemala S.A. (formerly Enel Green Power Guatemala S.A.) has as its main purpose the commercialization, purchase and sale of electric power blocks as an intermediary.

• **Economic entity Generadora de Occidente Ltda.**

Generadora de Occidente Ltda. is a limited liability company constituted in accordance with Guatemalan law, is of Guatemalan origin, has its domicile and main offices at Centro de Negocios Spazio, 15 avenida 5-50 zone 15, Level 11, Office 1103, Guatemala city. Its term of duration is indefinite.

Generadora de Occidente Ltda. was incorporated by public deed No. 22 authorized on September 27, 1999 by Notary Ana Beatriz Ponce Rivera de Ibargüen, and registered in the Mercantile Registry under Registry number 42079, page 708, book 135 of Companies dated November 12, 1999.

The social contribution of Generadora de Occidente Ltda. as of December 31, 2022 is:

Partners	Capital	% Participation
Enel Colombia S.A. E.S.P.	16.099.080,36	99.0000%
Enel Guatemala S.A.	162.616,97	1.0000%
Total	16.261.697,33	100%

Social object: Its main purpose is the contracting, administration and intermediation of all kinds of electric power contracts.

Generadora de Occidente Ltda. has the "El Canada" hydroelectric plant with a declared capacity of 45,829 MW.

• **Economic entity Tecnoguat S.A.**

Tecnoguat S.A. is a corporation incorporated under Guatemalan law; is of Guatemalan origin, is domiciled and headquartered at Spazio Business Center, 15 avenue 5-50 zone 15, Level 11, Office 1103, Guatemala City, Guatemala. Its term of duration is indefinite.

Tecnoguat S.A. was incorporated by public deed No. 160 authorized on November 14, 1986 by Notary José María Marroquín Samayoa registered in the Mercantile Registry under Registry number 13743, page 141, book 70 of Companies dated May 18, 1988.

The shareholding composition of Tecnoguat S.A. as of December 31, 2022 is:

Shareholders	No. of Shares	% Participation
Enel Colombia S.A. E.S.P.	23.211.000	75.0000 %
Inversiones J.B. Ltda.	7.737.000	25.0000 %
Total	30.948.000	100%

Social object: Tecnoguat S.A. will only have as its objective the production and generation of electrical energy and may carry out all the acts that assist and contribute to the realization of its sole corporate purpose, allowing it to enter into all the acts and contracts that allow the realization of this purpose.

Tecnoguat S.A. has the "Matanzas" and "San Isidro" hydroelectric plants with a declared capacity of 13,042 MW and 3,421 MW, respectively.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

• **Economic entity Generadora Montecristo S.A.**

Generadora Montecristo S.A. is a corporation incorporated under Guatemalan law; is of Guatemalan origin, is domiciled and headquartered at Spazio Business Center, 15 avenue 5-50 zone 15, Level 11, Office 1103, Guatemala City, Guatemala. Its term of duration is indefinite.

Generadora Montecristo S.A., was incorporated by public deed No. 58 authorized on June 23, 2004 by Notary Gerardo Anleu de León, and registered in the Mercantile Registry under Registry number 59072, page 715, book 152 of Companies dated 8 July 2004.

The shareholding composition of Generadora Montecristo S.A. as of December 31, 2022 is:

Shareholders	No. of Shares	% Participation
Enel Colombia S.A. E.S.P.	3.819.950	99.9987%
Enel Guatemala S.A.	50	0.0013%
Total	3.820.000	100%

Social object: Generadora Montecristo S.A. main purpose is to design, develop, promote and produce other electric power generating plants and power generation, and hire construction, administration and mediation for any kind of power supply contract.

Generadora Montecristo S.A. has the "Montecristo" hydroelectric plant with a declared capacity of 13,042 MW.

• **Economic Entity Renovables de Guatemala S.A.**

Renovables de Guatemala S.A. is a corporation incorporated under Guatemalan law. The Company is of Guatemalan origin, has its domicile and main offices at Spazio Business Center, 15 avenue 5-50 zone 15, Level 11, Office 1103, Guatemala City. Its term of duration is indefinite.

Renovables de Guatemala S.A., was incorporated by public deed No. 116 authorized on October 17, 2008 by Notary María Gabriela Villanueva Guillén, and registered in the Mercantile Registry under Registry number 79685, page 349, book 173 of Companies dated November 17, 2008.

The shareholding composition of Renovables de Guatemala S.A. as of December 31, 2022 is:

Shareholders	No. of Shares	% Participation
Enel Colombia S.A. E.S.P.	1.924.465.500	99.9999%
Enel Guatemala S. A.	100	0.0001%
Total	1.924.465.600	100%

Social object: Renovables de Guatemala S.A., whose main purpose is to design, develop, promote and produce other plants or projects that generate electricity and power generation, and hire the design, construction, administration, operation and mediation for any kind of purchase, sale or supply contract of energy.

Renovables de Guatemala S.A. has the "Palo Viejo" hydroelectric plant with a declared capacity of 88,192 MW.

• **Economic entity Transmisora de Energía Renovable S.A.**

Transmisora de Energía Renovable S.A., is a corporation incorporated under Guatemalan law. The Company is of Guatemalan origin, has its domicile and main offices at Spazio Business Center, 15 avenue 5-50 zone 15, Level 11, Office 1103, Guatemala City, Guatemala. Its term of duration is indefinite.

Transmisora de Energía Renovable S.A., was incorporated by public deed No. 1 authorized on January 29, 2010 by Notary Kristine Margarita Klanderud González, and registered in the Mercantile Registry under Registry number 86184, page 854, book 179 of Companies with dated March 1, 2010.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The shareholding composition of Transmisora de Energía Renovable S.A. as of December 31, 2022 is:

Shareholders	No. of Shares	% Participation
Enel Colombia S.A. E.S.P.	233.556.800	99.9979%
Generadora Montecristo S.A.	100	0.0004%
Enel Guatemala S.A.	4.900	0.0017%
Total	233.561.800	100%

Social object: Its main purpose is to design, develop, promote, build and manage electricity transmission and transportation projects, being able to contract the design, construction, administration or operation.

Transmisora de Energía Renovable S.A. has the Project "Uspantán Substation, "Chixoy II Substation and Uspantán-Chixoy II Transmission Line".

Installed capacity

The Group has 12 hydraulic generation plants, 2 thermal and 1 solar park, located in Colombia in the departments of Cundinamarca, Huila, Bolívar and Cesar. Additionally, with 9 hydraulic generation plants and 9 solar, located in the countries of Panama, Guatemala and Costa Rica:

Central	Technology	Declared Capacity [MW]	Country
Guavio	Hydraulics	1.250	Colombia
Betania	Hydraulics	540	Colombia
El Quimbo	Hydraulics	400	Colombia
Guaca	Hydraulics	324	Colombia
Paraíso	Hydraulics	276	Colombia
Dario Valencia	Hydraulics	150	Colombia
Tequendama	Hydraulics	57	Colombia
Salto II	Hydraulics	35	Colombia
Charquito	Hydraulics	19	Colombia
Limonar	Hydraulics	18	Colombia
Laguneta	Hydraulics	18	Colombia
Menor Guavio	Hydraulics	10	Colombia
Termozipa	Thermal	226	Colombia
Cartagena	Thermal	180	Colombia
El Paso	Solar	86	Colombia
Fortuna	Hydraulics	300	Panama
Esperanza	Solar	26	Panama
Jaguito	Solar	13	Panama
Chiriqui	Solar	12	Panama
Sol Real	Solar	11	Panama
Milton Solar	Solar	10	Panama
Estrella Solar	Solar	8	Panama
Sol De David	Solar	8	Panama
Vista Alegre	Solar	8	Panama
Caldera Solar	Solar	5	Panama
Palo Viejo	Hydraulics	87	Guatemala
El Canadá	Hydraulics	46	Guatemala
Montecristo	Hydraulics	13	Guatemala
Matanzas	Hydraulics	12	Guatemala
San Isidro	Hydraulics	3	Guatemala
Chucas	Hydraulics	50	Costa Rica
Rio Volcán	Hydraulics	17	Costa Rica
Don Pedro	Hydraulics	14	Costa Rica

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

1.2. Gas Marketing

Sales made in 2022 were 87.9 Mm3, which meant a contribution of 0.15% to the variable margin of Enel Colombia S.A. E.S.P.

By 2022, the Group remains active in all secondary market purchase and sale processes through intraday supply and transportation negotiations.

1.3. Business collaboration contracts

Enel Colombia S.A. E.S.P. and Scotiabank Colpatria S.A. entered into an Open Book business collaboration agreement in order to provide financial products and services to users of the public energy service in the residential and commercial categories, which is in force since November 1, 2019 and its termination date, which will be when all the procedures for the constitution of a "NewCo" financing company are completed and the portfolio is transferred to the new company; as established in the Investment Framework Agreement signed on October 31, 2019.

On February 12, 2021, Resolution 0054 of January 26, 2021 of the Financial Superintendence of Colombia was finalized, through which it authorized, in association with Scotiabank Colpatria S.A. and other shareholders, the constitution of Crédito Fácil Codensa S.A. Compañía de Financiamiento. The company was registered with the Bogotá Cámara de Comercio de Bogotá on March 31, 2021, this procedure has been notified to the Financial Superintendence of Colombia.

On December 10, 2021, the first capitalization corresponding to 50% of the total capital contribution agreed between the parties was made. Additionally, the provisional certificates of the shares have been delivered and the registration in the NewCo share registry book, and accreditation of the initial capital contribution. In this way, the first closing established in "Section 3.03 First Closing" of the Framework Investment Agreement is achieved.

On January 28, 2022, the second transfer was made, reaching 100% of the capital contribution agreed between the parties (49% Enel Colombia S.A. E.S.P. and 51% Scotiabank Colpatria S.A.).

1.4. Merger Emgesa S.A. E.S.P., Codensa S.A. E.S.P., Enel Green Power Colombia S.A.S. E.S.P. and Essa2 S.p.A. (Enel Panama CAM, S.R.L., Enel Guatemala S.A., Enel Costa Rica CAM S.A.).

On July 28, 2021, the merger agreement was entered into by which the company Emgesa S.A. E.S.P. absorbs the companies Codensa S.A. E.S.P., Enel Green Power Colombia S.A.S. E.S.P. and ESSA2 S.p.A. (hereinafter the absorbed companies), which was approved by the respective General Assemblies of Shareholders of each of the companies. The foregoing in order to enter into a new agreement between partners built on the basis of the following objectives: (i) Increase the benefit of the Companies by combining the assets of each one of them. (ii) create a more robust society that makes it possible to face competition in the energy and non-conventional renewable energy sector with greater efficiency and strength (iii) have a clearer and simpler corporate structure, through which the shareholders of the Absorbed Companies will be direct shareholders of the Absorbing Company as an operating company, which in turn could generate efficiencies in costs and administrative expenses, and an eventual strengthening of the business. Based on the above considerations, the following agreements were established in the merger agreement:

- That the Absorbing Company and the Absorbed Companies carried out a merger process between them, by virtue of which the first absorbed the others, which were dissolved without being liquidated, passing all the assets and liabilities that make up their assets en bloc and without solution of continuity to the Absorbing Company.
- For tax purposes, the merger is not considered as a transfer between the Companies or their shareholders and therefore it will be understood as not taxed.

On October 1, 2021, the request for authorization of the merger by absorption between Emgesa S.A. E.S.P. (as absorbing company) and the absorbed companies, was filed with the Superintendency of Companies of Colombia. "Once the merger was approved and perfected by means of a public deed, the absorbed companies will be dissolved without being liquidated and the company will absorb their assets, rights and obligations in accordance with Article 178 of the Commercial Code."

The operation noted was carried out after having complied with all the legally established requirements, highlighting among them: i) the approval by the Shareholders' Meetings of the companies involved in the process and ii) the authorization of the merger issued by the Superintendence of Companies through Resolution No. 325-002477 of February 28, 2022.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

On March 1, 2022, by means of Public Deed No. 562 of the Notary Office Eleven of the Círculo de Bogotá, registered before in the Cámara de Comercio de Bogotá on the same date, the merger by absorption between Emgesa S.A. E.S.P. (who in turn changed its corporate name Enel Colombia S.A. E.S.P.) and the absorbed companies was perfected.

Regarding the absorbed companies, it is pertinent to mention that Codensa S.A. E.S.P. was a commercial corporation, organized as a public service company under Colombian law. Codensa S.A. E.S.P. was incorporated by means of public deed No. 4610 of the Notary Public 36 of Bogotá D.C. on October 23, 1997 and registered before in the Cámara de Comercio de Bogotá on the same date, through No. 00607668, with contributions from the distribution and commercialization assets. of Grupo Energía Bogotá S.A. E.S.P. (formerly Empresa de Energía de Bogotá S.A. E.S.P.) with 51.32% of the shares and the cash contributions of the other investors with 48.48% of the shares.

Enel Green Power S.A.S. E.S.P. was a simplified stock company of a commercial nature, organized as a public service company under Colombian law. The absorbed company Enel Green Power Colombia S.A.S. E.S.P. was incorporated by private document of a Sole Shareholder dated February 8, 2012, registered before in the Cámara de Comercio de Bogotá on February 14, 2012 under number 01607153 of Book IX, commercial registration No. 02181926 as Enel Green Power Colombia S.A.S. and through Act No. 22 of October 3, 2017 of Sole Shareholder, registered in the Cámara de Comercio de Bogotá on December 22, 2017, with No. 02287692 of Book IX, the Company changed its name or company name to Enel Green Power Colombia S.A.S. E.S.P.

The absorbed company ESSA2 S.p.A. was a joint-stock company, incorporated and existing in accordance with the laws of Chile, incorporated by public deed dated February 2, 2021, granted before the Notary Public of Santiago Mr. Iván Torrealba Acevedo, registered in the Registry of Commerce of the Santiago Real Estate Registrar on page 12556 No. 5835 of 2021, and registered under the Unique Tax Role (RUT) 77.333.234-7.

Companies absorbed as a result of the merger of Essa2 S.p.A.:

Enel Costa Rica CAM S.A. (formerly Enel Green Power Costa Rica S.A.) is a corporation incorporated in accordance with Costa Rican law as a service company in the electricity sector for commercial purposes, of Costa Rican origin, with its domicile and main offices in San José, Escazú San Rafael, 200 meters south of the Cinemark parking lot, Multiplaza Shopping Center, Terraforte Building, First Floor, Local Uno Enel. The corporate term of the legal entity is for 99 years, beginning on September 11, 1991, ending on September 11, 2090. This duration can be extended by agreement of the Shareholders' Meeting.

It was incorporated by public deed No. Five-Seven before Notaries Juan Carlos Esquivel Favareto and Javier Enrique Castillo Castro, on September 11, 1991, registered before the Public Mercantile Registry on October 11, 1991 in volume 682, page 102, seat 127, with legal entity ID 3-101-120506.

Enel Costa Rica CAM S.A. has the following companies as subsidiaries at the country level:

- P.H. Chucús S.A.
- P.H. Rio Volcán S. A.
- P.H. Don Pedro S.A.
- Energía Global Operaciones S.R.L.

Enel Panama CAM, S.R.L. (formerly Enel Green Power Panama S.R.L.) was incorporated in 1998 and modified into a limited liability company according to Public Deed No. 11,856 registered on October 17, 2019.

Between April 14, 2006 to February 2007, the shares of Enel Panama CAM, S.R.L., (formerly Enel Green Power Panama S.R.L.) were fully acquired by Enel Investment Holding BV Currently, and as a result of corporate changes, the shares of Enel Panama CAM, S.R.L. are 99.97% owned by ESSA2 S.p.A. (as of March 1, 2022, the new partner is Enel Colombia S.A. E.S.P.).

The main activity of Enel Panama CAM S.R.L. consists of operating and developing hydroelectric, photovoltaic and renewable energy generation plants. The total installed capacity is 361.7 MW DC plus 65 MW DC under construction.

Enel Panama CAM S.R.L. is made up of ten (10) companies constituted in accordance with the laws of the Republic of Panama; operates one (1) hydroelectric generation plant and ten (10) photovoltaic generation plants; three (3) of these photovoltaic generation plants are under construction as of December 31, 2022.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Enel Panama CAM S.R.L. has the following companies as subsidiaries at the country level:

Enel Fortuna S.A.
Enel Renewable S.R.L. (Formerly Enel Solar S.R.L.)
Jaguito Solar 10MW S.A.
Progreso Solar 20MW S.A.
Generadora Solar Austral S.A.
Generadora Solar El Puerto S.A.
Generadora Solar Occidente S.A.
Llano Sanchez Solar Power One S.R.L.
Generadora Eólica Alto Pacora S.R.L.
Generadora Solar Tolé S.R.L.

Enel Guatemala S.A. (formerly Enel Green Power Guatemala S.A.) is a corporation incorporated under Guatemalan law, of Guatemalan origin, with its domicile and main offices at Diagonal 6, 10-65 zone 10, Centro Gerencial Las Margaritas, Tower I, Level 8, office 801, Guatemala City. Its term of duration is indefinite.

Enel Guatemala S.A. was incorporated by public deed No. 23 authorized on November 4, 1999 by Notary Ana Beatriz Ponce Rivera de Ibargüen, and registered in the Mercantile Registry under Registry number 42426, page 55, book 136 of Companies dated November 15, 1999.

Enel Guatemala S.A. has the following companies as subsidiaries at the country level:

- Transmisora de Energía Renovable S.A.
- Renovables de Guatemala S.A.
- Generadora Montecristo S.A.
- Tecnoguat S.A.
- Generadora de Occidente Ltda.

The entities involved in the merger are subsidiaries of Enel Américas S.A., therefore, this operation is a reorganization of entities under common control that falls within the exception established in subparagraph c of paragraph 2 of IFRS 3 Business Combinations, it is thus, it is not configured as a business combination. In this regard, Enel's policy states that:

"Business combinations under common control are recorded using the pooling of interest method as a reference. Under this method, the assets and liabilities involved in the transaction are reflected at the same book value in which they were registered in the ultimate parent, without prejudice to the eventual need to make accounting adjustments to homogenize the accounting policies of the companies involved.

Any difference between the assets and liabilities contributed to the consolidation and the consideration given is recorded directly in Equity, as a charge or credit to "other reserves". The company does not apply retrospective registration of business combinations under common control."

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Assets received, liabilities assumed and effect on equity

In accordance with the foregoing, assets and liabilities are recognized at book value.

The amounts recognized as assets, the liabilities assumed and the effect on equity derived from the merger are summarized below, detailed for each of the companies absorbed as of March 1, 2022:

	Emgesa S.A. E.S.P.	Codensa S.A. E.S.P.	Enel Green Power Colombia S.A.S. E.S.P.	ESSA2 S.p.A.	Reclassifications and/or deletions	Opening balance Enel Colombia
Assets						
Current assets:						
Cash and cash equivalents, net	\$ 392.396.667	\$ 200.391.804	\$ 179.221.651	\$ 113.216	\$ -	\$ 772.123.338
Other financial assets, net (a)	10.506.473	6.342.611	7.671.317	97.766	-	24.618.167
Other non-financial assets, net (b)	55.243.696	48.322.585	47.182.916	-	-	150.749.197
Trade accounts and other accounts receivable, net (c)	373.349.799	1.109.611.033	14.701.001	11.506	93.333	1.497.766.672
Accounts receivable from related entities, net (d)	6.658.053	122.556.572	1.143.933.446	-	(25.983.818)	1.247.164.253
Inventories, net (e)	94.740.615	237.599.687	-	-	-	332.340.302
Assets held for sale	-	2.117.940	-	-	-	2.117.940
Other taxes	-	-	19.881	-	-	19.881
Income tax assets	3.422.371	-	6.127.624	-	-	9.549.995
Total current assets	936.317.674	1.726.942.232	1.398.857.836	222.488	(25.890.485)	4.036.449.745
Non-current assets:						
Other financial assets:	481.721	60.164.060	-	-	-	60.645.781
Other non-financial assets, net	29.238.730	82.884.242	4.278.219	-	-	116.401.191
Trade accounts receivable and other receivables, net	14.726.492	62.072.741	1.694.355	-	-	78.493.588
Investments in subsidiaries (f)	9.439.165	74.604.258	-	2.609.371.941	1.148.699.667	3.842.115.031
Intangible assets other than goodwill, net (g)	176.462.774	398.199.238	70.299.050	-	-	644.961.062
Property, plant and equipment, net (h)	8.151.688.098	6.750.569.352	1.495.490.140	-	-	16.397.747.590
Deferred tax assets	-	18.608.241	10.080.724	-	-	28.688.965
Total non-current assets	8.382.036.980	7.447.102.132	1.581.842.488	2.609.371.941	1.148.699.667	21.169.053.208
Total assets	\$ 9.318.354.654	\$ 9.174.044.364	\$ 2.980.700.324	\$ 2.609.594.429	\$ 1.122.809.182	\$ 25.205.502.953
Liabilities and equity						
Current liabilities:						
Financial liabilities (i)	937.466.853	919.663.058	28.357.057	-	-	1.885.486.968
Trade accounts and other accounts payable (j)	220.521.512	962.320.085	121.182.880	-	-	1.304.024.477
Accounts payable to related entities (k)	43.964.397	65.504.931	15.287.743	4.080	(25.983.819)	98.777.332
Provisions (l)	76.141.979	43.183.626	3.305.290	-	-	122.630.895
Taxes to pay	294.378.791	70.962.382	-	-	-	365.341.173
Employee benefits provisions	39.448.983	59.898.525	2.863.730	39.149	-	102.250.387
Other non-financial liabilities	147.872.298	84.465.271	10.612.560	1.592	-	242.951.721
Total current liabilities	1.759.794.813	2.205.997.878	181.609.260	44.821	(25.983.819)	4.121.462.953
Non-current liabilities:						
Financial liabilities	1.513.801.672	3.261.374.623	47.723.854	-	-	4.822.900.149
Trade accounts and other accounts payable	-	-	-	-	2.647.389	2.647.389
Accounts payable to related entities	-	-	-	-	-	-
Provisions	249.309.459	37.506.531	15.091.091	-	-	301.907.081
Employee benefits provisions	75.291.656	249.362.872	-	17.080	-	324.671.608
Deferred taxes, net	327.645.777	-	-	-	-	327.645.777
Total non-current liabilities	2.166.048.564	3.548.244.026	62.814.945	17.080	2.647.389	5.779.772.004
Total liabilities	\$ 3.925.843.377	\$ 5.754.241.904	\$ 244.424.205	\$ 61.901	\$ (23.336.430)	\$ 9.901.234.957
Equity						
Issued capital (m)	655.222.313	13.487.545	31.263.213	2.473.245.049	(2.517.995.807)	655.222.313
capital costs	-	-	(6.508.367)	-	-	(6.508.367)
Share premium	113.255.816	190.553.196	2.740.274.675	-	(2.930.827.871)	113.255.816
Merger premium	-	-	-	-	5.448.823.679	5.448.823.679
Reserves (n)	542.975.682	216.405.346	-	-	1.146.052.278	1.905.433.306
Other comprehensive income	(20.861.790)	(29.888.677)	85.506.852	268.764.068	-	303.520.453
Profit (losses) for the period	293.486.047	148.518.309	(25.300.314)	(85.133)	(123.132.862)	293.486.047
Retained earnings	2.327.803.462	1.394.729.062	(70.537.700)	-	219.139.372	3.871.134.196
Retained losses	-	(37.859.235)	(17.578.668)	(132.391.456)	(95.913.177)	(283.742.536)
Retained Utility due to transition effect to NCIF	1.480.629.747	1.787.707.665	(843.572)	-	-	3.267.493.840
Equity effect business combination	-	(263.850.751)	-	-	-	(263.850.751)
Earnings	4.101.919.257	3.029.245.050	(114.260.254)	(132.476.589)	93.333	6.884.520.796
Total equity	5.392.511.277	3.419.802.460	2.736.276.119	2.609.532.528	1.146.145.612	15.304.267.996
Equity Attributable to the owners of the Parent	-	-	-	-	-	15.304.267.996
Non-controlling interests	-	-	-	-	-	-
Total liabilities and equity	\$ 9.318.354.654	\$ 9.174.044.364	\$ 2.980.700.324	\$ 2.609.594.429	\$ 1.122.809.182	\$ 25.205.502.953

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

	Opening balance Enel Colombia	Subsidiaries Colombia (including deletions)	Enel Colombia consolidated (i)	Panama (ii)	Guatemala (iii)	Costa Rica (iv)	Enel Colombia Investment Elimination	Total Enel Colombia opening balance consolidated
Assets								
Current assets:								
Cash and cash equivalents, net	\$ 772.123.338	\$ 7.853.937	\$ 779.977.275	\$ 792.973.442	\$ 30.534.589	\$ 24.771.974	-	\$ 1.628.257.280
Other financial assets, net	24.618.167	317.149.966	341.768.133	946.274	-	-	-	342.714.407
Other non-financial assets, net	150.749.197	2.791.347	153.540.544	8.416.181	76.982.258	2.123.483	-	241.062.466
Trade accounts and other accounts receivable, net	1.497.766.672	119.617	1.497.886.289	163.521.017	32.308.447	20.412.660	-	1.714.128.413
Accounts receivable from related entities, net	1.247.164.253	(106.149.481)	1.141.014.772	-	333.011.391	3.555.255	-	1.477.581.418
Inventories, net	332.340.302	-	332.340.302	5.877.803	19.385.338	1.636.418	-	359.239.861
Assets held for sale	2.117.940	-	2.117.940	-	-	-	-	2.117.940
Other taxes	19.881	-	19.881	-	-	-	-	19.881
Income tax assets	9.549.995	50.390	9.600.385	1.745.155	-	5.066.813	-	16.412.353
Total current assets	4.036.449.745	221.815.776	4.258.265.521	973.479.872	492.222.023	57.566.603	-	5.781.534.019
Non-current assets:								
Other financial assets, net	60.645.781	1.000	60.646.781	48.921.978	90.158.036	425.793.351	-	625.520.146
Other Non-financial assets, net	116.401.191	7.489.432	123.890.623	-	13.665	157.468	-	124.061.756
Trade accounts and other accounts receivable, net	78.493.588	-	78.493.588	-	-	-	-	78.493.588
Investments in subsidiaries	3.842.115.031	-	3.842.115.031	4.527.369	-	-	(3.736.302.688)	110.339.712
Intangible assets other than goodwill, net	644.961.062	62.076.194	707.037.256	117.621.449	56.643.050	196.171.582	-	1.077.473.337
Property, plant and equipment, net	16.397.747.590	91.497	16.397.839.087	1.723.167.943	1.502.282.012	115.850.849	-	19.739.139.891
Deferred tax assets	28.688.965	2.175	28.691.140	6.889.099	-	59.602.654	-	95.182.893
Total non-current assets	21.169.053.208	69.660.298	21.238.713.506	1.901.127.838	1.649.096.763	797.575.904	(3.736.302.688)	21.850.211.323
Total assets	\$ 25.205.502.953	\$ 291.476.074	\$ 25.496.979.027	\$ 2.874.607.710	\$ 2.141.318.786	\$ 855.142.507	\$ (3.736.302.688)	\$ 27.631.745.342
Liabilities and equity								
Current liabilities:								
Financial liabilities	1.885.486.968	4.361.649	1.889.848.617	2.206.846	238.261	-	-	1.892.293.724
Trade accounts and other accounts payable	1.304.024.477	131.574.842	1.435.599.319	95.923.567	27.120.061	14.146.588	-	1.572.789.535
Accounts payable to related entities	98.777.332	717	98.778.049	211.941.336	2.405.315	184.238.092	-	497.362.792
Provisions	122.630.895	-	122.630.895	-	-	-	-	122.630.895
Taxes to pay	365.341.173	1.197.684	366.538.857	59.862.672	617.633	396.329	-	427.415.491
Employee benefits provisions	102.250.387	46.056	102.296.443	576.507	826.690	204.375	-	103.904.015
Other non-financial liabilities	242.951.721	139.843	243.091.564	80.126	1.261.745	116.763	-	244.550.198
Total current liabilities	4.121.462.953	137.320.791	4.258.783.744	370.591.054	32.469.705	199.102.147	-	4.860.946.650
Non-current liabilities:								
Financial liabilities	4.822.900.149	50.200.911	4.873.101.060	20.814.801	22.014.651	32	-	4.915.930.544
Trade accounts and other accounts payable	2.647.389	-	2.647.389	-	-	-	(2.647.389)	-
Accounts payable to related entities	-	-	-	131.779.073	27.159.446	209.896.399	-	368.834.918
Provisions	301.907.081	1.753.361	303.660.442	29.257.136	-	-	-	332.917.578
Employee benefits provisions	324.671.608	-	324.671.608	1.291.254	-	-	-	325.962.862
Other non-financial liabilities	-	14.494.843	14.494.843	-	-	-	-	14.494.843
Deferred taxes, net	327.645.777	-	327.645.777	131.323.923	-	87.983.345	-	546.953.045
Total non-current liabilities	5.779.772.004	66.449.115	5.846.221.119	314.466.187	49.174.097	297.879.776	(2.647.389)	6.505.093.790
Total liabilities	\$ 9.901.234.957	\$ 203.769.906	\$ 10.105.004.863	\$ 685.057.241	\$ 81.643.802	\$ 496.981.923	\$ (2.647.389)	\$ 11.366.040.440
Equity								
Issued capital	655.222.313	(12.680.727)	642.541.586	937.320.591	1.100.550.552	703.156.329	(2.728.346.745)	655.222.313
Capital costs	(6.508.367)	-	(6.508.367)	-	-	-	-	(6.508.367)
Share premium	113.255.816	72.453.232	185.709.048	-	-	-	(72.453.232)	113.255.816
Merger premium	5.448.823.679	-	5.448.823.679	-	-	-	-	5.448.823.679
Reserves	1.905.433.306	38.230	1.905.471.536	178.570.769	70.127.215	278	(248.736.492)	1.905.433.306
Other comprehensive income	303.520.453	-	303.520.453	-	-	-	-	303.520.453
Profit for the period	293.486.047	-	293.486.047	-	-	-	-	293.486.047
Retained earnings	3.871.134.196	28.899.909	3.900.034.104	1.073.659.109	888.997.217	(344.996.023)	(1.646.560.212)	3.871.134.196
Retained losses	(283.742.536)	(1.004.476)	(284.747.012)	-	-	-	1.004.476	(283.742.536)
Retained earnings from effect of transition to CFRS	3.267.493.840	-	3.267.493.840	-	-	-	-	3.267.493.840
Equity effect business combination	(263.850.751)	-	(263.850.751)	-	-	-	-	(263.850.751)
Earnings	6.884.520.796	27.895.433	6.912.416.229	1.073.659.109	888.997.217	(344.996.023)	(1.645.555.736)	6.884.520.796
Total equity	15.304.267.996	87.706.168	15.391.974.164	2.189.550.469	2.059.674.984	358.160.584	(4.695.092.205)	15.304.267.996
Equity Attributable to the owners of the Controller	15.304.267.996	-	15.391.973.241	1.271.645.724	2.042.634.042	356.947.803	(4.695.092.205)	15.304.267.996
Non-controlling interests	-	-	923	917.904.745	17.040.942	1.212.781	961.436.906	961.436.906
Total liabilities and equity	\$ 25.205.502.953	\$ 291.476.074	\$ 25.496.979.027	\$ 2.874.607.710	\$ 2.141.318.786	\$ 855.142.507	\$ (3.736.302.688)	\$ 27.631.745.342

(a) Other financial assets correspond mainly to: (i) derivative instruments for hedging the COSENIT project, trusts for the FAER and ZOMAC projects, liens and capital contribution of the company Crédito Fácil Codensa S.A. Compañía Financiera, derivative instruments for hedging for works in progress, certificates of deposit and guarantees for the lease contract;(ii) account receivable in DPT for interest and severance fund.

(b) Other non-financial assets correspond mainly to: (i) advances to XM for stock market transactions and international energy transactions, advances for the purchase of goods and services from other creditors, expenses paid in advance for contributions to the Superintendency of Public Services, VAT tax discount on Real Productive Fixed Assets – AFR, employee benefits for loans, guarantee deposit to XM to support energy transactions and VAT tax discount on Real Productive Fixed Assets – AFRP; in the companies of Panama, Guatemala and Costa Rica they are made up of insurance policies.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements

(In thousands of pesos)

- (c) Commercial accounts and other accounts receivable correspond mainly to: (i) client portfolio of the regulated market, public lighting portfolio, infrastructure portfolio, works for individuals and portfolio of regulatory schemes, portfolio for energy sales and tripartite agreements receivable from suppliers and balances in favor of withholdings; in the companies of Panama, Guatemala and Costa Rica, they are made up of accounts receivable from clients for energy sales, invoices to be issued, other accounts receivable and advances granted to collaborators.
- (d) Accounts receivable from related entities correspond mainly to: account receivable for the payment of suppliers of Fontibón ZE S.A.S. in accordance with the mandate contract signed between the parties, account receivable for the construction contract for civil and electrical works required for the adequacy of the Unidad Funcional de Operación – UFO 13 Usme II, account receivable of subscribed shares and share placement premium; in the companies of Panama, Guatemala and Costa Rica, they consist of loans for the construction of solar plants in Central America. Includes the adjustment for elimination of accounts receivable and payable between the merged entities.
- (e) Inventories correspond to: (i) electrical materials and energy accessories, non-electrical materials and transformers; in the companies of Panama, Guatemala and Costa Rica they are made up of electrical materials, spare parts and accessories.
- (f) Investments in subsidiaries correspond mainly to: (i) investments in Bogotá ZE S.A.S., Colombia ZE S.A.S. and Enel X Colombia S.A.S. E.S.P. (formerly Inversora Codensa S.A.S.), investments in Central American companies (Panama, Costa Rica and Guatemala) and the adjustment to the equity method (see note 12 numerals 1, 2 and 3). The companies in Panama, Guatemala and Costa Rica are made up of the goodwill recognized from various business combinations carried out by Enel Green Power SpA in the past and originating from Enel Solar S.R.L., Enel Panama CAM S.A., (formerly Enel Green Power Panama S.A.), Jaguito Solar 10MW S.A., and Progreso Solar 20 MW S.A.
- (g) Intangible assets other than goodwill correspond mainly to: (i) rights and easements and computer programs, development costs associated with solar and wind energy projects. (ii) concession contract for the generation of hydroelectric power through the exploitation of the hydroelectric facility located on the Chiriquí River; (iii) incremental costs of obtaining a contract and (iv) PPA contract for the construction, operation and relocation of the plant (BOT) until September 2031.
- (h) Property, plant and equipment correspond mainly to: substations, lines and high, medium, low voltage networks and distribution transformers and buildings, land and other facilities, solar and photovoltaic plants and control buildings; in the companies of Panama, Guatemala and Costa Rica, they are made up of power plants, distribution lines and networks, land acquisition, buildings and other facilities.
- (i) Financial liabilities correspond mainly to: placement of short- and long-term bonds, bank loans, bank guarantees for compliance with obligations and financial leases, derivatives with cash flow coverage with passive valuation and financial leases under IFRS 16; in the companies of Panama, Guatemala and Costa Rica they are made up of financial leases of land, buildings and vehicles recognized under IFRS 16.
- (j) Trade accounts and other accounts payable correspond mainly to: accounts payable to suppliers for energy purchases, accounts payable for goods and services, collections in favor of third parties and balances in favor of customers, accounts payable for goods and services related to projects under construction; in the companies of Panama, Guatemala and Costa Rica, they are made up of the estimate of energy purchases, guarantee deposits received from energy clients, reserve for labor benefits and reserves for operating expenses.
- (k) Accounts payable to related entities correspond mainly to: accounts payable for computer services, bank guarantees, other services and personnel services, in the companies of Panama, Guatemala and Costa Rica they are made up of loans to finance the construction of solar plants.

Includes the adjustment for elimination of accounts receivable and payable between the merged entities.
- (l) Provisions for employee benefits correspond mainly to: social benefits and legal contributions, actuarial calculation of pensions and post-employment benefits, productivity benefits and benefits for expatriate and inpatriate employees. Within the framework of the merger, it was decided to maintain the issued capital and share issuance premium of Emgesa S.A. E.S.P. as absorbing company. In the case of the absorbed companies, these items are reflected in the merger premium.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

(m) Within the framework of the merger, it was decided to maintain the issued capital and share issuance premium of Emgesa S.A. E.S.P. as absorbing company. In the case of the absorbed companies, these items are reflected in the merger premium.

(n) The reserves of the absorbing company and the absorbed companies are maintained and the adjustment for homologation of the investment valuation policy is added to the equity method.

The equity effect due to business combination is the result of the merger carried out in 2016 between Codensa S.A. E.S.P. and Empresa de Energía de Cundinamarca S.A. E.S.P.

For the consolidation of the companies in Panama, Guatemala and Costa Rica, the investment in Enel Colombia S.A. E.S.P. and the respective non-controlling interest were eliminated.

The following is a summary of the effect of the financial statements of the companies absorbed in the merger:

	Emgesa S.A. E.S.P.	Financial state received from the merger	Settings and/or eliminations	Merger Effect	Opening balance Enel Colombia	Subsidiaries Colombia (with deletions)	Colombia	Panama	Guatemala	Costa Rica	Enel Colombia Investment Elimination	Effect of Colombian merger consolidated
Assets	\$ 9.318.354.654	\$ 14.764.339.117	\$ 1.122.809.182	\$ 15.887.148.299	\$ 25.205.502.953	\$ 291.476.073	25.496.979.026	2.874.607.710	2.141.318.786	855.142.507	(3.736.302.688)	31.368.048.029
Liabilities	3.925.843.377	5.998.728.010	(23.336.430)	5.975.391.580	9.901.234.957	203.769.906	10.105.004.863	685.057.241	81.643.802	496.981.923	(2.647.389)	11.368.687.829
participations non Controlled	-	-	-	-	-	-	923	917.904.745	17.040.942	1.212.781	961.436.906	4.695.092.205
Effect of the merger on equity, net	\$ 5.392.511.277	\$ 8.765.611.107	\$ 1.146.145.612	\$ 9.911.756.719	\$ 15.304.267.996	\$ 87.706.167	\$ 15.391.973.240	\$ 1.271.645.724	\$ 2.042.634.042	\$ 356.947.803	\$ (4.695.092.205)	\$ 15.304.267.995

There is a conversion effect, associated with the historical rate (March 1, 2022, the date on which the merger is approved), in which the equity of foreign subsidiaries is converted to local currency and the closing/average rate in the which become the Consolidated Statement of Financial Position and the Income Statement of the foreign subsidiaries.

As of December 31, 2022, the translation effect was \$4,572,900,265.

1.5. Legal and regulatory framework

Strategy and Regulatory Management

The regulatory strategy and management led by the Regulation, Institutional Relations and Environment Management, has as main objective to define, represent and promote the position of the company in regulatory and environmental issues of the sector before Colombian, Panamanian, Costa Rican and Guatemalan associations and institutions. Both nationally and locally.

From the management, different initiatives that contribute to the fulfillment of the Group's objectives and to the development and evolution of the markets are managed institutionally and regulatory, these are supported and presented to the respective entities either directly or through unions where we are registered, so that they can be considered in the development of regulatory and normative adjustments.

In particular and in a complementary way, the monitoring and control of the regulatory and normative novelties that are issued by the different Authorities in charge of defining the policy, regulation, surveillance and control at the national, regional and local level are carried out, socializing, identifying and managing potential impacts with business lines.

Regarding the public consultation processes, regulatory impact analyzes are carried out in coordination with the business lines and comments are managed regarding the regulatory proposals, so that the optimal local strategy is defined, through the management of relations with regulatory actors (authorities and related organizations) in the Country, socializing the impacts and making proposals that contribute to the development of the sector and the Organization.

In the same sense, and considering the information that is published and/or socialized by Government entities, the Regulatory and Institutional Agendas are reviewed, analyzed, shared and disseminated so that they can be commented within the conditions established in the public participation of each authority, so that they are taken into account within the development of the business units.

Colombian regulatory framework

Electric power

In 1994, the Residential Public Services Law (Law 142) and the Electricity Law (Law 143) were published, through which the general criteria and policies governing the provision of residential public services in Colombia were defined, as well as the procedures and mechanisms for its regulation, control and surveillance. The Electricity Law makes viable the constitutional approach, regulates the activities of generation, transmission, distribution, and commercialization of electricity, creates a market environment and competition, strengthens the sector and delimits the intervention of the State. There is free competition in the electricity generation and commercialization businesses, for the transmission and distribution businesses, it was oriented towards treating said activities as monopolies.

The main institution in the electricity sector is the Ministry of Mines and Energy (MME), which, through the Mining-Energy Planning Unit (UPME), prepares the National Energy Plan and the Generation-Transmission Reference Expansion Plan. The Energy and Gas Regulation Commission (CREG) and the Superintendence of Public Services (SSPD) are in charge, respectively, of regulating and controlling companies in the sector, additionally the Superintendency of Industry and Commerce is the national authority for matters of competition protection.

Energy transactions in the electricity sector are based on the fact that trading companies and large consumers can trade energy through bilateral contracts and/or Long-Term Contract Auction – SCLP. Additionally, sector agents can trade energy through a short-term market called the energy exchange, which operates freely according to supply and demand conditions.

In addition, to promote the expansion of the system, as well as guarantee the availability of the Energy supply, there are two mechanisms: i) the Firm Energy Obligation (OEF) auctions of the "Reliability Charge" scheme and ii) the auctions of long-term contracts to promote Non-Conventional Sources of Renewable Energy (FNCER).

In the case of the OEFs, they are regulated through different CREG resolutions that determine whether the auctions are carried out on existing plants or future projects, such as CREG 101-017 of 2022, which gives the option to participate to the generating plants based on natural gas, CREG 101-004 of 2022, which established the opportunity in which the OEF of the Reliability Charge will be assigned to those who represent existing plants for the periods between December 1, 2023 to November 30, 2024, and December 1, 2024 to November 30, 2025, and CREG 133 of 2021 that proposes to define a competitive scheme for the assignment of Firm Energy Obligations to existing plants, which is still under discussion.

In the case of FNCER long-term contract auctions, they are supported by the promulgation of Law 1715 of 2014, Decree 2469 of 2014, and Law 1955 of 2019. The latter, in its article 296, establishes the obligation of the marketing agents to acquire a minimum percentage of this type of energy (between 8 and 10%). The current legislation was modernized through Law 2099 of 2021, which establishes the legal framework for the development of non-conventional renewable energies, where, among others, the tax benefits established as incentives are established.

The generation activity is made up of companies that own electricity generation plants. Electricity generators sell their energy to the wholesale energy market (MEM), at the price resulting from free competition processes in the case of the charge applied to regulated users, or to large clients called free clients through bilateral contracts.

The transmission companies that operate networks equal to or greater than 220 kW constitute the National Transmission System (SNT). They must give access to third parties on equal terms and receive a regulated income for their services. Transmission revenue includes a connection charge that covers the cost of installation and a usage charge.

The distributors constitute regional natural monopolies with remuneration regulated by the CREG and supported by criteria of efficiency and quality in the provision of the service. Any customer can access the distribution network by paying a connection charge and/or a usage charge.

The Energy and Gas Regulation Commission (CREG) defines the remuneration methodology for distribution networks. Distribution charges are reviewed every five years and are updated monthly in accordance with the Producer Price Index (PPI) in addition to other periodic updates provided for in the regulation.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Among the remunerations that distributors receive is the remuneration of the investments made that are duly approved by the regulator, in the case of the Distribution activity of Enel Colombia, the last investment plan was approved by CREG Resolution 068 of June 2021.

In December 2021, the Energy and Gas Regulation Commission issued CREG Resolution 215 of 2021, which modifies the rate of return for the electricity distribution activity, approved in CREG Resolution 016 of 2018, which it will be 12.09% from the year 2022.

In February 2022, the CREG published Resolution 101 002 of 2022, which allows the inclusion of purchases made by retailers in the authorized mechanisms as a result of the application of CREG Resolution 114 of 2018, for the attention of regulated demand. In the same month, the Commission published CREG Resolution 101,004, establishing the allocation of the Firm Energy Obligations of the Reliability Charge for existing plants for the periods 2023-2024, and 2024-2025.

In March 2022, the CREG published resolution 101 001 of 2022 on the Implementation of the Advanced Metering Infrastructure. The published resolution is final and is based on the regulatory drafts previously issued by the CREG, in particular based on CREG resolution 219 of 2020, also incorporating the content of article 56 of Law 2099 of 2021 and keeping the implementation of AMI under the responsibility of the OR, the proposal for the constitution of the Data Manager-GIDI; in addition, it instructs the OR to present an AMI implementation plan based on a Benefit/Cost analysis, incorporates general guidelines for user empowerment, assigns up to 15% of the base cost of commercialization to the AMI project, not including meters, and considers the development phases, including existing users and new users. This resolution will be reviewed by the CREG in order to incorporate judgment C-186/22 of June 1, by which the Constitutional Court declares unenforceable article 56 of Law 2099 of 2021, which did not allow users to be transferred, the costs related to the acquisition, installation, maintenance and repair of smart meters.

During April 2022, the Ministry of Mines and Energy published and launched the Offshore Wind Energy roadmap, as a result of the joint work between the Ministry and the World Bank. Within the implementation, it was indicated that the country has a developable potential of 50 GW, in 12,200 km² of areas identified on Atlántico, Bolívar, Magdalena and Guajira's coasts, from which 1 GW installed in 2030, 3 GW by the year 2040, and 9 GW by the year 2050 were set as goals, with an estimated investment of USD 27 billion required, also as of November 2021 and through CREG 148 of 2021 the connection and operation of plants have been regulated photovoltaic and wind power plants in the SDL with net effective capacity or declared maximum power equal to or greater than 5 MW.

In March 2022, the National Planning Department published the document CONPES 4075, "Energy Transition Policy", whose general objective is to propose the design and implementation of intersectoral strategies that improve reliability in energy supply and that promote energy transition, promoting sustainable, efficient, technological, environmental and social growth.

In August 2022, the CREG published Resolution CREG 101-020 of 2022, establishing a new contraction mechanism for the Wholesale Energy Market both to meet the demand of the regulated market and that of the non-regulated market presented by Derivex S.A. E.S.P., and the Chamber Central Counterparty Risk where generators and traders can participate through a stock broker.

In August 2022, through CREG Resolution 101 018 of 2022, the Energy and Gas Commission - CREG created the Wholesale Energy Market Information System, SIMEM, in order to have a centralized information system on the behavior of market variables, wholesale energy market, which allows the unification and publication of relevant information for decision-making between market participants and interested third parties.

In the same month, through Resolution 101-024 of 2022, the CREG defined the procedures and adopted other provisions for carrying out the auctions of the reliability charge that are carried out from the entry into force of the norm, as well as the obligations of the participants of these auctions. The measure also established additional provisions for assignees of firm energy obligations.

It is also worth noting Resolution 101-025 of 2022, through which the CREG modified Resolution 075 of 2021, establishing measures that make the previous standard more flexible regarding the modification of the Date of Commissioning (FPO) for the agents' own reasons, when the projects have a considerable level of progress (greater than 60% progress).

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

It is also worth mentioning CREG Resolution 143 of 2021, published in August 2022. This resolution, although at the end of 2022 it was a regulatory proposal, is important given that, through it, the Commission establishes the bases for the next modernization of the Wholesale Energy Market.

In August 2022, through Resolution No. 40283 of 2022, the Ministry of Mines and Energy published the guidelines to encourage and increase the incorporation of distributed energy resources in the Colombian electrical system. Distributed energy resources are related to demand response mechanisms, electric vehicles, distributed generation, storage systems, and self-generation.

In September 2022, as a result of a national controversy originated in the high energy rates that users in the country have been paying, and the multiple debates of political control that have taken place in the Congress of the Republic for all entities of the sector, the CREG issued CREG Resolutions 101-027, 101-028, 101-029 and 101-031, which contain measures that seek to: (i) mitigate the high impact that inflationary indexes have on the transmission and distribution components of rate energy, (ii) establish an optimization in start-up and shutdown costs in thermal plants, in order to reduce cost of restrictions, (iii) open a voluntary mechanism for traders who serve end users, marketers and generators carry out negotiations to renegotiate the prices, times and indexes of the bilateral electric power contracts, and (iv) establish a mechanism to allow marketers to defer the payments they must make in the wholesale market and to transmitters and network operators.

In October, the Ministry of Mines and Energy published the Investment Plan for Colombia under the Climate Investment Funds Renewable Energy Integration Program (CIF-REI), which aims to support the fair energy transition of the country. The CIF-REI budget for Colombia will be up to US\$70 million in co-financing, which is expected to mobilize approximately US\$230 million from multilateral development banks, national development banks (Bancóldex and FDN), carbon finance markets, and the public and private sectors, providing concessional financing and non-reimbursable technical assistance.

In November 2022, through CREG Resolution 105.003, Dr. José Fernando Prada Ríos was appointed to exercise the functions of executive director of the Energy and Gas Regulation Commission - CREG.

During the same month, the Ministry of Mines and Energy published the document "Social Dialogue to define the roadmap for the fair energy transition in Colombia." Said document established the methodology to develop the discussion from which the new roadmap of the energy transition that the National Government will propose will emerge. The document proposed a period of 24 weeks to develop said dialogue.

In December 2022, the Communications Regulation Commission (CRC) released its Regulatory Agenda document for the period 2023-2024, which contains 26 initiatives (among regulatory projects, activities and studies), which are framed in five strategic pillars: (i) Well-being and rights of users and audiences, (ii) Markets and competition, (iii) Innovation and regulatory improvement, (iv) Management of value groups and (v) Institutional strengthening.

In December 2022, through CREG Resolution 101 032 of 2022, the CREG established the criteria and conditions for carrying out verifications of the application of the regulation of service quality in Local Distribution Systems.

In December 2022, the Commission definitively published CREG Resolution 101 035 OF 2022 that modifies CREG 101 010 of 2022, which has to do with the transportation capacity allocation schedule for class 1 projects dealt with in CREG Resolution 075 of 2021, specifically what is related to the pronouncement of the UPME of the position assigned to each project in rows 1 and 2, and on the connection concepts for said projects, going from December 30, 2022 to February 28, 2023. Likewise, it extends the term for the implementation of the single window until June 30, 2023 (previously December 31, 2022).

In December 2022, by means of CREG Circular 123 of 2022, the Commission informed the users and providers of home public services of electricity, fuel gas and liquid fuels, the institutions related to these sectors and other interested parties, the Regulatory Agenda Indicative for the validity of 2023. The following issues in Electric Power stand out: i) Review of rules for assigning OEF to existing plants (Project Resolution 133 of 2021) ii) Review of the stock market price (Final resolution of the proposal approved for consultation, project 701 025) iii) Study: New commercialization models (energy communities, marginal producer, P2P, distributed energy resources, responsibilities) vi) Regulatory harmonization interconnection Colombia Panama Regulations Decision CAN 816. In Natural Gas: i) Unregulated user limits ii) Marketing of regasification services and in Transversal:

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

i) Indexer: Continuation of the work that has been carried out with Banco de la República and DANE for the definition of an indexer that reflects the specificities of the sectors regulated by the CREG. For its part, we also highlight the definitive issuance of the AMI Smart Metering for the first half of 2023 and the bases for the distribution activity methodology as well as the new remuneration methodology for the commercialization activity, both for the first half of 2023.

In December 2022, UPME published the regulatory agenda with the list of regulatory projects of a general nature that it will issue during the year 2023, of which stand out i) Declaration of an urgent project in the National Transmission System (STN) and System of Regional Transmission (STR) ii) Determination of the areas of influence of the network operators (OR), exclusively for what is related to the linking of isolated users to their market and the criteria are defined for the inclusion and conceptualization of projects with logistics networks in the coverage expansion plans of the network operators - PECOR presented before the UPME and iii) The rates to be charged for the provision of planning and advisory services for the issuance of concepts on connections in the SIN by the UPME are established.

In December 2022, the tax reform was issued, through Law 2277 of 2022, generating a 3pp surcharge for the years 2023 to 2026 for hydroelectric plants.

The National Government is currently carrying out discussions to prepare the next National Development Plan, which by Law must be submitted for approval by Congress during the month of February 2023. This Plan is the Government's road map for the next 4 years. Until now, the bases of what this document will be have been presented, and they include aspects related to the strengthening of the Energy Transition.

Environmental aspects

In environmental matters, Law 99 of 1993 gives structure and guidelines to environmental policy in Colombia, gathering the elements of the Rio Declaration, creating the Ministry of the Environment, creating 16 Regional Autonomous Corporations, restructuring the 18 existing ones, modifying the legislation on environmental licenses, retributive rates, rates for water use, allocation of financial resources for environmental management, and sanctions for violation of environmental regulations.

Lastly, it established the National Environmental System – SINA, which is the set of regulations, resources, programs and institutions that allow the execution of the general environmental principles contained in the Law.

Similarly, through Decree 1076 of May 26, 2015, the compilation of environmental standards issued by the National Government is carried out, specifically, all current regulatory decrees that develop laws on environmental matters and whose purpose is to avoid the dispersion normative. The content is divided into three sections (books):

1. Structure of the environmental sector,
2. Regulatory regime of the environment sector and
3. Final provisions.

Section (book) 2 develops the regulations for the use, management and management of natural resources, as well as financial, economic and tax instruments and sanctions.

Through Law 1819 of 2016 on tax reform, the reduction in income tax is introduced to promote Non-Conventional Energy Sources and VAT exclusion on equipment, technologies and services that offer an environmental benefit; as well as the carbon tax on all fossil fuels used for energy purposes and defines the guidelines for the non-causation of the tax on users who certify that they are carbon neutral, which is later regulated by Decree 926 of 2017.

Based on the provisions of Article 174 of Law 1955 of 2019 (National Development Plan) and Article 130 of Decree 2106 of November 22, 2019, those interested in accessing the tax incentives established in Law 1715 of 2014, associated with VAT and special deduction of income and complementary, for investments in projects of Non-Conventional Sources of Renewable Energy - FNCER, and Efficient Energy Management - GEE; they no longer need to obtain the environmental certification issued by the National Environmental Licensing Authority (ANLA), since only the certification issued by the Mining and Energy Planning Unit (UPME) is required to access the aforementioned incentives.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Likewise, the Ministry of Environment and Sustainable Development – MADS, published on August 11, 2016, Resolution 1312, which adopts the terms of reference for the preparation of the Environmental Impact Study (EIA), required for the procedure of the environmental license for projects for the use of continental wind energy sources, as well as Resolution 1670 of August 15, 2017 through which it adopted the terms of reference for the preparation of the EIA, required for the processing of the environmental license of projects use of photovoltaic solar energy.

Understanding the normal adjustments that are made in the development of electrical projects, the MADS issued Resolution 0859 of 2022, which establishes the list of minor changes or normal adjustments in dam projects, dams, transfers or reservoirs and in projects in the electric power sector, which have an environmental license.

Taking into account the current regulatory vacuum that exists in terms of sediment management, the Ministry of Environment and Sustainable Development published the General Guidelines for Sediment Management at the river basin level within the framework of the Integral Management of Water Resources.

Additionally, this Ministry through Decree 2462 of December 28, 2018 establishes that only projects for the exploration and use of alternative energy sources that come from biomass for energy generation with higher installed capacity will require an Environmental Diagnosis of Alternatives – (DAA). to 10 MW, excluding solar, wind, geothermal and tidal energy sources.

Through Law 2099 of July 10, 2021, it was established that the MADS will determine the environmental parameters that projects developed with geothermal energy must comply with, in addition, it prioritizes environmental licensing and its modifications to projects with a date of entry into operation of less than 2 years and, establishes that DAA will not be required for connection assets to the SIN, of those electricity generation projects that decide to share said connection assets under the terms defined by the regulation issued by the CREG. Finally, it establishes that the Clean Production Seal is created: assigned to all those who use only non-conventional sources of renewable energy as energy sources in production processes and who invest in improving their energy efficiency, to be regulated by the MME. In this sense, the Ministry of Environment through Resolution 1060 of 2021 established the terms of reference for the elaboration of the EIA for the environmental license process.

For its part, the UPME, through Resolution 703 of 2018, establishes the procedure and requirements to obtain the certification that endorses the projects of Non-Conventional Sources of Renewable Energy (FNCER), with a view to obtaining the benefit of VAT exclusion. and the exemption from customs duties referred to in articles 12 and 13 of Law 1715 of 2014.

The Ministry of Mines and Energy, issued Decree 421 of April 22, 2021 "By which Decree 1073 of 2015 is added Sole Regulatory of the Administrative Sector of Mines and Energy, in relation to transfers from the electricity sector destined for the municipalities and districts benefiting from the FNCER projects. For its part, the Ministry of Environment and Sustainable Development – MADS, issued Decree 644 of June 16, 2021 related to the financing and allocation of resources for the comprehensive management of the wetlands in Colombia through transfers from the electricity sector in which for hydro plants, whose destination was 6% (3% for municipalities and 3% for corporations), establishing that 3% of the corporations must be divided between corporations and National Natural Parks in the jurisdiction of the project.

In this sense, the MME issued Decrees 1302 and 1475 of 2022, which regulate Transfers from the Electricity Sector destined for Indigenous Communities and Black, Afro-Colombian, Raizales and Palenquera Communities.

Law 2169, called the Climate Action Law, promotes the country's low-carbon development by establishing goals and minimum measures in terms of carbon neutrality and climate resilience for the sectors, giving legal status to the NDC2020 (Nationally Determined Contribution of 2020) which seeks to implement short, medium and long-term strategies to conserve and protect the country's natural resources, reach carbon neutrality as well as reduce GHG emissions.

It proposes that by 2030 actions will be completed to achieve zero deforestation, reduce black carbon emissions by 40%, endorse the goal of reducing Greenhouse Gas (GHG) emissions by 51% and/or reach carbon neutrality by 2050.

For the year 2022, the national government continued with the construction of the regulatory framework for climate change, and through Resolution 0019 of 2022, the adjustment of the rates of the National Gasoline Tax and the ACPM and the Carbon Tax is carried out. Similarly, through Resolution 172 of 2022, the Intersectoral Commission of the Presidential Cabinet for Climate Action is created.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Finally, the President of the Republic sanctioned Law 2273 of 2022, which approves the regional agreement on access to information, public participation and access to justice in environmental matters in Latin America and the Caribbean, adopted in Escazú, Costa Rica.

Natural gas

The regulation in the natural gas sector is aimed at fulfilling the objectives defined in Law 142 of 1994: i) guarantee the quality of the service to ensure the improvement of the quality of life of users, ii) the permanent expansion of coverage, iii) continuous and uninterrupted provision of the service, iv) efficient provision, v) freedom of competition and non-abusive use of a dominant position.

As of the issuance of Decree 2100 of 2011, a regulation has been issued especially aimed at ensuring and guaranteeing the supply, reliability and continuity of service in the natural gas sector. In this sense, regulatory instruments have been defined in order to encourage imports and the increase in gas production, standardization of contractual modalities in order to ensure the attention of essential firm demand, definition of negotiation mechanisms that promote competition and efficient pricing, and the creation and consolidation of a market manager in order to have timely operational and commercial information on the sector.

The foregoing is materialized by the Energy and Gas Regulation Commission –CREG with the issuance of Resolution 089 of 2013, through which commercial aspects of the wholesale natural gas market are regulated, which are part of the natural gas operation regulations. Likewise, and according to studies carried out by the CREG, and given the concentration of the natural gas market, this resolution is necessary to promote competition among those who participate in said market, designing mechanisms that promote greater market transparency and liquidity, and the identification of the need to promote a more efficient use of the gas supply and transportation infrastructure.

On the other hand, and according to the analysis, monitoring of the transactions and the result of the natural gas market negotiations, in August 2017 the CREG through Resolution 114 adjusted some aspects related to the commercialization of the natural gas wholesale market and compiled Resolution CREG 089 of 2013 with all its adjustments and modifications.

Continuing with its evaluation and aiming for adjustments in the natural gas market, and as a result of the consultation, analysis, and agent comment process, the CREG published on February 20, 2019 the Resolution 021 of 2019, which modifies Resolution 114 of 2017, in which the main adjustments are highlighted: the start date and the termination date of the bilateral firm contracts of the secondary market; incorporates a contract with interruptions to negotiate bilaterally in the secondary market; incorporate the transport contract with conditional firmness in the secondary market; make the start date of long-term contracts negotiated bilaterally in the primary market more flexible; incorporate supply contracts with conditioned firmness and gas purchase option in the primary gas supply market.

On the other hand, the Commission has issued Resolution 068 of 2020, through which additional transactional information is established to be declared by the participants in the wholesale natural gas market provided for in Annex 2 of CREG Resolution 114 of 2017, among them a) Currency of payment agreed in the contracts and b) Exchange rate agreed in the contract for purposes of converting dollars to Colombian pesos for settlement and billing.

Through CREG Resolution 135 of July 3, 2020, the Commission formalizes the selection of the Colombian Mercantile Exchange as the Natural Gas Market Manager, for a period of five (5) years that will begin on the sixth (6) January 2021.

The Ministry of Mines and Energy during the month of October of the year 2020, publishes Resolution 40304, by which the Natural Gas Supply Plan is adopted and other provisions are adopted. The works that are considered relevant there and that are included are: Pacific Regasification Plant, gas pipeline between Yumbo and Buenaventura, 3 transport infrastructure works with bidirectionalities, interconnection of the markets of the Atlantic Coast and the center of the country and 2 reinforcements for Valle de Cauca and Tolima Grande.

In November, the Commission published Resolution 185 of 2020, which establishes provisions on the sale of transportation capacity in the wholesale natural gas market. This rule reflects greater transparency in the allocation mechanisms, speeds up transportation capacity allocations when requests exceed the system's available capacity, sets mechanisms to allocate the capacity of plan projects of supply, makes it possible to improve the use-it-or-sell-it processes in the long and short term for transportation capacity, and encourages the efficient allocation of transportation capacity among gas market participants.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

In that same month, CREG Resolution 186 of 2020 was published, regulating commercial aspects of the supply of the wholesale market (primary and secondary) of natural gas. This standard compiles the modifications made to date on CREG Resolution 114 of 2017 (CREG Resolutions 140 and 153 of 2017, 008 of 2018 and 021 of 2019).

In December 2020, the Superintendence of Residential Public Services published Resolution 20201000057975, which defines the assimilation of new activities to the fuel gas service supply chain, establishes the information reporting criteria for these agents, and establishes other provisions. Its effects will be those established in article 17 of Law 1955 of 2019, for the development of inspection, surveillance and control functions, and for compliance with the regulation. It assimilates the Regasification activity to the Transportation activity, a complementary activity to the domestic fuel gas public service, and assimilates the Imported Gas Commercialization activity, to the commercialization activity, a complementary activity to the domestic fuel gas public service.

In January 2021, CREG Resolution 001 was published, which regulates the natural gas transportation capacity allocation mechanism when contractual congestion occurs in a standard quarter in the primary market, in accordance with the provisions of the CREG Resolution. 185 of 2020.

On May 31, 2021, the MME issues Resolution 00014 by which it publishes the information corresponding to the Declaration of Natural Gas Production for the period 2021-2030, certified by the Producers and Producers - Marketers of natural gas, analyzed, adjusted and consolidated by the Ministry of Mines and Energy through the System for the Capture and Consolidation of the Declaration of Natural Gas Production - SDG. Highlights:

- Stated natural gas production forecasts for 184 fields.
- Total Production Available for Sale - PTDV declared with respect to 85 fields (46% of the fields that submitted the Declaration of Production). Of these, 21 are located on the coast and 64 are in the interior.
- Declaration of 50 Gbtud as Imported Quantities Available for Sale - CIDV by Calamarí LNG.

On August 4, 2021, Law 2128 "By means of which the supply, continuity, reliability and coverage of fuel gas in the country is promoted" is promulgated. The purpose of this new Law is to encourage the supply of fuel gas in the country and expand its use, in order to generate positive impacts on the environment, on the quality of life and health of the population, as well as access to public service. , as established in Law 1955 of 2019.

On August 30, 2021, the MME, through Resolution 40286, established conditions through which the Ministry can authorize the withdrawal of the projects of the Natural Gas Supply Plan executed through selection processes, if situations arising from irresistible and unforeseeable events, beyond the control of the successful bidder that prevent the execution of the projects, which are duly verifiable.

In the month of September, the CREG published Resolutions 127 and 128; through which it makes adjustments to some of the aspects contained, both in CREG Resolution 107 of 2017, and in CREG Resolution 152 of 2017, according to the characteristics of the projects included by the Ministry of Mines and Energy in the Plan of Supply of Natural Gas, and the introduction of mechanisms that encourage compliance with the anticipated dates of entry into operation.

On October 7, 2021, UPME Publishes Resolution No. 000330 of 2021, in which 6 IPAT projects are defined as part of the Natural Gas Supply Plan that can be executed in the first instance by the incumbent transporter, defined the projects:

- 1 Transport capacity in the section Mariquita - Gualanday.
- 2 Bidirectionality Barranca - Ballena.
- 3 Bidirectional Barranquilla - Ballena.
- 4 Barranquilla - Ballena con Ballena - Barrancabermeja Interconnection.
- 5 Expansion of the transmission capacity of the Jamundí - Valle del Cauca branch.
- 6 Bidirectionality Yumbo - Mariquita.

The UPME publishes on October 22, 2021 External Circular No. 059 OF 2021, with this circular the process for the Selection of the Investor of the Public Call UPME GN No. 01-2020 (Pacific Regasification Plant) was closed.

On November 22, 2021, the CREG published CREG Resolution 175 of 2021, which establishes the general criteria for the remuneration of the natural gas transportation service and the general scheme of charges for the National Transportation System, and dictates other regulations regarding the transportation of natural gas.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The Ministry of Mines and Energy published between October 21, 2021 and December 28, 2021, three resolutions: Resolution 00763, Resolution 01124, Resolution 01446 of 2021, which generate modifications in the Natural Gas Production Declaration for the period 2021 – 2030, changing the PC (Committed Production) and PTDV (Total Production Available for Sale) for the fields: Bullerengue, Chuchupa, Ballena, Nutria, Llanito, Provincia, Bonanza, Corazón, Corazón West, La Cira Infantas, La Salina, Lisama, Pauto Sur, Payoa, Providencia, Tesoro and Yariguí-Cantagallo.

On January 28, 2022, CREG resolution 227 of 2021 was published, which corresponds to the General Tariff Formula for the Commercialization of Natural Gas, where provisions are established regarding prices and amounts transferable to the Regulated Essential Demand, substitutions, eliminations and inclusions within the tariff formula and guidelines are defined regarding the contracting in the primary and secondary market of the agents that attend Essential Demand (Decree 2100 of 2011).

In February 2022, CREG Resolutions 702-001 of 2022 and 102 001 were published: Adjustments to Resolution 175 of 2021, which modify the dates of delivery of information by carriers within the process of requesting charges from the application of Resolution 175 of 2021.

On March 28, 2022, Resolution 0354 of 2022 is published by the Ministry of Mines and Energy, in which modifications are generated in the Declaration of Natural Gas Production for the period 2021 – 2030, changing the PC (Committed Production) and PTDV (Total Production Available for Sale) for the fields: Bullerengue, Chuchupa, Ballena, Nutria, Llanito, Provincia, Bonanza, Corazón, Corazón West, La Cira Infantas, La Salina, Lisama, Pauto Sur, Payoa, Providencia, Tesoro and Yariguí- Cantagallo.

Finally, on March 29, 2022, CREG Resolution 226 of 2021 was published, which corresponds to a modification of resolution 186 of 2020, a resolution that consolidated the regulation of Wholesale Marketing in Natural Gas Supply, in CREG resolution 226 of 2021. Added to this marketing regulation issues concerning the prioritization of supply around the attention of Essential Demand with the establishment of the mechanism "MADE" (Essential Demand Assurance Mechanism), the allocation of Total Available Production for the Sale (PTDV) in the primary market, modifications are made to the available contracts, new tasks are defined for the Gas Market Manager and the commercialization of interruptible contracts in the primary and secondary market is conditioned.

In the month of August 2022, the CREG published Resolution 102 009 of 2022, through which particular procedures were established that must be applied in the execution through selection processes of the Pacific gas import infrastructure included in the transitory plan of supply of natural gas adopted by the Ministry of Mines and Energy through Resolution 40006 of 2017.

Regulatory framework Central America: Costa Rica, Guatemala, Panama.

Costa Rica

According to Law 7593 of 2008, the activity of generation, transmission, distribution and commercialization of electricity is classified as public services, for which reason the participation of the different actors in this sector is strongly concentrated in the State. There are eight electricity distribution companies, of which two belong to the State and concentrate three quarters of the demand, two are municipal companies and the remaining four are cooperatives. The participation of private entities other than cooperatives occurs only at the generation level and is regulated by law numbers 7200 of 2015 and 7508 of 1995.

The Ministry of Environment and Energy (MINAE) is in charge of preparing and coordinating public policy and programs related to the environmental and energy sectors, and in particular the electricity sector, which are in charge of the Secretariat of Energy Subsectoral Planning (SEPSE). The SEPSE is in charge of formulating and promoting comprehensive energy planning, through policies and strategic actions that guarantee the timely supply and quality of energy, contributing to the sustainable development of the country. The Public Services Regulatory Authority (ARESEP) is responsible for regulating and supervising the quality and price of public electricity services (Law No. 7593). Law No. 7593 granted ARESEP, Sufficient powers to exercise the regulation of public services provided in the country, including those for the supply of electricity in the generation, transmission, distribution and commercialization stages. The Costa Rican Electricity Institute (ICE) is a state company that provides electricity generation, transmission and distribution services. It is the largest generator in the country and functions as the sole buyer of the energy generated by private generators under Law No. 7200 and No. 7508. According to its creation law (Law No. 449 of April 8, 1949), it is responsible for satisfying the demand for national electricity, which is why ICE has the

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

largest capacity of the country's generating plants, mainly hydroelectric. The National Energy Control Center (CENCE) is a dependency of ICE, in charge of dispatching generation to satisfy national demand. Generation companies under Laws 7200, 7508 and 8345, and distribution companies with their own generation.

The state company ICE is the largest generator in the country and the only buyer of energy. To date, only rural electrification cooperatives and municipal companies can sell the energy they generate directly to customers in their concession area, according to Law No. 8345.

Law No. 7200 authorizes private generation in Costa Rica, through plants of up to 20 MW of installed capacity and hydroelectric and non-conventional sources; In addition, the law establishes that the set of projects must not exceed 15% of the total power of the power plants that make up the National Electric System, and at least 35% of the capital stock of any company that wants to generate electricity to sell to ICE must be owned by Costa Rican citizens.

On the other hand, through Law No. 7508, a second regime of private participation in generation was incorporated, which corresponds to the second chapter of Law No. 7200. In this BOT (Building, Operation and Transfer) regime, the contracting process is done through the public bidding system. ICE can buy from these plants up to 15% additional to that authorized by Law No. 7200, to total 30% of the national installed capacity. The process of negotiating contracts for the purchase and sale of energy with private generators is carried out through the Investment Strategies Process of the National Center for Electrical Planning (CENPE) of ICE. ICE is the sole buyer of electricity and price fixer, therefore there is no spot market or free customers.

Given the state scheme of ICE as the sole buyer of electricity and price fixer in Costa Rica, there are no concepts such as the spot market or free customers for public or private generators in Costa Rica.

The electricity transport system meets all the characteristics of a natural monopoly. The expansion of the system is carried out by ICE, in accordance with the expansion programs of the electricity generation and distribution companies. Electricity transmission is the responsibility of ICE's Electricity Production Strategic Business Unit (UEN PE).

Costa Rica's electricity transportation network is made up of substations, lines, transformers, and reactive power compensation equipment. It operates at two main voltage levels, the most important being 230 kV due to its location, allowing the transport of large blocks of energy from the north and from the Atlantic. The 138 kV level is located mainly in the central zone that forms a central ring.

The role of the distributor as an energy intermediary is that of a sole seller in its service area and the cost of purchasing energy from the Generation System is transferred directly to the Distribution System rates. Starting in 2013, a methodology is applied to recognize the impact of fuels on rates on a quarterly basis, after adjusting the generation rate so as not to duplicate said impact.

Additionally, Law 10086 2021, Promotion and Regulation of Distributed Energy Resources from Renewable Sources, aims to establish the necessary conditions to promote and regulate activities related to access, installation, connection, interaction and control of distributed energy resources based on renewable energy sources.

Likewise, there is Law 9518 of 2018, incentives and promotion for electric transport, which aims to create the regulatory framework to regulate the promotion of electric transport in the country and strengthen public policies to encourage its use within the public sector and the general public. This Law was modified during 2022 by Law 10209, changing some of the incentives for electric vehicles.

On March 29, 2022, the Government and Administration Commission of the Assembly approved Bill No. 22561: Law for the authorization of electricity generators to sell surplus energy in the regional electricity market, this bill seeks to enable electricity generators to be agents in the Regional Electricity Market so that they can sell energy, since currently the Costa Rican Electricity Institute is the only agent authorized to sell energy by Costa Rica. Now the project must follow its approval process and be approved by the Legislative Plenary in two debates.

The Ministry of Environment and Energy published on September 29, 2022, the Regulation of Chapter III of Law No. 9518, Law on incentives and promotion for electric transportation (modified by the Legislative Assembly through Law No. 10209, on incentives to green transport). This MINAE standard regulates the application of temporary tax incentives for electric vehicles and their inputs; as well as a temporary exemption from the electric vehicle property tax.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

In October 2022, at a session of the Governing Council, a Bill for the harmonization of the national electricity system was presented. The following aspects are highlighted: (i) Make the most of the strengths of the Costa Rican electricity system, (ii) there would be a prioritization that of the use of surpluses at the domestic level, before using it in the regional electricity market (MER), (iii) integrated approach that seeks to optimize the national system and could lower the average cost of electricity, (iv) this project is aligned with the decarbonization of the economy and will strengthen the electrification of transportation, and (v) favors access to and benefits from the MER.

Guatemala

The operation of the electricity market is carried out through public and private institutions. At the public level, there is the Ministry of Energy and Mines (MEM) whose main function is to dictate the Energy Policy, Expansion Plans for Generation and Transmission, apply the General Electricity Law (LGE); among others. The regulator is the National Electric Energy Commission (CNEE) and its functions are to enforce the law and impose sanctions, ensure compliance of successful bidders and concessionaires, protect users, define regulated rates, settle disputes, issue technical standards; among others.

The system operator and market administrator works as a private non-profit company called the Wholesale Market Administrator (AMM), whose functions are to manage and coordinate the wholesale market by complying with the AMM regulations and its regulations. The wholesale market is made up of generators, transporters, marketers, distributors, importers, exporters and large users.

The Guatemala electricity market has functioned as a free market since 1996, when the activities of the electricity industry were separated, thus opening up the generation and sale of energy to free competition. Transmission and distribution function as regulated activities where private and public companies participate to provide the service, awarded through public bidding.

Physically the electrical system is made up of the national electrical system (SEN), which is made up of the national interconnected system (SNI) and some isolated systems.

The generators will be able to make direct sales to Marketers or Large Users, which are defined as those that exceed a demand of 100 kW, which will have the possibility of being free customers setting the rates freely between the parties. The other source of energy sales is to the wholesale market, in which case they are governed by the rules of the wholesale market administrator.

In the wholesale market, two products are traded; 1. Power that is settled on a monthly basis and 2. Energy that is settled on an hourly basis.

The transport system is made up of the main system and the secondary system. The main system includes the national trunk interconnection system, the Guatemala-El Salvador interconnection and the Guatemala-Mexico interconnection, and currently with Central America (SIEPAC); The secondary system is made up of the electrical infrastructure used by the generators to supply energy to the main system, and the one that goes from the main system to the distribution centers. The transmission network basically operates at four voltage levels: 400 kW, 230 kW, 138 kW and 69 kW.

The distribution system is made up of the distribution infrastructure (lines, substations and distribution networks) that operates at voltages of less than 34.5 kW. The operation of the main components of the distribution system is coordinated by the AMM and executed by the distributors.

The added value of distribution (VAD) is the remuneration received by the companies that carry out the final electricity distribution activity, for allowing the use of their distribution facilities, which include, among others: medium and low voltage distribution networks, transformers, connections, measurement systems; as well as all the costs of administration, marketing and operation and maintenance of said facilities. In this way, the VAD corresponds to the average cost of capital and operation of a reference efficient distribution network.

Currently, the National Electric Energy Commission – CNEE of Guatemala published a modification to the connection technical standard for consultation of the interested parties, which is framed in the following concepts i) Review and update of the design verification process currently carried out by the CNEE. ii) Update aspects of the process to establish the connection and use proposal – PCU and the connection contract, and iii) Integrate the toll setting process into the acceptance process and update the requirements for the commissioning of new facilities.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

On March 29, 2022, the Congress of the Republic approved the Law to strengthen the social contribution of the electricity rate to expand the range of social rates. With this Law, the range is extended so that it applies to users of consumption of up to 100 kW per month (previously it applied up to 88 kW). This law will apply throughout the year 2022.

On July 18, 2022, the Ministry of Energy and Mines published ministerial agreement No. 180-2022, through which green hydrogen is classified as a renewable energy resource, including it in this classification, and therefore being covered by the Incentives Law for the development of renewable energy projects. This will allow new green hydrogen projects to enjoy the benefits of exemption from customs duties for imports, including Value Added Tax -VAT-, charges and consular fees on the importation of machinery and equipment; Likewise, these projects may also be exempt for 10 years from the payment of income tax and the IEMA.

On August 29, 2022, the Law on incentives for electric mobility is published, through Decree 40-2022. The main objective of this law is to facilitate and promote the import, sale and use of electric, hybrid, hydrogen vehicles and electric transport systems in Guatemala, seeking to contribute to the diversification of the energy matrix and the mitigation of greenhouse gas emissions. with which the country shows a clear commitment to care for the environment. The Law also declares the promotion and use of electric and hydrogen vehicles and electric transport systems to be of public interest, to promote investment in infrastructure and production of electric power, efficiency in public and private transport , the diversification of the energy matrix and the decarbonization of the vehicle fleet.

In the month of November 2022, the Ministry of Energy and Mines published government agreement 295-2022 regulation to the Electric Mobility Incentives Law, whose purpose is to regulate the necessary procedures for the application of the Law related to the request , analysis, validation, classification and approval of tax incentives for electric vehicles, electric vehicle spare parts, motor and battery. Additionally, incentives for loaders, equipment and materials for load centers in the pre-investment and execution periods in accordance with the Law.

Panama

The different actors of the Panamanian electrical system make up the national interconnected system (SIN).

Law of February 6, 1997 and its modifications, establishes the regulatory and institutional framework for the provision of public electricity service. The Law establishes that the activities of transmission, distribution, commercialization and generation of electrical energy are regulated. The National Authority for Public Services (ASEP) is the entity in charge of regulating, supervising and ensuring excellence in the provision of public services, guaranteeing both regulated companies and customers and/or end users compliance with the legal regulations in force, respecting their rights and making effective the correct fulfillment of their obligations.

In Panama, the regulation establishes that Empresa de Transmisión Eléctrica, S.A. (ETESA) is the government entity, which acts as purchasing manager, which is responsible for contracting power and energy in the contract market for the end customers of the distribution companies. Distribution companies must be 100% contracted two years in advance and minimum contracting percentages are gradually established.

The transport of high voltage electrical energy from the point of delivery of the generators to the point of reception by the distribution company or large client is carried out by ETESA, and who coordinates the operations and transactions that take place between the participants of the wholesale market of electricity is the National Dispatch Center (CND), a dependency of ETESA.

The producer participants when they made up of the generators, self-generators and co-generators located in the Republic of Panama; distributors when they sell their own generation surpluses to third parties, have various options to participate in the Panamanian market; i) Sales of energy and power to the short-term or spot market whose price is defined by the CND, ii) Sales by contract market and iii) Sales to contract markets of free customers those who have a demand greater than 100 kW.

For the promotion of small generation plants using new, renewable and clean sources, incentives have been established in the Law, which proposes various benefits such as exemption from the distribution and transmission charge, exemption from import taxes, tariffs, rates, contributions and liens; as well as the transfer tax on movable property and provision of services, for the construction, operation, and maintenance of new, renewable, and clean power plants of up to 500 kW of installed capacity.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The distribution service includes the activities of transporting energy through the distribution networks, the delivery of energy to end customers and marketing to customers. Distribution is a monopolistic activity, therefore it is regulated.

Electricity sales to final customers are remunerated through regulated rates. These rates cover the costs incurred by each distribution company to provide the service to each category of customer, according to the characteristics of their energy consumption.

In October 2019, the Cabinet Council approved Cabinet Resolution No. 103 with the electric mobility strategy (ENME), which proposes measures in four fundamental areas – governance, regulations, strategic sectors and education; as well as the creation of a legal framework that discourages the use of fossil combustion vehicles and stimulates the introduction into the market of electric vehicles for private and public transport (selective or mass). The goals for 2030 of the strategy include: 10-20% of private vehicles, 25-40% of private vehicles sold, 15-35% of buses and 25-50% of public fleet vehicles; They will be electrical.

In November 2020, the Cabinet Council approved Cabinet Resolution No. 93 with the strategic energy transition guidelines proposed by the National Secretariat of Energy, measures that seek to encourage investment in the sector, improve competitiveness, and bring electrification to communities. specified in the Colmena Plan. The five defined strategies contemplated in energy matters are classified as: universal access, rational and efficient use of energy, electric mobility, distributed generation, innovation of the national interconnected system and a transversal strategy for institutional strengthening.

In January 2022, the Cabinet Council approved Cabinet Resolution No. 5 with the National Distributed Generation Strategy (ENGED). In order to take into account the various DG development trajectories, three possible DG development scenarios were projected to 2030: trend (250mW, 2%), conservative (950mW, 7%), and optimistic (1700mW, 14%). The strategy contemplates 6 lines of action, which include the simplification and digitization of procedures for DG facilities, the increase in installed capacity limits, implementing the possibility of selling or marketing surpluses, regulation for communication and remote facilities, modification of self-consumption and expansion of limits and the evaluation, adaptation and implementation of technical standards.

In March 2022, the Cabinet Council approved Cabinet Resolution No. 28 with the National Strategy for Universal Access to Energy (ENACU), which establishes 25 lines of action in which priorities are identified, the actors responsible for them and the corresponding sub-activities in addition to the performance milestones. 4 projects will be carried out at the national level to promote the implementation of said Strategy at different levels, such as: Empowerment and training program for women in rural areas as "solar installers"; the contest to innovate to connect with energy solutions that facilitate access to electricity and modern cooking; the program to undertake in renewable energies: where trained women will have the capacity to install, operate and maintain solar photovoltaic and solar thermal panels in their homes and communities; the Promotion for the creation of energy cooperatives in Panama together with the Department of State of the United States of America.

In April 2022, Law 295 was approved, which establishes the regulatory framework for the development and operation of electric mobility, promoting an energy transition process from internal combustion land transport to electric land transport with the implementation of measures and incentives in the public, private and academic sectors. Establishes minimum goals for 2030 for fleet migration, at 40% of the state fleet and 33% for mass transportation. The Law includes: exemption from import tax, exemption from license plate payments for 5 years (green license plate), preferential parking spaces; as well as it will allow the citizen to resell energy to charge electric vehicles.

Bill 258 for the use of renewable energy in the public sector, was approved in the third debate on April 6, 2022 by the National Assembly of Deputies for the implementation of the renewable energy system in the public sector that is intended to produce, at least, 15% in existing structures and 25% in new structures of total annual average consumption. However, this bill was objected to by the Executive in May, given that in its opinion the proposal is inconvenient for not developing the necessary provisions for its implementation (impact on the State budget, limitations on owned and rented properties).

In June 2022, the Cabinet Council approved Cabinet Resolution No. 66 with the national strategy for the rational and efficient use of energy (ENUREE), which sets out to reduce the final consumption of electricity by 15% and the final consumption of fuels by 3% by 2030. Among the recommendations of the roadmap is the implementation of a fund to support the availability of "green" credit lines for the private sector, the incorporation of renewable energies in the design of new and already built buildings, the development of a market for energy services and the reinforcement of information campaigns.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

In June 2022, the Cabinet Council approved Decree Law No. 10 that adopts the national climate action plan (PNAC) for the Republic of Panama, as a key instrument that promotes the country's national and sectoral ambitions in the short and long term in terms of climate change, in order to facilitate and guarantee the implementation of the determined national contribution and its periodic updates, in compliance with the commitments assumed as a country. The Plan includes 11 strategic pillars: energy, forests, watershed management, coastal marine systems, biodiversity, sustainable agriculture- livestock-aquaculture, resilient settlements, public health, sustainable infrastructure, circular economy and climate transparency. The PNAC defines a total of 55 actions that must be carried out in the short term under each sector and an indicative investment plan that provides an initial approximation of the costs associated with the short-term implementation (2025) of the actions and the identification of climate financing instruments.

In the month of October 2022, the National Secretariat of Energy of Panama (SNE) published Resolution No. MIPRE-2022-0037359, through which it informs the agents of some recommendations to adopt measures for the contracting of electric power transmission companies. Based on article 83 of the Single Text of Law 6 of 1997, ordered by Law 194 of 2021, the new regulation establishes that the Empresa de Transmisión Eléctrica S.A. (ETESA) may carry out acts of purchase of power and/or energy with special charge sheets, approved by the National Authority of Public Services. These tender documents will be subject to the energy policy guidelines issued by the SNE.

2. Basis of presentation

The Group presents its general purpose consolidated financial statements in Colombian pesos and the values have been rounded to the nearest unit of thousands of pesos (COP\$000), except when otherwise indicated.

The general purpose consolidated financial statements include comparative information corresponding to the previous period of the company Emgesa S.A. E.S.P. prior to the merger.

The accounting principles applied in its preparation are detailed below:

2.1. Accounting principles

The consolidated general purpose financial statements of the Group as of December 31, 2022 have been prepared in accordance with the Accounting and Financial Information Standards accepted in Colombia (NCIF by its acronym in Spanish), established in Law 1314 of 2009, regulated by Decree Sole Regulatory 2420 of 2015 modified by Decrees 2496 of 2015, 2131 of 2016, 2170 of 2017, 2483 of 2018, 2270 of 2019, 1432 of 2020, 938 of 2021 and 1611 of 2022. The NCIF – Group 1 are based on the Complete International Financial Reporting Standards (IFRS), and officially translated into Spanish issued by the International Accounting Standards Board (IASB).

The Group applies to these general purpose consolidated financial statements the following exception contemplated in Title 4 Special Regimes of Chapter 1 of Decree 2420 of 2015:

The determination of post-employment benefits for future retirement or disability pensions will be made in accordance with the requirements of IAS 19; however, it requires the disclosure of the calculation of pension liabilities in accordance with the parameters established in Decree 1625 of 2016, articles 1.2.1.18.46 and following and, in the case of partial pension commutations in accordance with the provisions of numeral 5 of article 2.2.8.8.31 of Decree 1833 of 2016, reporting the variables used and the differences with the calculation made in terms of the technical framework under NCIF.

The Group belongs to Group 1 according to the definitions of Decrees 2784 of December 28, 2012 and 3024 of December 27, 2013, as required by the Group issued the first comparative consolidated financial statements under the NCIF as of December 31 of 2015.

The subsidiaries in Central America (Panama, Costa Rica and Guatemala) prepare their financial statements applying IFRS International Financial Reporting Standards, and the approval adjustments have been made to Accounting and Financial Reporting Standards accepted in Colombia (NCIF), for which, the presentation bases used in the consolidation are uniform.

These general purpose consolidated financial statements have been prepared following the going concern principle by applying the cost method, with the exception, in accordance with NCIF, of assets and liabilities that are recorded at fair value.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The preparation of general purpose consolidated financial statements in accordance with NCIF requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying accounting policies.

The Group does not present cyclical, stationary or occasional transactions that must be disclosed independently in the general purpose consolidated financial statements.

2.2. Accrual accounting basis

The Group prepares its general purpose consolidated financial statements, using the accrual accounting basis, except for information on cash flows.

2.3. New standards incorporated into the accounting framework accepted in Colombia whose effective application is from January 1, 2023

Decree 938 of 2021 updated the technical frameworks of the Accounting and Financial Information Standards accepted in Colombia, mainly incorporating amendments to the standards that had already been compiled by Decree 2270 of 2019, which considered the regulations incorporated by Decrees 2420 and 2496 of 2015, 2131 of 2016, 2170 of 2017 and 2483 of 2019.

Amendment to IAS 1 Presentation of Financial Statements – Classification of liabilities as current or non-current.

The amendments issued in January 2021 clarify the criteria for classifying liabilities as current or non-current, based on the rights that exist at the end of the reporting period. The rating is not affected by the entity's expectations or events subsequent to the reporting date. The changes also clarify what the "settlement" of a liability refers to in terms of the standard. The Group does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the consolidated financial statements.

Amendment to IAS 16 Property, Plant and Equipment – Amounts obtained prior to the intended use.

The amendment published in May 2021 prohibits the deduction from the cost of an item of property, plant and equipment of any amount from the sale of items produced while bringing that asset to the place and conditions necessary for it to operate in the manner intended by management. Instead, an entity would recognize the amounts of those sales in profit or loss. The Group does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the consolidated financial statements.

Amendments to IFRS 3 Business Combinations – Reference to the Conceptual Framework.

The amendment published in May 2021 addressed 3 modifications to the standard in order to: update the references to the Conceptual Framework; add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and IFRIC 21 Liens; and confirm that contingent assets should not be recognized at the acquisition date. The Group does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the consolidated financial statements.

Amendment to IAS 37 Provisions, Contingent Liabilities and Contingent Assets – Cost of fulfilling a contract.

The purpose of this amendment, which was also published in May 2021, is to specify the costs that an entity includes when determining the "cost of performance" of a contract for the purpose of assessing whether a contract is onerous; clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling a contract and an allocation of other costs that are directly related to fulfilling the contract. Before recognizing a separate provision for an onerous contract, for an onerous contract, the entity shall recognize impairment losses on the assets used to fulfill the contract. The Group does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the consolidated financial statements.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Reform of the reference interest rate.

Following the financial crisis, the reform and replacement of benchmark interest rates such as GBP LIBOR and other interbank rates (IBORs) has become a priority for global regulators. There is currently uncertainty about the timing and precise nature of these changes. To transition existing contracts and agreements that reference LIBOR, it may be necessary to apply adjustments for term differences and credit differences to allow the two reference rates to be economically equivalent on transition.

The amendments made to IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures provide certain alternatives in relation to the interest rate benchmark reform. The alternatives relate to hedge accounting and have the effect that the reforms generally should not bring hedge accounting to an end. However, any hedge ineffectiveness should continue to be recorded in the income statement. Given the pervasive nature of hedging involving Inter-Bank Rate (IBOR) based contracts, the alternatives will affect companies across all industries.

Accounting policies related to hedge accounting will need to be updated to reflect the alternatives. Fair value disclosures may also be affected by transfers between levels of the fair value hierarchy as markets become more or less liquid.

The Group does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the consolidated financial statements.

Annual improvements to IFRS Standards 2018–2020 cycle

The following enhancements were finalized in May 2022:

IFRS 9 Financial Instruments: clarifies which commissions must be included in the 10% test for derecognition of financial liability accounts.

IFRS 16 Leases: modifies illustrative example 13 of the standard to remove the illustration of lessor payments related to improvements to leased property, to eliminate any confusion about the treatment of lease incentives.

IFRS 1 First-time Adoption of International Financial Reporting Standards: It allows entities that have measured their assets and liabilities by the book value recorded in their parent's accounting to also measure cumulative translation differences using the amounts reported by the parent. This amendment will also apply to associates and joint ventures with certain conditions.

IAS 41 Agriculture: removes the requirement for entities to exclude tax cash flows when measuring fair value under IAS 41.

Extension of the temporary exemption from the application of IFRS 9 – Financial Instruments (Amendments to IFRS 4): The expiration date of the temporary exemption for the application of IFRS 9 Financial Instruments was extended, for annual periods beginning on or after January 1, 2023.

The Group does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the consolidated financial statements.

Conceptual framework

The IASB has issued a revised Conceptual Framework to be used in standard-setting decisions with immediate effect. Key changes include:

- Increase the importance of administration in the objective of financial information;
- Restore prudence as a component of neutrality;
- Define a reporting entity, which may be a legal entity or a part of an entity;
- Review the definitions of an asset and a liability;
- Remove the probability threshold for recognition and add guidance on deletion of accounts;
- Add guidance on different measurement bases, and
- Indicate that profit or loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled when this improves the relevance or faithful representation of the consolidated financial statements.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

No changes will be made to any of the current accounting standards. However, entities that rely on the Framework to determine their accounting policies for transactions, events, or conditions that are not otherwise addressed in accounting standards will need to apply the revised Framework beginning January 1, 2022. These entities will need to consider whether its accounting policies continue to be appropriate under the revised Framework.

As of December 31, 2022, the Company had not adopted new standards.

2.4. New regulations incorporated into the accounting framework accepted in Colombia whose application is mandatory as of January 1, 2024

Decree 1611 of 2022 updated the technical frameworks of the Accounting and Financial Information Standards accepted in Colombia, mainly incorporating amendments to the standards that had already been compiled by Decrees 938 of 2021, 2270 of 2019 and 1432 of 2020, which considered the regulations incorporated by Decrees 2420 and 2496 of 2015, 2131 of 2016, 2170 of 2017 and 2483 of 2019.

Classification of Liabilities as Current or Non-Current – Amendments to IAS 1.

Modification issued with the objective of promoting the uniformity of application and clarifying the requirements to determine if a liability is current or non-current. As a consequence of this modification, entities must review their loan contracts to determine if their classification will change.

The modifications could affect the classification of liabilities, particularly for entities that previously considered the intentions of management to determine the classification and for some liabilities that can be converted into equity. The amendments must be applied retrospectively in accordance with the normal requirements of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

Since the approval of these amendments, the IASB has issued an exposure draft proposing additional changes and the deferral of the amendments until at least January 1, 2024.

The Group does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the consolidated financial statements.

Accounting policy disclosures: amendments to IAS 1 and IFRS 2 practice document.

The IASB amended IAS 1 to require entities to disclose their material accounting policies instead of their significant accounting policies. The amendments define what "material accounting policy information" is and explain how to identify when accounting policy information is material. They also clarify that it is not necessary to disclose immaterial information about accounting policies. If disclosed, it must not obscure material accounting information. To support this amendment, the IASB also amended IFRS 2 Practice Paper Making Judgments About Materiality to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

The Group does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the consolidated financial statements.

Definition of Accounting Estimates – Amendments to IAS 8.

The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to future transactions and other future events, while changes in accounting policies are generally applied retrospectively to past transactions and other past events, as well as to the current period.

The Group does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the consolidated financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12.

The amendments to IAS 12 Income Tax require companies to recognize deferred taxes on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will generally apply to transactions such as lessee leases and decommissioning obligations, and will require the recognition of additional deferred tax assets and liabilities.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The amendment should apply to transactions that occur on or after the beginning of the first comparative period presented. In addition, entities must recognize deferred tax assets (to the extent that it is probable that they can be used) and deferred tax liabilities at the beginning of the first comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognized as part of the cost of related assets.

The cumulative effect of recognizing these adjustments is recognized in retained earnings or another component of equity, as appropriate.

IAS 12 would not have previously addressed how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were found acceptable. The Group had already decided to account for these transactions in accordance with the new requirements thus, it does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the general purpose consolidated financial statements.

As of December 31, 2022, the Company had not adopted new standards.

2.5. Estimates and accounting criteria

In preparing the general purpose consolidated financial statements, certain estimates made by the Group's management have been used to quantify some of the assets, liabilities, income, expenses and commitments that are recorded therein.

The estimates basically refer to:

- The assumptions used in the actuarial calculation of liabilities and obligations to employees, such as discount rates, mortality tables, salary increases, among others (See Note 3.1.11.).
- The useful life of intangible assets and property, plant and equipment (See Notes 3.1.5. and 3.1.6.).
- The expected credit loss of trade accounts receivable and other financial assets (See Note 3.1.7. (b)).
- The assumptions used to calculate the fair value of financial instruments (See Note 3.1.12.).
- Fair Value financial assets (See Note 3.1.12.).
- The income for energy delivered and not billed derived from the distribution activity that comes from the provision of the energy service pending the reading of consumption in each of the billing cycles, which are estimated by applying judgment elements for its determination (See Note 3.1.14.).
- Certain magnitudes of the electrical system of the distribution activity, including those corresponding to other companies, such as production, customer billing, energy consumed, etc., which allow estimating the overall settlement of the electrical system that must materialize in the corresponding final settlements, pending billing on the date of issuance of the general purpose consolidated financial statements and that could affect the balances of assets, liabilities, income and costs, recorded therein.
- The estimated income and expenses derived from the generation activity that come mainly from energy sales through bilateral contracts to the wholesale and unregulated market, from the energy exchange, from the secondary frequency regulation service (AGC) and reliability charge; as well as the energy purchases necessary to meet said contracts; which are estimated by applying judgment elements for their determination, (See Note 3.1.14.).
- Revenues derived from construction contracts are recognized in accordance with the advance of costs incurred, applying the recourse method.
- Variations in income from tariff changes, in accordance with regulatory updates.
- The probability of occurrence and the amount of uncertain or contingent liabilities (See Note 3.1.9.).
- Future disbursements for environmental commitments arising from the environmental license, mainly for new projects, as well as the discount rates to be used (See Note 3.1.6.).
- The fiscal results, which will be declared before the respective tax authorities in the future, which have served as the basis for recording the different balances related to income taxes in these general purpose consolidated financial statements (See Note 3.1.10.).
- Decommissioning obligations when there is a legal requirement to do so are estimated based on the useful life of the plant and/or farm.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The judgments and estimates have been made based on the information available on the date of issuance of these general purpose consolidated financial statements. It is possible that future events may force them to be modified upwards or downwards in future periods, doing so prospectively, recognizing the effects of the change in judgment or estimate in the next general purpose consolidated financial statements.

2.6. Subsidiary entities

Subsidiary entities are considered to be those companies controlled by Enel Colombia S.A. E.S.P., (formerly Emgesa S.A. E.S.P.), directly or indirectly. Control is exercised if, and only if, the following elements are present: i) power over the subsidiary, ii) exposure, or right, to variable returns from these companies, and iii) ability to use power to influence the amount of these returns.

Enel Colombia S.A. E.S.P. has power over its subsidiary when it owns the majority of the substantive voting rights, or without this situation, it has rights that give it the current capacity to direct its relevant activities, that is, the activities that significantly affect the subsidiary income.

Enel Colombia S.A. E.S.P. will reassess whether or not it has control over a subsidiary company if the facts and circumstances indicate that there have been changes in one or more of the control elements mentioned above.

2.7. Associated companies and joint agreements

An associate is an entity over which Enel Colombia S.A. E.S.P. (formerly Emgesa S.A. E.S.P.) has significant influence over financial and operating policy decisions, without actually having control or joint control.

Joint agreements are considered those entities in which Enel Colombia S.A. E.S.P. exercises control thanks to the agreement with third parties and jointly with them, that is, when decisions regarding their relevant activities require the unanimous consent of the parties that share control.

Joint agreements are classified as:

Joint business: It is an entity that the Group controls jointly with other participants, where they maintain a contractual agreement that establishes joint control over the relevant activities of the entity; the parties are entitled to the net assets of the entity. On the acquisition date, the excess of the acquisition cost over the participation in the net fair value of the identifiable assets, liabilities and contingent liabilities assumed by the associate or joint venture, is recognized as goodwill. Goodwill is included in the book value of the investment, is not amortized and is individually tested for impairment of its value.

Joint operation: Arrangement whereby the parties exercising joint control have rights to the assets and obligations for the liabilities related to the arrangement.

A joint operator shall recognize in relation to its participation in a joint operation:

- (a) its assets, including its interest in the assets held jointly;
- (b) its liabilities, including its share of jointly incurred liabilities;
- (c) its revenue from the sale of its interest in the proceeds arising from the joint operation;
- (d) its share of the revenue from the sale of the product that the joint operation realizes; and
- (e) its expenses, including its share of the expenses incurred jointly.

Investments in associates or joint ventures are measured in the general purpose consolidated financial statements using the equity participation method - MPP, in the case of the joint agreement of the type of jointly controlled operation they are measured at fair value.

2.8. Investments accounted for using the equity method

The Group's interests in joint ventures and associates are recorded using the equity method.

Under the equity method, the investment in an associate or joint venture is initially recorded at cost. As of the acquisition date, the investment is recorded in the consolidated statement of financial position for the proportion of its total equity represented by the Group's interest in its capital, after adjusting, if applicable, the effect of the transactions carried out with

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

the Group, plus the capital gains generated in the acquisition of the company. If the resulting amount is negative, the interest is left at zero in the consolidated statement of financial position, unless there is a present obligation (whether legal or implicit) on the part of the Group to restore the company's equity situation, in which case, the corresponding provision is recorded.

The goodwill relating to the associate or joint venture is included in the book value of the investment and is not amortized or individually tested for impairment.

The dividends received from these companies are recorded by reducing the value of the investment and the results obtained by them, which correspond to the Group according to their participation, are recorded under the caption "Participation in profit (loss) of associates accounted for by the equity method."

2.9. Principles of consolidation and business combinations

The subsidiaries are consolidated, integrating in the consolidated financial statements all of their assets, liabilities, income, expenses and cash flows once the corresponding adjustments and eliminations of the reciprocal operations have been made.

The comprehensive income of the subsidiaries is included in the consolidated statement of comprehensive income from the date the Parent Company obtains control of the subsidiary until the date it loses control over it.

The Group accounts for business combinations using the acquisition method when the set of activities and assets acquired meets the definition of a business and control is transferred to the Group. To be considered a business, a set of acquired activities and assets must include at least one input and a substantive process applied to it that, taken together, contribute significantly to the ability to create outputs. IFRS 3 provides the option to apply a "concentration test" that allows a simplified assessment of whether a set of activities and acquired assets is not a business. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consolidation of the operations of Enel Colombia S.A. E.S.P. (formerly Emgesa S.A. E.S.P.) Parent Company and subsidiary companies has been carried out following the following basic principles:

- (1) On the date of taking control, the assets acquired and the liabilities assumed of the subsidiary company are recorded at fair value, except for certain assets and liabilities that are recorded following the valuation principles established in other NCIF. If the fair value of the consideration transferred plus the fair value of any non-controlling interest exceeds the fair value of the net assets acquired from the subsidiary, this difference is recorded as goodwill. In the case of a purchase at a low price, the resulting gain is recorded with a credit to results, after reassessing whether all the assets acquired and liabilities assumed have been correctly identified and reviewing the procedures used to measure the fair value of these amounts.

For each business combination, the company chooses whether to value the non-controlling interests of the acquiree at fair value or at the proportional part of the identifiable net assets of the acquiree.

If it is not possible to determine the fair value of all the assets acquired and liabilities assumed on the acquisition date, the company will report the recorded provisional values. During the measurement period, which will not exceed one year from the acquisition date, the recognized provisional values will be retrospectively adjusted and additional assets or liabilities will also be recognized to reflect new information obtained about facts and circumstances that existed on the date of acquisition, but which were not known to management at that time.

In the case of business combinations carried out in stages, on the acquisition date, the interest previously held in the equity of the acquired company is measured at fair value and the resulting gain or loss, if any, is recognized in the result of the exercise.

- (2) The value of the participation of the non-controlling shareholders in the equity and in the comprehensive results of the subsidiaries is presented, respectively, in the captions "Total Equity: Non-controlling interests" of the consolidated statement of financial position and "Profit (loss) attributable to non-controlling interests" and "Comprehensive income attributable to non-controlling interests" in the consolidated statement of comprehensive income.
- (3) The balances and transactions between the consolidated companies have been eliminated in their entirety in the consolidation process.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary) Notes to the Consolidated Financial Statements

(In thousands of pesos)

- (4) Changes in the interest in subsidiaries that do not give rise to a takeover or loss of control are recorded as equity transactions, adjusting the book value of the controlling interests and non-controlling interests to reflect the changes in their relative shares in the subsidiary company. The difference that may exist, between the value for which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in the equity attributable to the owners of the parent company.
- (5) Business combinations under common control are recorded using the "pooling of interest" method as a reference. Under this method, the assets and liabilities involved in the transaction are reflected at the same book value in which they were registered in the ultimate parent company, without prejudice to the possible need to make accounting adjustments to homogenize the accounting policies of the companies involved. The Group does not apply a retrospective record of business combinations under common control.
- (6) When control over a subsidiary is lost, the assets and liabilities of the subsidiary, any related non-controlling interest and other components of equity are derecognized. Any resulting gain or loss is recognized in results. If any interest in the former subsidiary is retained and it is accounted for using the equity method, the part of the gain or loss resulting from the new measurement at fair value is recognized in the result of the period only to the extent of the interest in the new associate; if the interest that is retained is accounted for in accordance with IFRS 9, the part of the gain or loss is fully recognized in profit or loss for the period.

Any difference between the assets and liabilities contributed to the consolidation and the consideration given is recorded directly in Equity, as a charge or credit to "other reserves".

2.10. Functional and presentation currency

The functional currency of Enel Colombia S.A. E.S.P. is the Colombian peso (COP), as well as the presentation currency of the Group's general purpose consolidated financial statements.

The functional currency has been determined considering the economic environment in which the Company operates. This conclusion is based on the fact that the COP is the currency that fundamentally influences financing activities, capital issues and cash flows and their equivalents. Due to the above, the COP reflects the transactions, facts and conditions that underlie and are relevant to Enel Colombia S.A. E.S.P.

The figures are expressed in thousands of Colombian pesos, except for net earnings per share, the representative market rate that are expressed in Colombian pesos, and currencies (for example, dollars, euros, British pounds, etc.) that are expressed in units.

2.11. Conversion of financial statements denominated in foreign currency

The conversion of the financial statements of Group companies with a functional currency other than the Colombian peso is carried out as follows:

- a. Assets and liabilities, using the exchange rate in effect on the closing date of the general purpose consolidated financial statements.
- b. Items in the statement of comprehensive income using the average exchange rate for the period (unless this average is not a reasonable approximation of the cumulative effect of exchange rates prevailing on the dates of the transactions, in which case the average exchange rate of the date of each transaction is used).
- c. Equity is maintained at the historical exchange rate on the date of its acquisition or contribution, and at the average exchange rate on the date of generation in the case of retained earnings. The exchange differences that occur in the translation of the financial statements are recorded under the caption "Gains (losses) from translation exchange differences" within the consolidated statement of comprehensive income: Other comprehensive income.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Exchange rates

The exchange rate used for the conversion of the general purpose consolidated financial statements of the Central American subsidiaries are presented according to the following values (local currency against the Colombian peso):

	As of December 31, 2022	
	Closing	Average
US Dollar (\$US)	4.810,20	4.313,53

3. Accounting policies

3.1. Accounting policies applicable to the general purpose consolidated financial statements

The main accounting policies applied in the preparation of the attached consolidated financial statements have been the following:

These policies have been unified, taking into account the merger process described in note 1.4 and the fact that the companies are entities under common control, which had been applying homogeneous accounting policies; the homologation has been made in the particular case of investments in subsidiaries that enter through the absorption of ESSA2 that were valued at cost and that locally must be valued by the equity method in accordance with the provisions of numeral 2 of article 11 of Decree 2496 of December 2015, which indicates that it must be carried out as established in article 35 of Law 222 of 1995.

3.1.1. Financial instruments

3.1.1.1. Cash and cash equivalents

Cash on hand, bank balances, term deposits and other short-term investments, equal to or less than 90 days from the investment date, of high liquidity that are quickly realizable in cash and have a low risk of changes in value were classified under this title.

3.1.1.2. Financial assets

The Group classifies its financial assets into the following measurement categories: those that are measured at fair value and those that are measured at amortized cost. This classification depends on whether the financial asset is a debt or equity instrument.

3.1.1.2.1 Debt instrument

With the application of IFRS 9 as of January 1, 2018, financial assets are classified at amortized cost and at fair value.

(a) Financial assets at amortized cost

A financial asset is classified as measured at "amortized cost" only if the following criteria are met: i) the objective of the Group's business model is to hold the asset to obtain the contractual cash flows, and ii) the contractual terms give rise to to receive cash flows on specific dates, which consider only payments of principal and interest on the principal pending payment.

The nature of the derivatives embedded in a debt investment is considered in determining whether the cash flows from the investment are solely payments of principal and interest, and in that case they are not accounted for separately.

(b) Financial assets at fair value through other comprehensive income

Financial assets that are held for the collection of contractual cash flows and to sell the assets, where the cash flows from the assets represent only payments of principal and interest, and that are not designated at fair value through profit or loss, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through other

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

comprehensive income, except for the recognition of impairment gains or losses, interest income, and foreign exchange gains and losses on the amortized cost of the instrument that are recognized in the income statement. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to the income statement. Interest income from these financial assets is included in "interest income" using the effective interest rate method.

(c) Financial assets at fair value through profit or loss

Assets that do not meet the requirements for amortized cost or fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in the income statement for the period in which it arises, unless it arises from instruments of debt that are designated at fair value or that are not held for trading. Interest income from these financial assets is included in "interest income" using the effective interest rate method.

3.1.1.2.2 Equity instrument

All variable income instruments are measured at fair value. Equity instruments held for trading are valued at fair value through profit or loss. For the rest of the equity instruments, the Group may make an irrevocable election at initial recognition to recognize changes in fair value charged to other comprehensive income in equity.

3.1.1.2.3 Derivative financial instruments and hedging activities

Derivatives are initially recognized at their fair value on the date the contract is entered into and are permanently remeasured at their fair value.

If derivative financial instruments do not qualify to be recognized through hedge accounting, they are recorded at fair value through the consolidated income statement. Any change in the fair value of these derivatives is immediately recognized in the income statement as "other gains/losses, net". If they are designated for hedging, the method for recognizing the gain or loss resulting from changes in the fair values of the derivatives depends on the nature of the risk and the item being hedged.

The Group designates certain derivatives as:

- Fair value hedges of recognized assets or liabilities (fair value hedge).
- Hedges of a particular risk associated with a recognized asset or liability or of a highly probable forecast transaction (cash flow hedge) or
- Hedges of net investments in a foreign operation (net investment hedge).

The Group documents, at the beginning of the hedge, the relationship between the hedging instruments and the hedged items, as well as its risk management objectives and strategy that support its hedging transactions. The Group also documents its assessment, both at hedge inception and periodically, of whether the derivatives used in Hedging transactions are highly effective in offsetting changes in the fair values or cash flows of hedged items.

The total fair value of derivatives used as hedges is classified as a non-current asset or liability when the remaining maturity of the hedged item is greater than 12 months, and it is classified as a current asset or liability when the remaining maturity of the item coverage is less than 12 months. Derivatives that are not used for hedging or that are held for trading are classified as current assets or liabilities.

(a) Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, and the gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of the hedged item and are recognized in the results of the period.

The gain or loss related to the effective portion of the derivatives is recognized in the income statement as "financial expenses", like the ineffective portion which is also recognized in the income statement, but as "other gains/(losses), net".

If the hedge no longer meets the criteria to be recognized through hedge accounting, the adjustment in the book value of the hedged item is amortized in profit or loss using the effective interest method, in the period remaining until maturity.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

(b) Cash flow hedges

The effective portion of changes in fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gain or loss relating to the ineffective portion is recognized immediately in the income statement as "other gains/(losses), net".

Amounts accumulated in equity are recorded in the income statement in the periods in which the hedged item affects them (for example, when the hedged forecast sale occurs). However, when the hedged forecast transaction results in the recognition of a non-financial asset, gains or losses previously recognized in equity are transferred from this item and included as part of the initial cost of the asset. Capitalized amounts are finally recognized in cost of sales when the products are sold, in the case of inventories, or in depreciation, in the case of property, plant and equipment.

When a hedging instrument expires or is sold, or when it no longer meets the criteria to be recognized through the hedge accounting treatment, any cumulative gain or loss in equity at that date remains in equity and is recognized when the transaction projected affect the income statement. When it is expected that a projected transaction will no longer occur, the accumulated gain or loss in equity is immediately transferred to the income statement as "other gains/(losses), net".

(c) Hedges of net investment abroad

Net investment hedges from foreign operations are accounted for in a similar way to cash flow hedges. Any gain or loss on the hedging instrument related to the effective portion of the hedge is recognized in other comprehensive income. The gain or loss related to the ineffective portion of the hedge is recognized immediately in results as "other gains/(losses), net".

Accumulated profit and losses in equity are transferred to the consolidated income statement when the foreign operation is sold or partially derecognized.

As of the date of these general purpose consolidated financial statements, the Group does not have hedging instruments for net investments in foreign operations.

3.1.1.3. Financial liabilities

Financial liabilities are classified as subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss; this classification applies to derivatives established to hedge obligations that reflect the Group's strategy to hedge market risks associated with interest rates or exchange rates.

3.1.1.3.1 Debts (financial obligations)

Debts are initially recognized at fair value, net of costs incurred in the transaction. Debts are subsequently recorded at their amortized cost; Any difference between the funds received (net of transaction costs) and the redemption value is recognized in the consolidated income statement over the loan period using the effective interest method.

The costs incurred to obtain the debts are recognized as transaction costs to the extent that it is probable that part or all of the debt will be received. In this case the fees are deferred until the loan is received. To the extent there is no evidence that it is probable that some or all of the debt will be received, the fees are capitalized as prepaid service expenses to obtain liquidity and are amortized over the period of the loan to which they relate. If the costs incurred are immaterial, they may be taken to results at the time of issuance of the titles.

Loans are classified as current liabilities unless the Group has the unconditional right to defer payment of the obligation for at least 12 months from the balance sheet date.

General and specific debt costs directly attributable to the acquisition, construction or production of qualifying assets, which are those that require a substantial period of time to be ready for their intended use or sale, are added to the cost of such assets, up to the time when the assets are substantially ready for use or sale. Investment income obtained from the temporary investment of resources obtained from specific debts that have not yet been invested in qualified assets are deducted from interest costs susceptible to capitalization. All other debt costs are recognized in the consolidated income statement in the period in which they are incurred.

3.1.1.4. Financial Assets and Financial Liabilities with Related Parties

Receivables and debts with related parties are initially recognized at fair value plus directly attributable transaction costs. Subsequent to initial recognition, these receivables and debts are measured at their amortized cost, using the effective interest rate method. Interest rate amortization is recognized in the consolidated statement of income as financial income or costs or as other operating income or expenses, depending on the nature of the asset or liability that originates it.

3.1.1.5. Trade Accounts Payable

Trade accounts payable are payment obligations for goods or services that have been purchased from suppliers in the ordinary course of business. Accounts payable are classified as current liabilities if the payment must be made in a period of one year or less (or in the normal operating cycle of the company if it is longer). If the payment must be made in a period greater than one year, they are presented as non-current liabilities.

Trade accounts payable are initially recognized at fair value and are subsequently measured at amortized cost using the effective interest method.

3.1.1.6. Recognition and measurement

Conventional purchases and sales of financial assets are recognized on the trade date, which is the date on which the Group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards inherent to ownership.

At initial recognition, the Group values financial assets at their fair value; however, in the case of a financial asset that is not measured at fair value through profit or loss, the transaction costs that are directly attributable to the acquisition of the financial asset will affect the value of the asset. Transaction costs of financial assets that are measured at fair value through profit or loss are recorded directly in the income statement.

Profit or losses on a debt instrument that is subsequently measured at fair value and is not part of a hedging relationship are recognized in profit or loss and presented in the consolidated statement of income, within "other Profit (losses) - net" in the period in which they occur.

The profit or losses of a debt instrument that is subsequently valued at its amortized cost and is not part of a hedging relationship are recognized in the results of the period when the financial asset is derecognized or impaired and through the amortization process, using the effective interest method.

Subsequently, the Group measures all equity instruments at fair value. When management has elected to present unrealized and realized fair value gains or losses and losses on equity instruments in other comprehensive income, the fair value gains and losses cannot be recorded in profit or loss. Dividends from equity instruments are recognized in the results, as long as they represent a return on the investment.

The Group must reclassify all affected debt instruments when and only when its business model for managing financial assets changes.

3.1.1.7. Clearing of financial instruments

Financial assets and liabilities are offset and their net amount is presented in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and management intends to settle the net amount or to realize the asset and settle the liability simultaneously.

3.1.1.8. Fair values of investments

The fair values of listed investments are based on their current trading price. If the market for a financial instrument is not active (or the instrument is not listed on the stock exchange), the Group establishes its fair value using valuation techniques appropriate to the circumstances.

These techniques include the use of observed values in recent transactions carried out under arm's length terms, reference to other instruments that are substantially similar, analysis of discounted cash flows and option models making maximum use of market information and depositing the highest possible degree of reliance on entity-specific internal information.

3.1.2. Concessions

Public service concession agreements to a private operator are recorded in accordance with the provisions of IFRIC 12 Service Concession Agreements. This accounting interpretation applies if:

The grantor controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them and at what price; and

The grantor controls – through ownership, beneficial interest or otherwise – any significant residual interest in the infrastructure at the end of the agreement term.

If the aforementioned conditions are met simultaneously, the consideration received by the concessionaire for the construction or improvement of the infrastructure is recognized at its fair value as:

- An intangible asset to the extent that the operator receives a right to charge users of the public service, as long as these rights are conditional on the degree of use of the service; or.
- A financial asset, to the extent that there is an unconditional contractual right to receive cash or another financial asset either directly from the transferor or from a third party.

However, both types of consideration are classified as a contract asset during the construction or improvement period, in accordance with IFRS 15.

The contractual obligations assumed by the concessionaire for the maintenance of the infrastructure during its operation, or for its return to the assignor, separation or dismantling at the end of the concession agreement under the conditions specified therein, to the extent that it does not involve an activity that generates income, are recognized following the accounting policy of provisions.

The IFRIC 12 establishes that the concessionaire must account for revenue from ordinary activities and costs related to construction or improvement services in accordance with IFRS 15 Revenue from ordinary activities from contracts with customers.

In accordance with this standard, income is recognized based on the progress in the acquisition or construction of the infrastructure and therefore the recognition of the cost. IFRS 15 states that income is recognized as the work progresses, for which it proposes two methods:

i) Product methods that recognize revenue on the basis of direct measurements of the value to the customer of the goods or services transferred to date in relation to the outstanding goods or services promised in the contract.

ii) Recourse methods recognize revenue on the basis of the entity's efforts or resources to satisfy the performance obligation (for example, resources consumed, labor hours expended, costs incurred, elapsed time, or machinery time used in relation to the total resources expected to satisfy said performance obligation).

In the case of the current contract between Bogotá ZE and TMSA, the right to payment by this entity is recognized as a financial asset, based on the estimate of income from ordinary activities by applying the resource method on the actual costs of the execution of the contract.

Subsequently, the financial asset will be amortized according to the amounts invoiced to TMSA and financial income will be recognized for updating these values.

3.1.3. Inventories

Inventories include goods for sale or internal consumption, on which the typical risks and benefits of ownership have been acquired. This classification includes materials, fuels and carbon reduction certificates (CERs).

Inventories are shown in current assets in the consolidated financial statements, even if realized after 12 months, to the extent that they are considered to belong to the ordinary operating cycle.

The cost of inventories is made up of the purchase cost, and all costs directly or indirectly attributable to the inventory, for example: transportation, customs duties, insurance, unrecoverable indirect taxes, etc. and net of discounts, rebates and premiums of a commercial nature.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

In the case of CERs, the initial cost is determined by their fair value on the date of issuance of the certificates, which is identifiable for each of them.

The cost of goods other than CERs is measured according to the "weighted average" method, which considers the units of an item purchased on different dates and at different costs, belonging to a set in which individual purchases are no longer identifiable, but equally available.

The weighted average cost must include additional charges, for example: sea freight costs, customs expenses, insurance, etc. attributable and that refers to acquisitions during the period.

The cost of inventories may not be recoverable if the inventories are damaged, partially or totally obsolete, or due to low turnover.

Obsolete materials are understood as those that are not expected to be sold or used in the ordinary operating cycle of the Group, such as, for example, scrap and technologically out-of-date materials. Surpluses at a level of stock that can be considered reasonable, in accordance with the normal use expected in the ordinary operating cycle, are considered slow-moving materials. Obsolete and slow-moving inventories have the possibility of use or realization, which in some cases materializes as scrap sales.

Inventory items that are consumed in maintenance affect the results of the Group.

3.1.4. Current assets held for sale and discontinued operations

The Group classifies as current assets held for sale property, plant and equipment, intangibles, investments in associates, joint ventures and groups subject to divestment (group of assets to be disposed of together with their associated liabilities), for which, on the closing date of the consolidated statement of financial position, active efforts have been made for their sale and it is estimated that it is highly probable.

These assets or groups of assets subject to disposal are carried at the lower of book value and fair value less costs to sell, and are no longer amortized or depreciated from the moment they are classified as non-current assets held for sale.

The non-current assets held for sale and the components of the groups subject to divestiture classified as held for sale are presented in the consolidated statement of financial position as follows: the assets in a single line called "Non-current assets or groups of assets held for sale" and liabilities also in a single line called "Liabilities held for sale".

In turn, the Group considers discontinued activities to be significant and separable business lines that have been sold or otherwise disposed of or that meet the conditions to be classified as held for sale, including, where appropriate, those other assets that together with the business line are part of the same sales plan. Likewise, those entities acquired exclusively for the purpose of resale are considered discontinued activities.

The results after taxes from discontinued operations are presented in a single line of the other consolidated statement of comprehensive income called "Gain (loss) from discontinued operations".

As of the date of these consolidated financial statements, the Group has no discontinued activities.

3.1.5. Intangible Assets

Intangible assets are initially recognized at their acquisition or production cost and, subsequently, they are valued at cost net of their corresponding accumulated amortization and impairment losses that, if applicable, have been incurred.

Intangible assets are amortized on a straight-line basis over their useful lives, from the moment they are ready for use. The Group assesses at initial recognition whether the useful life of intangible assets is defined or indefinite, and the amortization period, which is reviewed at the end of each year.

The criteria for recognizing impairment losses on these assets and, where applicable, recovery of impairment losses recorded in prior years are explained in the asset impairment policy.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

(a) Research and development expenses

The Group follows the policy of recording the costs of projects in the development phase as intangible assets in the consolidated statement of financial position, provided that their technical feasibility and economic profitability are reasonably assured. Research expenses are recognized directly in the results of the year.

(b) Other intangible assets

These assets correspond mainly to computer programs, rights, easements and cost of project development. Its accounting recognition is initially carried out at the cost of acquisition or production and, subsequently, it is valued at the net cost of the corresponding accumulated amortization and any impairment losses that, if applicable, have been incurred.

The remaining average useful lives used for amortization are:

Intangible of Class	Dec-22	Dec-21
Colombia		
Rights (*) and easements	33	22
Development costs	7	-
Licenses	-	5
Software	3	3
Panama		
Licenses	38	39
Concession	26	26
Guatemala		
Licenses	5	5
Contract Assets	10	11
Costa Rica		
Development costs	9	10
Software		3
Other identifiable assets	3	5

(*) They refer to the rights that the Group has registered to obtain the usufruct of the greater flow of useful water from the Chingaza and Río Blanco projects. Its amortization is recognized by the straight-line method. In the same way, the legal stability premium for El Quimbo is classified in this item, which allows obtaining tax benefits for the investments made in this plant; This premium has a useful life of 20 years in accordance with the validity of the tax benefits.

Profit or losses arising from sales or retirements of property, plant and equipment are recognized as other gains (losses) in the consolidated statement of income and are calculated by deducting from the amount received for the sale, the net book value of the asset and the corresponding selling expenses.

3.1.6. Property, plant and equipment

Property, plant and equipment are initially recognized at their acquisition cost and are subsequently valued at cost, net of their corresponding accumulated depreciation and any impairment losses incurred.

In addition to the price paid for the acquisition of each element, the cost also includes, where appropriate, the following items:

- General and specific interest costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are those that necessarily require a substantial period of time before being ready for their intended use or sale, are added to cost of those assets, until the time the assets are substantially ready for their intended use or sale. The Group defines a substantial period as one that exceeds twelve months. The interest rate used is that corresponding to the specific financing or, if it does not exist, the average financing rate of the company that makes the investment.
- Personnel expenses directly related to ongoing construction.
- The future disbursements that the Group will have to face in relation to the closure of its facilities are incorporated into the value of the asset for the updated value, recognizing the corresponding provision for dismantling or restoration. The Group annually reviews its estimate of the aforementioned future disbursements, increasing or decreasing the value of the asset based on the results of said estimate.
- Future disbursements for environmental commitments for new projects, as well as discount rates to be used.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

- Spare parts are components of property, plant and equipment when they meet the recognition characteristics of assets; these parts are not part of the materials inventory.

Constructions in progress are transferred to operating assets once the trial period is over, that is, when they are available for use and under the conditions provided by management.

Expansion, modernization or improvement costs that represent an increase in productivity, capacity, efficiency or an extension of the useful life of assets are capitalized as a higher cost of the corresponding assets.

The substitutions or renewals of complete elements that increase the useful life of the asset, or its economic capacity, are recorded as a higher value of the respective assets, with the consequent accounting withdrawal of the replaced or renewed elements.

Periodic maintenance, upkeep and repair disbursements are recorded directly in the consolidated income statement as a cost in the period in which they are incurred.

The Group, based on the results of the impairment tests, considers that the book value of the assets does not exceed their recoverable value. Property, plant and equipment, net of the residual value, if applicable, is depreciated by distributing the cost of the different elements that compose it on a straight-line basis over the years of estimated useful life, which constitute the period in which the Group expects to use them. The estimated useful life and residual values are reviewed periodically and, if necessary, adjusted prospectively. The Group does not consider the residual value of its fixed assets significant.

The remaining average useful lives used for depreciation are:

Classes of property, plant and equipment	dec 22	dec 21
Colombia		
Plants and equipment		
Civil works plants and equipment	53	54
Hydroelectric power plant electromechanical equipment	29	30
Thermoelectric power plant electromechanical equipment	21	19
Wind measurement towers	3	3
Solar stations	7	9
Panels and Misc	23	24
Substations	25	29
High voltage network	36	28
Low and medium voltage network	31	27
Measurement and remote control equipment	17	13
Buildings	48	54
Fixed installations, accessories and others	12	11
Right-of-use assets		
<i>Buildings</i>	33	62
<i>Vehicles</i>	2	2
<i>land</i>	28	29
Panama		
<i>Solar plants</i>	29	30
<i>Hydropower plant</i>	24	13
<i>Financial leases</i>		
<i>Land</i>	29	30
<i>Buildings</i>	9	10
<i>Vehicles</i>	2	2
Guatemala		
Building	15	15
Hydroelectric assets and generation equipment	33	34
Industrial equipment	5	5
Other assets	5	5
Vehicles	5	5

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Classes of property, plant and equipment	dec 22	dec 21
Furniture and office supplies	5	5
Computer equipment	3	3
Transmission line	29	30
Costa Rica		
Plant and equipment	25	25
Buildings	33	37
Fixed installations, accessories and others	6	4

For distribution assets in 2014, electrical assets such as substations, lines and networks were opened in the accounting system and the average remaining useful lives were modified, which were applied as of January 1, 2015.

The change in useful lives corresponds to the average of each category, which may vary from one year to the next due to the effect of fully depreciated assets.

Land is not depreciated as it has an indefinite useful life, except for:

- Those related to a right-of-use asset, in which case it is depreciated during the lease term, and.
- The flooded properties located in the hydraulic generation plants, given that they are depreciable because they do not have a specific use after the end of the useful life of the plant, therefore their cost is depreciated within the line of plants, pipelines and tunnels at 53 years.

The excess of tax depreciation over accounting generates a tax effect that is recorded as a deferred tax liability.

Likewise, it was defined that based on the environmental requirements established in Decree 1076 of 2015 applicable to the El Quimbo Hydroelectric Power Plant and the El Paso Solar Park, there is an obligation to dismantle, in a time that the Group has estimated, based on the useful life of the plant and/or wind farm. (See Note 19).

Profit or losses arising from sales or retirements of property, plant and equipment are recognized as other gains (losses) in the consolidated statement of income and are calculated by deducting from the amount received for the sale, the net book value of the asset and the corresponding selling expenses.

3.1.7. Impairment of assets

(a) Non-financial assets (except inventories and deferred tax assets)

Throughout the year and mainly on the closing date of the year, it is evaluated whether there are indicators that any asset could have suffered an impairment loss. If there is any indicator, an estimate is made of the recoverable amount of said asset to determine, if applicable, the amount of impairment. If these are identifiable assets that do not generate cash flows independently, the recoverability of the Cash Generating Unit (CGU) to which the asset belongs is estimated, understanding as such the smallest identifiable group of assets that generates independent cash inflows.

For each activity, the assets operate in an integral way and the independent cash flows by components cannot be considered; therefore, each segment of the Distribution and Generation Group is taken as CGU Cash Generating Units. In Central America, each Company is defined as a CGU.

The recoverable amount is the higher of the fair value less the cost necessary for its sale and the value in use, meaning the present value of the estimated future cash flows. To calculate the recovery value of property, plant and equipment, goodwill, and intangible assets, the value in use is the criterion used by the Group in practically all cases.

To estimate the value in use, the Group prepares projections of future cash flows before taxes based on the most recent budgets available. These budgets incorporate the best estimates of Management on the income and costs of the Cash Generating Units using sectoral projections, past experience and future expectations.

These projections cover, in general, the estimation of the flows for the following years, applying reasonable growth rates. These flows are discounted to calculate their current value at a pre-tax rate that reflects the cost of capital of the business. For its calculation, the current cost of money and the risk premiums generally used among analysts for the business are taken into account.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

In the event that the recoverable amount of the CGU is less than the net book value of the asset, the corresponding provision for loss due to impairment is recorded for the difference, charged to the item "Impairment" in the income statement. Said provision is assigned, firstly, to the value of the capital gain of the CGU, if any, and then to the other assets that comprise it, prorating based on the book value of each of them, with the limit of their fair value less costs to sell, or its value in use, and without the possibility of a negative value.

Impairment losses recognized on an asset in prior years are reversed when there is a change in the estimates of its recoverable amount, increasing the value of the asset with a credit to results with the limit of the book value that the asset would have had had it not been made the accounting adjustment. In the case of goodwill, the accounting adjustments that have been made are not reversible.

(b) Financial assets

The Group determines the expected credit loss on all its debt securities, loans and trade receivables, either for 12 months or for the life of the assets, recognizing impairment early from the first day and not waiting for an event to occur that indicates the deterioration of the financial asset.

The expected credit loss will be determined periodically by applying the models defined by the Enel Group as follows:

Collective Simplified Model

It is applied to the commercial portfolio of the distribution business line considering the following categories:

- Residential.
- Commercial.
- Industrial.
- Official.
- Public lighting and
- Other Businesses (PSVA's).

The model is based on the statistical information of three years, from which it determines the percentages of expected credit loss for each maturity range, multiplying the probability of Default (PD) by the loss given the Default (LGD), these percentages are applied to the balances of the invoiced and estimated commercial portfolio.

Single simplified model

Using this model, a calculation is made in a homogeneous manner, individually evaluating each of the counterparties with which there are transactions as a result of commercial operations.

This model applies to:

- The clients of the commercial portfolio of the distribution business line, which due to their characteristics require an individual analysis.
- The category of tolls that has a low number of customers.
- The entire commercial portfolio of the generation business line, since in this segment it is managed individually by client.

The expected credit loss is calculated based on the invoiced and estimated portfolio balance for each counterparty, multiplying it by the following variables:

Probability of Default (PD): May be provided by an external provider if available, or by evaluating the financial statements of the counterparty; in case of not having a specific PD by the aforementioned mechanisms, in accordance with the guidelines of Enel Group, the country rating minus three categories (notches) will be used. If there are indications of impairment, they will be reflected in this variable, reaching one hundred percent in cases that warrant it.

Loss given default (LGD): It is the percentage of loss that would be generated if the default materialized, it is calculated by difference with the estimated recovery rate, in case of not having a specific LGD, in accordance with the Group's guidelines. Enel will use the Basel II model.

Collective general model

Under this model, all other financial assets other than trade accounts receivable, which are within the scope of IFRS 9, are evaluated. This model groups counterparties into four categories defined by the Enel Group:

- Public administrations.
- Institutional counterparties.
- Loans to employees and
- Other assets.

The expected credit loss is calculated on the balance of each category by multiplying it by the following variables:

Probability of Default (PD): It is determined in accordance with the group guidelines for each category that consider the rating of the Group, the financial entity and the country, in some cases deducting three categories (notches) from the last one. If there are indications of impairment, they will be reflected in this variable, reaching one hundred percent in cases that warrant it.

Loss Given Default (LGD): It is the percentage of loss that would be generated if the default materializes, it is calculated by difference with the estimated recovery rate, in case of not having a specific LGD, in accordance with the group guidelines the Basel II model will be used.

Specifically for Panama, the Administration considers that there is no credit risk for other accounts receivable, since the regulation of the electricity market in Panama establishes the mechanisms to mitigate this risk, through payment guarantees and late interest. However, if any balance is identified as indicative of uncollectibility, the Administration records a provision to cover possible losses.

3.1.8. Leases

The IFRS 16 - Leases establishes specific criteria for the lessor and lessee as follows:

Lessee

The IFRS 16 establishes principles of measurement, recognition, presentation and disclosure of leases and requires lessees to evaluate the following parameters under a single finance lease model.

A contract contains a lease if it transfers the right to control the identified asset, in exchange for consideration. Therefore, the following parameters establish the transfer of control:

- There must be an identified asset in the lease.
- The lessee must have the right to obtain substantially the economic benefits from the use of the asset throughout the period of use.
- The lessee has the right to direct how and for what purpose the asset is to be used throughout the period of use. This is determined if:
 - The lessee operates the asset throughout the period of use, without the supplier having the right to change the operating instructions or,
 - The lessee has designed the asset in such a way that it predetermines its purpose of use throughout the period of use.

If the aforementioned parameters are not met, the contracts will not constitute a lease under the parameters established in IFRS 16.

If a financial lease is set up, the lessee must recognize the right-of-use assets and financial lease liabilities at the beginning of the contract.

The standard includes two recognition exemptions for lessees:

- Leases of "low value" assets, defined as a value of less than USD 5,000.
- Short-term leases (ie, leases with a term of 12 months or less).

As of December 31, 2022, the Group did not have these leases.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

In this case, they are recognized in the consolidated income statement, and there are no assets for use or lease liabilities.

The lease liability is measured at the present value of non-cancellable payments, during the term agreed in the contract; discounted using the interest rate implicit in the lease, or the incremental interest rate at the commencement date. Subsequently, lessees are required to remeasure the lease liability when certain events occur (for example, a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine payments). The amount of the new measurement of the lease liability will be recognized as an adjustment to the right-of-use asset.

Right-of-use assets are initially measured at cost, which includes: i) The lease liability, ii) the lease payments made before or after the commencement date, less the lease incentives received, iii) the initial direct costs incurred by the lessee and iv) an estimate of the costs to be incurred by the lessee for dismantling or restoring the asset.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the assets.

The interest expense of the lease liability and the depreciation expense of the right-of-use asset must be recognized separately. Lessees are also required to remeasure the lease liability when certain events occur (for example, a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine the Payments). The amount of the new measurement of the lease liability will be recognized as an adjustment to the right-of-use asset, except for the considerations that can be recognized directly to results by law.

Lessor

A lessor classifies leases as either operating or financial. A lease is classified as financial when the risks and rewards inherent in ownership of the underlying asset are substantially transferred. In the event that the risks and rewards associated with the underlying asset are not transferred, the lease will be considered operating.

Finance leases

At the beginning of the contract, the lessor recognizes the assets that it has under lease and presents them as an account receivable for a value equal to the net investment in the lease.

When a lessor is a manufacturer or dealer, it recognizes revenue from ordinary activities for the fair value of the underlying assets leased discounted at a market interest rate. In the same way, it recognizes the cost of sales for the cost or book value if it is different from the underlying asset.

As of December 31, 2022, the Group did not have this figure.

Operating Leases

The lessor recognizes income on a straight-line basis for the payments received corresponding to the lease of the underlying assets.

The underlying assets subject to lease are reflected in the consolidated statement of financial position, in accordance with the nature of the underlying assets.

3.1.9. Provisions, liabilities and contingent assets

Existing obligations at the date of the consolidated financial statements, arising as a result of past events that may result in property damage of probable materialization for the Group, the amount and timing of which are uncertain, are recorded in the consolidated statement of financial position as provisions for the present value of the most probable amount that it is estimated that the Group will have to disburse to settle the obligation.

Provisions are quantified taking into account the information available on the date of issuance of the consolidated financial statements, regarding the consequences of the event in which they are caused and are re-estimated at each subsequent accounting close.

As part of the provisions, the Group includes the best estimate of the risks for civil, labor and tax litigation, therefore it is not expected that additional liabilities to those registered will arise from them; Given the characteristics of the risks covered by these provisions, it is not possible to determine a certain date of cancellation of the estimated obligation. When evaluating the probability of loss, the available evidence, jurisprudence and legal evaluation must be considered.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The risks for civil and labor litigation that are considered eventual are disclosed in the notes to the consolidated financial statements.

Contingent liabilities are obligations arising from past events, the existence of which is subject to the occurrence or non-occurrence of future events that are not wholly within the Group's control, or present obligations arising from past events for which the amount of the obligation cannot be estimated reliably or it is not probable that an outflow of resources will take place for its cancellation. Contingent liabilities are not recorded in the consolidated financial statements, but are disclosed in notes to the consolidated financial statements, except for those that are individually included in the purchase price report, carried out in a business combination, whose fair value may be reliably determined.

A contingent asset occurs due to the occurrence, or non-occurrence, of one or more uncertain events in the future, which are not entirely under the control of the Group. It is disclosed when the inflow of benefits is probable; if the realization of income is practically certain, it is recognized in the consolidated financial statements.

The Group will refrain from recognizing any asset of a contingent nature.

3.1.10. Taxes

It includes the value of the mandatory general taxes in favor of the State and in charge of the Group, for the concept of private settlements that are determined on the tax bases of the fiscal period, in accordance with the national and territorial tax regulations that govern in the sites where the Group operates.

3.1.10.1. Income tax and complementary and deferred tax

The income tax expense for the period includes income tax and deferred tax; resulting from the application of the tax rate on the tax base for the period, after applying the deductions that are admissible for tax purposes, plus the variation in assets and liabilities for deferred taxes and tax credits. The differences between the book value of the assets and liabilities and their tax base generate the balances of deferred tax assets or liabilities, which are calculated using the tax rates that are expected to be in force when the assets and liabilities are realized, considering for such effect the rates that at the end of the reporting period have been approved or for which the approval process is practically completed.

The provision for income tax is calculated at the rate in force at the end of the year by the accrual method and is determined based on the purified commercial profit in accordance with current tax regulations in order to adequately relate the income of the period with their corresponding costs and expenses, and is recorded for the amount of the estimated liability.

Deferred tax assets are recognized due to all deductible temporary differences, losses and unused tax credits, to the extent that it is probable that there will be sufficient future tax profits to recover the deductions for temporary differences and make the tax credits effective, unless the deferred tax asset related to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that:

- It is not a business combination and;
- at the time it was carried out, it did not affect either the accounting profit or the taxable profit (loss).

With respect to deductible temporary differences, related to investments in subsidiaries, associates and joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and that taxable profits are available, against which temporary differences can be used.

Deferred tax liabilities are recognized for all temporary differences, except those derived from the initial recognition of capital gains and those whose origin is given by the valuation of investments in subsidiaries, associates and joint ventures, in which the Group can control the reversal of them and it is probable that they will not be reversed in the foreseeable future.

Current tax and variations in deferred tax assets or liabilities are recorded in results or in total equity items in the consolidated statement of financial position, depending on where the gains or losses that originated them have been recorded.

The reductions that can be applied to the amount determined as a liability for current tax are charged to results as a credit to the item "Expense for income taxes", unless there are doubts about their tax realization, in which case they are not recognized until their effective materialization, or correspond to specific tax incentives, registering in this case as subsidies.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

At each accounting close, the recorded deferred taxes, both assets and liabilities, are reviewed in order to verify that they remain current, making the appropriate corrections to them in accordance with the result of the aforementioned analysis.

Income tax is presented net, after deducting advance payments and withholdings at the source in favor.

Deferred tax assets and deferred tax liabilities are presented net in the consolidated statement of financial position, if there is a legally enforceable right to offset current tax assets against current tax liabilities, and only if these deferred taxes are relate to income taxes corresponding to the same tax authority.

3.1.10.2. Tax of industry and commerce

Pursuant to article 86 of Law 2010 of 2019, the Group recognized as an expense for the year the entire industry and commerce tax caused in the year, the value that can be attributed as a tax discount is treated as a non-deductible expense in determining the income tax in the year, the tax discount applied decreases the value of the current income tax expense for the period; A deferred tax asset was recognized on the balances that could be applied as a tax discount for the following year.

3.1.11. Employee benefits

(a) Pensions

The Group has pension commitments, both defined benefit and defined contribution, which are basically implemented through pension plans. For defined benefit plans, the Group records the expense corresponding to these commitments following the criteria of accrual during the working life of the employees. At the date of the consolidated financial statements, there are actuarial studies calculated applying the projected credit unit method the costs for past services that correspond to variations in the benefits are recognized immediately, the commitments for defined benefit plans represent the present value of the accrued obligations. The Group does not have assets subject to these plans.

(b) Other obligations after the employment relationship

The Group grants its retired employees pension benefits, educational assistance, energy assistance and health assistance. The right to the aforementioned benefits generally depends on whether the employee has worked up to retirement age. The expected costs of these benefits are accrued during the period of employment using a methodology similar to that of defined benefit plans. Actuarial gains and losses arising from adjustments for experience and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. These obligations are valued annually or when required by the parent company, by independent and qualified actuaries.

The retroactivity of severance payments considered as post-employment benefits, is liquidated to those workers belonging to the labor regime prior to Law 50 of 1990 and who did not accept the change of regime, this social benefit is liquidated for all the time worked based on the last salary earned. In the latter case, only a reduced number of workers and actuarial gains and losses arising from adjustments for experience and changes in actuarial assumptions are charged or credited to other comprehensive income.

The Group implements voluntary retirement plans that, among their benefits, include temporary income for employees who take advantage of them and who lack the time stipulated in the plan to be entitled to an old-age pension. The benefit consists of the payment of a temporary income for the time established in the act according to the guidelines of the plan; the value of the rent will be paid on the average salary of each worker on the date of retirement. These payments will be made through the resources placed by the Group in a private fund account and assigned to each employee who took advantage of the plan; it is treated as a post-employment benefit since it is the Group's responsibility to provide the additional resources required to the fund to cover this obligation or receive reimbursement in the event of surpluses.

The defined benefit obligation is calculated by independent actuaries using the projected unit credit method.

(c) Long-term benefits

The Group grants its active employees benefits associated with their time of service, such as five-year bonuses. The expected costs of these benefits are accrued over the period of employment, using a methodology similar to that used for defined benefit plans. Actuarial profit and losses arising from adjustments for experience and changes in actuarial assumptions are charged or credited to profit or loss for the period in which they arise. These obligations are valued annually or when required by the parent company, by qualified independent actuaries.

(d) Employee loan benefits

The Group grants its employees loans at rates below market rates, which is why the present value of the same is calculated by discounting future cash flows at the market rate, recognizing as a benefit paid in advance the difference between the rate of market and the awarded rate, charged to accounts receivable. The benefit is amortized over the life of the loan as a higher value of personnel expenses and accounts receivable are restated at amortized cost, reflecting its financial effect in the income statement.

3.1.12. Fair value

The fair value of an asset or liability is defined as the price that would be received to sell an asset or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

The fair value measurement assumes that the transaction to sell an asset or transfer a liability takes place in the principal market, that is, the market with the highest volume and level of activity for the asset or liability. In the absence of a principal market, it is assumed that the transaction is carried out in the most advantageous market to which the entity has access, that is, the market that maximizes the amount that would be received to sell the asset or minimizes the amount that would be paid to transfer the liability.

To determine fair value, the Group uses valuation techniques, among which those used for financial obligations that are recorded at fair value at the time of disbursement, as contractually defined, in accordance with an active market, stand out for liabilities with similar characteristics; in both cases (assets and liabilities) with sufficient data to perform the measurement, maximizing the use of relevant observable input data and minimizing the use of unobservable input data.

Considering the hierarchy of input data used in valuation techniques, assets and liabilities measured at fair value can be classified into the following levels:

Level 1: Quoted (unadjusted) price in an active market for identical assets and liabilities;

Level 2: Inputs other than quoted prices that are included in Level 1 and that are observable for assets or liabilities, either directly (ie, as a price) or indirectly (ie, derived from a price). The methods and assumptions used to determine level 2 fair values, by class of financial assets or financial liabilities, take into account the estimate of future cash flows, discounted with the zero-coupon interest rate curves of each currency. All the valuations described are carried out through external tools, such as "Bloomberg"; and

Level 3: Input data for assets or liabilities that are not based on observable market information (unobservable input data).

When measuring fair value, the Group takes into account the characteristics of the asset or liability, in particular:

For non-financial assets, a fair value measurement takes into account the market participant's ability to generate economic benefits by using the asset to its highest and best use, or by selling the asset to another market participant who would use the asset. active in its highest and best use; for liabilities and own equity instruments, the fair value assumes that the liability will not be settled and the equity instrument will not be cancelled, or otherwise extinguished on the measurement date. The fair value of the liability reflects the effect of default risk, that is, the risk that an entity does not fulfill an obligation, which includes, but is not limited to, the Group's own credit risk.

For financial assets and liabilities with offsetting positions in counterparty market risk or credit risk, fair value is permitted to be measured on a net basis, consistent with how market participants would price the asset. net risk exposure at the measurement date.

3.1.13. Classification of current and non-current balances

The Group presents in its consolidated Statement of Financial Position the assets and liabilities classified as current and non-current, after excluding available-for-sale assets as well as available-for-sale liabilities. Assets are classified as current when they are intended to be realized, sold or consumed during the normal cycle of the Group's operations or within the next 12 months after the reporting period, all other assets are classified as non-current. Current liabilities are those that the Group expects to settle within the normal operating cycle or within the next 12 months after the reporting period, all other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, in all cases.

3.1.14. Revenue Recognition

The Group applies a revenue recognition model from ordinary activities from contracts with customers based on 5 stages, which are:

Stage 1: Identify the contract or contracts with clients.

Stage 2: Identify the performance obligations in the contract.

Stage 3: Determine the price of the transaction.

Stage 4: Allocate the transaction price among the performance obligations of the contract.

Stage 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

The revenue recognition model for ordinary activities from contracts with customers contemplates the following:

(a) Portfolio approach:

In order to identify the goods and/or services promised in contracts with customers, the Group applies the practical solution that allows them to be grouped into "Categories or Clusters" when they have similar characteristics in the contractual terms and conditions.

These categories are determined using the following typifications: a) Type of goods or services offered (electricity, value-added services); b) Market typology (regulated, non-regulated); or c) Type of client (size, type, sector).

(b) Contracts with multiple goods and/or services:

A contract with multiple goods and services is configured when the Group identifies several performance obligations in the transfer of goods and/or services offered to customers, and these are satisfied independently.

(c) Satisfaction of performance obligations:

The satisfaction of the performance obligations in accordance with the pattern of transfer of control of the goods and/or services committed to the clients, is carried out:

- Over time.
- At one point of time

Performance obligations are satisfied over time when:

- The customer simultaneously consumes the benefits provided by the entity's performance as the Group realizes them.
- The Group's performance creates or improves an asset that the customer controls as it is created or improved.
- The Group's performance creates or enhances an asset with an alternative use for it. The Group has the enforceable right to payment for the performance it has completed to date.

Revenue is recognized based on the measurement of satisfaction of performance obligations. The measurement of the satisfaction of performance obligations over time is carried out using two types of methods:

Product Methods: They are carried out based on direct measurements of the goods and/or services promised to customers.

Resources Methods: They are performed in relation to the expected total resources.

(d) Variable considerations:

If the promised consideration in a contract includes a variable amount, the Group will estimate the amount of the consideration to which it will be entitled in exchange for the transfer of goods and/or services promised to customers.

(e) Contracts with modifications:

These are configured when there are changes in the scope or in the price approved by the parties, which create new rights and obligations enforceable in the contract in exchange for the goods and/or services offered to customers.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

(f) Consideration as principal or agent:

When a third party is involved in providing goods and/or services to a customer, the Group must determine whether the commitment to comply with the performance obligations is in its charge or in charge of a third party. In the event that the Group controls the goods and/or services committed to customers and satisfies the performance obligations itself, it acts as principal. Otherwise, it acts as an agent.

When the Group controls and satisfies performance obligations with customers, it acts as principal and recognizes as income the gross amount of the consideration to which it expects to be entitled in exchange for the goods and/or services transferred. When the control and satisfaction of performance obligations are in charge of a third party; the Group acts as agent and recognizes income for the net amount of the consideration to which it is entitled.

Contract costs:

They are amortized over the term of the contract an asset may be recognized for the costs of obtaining or fulfilling a contract.

Contractual assets and liabilities:

The Group will recognize a contractual asset and liability, to the extent that the following circumstances occur in the supply of goods and services:

Contractual asset: It is presented as the right that the Group has to a consideration in exchange for the supply of goods and/or services transferred to customers, when that right is conditioned by something other than the passage of time.

Contract liability: Corresponds to the Group's obligation to transfer goods and/or services to customers, for which the Group has received consideration from customers.

As of December 31, 2022, Enel Colombia S.A.E.S.P., acts as "Agent" in relation to the contracts signed with Crédito Facil Codensa S.A.

3.1.15. Income and financial costs

Interest income (expense) is recorded considering the effective interest rate applicable to the principal pending amortization during the corresponding accrual period.

3.1.16. Recognition of costs and expenses

The Group recognizes its costs and expenses to the extent that economic events occur in such a way that they are systematically recorded in the corresponding accounting period, regardless of the flow of monetary or financial resources. Expenses are made up of expenditures that do not classify to be recorded as cost or investment.

Costs include purchases of energy, fuel, personnel costs or third parties directly related to the sale or provision of services, asset maintenance, transmission system costs, depreciation, amortization, among others.

Expenses include taxes, public services, among others. All of them incurred by the processes responsible for the sale or provision of services.

Included as investment are those costs directly related to the formation or acquisition of an asset that requires a substantial period of time to put it in conditions of use and sale.

The following are capitalized as constructions in progress: personnel costs directly related to the construction of projects, interest costs of the debt destined to finance projects and major maintenance costs that increase the useful life of existing assets, among others.

3.1.17. Share capital

Common shares with or without a preferred dividend are classified in equity.

Incremental costs directly attributable to the issuance of new shares or options are shown in equity as a deduction from the amount received net of taxes.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

3.1.18. Reserves

The appropriations authorized by the General Assembly of Shareholders are recorded as reserves, charged to the results of the year to comply with legal provisions or to cover expansion plans or financing needs.

The legal provision that contemplates the constitution of reserves applicable to the Group is the following:

The Code of Commerce requires the Group to appropriate 10% of its annual net profits determined under local accounting standards as a legal reserve until the balance of this reserve is equivalent to 50% of the subscribed capital. The mandatory legal reserve is not distributable before the liquidation of the Group, but can be used to absorb or reduce annual net losses. Reserve balances in excess of 50% of the subscribed capital are freely available to shareholders.

Until 2016, article 130 of the tax statute contemplated the appropriation of net profits equivalent to 70% of the greater value of tax depreciation over accounting depreciation, calculated under local accounting standards. This article was repealed by law 1819 of 2016 in article 376; Therefore, as of 2017, this reserve is not appropriated, but the reserves of previous years are maintained.

3.1.19. Basic and diluted earnings per share

Basic and diluted earnings per share is calculated as the quotient between the net profit for the period attributable to the Group's shareholders and the weighted average number of ordinary shares of the same in circulation during said period, from the merger of Enel Colombia. It has preferred dividend shares. Diluted earnings per share of the Group is equal to the basic earnings per share because the Group do not have adjustments for effects of all dilutive potential ordinary shares.

3.1.20. Distribution of dividends

The commercial laws of Colombia establish that, once the appropriations for the legal reserve, statutory reserve or other reserves and the payment of taxes have been made, the remainder will be distributed among the shareholders, in accordance with the profit distribution project presented by the administration of the Group and approved by the General Assembly of Shareholders. The payment of the dividend will be made in cash, on the dates agreed by the General Shareholders' Meeting when decreeing it and to whoever is a shareholder at the time each payment becomes due.

When it is appropriate to absorb losses, these will be covered with the reserves that have been specially designated for that purpose and, failing that, with the legal reserve. Reserves whose purpose is to absorb certain losses may not be used to cover other losses, unless so decided by the General Shareholders' Meeting.

At the end of the fiscal year, the amount of the obligation with shareholders is determined, net of interim dividends that have been approved during the fiscal year, and it is recorded under the caption "commercial accounts payable and other accounts payable" and in the item "accounts payable to related entities", as appropriate, charged to total equity. Provisional and final dividends are recorded as a lower value of "total equity" at the time of their approval by the competent body, which in the first instance is the Group's Board of Directors and in the second instance the Ordinary General Shareholders' Meeting.

Panama and Costa Rica are framed within the previously described generality.

In Guatemala, Decree 10-2012 Tax update law in Guatemala, establishes that, once the 5% legal reserve is made, accumulated tax profits in quetzales may be distributed to shareholders, in accordance with the share distribution project presented by the Group's management and approved by the General Assembly. The payment of the dividend will be made in cash, at the times agreed by the General Assembly when decreeing it and to whoever is a shareholder at the time each payment becomes due. This payment will be subject to a 5% withholding at the time the payment or accreditation is made.

3.1.21. Operating segments

An operating segment is a component of an entity:

- that carries on business activities from which it can earn revenue and incur expenses (including revenue and expenses from transactions with other components of the same entity).
- whose operating results are regularly reviewed by the entity's highest operating decision-making authority, to decide on the resources that should be allocated to the segment and evaluate its performance; and
- for which differentiated financial information is available.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)

Notes to the Consolidated Financial Statements

(In thousands of pesos)

The Group for all its purposes, in accordance with the guidelines of IFRS 8 has two segments: Distribution and Generation associated with the energy business; however, the Group develops other activities such as gas sales, issuance and sales of carbon credits, rental of public lighting infrastructure and other businesses that are not considered as independent segments, taking into account that they are involved in decision-making for management, within the mentioned segments since they have aspects in common such as the group of clients to whom it is addressed.

According to the geographical location, activities are carried out in Colombia and Central America in the countries of Panama, Costa Rica and Guatemala.

4. Cash and cash equivalents

	As of December 31, 2022	As of December 31, 2021
Bank balances (a)	\$ 912.219.573	\$ 191.832.080
Fixed term deposits (b)	266.369.635	-
Other Cash and cash equivalents (c)	36.675.665	21.868.433
Cash on hand	77.925	945
	\$ 1.215.342.798	\$ 213.701.458

(a) In the year 2022 the increase corresponds mainly the values of the merger carried out on March 1, 2022 of the companies Codensa S.A. E.S.P. and Enel Green Power Colombia S.A.S. E.S.P. respectively (see note 1.4 Fusion).

(b) Corresponds to Fixed-term Certificates of Deposit (CDT):

Entity	Value	Start date	End date	Term	AE rate
Bank of Nova Scotia (Panama) S.A.	\$ 144.306.000	27/01/2022	23/01/2023	360	1,45%
Banco Latinoamericano de Exportaciones, S.A.	122.063.635	06/12/2022	20/04/2023	135	5,25%
	\$ 266.369.635				

(c) The other cash and cash equivalents are mainly made up of the collective portfolios that correspond to regular operations that the treasury performs daily for these entities, in order to channel the resources from the collection and dispose of them for the management of the Group's short-term liquidity.

The detail of cash and cash equivalents by currency is as follows:

Detail by currency (*)	As of December 31, 2022	As of December 31, 2021
Colombian pesos	\$ 757.293.933	\$ 205.537.205
American dollars	454.795.277	8.164.253
Costa Rican Colon	3.228.527	-
Guatemalan Quetzal	25.061	-
	\$ 1.215.342.798	\$ 213.701.458

(*) Balances denominated in foreign currency are expressed in Colombian pesos at the representative exchange rates as of December 31, 2022 and December 31, 2021 of \$4,810.20 and \$3,981.16 per US\$1, respectively.

Cash and cash equivalents are mainly held in banks and financial institutions, which are rated between the AA- and AAA+ range, according to rating agencies (Standard & Poor's, Fitch Rating).

As of December 31, 2022 and 2021, the Group presents guarantees to the operations of futures with trading. (See Note 42).

As of December 31, 2022 and 2021, the amount of the provision for impairment of cash and cash equivalents is \$482,248 and \$4,719, respectively.

This cash is at the disposal of the Group and cannot be used in operation other trading.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The following table shows the components of payments of liabilities for financing activities line item in the Statement of Cash Flows:

	Cash flows			Changes other than cash				Balance at 31 December 2022
	Balance as of January 1 of 2022	Amounts coming from loans	Payments, loans and interest	Other amounts associated with cash	Interests caused	Lease contracts	Assessment MTM	
Bonds	\$ 1.870.489.779	\$ -	\$ (1.297.689.791)	\$ 2.230.602.707	\$ 429.515.620	\$ -	\$ -	\$ 3.232.918.315
Loans and bank obligations	451.452.900	2.041.331.850	(758.665.273)	1.975.417.937	222.742.952	-	-	3.932.280.366
Lease liabilities	82.774.592	-	(40.977.936)	119.357.439	17.786.508	115.734.867	-	294.675.470
Derivative instruments	41.864	-	(6.394.318)	6.352.454	-	-	4.615.446	4.615.446
Credit line	53.452	-	-	(83.743)	30.291	-	-	-
Securitization	-	130.262.494	(130.262.494)	-	-	-	-	-
Total liabilities by financing activities	\$ 2.404.812.587	\$ 2.171.594.344	\$ (2.233.989.812)	\$ 4.331.646.794	\$ 670.075.371	\$ 115.734.867	\$ 4.615.446	\$ 7.464.489.597

	Cash flows			Changes other than cash				Balance at 31 December 2021
	Balance as of January 1 of 2021	Amounts coming from loans	Payments, loans and interest	Other amounts associated with cash	Interests caused	Lease contracts	Assessment MTM	
Bonds	\$ 2.755.823.708	\$ -	\$ (1.036.511.149)	\$ (2.376.605)	\$ 153.553.825	\$ -	\$ -	\$ 1.870.489.779
Loans and bank obligations	-	1.100.000.000	(664.387.780)	-	15.840.680	-	-	451.452.900
Lease liabilities	7.729.440	-	(6.330.494)	8.995.556	359.381	72.020.709	-	82.774.592
Derivative instruments	1.741.469	-	1.880.632	(1.880.632)	-	-	(1.699.605)	41.864
Credit line	168.249	-	-	(168.249)	53.452	-	-	53.452
Securitization	-	44.525.658	(44.525.658)	-	-	-	-	-
Total liabilities by financing activities	\$ 2.765.462.866	\$ 1.144.525.658	\$ (1.749.874.449)	\$ 4.570.070	\$ 169.807.338	\$ 72.020.709	\$ (1.699.605)	2.404.812.587

5. Other financial assets

	As of December 31, 2022		As of December 31, 2021	
	Current	Non-current	Current	Non-current
Hedging derivative instruments (1)	\$ 148.605.744	\$ 65.204.240	\$ 2.612.348	\$ -
Trusts	8.500.090	-	5.134.456	-
Trusts (2)	8.500.243	-	5.135.164	-
Trust impairment (*)	(153)	-	(708)	-
Judicial embargoes	6.553.649	-	4.162.635	-
Judicial embargoes (3)	6.595.007	-	4.192.500	-
Impairment of judicial embargoes (*)	(41.358)	-	(29.865)	-
Other assets (4)	(49.346.745)	232.637.488	-	-
Restricted deposits (5)	-	199.828.460	-	-
Guarantees of energy derivative markets	653.907	-	855.579	-
Equity investments -unlisted companies or companies that have little liquidity (6)	-	2.995.695	-	481.721
	\$ 114.966.645	\$ 500.665.883	\$ 12.765.018	\$ 481.721

(*) See note 7, numeral 3, this value is part of the impairment of the general collective model.

(1) As of December 31, 2022, the Group has seventy-five (75) cash flow hedge derivatives and one

(1) Interest rate swap with active valuation as follows:

Derivative	Underlying	Bank	Risk Factor	Expiration date	Notional Asset	Currency	Fixed rate	Current	Non-Current
Forward	Exchange Rate Hedging Debt USD	BNP Paribas	Exchange rate	3/03/2023	61.274.500	USD	4.014,00	51.237.028	-
Forward	FX Coverage CERE Payment	JPMORGAN_GB	Exchange rate	5/04/2023	42.000.000	USD	3.976,50	37.590.715	-
Forward	Investments/project	Citibank Colombia S.A.	Cash Flow Hedge	31/01/2023	110.000.000	CNH	606,20	10.254.248	-
Forward	Investments/project	BNP Paribas	Cash Flow Hedge	28/04/2023	110.000.000	CNH	655,26	6.541.098	-
Forward	Investments/project	BNP Paribas	Cash Flow Hedge	31/03/2023	100.000.000	CNH	665,93	4.444.473	-
Forward	Investments/project	JPMORGAN_GB	Cash Flow Hedge	30/06/2023	6.169.902	USD	4.252,50	4.239.754	-
Forward	Cosenit USD Coverage	Scotiabank Colpatria S.A.	Cash Flow Hedge	23/02/2023	3.467.662	USD	3.970,36	3.001.388	-
Forward	Investments/project	JPMORGAN_GB	Cash Flow Hedge	31/01/2023	10.000.000	USD	4.580,75	2.519.684	-
Forward	Investments/project	BNP Paribas	Cash Flow Hedge	28/02/2023	10.625.722	USD	4.622,27	2.494.898	-
Forward	Cosenit USD Coverage	Scotiabank Colpatria S.A.	Cash Flow Hedge	23/02/2023	2.750.277	USD	3.962,23	2.402.270	-

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Derivative	Underlying	Bank	Risk Factor	Expiration date	Notional Asset	Currency	Fixed rate	Current	Non-Current
Forward	Investments/project	BBVA Colombia	Cash Flow Hedge	28/02/2023	110.000.000	CNH	686,96	2.008.420	-
Forward	Investments/project	JPMORGAN_GB	Cash Flow Hedge	31/03/2023	7.292.438	USD	4.648,00	1.716.869	-
Forward	FX Coverage CERE Payment	Banco de Bogotá S.A.	Cash Flow Hedge	2/10/2023	1.500.000	USD	4.178,54	1.224.713	-
Forward	Investments/project	BBVA Colombia	Cash Flow Hedge	31/05/2023	39.633.039	CNH	698,72	938.143	-
Forward	FX Coverage CERE Payment	BNP Paribas	Cash Flow Hedge	30/11/2023	1.000.000	USD	4.167,98	876.316	-
Forward	FX Coverage CERE Payment	BNP Paribas	Cash Flow Hedge	31/10/2023	1.000.000	USD	4.147,98	874.648	-
Forward	FX Coverage CERE Payment	BNP Paribas	Cash Flow Hedge	2/10/2023	1.000.000	USD	4.127,98	874.075	-
Forward	FX Coverage CERE Payment	Itaú CorpBanca Colombia S.A.	Cash Flow Hedge	31/08/2023	1.000.000	USD	4.277,50	709.037	-
Forward	FX Coverage CERE Payment	Itaú CorpBanca Colombia S.A.	Cash Flow Hedge	31/08/2023	1.000.000	USD	4.277,50	709.037	-
Forward	FX Coverage CERE Payment	Itaú CorpBanca Colombia S.A.	Cash Flow Hedge	31/07/2023	1.000.000	USD	4.254,25	705.287	-
Forward	FX Coverage CERE Payment	Itaú CorpBanca Colombia S.A.	Cash Flow Hedge	31/07/2023	1.000.000	USD	4.254,25	705.287	-
Forward	FX Coverage CERE Payment	Itaú CorpBanca Colombia S.A.	Cash Flow Hedge	30/06/2023	1.000.000	USD	4.233,92	704.084	-
Forward	FX Coverage CERE Payment	Itaú CorpBanca Colombia S.A.	Cash Flow Hedge	30/06/2023	1.000.000	USD	4.233,92	704.084	-
Forward	FX Coverage CERE Payment	Itaú CorpBanca Colombia S.A.	Cash Flow Hedge	31/05/2023	1.000.000	USD	4.213,41	697.062	-
Forward	FX Coverage CERE Payment	Itaú CorpBanca Colombia S.A.	Cash Flow Hedge	31/05/2023	1.000.000	USD	4.213,41	697.062	-
Forward	Investments/project	Citibank Colombia S.A.	Cash Flow Hedge	29/12/2022	1.300.000	USD	4.309,27	645.423	-
Forward	Investments/project	Citibank Colombia S.A.	Cash Flow Hedge	31/03/2023	16.642.360	USD	4.852,32	633.460	-
Forward	Investments/project	BNP Paribas	Cash Flow Hedge	28/02/2023	2.485.633	USD	4.622,27	583.622	-
Forward	FX Coverage CERE Payment	BNP Paribas	Cash Flow Hedge	31/08/2023	1.000.000	USD	4.433,21	569.374	-
Forward	Investments/project	BBVA Colombia	Trading	1/02/2023	71.023.917	CNH	692,44	563.892	-
Forward	FX Coverage CERE Payment	BNP Paribas	Cash Flow Hedge	31/07/2023	1.000.000	USD	4.412,21	562.841	-
Forward	FX Coverage CERE Payment	BNP Paribas	Cash Flow Hedge	31/08/2023	500.000	USD	4.109,98	433.398	-
Forward	FX Coverage CERE Payment	BNP Paribas	Cash Flow Hedge	31/07/2023	500.000	USD	4.089,98	431.306	-
Forward	Investments/project	Citibank Colombia S.A.	Cash Flow Hedge	28/04/2023	9.997.581	USD	4.880,32	371.066	-
Forward	FX Coverage CERE Payment	Citibank Colombia S.A.	Cash Flow Hedge	31/01/2023	500.000	USD	4.133,43	347.847	-
Forward	FX Coverage CERE Payment	Citibank Colombia S.A.	Cash Flow Hedge	31/01/2023	500.000	USD	4.133,43	347.847	-
Forward	Investments/project	BBVA Colombia	Cash Flow Hedge	31/05/2023	18.706.382	CNH	706,24	309.670	-
Forward	FX Coverage CERE Payment	JPMORGAN_GB	Cash Flow Hedge	30/06/2023	500.000	USD	4.390,81	280.711	-
Forward	FX Coverage CERE Payment	BNP Paribas	Cash Flow Hedge	31/05/2023	500.000	USD	4.366,21	278.757	-
Forward	FX Coverage CERE Payment	BNP Paribas	Cash Flow Hedge	2/05/2023	500.000	USD	4.343,96	278.228	-
Forward	FX Coverage CERE Payment	BNP Paribas	Cash Flow Hedge	31/03/2023	500.000	USD	4.321,71	277.674	-
Forward	FX Coverage CERE Payment	BNP Paribas	Cash Flow Hedge	31/01/2023	500.000	USD	4.275,21	277.520	-
Forward	FX Coverage CERE Payment	BNP Paribas	Cash Flow Hedge	28/02/2023	500.000	USD	4.296,71	277.405	-
Forward	Investments/project	BBVA Colombia	Cash Flow Hedge	31/05/2023	41.105.095	CNH	717,25	252.362	-
Forward	Investments/project	BNP Paribas	Cash Flow Hedge	30/06/2023	36.003.878	CNH	722,57	249.778	-
Forward	Investments/project	Citibank Colombia S.A.	Trading	9/02/2023	6.101.349	USD	4.803,72	240.927	-
Forward	FX Coverage CERE Payment	Itaú CorpBanca Colombia S.A.	Cash Flow Hedge	2/05/2023	300.000	USD	4.190,98	209.147	-
Forward	FX Coverage CERE Payment	Itaú CorpBanca Colombia S.A.	Cash Flow Hedge	2/05/2023	300.000	USD	4.190,98	209.147	-
Forward	Investments/project	Citibank Colombia S.A.	Cash Flow Hedge	31/01/2023	3.828.400	USD	4.793,32	159.250	-
Forward	Investments/project	Citibank Colombia S.A.	Trading	16/03/2023	3.619.347	USD	4.837,07	141.153	-
Forward	Investments/project	BKOFAMERICA_US	Trading	19/01/2023	3.357.640	USD	4.784,82	131.590	-
Forward	FX Coverage CERE Payment	Banco de Bogotá S.A.	Cash Flow Hedge	2/01/2023	1.400.000	USD	4.292,05	103.568	-
Forward	Investments/project	Citibank Colombia S.A.	Trading	9/02/2023	2.052.434	USD	4.803,72	81.045	-
Forward	FX Coverage CERE Payment	Citibank Colombia S.A.	Cash Flow Hedge	31/03/2023	100.000	USD	4.178,00	69.564	-
Forward	FX Coverage CERE Payment	Citibank Colombia S.A.	Cash Flow Hedge	31/03/2023	100.000	USD	4.178,00	69.564	-
Forward	FX Coverage CERE Payment	Citibank Colombia S.A.	Cash Flow Hedge	28/02/2023	100.000	USD	4.155,49	69.376	-
Forward	FX Coverage CERE Payment	Citibank Colombia S.A.	Cash Flow Hedge	28/02/2023	100.000	USD	4.155,49	69.376	-
Forward	Cosenit USD Coverage	Scotiabank Colpatría S.A.	Cash Flow Hedge	23/02/2023	55.325	USD	3.970,69	47.868	-
Forward	Investments/project	BKOFAMERICA_US	Trading	19/01/2023	1.179.304	USD	4.784,82	46.218	-
Forward	Investments/project	BBVA España	Cash Flow Hedge	31/05/2023	665.142	EUR	5.288,01	31.178	-
Forward	Investments/project	Citibank Colombia S.A.	Trading	16/02/2023	608.782	USD	4.810,12	24.075	-
Forward	Investments/project	Citibank Colombia S.A.	Cash Flow Hedge	31/01/2023	450.789	USD	4.793,32	18.751	-
Forward	Investments/project	Citibank Colombia S.A.	Trading	16/03/2023	466.627	USD	4.837,07	18.198	-
Forward	Cosenit USD Coverage	Scotiabank Colpatría S.A.	Cash Flow Hedge	23/02/2023	1.012.657	USD	4.847,90	9.878	-
Forward	Frontier	Scotiabank Colpatría S.A.	Cash Flow Hedge	23/02/2023	121.519	USD	4.819,34	4.570	-
Forward	Investments/project	BBVA España	Trading	23/02/2023	120.590	EUR	5.173,01	3.528	-
Forward	Cosenit USD Coverage	Scotiabank Colpatría S.A.	Cash Flow Hedge	23/02/2023	203.931	USD	4.847,90	1.989	-
Forward	FX Coverage CERE Payment	Citibank Colombia S.A.	Cash Flow Hedge	2/10/2023	700.000	USD	5.086,57	1.446	-
Forward	FX Coverage CERE Payment	Citibank Colombia S.A.	Cash Flow Hedge	31/10/2023	700.000	USD	5.117,41	848	-
Forward	Cosenit USD Coverage	Scotiabank Colpatría S.A.	Cash Flow Hedge	23/02/2023	67.977	USD	4.847,90	663	-
Forward	Cosenit USD Coverage	Scotiabank Colpatría S.A.	Cash Flow Hedge	23/02/2023	54.315	USD	4.847,90	530	-
Forward	FX Coverage CERE Payment	Citibank Colombia S.A.	Cash Flow Hedge	30/11/2023	500.000	USD	5.149,52	393	-
Forward	FX Coverage CERE Payment	Citibank Colombia S.A.	Cash Flow Hedge	30/06/2023	200.000	USD	4.987,97	43	-
Swap	IBR Debt Interest Rate Coverage	Scotiabank Colpatría S.A.	Interest	14/05/2026	400.000.000.000	COP	BR 3M + 0.75%	-	63.778.382
Forward	FX Coverage CERE Payment	BNP Paribas	Cash Flow Hedge	2/01/2024	1.000.000	USD	4.197,98	-	869.224
Forward	FX Coverage CERE Payment	Banco de Bogotá S.A.	Cash Flow Hedge	2/01/2024	1.200.000	USD	4.650,78	-	556.634
Full valuation								148.605.744	65.204.240

(2) As of December 31, 2022 and 2021, the balance of the trusts corresponds to:

	At December 31 of 2022	At December 31 of 2021
Trusts Embalse Tominé (a)	\$ 6.963.124	\$ 3.177.232
Trusts Embalse Muña (a)	1.351.103	691.146
Trusts Proyecto FAER (b)	151.270	-
Trusts Proyecto ZOMAC (c)	34.746	347.762
Trusts El Quimbo (d)	-	919.024
Total	\$ 8.500.243	\$ 5.135.164

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary) Notes to the Consolidated Financial Statements

(In thousands of pesos)

The existing trusts in the Group have a specific destination and support obligations contracted in key projects for the business, which clarify their destination. The values of the previous detail are presented without impairment.

(a) The balance as of December 31, 2022 corresponds to the trusts with BBVA S.A. as follows:

Embalse de Tominé Fiduciaria Trust No. 31636 for \$6,272,540 and Trust No. 31555 for \$690,584, intended for the administration, operation, maintenance and improvement of the reservoir in accordance with resolution No. 0776 of 2008. With the Muña Reservoir, the Trust No. 31683 for \$1,350,741 and Trust 32374 for \$362 intended for compliance with the ruling of the Council of State within the popular action filed with No. 479 of 2001 and for compliance with resolution No. 1153 of June 17 2015 for the preparation of the Environmental Management Plan for the Muña Reservoir.

(b) Corresponds to the FAER project trust for the construction of electrical networks in rural areas of the national interconnected system.

(c) The ZOMAC CDI Cundinamarca Trust, was established after the approval of the Territory Renewal Agency (ART) of linkage for the payment of income and complementary taxes for the taxable period 2019, through the execution of viable projects of social significance in the different municipalities located in areas most affected by the armed conflict (ZOMAC).

(d) The El Quimbo Trust was established with Corficolombiana S.A., to meet commitments derived from the construction of the hydroelectric plant.

(3) As of December 31, 2022, the balance corresponds mainly to embargoes executed on the bank accounts of the Enel Colombia S.A. E.S.P. Company, as a result litigation process to labor, civil and tax.

(4) Other assets:

i. Current

Group received \$3,190,356 for interest corresponding to the IBR debt interest rate hedge; the value of Swap is \$63.778.382

As of December 31, 2022, it corresponds to the impairment of the assets and liabilities of the companies Usme ZE S.A.S.; Fontibón ZE S.A.S., Bogotá ZE S.A.S. and Colombia ZE S.A.S., for value (\$54.919.777) for the recoverable amount of 80%, according to the transaction agreement signed with (AMP); with which this company will pay the equivalent of 80% of the capital and premium in placement of shares of the company Colombia ZE S.A.S. (see note 10 Assets and liabilities held for sale).

Central America

Enel Panama CAM, S.R.L. maintains balances receivable from local banks for interest accrued on deposits that are paid at the expiration of their term for \$2,382,676.

ii. Non current

As of December 31, 2022, for Enel Green Power Costa Rica S.A., there is a non-current financial asset for value of \$232.637.488 derived from the right to charge the Costa Rican Electricity Institute (ICE) an annual amount of US \$150 per kilowatt of power contracted by availability of the Power Plant, equivalent to US \$7,350,000 annually. Said collection will be made monthly and will be adjusted in the event of any breach of the committed availability of the plant. Management has considered that the risk of default is minimal and has considered the total amount per kilowatt to estimate the financial asset. The financial asset has been determined as the present value of future availability charges discounted at the weighted average cost of capital (WACC) of 7.02%, corresponding to the WACC estimated by Management at a date close to the notification of the order to proceed with the construction of the Plant, which was on September 26, 2011. The charge on the availability of the Plant has been considered since the start of commercial operations on December 9, 2016 until the end of the PPA term in September 2031.

(5) Restricted deposits:

A value of \$199,828,460, corresponds to restricted deposits for US \$41,484,800, corresponding to an Escrow Account, placed in Banco Scotiabank S.A. with maturities in the year 2027, to pay the last milestone of payment of assignment of PPA contracts signed between Enel Fortuna S.A. and Sinolam Smaker Energy LNG Group INC.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

(6) Equity investments in unlisted companies are:

Participating titles in shares	Economic activity	Ordinary shares	% share	As of December 31, 2022	At December 31 2021
Operadora Distrital de Transporte S.A.S. (a)	Commercial	2.500	20%	\$ 2.500.000	\$ -
Derivex S.A. (b)	Commercial	38.262	4,76%	488.377	481.721
Smaller shares in other companies (c)	Energy			7.318	-
Electrificadora del Caribe S.A. E.S.P. (d)	Energy	109.353.394	0,22%	-	-
				\$ 2.995.695	481.721

- (a) The Group, by means of a written vote on November 28, 2022, authorized the capitalization in the company Operadora Distrital de Transporte S.A.S., for an amount of 2,500,000 equivalent to 2,500 shares for a 20% stake in its shareholding composition. This equity instrument is recorded measured at fair value with changes in P&L.
- (b) In May 2019, the Group acquired 35,764 shares of Derivex S.A. for \$579,377. Said private entity, whose corporate purpose consists of managing a trading system for operations on derivative financial instruments, whose underlying assets are electricity, gas, fuel and other energy and energy commodities, and registry of operations on said instruments. In December 2022, a capitalization amounting to \$40,466 was made, equivalent to 2,498 additional shares. As of December 31, 2022, the adjustment to the valuation of the investment was made, reflecting a decrease of (\$33,810). This equity instrument is recorded measured at fair value with changes in OCI.
- (c) The Group has made investments with smaller stakes in companies mainly in the electricity sector, as of December 31, 2022 the balance amounts to \$7,318.
- (d) In 2019, a decrease originated in the investment in Electrificadora del Caribe S.A. E.S.P. was reflected, as a result of the valuation calculated at fair value based on the participation of Enel Colombia S.A. E.S.P. in the equity of said company, this being the most appropriate method. To measure the investment due to the conditions of the counterparty, this company was intervened by the Colombian State and in its financial statements as of December 31, 2021 it presents a negative equity, for this reason its fair value is \$0. This equity instrument is recorded measured at fair value with changes in OCI.

6. Other non-financial assets

	As of December 31, 2022		As of December 31, 2021	
	Current	Non-current	Current	Non-current
Advances for the acquisition of goods (1)	\$ 130.022.839	\$ 2.551.281	\$ 33.379.216	-
Accounts receivable other taxes (2)	34.562.632	94.234.669	4.431	21.352.853
Benefits to employees for loans (3)	1.810.747	28.411.158	553.516	7.011.612
Expenses paid in advance (4)	937.363	-	32.104	-
VAT tax discount AFRP (5)	-	126.565.894	-	-
Other accounts receivable	-	650.325	-	-
	\$ 167.333.581	\$ 252.413.327	\$ 33.969.267	\$ 28.364.465

In the year 2022 the increase corresponds mainly to the values through the merger carried out on March 1, 2022 of the companies Codensa S.A. E.S.P. and Enel Green Power Colombia S.A.S. E.S.P. respectively (see note 1.4 Fusion).

- (1) i) The advances correspond mainly to resources deposited with XM S.A. E.S.P. for negotiations of energy operations on the stock market with other market agents for \$10.499.694. ii) Advance delivered to Generadora y Comercializadora de Energía S.A. E.S.P., on the purchase of energy that will be carried out from January 2022 to December 2023 for \$14.666.418. iii) and an advance to other suppliers of \$14.358.509.

Central America:

As of December 31, 2022, in Guatemalan companies, it corresponds mainly to resources transferred to the administrator of the wholesale market and regional electricity market (spot market sales) in the amount of \$17,092,637; in Generadora Montecristo S.A. to Mapfre insurance for \$65,418,720 and to other providers for \$2,597,508.

Regarding Enel Panama CAM S.R.L., it corresponds mainly to deposits transferred to the third party Sol Real Ltda. for Business Development services for \$3,992,466 and to other suppliers for \$437,140, in the non-current with the third party Helium Energy Inc. for an amount of \$2,453,202.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)

Notes to the Consolidated Financial Statements

(In thousands of pesos)

In Costa Rican companies, it corresponds mainly to resources paid to suppliers for the acquisition of goods and services for \$545,127 mainly recognized in the companies P.H. Chucás S.A. and P.H. Don Pedro S.A.

- (2) As of December 31, 2022, corresponds to the balance in favor of the ICA tax with the Cartagena mayor's office for \$3,970 from Sociedad Portuaria Central Cartagena S.A.

Central America:

As of December 31, 2022, in Guatemalan companies it corresponds to the short and long-term VAT tax credit accumulated during the construction period of the Palo Viejo plant and transmission line, which will be used until exhausted against the VAT debit generated monthly in sales of goods and services for \$125,376,937; regarding Costa Rican companies, it corresponds mainly to VAT tax credits for \$3,416,394.

- (3) As of December 31, 2022, corresponds to the recognition of the benefit paid in advance of the loans to employees agreed at a zero rate, which is why the Group discounts future cash flows at the market rate, recognizing as a benefit paid in advance the difference between the rate of market and the awarded rate and amortizing them over the life of the loan.
- (4) As of December 31, 2022, in Atlantico Photovoltaic S.A.S.E.S.P., it corresponds to a lease for one-year contracts for \$48,354. In Sociedad Portuaria Central Cartagena S.A. for \$19,954 corresponds mainly to advances for policies for the construction of the dock and for the coverage of the concession contract, which expires on December 22, 2024 and 2027.

Central America:

For companies in Panama, it corresponds to annual fire and civil liability insurance premiums for \$813,849; and for Costa Rican companies it corresponds to insurance for medical expenses and work risks for \$55,206.

- (5) As of December 31, 2022, the tax receivable account corresponds to the tax discount for \$126,565,894 in accordance with article 83 of Law 1943 of 2018, the opportunity for a tax discount on the VAT paid on the acquisition was created. , construction or training and importation of productive real fixed assets including the associated services to put them in conditions of use. To take this rental discount, you must meet three requirements: (i) That it is a real productive fixed asset, (ii) that VAT is paid, (iii) that the asset is depreciating.

7. Trade accounts and other accounts receivable, net

	As of December 31, 2022		As of December 31, 2021	
	Current	Non-current	Current	Non-current
Trade accounts, gross, (1)	\$ 2.005.199.918	\$ 117.216.616	\$ 283.714.775	\$ 98.990.119
Other trade receivable, gross, (2)	59.073.810	65.934.959	22.243.879	18.300.863
Total trade accounts and other accounts receivable (Gross)	2.064.273.728	183.151.575	305.958.654	117.290.982
Provision for impairment of trade accounts (3)	(179.990.774)	(111.533.761)	(9.008.346)	(98.990.119)
Provision for impairment of other accounts receivable (3)	(6.713.307)	(10.147.705)	(4.480.354)	(2.806.567)
Total trade accounts and other accounts receivable (Net)	\$ 1.877.569.647	\$ 61.470.109	\$ 292.469.954	\$ 15.494.296

- (1) As of December 31, 2022, the composition of the trade accounts is as follows:

	Current Portfolio	Past due portfolio			Total Current Portfolio	Non-current portfolio (c)
		1-180 days	181-360 days	>360 days		
Energy portfolio (a)						
Non-agreed portfolio	\$ 1.525.193.655	\$ 71.996.728	\$ 16.560.567	\$ 189.618.406	\$ 1.803.369.356	\$ 99.073.666
Massive Clients	420.656.734	11.471.885	3.938.868	37.395.347	473.462.834	83.547
Big Clients	701.473.748	42.386.565	11.048.827	79.565.181	834.474.321	98.990.119
Institutional Clients (b)	172.496.056	2.185.865	1.495.776	57.708.951	233.886.648	-
Others	230.567.117	15.952.413	77.096	14.948.927	261.545.553	-

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Agreed Portfolio (c)	29.066.276	2.971.714	455.363	267.372	32.760.725	8.654.314
Massive Clients	15.848.576	1.646.961	296.537	133.019	17.925.093	1.808.069
Big Clients	10.632.412	1.228.287	158.826	134.353	12.153.878	6.846.245
Institutional Clients	2.585.288	96.466	-	-	2.681.754	-
Energy Portfolio, Gross	1.554.259.931	74.968.442	17.015.930	189.885.778	1.836.130.081	107.727.980
Impairment of energy portfolio	(10.138.971)	(8.855.291)	(12.477.406)	(132.143.628)	(163.615.296)	(103.839.360)
Energy Portfolio, Net	\$ 1.544.120.960	\$ 66.113.151	\$ 4.538.524	\$ 57.742.150	\$ 1.672.514.785	\$ 3.888.620

Complementary bussines portfolio and others (d)	Past due portfolio				Total Current Portfolio	Non-current portfolio (e)
	Current Portfolio	1-180 days	181-360 days	>360 days		
Massive Clients	85.799.762	477.862	577.254	3.306.516	90.161.394	6.846.246
Big Clients	65.276.999	559.409	96.266	12.735.746	78.668.420	2.642.390
Institutional Clients	103.914	133.669	931	1.509	240.023	-
Business wallet Complementary (Gross)	151.180.675	1.170.940	674.451	16.043.771	169.069.837	9.488.636
Complementary Business Portfolio Impairment	(3.814.037)	(154.785)	(341.851)	(12.064.805)	(16.375.478)	(7.694.401)
Business wallet Complementary, Net.	147.366.638	1.016.155	332.600	3.978.966	152.694.359	1.794.235
Trade accounts, gross	1.705.440.606	76.139.382	17.690.381	205.929.549	2.005.199.918	117.216.616
Provision for impairment of trade accounts	(13.953.008)	(9.010.076)	(12.819.257)	(144.208.433)	(179.990.774)	(111.533.761)
Total Trade Accounts, Net	\$ 1.691.487.598	\$ 67.129.306	\$ 4.871.124	\$ 61.721.116	\$ 1.825.209.144	\$ 5.682.855

As of December 31, 2021, the composition of the commercial accounts is as follows:

	Past due portfolio				Total Current Portfolio	Non-current portfolio
	Current Portfolio	1-180 days	181-360 days	>360 days		
Trade accounts, gross	\$ 279.852.172	\$ 786.638	\$ -	\$ 3.075.965	\$ 283.714.775	\$ 98.990.119
- Big clients	93.249.101	77.565	-	-	93.326.666	98.990.119
- Institutional clients	31.889.136	659.190	-	-	32.548.326	-
- Others	154.713.935	49.883	-	3.075.965	157.839.783	-
- Impairment provision	(5.877.249)	(55.132)	-	(3.075.965)	(9.008.346)	(98.990.119)
Trade Accounts, net	\$ 273.974.923	\$ 731.506	\$ -	\$ -	\$ 274.706.429	\$ -

As of December 31, 2022, the variation in trade accounts receivable corresponds mainly to:

(a) Current portfolio of residential customers in the regulated market for \$921.243.598

As of December 31, 2022, the estimated portfolio shows an increase of \$96,410,503, mainly due to the increase in contract prices and higher energy contracted for the wholesale market for 157.3 GWh and non-regulated market for 52.7 GWh. The estimated value of the portfolio corresponding to the sale of delivered and unbilled energy as of December 31, 2022 and 2021 corresponds to \$359,342,627 and \$262,932,124, respectively.

Increase in the billed wholesale and unregulated market portfolio for \$53,755,139 due to billing expiration.

As of 2020, the rate option regulatory mechanism is applied in accordance with CREG Resolution 122 of June 18, 2020, which resolves the appeal for reversal filed by Enel Colombia S.A. E.S.P. against CREG Resolution 189 of 2019, which approved the necessary variables to calculate the income and charges associated with the activity of electrical energy distribution for the commercialization market. Given the retroactive adjustment of Resolution CREG036/19 and the retroactive adjustment associated with service quality incentives, an increase in the distribution charge is presented during the months following the approval of charges. As of April 2022, Enel Colombia S.A. E.S.P. is applying the rate option mechanism. As of December 31, 2022, the account receivable for rate options is \$351,055,500.

In accordance with the social and ecological health emergency caused by the Covid-19 outbreak, as of September 30, 2021, the residential energy portfolio of strata 1 to 4 was subject to the provisions of articles 1 and 2 of decree 517 of April 4, 2020 and articles 2 and 3 of CREG resolution 058 of April 14, 2020, by which transitory measures were adopted

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

for the payment of electric power service bills, all traders must offer their residential users of strata 1 to 4 deferred payment options of the value of the invoice for the concept of the domiciliary public service of electric energy, for the other regulated users, before carrying out the suspension of the service due to non-payment, the marketer must offer deferred payment options for the value of the invoice for the residential electric power public service, applying the rates established in the resolution.

As of December 31, 2022, the deferred residential energy portfolio of strata 1 to 4 is \$5,243,048, the current portion corresponds to \$5,169,501 and non-current \$83,547.

Regarding the balance of the long-term financed portfolio as of December 31, 2022, there are the Energy supply contracts No. EDCC-111-2012 and EDCC-154-201 and the other number EDCC-136-2013/EM- 13-213, entered into with the customer of the wholesale market Electrificadora del Caribe S.A. E.S.P. , which, due to internal cash flow difficulties of the customer, agreed to extend the payment of the invoice for \$98,990,119, provisioned at 100%.

Central America:

As of December 31, 2022, the current commercial portfolio of the Central American operations corresponds to customers for energy sales for \$112,600,914 and invoices to be issued for \$127,805,846.

By country, the balances amount to:

- **Panama:** Energy invoiced for \$89,918,560, mainly in the company Enel Fortuna S.A. with the following most representative third parties: Elektra Noreste S.A. (Ensa) for \$53,306,115; Distribución Eléctrica Metro-Oeste S.A. (Edemet) for \$27,078,300 and Empresa de Distribución Eléctrica Chiriquí S.A. (Edechi) for \$10,048,460; additionally, an estimated portfolio of \$84,534,703.
- **Guatemala:** Energy invoiced for \$10,661,183, mainly in the company Renovables de Guatemala S.A. with the following most relevant third parties: Cemex Guatemala S.A. for \$841,256, Comercializadora y Productora de Bebidas los Volcanes S.A. for \$2,301,007, Embotelladora Central S.A., for \$1,975,693 and Alimentos y Bebidas Atlántida S.A. for \$1,419,009, Industrias de Exportación Universal S.A. for \$1,117,361, Electric Power Markets S.A. de CV for \$682,808; additionally, an estimated portfolio of \$33,854,952.
- **Costa Rica:** Billed energy for \$12,021,171 and an estimated portfolio of \$9,416,191 with the Costa Rican Electricity Institute (ICE).

- (b) Current balances correspond mainly to the regulated market portfolio \$67,938,957, Public Lighting portfolio \$64,478,760 and regulatory schemes \$76,018,407. Non-current balances as of December 31, 2022 present a decrease in the distribution segment of \$120,117,908 corresponding to the write-off of the portfolio of accounts receivable in arrears from the Special Administrative Unit of Public Services (UASESP) for lighting infrastructure lease VAT billed but not collected since July 2013.

On November 14, 2013, Enel Colombia S.A. E.S.P. submitted a query to the DIAN on the applicability of Article 19 of Decree 570 of 1984, for the determination of the special tax base in the lease of personal property; the DIAN issued a response without resolving the request made by Enel Colombia S.A. E.S.P. Subsequently, on November 4, 2014, the DIAN issued a new concept that did not define the query of Enel Colombia S.A. E.S.P., which is why on December 16, 2014, a new statement was filed requesting clarification of the concept.

At the same time, in order to clarify whether the lease of the public lighting infrastructure causes VAT, on December 5, 2014, Enel Colombia S.A. E.S.P. submitted a query to the DIAN.

On June 6, 2015, Enel Colombia S.A. E.S.P. submitted the request for conciliation with the UAESP before the Attorney General's Office, which was initially rejected arguing that it was not appropriate; however, the pertinent appeal was filed, which was resolved favorably on July 1, 2015, setting a conciliation hearing on August 5, 2015. The conciliation hearing was held on the indicated date, but the parties decided not to conciliate.

Simultaneously, on June 17, 2015, the lawsuit was filed against the UAESP in order to prevent the Entity from arguing the expiration of the term to sue if it was filed after the conciliation hearing. On October 2, 2015, Enel Colombia S.A. E.S.P. requested a precautionary measure for the UAESP to pay the outstanding balance in advance, which was denied by the third section of the Administrative Court of Cundinamarca considering that this was resolved in the sentence.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The DIAN, through concept No. 100202208-0808 of September 1, 2015, ruled on the treatment of VAT in the lease of infrastructure for the public lighting service, clarifying that the Public Lighting service is not a residential public service and that, for this reason, VAT is charged on this service; opinion that supported the collection that Enel Colombia S.A. E.S.P. has made to the UAESP.

On October 6, 2016, Enel Colombia S.A. E.S.P. was notified of the first instance ruling handed down on September 28, 2016 by the Administrative Court of Cundinamarca, which denied the claims of the lawsuit filed by Enel Colombia S.A. E.S.P. regarding the obligation to pay of VAT for the lease of the infrastructure for the provision of the public lighting service by the UAESP. The sentence mainly states that: (i) Enel Colombia S.A. E.S.P. is a provider of public lighting service in the District of Bogotá and in its capacity as service provider it is responsible for the tax; (ii) In annex No. 1 of the agreement of January 25, 2002, VAT was not included in the settlement components (a) energy supply (b) infrastructure lease (c) administration, operation and maintenance, for which it is understood that VAT is included in the cost of providing the service, and (iii) denatures the lease contract taking into account that agreement No. 766 of 1997 does not meet the requirements of the same.

On October 21, 2016, Enel Colombia S.A. E.S.P. filed before the Court of Cundinamarca the appeal against the sentence handed down by said judicial body. Subsequently, a request for priority of ruling was filed before the Council of State, in order to expedite the appeal, taking into account the importance and impact of the process.

On March 17, 2017, Enel Colombia S.A. E.S.P. was notified by the Third Section of the Council of State stating the acceptance of the appeal against the ruling issued by the Administrative Court of Cundinamarca. In that order and in order to expedite the pronouncement of this instance in response to the sentence issued, Enel Colombia S.A. E.S.P. filed a memorial requesting the priority of the sentence, which was entered into office on April 7, 2017.

On September 4, 2017, the DIAN through concept No. 100202208-0881 addressed to the UAESP confirms the doctrine contained in Official Letter No. 025652 of September 3, 2015, in which it is concluded that the public lighting service is not within of the exclusion framework indicated in article 476 of the tax statute, in other words, that the public lighting service is not a residential public service and that for this reason VAT is charged on this service.

On September 29, 2017, the office notified to abstain on the priority of ruling in the procedural stage in which the process is located and notifies the party to present the closing arguments. On October 11, 2017, Enel Colombia S.A. E.S.P. presented the closing arguments and on October 13, 2017, the arguments were presented by the UAESP.

On October 23, 2017, a memorandum was filed providing the mention concept as part of the evidence of the process; as well as the priority of ruling was requested again.

As of the reported period, the UAESP has not made the payment for the VAT of the leasing service corresponding to 2015 and prior, except for November and December 2015, which were paid in March 2016 for \$1,987,355. Likewise, the UAESP paid the period between January and July 2016 for \$7,104,425; however, as a result of the issuance of the aforementioned ruling, the UAESP withdrew from the payments as of the billing of the service in August 2016.

The non-current balances as of 2019 and 2018 include the account receivable in arrears from the UAESP for VAT on the lease of public lighting infrastructure, invoiced and not collected since July 2013. This amount corresponds to \$74,089,203 and \$65,377,442, respectively.

Based on the concept of external lawyers and in line with the provisions of IFRS 9, Enel Colombia S.A. E.S.P. considered that regardless of the established loss percentage, there are variables that can lead to the existence of a high risk of loss and therefore makes the decision to provision 100% of the portfolio as of December 31, 2019 and 2018.

On September 7, 2022, the Council of State notified Enel Colombia S.A. E.S.P. of the unfavorable second instance ruling, confirming the ruling issued at the time by the Administrative Court of Cundinamarca. The arguments of the judgment of second instance are: i) The contract is not a lease, it is a supply contract. ii) It does not pronounce whether the service has VAT, it focuses on determining who is in charge of it. iii) Enel Colombia S.A. E.S.P. is the owner of the infrastructure and receives remuneration for this use for the provision of the service (will of the parties) which implies that VAT is included in such remuneration iv) Although the parties used their word lease, does not imply that the methodology agreed in 2002 converts the UAESP into a lessee.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements

(In thousands of pesos)

Therefore, the immediate effect will be the suspension of VAT collection to the UAESP. To date, the amount provisioned is COP\$118,647,686. As a judicial alternative to this ruling, a guardianship action was filed in order to protect the right to due process and access to the administration of justice, while the Council of State did not rule on all the points of our appeal, and ignored the DIAN's doctrine on VAT tax matters.

As of December 31, 2022, the amount provisioned was written off in the amount of \$120,117,908, due to the impossibility of recovering the portfolio and the qualification of the lawyers of Enel Colombia S.A. E.S.P. to the protection action of less than 25%.

- (c) The agreed portfolio corresponds to agreements between Enel Colombia S.A. E.S.P. and the clients, to pay a certain amount of money with a term and a pre-established interest rate; these agreements apply to customers who request financing for concepts of energy consumption in arrears or at risk of non-payment. As of December 31, 2022 and 2021, the short-term portfolio amounts to \$32,760,725 and \$40,668,918, the detail by maturity terms of the non-current portfolio is as follows:

Year	As of December 31, 2022
Between one and two years	4.054.067
Between two and three years	2.037.282
More than three years	2.562.965
Total	8.654.314

- (d) The portfolio of complementary businesses and others corresponds to agreements between Enel Colombia S.A. E.S.P. and the clients, to pay a certain amount of money with a term and a pre-established interest rate; that request financing for facilities, adjustments, fines for losses and other services provided by Enel Colombia S.A. E.S.P. as of December 31, 2022, the short-term portfolio amounts to \$182,012,802. The detail by maturity terms of the non-current portfolio is as follows:

Year	As of December 31, 2022
Between one and two years	7.146.874
Between two and three years	2.235.622
More than three years	106.140
Total	9.488.636

- (2) The others trade receivable as of December 31, 2022 correspond mainly to accounts receivable from employees for a present value of \$59,161,794, accounts receivable from retired personnel for a present value of \$6,888,717 for housing and education loans; among others. Loans granted to employees are awarded with rates between 0% and 4.75% and for retired personnel between 3% and 5%, which is why Enel Colombia S.A. E.S.P. discounts future flows at the market rate, recognizing the difference between the market rate and the awarded rate as a benefit paid in advance, and amortizing them over the life of the loan.

Accounts receivable from third parties corresponding to works for individuals and distribution line infrastructure for \$15,033,098, account receivable from the Ministry of Finance for payments made by Enel Colombia S.A. E.S.P. , as a result of the rulings against the Betania power plant corresponding to processes in force on the date of the share purchase agreement in 1997 for \$3,416,948, contract fines and sanctions for \$2,277,656, tripartite agreements for \$3,114,986, leases for \$798,109, administration and supervision services for \$437,650.

Within the balance of other non-current debtors as of December 31, 2022, the account receivable from the Municipality of Guachené and Sesquilé for \$2,743,613, is 100% impaired.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Centroamérica:

As of December 31, 2022, other current accounts receivable from Central American companies have a balance of \$684,605, which correspond mainly to Costa Rica for arbitration costs of \$475,609 to the Costa Rican Electricity Institute (ICE).

The other non-current accounts receivable correspond mainly to Panama for \$3,453,102 in the company Enel Fortuna S.A., corresponding to the constitution of funds in a financial entity as established by Panamanian legislation, which guarantees the consideration to which an employee of the company is entitled these funds are returned by the entity to the company at the time it incurs the obligation with the collaborator.

- (3) The provision for impairment of trade accounts as of January 1, 2018, with the entry into force of IFRS 9, the expected credit loss is calculated by recognizing the impairment early from the first day and not waiting for an event that indicates impairment of the financial asset.

In the implementation, three models defined by the Group were adopted:

- Collective simplified model.
- Individual simplified model.
- General collective model.

The evolution of portfolio impairment is as follows:

Concept	As of December 31, 2022	As of December 31, 2021
Provision for impairment of commercial accounts		
Collective Simplified Model (a)	\$ 142.993.681	\$ -
Individual Simplified Model (b)	147.114.775	107.998.465
Total provision for impairment of trade accounts provision	\$ 290.108.456	\$ 107.998.465
For impairment of other accounts receivable		
General Collective Model	16.731.240	7.286.921
Total provision for impairment other accounts receivable	\$ 16.731.240	\$ 7.286.921
Total	\$ 306.839.696	\$ 115.285.386

For the year 2022, the following variations in impairment are presented:

(a) Collective Simplified Model:

Corresponds to the impairment of the energy portfolio in the regulated market, mainly due to the portfolio older than 180 days.

(b) Individual Simplified Model:

The variation corresponds mainly to the balances from Codensa S.A. E.S.P., as a result of the merger (see note 1.4):

- District maintenance and infrastructure provision for \$150,904.
- Provision for portfolio of municipalities \$12,325,991, mainly Sopo Municipality for \$4,690,461.
- Provision for portfolio of other businesses for \$12,336,271 mainly, Uniaguas S.A. E.S.P. for \$7,237,127 and Aguas del Sinú S.A. E.S.P. for \$4,092,557.
- Increase in the provision for prescription customers (portfolio older than 5 years that is not in legal action) for \$16,521,083.
- Toll portfolio provision for \$407,192.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements

(In thousands of pesos)

- Decrease provision for commercial energy and gas portfolio of the unregulated, wholesale and stock market for (\$2,628,143), mainly due to updating clients' financial information, the probabilities of non-compliance improved.
- Provision for portfolio companies Enel X Colombia S.A.S. E.S.P. and Sociedad Portuaria Central Cartagena S.A. for \$3,012.

As of December 31, 2022, the amount provisioned was written off in the amount of \$120,117,908, due to the impossibility of recovering the portfolio and the rating of the Group's lawyers for the protection action of less than 25%.

Central America:

- Portfolio impairment is calculated based on Moody's risk model that determines the probability given default and the risk given counterparty default.

The balance corresponding to Central America is presented below:

Concept	As of December 31, 2022
Provision for impairment on trade receivables	
Individual Simplified Model	\$ 1.545.851
Total provision for impairment of commercial accounts	\$ 1.545.851

The punishment of delinquent debtors is carried out once all the collection procedures, the judicial procedures and the demonstration of the insolvency of the debtors have been exhausted.

As of December 31, 2022, no significant effects have been evidenced that affect the calculation of portfolio impairment, for this reason the models suggested under IFRS 9 have been maintained.

Guarantees granted by debtors:

For energy and gas customers, depending on the result of the credit risk assessment and the final decision of the business lines, when necessary, the portfolio is backed with a security. As of December 31, 2022 and December 2021, the Group supports the sale of energy and gas with blank promissory notes and bank guarantees.

For loans to employees, the guarantees are covered with mortgages, promissory notes and pledges.

8. Trade receivables due from related parties

Accounts receivable from related entities

Related company name	Country of origin	Kind of related	Transaction Type	As of December 31, 2022	As of December 31, de 2021
				Current	Current
Enel Grids S.R.L.	Italy	Other (*)	Expatriates (1)	\$ 2.783.640	\$ -
Enel Green Power R.S.A.	South Africa	Other (*)	Expatriates (1)	2.779.103	-
Enel North América, Inc.	USA	Other (*)	Expatriates (1)	2.098.469	-
Endesa Operaciones y Servicios Comerciales S.L.U.	Spain	Other (*)	Offshore Services	1.321.459	-
Enel Brasil S.A.	Brazil	Other (*)	Expatriates (1)	1.293.772	-
Enel Generación Perú S.A.	Peru	Other (*)	Provision of services	854.000	854.000
Enel Generación Perú S.A.	Peru	Other (*)	Expatriates (1)	85.005	25.245
Grupo de Energía de Bogotá S.A. E.S.P.	Colombia	Other (**)	christmas lighting	798.319	-
Grupo de Energía de Bogotá S.A. E.S.P.	Colombia	Other (**)	energy discount	46.013	-
Grupo de Energía de Bogotá S.A. E.S.P.	Colombia	Other (**)	Other services	43.331	-
Enel Green Power S.p.A.	Italy	Other (*)	Expatriates (1)	754.713	-
Enel Energía S.A. DE C.V.	Mexico	Other (*)	sale of energy	686.757	-
Enel S.p.A.	Italy	Matrix	Expatriates (1)	615.228	-
Enel S.p.A.	Italy	Matrix	Policy refunds covid19	12.791	40.383
Endesa Energía S.A.	Spain	Other (*)	Off Shore Services	439.052	-
Enel Global Thermal Generation S.R.L.	Italy	Other (*)	Expatriates (1)	407.608	597.120
Enel Américas S.A.	Chili	Controller	Reimbursement	299.709	-
Enel Américas S.A.	Chili	Controller	Expatriates (1)	69.314	-

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Related company name	Country of origin	Kind of related	Transaction Type	As of December 31, 2022	As of December 31, de 2021
				Current	Current
Kino Facilities Manager S.A. de C.V.	Mexico	Other (*)	Expatriates (1)	183.198	-
Enel Chile S.A.	Chili	Other (*)	Expatriates (1)	132.752	24.176
Enel Global Trading S.p.A.	Italy	Other (*)	Expatriates (1)	123.910	-
Enel Trading Argentina S.R.L.	Argentina	Other (*)	Expatriates (1)	108.062	-
Companhia Energética Do Ceara	Brazil	Other (*)	Expatriates (1)	62.933	-
Enel Distribución Perú S.A.	Peru	Other (*)	Expatriates (1)	46.711	-
Enel Distribución Chile S.A.	Chili	Other (*)	Expatriates (1)	44.264	-
Enel Green Power Colombia S.A.S. E.S.P.	Colombia	Other	Sale of energy (2) Commercial	-	13.680.336
Enel Green Power Colombia S.A.S. E.S.P.	Colombia	Other	representation (2) Emergency	-	3.090.008
Codensa S.A. E.S.P.	Colombia	Other	attention contract (2)	-	21.803
Energía Nueva, Energía Limpia México S de R.L. de C.V.	Mexico	Other (*)	Expatriates (1)	-	18.057
Total				\$ 16.090.113	\$ 18.351.128

(*) Corresponds to companies over which Enel S.p.A. has significant influence or control.

(**) Grupo Energía Bogotá S.A. E.S.P. is a shareholder of the Company Enel Colombia S.A. E.S.P.

An impairment is presented in accordance with IFRS 9 in accounts receivable from related parties in the amount of \$17,050.

(1) Corresponds to the net effect of billing and collection of expatriation contracts between the Enel Colombia S.A. E.S.P. Group and the Enel Group Companies in the world.

(2) The variation corresponds to the elimination of open items from the merger process as of March 1, 2022 (see note 1.4 Merger).

Accounts payable due to related entities

Related Company Name	Country of origin	Kind of related	Transaction Type	As of December 31, 2022		As of December 31, 2021	
				Current	Non-current	Current	
Enel Grids S.R.L.	Italy	Other (*)	Computer services (1)	\$ 105.053.782	\$ -	-	-
Enel Grids S.R.L.	Italy	Other (*)	Expatriates	1.930.360	-	-	-
Enel Finance International S.R.L.	Netherlands	Other (*)	Loans (2)	92.371.563	339.162.179	-	-
Enel Green Power S.p.A. Glo	Italy	Other (*)	Technical Fee	54.265.534	-	-	-
Enel Green Power S.p.A. Glo	Italy	Other (*)	HH Recharge PUC (3)	14.441.519	-	-	-
Enel Green Power S.p.A. Glo	Italy	Other (*)	Computer services (1)	341.079	-	-	-
Enel Green Power S.p.A. Glo	Italy	Other (*)	Expatriates	332.969	-	-	-
Enel Green Power S.p.A. Glo	Italy	Other (*)	Covid 19 policies	2.150	-	-	-
Enel Global Services S.R.L.	Italy	Other (*)	Computer services (1)	38.712.981	-	714.580	-
Enel S.p.A.	Italy	Matrix	Guarantees and interest	10.173.919	-	-	-
Enel S.p.A.	Italy	Matrix	(4) Computer services (1)	8.897.477	-	1.538.755	-
Enel S.p.A.	Italy	Matrix	Expatriates	1.149.536	-	203.498	-
Enel S.p.A.	Italy	Matrix	Covid 19 policies	124.412	-	50.984	-
Enel Global Thermal Generation S.R.L.	Italy	Other (*)	Computer services (1)	9.518.443	-	9.352.988	-
Enel Global Thermal Generation S.R.L.	Italy	Other (*)	Expatriates	673.153	-	1.011.096	-
Enel Global Thermal Generation S.R.L.	Italy	Other (*)	Expatriates	-	-	4.414.185	-
Enel Green Power Chile S.A.	Chili	Other (*)	HH Recharge PUC (3) Computer	8.347.242	-	-	-
Enel X S.R.L.	Italy	Other (*)	Services (1) Engineering and	6.822.632	-	-	-
Kino Facilities Manager S.A. de CV	Mexico	Other (*)	Construction services Energy	4.733.882	-	-	-
Enel Energía, S.A. de C.V.	Mexico	Other (*)	Energy	3.249.483	-	-	-
Enel Produzione S.p.A.	Italy	Other (*)	Expatriates	2.933.579	-	377.801	-
Enel Brasil S.A.	Brazil	Other (*)	Expatriates	2.257.991	-	726.456	-
Enel Italia S.R.L.	Italy	Other (*)	Computer Services (1)	2.440.477	-	556.465	-
Enel Global Trading S.p.A. IT	Italy	Other (*)	Computer Services (1)	1.985.406	-	2.919.022	-
Enel Global Trading S.p.A. IT	Italy	Other (*)	Expatriates	164.890	-	214.958	-
Enel Green Power Romania S.R.L.	romania	Other (*)	Expatriates	1.925.349	-	-	-
Enel Green Power España S.L.	Spain	Other (*)	Expatriates	1.410.731	-	-	-
Gridspertise S.R.L.	Italy	Other (*)	Engineering Services	843.207	-	-	-
Enel Chile S.A.	Chili	Other (*)	IT Services (1)	658.798	-	-	-

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Related Company Name	Country of origin	Kind of related	Transaction Type	As of December 31, 2022		As of December 31, 2021
				Current	Non-current	Current
Enel Chile S.A.	Chile	Other (*)	Expatriates	120.962	-	-
Enel Iberia S.R.L.	Spain	Other (*)	Expatriates	441.238	-	242.398
Grupo Energía Bogotá S.A. E.S.P.	Colombia	(**)	Other services	261.695	-	134.694
Enel Generación Chile S.A.	Chile	Other (*)	Expatriates	218.852	-	653.988
Enel Generación Chile S.A.	Chile	Other (*)	Engineering services (5)	-	-	1.057.476
Enel Distribución Chile S.A.	Chile	Other (*)	Expatriates	134.512	-	-
Energía y Servicios South Am	Chile	Other (*)	Other services	61.987	-	-
E-Distribuzione S.p.A.	Italy	Other (*)	Engineering services Other	12.152	-	-
Enel Green Power el Salvador S.A.	The Savior	Other (*)	Accounts payable (6)	-	33.406.887	-
Codensa S.A. E.S.P.	Colombia	Other	Purchase of energy	-	-	17.837.662
Enel Green Power Colombia S.A.S.	Colombia	Other	Purchase of energy	-	-	3.435.831
Total				\$ 377.013.942	\$ 372.569.066	\$ 45.442.837

(*) Corresponds to companies over which Enel S.p.A. has significant influence or control.

(**) Grupo Energía Bogotá S.A. E.S.P. is a shareholder of Enel Colombia S.A. E.S.P.

- (1) The variation corresponds mainly to the net effect of payment of invoices and provisions for IT services from January to December 2022 related to the projects Digital Worker Transformation, Governance-E4E SAP Renovables, Global CKS-SAP- TAM-SYSTEM, Online Monitoring and Infrastructure, Cyber Security-Digital Enebler Services, Intranet Applications and Global Travel.
- (2) Corresponds to a loan to finance the construction of 7 solar plants in Central America, these have maturities between 2025 and 2031.
- (3) Corresponds to professional engineering services mainly for the development of the La Loma, Guayepo and Windpeshi plants.
- (4) Corresponds mainly to commissions for the establishment of bank guarantees for the development of projects related to the El Paso, La Loma and Guayepo solar parks and the Chemesky, Tumawind and Windpeshi wind farms.
- (5) The variation corresponds to the total payment and closing of the contract for Engineering services for the BEPP (Best Environmental Practice Project) and Life Extension projects of the Termozipa Power Plant.
- (6) Corresponds to an agreement of other accounts payable, between the companies Enel Green Power El Salvador S.A. de CV and Generadora Montecristo S.A. In 2015 the company Enel Green Power El Salvador S.A. de CV began its liquidation-dissolution process and is expected that during 2023 the tax office will complete the audit and issue solvency to enter into the dissolution-liquidation agreement. Once the tax resolution certificate is issued, Generadora Montecristo S.A. will write off the debt.

Effects on results with related entities

Income/ Company	Concept of the Transaction	As of December 31, 2022	As of December 31, 2021
Codensa S.A. E.S.P.	Sale of energy (a)	\$ 148.989.211	\$ 1.364.166.667
Codensa S.A. E.S.P.	Other services (a)	24.000	130.910
Codensa S.A. E.S.P.	Financial income (a)	123	842
Enel Green Power Colombia S.A.S.	Sale of energy (a)	13.111.584	66.624.347
Enel Green Power Colombia S.A.S.	Administration services	-	767.486
Grupo Energía Bogotá S.A. E.S.P.	Reimbursement of administrative service	1.327.154	-
Grupo Energía Bogotá S.A. E.S.P.	Christmas lighting	798.319	-
Enel Grids S.R.L.	Expats	1.418.354	-
Enel Grids S.R.L.	Exchange difference	825.592	-
Enel Global Thermal Generation S.R.L.	Exchange difference	988.370	108.405
Enel Global Thermal Generation S.R.L.	Expats	203.168	249.537
Enel S.p.A.	Exchange difference	704.358	55.118
Enel S.p.A.	Expats	-	17.351
Enel Produzione S.P.A.	Exchange difference	12.822	-
Enel Produzione S.P.A.	Expats	59.005	-
Enel Energía, S.A. DE C.V.	Sale of energy	616.058	-
Endesa Operaciones y Servicios S.L.	Offshore Services	1.045.700	-
Endesa Operaciones y Servicios S.L.	Exchange difference	170.012	-
Enel Chile S.A.	Computer Services	389.701	-

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)

Notes to the Consolidated Financial Statements

(In thousands of pesos)

Income/ Company	Concept of the Transaction	As of December 31, 2022	As of December 31, 2021
Enel Chile S.A.	Expats	76.788	-
Enel Global Trading S.p.A.	Exchange difference	164.537	95.624
Enel Global Trading S.p.A.	Expats	109.298	-
Endesa Energía S.A.	Offshore Services	329.654	-
Endesa Energía S.A.	Exchange difference	57.476	-
Enel X S.R.L.	Exchange difference	165.416	-
Enel Generación Perú S.A.	Expats	123.339	25.245
Enel Generación Perú S.A.	Provision of Services	-	854.000
Kino Facilities Manager S.A. DE CV	Expats	72.923	18.058
Enel Distribución Chile S.A.	Expats	44.268	-
Enel Distribución Chile S.A.	Exchange difference	17.388	-
Enel Brasil S.A.	Expats	39.820	-
Enel Distribución Perú S.A.	Expats	15.510	-
Enel Américas S.A.	Expats	7.026	-
Enel Generación Chile S.A.	Exchange difference	80	24.369
Enel North América, Inc.	Expats	1.480	-
Enel Green Power S.p.A. Global	Expats	498	-
Gridspertise S.R.L.	Exchange difference	93	-
Enel Global Services S.p.A.	Exchange difference	-	14.543
Enel Iberia S.R.L.	Exchange difference	-	7.048
Enel Italia S.R.L.	Other services	-	3.097
Enel Italia S.R.L.	Exchange difference	-	588
Cesi S.p.A.	Exchange difference	-	725
		\$ 171.909.125	\$ 1.433.163.960

Costs and expenses / Company	Concept of the Transaction	As of December 31, 2022	As of December 31, 2021
Codensa S.A. E.S.P.	Energy transport (a)	\$ 32.868.945	\$ 213.885.551
Codensa S.A. E.S.P.	Financial expenses (a)	28.021	120.437
Codensa S.A. E.S.P.	Other services	-	1.188.321
Enel Energía, S.A. DE C.V.	Purchase of energy	25.959.729	-
Enel Green Power S.p.A. Glo	Technical fee	12.936.521	-
Enel Green Power S.p.A. Glo	Computer Services	935.629	-
Enel Green Power S.p.A. Glo	Exchange difference	834.176	-
Enel Green Power S.p.A. Glo	Expatriates	255.752	-
Enel Grids S.R.L.	Computer Services	11.556.263	-
Enel Grids S.R.L.	Exchange difference	2.509.994	-
Enel Grids S.R.L.	Expatriates	1.660.926	-
Enel Global Services S.p.A.	Computer Services	10.017.486	334.373
Enel Global Services S.p.A.	Exchange difference	2.524.269	79.562
Enel S.p.A.	Guarantee and interest	9.184.030	-
Enel S.p.A.	Computer Services	5.027.025	1.537.236
Enel S.p.A.	Expats	2.050.213	412.296
Enel S.p.A.	Exchange difference	736.073	138.968
Enel S.p.A.	Financial expenses	105.773	-
Enel Green Power Colombia S.A.S.	Purchase of energy (a)	7.503.795	32.473.690
Enel Finance Internacional Nv	Financial expenses	7.416.897	-
Enel Global Thermal Generation S.R.L.	Computer Services	4.435.733	4.913.855
Enel Global Thermal Generation S.R.L.	Exchange difference	262.690	591.706
Enel Global Thermal Generation S.R.L.	Expatriates	32.691	639.998
Gridspertise S.R.L.	Engineering services	2.466.445	-
Gridspertise S.R.L.	Exchange difference	54.961	-
Enel Global Trading S.p.A. IT	Computer Services	2.419.821	2.520.639
Enel Global Trading S.p.A. IT	Exchange difference	109.856	271.110
Enel Global Trading S.p.A. IT	Expatriates	-	433.778
Enel X S.R.L.	Computer Services	2.169.992	-
Enel X S.R.L.	Exchange difference	515.011	-
Fundación Enel Colombia	Donations	1.156.739	1.012.999
Enel Green Power Romania S.R.L.	Expatriates	790.883	-
Enel Green Power Romania S.R.L.	Exchange difference	156.459	-
Enel Green Power Chile S.A.	Exchange difference	530.357	-
Enel Iberia S.R.L.	Expatriates	474.691	521.697
Enel Iberia S.R.L.	Exchange difference	15.964	6.714
Enel Distribución Chile S.A.	Expatriates	299.916	-
Enel Generación Chile S.A.	Expatriates	211.795	-

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Costs and expenses / Company	Concept of the Transaction	As of December 31, 2022	As of December 31, 2021
Enel Generación Chile S.A.	Exchange difference	50.203	41.576
Enel Italia S.R.L.	Expatriates	211.566	-
Enel Italia S.R.L.	Exchange difference	80.035	81.205
Empresa Distribuidora Sur S.A.	Expatriates	182.647	-
Grupo Energía Bogotá S.A. E.S.P.	Bethany fiber optic	161.840	267.750
Grupo Energía Bogotá S.A. E.S.P.	Other services	2.032	-
Enel Chile S.A.	Expats	120.962	-
Enel Chile S.A.	Exchange difference	108.308	-
Enel Green Power España S.L.U.	Exchange difference	97.347	-
Enel Green Power España S.L.U.	Expats	86.714	-
Enel Brasil S.A.	Expatriates	56.908	139.159
Endesa Operaciones y Servicios Comerciales S.L.	Exchange difference	20.882	-
Energía y Servicios South América	Other services	11.592	-
Endesa Energía S.A.	Exchange difference	8.672	-
Cesi S.p.A.	Exchange difference	2.100	-
E-distribuzione S.p.A.	Exchange difference	1.755	-
Enel Produzione S.p.A.	Exchange difference	-	51.966
Enel Produzione S.p.A.	Expats	-	27.333
		\$ 151.419.084	\$ 261.691.919

(a) Corresponds to transactions carried out from January to February between Emgesa S.A. E.S.P. with Codensa S.A. E.S.P. and Enel Green Power Colombia S.A. E.S.P., companies that merged as of March 1, 2022 taking their results to the equity of Enel Colombia S.A. E.S.P. (See note 1.4).

Board of Directors and key management personnel

Board of Directors

The Group has a Board of Directors made up of seven (7) principal members, each with a personal substitute, elected by the General Shareholders' Meeting through the electoral quotient system. As long as the company has the quality of issuer of securities, 25% of the members of the Board of Directors will be independent under the terms of the law. The appointment of members of the Board of Directors will be made for periods of two (2) years, they can be reelected indefinitely and without prejudice to the power of the Shareholders' Meeting to freely remove them at any time.

The Board of Directors, in force as of December 31, 2022, was elected by the General Assembly of Shareholders in an ordinary session held on March 29, 2022. A president is appointed in the Group, who is elected by the Board of Directors from among its members for a period of two (2) years, and may be reelected indefinitely or freely removed before the expiration of the period. Likewise, the Board of Directors will appoint a secretary, who may not be a member of the Board and may be freely replaced at any time. The appointment of the president and secretary was approved by the Board of Directors in session No. 507 of March 30, 2022.

In accordance with the provisions of article 43, second numeral of the bylaws, it is the function of the General Assembly of Shareholders to set the remuneration of the members of the Board of Directors. The current remuneration, as approved by the Shareholders' Meeting in the ordinary session of March 29, 2022, is USD\$2,000(*), after taxes, for attendance at each meeting of the Board of Directors. (*) Figures in full dollars.

In accordance with the minutes of the General Shareholders' Meeting number 107 held on March 29, 2022, the board of directors was approved in the terms set forth below:

Row	Main	Alternate
First	Lucio Rubio Díaz	Francesco Bertoli
Second	José Antonio Vargas Lleras	Maurizio Rastelli
Third	Andrés Caldas Rico	Diana Marcela Jiménez Rodríguez
Fourth	Carolina Soto Losada	Sin Designación
Fifth	Juan Ricardo Ortega López	Andrés Baracaldo Sarmiento
Sixth	Jorge Andrés Tabares Ángel	Néstor Raúl Fagua Guauque
Seventh	Astrid Martínez Ortiz	Sin designación

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The composition of the Board of Directors is duly registered in the Mercantile Registry administered by the Cámara de Comercio de Bogotá.

The fees paid to the Board of Directors:

Key management personnel

Third	As of December 31, 2022	As of December 31, 2021
Rubio Díaz Lucio	\$ 136.641	\$ 55.147
Vargas Lleras José Antonio	127.949	55.147
Ortega López Juan Ricardo	127.709	50.718
Martínez Ortiz Astrid	118.777	-
Soto Losada Carolina	118.777	-
Caldas Rico Andrés	109.844	50.615
Tabares Ángel Jorge Andrés	109.844	-
Villasante Losada Alvaro	36.194	55.147
Rastelli Maurizio	9.040	-
Veleño Quintero Martha Yaneth	-	51.017
Lafaurie Luisa Fernanda	-	55.147
Jiménez Rodríguez Diana Marcela	-	4.533
Alfonso Orjuela Jaime	-	4.429
Castro Lachner Luis Javier	-	4.131
Grand Total	\$ 894.775	\$ 386.031

The variation in 2022 corresponds mainly merger carried out on March 1, 2022 between Enel Green Power Colombia S.A.S. E.S.P. and Codensa S.A.S. E.S.P. (see note 1.4 Merger).

Key management personnel are listed below:

Name	Post	Period
Lucio Rubio Díaz	Manager	January December.
Eugenio Calderón	First Alternate Manager	March – December.
Fernando Gutiérrez Medina	Second Alternate Manager	January December.
Francesco Bertoli	Third Alternate Manager	January December.
Carlos Mario Restrepo	Fourth Alternate Manager	January December.
Maurizio Rastelli	Fifth Alternate to the Manager / Finance Administration and Control Manager	March – December.

The remuneration accrued by key management personnel from January 1 to December 31, 2022 amounts to \$9,840,963. These remunerations include salaries and short- and long-term benefits (annual bonus for meeting objectives and LTI bonus):

	As of December 31, 2022	As of December 31, 2021
Remunerations	\$ 6.955.482	\$ 2.208.149
Short-term benefits	1.452.147	640.598
Long-term benefits	1.433.334	1.179.036
	\$ 9.840.963	\$ 4.027.783

Incentive plans for key management personnel

The Group has an annual bonus for its executives for meeting objectives. This bonus corresponds to a certain number of gross monthly remunerations.

As of December 31, 2022, the Group does not have share-based payment benefits to key management personnel, nor has it established a guarantee in their favor.

As of December 31, 2022, there are no severance payments for termination of the contract.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

9. Inventories, net

	As of December 31, 2022	As of December 31, 2021
Electrical materials and energy accessories, net (1)	\$ 290.289.310	\$ 29.631.367
Coal (2)	86.464.724	27.436.359
Transformers	46.094.006	-
Fuel oil (3)	32.550.531	22.399.327
Non-electrical materials (1)	10.220.806	-
Other inventories	3.307.773	-
CO2 carbon credits (4)	90.656	14.690.586
total inventories	\$ 469.017.806	\$ 94.157.639

(1) The materials and accessories are composed of:

	As of December 31, 2022	As of December 31, 2021
Spare parts and materials (a)	\$ 307.932.335	\$ 29.631.367
Provision of Materials (b)	(7.422.219)	-
Total Other Inventories	\$ 300.510.116	\$ 29.631.367

- a) Materials and spare parts correspond to elements that will be used in the project construction process, repairs and/or maintenance of generation plants, substations, high, medium and low voltage distribution networks and public lighting networks, in accordance with the maintenance and investment plan defined by the Group for the year 2022, the increase occurs through the merger carried out on March 1, 2022 between Enel Green Power Colombia S.A.S. E.S.P. and Codensa S.A. E.S.P. (see note 1.4 Merger).

Central America:

The inventories of the Central American companies correspond to the group of electrical materials, spare parts and accessories.

Inventories Central America	
Country	Worth
Guatemala	\$ 25.736.476
Panama	8.082.811
Costa Rica	1.995.168
Total Central America Inventories	\$ 35.814.455

- b) As of December 31, 2021, the total use of the provision for the 2021 period was made and for the 2022 term, an obsolescence provision corresponding to electrical materials and accessories for network and substation projects and for the Cartagena power plant was established.

As of December 31, 2022, Panama has an obsolescence provision for companies in Central America for \$2,461,474.

- (2) Coal (Termozipa Power Plant): As of December 31, 2022, the inventory of coal increased in quantity due to the need to start the summer season (starting in December) with the maximum volume stored, given the expectations of high consumption in said season (until April 2023). Additionally, prices increased due to the imbalance between supply and demand and the impacts on the fuel markets of the Russia-Ukraine conflict.
- (3) Fuel Oil (Central Cartagena): As of December 31, 2022, the volume of the fuel oil inventory did not register a relevant variation with respect to the end of 2021. However, the value of the inventory increased due to the fact that the purchases made to replace the stock included a higher fuel price, as a result of the Russia-Ukraine conflict. These purchases were made to replace the consumption derived from the dispatch of the Cartagena Power Plant (SIN security generations and tests).

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

(4) As of December 31, 2022, CO2 carbon credits have been recognized, with a fair value of \$54,656,620, corresponding to 2,691,628 certificates issued in November 2020 for the reduction of CO2 emissions for the years 2015 – 2018 for \$18,755,788, 1,396,818 certificates issued in March 2021 for the reduction of CO2 emissions for the years 2019 and 2020 for \$19,415,770 and 1,167,444 certificates issued in February 2022 for the reduction of CO2 emissions for \$16,485,062 from the power plants Quimbo, Guavio Menor, Dario Valencia Samper, Salto II Tequendama; likewise, sales of CO2 certificates have been made with an impact on inventory for (\$54,565,964).

The value of inventories recognized as an expense during the period corresponds to consumption for power generation.

10. Assets and liabilities held for sale

As of December 31, 2022, the Group has assets held for sale for \$849,007,899; as well as liabilities directly associated with assets held for sale for \$114,332,710; which are described below:

ZE Companies: (Usme ZE S.A.S., Fontibón ZE S.A.S., Bogotá ZE S.A.S., Colombia ZE S.A.S.)

On June 17, 2020, the companies Enel Colombia S.A. E.S.P., (hereinafter "Enel") and MPCÍ Ebus Colombia Holdings S.A.S., (hereinafter "AMP"), signed a commercial agreement for the development of electric public transportation vehicles businesses in the mode of land mass transportation. As a product of the commercial strategy, the business opportunity arose in the Transmilenio 2.1 Project. Therefore, it proposed to participate in the Functional Units (i) UF7 – Fontibón IV ("UF7"), and (ii) UF13 – Usme II tendered in this project.

On December 30, 2020, TMSA awarded the Transmilenio Project to Bogotá ZE S.A.S., a wholly owned subsidiary of Colombia ZE S.A.S., which in turn is a wholly owned subsidiary of the Seller: pursuant to the Bidding Bases of the Transmilenio Project, Bogotá ZE S.A.S. incorporated the companies Fontibón ZE S.A.S. and Usme ZE S.A.S. (hereinafter "SPV").

The companies Usme ZE S.A.S. and Fontibón ZE S.A.S. were incorporated on January 18, 2021, with the main purpose of signing and executing the concession contracts for the Functional Operation Unit – UFO 7 Fontibón IV and the Functional Operation Unit – UFO 13 Usme IV within the abbreviated selection process No. TMSA-SAM-14-2020 and TMSA-SAM-15-2020. Concession contracts No. 107 and 108 of 2021 were signed with Empresa de Transporte del Tercer Milenio- Transmilenio S.A. (hereinafter "TMSA") on January 27, 2021.

The only shareholder of these companies is Sociedad Bogotá ZE S.A.S., which was incorporated on October 20, 2020. In turn, the shareholders of Bogotá ZE S.A.S. as of June 30, 2022 were Enel Colombia S.A. E.S.P. with a 62.994% stake. its shares and Colombia ZE S.A.S. with 37.005% of its shares.

On July 19, 2022, through Minutes No. 10 corresponding to the "Extraordinary Meeting of the Sole Shareholder Assembly Colombia ZE S.A.S.", the capitalization of the company Colombia ZE S.A.S. was approved with a contribution in kind from Enel Colombia S.A. E.S.P. of 317,248 .010 shares that it owns in the company Bogotá ZE S.A.S., with a participation for a par value plus a placement premium that he contributes in kind for \$31,724,801.

According to the above, the only shareholder of Bogotá ZE S.A.S. is the company Colombia ZE S.A.S., which was incorporated on April 17, 2018, with a single shareholder Enel Colombia S.A. E.S.P.

In accordance with the award of these concession contracts and giving scope to the complementary business strategy agreement, on June 16, 2022, Enel Colombia S.A. E.S.P. notified the company AMPCI Ebus Developments LLC (AMP) of compliance with the conditions for the sale .

On December 14, 2022, the purchase agreement was signed between Enel Colombia S.A. E.S.P. (buyer) and AMPCI Ebus Colombia Holdings S.A.S. (seller), considering that each of the SPVs of the Concession have complied with their obligations under the Contract of the corresponding Concession, including the creation of trust funds (autonomous estates), the provision of the Fleet and the construction and delivery of the relevant Support Infrastructure of the Functional Units, in each case to the satisfaction of TMSA, in accordance with the terms and conditions of the Concession Contracts and the bidding conditions of the Transmilenio Project.

As of the signing date of this Agreement, (i) Enel Colombia S.A. E.S.P. currently holds 5,503,986 ordinary shares of Colombia ZE S.A.S., representing 100% of the capital stock of Colombia ZE S.A.S., (the "Existing Shares"); (ii) Colombia ZE S.A.S. currently holds 5,186,737 common shares of Bogotá ZE S.A.S., representing 100% of the capital stock of Bogotá ZE S.A.S.; (iii) Bogotá ZE S.A.S., currently has 38,942,000,000 ordinary shares of Fontibón ZE S.A.S., representing 100% of the capital stock of Fontibón ZE S.A.S., and (b) 51,936,000. ordinary shares of Usme ZE S.A.S., representing 100% of the share capital of Usme ZE S.A.S.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements

(In thousands of pesos)

Therefore, the Parties have agreed that during the first quarter of 2023, the buyer (a) will acquire the shares purchased from the seller and (b) will subscribe the issued shares of Colombia ZE S.A.S. and as a result of these transactions, AMP will obtain the 80% of the capital stock of Colombia ZE S.A.S., which leads to the purchase of 80% of the capital stock of its subsidiary Bogotá ZE S.A.S., and in turn 80% of the capital stock of Fontibón ZE S.A.S., and Usme ZE S.A.S., subsidiaries, of Bogotá ZE S.A.S.

Therefore, as of December 31, 2022, and in accordance with the International Financial Reporting Standard Non-Current Assets Held for Sale (IFRS 5), the Group reclassified the assets and liabilities of the companies, Colombia ZE S.A.S., Bogotá ZE S.A.S., Usme ZE S.A.S., and Fontibón ZE S.A.S., as held for sale, according to the concepts detailed below:

	Colombia ZE S.A.S.	Bogotá ZE S.A.S.	Usme ZE S.A.S.	Fontibón ZE S.A.S.	Balance as of December 31, 2022	Reclassification	Balance as of December 31, 2022
ASSETS							
CURRENT ASSETS							
Cash and cash equivalents	5.137.622	152.057	10.751.208	25.545	16.066.432	(16.066.432)	-
Other financial assets	-	-	15.791.483	13.665.802	29.457.285	(29.457.285)	-
Other non-financial assets	132.896	-	45.720.116	33.120.545	78.973.557	(78.973.557)	-
Trade accounts receivable and other	-	-	9.968.366	8.279.772	18.248.138	(18.248.138)	-
Accounts receivable. net	68.829	-	11.880.332	2.871.945	14.821.106	(14.821.106)	-
Tax assets	-	-	-	-	-	157.566.518	157.566.518
Assets held for sale	-	-	-	-	-	-	-
Total current assets	5.339.347	152.057	94.111.505	57.963.609	157.566.518	-	157.566.518
NON-CURRENT ASSETS							
Other financial assets	931	-	349.780.667	267.023.700	616.805.298	(616.805.298)	-
Other non-financial assets	-	-	-	4.264.185	4.264.185	(4.264.185)	-
Trade accounts receivable and other	-	-	(711.384)	(543.127)	(1.254.511)	1.254.511	-
Non-current accounts receivable	-	-	-	-	-	-	-
Non-current accounts receivable from related entities	-	-	10.748.199	7.942.630	18.690.829	(18.690.829)	-
Investments accounted for using the equity method	118.837.917	118.726.301	-	-	237.564.218	(237.564.218)	-
Property, plant and equipment	-	-	19.950.900	30.473.531	50.424.431	(50.424.431)	-
Deferred tax assets	1.050	-	-	-	1.050	(1.050)	-
Assets held for sale	-	-	-	-	-	926.495.500	926.495.500
Total non-current assets	118.839.898	118.726.301	379.768.382	309.160.919	926.495.500	-	926.495.500
Eliminations and reclassifications						(235.054.119)	(235.054.119)
Total Assets Held for Sale	124.179.245	118.878.358	473.879.887	367.124.528	1.084.062.018	(235.054.119)	849.007.899
CURRENT LIABILITIES							
Other financial liabilities	-	-	2.402.275	3.770.634	6.172.909	(6.172.909)	-
Trade accounts and other payable accounts. net	7.368	59.451	3.253.891	6.550.012	9.870.722	(9.870.722)	-
Accounts payable to related entities	-	-	376.336.584	236.671.074	613.007.658	(613.007.658)	-
Tax liabilities	132.330	-	18.183.635	5.435.755	23.751.720	(23.751.720)	-
Provisions for employee benefits	-	-	43.193	49.811	93.004	(93.004)	-
Other non-financial liabilities	573	-	1.215.272	1.661.920	2.877.765	(2.877.765)	-
Liabilities held for sale	-	-	-	-	-	655.773.778	655.773.778
Total current liabilities	140.271	59.451	401.434.850	254.139.206	655.773.778	-	655.773.778
NON-CURRENT LIABILITIES							
Other financial liabilities	-	-	18.038.167	27.997.280	46.035.447	(46.035.447)	-
Other provisions	-	-	490.049	390.655	880.704	(880.704)	-
Deferred tax liability	-	-	5.681.601	14.078.049	19.759.650	(19.759.650)	-
Liabilities held for sale	-	-	-	-	-	66.675.801	66.675.801
Total non-current liabilities	-	-	24.209.817	42.465.984	66.675.801	-	66.675.801
Eliminations and reclassifications						(608.116.869)	(608.116.869)
Total Liabilities Directly Associated with Assets Held For Sale	140.271	59.451	425.644.667	296.605.190	722.449.579	(608.116.869)	114.332.710

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements

(In thousands of pesos)

Likewise, the Group has carried out the impairment of these assets held for sale, in accordance with the fixed purchase value of the company Colombia ZE S.A.S., which is lower than the registered book value. The value of the impairment is detailed below:

Balance at December 31, 2022	Colombia ZE S.A.S.	Bogotá ZE S.A.S.	Usme ZE S.A.S.	Fontibón ZE S.A.S.	Total as of December 31, 2022
Assets	124.179.245	118.878.358	473.879.887	367.124.528	1.084.062.018
Liabilities	(140.271)	(59.451)	(425.644.667)	(296.605.190)	(722.449.579)
Equity	(124.038.974)	(118.818.907)	(48.235.220)	(70.519.338)	(361.612.439)
Capital	5.503.986	503.610	104.872	392.420	6.504.888
Premium	49.894.515	49.758.360	10.283.328	38.750.580	148.686.783
Losses/Accumulated profits	6.886.071	18.870.285	792.439	23.808.338	50.357.133
Losses/Profits for the period	60.375.890	39.910.041	29.560.965	5.285.004	135.131.900
OCI (Other Comprehensive Income)	1.378.512	9.776.611	7.493.616	2.282.996	20.931.735
Total Capital and Premium	55.398.501	50.261.970	10.388.200	39.143.000	155.191.671
Fair value					
(80% on capital and premium)	44.318.801	40.209.576	8.310.560	31.314.400	124.153.337
Value in books					
Assets (80%)	99.343.396	95.102.686	379.103.910	293.699.622	867.249.614
Liabilities (80%)	(112.217)	(47.561)	(340.515.734)	(237.284.152)	(577.959.664)
Total book value	99.231.179	95.055.125	38.588.176	56.415.470	289.289.950
Impairment (*) (See note 5 other financial assets)					54.912.378

(*) The impairment is calculated on 80% of the assets and liabilities of Colombia ZE S.A.S., vs the amount of the offer made by AMP.

Other assets held for sale

	At December 31 of 2022
Property, plant and equipment (1)	\$ 261.138
	<u>\$ 261.138</u>

(1) According to the direct settlement agreements made between the company Enel Colombia S.A. E.S.P. and Estandarte Promotora S.A.S., the asset purchase process is formalized by this entity with the first payment made in August 2021.

This agreement considers two assets:

A winery (building and land) located in the municipality of Facatativá (Cundinamarca), currently has a lease contract in which the buyer is the lessee.

The land called Waku-Waku located in the city of Bogotá, on which a fiduciary rights contract has been signed.

On June 30, 2022, the milestone of the second payment in the amount of \$6,100,000 was met, detailed as follows: Waku-Waku lot \$5,412,112 and Facatativá winery for \$687,888.

On December 29, 2022, the third payment for \$5,000,000 was received, detailed as follows: Waku-Waku lot \$2,902,348 and Facatativá winery for \$2,097,652.

As of December 31, 2022, the sale of the Waku-Waku Lot was notarized through deed 2345-22 of the notary 70 through which the transfer of ownership was carried out, additionally the sale of the Facatativá winery was carried out as part of the notarization of the sale through deed 2346-22, as of December 31, 2022, is in the process of notarization by virtue of the property subdivision license for a book value of \$261,138.

Taking into account the formalization of the sale process and the provisions of IFRS 5 Non-current assets held for sale, they are classified as assets held for sale at book value, which is lower than the fair value of the assets.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

11. Income tax assets

The assets corresponding to taxes are presented below:

	As of December 31, 2022	As of December 31, 2021
Income tax advance (CAM) (1)	\$ 10.550.736	\$ -
Self-withholding withholdings at source (2)	5.912.445	2.420.336
Tax discounts and withholdings at source (SPCC)	123.140	89.227
Current income tax and complementary taxes (SPCC)	(74.695)	(65.716)
Income tax assets (Enel X Colombia S.A.S. E.S.P.)	-	-
Current tax assets	\$ 16.511.626	\$ 2.443.847

(1) Income tax advances (CAM) are made up of the following:

	As of December 31, 2022
Total companies Costa Rica	\$ 5.964.738
Total companies Panama	4.585.998
Total income tax advance	\$ 10.550.736

(2) The variation of the current tax asset in Enel Colombia S.A. E.S.P. corresponds to the recognition of \$1,002,035 for the payment of self-withholdings in favor of 2019 presented and the adjustment to the income advance discounted in 2021 for \$2,420,336, as a consequence of the highest value of self-withholdings in favor of the 2020 term. In this sense, the discrimination of each period corresponds to:

	As of December 31, 2022	As of December 31, 2021
Self-withholdings in favor 2020	\$ 2.420.336	\$ -
Self-withholdings in favor 2019	1.002.035	-
Lower advance value 2020	2.420.336	2.420.336
Current tax assets	\$ 5.842.707	\$ 2.420.336

Likewise, the following companies record self-withholdings and withholdings at source:

	As of December 31, 2022
Self-withholdings and withholdings EGP Fotovoltaica- La Loma S.A.S.	\$ 10.814
Self-withholdings and withholdings Atlántico Photovoltaic S.A.S.	45.024
Self-withholdings and withholdings Enel X Colombia S.A.S. E.S.P.	13.900
Self-withholding and withholding at source	\$ 69.738

12. Investments in subsidiaries, joint ventures and associates

The interests that the Group owns in associates are recorded following the equity method in accordance with the defined policy.

The following is the detail of the investments:

Participating Titles in Shares	Economic activity	Relationship	Ordinary shares	% share	As of December 31, 2022
Crédito Fácil Codensa S.A. (Financing company) (1)	Investment	Associated	15.678	48,9938%	14.584.815
					\$ 14.584.815

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

(1) Crédito Fácil Codensa S.A. (Financing Company) is a corporation whose main purpose is to develop the activities of financing companies in accordance with what is permitted by law. The investment of Enel Colombia S.A. E.S.P. in this company is considered as an associate considering that the participation is 48.99% and in which the Group has significant influence.

Information corresponding to the associate:

	Total assets	Total Liabilities	Equity	Total Liabilities and equity	Period loss
Crédito Fácil Codensa S.A. (Financing Company)	31.034.356	1.265.631	29.768.725	31.034.356	(1.093.254)

13. Intangible assets other than goodwill, net

Intangible Assets	As of December 31, 2022	As of December 31, 2021
Concessions (1)	\$ 658.478.961	\$ 7.228.914
Right for exploitation of contracts (2)	531.761.657	-
Other identifiable intangible assets (3)	420.713.722	96.104.663
Construction and progress of works	354.838.687	96.104.663
Other intangible resources	65.875.035	-
Computer programs (4)	301.296.015	38.328.644
Rights and easements (5)	95.405.232	39.986.109
Development costs (6)	37.254.821	1.406.386
Licenses	9.069.656	3.573.489
Intangible assets, net	\$ 2.053.980.064	\$ 186.628.205
Cost		
Concessions	\$ 1.919.403.139	\$ 9.577.016
Right for exploitation of contracts	539.399.396	-
Other Identifiable Intangible Assets	469.072.009	99.974.078
Construction and progress of works	354.838.687	96.104.663
Other intangible resources	114.233.322	3.869.415
Software	692.031.409	92.905.910
Rights and Easements	164.002.110	87.751.243
Licenses	93.488.301	22.895.740
Development Costs	71.652.225	5.335.542
Intangible Assets, Gross	\$ 3.949.048.589	\$ 318.439.529
Amortization		
Concessions	(1.255.098.838)	-
Concession deterioration	(5.825.340)	-
Right for exploitation of contracts	(7.637.739)	-
Other Identifiable Intangible Assets	(48.358.287)	(6.217.517)
Computer Software	(390.735.394)	(54.577.266)
Rights and Easements	(68.596.878)	(47.765.134)
Licenses	(84.418.645)	(19.322.251)
Development costs	(34.397.404)	(3.929.156)
Accumulated Amortization of Intangible Assets	\$ (1.895.068.525)	\$ (131.811.324)

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

(1) The concessions correspond to:

• **Sociedad Portuaria Central Cartagena S.A.**

Corresponds to the port concession rights granted by the National Infrastructure Agency (ANI) for \$884,113, construction cost of the fixed pier for \$7,070,076. Likewise, after the evaluations carried out, it was determined that the construction of the fixed pier represents the consideration for the right to use and exploit the pier during a determined time; that in accordance with the provisions of paragraph 17 of IFRIC 12, must be recognized as an intangible asset, additionally, this right meets the characteristics of an intangible asset as defined in IAS 38 given that it is identifiable, controlled by the Group during the concession and from which economic benefits will be derived.

Recognition of the floating dock as an intangible asset for \$1,622,827, since it is part of the concession contract and taking into account that it meets the conditions under IFRIC 12 for said recognition. As of December 31, 2022, the net value of concessions in Sociedad Portuaria Central Cartagena S.A. (SPCC) is \$554,240; an impairment expense of \$(5,825,340) generated by the completion of the commercial operation of its main client, the Cartagena Power Plant owned by Enel Colombia S.A. E.S.P., is recorded as of November 2023, within the framework of the energy transition strategy for this plant, based on principles of sustainability and just transition.

	SPCC
Cost	\$ 9.577.016
Amortization	(3.197.436)
Impairment	(5.825.340)
Net Concessions	\$ 554.240

• **Costa Rica:**

P.H. Chucás S.A. has a signed power purchase agreement (PPA) contract with the Costa Rican Electricity Institute (ICE) for the construction, operation and relocation of the plant (BOT) until September 2031. It recognizes both a financial instrument and a intangible asset for the consideration receivable for the construction of the Chucás Plant.

	Costa Rica
Cost	\$ 1.395.337.622
Amortization	(1.168.328.666)
Net Concessions	\$ 227.008.956

• **Panama:**

The company Enel Fortuna S.A. has a concession contract for the generation of hydroelectric energy through the exploitation of the hydroelectric development located on the Chiriquí River where the 300 MW Fortuna Plant is located. The concession is valid for 50 years until 2038.

	Panama
Cost	\$ 216.459.000
Amortization	(83.572.736)
Net Concessions	\$ 132.886.264

(2) Panama: corresponds to the assignment of energy supply contracts in favor of Enel Fortuna S.A., by Sinolam Smarter Energy LNG Group Inc, of 224 MW, as right for exploitation of contracts PPA energy supply contracts (Panama purchase of energy).

Enel Panama CAM, SRL (formerly Enel Green Power Panama, SRL) PPA for power purchase agreement with Sol Real LTD, for distribution in the market corresponding to 202 GW.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

(3) The other identifiable intangible assets are mainly made up of the executions and acquisitions of the projects listed below:

Project name	As of December 31 of 2022	As of December 31, 2021
Financial obligations rules by the CAR - Cadena Río Bogotá	92.226.429	92.226.429
Non-tangibles Guatemala	57.430.816	-
New Developments Digital Hub	38.704.864	-
Project Bd - Atlántico PV	35.533.655	-
Project Billing Faro	33.420.844	-
Smart Meter and Smart Tracking	21.373.259	-
Projects market GDS	18.032.461	-
BD - Chinú-Sahagun	16.733.236	-
Other corporate and commercial software ICT projects	14.654.391	-
Project Bd Solar - Guayepo	13.924.708	-
BD -Sahagun-Valledupar-Chemesky-windpeshi	12.178.353	-
Liquidators CFC, project and NewCo	7.638.497	-
Foundation layer –GR&3DM	7.324.282	-
Software Trading Guatemala	7.209.578	-
Arora-Complex project advanced mon	6.181.152	-
Project Bd El Paso Extension	5.638.581	-
Network analysis too	4.447.856	-
Resource allocation optimization	4.442.264	-
Resource allocation optimization	3.514.305	-
Centralized services systems to guarantee the efficiency of all activities as projects related to the ERP platforms	3.512.975	-
Project Wind Tumawind	2.973.429	-
Other corporate and commercial projects - ICT and renewables	2.808.704	3.878.234
Development of data-capture tool for calculation of contribution margin	2.651.588	-
Cybersecurity	2.298.894	-
Salesforce	1.800.151	-
Main	1.103.517	-
Project Bd Solar- Fundación	916.283	-
Global Fonto office	763.972	-
CROSS New developments of cross technologies	511.287	-
Development of new solutions	469.012	-
Development Fortuna Panama	294.379	-
Total Other identifiable non-tangible assets	\$ 420.713.722	\$ 96.104.663

Central America:

Guatemala: Corresponds mainly to rights held with Inadisa Volcan S.A., for \$46,327,817; easement of the San Francisco farm for \$10,057,162; easement for the Jumuc farm pass for \$970,287 and possessory rights for the operator's house (CAAL) for \$75,550. Trading software worth \$7,209,578.

Costa Rica: Corresponds mainly to software and corporate developments associated with Veeam Backup projects and the SAP E4E corporate version project for \$3,514,305.

Panama: Corresponds to a project under development of the Enel Fortuna S.A. plant, for \$294,379.

(4) The variation in 2022 corresponds mainly to Additions of Computer Programs through the merger carried out on March 1, 2022 between Enel Green Power Colombia S.A.S. E.S.P. and Codensa S.A.S. E.S.P. (see note 1.4 Merger).

In the company Enel X Colombia S.A.S. E.S.P. (formerly Inversora Codensa S.A.S.) there are additions for \$741,826 corresponding to developments carried out in 2022 on Mithra, SAP payment and Service Now systems.

(5) The variation corresponds mainly to the addition of rights and easements through the merger carried out in March 2022 between Enel Green Power Colombia S.A.S. E.S.P. and Codensa S.A. E.S.P. (see note 1.4 Merger).

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Within the rights, the disbursements to obtain the usufruct of the greater flow of useful water, coming from the Chingaza and Río Blanco projects for the production of the Pagua Power Plant, are presented as intangibles, the amortization is recognized by the straight-line method in a of period 50 years.

Among the easements, the most significant are: Nueva Esperanza, Compartir, Nueva Esperanza AT and MT Lines to the different substations and the El Paso and Atlántico projects. Likewise, the premium for legal stability of the El Quimbo project is classified under this heading. This premium has a useful life of 20 years in accordance with the validity of the tax benefits.

Amortization as of December 31, 2022 and 2021 corresponds to \$2,893,229 and \$2,889,849, respectively.

In the company Atlántico Photovoltaic S.A.S., a value of \$685,000 is presented corresponding to the constitution of easements.

- (6) Corresponds to the additions of development costs, licenses and ongoing projects obtained through the merger carried out on March 1, 2022 of Enel Green Power Colombia S.A.S. E.S.P. and Codensa S.A. E.S.P., (see note 1.4 Merger).

The composition and movements of the intangible assets item are detailed below:

	Development costs	Concessions	Rights and easements	Licenses	Software	Constructions and work progress	Right for exploitation of contracts	Other non-tangible resources	Non-tangible assets
Initial Balance January 1, 2021	\$ 1.495.917	\$ 8.011.384	\$ 42.875.958	\$ 3.121.800	\$ 25.799.349	\$ 29.672.370	\$ -	\$ 82.486	\$ 111.059.264
Additions	-	62.811	-	-	370.515	95.616.489	-	-	96.049.815
Transfers	-	-	-	1.930.644	27.253.552	(29.184.196)	-	-	-
Amortization	(89.531)	(845.281)	(2.889.849)	(1.478.955)	(15.094.772)	-	-	(82.486)	(20.480.874)
Total movements in intangible assets	(89.531)	(782.470)	(2.889.849)	451.689	12.529.295	66.432.293	-	(82.486)	75.568.941
Final balance as of December 31, 2021	\$ 1.406.386	\$ 7.228.914	\$ 39.986.109	\$ 3.573.489	\$ 38.328.644	\$ 96.104.663	\$ -	\$ -	\$ 186.628.205
Additions (a)	-	-	685.000	-	762.542	250.808.658	474.880.674	1.882.647	729.019.521
Merger additions (*)	68.040.169	1.263.238.104	77.046.343	92.419.754	494.436.821	86.641.311	4.216.540	87.833.514	2.173.872.556
Transfers	-	-	2.814.000	779.476	103.565.850	(107.443.128)	-	283.802	-
Amortization	(474.888)	(24.145.289)	(4.215.805)	(5.943.224)	(97.171.556)	-	(5.437.672)	(6.289.630)	(143.678.064)
Merger amortization (*)	(30.061.092)	(957.926.438)	(16.615.938)	(59.651.569)	(238.986.571)	-	(1.280.176)	(30.416.403)	(1.334.938.187)
Deterioration	-	(5.825.340)	-	-	-	-	-	-	(5.825.340)
Other (decreases) increases (b)	(1.655.754)	375.909.010	(4.294.477)	(22.108.270)	360.285	28.727.183	59.382.291	12.581.105	448.901.373
Total movements in intangible assets	\$ 35.848.435	\$ 651.250.047	\$ 55.419.123	\$ 5.496.167	\$ 262.967.371	\$ 258.734.024	\$ 531.761.657	\$ 65.875.035	\$ 1.867.351.859
Final Balance December 31, 2022	\$ 37.254.821	\$ 658.478.961	\$ 95.405.232	\$ 9.069.656	\$ 301.296.015	\$ 354.838.687	\$ 531.761.657	\$ 65.875.035	\$ 2.053.980.064

(*) Corresponds to the assets from the merger carried out on March 1, 2022 of the companies Codensa S.A. E.S.P. and Enel Green Power Colombia S.A.S. E.S.P. (See note 1.4 Merger).

- (a) As of December 31, 2022, additions corresponding to:

Main projects	As of December 31 2022
Contracts PPA Martano (Panama-see note 46)	\$ 474.880.674
Project Billing Faro	31.742.793
New developments Digital Hub	27.954.535
Projects market GDS	23.169.229
Project E-home	16.883.415
Other corporate and commercial software for ICT projects	16.065.570
Project BD solar Chinú	15.375.083
Other Renewable Projects	15.357.660
Smart Meter y Smart Tracking	15.299.815
Project BD Atlántico PV	14.374.484
Foundation layer –GR&3DM	7.324.282
I-Gds Evolutivos	6.657.576
ARORA-Complex project advanced mon.	6.181.152

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Main projects	As of December 31 2022
Local System Colombia (development of new solutions)	6.177.117
Project BD Guayepo	4.541.828
Network analysis tool	4.447.856
Resource allocation optimization	4.442.264
Project BD Wind Chemesky	4.326.834
Mape and Plant Data (development for conversion and analysis of data and variables)	3.862.672
Other corporate and commercial software for ICT projects	3.663.242
New cross-technology developments	2.942.538
Salesforce	2.664.436
IC_Development environments	2.591.723
Cybersecurit	2.422.120
Project BD Valledupar	1.812.271
Liquidators CFC, project and NewCo	1.752.979
Cyber security (safety in the operation of the plants)	1.660.270
Software Trading (Guatemala)	1.322.805
Centralized services systems to guarantee the efficiency of all activities as projects related to the ERP platforms	1.177.936
Project SAMAN	1.142.110
Maintenance remote control	1.103.517
Projects trading	1.013.212
Project Scada (Costa Rica)	1.045.672
Contract management projects	765.490
Additions Enel X	762.542
Easement Atlántico Photovoltaic	685.000
Project BD Sahagun	690.612
Ludycommerce and project	442.091
Global energy assets	255.634
Tradig Panama	38.482
Total	\$ 729.019.521

(b) Central America:

The other increases for the Central American companies correspond to the exchange rate effect of March 1, 2022 (see note 1.4 Merger) for intangible assets other than goodwill acquired through the merger with the company ESSA2 SpA and for the closing and average rate used in the translation of the Financial Statements to the presentation currency.

As of December 31, 2022, the Group does not present intangible assets whose ownership has any restriction or debt guarantee support.

As of December 31, 2022, there are no acquisition commitments for intangible assets through official subsidies.

As of December 31, 2022 and in accordance with the provisions of the accounting policy, the useful lives of intangible assets were evaluated and do not present changes. In addition; no signs of impairment other than those of the concession held by Sociedad Portuaria Central Cartagena S.A. were identified (see note 29).

14. Property, Plant and Equipment, net

	As of December 31, 2022	As of December 31, 2021
Plants and equipment (1)	\$ 16.808.149.672	\$ 7.592.311.889
Hydroelectric generation plants Substations,	10.046.145.356	6.831.623.604
Facilities and distribution networks	5.610.294.437	-
Thermoelectric generation plants	620.296.072	760.688.285
Renewable	531.413.807	-
Construction in progress (2)	3.706.038.784	121.409.999
Buildings (3)	570.746.420	51.848.693
Land (3)	434.629.979	285.511.224
Financial leases (4)	287.711.526	73.363.849
Assets for use IFRS 16	287.711.526	73.363.849
Land	143.867.291	-
Buildings	123.931.330	71.115.493
Fixed facilities and others (Means of transport)	19.912.905	2.248.356

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

	As of December 31, 2022	As of December 31, 2021
Fixed facilities and others (3)	95.274.388	13.404.111
Other facilities	64.504.520	7.534.166
Fixed facilities and accessories	30.769.868	5.869.945
Property, plant and equipment, net	\$ 21.902.550.769	\$ 8.137.849.765
Cost		
Plants and equipment	\$ 28.288.219.431	\$ 11.424.816.793
Hydroelectric generation plants	14.944.445.083	10.165.029.665
Substations, facilities and distribution networks	11.218.008.330	-
Thermoelectric generation plants	1.465.214.019	1.259.787.128
Renewable	660.551.999	-
Construction in progress	3.706.038.784	121.409.999
Buildings	740.416.785	99.210.369
Land	434.629.979	285.511.224
Financial leases	358.529.338	90.771.320
Fixed facilities and others	839.602	839.602
Assets for use IFRS 16	357.689.736	89.931.718
Land	163.126.654	-
Buildings	137.000.550	75.961.081
Fixed facilities and others (Means of transport)	57.562.532	13.970.637
Fixed facilities and others	449.968.639	78.946.653
Other facilities	328.673.155	48.636.441
Fixed facilities and accessories	121.295.484	30.310.212
Property, plant and equipment, gross	\$ 33.977.802.956	\$ 12.100.666.358
Depreciation		
Plants and equipment (*)	\$ (11.480.069.759)	\$ (3.832.504.904)
Hydroelectric generation plants	(4.898.299.727)	(3.333.406.061)
Substations, facilities and distribution networks	(5.607.713.893)	-
Thermoelectric generation plants	(844.917.947)	(499.098.843)
Renewables	(129.138.192)	-
Buildings	(169.670.365)	(47.361.676)
Financial leases	(70.817.812)	(17.407.471)
Fixed facilities and others	(839.602)	(839.602)
Assets for use IFRS 16	(69.978.210)	(16.567.869)
Land	(19.259.363)	-
Buildings	(13.069.220)	(4.845.588)
Fixed facilities and others (Means of transport)	(37.649.627)	(11.722.281)
Fixed facilities and others	(354.694.251)	(65.542.542)
Other facilities	(264.168.635)	(41.102.275)
Fixed facilities and accessories	(90.525.616)	(24.440.267)
Accumulated depreciation	\$ (12.075.252.187)	\$ (3.962.816.593)

(*) The depreciation of flooded land is considered within the depreciation of plants and equipment.

- (1) Additions mainly of solar and photovoltaic plants for \$225,783,883, substations and distribution networks for \$5,420,479,034, through the merger carried out on March 1, 2022 of the companies Codensa S.A. E.S.P. and Enel Green Power Colombia S.A.S. E.S.P. respectively (see note 1.4 Fusion).

Central America

For Central American companies in the concepts corresponding to hydroelectric generation plants, renewables and distribution lines and networks as of December 31, 2022 is as follows:

Plants and equipment	Worth
Panama	\$ 1.789.972.938
Guatemala	1.769.442.356
Costa Rica	130.599.042
Total plants and equipment	\$ 3.690.014.336

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements

(In thousands of pesos)

- (2) Corresponds mainly to investments and advances made by the Group as of December 31, 2022, in the different generation plants, substations and distribution networks, reflecting a significant increase as a result of the merger carried out on March 1, 2022 from the companies Enel Green Power Colombia S.A.S. E.S.P. \$1,202,078,272 and Codensa S.A. E.S.P. \$756,754,450 (see note 1.4 Merger).

Likewise, it includes the additions of investments made by the Group as of December 31, 2022 for improvements, replacements and modernizations in the different electrical plants and substations.

The main projects are detailed below:

Main projects	At December 31 of 2022	At December 31 of 2021
Windpeshi	\$ 1.048.453.190	\$ -
Expansion and maintenance of rural and urban medium- and low-tension networks.	624.803.567	-
Solar La Loma	455.547.298	-
Solar Guayepo	434.933.150	-
Solar Fundación	319.823.383	-
Expansion and modernization of medium- and high-tension substations	247.399.472	-
Normalization of high tension lines	86.802.235	-
Reparation of faults	55.864.645	-
CF-Cartagena	27.740.960	29.397.691
Project Lidar	26.039.920	-
Maintenance and expansion of public lighting networks	23.663.410	-
Purchase central archive storehouse T Patio	23.401.779	-
Adjustments commercial offices	18.828.726	-
Project Security in substations	17.181.604	-
CH-Muña	16.581.722	22.731.408
CH-Guavio	16.290.701	4.045.151
Replacement of infrastructure in rural and urban medium-tension networks	15.585.508	-
Other investments	14.278.897	9.294.576
Central Enel X	12.949.324	-
El paso	9.788.326	-
CH-Pagua (Guaca -Paraíso)	7.460.334	10.973.366
Works in compliance with Local Zoning Plan	6.900.736	-
Expansion AP Distrital Obras	5.212.074	-
Big urban and rural clients	4.302.189	-
Photovoltaic project Cosenit	4.092.054	-
CC-Termozipa	2.400.913	32.030.506
Expansion of urban underground network	1.872.908	-
CH-Quimbo	878.701	5.999.272
Rural public lighting	750.475	-
CH-Betania	516.129	152.978
Telecontrol infrastructure	537.480	-
CH-Centrales menores río Bogotá	200.593	3.063.883
CH-Tequendama	-	3.721.168
Centroamérica		
Construction of plants Baco, Madre Vieja, Progreso y Jaquito	123.323.456	-
Enel Fortuna S.A.: Improvements hydroelectric plant	19.874.688	-
Enel Panama CAM S.R.L. y Enel Fortuna S.A.: Technology and informatics equipments	8.883.863	-
P.H. Río Volcán S.A., P.H. Chucás S.A. y P.H. Don Pedro S.A.: Operation and maintenance	4.656.129	-
Enel Renovables S.R.L.: Improvements solar plant	3.514.044	-
Renovables de Guatemala S.A.: Project Scada, instrumentation and lighting	3.072.227	-
Enel Costa Rica CAM S.A.: Project New office	2.889.622	-
Enel Guatemala S.A. Project Trading tool	2.553.254	-
Generadora Montecristo S.A. y Transmisora de Energía Renovable S.A.: Project Scada	1.758.734	-
Generadora de Occidente Ltda. Project spherical valve, geomembrane	1.669.572	-
Tecnoguat S.A.: Project dam and transmission line between substations San Isidro and Matanza	1.205.773	-
Enel Guatemala S.A. Project Kristal y Cobasol	1.056.897	-
Enel Costa Rica CAM S.A.: Other projects and equipment GDS	360.001	-
P.H. Chucás S.A.: Intrinsic project safety	138.121	-
Total constructions in progress	\$ 3.706.038.784	\$ 121.409.999

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements

(In thousands of pesos)

- (3) The variation corresponds mainly to the additions of land, buildings and other facilities obtained through the merger carried out on March 1, 2022 of the companies Enel Green Power Colombia S.A.S. E.S.P. and Codensa S.A. E.S.P. (see note 1.4 Merger).

Central America

The following is the detail of the Central American companies as of December 31, 2022:

land		Worth
Panama	\$	7.558.284
Costa Rica		1.735.587
Guatemala		1.276.255
Total Land	\$	10.570.126

Buildings		Worth
Panama	\$	148.549.284
Guatemala		10.404.632
Costa Rica		82.799
Total Buildings	\$	159.036.715

Other facilities		Worth
Guatemala	\$	21.707.129
Panama		10.917.866
Costa Rica		7.017.134
Total Other facilities	\$	39.642.129

- (4) The variation corresponds mainly to the additions of financial leases (land, buildings, vehicles and improvements in third-party property) obtained through the merger carried out on March 1, 2022 of the companies Codensa S.A. E.S.P. for \$96,793,339, Enel Green Power Colombia S.A.S. E.S.P. for \$55,490,499 (see note 1.4 Merger).

Central America

The following is the detail of the Central American companies as of December 31, 2022:

Land		Worth
Guatemala	\$	22.893.096
Panama		16.882.917
Total Terrenos	\$	39.776.013

Buildings		Worth
Panama	\$	10.908.093
Guatemala		6.391.862
Costa Rica		3.253.958
Total Buildings	\$	20.553.913

Other facilities		Worth
Guatemala	\$	1.130.108
Total Other facilities	\$	1.130.108

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The composition and movements of the item property, plant and equipment is:

	Plants and Equipment							Properties, Plant and equipment
	Construction in Course	Land	Buildings	Plants of Generation hydroelectric, thermoelectric and renewable	Substations, Facilities and networks of Distribution	Facilities Fixed, accessories and others	Finance Leases	
Beginning balance as of January 1, 2021	\$ 199.527.543	\$ 268.935.086	\$ 50.792.808	\$ 7.587.205.160	\$ -	\$ 14.689.071	\$ 7.309.997	\$ 8.128.459.665
Additions	174.059.936	-	-	-	-	-	-	174.059.936
Transfers	(250.525.675)	16.590.538	3.385.465	228.054.496	-	2.495.176	-	-
Withdrawals	-	(14.400)	(226.899)	(1.393.326)	-	(211.902)	(73.684)	(1.920.211)
Depreciation expense	-	-	(2.102.681)	(215.274.783)	-	(3.568.234)	(5.893.173)	(226.838.871)
Other increases (decreases)	(1.651.805)	-	-	(6.279.658)	-	-	72.020.709	64.089.246
Total movements	(78.117.544)	16.576.138	1.055.885	5.106.729	-	(1.284.960)	66.053.852	9.390.100
Closing balance December 31, 2021	\$ 121.409.999	\$ 285.511.224	\$ 51.848.693	\$ 7.592.311.889	\$ -	\$ 13.404.111	\$ 73.363.849	\$ 8.137.849.765
Additions (to)	2.231.053.049	-	1.695.168	13.784.171	2.447.195	11.698.406	54.123.642	2.314.801.631
Merger additions (*)	2.080.139.026	135.405.073	569.543.801	4.331.487.721	10.904.029.724	300.914.592	201.162.804	18.522.682.741
Transfers (b)	(748.727.426)	11.680.360	36.939.087	237.637.056	430.725.323	31.745.600	-	-
Withdrawals (c)	-	(2.036)	(1.762)	(5.015.898)	(13.066.287)	(2.874.614)	-	(20.960.597)
Depreciation expense	-	-	(16.571.068)	(319.840.217)	(327.944.470)	(24.314.138)	(24.680.109)	(713.350.002)
Merger depreciation	-	-	(100.336.905)	(1.163.504.292)	(5.403.936.625)	(240.137.458)	(27.317.355)	(6.935.232.635)
Impairment of plant property value and equipment (d)	-	-	-	(283.266.920)	-	-	-	(283.266.920)
Other increases (decreases) (e)	22.164.136	2.035.358	27.629.406	794.261.725	18.039.577	4.837.889	11.058.695	880.026.786
Total movements	3.584.628.785	149.118.755	518.897.727	3.605.543.346	5.610.294.437	81.870.277	214.347.677	13.764.701.004
Closing balance December 31, 2022	\$ 3.706.038.784	\$ 434.629.979	\$ 570.746.420	\$ 11.197.855.235	\$ 5.610.294.437	\$ 95.274.388	\$ 287.711.526	\$ 21.902.550.769

(*) Corresponds to the assets from the merger carried out on March 1, 2022 of the companies Codensa S.A. E.S.P. and Enel Green Power Colombia S.A.S. E.S.P. (see note 1.4 Merger).

- a) As of December 31, 2022, additions to property, plant and equipment correspond mainly to investments made on ongoing projects for adaptation, modernization, expansion, improvements in efficiency and quality of service level, in which several plants, substations, installations and distribution networks; Below are the most important of the period:

Central	Main projects	From January 1 to December 31, 2022
Lines and networks	Adaptation, modernization and expansion of networks and lines of high, medium, low voltage and distribution transformers	532.852.916
Solar Guayepo	Guarantees, easements, technical maintenance services and advances for the development of projects	376.970.322
Solar Fundación	Guarantees, easements, technical maintenance services and advances for the development of projects	305.699.350
Substations and transformation centers	Adaptation, expansion, modernization and construction of AT/AT, AT/MT and MT/MT substations	289.571.240
Wind Windpeshi	Guarantees, easements, technical maintenance services and advances for the development of projects	267.331.011
Solar La Loma	Guarantees, easements, technical maintenance services and advances for the development of projects	118.370.231
Administrative and Commercial Headquarters	Civil works, equipment, furniture, computer equipment for the Calle 93 building and commercial offices in Cundinamarca	53.428.922
Financial leasing	Corporate building, foundation land and CPI increase Barranquilla office, vehicles, machinery and equipment	42.978.409
CH-Quimbo	Recovery of civil structures and facilities. Necessary works were carried out to improve the performance of the civil works of the reservoir, works associated with the perimeter road, as well as attending to additional works and commitments derived from environmental obligations generated during the construction of the plant.	36.473.358
CH-Guavio	Sedimentation Guavio Phase I; stator system; recovery of runners, ducts, transformers and turbine of the plant	34.823.669
CC-Termozipa	Acquisition of electromechanical equipment, OCM Projects and environmental improvement BEEP	20.203.360
CF-Cartagena	Chimney system U3 and central boiler recovery units 2 and 3, turbine maintenance	17.245.523
CH-Paraiso	Central automation and remote control; modernization of battery chargers; turbine systems	16.300.392
Corporate building Q93	Civil works, equipment and furniture of the Q93 building, according to a turnkey contract	12.345.919
CH-Minor Centrals	Modernization of Yard equipment, unloading structure, intake and central turbine system, auxiliary systems, battery chargers and refrigeration systems	10.764.165
Solar el Paso	Start step extension; topographies and environmental compliance	8.367.057

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Central	Main projects	From January 1 to December 31, 2022
Other investments	Civil works and furniture Hydroelectric and thermal power plants	8.086.325
CH-Muña	Turbine recovery and auxiliary systems	5.531.735
CH-Tequendama	Recovery of turbines and modernization of auxiliary systems	4.492.482
Enel X Colombia S.A.S. E.S.P.	Meters	27.921
Central America		
Panama	Construction of the Madre Vieja plant	52.643.791
Panama	Improvements to the Fortuna hydroelectric plant	13.280.144
Panama	Construction of the Baco plant	11.204.351
Panama	Construction of the Progreso plant	6.908.554
Panama	Construction of the Jaguito plant	3.934.792
Panama	Technology and IT equipment Enel Panama CAM S.R.L.	3.434.579
Panama	Improvements to solar plants Enel Renovables S.R.L.	2.939.561
Guatemala	Renovables de Guatemala S.A.: Plant Rehabilitation	17.073.612
Guatemala	Generadora Montecristo S.A.: Rehabilitation of the Montecristo Plant (generator, turbine, canal)	14.680.442
Guatemala	Computer equipment, injector, fiber optic	9.376.344
Guatemala	Enel Guatemala S.A.: Leasing Buildings/vehicles Instrict	7.840.626
Guatemala	Project safe (perimeter wall)	1.561.872
Guatemala	Generadora de Occidente Ltda.: Inyector	238.586
Guatemala	Tecnoguat S.A. Main warehouse	132.281
Costa Rica	Office lease Enel Costa Rica CAM S.A.	3.309.110
Costa Rica	Construction in progress	2.058.614
Costa Rica	P.H. Chucás S.A.: automation, warehouses, elevator and furniture	1.372.752
Costa Rica	P.H. Rio Volcán S.A.: lamps, batteries, sensors	459.408
Costa Rica	P.H. Don Pedro S.A.: Switch, communication system	315.556
Costa Rica	Computers	126.729
Costa Rica	P.H. Chucás S.A.: SCC SICAM and OPC Scada P.H. Rio	39.794
Costa Rica	Volcán S.A.: building electrical installation	5.826
Total Variation		\$ 2.314.801.631

CH- Central Hidroeléctrica CF- Central Fuel Oil CC - Central Carbón

- b) As of December 31, 2022, the transfers of assets in progress to exploitation were made in the following concepts and correspond to improvements in equipment, major maintenance, modernizations to improve performance, reliability and efficiency in plants, likewise, In the distribution line, different projects and progress in the delivery of purchases of support assets are concluded, as reflected below:

Central	Full activation
Adaptation, modernization and expansion of networks and lines of high (AT), medium (MT), low voltage (BT) and distribution transformers	\$ 372.840.436
Adaptation, expansion, modernization and construction of AT/AT, AT/MT and MT/MT substations	51.527.387
CC-Termozipa	49.434.843
CH-Quimbo y Betania	42.123.911
Investment in ongoing support assets such as land, buildings and administrative buildings, machinery, computer and communication equipment. and vehicles.	32.162.814
CH-Guavio	23.434.229
CH- Guaca y Paraíso	21.215.742
CF-Cartagena	18.563.409
Q93 Building	15.933.565
CH-Tequendama	8.599.558
CH-Minor Power Plants (Bogotá River)	6.314.970
Solar El Paso	5.537.965
CH- Muña	4.738.187
CH-Puddle	3.710.509
Other investments	2.634.206
Central America	
Renovables de Guatemala S.A.: Rehabilitation of the Palo Viejo plant (canals, bridge, roads)	52.239.157
Photovoltaic plants in Panama	16.469.115
Generadora Montecristo S.A.: silver rehabilitation (generator and turbine)	8.446.712
Fixed installations and accessories plants Panama	6.757.513
Generadora de Occidente Ltda.: Transformer, control and measurement system.	1.953.662
Tecnoguat S.A.: 13kw tower, AVR system, fiber optics	1.645.185
Enel Guatemala S.A.: Computer equipment and server	1.449.361
Transmisora de Energía Renovable S.A. Air conditioning and Emergency Generator	994.990
Total	\$ 748.727.426

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary) Notes to the Consolidated Financial Statements

(In thousands of pesos)

c) As of December 31, 2022, withdrawals for \$13,716,530 were made in Enel Colombia S.A. E.S.P. corresponding to: transformers, lighting fixtures, high-voltage distribution assets \$13,066,287; generation plants \$452,798; machinery and equipment \$193,647; Land 2,036 and buildings \$1,762.

In Central America, the losses correspond to generation plants for \$4,563,100, fixed installations and accessories for \$2,680,967.

d) Corresponds to the impairment associated with the Cartagena thermal power plant (See note 29).

e) As of December 31, 2022, the other increases/decreases correspond mainly to: Cartagena plant dismantling \$138,140,857; NPV update dismantling and environmental provisions due to rate effect, in accordance with IFRIC 1 for (\$17,196,859) other minor increases in assets \$295,772.

Central America

The other increases for the Central American companies correspond to the exchange rate effect of March 1, 2022 and December 31, 2022 for property, plant and equipment acquired through the merger with the company ESSA2 SpA (see note 1.4 Merger) and by the closing and average rate used in the conversion of the Consolidated Financial Statements to the presentation currency.

As of December 31, 2022, the company Enel Colombia S.A. E.S.P. presents property, plant and equipment (land) whose ownership is restricted as follows: i) Guavio and Rio Bogotá for \$713,610; ii) Quimbo for \$25,581,482 and iii) Chía Substation Land for \$235,173.

As of December 31, 2022, the Group presents the units available for generation in the power plants and distribution in the substations and networks in operation.

As of December 31, 2022 and in accordance with the provisions of the accounting policy, the useful lives of property, plant and equipment were evaluated and do not present changes. In addition; the recoverable amount of the assets was evaluated and no indications of impairment other than those of Central Cartagena were identified (see note 29).

Finance Leases

They correspond mainly to vehicle leasing agreements established mainly with Transportes Especiales Aliados S.A.S., ADL Automotive S.A.S., Busexpress S.A.S. and Compañía Naviera del Guavio Ltda., these are management and operation support vehicles; additionally, buildings for the offices of Enel Colombia S.A. E.S.P. with Bancolombia S.A. and Gestión inmobiliaria MIC S.A.S.

The terms of the contracts on average range between 16 and 60 months, the period in which the recognized assets are amortized.

Regarding the fleet of vehicles, it is mainly contracted with Transportes Especiales Aliados S.A. in 46.15%, Busexpres S.A. in 17.24%, Transportes Especiales FSG in 14.88%, ALD Automotive S.A. with 9.52%, Compañía Naviera Guavio 6.09%, Cadwell Managenement S.A.S. 3.55% and another 2.56%, which will be fully amortized in a maximum period of 48 installments.

On the other hand, 90.68% of the balance of buildings corresponds to the contract with Bancolombia S.A. corresponding to the Q93 Corporate Building; 2.84% with Almacenadora Internacional S.A.S., Canales Andrade with 2.35%, Autonomous Trusts with 1.95% and others with 2.18%, which will be fully amortized in a maximum period of 60 installments.

Taking into account the land corresponds mainly to the projects that are being developed in the line of renewables and the recharging yards of Transmilenio S.A.; CI Alliance S.A. with 20.11%, Terrapuerto S.A.S. with 14.90%, Compañía General de Actividades Y Suministros S.A.S. with 12.22%, Luz Charris y Herederos S.A.S. with 9.10%, Carlos Enrique Giovanetty Mendoza with 7.07%, Rolando Manjarres Charris with 6.59%, FBM S.A.S. with 5.02%, Agropecuaria Frigorífico Rodeo Ltda. with 4.89% and others with 25.14%. which will be fully amortized in a maximum period of 360 installments.

Central America

Guatemala: It corresponds mainly to the central office building with the third party Birra S.A., to a Pick Up fleet with the third party Gustavo Molina Marter List. and to land where projects are being developed by the companies Generadora de Occidente Ltda., Generadora Montecristo S.A. and Enel Guatemala S.A., mainly with third parties Quenenee S.A. and Instituto Nacional de Electrificación (INDE), these contracts at a rate of 7.20%.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Panama: Corresponds mainly to land where photovoltaic generation plants of the companies Enel Fortuna S.A., Enel Renewable SRL, Generadora Solar Austral S.A. and Progreso Solar S.A. are located; in buildings, the administrative offices in Panama City with the third Inversiones Hayat S.A. at a rate of 4.95% and vehicles for use in the plants.

Costa Rica: corresponds to the administrative offices located in San José, the capital of Costa Rica, with the third Office Center 2 at an annual rate of 8.5%.

The right-of-use assets were measured at initial recognition for an amount equal to the lease liability, which corresponds to the present value of the lease payments that have not been paid on the adoption date discounted using the interest rate implicit in the lease, or the incremental interest rate on the lease start date.

The present value of future payments derived from said contracts are as follows:

Minimum lease payments, Finance Leases	As of December 31, 2022			As of December 31, 2021		
	Gross value	Interest	Present value	Gross value	Interest	Present value
Less than a year	\$ 37.959.509	\$ 5.837.080	\$ 32.122.429	\$ 12.508.056	\$ 3.358.867	\$ 9.149.189
After one year but less than five years	115.643.780	51.524.169	64.119.611	33.117.857	10.995.328	22.122.529
After five years less than ten years	199.841.184	7.177.802	192.663.382	53.197.045	8.369.107	44.827.938
Total	\$ 353.444.473	\$ 64.539.051	\$ 288.905.422	\$ 98.822.958	\$ 22.723.302	\$ 76.099.656

Below is the movement of assets by use corresponding to 2022:

	Buildings	Land	Fixed installations and others (Means of transport)	Total
Beginning balance as of January 1, 2022	\$ 71.115.493	\$ -	\$ 2.248.356	\$ 73.363.849
Additions (1)	40.173.422	1.783.985	12.166.235	54.123.642
Merger Additions	17.069.376	152.871.367	31.222.061	201.162.804
Merger depreciation and validity 2022	(7.865.672)	(18.341.164)	(25.790.628)	(51.997.464)
Other increases	3.438.711	7.553.103	66.881	11.058.695
Total movements in 2022	52.815.837	143.867.291	17.664.549	214.347.677
Balance as of December 31, 2022	\$ 123.931.330	\$ 143.867.291	\$ 19.912.905	\$ 287.711.526

Below is the movement of assets by use corresponding to 2021:

	Buildings	Fixed installations and others (Means of transport)	Fixed installations and others	Total
Beginning balance as of January 1, 2021	\$ 935.088	\$ 6.166.241	\$ 208.668	\$ 7.309.997
Additions (1)	71.657.310	281.227	-	71.938.537
Others	88.694	(6.522)	-	82.172
Depreciation	(1.565.599)	(4.192.590)	(208.668)	(5.966.857)
Total movements in 2021	70.180.405	(3.917.885)	(208.668)	66.053.852
Balance as of December 31, 2021	\$ 71.115.493	\$ 2.248.356	\$ -	\$ 73.363.849

- (1) The Leasing increase corresponds mainly to the acquisition of the Q93 Corporate building for \$101,500,000, contract No. 266574 signed with Bancolombia S.A. on May 24, 2021, with a 30% purchase option and a useful life of 63 years. Recognition of floors 7 and 8 of Building Q93 in the month of January 2022 for a value of \$29,842,690.

The increase in transportation contracts corresponds mainly to a new contract with Busexpress S.A.S. for \$9,108,417, the renewal of the contract with Compañía Naviera Del Guavio Ltda. for \$946,196, new management vehicle contracts with ALD Automotive S.A. for \$571,436 and renewal of the Neandental S.A.S. contract, \$83,940. Fixed installations to the contract with Pentalia S.A.S. of the Cartagena wastewater treatment plant \$314,569.

Land increased mainly due to the execution of renewable projects with land contracts with Luz Charris y Herederos S.A.S. for \$565,921, Carlos Enrique Giovanetty Mendoza for \$439,725, Rolando Manjarres Charris for \$371,501 and FBM S.A.S. for \$312,189.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Central America

In the Central American companies, the main addition corresponds to the administrative offices of Costa Rica, recognized in the company Enel Costa Rica Cam for \$10,091,799.

Insurance policies

The following are the policies for the protection of the Group assets:

Well insured	Risks covered	Insured value (Figures expressed in thousands)	Expiration	Insurance Company
	Non-contractual civil liability (layer of USD 200 million in excess of USD 250 million)	USD 200.000	01/11/2023	Mapfre Seguros Colombia
Company equity	Non-contractual civil liability (layer of USD\$250 million in excess of USD\$ million)	USD 250.000	01/11/2023	Mapfre Seguros Colombia
	Non-contractual civil liability	USD 20.000	01/11/2023	AXA Colpatria
	Environmental civil liability	\$ 96.526.223	01/11/2023	SBS
Civil works, equipment, contents, warehouses and lost profits	All risk of material damage, earthquake, tsunami, HMAAC – AMIT, Loss of Profits and machinery breakage.	USD 889.515 (Indemnity Limit)	1/11/2023	Mapfre Seguros Colombia
Vehicles	Non-Contractual Civil Liability	\$ 3.000.000 per vehicle	03/02/2023	Mapfre Seguros Colombia
Merchandise and goods	Merchandise transports	\$ 5.000.000 per office	31/07/2023	HDI Seguros S.A.

(*) The Group's policy contracts are signed in dollars and pesos.

15. Goodwill

Goodwill recognized as part of the merger that gave rise to Enel Colombia S.A. E.S.P., made official on March 1, 2022. This Goodwill was recognized by Enel Américas, which is transferred to Enel Colombia's consolidated corresponding to:

Society	Balance as of December 31, 2022
Enel Panama CAM S.R.L.	\$ 120.079.755
Enel Renewable S.R.L.	10.072.479
Progreso Solar 20 MW, S.A.	3.712.527
Jaguito Solar 10MW, S.A.	1.856.266
\$	135.721.027

These capital gains arose from various business combinations carried out by Enel Green Power SpA in the past.

To estimate the value in use of the assets of Enel Panama CAM SRL, Enel Renewable SRL, Progreso Solar 20MW, S.A., and Jaguito Solar 10MW, S.A., the Group prepares projections of future cash flows before taxes (FCF) from of the most recent budgets available. These budgets incorporate Management's best estimates of cash-generating unit (CGU) revenues and costs, using sector projections, past experience, and expectations given:

- **Evolution of demand:** The growth estimate has been calculated on the basis of the projection of the increase in the Gross Domestic Product (GDP), in addition to other assumptions used by the companies regarding the evolution of consumption.
- **Hydrology:** The projections are made from historical series of meteorological conditions and projecting, based on these, an average year.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

- **Energy purchase and sale prices:** They are based on specifically developed internal projection models. The expected spot price is estimated considering a series of determining factors such as the costs and production of the different technologies and the electricity demand, among others.
- **Installed capacity:** The estimation of installed capacity takes into account existing facilities, as well as plans to increase and close capacity. In the field of generation, the necessary investments are taken into account to maintain the installed capacity in adequate operating conditions.
- **Fixed costs:** They are projected considering the expected level of activity, both in relation to the evolution of the workforce (considering salary adjustments in line with the consumer price index), as well as other operation and maintenance costs, the projected level of inflation and existing long-term maintenance contracts and others. The efficiencies that the Group adopts over time are also considered, such as those that arise from initiatives to digitize internal processes.
- **External sources:** External sources are always considered as a way to test the hypotheses related to the macroeconomic environment such as the evolution of prices, GDP growth, demand, inflation, interest rates and exchange rates, among others.

In general, these projections cover the next three years, estimating the flows for the following years by applying reasonable growth rates, which in no case are increasing or exceed the long-term average growth rates for the sector and country from which they are derived. The growth rate (g) used to extrapolate the projections, as of December 31, 2022 for the companies in Panama in which the aforementioned capital gains are assigned, corresponds to 2% based on inflation in the United States, considering that it is the strong currency of that country.

These flows are discounted to calculate their current value at a pre-tax rate that reflects the cost of capital of the business. For its calculation, the current cost of money and the risk premiums generally used among analysts for the business and geographical area are taken into account.

The discount rates before taxes, expressed in nominal terms, applied to the projections in force as of December 31, 2022 of the companies are in a range between 8.9% and 13.7%, rates calculated using the interactive method, which determines the discount rate that ensures that the value in use calculated with the cash flows before taxes is equal to that calculated with the cash flows after taxes discounted with the discount rate after taxes.

After having carried out a recoverability analysis of the aforementioned variables, management concluded that there are no indications of impairment that could affect the results of the Group.

16. Deferred tax assets and liabilities

Deferred tax assets:

The recovery of the balances of deferred tax assets depends on the obtaining of sufficient tax profits in the future. The Administration considers that the projections of future fiscal profits cover what is necessary to recover the assets.

The detail of the net deferred tax asset as of December 31, 2022 and 2021 is included below:

Law 2155 of 2021 defined from the year 2022 the rental rate at 35% "for Colombia". For Costa Rican companies the rental rate is 30%. For companies in Panama, the rental rate is 25%, except for Enel Fortuna S.A., which applies 30%. The deferred tax as of December 31, 2022 by fee is presented below:

	Costa Rica	Panama	Enel X Colombia S.A.S. E.S.P.	Balance at 31 December 2022
Deferred tax assets (1)	\$ 5.620.101	\$ 10.330.722	\$ 94.697	\$ 16.045.520
Total deferred tax assets	\$ 5.620.101	\$ 10.330.722	\$ 94.697	\$ 16.045.520

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements

(In thousands of pesos)

	Initial Balance 1 January 2021	Increase (Decrement) for deferred taxes in Income	Final Balance as of December 31, 2021
Depreciation of property, plant and equipment	\$ 955	\$ (955)	\$ -
Other provisions	-	2.175	2.175
Deferred tax assets	\$ 955	\$ 1.220	\$ 2.175
Total deferred tax assets, net	\$ 955	\$ 1.220	\$ 2.175

(1) As of December 31, 2022, the detail of deferred tax assets is made up of provisions and others corresponding to:

	Merger Effect	Increase (decrease) due to deferred taxes in results	Final Balance as of December 31, 2022
Provisions for works and services	\$ 11.063.221	\$ 4.334.769	\$ 15.397.990
Others	1.620.657	(1.067.824)	552.833
Tax of industry and commerce	-	94.697	94.697
\$ 12.683.878	\$ 3.361.642	\$ 16.045.520	

Deferred Tax Liabilities:

The detail of the net deferred tax liability as of December 31, 2022 and 2021 is included below:

	Initial Balance 01 January 2022	Merger effect for deferred taxes in Income	Merger effect for deferred taxes in Other Comprehensive Income	Initial Balance 01 March 2022 Central America	Increase (Decrement) for deferred taxes in Income (i)	Increase (decrease) by deferred taxes in other comprehensive income (ii)	(Deferred Balance to December 31 2022) Panama, Guatemala and Costa Rica.	Final Balance as of December 31, 2022
Deferred tax asset								
Provisions and others (1)	\$ 20.076.481	\$ 88.525.764	\$ -	\$ -	\$ 24.929.080	\$ -	\$ -	\$ 133.531.325
Defined contribution obligations	7.235.115	15.460.635	-	-	(463.460)	10.408.871	-	32.641.161
Total deferred tax assets	\$ 27.311.596	\$ 103.986.399	\$ -	\$ -	\$ 24.465.620	\$ 10.408.871	\$ -	\$ 166.172.486
Deferred tax liabilities								
Excess tax depreciation over book value (2)	(344.119.035)	(66.190.275)	-	-	58.740.651	(2.714.804)	-	(354.283.463)
Participation method Central America	-	-	-	-	(24.308.314)	(100.167.239)	-	(124.475.553)
Forward y swap	(899.670)	(13.997.812)	5.283.155	-	2.347.063	(60.067.386)	-	(67.334.650)
Central America (3)	-	-	-	(202.449.616)	-	-	1.299.240	(201.150.376)
Others	-	(392.501)	-	-	24.120	-	-	(368.381)
Total deferred tax liability	\$ (345.018.705)	\$ (80.580.588)	\$ 5.283.155	\$ (202.449.616)	\$ 36.803.520	\$ (162.949.429)	\$ 1.299.240	\$ (747.612.423)
Deferred tax asset (liability), net	\$ (317.707.109)	\$ 23.405.811	\$ 5.283.155	\$ (202.449.616)	\$ 61.269.140	\$ (152.540.558)	\$ 1.299.240	\$ (581.439.937)

	Initial Balance 01 de January de 2021	Increase (Decrement) for deferred taxes in income	Increase (Decrement) for deferred taxes in other comprehensive income	Final Balance as of December 31, 2021
Provisions and others	\$ 10.629.332	\$ 9.447.149	\$ -	\$ 20.076.481
Definid contribution obligations	10.024.932	405.262	(3.195.079)	7.235.115
Total deferred tax assets	\$ 20.654.264	\$ 9.852.411	\$ (3.195.079)	\$ 27.311.596
Excess tax depreciation over book value	(239.118.394)	(105.000.643)	-	(344.119.037)
Forward y swap	539.855	-	(1.439.523)	(\$ 899.668)
Total deferred tax liability	\$ (238.578.539)	\$ (105.000.643)	\$ (1.439.523)	\$ (345.018.705)
Deferred tax asset (liability), net	\$ (217.924.275)	\$ (95.148.232)	\$ (4.634.602)	\$ (317.707.109)

(i) As of December 31, 2022, the decrease in results due to deferred tax includes the deferred tax for the period.

(ii) The deferred tax corresponds to the movements of the derivatives settled by the distribution business line and the recognition of the deferred tax by the equity method for the investments in Central America.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

(1) As of December 31, 2022, the detail of the deferred tax liability for other provisions corresponds to:

	Initial balance 01 January 2022	Merger Effect	Increase (decrease) due to deferred taxes in income	Final Balance as of December 31, 2022
Others	\$ 13.567.983	\$ 16.258.218	\$ 31.028.629	\$ 60.854.830
Provision for labor obligations (a)	-	18.828.367	12.631.891	31.460.258
Provision for works and services	1.310.554	5.702.755	13.306.584	20.319.893
Provision for doubtful accounts (b)	1.751.902	31.576.157	(17.878.817)	15.449.242
Provision for dismantling	-	396.539	2.703.017	3.099.556
Provision for Quality Compensation	1.337.604	-	239.108	1.576.712
Diff. Industry and Commerce Tax (c)	2.108.438	15.763.728	(17.101.332)	770.834
	\$ 20.076.481	\$ 88.525.764	\$ 24.929.080	\$ 133.531.325

(a) This item corresponds mainly to provisions for personnel costs due to restructuring (transition fund provision).

(b) Corresponds to the increase mainly in the provision of the VAT portfolio for Public Lighting.

(c) Corresponds to the recognition of deferred tax for the tax discount of the industry and commerce tax in accordance with article 115 of the Tax Statute modified by the Financing Law (Law 2010 of 2019).

(2) The excess of tax depreciation over book value arises because:

- Assets classified or belonging to the Quimbo project have special treatment:
- The assets in the year 2016 were depreciated according to the useful life classified according to the type of asset in accordance with the regulations in force until said year, for the year 2017 despite the fact that the reform (law 1819 of 2016) established new rates for depreciation, the assets that belong to Quimbo will continue with those of the regulation since this project has legal stability.
- Assets to which accelerated depreciation was applied using the balance reduction method.
- Other assets are depreciated using the straight line.
- As of 2017, the assets that are acquired as new or that are activated will take into account the accounting useful life unless this is not greater than that established in Law 1819 of 2016.

Law 2151 of 2021 defined the rental rate at 35% as of 2022. The deferred tax as of December 31, 2022 is presented below:

	2022 Onwards
Estimated provisions and liabilities	\$ 416.494.619
Defined contribution obligations	99.426.365
Portfolio	43.737.923
Others	(1.052.518)
Financial instruments	(197.842.390)
Property, plant and equipment	(1.096.453.126)
	\$ (735.689.127)
Fee	35%
Tax	(257.491.194)
Occasional gains	11.181.241
Fee	15%
Tax	1.677.186
Total deferred tax liabilities (without MPP Central America)	\$ (255.814.008)
Base equity method of Central America	(505.791.380)
Passive tax by participation method	(124.475.553)
Total deferred tax liability Central America	(201.150.376)
Total deferred tax liability, net	\$ (581.439.937)

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)

Notes to the Consolidated Financial Statements

(In thousands of pesos)

(3) Central America:

Due to the merger given on March 1, 2022, the countries Guatemala, Panama and Costa Rica are included, reflecting a deferred passive tax as follows:

Central America	Final Balance as of December 31 of 2022
Panama (a)	\$ (161.632.253)
Costa Rica (b)	(39.518.123)
Total net deferred tax	\$ (201.150.376)

(a) The provision for net deferred tax liabilities includes: expenses for labor provisions, leases, provision for obsolescence of inventories, provision for dismantling of solar plants, other provisions for temporary differences in the amount of (\$161,632,253).

(b) The deferred tax liability corresponds to the difference in useful lives of the P.H. Don Pedro S.A. and P.H. Río Volcán S.A. plants in the amount of (\$39,518,123).

17. Financial liabilities

	As of December 31, 2022			As of December 31, 2021		
	Current			Current		
	Capital	Interests	Non-Current	Capital	Interests	Non-Current
Bonds issued (1)	\$ 765.130.000	\$ 47.340.264	\$ 2.420.448.051	\$ 599.926.308	\$ 13.468.287	\$ 1.257.095.184
Bank Obligations (2)	618.795.402	64.977.265	3.248.507.699	-	1.452.900	450.000.000
Leasing Obligations (3)	28.061.887	4.968.825	261.644.758	18.035.751	16.759	64.722.082
Derivative Instruments (4)	4.615.446	-	-	41.864	-	-
Line of Credit	-	-	-	53.452	-	-
	\$ 1.416.602.735	\$ 117.286.354	\$ 5.930.600.508	\$ 618.057.375	\$ 14.937.946	\$ 1.771.817.266

(1) The variation of bonds as of December 2022 corresponds to:

Generation: payment of the E6-16 International Bond for (\$300,000,000), interest for (\$7,816,569) and the B10 Quimbo bond for (\$300,000,000), interest (\$38,693,206); The amortization of non-current debt transaction costs for \$216,559 is included.

Distribution: Payment of the E5-17 National Bond for (\$270,000,000) and interest for (\$19,814,760).

In financial debt, the generation business has five (5) bond issues in force in the local market, under the bond issuance and placement program of Enel Colombia S.A. E.S.P.

The main financial characteristics of the bonds issued since 2005 and in force as of December 31, 2022 are presented below:

Program for the issuance and placement of ordinary bonds of Enel Colombia S.A. E.S.P. in the local market

Through public deed No. 0562 of March 1, 2022, the merger by absorption made by Emgesa S.A. E.S.P. of Codensa S.A. E.S.P., Enel Green Power Colombia S.A.S. E.S.P., and ESSA 2 SpA was instrumented, in addition to the change of the name or company name of Emgesa S.A. E.S.P. to Enel Colombia S.A. E.S.P. (see note 1.4 Merger).

By virtue of the foregoing, Enel Colombia S.A. E.S.P. requested authorization from the Financial Superintendence of Colombia - SFC to i) increase the global quota of the program in an additional amount of four billion six hundred million pesos (\$4,600,000,000) for a total of nine billion pesos (\$9,000,000,000) and ii) make modifications to the program in order to update the information prospectus in accordance with current regulations and implement changes related to the modification of the company name, inclusion of new species of bonds with specific destination, inclusion of new series, extension of the redemption period, inclusion of the mechanism for the construction of the offer book and the possibility of payment in kind. The request was approved by the SFC through Resolution No. 1481 of October 21, 2022.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Enel Colombia S.A. E.S.P. currently has a program for the issuance and placement of Ordinary Bonds, Ordinary Green Bonds, Ordinary Social Bonds, Ordinary Sustainable Bonds, Ordinary Bonds Linked to Sustainability and commercial paper that allows it to carry out successive issuances of said securities under the global quota that is authorized and available, and during its period of validity.

As of December 31, 2022, Enel Colombia S.A. E.S.P. had offered and placed eight (8) bond issues (also referred to as “Tranches” according to the terminology established in the program prospectus) charged to the program. All bond issues made under the Enel Colombia S.A. E.S.P. Program are rated AAA (Triple A) by Fitch Ratings Colombia SCV, and are dematerialized under the administration of Deceval S.A., in 2022 there were no bond issues.

The general financial conditions of the bond issuance and placement program of Enel Colombia S.A. E.S.P. in the local market are described below:

Class of Titles	Ordinary Bonds
Initial approval Financial Superintendence	Resolution No. 1235 of July 18, 2006
Global Quota Initially Approved	\$ 700.000.000
Approval of expansion of the quota and extension of the placement term:	Resolution No. 0833 of June 16, 2009
First Increase to the Authorized Global Quota:	In an additional \$1,200,000,000
First extension of the placement period	Until June 26, 2012
Approval of the extension of the placement period:	Resolution No. 1004 of June 29, 2012
Second extension of the placement period:	Until July 18, 2015
Second increase in the Authorized Global Quota:	In an additional \$850,000,000
Approval of the increase in the placement period:	Resolution No. 1980 of November 6, 2014
Third increase in the Authorized Global Quota:	In an additional \$315,000,000
Approval of expansion of the quota and extension of the placement term:	Resolution No. 1235 of September 8, 2015.
Fourth increase to the Authorized Global Quota:	In an additional \$650,000,000
Third extension to the placement term:	Until September 14, 2018
Inclusion of commercial papers in the program:	Resolution No. 0173 of February 13, 2018
Approval of expansion of the quota and extension of the placement term:	Resolution No. 1193 of September 13, 2018
Fifth increase to the Authorized Global Quota:	In an additional \$685,000,000
Fourth extension to the placement period:	Until October 1, 2021
Fifth extension of the placement term:	Until September 11, 2026
Sixth increase to the Authorized Global Quota:	In \$ 4.600.000.000
Modification of Company Name	Enel Colombia S.A. E.S.P.
Inclusion of new types of Bonds, new series, book of offers and payment in kind	Resolution No. 1481 of October 21, 2022
Total Global Quota Authorized as of December 31, 2022:	\$ 9.000.000.000
Amount issued under the Program as of December 31, 2022	\$ 3.315.000.000
Global quota available as of December 31, 2022:	\$ 5.685.000.000
Management:	Deceval S.A.

Enel Colombia S.A. E.S.P. has issued 8 bond tranches under the aforementioned program, as follows:

First stretch:

Total value placed	\$170.000.000
Current balance as of December 31, 2022	Sub-series B10: \$0
Nominal value per bond	\$10.000
Issuance period	10 years
Date of issue:	February 20, 2007
Due date:	February 20, 2017
Coupon Rate	CPI + 5,15% APR

On February 20, 2017, the payment was made on maturity of the Sub-series B10 bonds for \$170,000,000.

Second Tranche:

Total value placed	\$265,000,000 like this:
	Sub-series A5: \$49.440.000
	Sub series B10: \$160.060.000
	Sub series B15: \$55.500.000
Current balance as of December 31, 2022	\$55.500.000
Nominal value per bond	\$10.000

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Issuance period	Sub-series A5: 5 years Sub-series B10: 10 years Sub-series B15: 15 years
Date of issue	February 11, 2009, for all sub-series
Due date	Sub-series A5: February 11, 2014 Sub-series B10: February 11, 2019 Sub-series B15: February 11, 2024
Coupon Rate	Sub-series A5: DTF T.A. + 1.47% Sub-series B10: CPI + 5,78% APR Sub-series B15: CPI + 6,09% APR

On February 11, 2014, payment was made on maturity of the Sub-series A5 bonds for \$49,440,000.

On February 11, 2019, the payment was made on maturity of the Sub-series B10 bonds for \$160,060,000.

Third Tranche:

Total value placed	\$400,000,000 like this: Sub-series E5: \$92.220.000 Sub-series B9: \$218.200.000 Sub-series B12: \$89.580.000
Current balance as of December 31, 2022	\$0
Nominal value per bond	\$10.000
Issuance period	Sub-series E5: 5 years Sub-series B9: 9 years Sub-series B12: 12 years
Date of issue	July 2, 2009 for all sub-series
Due date	E5 Sub-series: July 2, 2014 Sub-series B9: July 2, 2018 Sub-series B12: July 2, 2021
Coupon Rate	Sub-series E5: Fixed Rate 9,27% APR Sub-series B9: CPI + 5,90% APR Sub-series B12: CPI + 6,10% APR

On July 2, 2014, payment was made on maturity of the Sub-series E5 bonds for \$92,220,000.

On July 2, 2018, the payment was made on maturity of the Sub-series B9 bonds for \$218,200,000.

On July 2, 2021, the payment was made on maturity of the Sub-series B12 bonds for \$89,580,000.

Fourth Tranche:

Total value placed	\$500,000,000 like this: Sub-series B10: \$300.000.000 Sub-series B15: \$200.000.000
Transaction costs as of December 31, 2022	\$96.362
Current balance as of December 31, 2022	\$200.000.000
Nominal value per bond	\$10.000
Term of issuance	Sub-series B10: 10 years Sub-series B15: 15 years
Date of issue	December 13, 2012
Due date	Sub-series B10: December 13, 2022 Sub-series B15: December 13, 2027
Coupon Rate	Sub-series B10: CPI + 3,52% APR Sub-series B15: CPI + 3,64% APR

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)

Notes to the Consolidated Financial Statements

(In thousands of pesos)

On December 13, 2022, the payment was made on maturity of the Sub-series B10 bonds for \$300,000,000.

Fifth Tranche:

Total value placed	\$565,000,000, as follows:
	Sub-series B6: \$201.970.000
	Sub-series B12: \$363.030.000
Transaction costs as of December 31, 2022	\$107.527
Current balance as of December 31, 2022	\$363.030.000
Nominal value per bond	\$10.000
Term of issuance	Sub-series B6: 6 years
	Sub-series B12: 12 years
Date of issue	September 11, 2013
Due date	Sub-series B6: September 11, 2019
	Sub-series B12: September 11, 2025
Coupon rate	Sub-series B6: CPI + 4,25% APR
	Sub-series B12: CPI + 5,00% APR

On September 11, 2019, the payment was made on maturity of the Sub-series B6 bonds for \$201,970,000.

Sixth Tranche:

Total value placed	\$590,000,000 as follows:
	Sub-series B6: \$241.070.000
	Sub-series B10: \$186.430.000
	Sub-series B16: \$162.500.000
Transaction costs as of December 31, 2022	\$148.060
Current balance as of December 31, 2022	\$348.930.000
Nominal value per bond	\$10.000
Term of issuance	Sub-series B6: 6 years
	Sub-series B10: 10 years
	Sub-series B16: 16 years
Date of issue	May 16, 2014
Due date	Sub-series B6: May 16, 2020
	Sub-series B10: May 16, 2024
	Sub-series B16: May 16, 2030
Coupon rate	Sub-series B6: CPI + 3,42% APR
	Sub-series B10: CPI + 3,83% APR
	Sub-series B16: CPI + 4,15% APR

On May 16, 2020, the payment was made on maturity of the Sub-series B6 bonds for \$241,070,000.

Seventh Tranche:

Total value placed	\$525,000,000, as follows:
	Sub-series B3: \$234.870.000
	Sub-series B7: \$290.130.000
Transaction costs as of December 31, 2022	\$0
Current balance as of December 31, 2022	\$290.130.000
Nominal value per bond	\$10.000
Term of issuance	Sub-series B3: 3 years
	Sub-series B7: 7 years
Date of issue	February 11, 2016
Due date	Sub-series B3: February 11, 2019
	Sub-series B7: February 11, 2023
Coupon rate	Sub-series B3: CPI + 3,49% APR
	Sub-series B7: CPI + 4,69% APR

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

On February 11, 2019, the payment was made on maturity of the Sub-series B3 bonds for \$234,870,000.

Eighth Tranche (*):

Total value placed	\$300,000,000 like this:
	Sub-series E6: \$300,000,000
Transaction costs as of December 31, 2021	\$0
Current balance as of December 31, 2021	\$0
Face value per bond	\$10,000
Issuance period	Sub-series E6: 6 years
Date of issue	September 27, 2016
Due date	Sub-series E6: September 27, 2022
Coupon rate	Sub-series E6: 7.59% APR

On September 27, 2022, the payment was made on maturity of the Sub-series E6 bonds for \$300,000,000.

For the distribution business, the financial debt in bonds is represented by six (6) current bond issues in the local market, issued since 2013 and valid as of December 31, 2022.

Bond issuance and placement program

Through Resolution No. 194 of January 29, 2010, the Financial Superintendency of Colombia ordered the registration in the National Registry of Securities and Issuers (RNVE) of the Program for the Issuance and Placement of Ordinary Bonds of Enel Colombia S.A. E.S.P. and authorized the public offer for a amount of up to \$600,000,000. Through Resolution No. 0624 of April 3, 2013, the Financial Superintendence of Colombia authorized the renewal of the term of validity of the authorization for the public offering of the ordinary bonds of the program for a period of 3 years counted from the execution of the aforementioned resolution, that is, until April 30, 2016.

Subsequently, having met the requirements established for this purpose, the Issuance and Placement Program Quota was increased on March 13, 2014 through Resolution No. 0407 of 2014 of the Financial Superintendence of Colombia by \$185,000,000, bringing the Global Quota of the Program to \$785,000,000. The Issuance and Placement Program Quota was once again increased on October 7, 2014 through Resolution No. 1780 of 2014 of the Financial Superintendency by \$165,000,000, bringing the Global Program Quota to \$950,000,000. Through Resolution No. 0623 of May 23, in 2016, the expansion of the Global Quota of the Program was approved in an additional amount of \$560,000,000, bringing the Global Quota to \$1,510,000,000, while the renewal of the validity term of the authorization for the public offering of the Program's bonds was approved for three additional years from the execution of said Resolution, that is, until June 3, 2019.

On December 28, 2017, through Resolution No. 1893, the following modifications to the Enel Colombia S.A. E.S.P. Ordinary Bond Issuance and Placement Program were approved: i) the inclusion of Commercial Papers within the Issuance and Placement Program, their registration in the RNVE and its public offer and ii) The incorporation of the changes derived from the application of article 6.1.1.1.5 of Decree 2555 of 2010, in reference to the modality used for the issuance of the securities, the Amortization Plan of the securities and the possibility of publishing the offered interest rate separately from the offer notice. Subsequently, having fulfilled the requirements established for this purpose, through Resolution No. 0136 of January 31, 2018, the expansion of the Global Quota of the Program was approved for an additional amount of one trillion two hundred ninety-five billion pesos (\$1.295.000.000), increasing the Global Quota up to two trillion eight hundred five billion pesos (\$2.805.000.000).

Finally, through Resolution No. 0683 of May 28, 2019, the increase in the Global Quota of the Program was authorized in an additional amount of \$595,000,000, bringing the Global Quota to \$3,400,000,000, while the renewal of the term of validity was approved of the authorization of the public offer of the bonds and commercial papers of the Program for three additional years from the execution of said Resolution, that is, until June 19, 2022. Through Resolution No. 0146 of February 22, 2021, the approved the expansion of the Global Quota of the Program in an additional amount of one trillion two hundred thousand million pesos (\$1,200,000,000), bringing the Global Quota to a total of four trillion six billion pesos (\$4,600,000,000).

Through public deed No. 0562 of March 1, 2022, the merger by absorption made by Emgesa S.A. E.S.P. of Codensa S.A. E.S.P., Enel Green Power Colombia S.A.S. E.S.P. , and ESSA 2 SpA was instrumented, in addition to the change of name or company name to Enel Colombia S.A. E.S.P.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

By virtue of the foregoing, the renewal of the term of validity of the Issuance and Placement Program of Codensa S.A. E.S.P. was not brought forward.

As of December 31, 2022, ten (10) issuances have been made under the Bond Issuance and Placement Program. The first Tranche was issued on February 17, 2010, the second Tranche was issued on November 15, 2013, the third Tranche was issued on September 25, 2014, the fourth Tranche issued on September 15, 2016, the fifth Tranche on March 9, 2017, the sixth tranche on June 8, 2017, the seventh on April 11, 2018, the eighth on October 23, 2018, the ninth tranche on March 7, 2019, and the tenth tranche on August 25, 2020. Below is the detail of current issues:

Second tranche under the program

	\$375,000,000, thus:
	Sub-series B5: \$181.660.000
	Sub-series B12: \$193.340.000
Total value placed	
Current balance as of December 31, 2022	\$193.340.000
	\$10.000
Face value per bond	
	Sub-series B5: 5 years
Issuance deadlines	Sub- series B12: 12 years
Date of issue	November 15, 2013 for all series
	Sub-series B5: November 15, 2018
Due date	Sub- Due date series B12: November 15, 2025
Broadcast manager:	Deceval S.A.
	Sub-series B5: CPI + 3,92% APR
Coupon rate:	Sub-series B12: CPI + 4,80% APR
	AAA (Triple A)
Qualification	Assigned by Fitch's Rating Colombia S.A. S.C.V.

Sixth tranche under the program

	\$200,000,000, like this:
	Sub-series E7: \$200.000.000
Total value placed	
Current balance as of December 31, 2022	\$200.000.000
Nominal value per bond	\$10.000
Issuance deadlines	Sub-series E7: 7 years
Date of issue	June 8, 2017
Due date	Sub-series E7: June 8, 2024
Issuance administrator	Deceval S.A.
Coupon rate:	Sub-series E7: 6,46% APR
	AAA (Triple A)
Qualification	Assigned by Fitch Ratings Colombia S.A. S.C.V.

Seventh tranche under the program

	\$360,000,000, thus:
	Sub-series E7: \$200.000.000
	Sub-series B12: \$160.000.000
Total value placed	
Current balance as of December 31, 2022	\$360.000.000
Nominal value per bond	\$10.000
	Sub-series E7: 7 years
Issuance deadlines	Sub-series B12: 12 years
Date of issue	April 11, 2018
	Sub-series E7: April 11, 2025
Due Date	Sub-series B12: April 11, 2030
Broadcast manager	Deceval S.A.
	Sub-series E7: 6,74% APR
Coupon rate:	Sub-series B12: CPI+3,59% APR

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Qualification	AAA (Triple A) Assigned by Fitch Ratings Colombia S.A. S.C.V.

Eighth tranche under the program

Total value placed	\$195,000,000, as follows:
Current balance as of December 31, 2022	Sub-series B5: \$195,000,000
Nominal value per bond	\$195,000,000
Issuance deadlines	\$10,000
Date of issue	Sub-series B5: 5 years
Due date	October 23, 2018
Issuance administrator	Sub-series B5: October 23, 2023
Coupon rate:	Deceval S.A.
Qualification	Sub-series B5: CPI+2,82% APR
	AAA (Triple A)
	Assigned by Fitch Ratings Colombia S.A. S.C.V.

Ninth tranche under the program

Total value placed	\$480,000,000, thus:
Current balance as of December 31, 2022	Sub-series E4: \$280,000,000
Nominal value per bond	Sub-series B10: \$200,000,000
Issuance deadlines	\$480,000,000
Date of issue	\$10,000
Due date	Sub-series E4: 4 years
Broadcast manager	Sub-series B10: 10 years
Coupon rate:	March 7, 2019
Qualification	Sub-series E4: March 7, 2023
	Sub-series B10: March 7, 2029
	Deceval S.A.
	Sub-series E4: 6,30% APR
	Sub-series B10: CPI +3,56% APR
	AAA (Triple A)
	Assigned by Fitch Ratings Colombia S.A. S.C.V.

Tenth tranche under the program

Total value placed	\$500,000,000, thus:
Current balance as of December 31, 2022	Sub-series E4: \$250,000,000
Nominal value per bond	Sub-series B7: \$250,000,000
Issuance deadlines	\$500,000,000
Date of issue	\$10,000
Due date	Sub-series E4: 4 years
Broadcast manager	Sub-series B7: 7 years
Coupon rate:	August 25, 2020
Qualification	Sub-series E4: August 25, 2024
	Sub-series B7: August 25, 2027
	Deceval S.A.
	Sub-series E4: 4.70% APR
	Sub-series B10: CPI +2.45% APR
	AAA (Triple A)
	Assigned by Fitch Ratings Colombia S.A. S.C.V.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The detail of the debt bond obligations as of December 31, 2022 is as follows:

Series	A.E. rate	Type of rate	Current		Current Total	1 to 2 years	2 to 3 years	4 to 5 years	5 to 10 years	Non-current Total
			Less than 90 days	More than 90 days						
B7-16	17,81%	Variable	6.721.442	290.130.000	296.851.442	-	-	-	-	-
E4-19	6,30%	Fixed	1.173.760	280.000.000	281.173.760	-	-	-	-	-
B5-18	15,71%	Variable	5.530.980	195.000.000	200.530.980	-	-	-	-	-
B12-18	16,57%	Variable	5.607.520	-	5.607.520	-	-	-	160.000.000	160.000.000
B12-13	17,93%	Variable	4.150.043	-	4.150.043	-	193.340.000	-	-	193.340.000
B10-14	16,84%	Variable	3.692.805	-	3.692.805	186.379.343	-	-	-	186.379.343
B7-2020	15,29%	Variable	3.631.500	-	3.631.500	-	-	250.000.000	-	250.000.000
B12-13	18,15%	Variable	3.501.424	-	3.501.424	-	362.922.473	-	-	362.922.473
B16-14	17,20%	Variable	3.282.988	-	3.282.988	-	-	-	162.402.597	162.402.597
E7-18	6,74%	Fixed	2.952.000	-	2.952.000	-	200.000.000	-	-	200.000.000
B10-19	16,53%	Variable	2.106.800	-	2.106.800	-	-	-	200.000.000	200.000.000
B15	16,62%	Variable	1.607.600	-	1.607.600	-	-	-	200.000.000	200.000.000
B15-09	19,39%	Variable	1.391.052	-	1.391.052	55.403.638	-	-	-	55.403.638
E4-2020	4,70%	Fixed	1.165.750	-	1.165.750	250.000.000	-	-	-	250.000.000
E7-17	6,46%	Fixed	824.600	-	824.600	200.000.000	-	-	-	200.000.000
			\$ 47.340.264	\$ 765.130.000	\$ 812.470.264	\$ 691.782.981	\$ 756.262.473	\$ 250.000.000	\$ 722.402.597	\$ 2.420.448.051

The detail of the debt bond obligations as of December 31, 2021 is as follows:

Description	AE rate	Current		Current Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 10 years	Non-current Total
		Less than 90 days	More than 90 days						
Seventh Tranche Program B-7	8%	\$ 3.964.626	\$ -	\$ 3.964.626	\$ 290.072.605	\$ -	\$ -	\$ -	\$ 290.072.605
Sixth Tranche Program B10	7%	2.099.202	-	2.099.202	-	186.351.264	-	-	186.351.264
Fifth Tranche Program B12	8%	2.095.772	-	2.095.772	-	-	362.889.715	-	362.889.715
Sixth Tranche Program B16	8%	1.893.450	-	1.893.450	-	-	-	162.392.956	162.392.956
Fourth Tranche Program B10	7%	1.343.700	299.953.359	301.297.059	-	-	-	-	-
Fourth Tranche Program B15	7%	908.000	-	908.000	-	-	-	199.888.644	199.888.644
Second Tranche Program B104-15	10%	862.637	-	862.637	-	55.500.000	-	-	55.500.000
Eighth Tranche Program E6	8%	300.900	299.972.949	300.273.849	-	-	-	-	-
Total bonuses		\$ 13.468.287	\$ 599.926.308	\$ 613.394.595	\$ 290.072.605	\$ 241.851.264	\$ 362.889.715	\$ 362.281.600	\$ 1.257.095.184

(2) The detail of debt loan obligations as of December 31, 2022 is as follows:

Description	Due Date.	A.E. Rate	Current		Current Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	5 to 10 years	Non-Current Total
			Less 90 days	Further 90 days							
Banco de Bogotá S.A.	5/04/2026	12,65%	\$ 950.407	\$ 2.556.513	\$ 3.506.920	\$ 3.408.684	\$ 3.408.684	\$ 1.136.228	\$ -	\$ -	\$ 7.953.596
Banco BBVA Colombia S.A.	14/01/2025	10,97%	435.356	33.333.333	33.768.689	66.666.667	33.333.333	-	-	-	100.000.000
Financiera de Desarrollo Territorial S.A.	28/08/2023	-	464.544	774.243	1.238.787	-	-	-	-	-	-
Financiera de Desarrollo Territorial S.A.	16/10/2023	-	612.091	1.428.212	2.040.303	-	-	-	-	-	-
Financiera de Desarrollo Territorial S.A.	30/11/2023	-	270.455	721.212	991.667	-	-	-	-	-	-
Banco Itáu CorpBanca Colombia S.A.	6/01/2024	11,43%	1.177.591	3.420.819	4.598.410	380.042	-	-	-	-	380.042
Banco Itáu CorpBanca Colombia S.A.	6/01/2023	11,27%	1.150.602	-	1.150.602	-	-	-	-	-	-
Banco Itáu CorpBanca Colombia S.A.	8/02/2023	11,27%	588.483	-	588.483	-	-	-	-	-	-
Banco Itáu CorpBanca Colombia S.A.	8/02/2024	11,44%	269.560	783.272	1.052.832	174.061	-	-	-	-	174.061
Scotiabank Colpatría S.A.	14/05/2026	12,15%	5.992.822	-	5.992.822	-	-	400.000.000	-	-	400.000.000
Bancolombia S.A.	15/07/2026	10,41%	11.503.334	60.000.000	71.503.334	60.000.000	60.000.000	60.000.000	-	-	180.000.000
Banco BBVA Colombia S.A.	2/11/2026	5,80%	2.014.801	-	2.014.801	-	-	215.000.000	-	-	215.000.000
Bancolombia S.A.	30/11/2026	12,90%	2.891.200	-	2.891.200	-	-	260.000.000	-	-	260.000.000
Bancolombia S.A.	5/04/2028	12,84%	14.385.067	-	14.385.067	-	-	-	-	480.000.000	480.000.000
Bancolombia S.A.	28/04/2029	12,38%	5.345.799	-	5.345.799	-	50.000.000	50.000.000	50.000.000	100.000.000	250.000.000
Bancolombia S.A.	15/07/2026	12,35%	1.536.340	15.000.000	16.536.340	15.000.000	15.000.000	15.000.000	-	-	45.000.000
Bancolombia S.A.	28/07/2028	13,15%	9.307.951	-	9.307.951	-	-	-	411.000.000	-	411.000.000
Bank Of Nova Scotia	2/03/2023	0,90%	294.302.467	-	294.302.467	-	-	-	-	-	-
Banco BBVA Colombia S.A.	19/10/2027	11,92%	2.348.472	-	2.348.472	-	-	-	100.000.000	-	100.000.000
Bancolombia S.A.	30/11/2027	12,59%	1.605.333	-	1.605.333	-	-	-	150.000.000	-	150.000.000
Bancolombia S.A.	23/12/2027	13,12%	626.000	-	626.000	-	-	-	200.000.000	-	200.000.000
Bancolombia S.A.	30/11/2028	13,30%	1.003.366	-	1.003.366	-	-	-	-	89.000.000	89.000.000
Bancolombia S.A.	30/11/2029	14,82%	4.500.160	-	4.500.160	-	-	-	-	360.000.000	360.000.000
Bank Of Nova Scotia	4/04/2023	0,90%	444.462	202.028.400	202.472.862	-	-	-	-	-	-
Total Bank Loans			\$ 363.726.663	\$ 320.046.004	\$ 683.772.667	\$ 145.629.454	\$ 161.742.017	\$ 1.001.136.228	\$ 911.000.000	\$ 1.029.000.000	\$ 3.248.507.699

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

On March 3 and April 5, 2022, credit operations were closed with Bank of Nova Scotia for US\$61,000,000 and US\$42,000,000, respectively, at an average rate of 7.3%, including the hedging operation.

On the other hand, several credit operations were signed with Bancolombia S.A. during the course of 2022, including the first credit linked to sustainability indicators, for an amount of \$360,000,000 million pesos and sustainable financing credits in the order of \$500,000,000 million pesos.

Next, the detail of the operations:

Disbursement date	Due date	Years	Amount (Millions)	Rate
05 April 2022	05 April 2028	6	\$ 480.000.000	IBR 3M + 205% TV
April 28, 2022	April 28, 2029	7	\$ 250.000.000	IBR 3M + 0.90% TV
July 15, 2022	July 15, 2026	4	\$ 60.000.000	IBR 3M + 1.45% TV
July 28, 2022	July 28, 2028	6	\$ 411.000.000	IBR 3M + 1.60% TV
November 30, 2022	November 30, 2028	6	\$ 89.000.000	IBR 3M + 1.60% TV
November 30, 2022	November 30, 2029	7	\$ 360.000.000	IBR 3M + 2.98% TV
		Total	\$ 1.650.000.000	

(3) The detail of lease obligations under IFRS 16 as of December 31, 2022 and December 31, 2021:

	As of December 31, 2022		As of December 31, 2021	
	Current	Non-Current	Current	Non-Current
Vehicles	\$ 14.023.280	\$ 9.620.352	\$ 1.356.641	\$ 675.258
Buildings	9.908.683	110.753.564	16.695.869	64.046.824
Land	8.289.244	141.270.842	-	-
Electrical networks	615.268	-	-	-
Machinery and equipment	194.237	-	-	-
	\$ 33.030.712	\$ 261.644.758	\$ 18.052.510	\$ 64.722.082

In Enel Colombia S.A. E.S.P., the variation in the vehicle category corresponds mainly to the liability arising from the merger with Codensa S.A. E.S.P. corresponding to the operational transportation contract with the third party Transportes Especiales Aliados S.A.S. and ALD Automotive S.A. for an amount of \$17,206,261, transportation contract with Busexpress S.A.S., for \$9,108,417, the renewal of the contract with Compañía Naviera Del Guavio Ltda. for \$946,196, the merger with Enel Green Power Colombia S.A. E.S.P. for \$571,436 with contracts with Busexpress S.A.S., ALD Automotive S.A., management vehicle contracts for \$571,436 and contract renewal Neandertal S.A.S., for \$83,940.

The increase in buildings corresponds mainly to the recognition of floors 7 and 8 of Building Q93 in January 2022 for a value of \$29,842,690.

Below is the detail of the advance made by Bancolombia S.A., in the name of Enel Colombia S.A. E.S.P., which was fully legalized on January 24, 2022, the date of the signing of the deeds:

CONCEPT	WORTH
Initial down payment	\$ 18.746.978
Amortization Floor 6	(3.942.660)
Amortization Floor 5	(1.437.733)
Amortization of floors 2,3,4 and parking lots	(4.339.608)
Amortization of floors 2,3,4 and parking lots	(9.026.977)
Advance Balance	\$ -

As of December 31, 2022, the variation in land corresponds mainly to the liability arising from the merger of Codensa S.A. E.S.P. , with leased land on which the infrastructure for Transmilenio S.A. recharging yards will be developed for \$54,508,590, and with Enel Green Power Colombia S.A.S. E.S.P. , according to land lease contracts for the development of projects for \$50,127,590.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Central America:

The detail of the leasing of the Central American companies is as follows:

Guatemala: Corresponds mainly to the central office building, a pick-up fleet and land on which projects are carried out by the companies Generadora de Occidente Ltda., Generadora Montecristo S.A. and Enel Guatemala S.A.:

	As of December 31, 2022	
	Current	Non-Current
Land	\$ 908.777	\$ 25.905.115
Buildings	-	5.160.334
Vehicles	-	2.467.200
	\$ 908.777	\$ 33.532.649

Panama: It corresponds mainly to land where photovoltaic generation plants of the companies Enel Fortuna S.A., Enel Renewable S.R.L., Generadora Solar Austral S.A. and Progreso Solar S.A. are located; In the building category, the administrative offices in Panama City and vehicles for use in the plants:

	As of December 31, 2022	
	Current	Non-Current
Land	\$ 1.750.528	\$ 16.014.955
Buildings	1.413.410	8.307.903
Vehicles	906.229	1.118.860
	\$ 4.070.167	\$ 25.441.718

Costa Rica: Corresponds to the administrative offices located in San José capital of Costa Rica:

	As of December 31, 2022	
	Current	Non-Current
Buildings	\$ 185.434	\$ 3.094.876
	\$ 185.434	\$ 3.094.876

(4) The balance as of December 31, 2022, the main variation corresponds to the constitution of twenty-six (26) hedging derivatives with passive valuation, as follows:

Derivative	Subjacent	Bank	Risk factor	Maturity date	Notional Asset	Currency	Fixed rate	Current
Forward	Investments/Project	BBVA España	Cash Flow Hedge	31/03/2023	18.894.518	USD	4.956,85	1.197.105
Forward	Investments/Project	BBVA España	Cash Flow Hedge	19/01/2023	12.134.525	USD	4.884,80	729.536
Forward	Investments/Project	BBVA España	Cash Flow Hedge	31/01/2023	12.179.275	USD	4.893,95	705.927
Forward	Investments/Project	BBVA España	Cash Flow Hedge	28/02/2023	9.038.385	USD	4.923,04	542.695
Forward	Investments/Project	Citibank Colombia S.A.	Cash Flow Hedge	31/01/2023	5.889.326	USD	4.911,12	441.707
Forward	FX Payment CERE Hedge	Citibank Colombia S.A.	Cash Flow Hedge	31/10/2023	1.500.000	USD	5.300,60	247.704
Forward	FX Payment CERE Hedge	Citibank Colombia S.A.	Cash Flow Hedge	30/11/2023	1.000.000	USD	5.335,35	166.513
Forward	FX Payment CERE Hedge	Citibank Colombia S.A.	Cash Flow Hedge	31/05/2023	500.000	USD	5.128,39	83.487
Forward	FX Payment CERE Hedge	Citibank Colombia S.A.	Cash Flow Hedge	31/08/2023	500.000	USD	5.232,52	83.484
Forward	FX Payment CERE Hedge	Citibank Colombia S.A.	Cash Flow Hedge	31/07/2023	500.000	USD	5.195,51	83.252
Forward	FX Payment CERE Hedge	Citibank Colombia S.A.	Cash Flow Hedge	30/06/2023	500.000	USD	5.164,12	82.950
Forward	FX Payment CERE Hedge	Citibank Colombia S.A.	Cash Flow Hedge	2/10/2023	500.000	USD	5.267,13	81.643
Forward	Frontier	Citibank Colombia S.A.	Cash Flow Hedge	18/05/2023	1.938.925	USD	4.980,90	75.758
Forward	Frontier	Scotiabank Colpatría S.A.	Cash Flow Hedge	23/02/2023	486.077	USD	4.948,82	43.097
Forward	Frontier	Citibank Colombia S.A.	Cash Flow Hedge	16/03/2023	458.720	USD	4.918,19	17.911
Forward	Frontier	Citibank Colombia S.A.	Cash Flow Hedge	19/01/2023	212.956	USD	4.866,11	8.628
Forward	Investments/Project	BBVA España	Cash Flow Hedge	31/05/2023	120.590	EUR	5.288,01	5.653
Forward	Frontier	Citibank Colombia S.A.	Cash Flow Hedge	17/08/2023	177.463	USD	5.069,57	5.488
Forward	Frontier	Citibank Colombia S.A.	Cash Flow Hedge	16/02/2023	137.541	USD	4.891,14	5.382
Forward	FX Payment CERE Hedge	Citibank Colombia S.A.	Cash Flow Hedge	2/05/2023	500.000	USD	4.927,74	1.870
Forward	Frontier	Citibank Colombia S.A.	Cash Flow Hedge	19/10/2023	70.985	USD	5.135,25	1.861
Forward	FX Payment CERE Hedge	Citibank Colombia S.A.	Cash Flow Hedge	28/02/2023	800.000	USD	4.864,91	1.701
Forward	FX Payment CERE Hedge	Citibank Colombia S.A.	Cash Flow Hedge	31/03/2023	700.000	USD	4.895,72	863
Forward	FX Payment CERE Hedge	Citibank Colombia S.A.	Cash Flow Hedge	31/07/2023	200.000	USD	5.020,25	566
Forward	FX Payment CERE Hedge	Citibank Colombia S.A.	Cash Flow Hedge	31/01/2023	300.000	USD	4.837,59	385
Forward	FX Payment CERE Hedge	Citibank Colombia S.A.	Cash Flow Hedge	31/08/2023	400.000	USD	5.052,75	280
Total valoración								4.615.446

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

As of December 31, 2022 and 2021, the Group does not have net investment hedges abroad.

As of December 31, 2022, the Group has \$4,070,864,792 in unused authorized lines of credit, for which, if required, financial entities will update the conditions for their approval and disbursement.

In addition, and as part of its financing strategy, Enel Colombia S.A. E.S.P., subscribed on May 9, 2022, a committed line of credit for \$400,000,000 with Banco de Bogotá S.A., with one (1) year of availability of resources for disbursement.

As of December 31, 2022, there are three guarantees with Scotiabank Colpatria S.A., for \$6,466,036 that support the fulfillment of the credit obligations subscribed with Financiera de Desarrollo Territorial S.A. - Findeter S.A., within the framework of legislative decree 517 of 2020.

18. Trade accounts and other accounts payable

	As of December 31, 2022		As of December 31, 2021	
	Current	Non-Current	Current	Non-Current
Accounts payable for goods and services (1)	\$ 1.165.177.457	\$ -	\$ 154.844.539	\$ -
Estimates for the purchase of energy and gas (2)	526.828.983	23.418.367	103.631.495	-
Other accounts payable (3)	264.441.647	306.787.240	41.713.090	-
	\$ 1.956.448.087	\$ 330.205.607	\$ 300.189.124	\$ -

- (1) The variation corresponds mainly to accounts payable recognized in the merger process on March 1, 2022 from Codensa S.A. E.S.P. and Enel Green Power Colombia S.A.S. E.S.P. (see note 1.4 Merger).

As of December 31, 2022, it corresponds mainly to accounts payable for goods and services through factoring operations with Citibank for \$156,934,167, Bancolombia S.A. for \$44,070,165 and Banco AV Villas for \$19,397,977, Banco Santander for \$28,410,846, JP Morgan SE \$20,702,454.

Additionally accounts payable to suppliers: Siemens S.A. for \$13,045,261, Accenture Ltda for \$14,093,085, Industrias Electromecánicas S.A.S. for \$16,104,912, Soltec Trackers Colombia for \$10,896,623, Roy Alpha S.A. \$10,749,932, JE Jaimes Ingenieros S.A. \$9,703. 670 among other providers. It also includes estimates of goods and services for \$270,991,706.

Central America

Panama: Correspond mainly to invoices receivable corresponding to purchases of energy for a value of \$35,789,481. and energy purchases in the spot market for \$7,138,337.

Guatemala: Corresponds mainly to the invoiced purchase of energy from the retailer as the main supplier of the Wholesale Market Administrator - AMM for \$10,041,052.

- (2) As of December 31, 2022, it corresponds to accounts payable for purchases of energy from the distribution segment for \$286,621,319; generation segment for \$162,565,341 and gas sales for \$8,039,326. Additionally, the company presents an account payable to XM S.A. E.S.P. according to CREG Resolution 101 029 of 2022 for the financing of the billing of energy purchases for \$86,007,137; the current portion corresponding to \$62,588,770 and the non-current portion to \$23,418,367.

Panama: It corresponds mainly to guarantee deposits received from clients in Enel Fortuna S.A., in the amount of \$7,014,227.

- (3) The detail of other accounts payable as of December 31, 2022, is as follows:

	As of December 31, 2022		As of December 31, 2021	
	Current	Non-Current	Current	Non-Current
Other accounts payable (a)	\$ 190.366.842	\$ 306.787.240	\$ 41.713.090	\$ -
Balances in favor of customers (b)	54.240.843	-	-	-
Collections in favor of third parties (c)	19.833.962	-	-	-
	\$ 264.441.647	\$ 306.787.240	\$ 41.713.090	\$ -

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements

(In thousands of pesos)

- (a) As of December 31, 2022, short-term liabilities correspond mainly to adjustments – civil works executed by business partners for \$42,410,855, liabilities for energy distribution areas (ADD's) for \$49,848,990. The ADD's correspond to the distribution charge of other network operators that, by regulatory mandate, must be billed and collected by the Group from its end users under the distribution area scheme. Distribution areas is a regulatory mechanism that was included in Colombia under CREG Resolution 058-068 and 070 of 2008, which aims to distribute the distribution cost that end users must bear equitably in the different regions of the country among all users.

Non-current liabilities correspond to the application of the method of valuation of investments by equity participation; the subsidiary Generadora Solar Tolé S.R.L. is presented, in which the result is negative, therefore, this value is recognized as a liability, this in line with the Group's practice, and taking into account that in the future the obligation could be presented to cover any liability on behalf of the subsidiary or to capitalize it.

Central America

Panama: The short and long-term liabilities correspond mainly to the account payable Sinolam Smarter Energy LNG Group INC. for the acquisition of PPA power supply contracts for 224 MW, worth \$84,659,520 in the short term and \$306,787,240 in the long term.

- (b) Corresponds to balances in favor of clients generated mainly by higher value paid and billing adjustments in the distribution segment.
- (c) As of December 31, 2022, it corresponds mainly to the collection of subscriptions to newspapers, magazines, cleaning and insurance policies, among others.

Central America

Costa Rica: Corresponds mainly to provisions for obligations with MBO, professional auditing services and transfer pricing, among others.

19. Provisions

	As of December 31, 2022		As of December 31, 2021	
	Current	Non-Current	Current	Non-Current
Environmental provisions	165.338.131	128.372.377	68.930.399	222.774.757
Quimbo Environmental and Works (1)	105.490.421	2.152.004	27.950.242	71.611.290
Quimbo Restoration Plan (1)	28.242.097	30.116.699	35.235.548	40.069.485
Rio Bogotá Environmental Provision (2)	9.099.228	12.568.899	4.643.898	19.968.264
El Paso Environmental Provision (3)	2.711.479	11.651.629	-	-
CAR Compensation Plan (4)	19.389.926	71.883.146	1.100.711	91.125.718
Other environmental compensation	404.980	-	-	-
Provision for legal claims (5)	17.053.613	8.640.394	101.340	10.893.813
Civilians and others	12.907.515	6.333.309	101.340	9.515.972
Labor	4.146.098	2.307.085	-	1.377.841
Dismantling	13.301.006	154.427.735	-	958.961
Dismantling of the Cartagena Power Plant (6)	-	138.140.857	-	-
Dismantling of PCBs (7)	13.301.006	2.966.463	-	-
Asbestos Dismantling	-	3.787.058	-	-
Other dismantling provisions	-	9.533.357	-	958.961
Other provisions	44.757.778	36.516.781	10.117.209	14.681.928
Provision for Rural Electrification Fund (8)	-	23.635.006	-	-
Provision for Fiscal Uncertainty (9)	22.576.736	-	7.520.768	-
Provision for Tominé Recovery (10)	9.912.481	-	-	10.628.427
Provision for retirement plan at the Cartagena Power Plant (11)	6.316.019	3.963.815	-	-
Provision for Transition Fund (12)	5.952.542	8.224.823	2.596.441	4.053.501
Others	-	693.137	-	-
Total Provisions	\$ 240.450.528	\$ 327.957.287	\$ 79.148.948	\$ 249.309.459

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

- (1) The provision for the El Quimbo Environmental Hydroelectric Power Plant is composed of: i) Quimbo Environmental and Works, which corresponds mainly to obligations for infrastructure replacement, liquidation of contracts associated with executed works and minor works necessary for the operation of the plant executed within the schedule of works proposed by the project between 2017 and 2021. ii) Restoration Plan, includes the necessary works to mitigate the environmental impact on the occasion of the filling of the reservoir and that involves estimated execution flows in 30 years. Among the main activities of this obligation is the restoration of forests, maintenance of the protection strip and the reservoir, development of the ichthyic and fishing program and monitoring programs for fauna, flora, climate and landscape.

The rate used to discount the flows of the environmental provision and Quimbo works and the Quimbo restoration plan as of December 2022 is 20.30% and 13.14% APR and as of December 2021 it is 8.37% and 5.92% APR, respectively.

Impregilo consortium claim

During 2015, the Impregilo OHL Consortium submitted to Enel Colombia S.A. E.S.P. a series of claims and change order notes (Noc's) as a result of economic effects for the works carried out in the CEQ-21 main civil works contract, El Quimbo Hydroelectric project.

In ordinary meeting of the Board of Directors No. 436 held on October 19, 2016, the technical and legal analyzes of the contract agreed between Enel Colombia S.A. E.S.P. and the Impregilo Consortium were carried out, as a result of the previous negotiation tables held between September 2015 and March 2016. In order to avoid a future arbitration process, Enel Colombia S.A. E.S.P. decided to close the negotiation with the contractor during the last quarter of 2016. The initial claim of the contractor amounted to \$224,560,000, including claims and change order notes as a result of the negotiation, the agreement was closed for \$57,459,000 plus \$2,800,000, due to the contract closing certificate, and a readjustment to claims for \$14,541,000, for a total of \$74,800,000, these values were authorized by Enel Colombia S.A. E.S.P. to be included in the CEQ 021 contract through addendum 17 signed in January 2017.

In November 2016, Enel Colombia S.A. E.S.P., as part of the analysis of the activities included in the provision established to guarantee compliance with the obligations derived from the construction of the Power Plant, made recoveries for activities that were considered unnecessary, including readjustments to the contract prices agreed upon by the Board of Directors and formalized in addendum 17 which was signed and paid during the first quarter of 2017.

Enel Colombia S.A. E.S.P. filed a claim against the contractor and the company AXA Colpatria Seguros S.A., because it considers that some events that affect the quality of the dam works are the responsibility of Enel Colombia S.A. E.S.P., AXA Colpatria Seguros S.A. rejected the claim for quality and stability guarantee of the works.

Enel Colombia S.A. E.S.P. filed a reply to the Insurer, the communication was filed on Friday, May 4, 2018. On June 8, 2018, a response was received from AXA Colpatria Seguros S.A. indicating that the claim was contested, but that, nevertheless, once the liability of the insured is proven and the damage is proven, the claim would be reviewed, as of March 31, 2019, it did not present any additional changes.

The lawsuit was filed on May 29, 2020, before the Arbitration Center of the Cámara de Comercio de Bogotá, against the Impregilo-OHL Consortium (CIO) and AXA Colpatria Seguros S.A. The claims of the lawsuit totaled \$99,201,254. Once the lawsuit was filed, the Arbitration Center notified the parties on June 2, 2020.

In turn, the Impregilo-OHL Consortium filed a Counterclaim (Counterclaim), for \$3,712,037. The counterclaim filed by the Impregilo-OHL Consortium was answered on December 4, 2020 by Enel Colombia S.A. E.S.P., rejecting the collection of the money indicated therein.

On February 5, 2021, Enel Colombia S.A. E.S.P. filed a reform of the arbitration claim, being admitted by the proceedings of February 15 on March 4, 2021.

The summoned Consorcio Impregilo OHL and AXA Colpatria Seguros S.A., spoke within the term of the law on the reforms of the claim of Enel Colombia S.A. E.S.P. (formerly Emgesa S.A. E.S.P.), opposing the claims and objecting to the oath estimating damages.

On December 7, 2021, the hearing to set expenses and fees is installed. Arbitrators were appointed in the process, so the parties are informed for a period of 5 days so that, if they have it, they can formulate a request for relief.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Order No. 37 is notified, in which it is resolved, among other things, to establish the expenses and arbitration fees that the parties must pay, and to set January 26, 2022 to carry out the first hearing for the proceedings.

At the hearing on January 26, 2022, the Court, prior to ordering the evidence requested by the parties, imposed a series of charges that Enel Colombia S.A. E.S.P. must comply with in 10 business days. Enel Colombia S.A. E.S.P. must specify the priority and importance of the witnesses cited. The hearing was suspended until February 22, 2022.

At a hearing on February 22, 2022, within the framework of the first procedural hearing, the evidence requested by the parties was decreed, which will begin to be practiced and collected in May 2022.

Between May 10, 2022 and June 21, 2022, the evidence practice hearings were held. Apart from concluding the disputes related to the presentation of documents from Enel Colombia S.A. E.S.P. to the Consortium, only remained the statement of the Legal Representative of Ecoinsa, the company that presented the opinion contradicting our claim for loss of profit, the statement of Gonzalo Lozano Triana and the statement of the Legal Representative of FEC, all experts, which were scheduled for August 2, 4 and 9, 2022 respectively, starting at 9:30 am.

On June 30, 2022, Enel Colombia S.A. E.S.P. filed a memorandum by which it pronounced it self against the memorandum presented by the Consortium on June 13, 2022, in relation to the documents that the calling party has allegedly omitted to show.

In August 2022, the evidentiary period ended and the closing arguments were presented.

In an order dated August 31, 2022, the Court ordered ex officio the extension of the technical reports presented by the contractors of Enel Colombia S.A. E.S.P., Ingetec and Consorcio Masseq Moreno, related to the designs of the Dam and the expert report of Loss of Profit.

The extensions were presented and it was decided to postpone the defendants, for a term of five (5) days, which expired on October 10, 2022.

Within the term that expired on October 10, 2022, at the request of the Insurer Called in Guarantee by the defendant AXA Colpatria Seguros S.A., that is, by Segurexpo, the Court in an order of October 11, 2022 in the terms of articles 275 and 276 of the General Process Code, ordered Ingetec and the M&M Consortium (Contractor of Enel Colombia S.A. E.S.P.) to proceed to rule on the requests for clarification and complementation to the report rendered.

The term to render the clarifications expired on October 19, 2022, the date on which the respective reports were presented. Currently, we are still waiting for the Tribunal to order the evidentiary period closed and transfer to plead its conclusion, and in accordance with the legal terms, the arbitration award is expected to be issued in the first half of 2023.

On November 15, 2022, at a hearing, the following rulings are notified:

Order No. 72, in which it is resolved to declare "...that, up to this stage of the process, there is no irregularity or defect that constitutes an annulment, that would have to be corrected..."

Order No. 73, in which it is resolved, among other things, (I) to declare the practice of the tests concluded, and (II) to set February 14, 2023, at 9 am, to carry out, in person, closing argument hearing. In this order of ideas, the possibility remains, and in accordance with the legal terms, that the arbitration award be issued in the first half of 2023.

1% Environmental Investment Program

In accordance with Resolution 0899 of May 15, 2009, through which the National Environmental License Authority (ANLA) granted an environmental license for the El Quimbo Hydroelectric Project, Enel Colombia S.A. E.S.P. as of December 31, 2018 has registered as part of the total provisioned for \$21,709,078 corresponding to the 1% investment program presented within the framework of the license, for the use of surface water resources from the Magdalena River source, in accordance with the provisions of the paragraph of article 43 of Law 99 of 1993 regulated by Decree 1900 of September 12, 2006.

On August 31, 2016, a partial settlement for \$9,702,000 was made and submitted to the ANLA for its review and approval, with a cutoff of September 30, 2016, which will be re-settled once the final cost of the project is determined in accordance with paragraph 2 of Article 4 of Decree 1900 of 2006. As of March 31, 2019, no pronouncement had been received from the National Authority for Environmental Licenses-ANLA.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

On November 25, 2019, the liquidation of the 1% Investment Plan was submitted for review and approval by the ANLA at the cutoff of June 30, 2019. Through communication No. 2020054654-2-000 of April 8, 2020, the ANLA requested additional information related to acceptance of the incremental percentage contemplated in Art. 321 of the National Development Plan.

In response to the requirement, it was proposed to the ANLA that the resources pending execution be distributed in two specific programs:

- (1) Acquisition of properties and/or improvements in wetland areas, cloud forests and areas of influence of birth, aquifer recharge, fluvial stars and water rounds.
- (2) Interceptors and wastewater treatment systems

On the other hand, on December 18, 2020 in an orality hearing, the ANLA promptly required:

"Present the base investments for the liquidation of the forced investment of not less than 1% executed in 2019, including the activities of Resolution 938 of June 16, 2018, by which Resolution 899 of May 19, 2018 was modified. 2009, in accordance with the provisions of article 321 of Law 1955 of May 25, 2019".

The foregoing requires that Enel Colombia S.A. E.S.P. know the value of the settlement of the CEQ-21 contract, since additional values will be obtained from this figure that must be reported as the basis for the settlement of the 1% Investment Plan.

For its part, the Comptroller General of the Republic, in an audit carried out, determined 2 administrative findings on the 1% Investment Plan, indicating that there is "uncertainty in the amounts to be executed to comply with the compulsory investment obligation of not less than 1%". It also determined that "not incorporating real values into the investment plan and investment schedule of this obligation, with substantive pronouncements by the environmental authority, causes the executions to extend over time, postponing the well-being perceived by the them.

Given the above, Enel Colombia S.A. E.S.P. continues with the review of the technical concept issued by the environmental authority and the control entity (ANLA), to issue an official response on the base amount of settlement and the status of implementation of projects already approved by the national authority.

Article 321 of Law 1955 of May 25, 2019 (National Development Plan), establishes the opportunity to benefit from an increase in the investment obligation of 1% according to the date of issuance of the Environmental License, for companies that must comply with it and have a pending budget to invest.

Enel Colombia S.A. E.S.P. considered it pertinent to request acceptance of Art. 321 / Law 1955 of 2019 and on November 25, 2019, filed all the documents requested in said article for the liquidation and increase in the value of the 1% obligation. On March 8, 2021, the ANLA through Resolution 0462 approved the fostering request, and informed that the updated value of the Investment Plan of 1% of the El Quimbo Power Plant is \$15,989,664 of this value, the ANLA has not yet approved or discounted from the total budget, the investments that are currently in execution. In this sense, it considers \$0 as executed amount and classifies as "in execution" the amount of \$2,859,000 corresponding to the PTARD land purchase and construction projects that are currently advancing.

The difference between the total updated value of the 1% plan and the value in execution is considered by the ANLA as "value to be executed" which amounts to \$13,130,664.

FORCED INVESTMENT BALANCE OF NOT LESS THAN 1%		
Liquidation of the forced investment of not less than 1% updated (Article 321)	\$	15.989.664
Value in execution of the forced investment of not less than 1%		(2.859.000)
Forced investment value of not less than 1% to execute Updated.	\$	13.130.664

On February 24, 2021, Enel Colombia S.A. E.S.P. filed with the ANLA the response to the repetitive requirements associated with the 1% investment, established by oral record 540 of December 18, 2020. To date, there has been no response from the environmental authority.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Through Order 01481 of March 17, 2021, the ANLA orders the start of the sanctioning procedure, for alleged breaches regarding the 1% investment property acquisition program. Enel Colombia S.A. E.S.P., for its part, will present the cessation of the procedure.

Based on the update of the liquidated value of the 1% investment Plan, which increased by \$5,759,747, Enel Colombia S.A. E.S.P. will proceed to carry out the respective agreement with the Regional Autonomous Corporation of Alto Magdalena-CAM for the distribution of additional resources in the 18 municipalities or comply with the guideline determined by said Authority.

In turn, in this process with the CAM, the liquidated value of 1% must be included for the additional works carried out for the construction of the leak measurement system whose base value is \$23,866,318.

On the other hand, taking into account that the current liquidated value of the 1% Plan is still partial, Enel Colombia S.A. E.S.P. advances in the management to certify the amounts pending reporting to the Environmental Authority.

On December 16, 2021, the CAM, through communication with file 20211020279531, approved the increase in the Plan's budget by 1% for \$5,998,410,444.51; as well as the value initially assigned to the municipality of La Argentina for (\$296,320,678), allocated to the investment line "Acquisition of land and / or improvements in moorland areas, cloud forests and areas of influence of source and recharge of aquifers, fluvial stars and water rounds."

Additionally, the CAM requested compliance with the following requirements of the properties that are acquired through the investment line mentioned above:

- (1) That they are properties of more than 50 hectares.
- (2) That the properties are within the conservation zones in more than 50% of their total area.
- (3) That the acquisition of the properties is made in compliance with each of the investment lines described in Article Two of Resolution 00462 of 2021.

On the other hand, the ANLA, in relation to the commitments acquired in the technical-legal table held on May 7, 2021, through Resolution 2398 of 2021, confirmed that Enel Colombia S.A. E.S.P. must carry out the pertinent management before the IGAC to clean up the properties in relation to the concordance of the areas in the Registry office (certificate of freedom and tradition) and Cadastre (IGAC).

Regarding the Training Program for Environmental Promoters, the ANLA determined the following:

For this program, the Society in ICA No. 24 mentions that:

"At the technical-legal table held on May 7, 2021 between the Regional Autonomous Corporation of Alto Magdalena - CAM, the ANLA and Enel Colombia S.A. E.S.P., (formerly Emgesa S.A. E.S.P.), the ANLA undertook to define which inputs of the required costs for the execution of the program, 1% may be charged to the Investment Plan. To date Enel Colombia S.A. E.S.P., (formerly Emgesa S.A. E.S.P.) has not received a response. Meeting minutes are attached.

Regarding the eligible and non-eligible costs in the Training Line for environmental promoters, the direct costs duly supported technically and financially must be eligible through: (Contract, agreement, invoice, proof of discharge, or equivalent document); as long as they contribute to the Preservation, conservation and vigilance of the affected basin in accordance with the provisions of the paragraph of article 43 of Law 99 of 1993.

Regarding indirect costs such as (transportation of participants, refreshments, identification kits, cards and supports for completion of the diploma process), these will be eligible under the obligation of the forced investment of not less than 1%, with the justification that proves the need for them in the development of the contract, they must also be technically and financially supported.

In accordance with the foregoing, through internal memorandum 2021196452-3-000 of September 13, 2021, the Legal Advisory Office - OAJ of the National Authority, issued a pronouncement regarding the consultation on compensation of the biotic component and forced investment of no less than 1%, carried out by the Colombian Chamber of Infrastructure (CCI), the National Association of Public Services and Communications Companies of Colombia (ANDESCO), the Colombian Petroleum Association (ACP) and the Colombian Association of Electric Power Generators (CHOLGEN)."

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Based on the foregoing, the company Enel Colombia S.A. E.S.P. informed the CAM that it will continue with the property purchase activity in accordance with the guidelines established by both the ANLA and the CAM; however, we highlight the difficulties of time that the management that will be carried out before the IGAC will bring for the execution of the 1% plan with respect to the concordance that must exist between the areas of the property titles, the certificate of freedom and tradition (Registry) and Cadastre.

On the other hand, and taking into account the details stated by the ANLA in relation to the Environmental Promotion Program, the information provided for the execution of said program will be evaluated.

On March 29, 2022 through ANLA file 2022058211-1-0000, Enel Colombia requested clarification and confirmation from the Environmental Authority on three points of the costs associated with compliance with these provisions that can be charged to the liquidated budget of the 1% investment plan.

1. Costs of the normalization process of the properties that implies different procedures before the public entities that are part of the process and are necessary and obligatory.

It is also reported that *"Due to the operational difficulties presented by the IGAC, Enel Colombia S.A. E.S.P. is studying the possibility of entering into a cooperation agreement with the municipality of Garzón, which was authorized as cadastral manager in Resolution 1698 of November 9, 2021, "Through which empowers the municipality of Garzón-Huila as cadastral manager and other provisions are issued."*

In this sense, it was requested that all costs incurred by Enel Colombia S.A. E.S.P. for these property sanitation processes, be charged to the 1% Investment Plan budget.

2. Clarify and give scope to the concept of "good state of conservation" of the properties to be acquired through the line "Acquisition of properties and/or improvements in moorland areas, cloud forests and areas of influence of sources, aquifer recharge, fluvial stars and water rounds."

In this sense, it is necessary to know if the activities of visual identification of the landscape with aerial photographs, the use of drones and the reports of the related activities can be paid for with the budget of the 1% compulsory investment Plan.

3. The payment of visits from the CAM is authorized to issue the respective concepts of approval or rejection for the purchase of the properties offered by the cost municipalities with the resources of the 1% investment plan.

Through file 2022104387-2-000 of May 26, 2022, the ANLA pronounces itself, informing the following:

In conclusion, for the acceptance of the eligible expenses charged to the forced investment of not less than 1%, the holders of environmental licenses must technically support their contribution to the *"recovery, preservation, conservation and surveillance of the hydrographic basin"*. Justifying the need for these and financially provide contracts, agreements, progress reports, effectively executed budgets, invoices and proof of discharge that demonstrate the canceled values.

1. The costs associated with this activity (visual identification of the landscape through aerial photographs and use of drones; as well as "annexe activities"), which have not been requested by this Authority, will not be eligible for the amount of the forced investment of not less than 1%, considering that it is not necessary to incur them to identify areas with conserved vegetation cover, highlighting that the amounts to be invested should focus on actions that promote the conservation and protection of water resources, the which corresponds to the objective of the compulsory investment obligation of not less than 1% and therefore must be used efficiently.
2. Regarding the elaboration of technical concepts by the Regional Autonomous Corporation of Alto Magdalena - CAM as a result of the field visit of the properties to be acquired, it is viable to discount said value from the amount of the forced investment of not less than 1%; however, it is clarified that this value will be discounted only from the properties that are finally acquired once the entire purchase and delivery process of the property is completed, complying with all the associated requirements and discriminated in numeral 2 of the second article of Resolution 2398 on December 29, 2021.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)

Notes to the Consolidated Financial Statements

(In thousands of pesos)

Through Administrative Act No. 1572 of July 22, 2022- File LAM4090, the ANLA pronounces itself informing the following: *FIRST ARTICLE. TO ACCEPT as part of the liquidation of the forced investment of not less than 1%, the sum of SIXTY-TWO MILLION FOUR HUNDRED AND NINETEEN THOUSAND TWO HUNDRED SEVENTY-NINE PESOS AND SEVEN CENTS. (\$62,419,279.07), settled on the settlement basis corresponding to the sum of SIX THOUSAND TWO HUNDRED FORTY-ONE MILLION NINE HUNDRED TWENTY SEVEN THOUSAND NINE HUNDRED SEVEN PESOS MCTE. (\$6,241,927,907), value that corresponds to the land acquisition item for the period between October 16, 2019 and December 31, 2021, in accordance with the provisions of the motivational part of this administrative act.*

Through filing 00322725 of August 16, 2022, by Enel Colombia requesting the following clarifications:

1. Regarding the second paragraph of the second article of Resolution No. 1572 of July 22, 2022, we respectfully request that the values be verified and the figure of (\$1,225,527) be clarified, corresponding to the 10% increase, since when applying said percentage to the base to be updated of \$1,229,526,748, it differs from the value indicated in the resolution. As a consequence of the clarification, if necessary, the adjustment of the figures derived from the clarified figure is made.
2. Regarding the third article, we respectfully request to clarify that the Environmental Compliance Report - ICA-26, corresponds to the first semester of 2022 and not to the second semester of 2021, as indicated in the article.

Through Resolution 02829 of November 30, 2022, the ANLA modifies the second article of Resolution 1572 of July 22, 2022, with which the cumulative partial settlement as of December 2021 of the forced investment of not less than 1% is updated, whose value amounts to \$16,326,576,088.18 and presents the following investment balance:

FORCED INVESTMENT BALANCE OF NOT LESS THAN 1%	
Liquidation Value based on the certificates at historical cost to 2018.	\$ 14.795.967
Value increase to the incremental percentage established in article 321 of Law 1955 of 2019.	\$ 1.229.527
Subtotal liquidation value updated to article 321 of Law 1955 of 2019 (Base cut 2018)	\$ 16.025.494
Value 1% Leakage measurement system (2019-2020 period accepted in Resolution 1328 of July 28, 2021)	\$ 238.663
Additional value Item acquisition of Land (Period October 16, 2019 to December 4, 2020 and year 2021 accepted in Resolution 1572 of July 22, 2022)	\$ 62.419
Total Compulsory investment liquidation of not less than 1% accumulated as of December 31, 2021	\$ 62.419
Value in execution of the Investment Plan at the entry into force of article 321 of Law 1955 of 2019.	\$ 2.500.699
Value to execute the Investment Plan of 1%	\$ 13.825.877

Source: ANLA Resolution 02829 of November 30, 2022.

Added to the above, Enel continues the management for the execution of the investment lines associated with the acquisition of land and construction of PTARD.

In this sense, the review process of the "El Danubio" property was prioritized, whose study of titles is viable and will go to approval by the Regional Autonomous Corporation of Alto Magdalena (CAM).

On the other hand, the municipality of Garzón received technical and financial endorsement from the firm Aguas del Huila for the PTARD project of the San Antonio del Pescado town center and is advancing in the implementation of the sanitation plan and management of dumping as a final requirement for the presentation of the project to the CAM for approval of its execution with the resources of the 1% investment plan.

- (2) Corresponds to the provision derived from the environmental obligations associated with the construction of residual treatment plants, offensive odor reduction plan and environmental management plan for the operation of the Muña reservoir, in order to mitigate the environmental impacts generated for the municipality of Sibaté and its coast. Enel Colombia S.A. E.S.P. proposes to execute the works established in the obligation by 2038, for which the long-term flows were discounted at a rate of 13.05% APR
- (3) Corresponds mainly to the charge of initial balances of Enel Green Power Colombia S.A.S. E.S.P. from the merger process for environmental provisions for the construction and operation of the Solar Park project El Paso in the department of Cesar, issued under Resolution No. 0136-14-03-2017 granted by the Regional Autonomous Corporation of Cesar - Corpocesar, covering the pre-operative, construction, operational and post-operative stage; which include works and activities such as Solar Park, booster substation, camp, administrative area, electrical connection line, bypass, hydraulic works among others.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements

(In thousands of pesos)

As of December 31, 2022, the value recorded for the environmental provision of the El Paso solar park includes the discount of future flows, NPV and the rate used is 13.34% APR, with an estimated execution period of 30 years, which corresponds to the duration of the license. The concepts included are: Environmental compliance (PMA), risk management plan, plant enrichment of 63 hectares with epiphytes and monitoring for (3) years. Res. 0086 of 2018) and Compensation plan for the El Paso Solar Park (6 years (1 implementing 5 maintenance)) (res. 136-2017, PMA - BC-1, BSM-4).

- (4) As of December 31, 2022, the value recognized as a provision for the compensation plan imposed by the Corporación Autónoma Regional de Cundinamarca (CAR) , corresponds to the environmental obligation established by Enel Colombia S.A. E.S.P. in Resolution 2984 of December 9, october 2017, executed on April 10, 2018. The obligation consists of the preparation and execution of a Compensation Plan associated with the Bogota River water concession, which must be prepared in accordance with the alternatives defined by the Corporation.

On July 13, 2020, Enel Colombia S.A. E.S.P. was notified via email of DGEN Resolution No. 20207100872 of July 10, 2020, issued by the Corporación Autónoma Regional de Cundinamarca (CAR) "By which an Environmental Compensation Plan is established and other determinations are made. This resolution imposes a Compensation Plan for \$96,680,772.

On July 28, 2020, Enel Colombia S.A. E.S.P. filed an appeal for reversal of DGEN Resolution No. 20207100872 of July 10, 2020 issued by the Corporación Autónoma Regional de Cundinamarca (CAR) . Subsequently, through DGEN Resolution No. 20217000244 of June 16, 2021, which resolves the appeal and DGEN Resolution No. 20207100872 of July 10, 2020, the decision is made under the legal and legal strategy to file a lawsuit nullity and restoration of the right which was filed before the Administrative Court of Cundinamarca on November 25, 2021.

In accordance with the foregoing and taking into account that Enel Colombia S.A. E.S.P. sued resolution CAR No. 20207100872 of 2020, seeking that it be annulled, until there is a final ruling within the judicial process, Enel Colombia S.A. E.S.P. must comply with what is established in the aforementioned administrative act, that is, to develop the actions contemplated in the programs defined by the CAR for an approximate value of \$96,000,000 whose execution must be distributed over the time of the concession, until the year 2038".

- (5) As of December 31, 2022, the value of the claims in the claims against the Group for administrative, civil, labor litigation and constitutional actions amounts to \$16,761,502,854 based on the evaluation of the probability of success in defending these cases, \$25,694,007 have been provisioned (includes financial update) to cover probable losses due to these contingencies. Management estimates that the results of the lawsuits corresponding to the part not provisioned will be favorable to the interests of the Group and would not cause significant liabilities that must be accounted for or that, if they were to arise, they would not significantly affect the financial position of the Group.

Given the characteristics of the risks that these provisions cover, it is not possible to determine a reasonable schedule with payment dates.

As of December 31, 2022, the value of claims for administrative, civil, labor and contractor litigation is detailed as follows:

Processes	Qualification	Processes Number	Number of Processes (indeterminate amount)	Value of the Contingency	Provision value
- Distribution - Civil	Possible	161	65	568.208.632	-
	Likely	47	-	26.794.682	8.314.524
	Remote	73	24	13.093.410.992	-
Total distribution - Civil		281	89	13.688.414.306	8.314.524
- Distribution-Labor	Possible	88	14	16.980.053	-
	Likely	43	-	10.975.771	6.977.635
	Remote	9	-	1.970.869	-
Total distribution-Labor		140	14	29.926.693	6.977.635
Renewables - Labor	Possible	1	-	14.754	-
	Remote	3	1	29.509	-
Total Renewables - Labor		4	1	44.263	-
Generation-Floods A97	Possible	3	-	169.370	-
	Likely	1	-	2.953.181	800.000
Total generation-Floods A97		4	-	3.122.551	800.000

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Processes	Qualification	Processes Number	Number of Processes (indeterminate amount)	Value of the Contingency	Provision value
Generation-Floods D97	Possible	9	-	6.197.067	-
Total generation-Floods D97		9	-	6.197.067	-
Generation-Labor	Possible	30	-	2.876.964	-
	Likely	7	5	2.874.593	1.520.343
	Remote	3	-	7.041.000	-
Grand total Total Generation-Labor		40	5	12.792.557	1.520.343
Generation-Others	Possible	26	15	51.103.496	-
	Likely	2	-	149.000	15.734
	Remote	14	6	2.350.087.387	-
Total Generation-Others		42	21	2.401.339.883	15.734
Quimbo	Possible	170	25	609.738.241	-
	Likely	1	-	5.377.741	1.400.000
	Remote	5	1	2.946.552	-
Total Quimbo		176	26	618.062.534	1.400.000
Renewables-Civil	Remote	2	-	1.603.000	-
Total Renewables-Civil		2	-	1.603.000	-
Grand Total		698	156	16.761.502.854	19.028.236

Concept	Value of the provision to 2022
Success bonuses	5.036.763
Litigation provision	956.450
Sanctions	3.339.758
VPN	(2.667.200)
\$	6.665.771

- (6) During the year 2022, the Group carried out an analysis of the requalification options in the use of the facilities, the implementation of new technologies such as green Hydrogen, floating solar panels, the use of biofuels, and other options including the real estate field. The results obtained do not support future investments that favor recovery, reuse, repowering and/or operational resumption for future periods of the Cartagena Power Plant. For this reason and in accordance with Resolution 1420 of November 6, 2015 by which Resolution 1809 of October 15, 2008 is adjusted via follow-up in its "Article Nine: Accept the closure and abandonment plan as it was presented and require the company Enel Colombia S.A. E.S.P. (formerly Emgesa S.A. E.S.P.) to review and adjust this file, for the date on which the closing period occurs, considering the conditions that may arise for that time." Based on the foregoing and considering that due to the age of the plant as of December 31, 2021, the constitution of said provision was not required until the closing period was determined, as of December 31, 2022 a dismantling provision has been established of the Central for \$138,140,857. The period determined for the execution will be between November 2023 and 2028.
- (7) Corresponds mainly to the provision for the dismantling of PCBs from the merger process (see note 1.4 Merger).

Taking into account that Colombia with Law 1196 of 2008 accepted the Stockholm Convention and that this fact was regulated by Resolution of the Ministry of the Environment No. 222 of December 15, 2011, modified by resolution 1741 of 2016, Enel Colombia S.A. E.S.P. recognized the provision for disposal of transformers contaminated with PCBs (polychlorinated biphenyls) starting in 2012 and has subsequently updated the obligation taking into account changes in financial variables and main assumptions.

Export of contaminated transformers

On November 11, 2014, the contract with LITO S.A.S. was signed, whose purpose was to carry out the process of disposing of the transformers contaminated with PCBs, prior authorization of the border transit permit by the ANLA (National Authority of Environmental Licensing). However, in 2015 the shipping company MAERSK found itself limited during the authorization period to carry out the agreed transport, taking into account the existence of the period of restrictions for the exclusive transport of food to Europe.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

In order to generate efficiencies in costs and in the export of contaminated transformers, the Group implemented ultrasonic washing technology for the treatment of equipment contaminated with PCBs, which was endorsed by the Ministry of Environment and Sustainable Development on a large scale as result of the pilot project carried out by the Group together with its collaborating company LITO S.A.S. In that order, in August 2016 addendum No. 1 to the contract was signed, which included the activity of handling, packaging, loading, transportation, treatment and final disposal of electrical equipment contaminated with PCBs without oil using the ultrasonic washing technique.

On September 9, 2016, the ANLA (Autoridad Nacional de Licencias Ambientales) issued the permit for the cross-border movement of waste, which is why the decontamination of 164 pieces of equipment contaminated with PCBs with a weight equivalent to 65 tons was carried out through the new technology representing a saving of 31% of the cost compared to the traditional export alternative. Likewise, 23 tons were exported through traditional exports, which due to their characteristics are not susceptible to being washed.

Since 2017, the Group began washing carcasses, no exports were made in this period, taking into account that the aforementioned contract ended its validity. In December 2016, LITO S.A.S. was awarded the new contract for the provision of the "Handling, packaging, loading, transportation, treatment and final disposal of waste contaminated with PCBs" service. During 2022, two carcass washing activities and one oil dechlorination activity have been carried out.

Inventory marking and sampling

On December 21, 2015, contract 5600014180 was signed with the Colombia Multiservicios S.A. Company (hereinafter CAM) with a duration of 3 years and whose objective was to carry out the collection, handling, analysis and storage of samples and marking of equipment in general. On February 2, 2016, the marking and sampling activities of medium voltage equipment began.

At the beginning of 2016, the actual scales were updated after the award of this contract, generating an approximate impact of \$4,419,000.

In 2021, a new contract was signed with the CAM company for the execution of activities for the lifting, marking and sampling of equipment with oil content. In July 2021, work began on the ground and identification activities were carried out for \$748,387.

As of December 31, 2022, the balance of the provision is \$16,267,469. The Group updated the provision by discounting future flows at the net present value at a rate of 21.55% APR, the most appropriate discount rate, the rates are considered of interest on government bonds (TES) that have maturity terms similar to those of the obligation.

- (8) Corresponds to the provision of contributions to the rural electrification fund, mainly from the company Enel Fortuna S.A., on which the generation plants in Panama must make an annual contribution of 1% of their net profit before income tax in accordance with the Law No. 58 of 2011 and modified by Law No. 67 of 2016.
- (9) The variation corresponds mainly to the provisions of Codensa S.A. E.S.P. and Enel Green Power Colombia S.A.S. E.S.P. from the merger process (see note 1.4 Merger).

As of January 1, 2020, the Group applies IFRIC 23, "Uncertainties regarding the treatment of income taxes", which is taken into account for the determination of both current Income Tax and Income Tax. Deferred rent. This interpretation defines "uncertain tax treatment" as the position adopted by an entity regarding the determination of Income Tax, with respect to which it is probable that the Tax Administration will not accept said position, whether or not it has been validated in the past by the aforementioned Administration.

In application of this interpretation, the Group has been advancing the review of the contracts entered into with foreign entities and the fulfillment of requirements that must be taken into consideration.

- (10) Corresponds to the values committed by the Group within the framework of the Tominé Reservoir Administration, Operation and Maintenance Agreement signed with the Grupo de Energía de Bogotá in 2013, with a duration of 10 years.
- (11) In 2022, the Group recognized a provision for the retirement plan of the Cartagena Power Plant personnel, taking into account that its dismantling is planned once its current regulatory commitments (Firm Energy Obligations) have been completed in November 2023.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements

(In thousands of pesos)

(12) The balance corresponds mainly to the provision of Codensa S.A. E.S.P. from the merger process. (see note 1.4 Merger).

In 2020, the Group recognized the Transition Fund provision, which has as its objective the efficiency of the staff in line with the investment plan in digitization and automation of the Enel Group worldwide in the different areas and lines of business of Group Enel Colombia. The foregoing implies identifying efficiencies to replace profiles and having the necessary economic resources as part of the aforementioned strategy, which leverages the achievement of the objectives defined by the Group.

As of December 31, 2022, the provision was updated according to the change in flows between the years 2022 and 2029.

The movement of provisions between January 1, 2022 and December 31, 2022 is as follows:

	Provision of legal claims	Dismantling, Costs of restoration and rehabilitation	Uncertainty Fiscal provision	Environmental Provisions	Transition Fund Provision	Provision of the Central Cartagena retirement plan	Others	Total
Initial balance as of January 1, 2022	10.995.153	958.961	7.520.768	291.705.156	6.649.942	-	10.628.427	328.458.407
Initial balances Merger	17.369.210	35.064.310	11.603.411	17.070.394	28.318.803	-	20.377.041	129.803.169
Increase (Decrease)	6.101.527	138.300.712	3.658.878	(17.343.516)	(12.022.954)	10.279.834	(1.336.462)	127.638.019
Provision used	(847.046)	(4.842.980)	(206.321)	(14.949.599)	(1.181.936)	-	4.571.618	(17.456.264)
Update financial effect	(2.054.850)	1.119.528	-	17.228.073	(7.586.490)	-	-	8.706.261
Recoveries	(5.869.987)	(2.871.790)	-	-	-	-	-	(8.741.777)
Total movements in provisions	14.698.854	166.769.780	15.055.968	2.005.352	7.527.423	10.279.834	23.612.197	239.949.408
Closing balance as of December 31, 2022	25.694.007	167.728.741	22.576.736	293.710.508	14.177.365	10.279.834	34.240.624	568.407.815

	Provision of legal claims	Dismantling, Costs of restoration and rehabilitation	Uncertainty Fiscal provision	Total
Initial balance as of January 1, 2021	9.419.739	277.563.035	24.637.308	311.620.082
Increase (Decrease)	1.997.545	87.671.382	1.120.815	90.789.742
Provision used	(162.912)	(43.541.091)	-	(43.704.003)
Provision reversion	-	-	(18.237.355)	(18.237.355)
Update financial effect	(123.434)	(1.971.872)	-	(2.095.306)
Recoveries	(135.785)	-	-	(135.785)
Other decrements	-	(9.778.968)	-	(9.778.968)
Total movements in provisions	1.575.414	32.379.451	(17.116.540)	16.838.325
Closing balance as of December 31, 2021	\$ 10.995.153	\$ 309.942.486	\$ 7.520.768	\$ 328.458.407

The Group faces litigation classified as possible or eventual, for which management, with the support of its external and internal legal advisors, estimates that the result of the lawsuits corresponding to the part not provisioned will be favorable for the Group and will not cause significant liabilities that must be accounted for or that, if they arise, will not significantly affect its financial position.

From December 31, 2021 to December 31, 2022 eventual proceedings varied by \$(1,226,608) mainly due to:

Process Group	Process type	Worth
Distribution-Civil	Contract dispute action	(2.857.680)
	Direct repair action	(1.178.441)
	Group Actions	(6.860)
	Popular actions	(48.000)
	Nullity and restoration of the right in the first instance (Law 1437 of 2011)	(7.570)
	Non-contractual civil liability declaration process	132.327
	Executive process of greater and lesser amount for obligation to give sums of money	21.000
	Ordinary process of major, minor and minimum amount	(579.517)
	Verbal process of greater and lesser amount (L. 1395 of 2010)	(1.230.597)
	Verbal summary process of consumer protection action (CGP)	-
Total Distribution-Civil		(5.755.338)
Distribution-Labor	Labor executive	19.600
	Labor ordinary of first instance	4.360.846
Total Distribution-Labor		4.380.446
Generation-Floods A97	Ordinary process of major, minor and minimum amount	(101.363)

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Process Group	Process type	Worth
Total Generation-Floods A97		(101,363)
Generation-Floods D97	Ordinary process of major, minor and minimum amount	(34.711)
Total Generation-Floods D97		(34.711)
Generation-Labor	Labor executive	5.000
	Labor ordinary of first instance	280.000
Total Generation-Labor		285.000
Generation-Others	Popular actions	11.608
	Nullity and restoration of the right in the first instance (Law 1437 of 2011)	(12.250)
Total Generation-Others		(642)
Grand Total		(1.226.608)

The Group has a tax litigation as of December 31, 2022 classified as probable which has been provisioned for \$956,450, corresponding to the stratification tax rate demand.

The movement of the provision for legal claims in 2022 corresponds mainly to:

a) Provisions:

Process type	Demanding	Object of the demand	Worth	Date
Distribution-Labor	Leonardo Andrés Alzate Restrepo y otros	First-instance labor ordinary	3.850.000	may-22
Distribution-Civil	Tubotec Sas	Direct repair action	350.000	may-22
Generation-Labor	Jesús Anibal Vasquez	First-instance labor ordinary	300.000	nov-22
Distribution-Labor	Liliana Rocio Castro Ospina	First-instance labor ordinary	250.000	nov-22
Distribution-Labor	"Consuelo Rodríguez Hernandez	First-instance labor ordinary	160.000	nov-22
Distribution-Civil	Gabriel Rocha Sarmiento	Non-contractual civil liability declaration process	137.000	apr-22
Distribution-Labor	Margarita Gonzalez Rojas	First-instance labor ordinary	89.909	jul-22
Distribution-Labor	Lorenzo Porras Martinez"	First-instance labor ordinary	45.000	nov-22
Distribution-Civil	Laura Tatiana Lopez Orjuela - Vanessa Lopez Orjuela Y Violet Barreto Lopez	Greater, lesser and minimum amount ordinary process	44.224	aug-22
Distribution-Labor	Fredy Zapata Cubides	First-instance labor ordinary	43.702	nov-22
Distribution-Labor	Luis Parmenio Lopez Acosta	First-instance labor ordinary	40.000	feb-22
Distribution-Labor	Jayson Steve Oliveros Ávila	First-instance labor ordinary	25.800	feb-22
Distribution-Civil	Jose Antonio Benavides Guata Y Luz Mary Ladino Cubillos	Direct repair action	22.912	jun-22
Distribution-Civil	Jorge Enrique Chacon Quintana	Greater, lesser and minimum amount executive process for cash amount obligations	21.000	jun-22
Generation-Others	Jose Belisario Prada Abril	Popular actions	13.008	jul-22
Distribution-Civil	Victor Hugo Rojas Arias	Greater, lesser and minimum amount ordinary process	9.945	aug-22
Distribution-Labor	Noel Olaya Satizabal	First-instance labor ordinary	7.576	mar-22
Distribution-Labor	Jose Nestor Guavita Cubillos	First-instance labor ordinary	6.759	jul-22
Generation-Labor	Hector Suarez Mesa	Labor executive	5.000	jul-22
Distribution-Civil	Jose Joaquín Salas Rojas	Popular actions	2.000	jul-22
Generation-Floods A97	Francisco Albeiro Martinez Narváez	Greater, lesser and minimum amount ordinary process	1.000	jul-22
Distribution-Civil	Superintendencia De Servicios públicos Domiciliarios	Action of annulment and reestablishing of right in first instance of administrative courts	500	aug-22

b) Payments:

Process type	Demanding	Object of the demand	Worth	Date
Distribution-Labor	Jorge Enrique Chacin Quintana Y Otros	Labor ordinary of first instance	(217.604)	nov-22
Distribution-Labor	Aguas Lastre- Susana Rodriguez	Labor executive	(211.342)	feb-22
Generation-Labor	Jesús Anibal Vasquez	First instance labor ordinary	(196.145)	dec-22
Distribution-Labor	Liliana Rocio Castro Ospina	First instance labor ordinary	(180.051)	dec-22
Distribution-Civil	Orjuela Martinez Res	Direct reparation action	(83.241)	may-22
Distribution-Labor	Jayson Steve Oliveros Avila	Labor ordinary of first instance	(59.271)	mar-22
Distribution-Civil	Laura Tatiana Lopez Orjuela	Non-contractual civil liability declaration process	(57.601)	may-22
Distribution-Civil	Maria Marleny Arango	Direct reparation action	(45.426)	feb-22
Distribution-Civil	Lina Marcela Aguas Ramirez	Direct reparation action Direct	(31.533)	aug-22
Distribution-Civil	Gilberto García - Paulo Millán	Reparation action Ordinary	(27.256)	feb-22
Distribution-Labor	Fredy Zapata Cubides	Labor first instance	(2.561)	dec-22
Distribution-Civil	Alberto Chaya Pallares	Executive process of greater and lesser amount for obligation to give sums of money	(1.716)	sep-22
Distribution-Civil	Irma Garcia Ramirez	Direct reparation action	(9.085)	feb-22
Distribution-Labor	Sonia Gualteros	Labor executive	(9.000)	oct-22
Distribution-Labor	Ana Delia Arandia Cárdenas	First instance labor law Direct	(4.513)	nov-22

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Process type	Demanding	Object of the demand	Worth	Date
Distribution-Civil	Jorge Isaac Rodelo Menco	Reparation action	(3.668)	jun-22
Generation-Labor	Lenandro Antonio Herrera	Labor executive	(2.500)	jul-22
Distribution-Labor	Cecilia Hernandez De Rivera	Labor executive	(2.075)	mar-22
Distribution-Labor	Arturo Montoya, Blanca Paniagua, Carlos Julio Orozco	Labor ordinary of first instance	(125)	sep-22
Distribution-Civil	Victor Julio Sabogal Mora	Verbal process of greater and lesser amount (L. 1395 of 2010)	(1.025)	jul-22
Generation-Others	Helga Adriana Sanabria Knepper Y Otros	Popular actions	(1.008)	jul-22
Distribution-Civil	Superintendencia De Servicios públicos Domiciliarios	Action for annulment and restoration of the right in the first instance of the administrative courts	(70)	sep-22

c) Recoveries:

Process type	Demanding	Object of the Demand	Worth	Date
Distribution-Civil	Cooperativa de Ingeniería Y Servicios Isecoop	Contract Dispute Action Direct	2.916.000	apr-22
Distribution-Civil	Dalia Mercedes Lasso Y Otros	Remedial Action	1.037.000	may-22
Distribution-Civil	Agueda Garzon De Rodriguez	Verbal process of major and minor amount (L. 1395 of 2010)	989.000	oct-22
Distribution-Civil	Mariela Mahecha Y Otros	Verbal process of major and minor amount (L. 1395 of 2010)	240.000	jun-22
Distribution-Civil	Pedro Antonio Virguez	Ordinary process of major, minor and minimal amount	121.046	jun-22
Distribution-Civil	Edwin Fernando Patarroyo Baquero	Ordinary process of major, minor and minimal amount	117.601	dec-22
Generation-Floods A97	Rafael Bernate (89)	Ordinary process of major, minor and minimal amount	98.347	sep-22
Distribution-Civil	Maria De Jesus Segura	Executive process for the payment of sums of money (CGP)	71.986	oct-22
Distribution-Civil	González, Manuel Alfredo Zapata Y Otros	Popular actions	50.000	jun-22
Distribution-Civil	Diana Patricia Quintero Ossorio	Direct repair action	36.070	apr-22
Generation-Floods A97	Pastor Aroca Ibarra	Ordinary process of major, minor and minimum amount	35.420	may-22
Distribution-Civil	Claudia Yasnid Florez	Ordinary process of major, minor and minimum amount	35.000	dec-22
Distribution-Labor	Elizabeth Varon Oviedo	Ordinary labor of first instance	22.000	jun-22
Distribution-Civil	Andrea Peña Rodríguez	Verbal process of greater and lesser amount (L. 1395 of 2010)	19.535	dec-22
Distribution-Civil	Elva Maria Vega	Ordinary process of greater, lesser and minimum amount	14.000	may-22
Distribution-Civil	Superintendencia De Servicios Públicos Domiciliarios	Nullity and restoration of the right in the first instance (Law 1437 of 2011)	7.724	apr-22
Distribution-Civil	Sildana Vargas Bermejo,	Verbal process of greater and lesser amount (L. 1395 of 2010)	4.088	oct-22
Generation-Floods A97	Libardo Chico	Ordinary process of greater, lesser and minimum amount	4.000	dec-22
Distribution-Civil	Centro Médico De La Sabana Ph	Group Actions	2.088	dec-22
Distribution-Civil	Edison Rafael Venera Lora	Popular actions	2.088	jun-22
Distribution-Civil	Jorge Enrique Prieto Amortegui	Extra-contractual civil liability declaration process	1.973	dec-22
Generation-Floods A97	Luis Ferney Yara (94)	Ordinary process of greater, lesser and minimum amount	1.084	dec-22
Generation-Floods A97	Alfonso Rodríguez Yara	Ordinary process of greater, lesser and minimum amount	1.000	jul-22
Distribution-Civil	Superintendencia De Servicios Públicos Domiciliarios	Action for annulment and restoration of the right in the first instance of the administrative courts	430	may-22
Generation-Others	Helga Adriana Sanabria	Popular actions	400	may-22
Distribution-Labor	Servo De Jesús Penagos Piragauta	Labor ordinary of first instance	172	jul-22
Distribution-Civil	Leidy Jimena Rubio Figueroa, Renato Rubio Giraldo Y Piedad Jhanneth Figueroa Orozco.	Verbal process of greater and lesser amount (L. 1395 of 2010)	88	oct-22
Distribution-Civil	Rosalba Chimbi Martinez,	Direct reparation action	88	dec-22

20. Tax liabilities

Income tax liabilities

The liability corresponding to current taxes is presented below:

	As of December 31, 2022	As of December 31, 2021
Current income tax (1)	\$ 1.790.073.730	\$ 738.050.937
Current tax liabilities Central America (2)	21.484.545	-
Tax payable prior year	34.746	733.589
Balance in favor of previous year	(192.496.450)	-
Tax discounts and withholding at source	(203.927.032)	(15.549.543)
Self-withholding other concepts	(329.100.349)	(72.740.661)
Self-withholding withholdings at the source	(302.831.588)	(114.641.610)
Income advance for the year	-	(259.202.691)
Balances in favor of rent Enel Green Power Colombia S.A.S. E.S.P.	(4.552.858)	-
Total, current tax liabilities	\$ 778.684.744	\$ 276.650.021

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

(1) As of December 31, 2022, the current income tax liability is comprised of:

	As of December 31, 2022	As of December 31, 2021
Income taxes related to the result of the period	\$ 1.767.589.678	\$ 737.404.690
Income taxes related to components of other comprehensive income	22.484.052	646.247
Total	\$ 1.790.073.730	\$ 738.050.937

As of December 31, 2022, a current income tax of \$1,373,728,278 is presented, which will be taken into account in the presentation of income in 2023.

The income statements for taxable years 2016, 2017, 2018, 2019, 2020 and 2021 are open for review by the tax authorities, as well as the 2016 CREE equity income. However, in the opinion of management, in the event that an inspection process occurs, no significant differences are expected.

The provision for income tax is calculated at the prevailing rate. For the taxable year 2022, the rate is 35%, by the causation method and is determined based on the purified commercial profit in accordance with current tax regulations.

(2) Due to the merger given on March 1, 2022, the countries Guatemala, Panama and Costa Rica are included, reflecting a liability as of December 31, 2022 for current tax as follows:

	As of December 31, 2022
Total companies Panama	\$ 13.039.165
Total companies Guatemala	6.342.289
Total companies Costa Rica	2.103.091
Total net current tax liability	\$ 21.484.545

Transfer prices

• Colombia

Income taxpayers who enter into operations with related parties or foreign related parties are obliged to determine, for income tax purposes, their ordinary and extraordinary income, their costs and deductions, their assets and liabilities, considering for these operations the prices and profit margins that would have been used in comparable operations with independent entities.

The formal duties of the year 2021 that are presented to the DIAN were duly transmitted on September 13, 2022. In the case of Codensa S.A. E.S.P. and Enel Green Power Colombia S.A.S. E.S.P., they were presented on September 16, 2022 and September 19, 2022, respectively.

The transactions carried out during 2022 have been validated by the tax advisors and the supporting and informative documentation for the year 2022 will be presented in 2023 under the terms established by the National Government.

• Panama

Law 33 of June 30, 2010, modified by Law 52 of August 28, 2012, added Chapter IX to Title I of Book Four of the Fiscal Code, called Rules of Adaptation to Treaties or Agreements to avoid double taxation international, establishing the transfer pricing regime applicable to taxpayers who carry out operations with related parties residing abroad. These taxpayers must determine their income, costs and deductions for tax purposes in their income statements, based on the price or amount that would have been agreed by independent parties under similar circumstances under conditions of free competition, using the methods established in the aforementioned Law 33. This law establishes the obligation to present an informative declaration of operations with related parties (Report 930) within the six months following the closing of the corresponding

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

fiscal year, as well as to have, at the moment of the presentation of the report, a price study of transfer that supports what was declared through the 930 report. This study must be delivered at the request of the General Directorate of Revenues, within a period of 45 days from the notification of the requirement. Failure to submit the informative return will result in the application of a fine equivalent to one percent (1%) of the total value of the operations carried out with related parties. As of December 31, 2021, the Companies are in compliance with this requirement.

• **Guatemala**

In 2012, Guatemala adhered for the first time to the Special Valuation Rules between Related Parties in Chapter VI, Title II, of the Tax Update Law, published in Decree 10-2012, which specifies the compliance information in matters of Transfer Pricing by the taxpayer, being composed of the general principles of information and documentation, application methods and valuation rules.

It is important to mention that even though Guatemala is not a member of the OECD, the Guatemalan Tax Authority generally accepts the OECD Transfer Pricing Guidelines as a specialized technical reference, but not as a supplementary source of interpretation of the law.

Decree 10-2012 includes transfer pricing regulations, which establishes that operations between Guatemalan entities with related parties abroad must be executed under the principle of free competition.

The Law establishes in Article 65, numeral 1, the obligation of the taxpayer to have, at the moment of presenting the ISR Affidavit, sufficient information and analysis to demonstrate and justify the correct determination of prices between related parties (study of transfer prices).

This documentation is necessary to fill out the annex on operations with related parties, which was submitted together with the Annual Return of IRS on March 31, 2022.

• **Costa Rica**

In accordance with Costa Rican transfer pricing legislation, in accordance with the provisions of interpretative directive 20-03, Law No. 7092 - Income Tax Law and Decree No. 41818-H. Likewise, the requirements of Resolution DGT-R-49-2019, which establishes the guidelines to document the information of the local taxpayer, the company must prepare a transfer pricing study of the transactions carried out with related parties residing in Costa Rica and abroad during the year 2021.

The OECD Guidelines published by the OECD in 1995 are considered, since then they have been periodically reviewed and updated, with the edition published in 2017 being its most recent update. The arm's length principle mentioned in the OECD Guidelines requires that the results of an intercompany transaction be similar to the amounts that independent entities would have agreed to under similar or comparable circumstances.

Within the framework of the study, a comparability analysis is carried out to identify and characterize the operations that concern this study and the entities involved in said transactions. Based on the functional analysis, the functions performed, the assets used and the risks assumed by the company in relation to the intercompany transactions under review are identified. Subsequently, the best method to document intercompany transactions is identified and finally the market value range for the related party transactions analyzed is determined.

Legal stability contract

The main aspects of the legal stability contract entered into between the Nation (Ministry of Mines and Energy) and the company Enel Colombia S.A. E.S.P., perfected on December 20, 2010, are described below:

Object: The company Enel Colombia S.A. E.S.P. undertakes to build the "El Quimbo" hydroelectric plant.

Investment Amount and Terms: The investments of the company Enel Colombia S.A. E.S.P. related to the El Quimbo project were committed to \$1,922,578,000. In the first half of 2014, an increase in the budget of \$583,184,000 was approved, which together with the financial expense that \$450,712,000 has been incurred and is projected to incur to finance the project, represents a higher value of the investment. In accordance with the provisions of paragraph 2 of clause 2 of the legal stability contract, the higher value of the investment implied paying, in December 2014, the sum of \$6,299,000, for the adjustment of the premium established in the contract of legal stability. In March 2016, a second adjustment was paid for \$4,657,000, due to the increase in the amount of the investment.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Key regulations subject to Legal Stability (with favorability):

- a. Income rate (33%), exclusion from the calculation of presumptive income and special deductions for investments in scientific development and for investments in the environment, among others.
- b. It makes it possible to ensure the stability of the special deduction for investment in productive real fixed assets (30%), which was dismantled as of January 1, 2011.

Obligations of the Parties

a. Obligations of the company Enel Colombia S.A. E.S.P.:

- Comply with the amount of investment planned for the construction and commissioning of the El Quimbo hydroelectric project.
- Pay the legal stability premium for \$9,617,000 (consigned on December 23, 2010) and adjust it in the event that there are increases in the amount of the investment, as was done according to the previous explanation. In December 2014, the company Enel Colombia S.A. E.S.P. paid \$6,299,000 as a premium adjustment due to the largest approved investment. In March 2016, the company Enel Colombia S.A. E.S.P. paid \$4,657,000 for a second premium adjustment for the greater investment made.

In 2017, a greater investment was made than that established in the contract, which is why the exact amount of increase in that investment is currently being established in order to proceed with the request for approval of re-settlement and payment of the premium before the Legal Stability Committee.

- Pay taxes on time.
- Hire an independent audit in charge of reviewing and certifying compliance with the commitments acquired in the contract, for this purpose the company Enel Colombia S.A. E.S.P. will hire a third party specialist to review the commitments acquired.

b. Obligations of the Nation:

- Guarantee for 20 years the stability of the standards included in the contract (with favourability) for the El Quimbo project.

The audit of the 2021 legal stability contract was filed with the Ministry of Mines and Energy within the period established for it, on March 31, 2022.

21. Other non-financial liabilities

	As of December 31, 2022	As of December 31, 2021
Advances for sale of energy (1)	\$ 177.215.002	\$ 108.922.202
Taxes other than Income (2)	118.518.005	32.716.290
Deferred income	3.818.047	3.818.047
Customer advances for use of networks	3.677.484	-
Total	\$ 303.228.538	\$ 145.456.539

(1) The variation for the period corresponds to an increase in the advance purchase of energy for \$45,414,081, mainly with Caribe Mar De La Costa S.A.S. E.S.P., Air-E S.A.S. E.S.P., and Americana de Energía S.A.S. and due to the merger effect of the distribution segment \$22,878,719.

(2) As of December 31, 2022, taxes other than income correspond to:

	As of December 31, 2022	As of December 31, 2021
Provision for payment of taxes (*)	\$ 40.605.337	\$ 10.021.073
Territorial taxes, municipal contributions and related (*)	77.912.668	22.695.217
	\$ 118.518.005	\$ 32.716.290

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

(*) The variation of the period corresponds mainly to the effect of the merger of the companies; regarding the provision for payment of taxes, this is composed of the ICA provision that generated an increase of \$24,175,949, and with respect to property taxes, municipal and related contributions, there was an increase of \$55,270,303, which is composed of withholdings at the source and withholding of ICA and VAT.

In Sociedad Portuaria Central Cartagena S.A. for the year ended December 31, 2022, other current non-financial liabilities are represented by accounts payable to the DIAN for income with holdings made to third parties, self-withholdings and Value Added Tax, and for accounts payable to the Cartagena Mayor's Office for ICA withholdings made to third parties.

For Atlantico Photovoltaic S.A.S. E.S.P. and Latam solar Fotovoltaica Fundación S.A.S., self-withholdings are presented for a value of \$55,838.

Central America

Guatemala: Corresponds to taxes payable for withholdings made to local suppliers for purchases and services for the month for \$2,322,402.

Costa Rica: Corresponds to the registration of VAT payable and withholdings at the source of foreign payments and wages for \$3,587,790.

Panama: Corresponds to the registration of VAT payable in the amount of \$350,487.

22. Employee benefits provisions

	As of December 31, 2022		As of December 31, 2021	
	Current	Non-Current	Current	Non-Current
Social benefits and legal contributions (1)	\$ 86.671.716	\$ 11.557.608	\$ 31.313.314	\$ 2.618.132
Post-employment and long-term defined benefit obligations (2)	32.440.715	365.314.784	6.749.434	73.618.005
Retirement plan benefits	5.383.396	-	1.135.453	-
Other obligations (3)	1.715.097	-	629.406	-
	\$ 126.210.924	\$ 376.872.392	\$ 39.827.607	\$ 76.236.137

- (1) The variation corresponds mainly to the liability recognized in the merger process on March 1, 2022 from Codensa S.A. E.S.P. \$34,846,174 and Enel Green Power Colombia S.A.S. E.S.P. \$2,863,729. (see note 1.4 Merger).

As of December 31, 2022, it corresponds mainly to bonuses of \$37,940,264; vacations and vacation premiums \$11,738,007; likewise, the Group makes regular legal contributions for layoffs and comprehensive social security: health, professional risks and pensions, to the respective private funds and Colpensiones that assume these obligations in their entirety. As of December 31, 2022, social security and parafiscal contributions amount to \$11,022,404 and severance pay and severance interest for \$25,051,876.

Centroamérica

Panama: Corresponds to the liability for obligations associated with the worker-employer tax payable to social security; in addition; provisions for annual vacations, annual bonuses and employer obligations associated with the thirteenth month payable to workers are recognized. Premium provision for seniority (obligation by law to pay this benefit to employees when the employment relationship ends) for \$1,819,181; for Enel Fortuna S.A. it corresponds to provisions for vacations, bonuses and labor benefits.

Costa Rica: Corresponds to social security obligations with the Caja Costarricense de Seguro Social (CCSS); contributions and employer contributions for pensions embargoes and pensions.

Guatemala: Corresponds to labor obligations of pension, health and other legal contributions, of Enel Guatemala S.A. with the Guatemalan Institute of Social Security and payment of employer obligations associated with Bonus 13 and 14.

- (2) As of December 31, 2022, the increase corresponds mainly to the actuarial liability of Codensa S.A. E.S.P. that was transferred in the merger process on March 1, 2022. (see note 1.4 Merger).

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The Group grants different defined benefit plans; post-employment obligations and long-term benefits to its active or retired workers; in accordance with the fulfillment of previously defined requirements, which refer to:

Retirement pensions.

The Group has a defined benefit pension plan for which it does not present specific assets, except for the own resources originated in the development of its operational activity.

Pension benefit plans establish the amount of pension benefit that an employee will receive upon retirement, which usually depends on one or more factors, such as the employee's age, years of service, and compensation.

The liability recognized in the consolidated statement of financial position, with respect to defined benefit pension plans, is the present value of the defined benefit obligation at the date of the consolidated statement of financial position, together with adjustments for actuarial gains or losses, not recognized. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated cash outflows using the interest rates calculated from the yield curve of the Public Debt Securities of the Government of Colombia (TES) denominated in value units (UVR) that have terms that approximate the terms of the pension obligation until maturity.

Actuarial gains and losses arising from adjustments for experience and changes in actuarial assumptions are charged or credited to equity in other comprehensive income, in the period in which they arise.

As of December 31, 2022, the employee base for which this benefit is recognized corresponds to:

Concept	As of December 31, 2022	As of December 31, 2021
Pensioners	1,445	309
Average age	70	66,5

Other post-employment obligations

Benefits to pensioners

The Group grants the following benefits to its employees retired by pension: (i) Educational aid, (ii) Energy aid, and (iii) Health aid in accordance with the provisions of the collective labor agreement.

The right to the aforementioned benefits is generally given to the self-employed person who has worked until retirement age. The expected costs of these benefits are accrued during the period of employment using a methodology similar to that of defined benefit plans. Actuarial gains and losses arising from adjustments for experience and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. These obligations are valued annually by qualified independent actuaries.

The base of employees pensioners on which this benefit is recognized corresponds to:

	As of December 31, 2022	As of December 31, 2021
Educational Aid		
Benefited pensioners	89	23
Average age (pensioners offspring)	19.4	21.3
Enerav Aid		
Benefited pensioners	1.198	275
Average age	70.3	69.2
Health Aid		
Benefited pensioners	774	73
Average age	61.8	59.1

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements

(In thousands of pesos)

Retroactive severance pays

Retroactive severance pays, considered as post-employment benefits, are liquidated to those workers belonging to the labor regime prior to Law 50 of 1990 and who did not accept the change of regime. This social benefit is settled for all the time worked based on the last salary earned and is paid regardless of whether the employee is fired or retires. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income.

The employee base for which this obligation is recognized corresponds to:

Concept	As of December 31 of 2022	As of December 31 of 2021
Employees	124	80
Average age	57	56
Antiquity	30,2	28,1

Long term benefits

The Group recognizes its active employees benefits associated with their time of service, such as five-year periods, which consists of making a payment for every 5 years of uninterrupted service to workers whose hiring date was made before September 21, 2005. and those workers who were working in the EEC and accrues from the second year, in accordance with what is defined in the collective labor agreement.

The expected costs of these benefits are accrued over the period of employment, using a methodology similar to that used for defined benefit plans. Actuarial gains and losses arising from adjustments for experience and changes in actuarial assumptions are charged or credited to profit or loss for the period in which they arise. These obligations are valued by qualified independent actuaries.

To date, the employee base for which this benefit is recognized corresponds to:

Concept	As of December 31 of 2022	As of December 31 of 2021
Employees	190	91
Average age	54,2	55
Antiquity	26,5	26,2

As of December 31, 2022, financial actuarial assumptions were updated by the firm AON Hewitt México, using the following set of assumptions:

Financial assumptions:

Rate type	As of December 31, 2022	As of December 31, 2021
Discount rate	9,51%	6,94%
Salary increase rate (active personnel)	8,49%	4,95%
Pension increase rate	7,42%	3,90%
Estimated inflation	7,42%	3,90%
Inflation medical service	10,00%	8,00%

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements

(In thousands of pesos)

Demographic assumptions:

Biometric basis	
Mortality rate	Colombian table of mortality 2008 (valid annuitants)
Invalid mortality rate	Enel internal table
Total and permanent disability	EISS
Turnover	Enel internal table
Retirement age	Men: 62 Women: 57

The movement of defined benefit obligations as of December 31, 2022 is as follows:

	Retired staff		Active staff		Others	Defined Benefits
	Pensions (a)	Benefits	Retroactive severance pay	five-year periods	Retirement plan	Total Plan
Beginning balance as of January 1, 2021	\$ 74.708.783	\$ 9.306.140	\$ 6.636.170	\$ 3.991.649	\$ -	\$ 94.642.742
Current service cost	-	-	248.876	154.183	-	403.059
Financial cost	4.157.113	515.418	371.623	215.442	-	5.259.596
Contributions paid	(5.767.676)	(541.982)	(829.240)	(826.012)	-	(7.964.910)
Acquisitions	-	-	-	-	1.851.024	1.851.024
Actuarial gains arising from changes in financial assumptions	(12.232.116)	(1.357.331)	(405.328)	(94.803)	-	(14.089.578)
Actuarial gains and losses arising from changes in experience assumptions	-	-	(155.669)	421.175	-	265.506
Closing balance December 31, 2021	\$ 60.866.104	\$ 7.922.245	\$ 5.866.432	\$ 3.861.634	\$ 1.851.024	\$ 80.367.439
Current service cost	-	-	302.003	297.113	47.881	646.997
Financial cost	15.333.227	3.876.127	574.380	515.572	346.528	20.645.834
Paid Contributions	(20.474.812)	(4.198.177)	(1.709.949)	(1.835.176)	(3.361.520)	(31.579.634)
Acquisitions	-	-	-	-	12.021.250	12.021.250
Actuarial gains and losses arising from changes in financial assumptions	26.365.475	(1.005.904)	(1.660.987)	256.515	102.853	24.057.952
Actuarial gains and losses arising from changes in experience assumptions	13.738.843	(254.835)	3.641.583	1.164.066	-	18.289.657
Post-employment defined benefit obligation from the Merger.	201.956.444	60.136.909	3.196.908	5.112.382	2.903.361	273.306.004
Closing balance as of December 31, 2022	\$ 297.785.281	\$ 66.476.365	\$ 10.210.370	\$ 9.372.106	\$ 13.911.377	\$ 397.755.499

- (a) Complying with the provisions of article 4 of decree 2131 of 2016 that allows the application of IAS 19 for the determination of the liability of post-employment benefits for future retirement pensions, additionally requiring the disclosure of the calculation of pension liabilities in accordance with the parameters established in Decree 1625 of 2016, which takes up what was stated in Decree 2783 of 2001. As of December 31, 2022 and 2021, the liability for post-employment benefits for future retirement pensions amounts to \$224,665,427 and \$50,754,886, respectively. The sensitivity of the actuarial assumptions was made by the firm AON Hewitt México, using the following variables:

Rate Type	As of December 31, 2022	As of December 31, 2021
Discount rate	8,97%	7.53%
Technical interest	4,80%	4,80%
Estimated inflation	3,98%	2,60%

The variation mainly corresponds to \$169,311,234 for liabilities recognized due to the merger effect from Codensa S.A. E.S.P. and \$4,599,308 for changes in the year, according to the update of hypotheses and payments made.

The following table shows the behavior in the present value of the obligation for each of the defined benefits, in relation to the percentage variation of 100 basis points above or below the discount rate used for the current calculation.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

As of December 31, 2022:

Change in discount rate	Retired staff		Active staff		Others	Defined Benefits Total Plan
	Pensions	Benefits	Retroactive severance pay	Five-year periods	Retirement plan	
- 100 basis points	330.242.508	71.820.548	10.786.991	9.641.630	14.076.487	436.568.164
+ 100 basis points	268.084.547	61.493.783	9.658.728	9.111.272	13.749.410	362.097.740

As of December 31, 2021:

Change in discount rate	Retired staff		Active staff		Others	Defined Benefits Total Plan
	Pensions	Benefits	Retroactive severance pay	Five-year periods	Retirement plan	
- 100 basis points	68.774.777	8.708.063	6.258.062	3.947.660	1.876.710	89.565.272
+ 100 basis points	55.426.920	7.311.834	5.507.970	3.779.432	1.826.264	73.852.420

- (3) **Guatemala:** Corresponds to other obligations associated mainly with joint and several obligations; in these the employees contribute a percentage of the salary and the companies in Guatemala another percentage. The above in order to generate savings, so that when the employee ends their employment relationship they can withdraw their savings.

Collective labor agreement

• Colombia

Collective Agreement – SINTRAELECOL

The Collective Agreement signed with SINTRAELECOL-EMGESA ended its validity on June 30, 2018; however, the union did not make the complaint and present the respective list of demands, therefore the conventional text was extended automatically and by provision of law, for successive periods of six (6) months.

However, the foregoing between the company Enel Colombia S.A. E.S.P. and the Union, decided to mutually agree on two minutes of agreement, one for the 2021 term signed on December 31, 2020 and one for the 2022 term signed on December 31, 2021, through which the adjustment to certain benefits of the Collective Bargaining Agreement was determined, such as:

1. Increase in basic monthly salary for the year 2022 (CPI+1.5%) from January 2022.
2. Adjustment of the CPI to economic benefits of the regulatory body as of February 2022.
3. The aid for recognition of the legal old-age pension (walking aid) is modified, which will be permanently increased for agreed-upon workers, linked before January 1, 2004, to twenty-five (25) monthly legal minimum wages current.
4. The company will recognize for (1) a single time to all workers with ordinary salary, affiliated to the union organization as of December 15, 2021, a non-salary bonus worth three million pesos.

Collective Labor Agreement Codensa S.A. E.S.P. – SINTRAELECOL

On November 12, 2019, a new Collective Bargaining Agreement was signed between the Sintraelecol union and the company Enel Colombia S.A. E.S.P., valid until December 31, 2022, and with it the existing collective conflict between the parties was closed. With this convention, the conventional texts of Codensa S.A. E.S.P. were unified, being applicable to all employees and personnel from the extinct Empresa de Energía de Cundinamarca S.A. E.S.P. (EEC).

Despite the merger, by means of an agreement between Codensa S.A. E.S.P., Emgesa S.A. E.S.P. and SINTRAELECOL, the collective agreements will continue to be applicable to the established groups, until the negotiation of a unified collective agreement is carried out, which may take place from November of 2022 in accordance with the legally established.

On December 16, 2022, the new Collective Agreement was signed during the direct settlement stage, which will regulate labor relations between Enel Colombia S.A. E.S.P. and the agreed workers for the next three years. The main points of the agreement that will benefit 100% of our agreed personnel are the following:

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

- The collective agreements of Enel-Emgesa and Enel-Codensa were unified to a single one.
- Salary increases will be applied as follows:
 - Year 2023: CPI+2%
 - Year 2024: CPI+3%
 - Year 2025: CPI+4%
- All aid and conventional benefits in CPI will be increased, starting in 2023.
- During the next 5 years, the gradual unification of benefits such as premiums, performance evaluation, energy bonus and transportation assistance will be carried out. For this, the highest percentages or values will be taken as a reference.
- There will be a new hybrid or electric vehicle loan, worth forty million pesos (\$40,000,000) at a 0% interest rate.
- The values of housing, vehicle and free investment loans will be unified. The highest loan value will be taken and the ceiling will be updated in the coming years according to the increase in the CPI.
- A signing bonus in the amount of four million pesos (\$4,000,000) will be granted in January 2023 for the personnel linked to the syndicate before November 11, 2022.
- The retirement bonus by mutual agreement for legal old-age pension will be increased, in the amount of 10 SMLMV (Current Legal Minimum Wage) for workers of the new agreement. It will also increase to 30 SMLMV (Current Legal Minimum Wage) for workers with retroactive agreements and Law 50 agreements.
- Union assistance for union organization will be increased.

Collective Agreement – ASIEB 2016-2019

On June 1, 2016, the Collective Bargaining Agreement was signed with the ASIEB-EMGESA Trade Union Organization. This Collective Agreement applies to all engineers working for the former Emesa S.A. E.S.P. affiliated with the Union Association of Engineers at the Service of Energy Companies – ASIEB who do not benefit from another collective agreement. The validity of the Convention was established from June 1, 2016 to December 31, 2019.

Being within the legal term, the union filed the complaint against said Collective Agreement and list of demands on December 30, 2019, which is why the direct settlement stage began on February 19, 2020.

However, once the negotiation meetings were brought forward according to the agreed schedule, on September 16, 2020 the parties terminated the direct settlement stage without agreement as the interests and needs of each one are different and as such their positions are far away, for which reason the respective Arbitration Tribunal was called before the Ministry of Labor, the body that must define the collective conflict with this union organization.

To date, the Arbitration Award has already been promulgated by the Arbitration Court. Against it, both Enel Colombia S.A. E.S.P. and the union filed the corresponding annulment appeal, which was admitted and is pending referral to the Supreme Court of Justice – Labor Cassation Chamber for final decision.

With regard to ASIEB-CODENSA, presented the request document by ASIEB to Enel Colombia S.A. E.S.P. on December 30, 2019, the direct settlement stage began in accordance with the terms of the law, a stage that ended without agreement any between the parties.

Considering the above, and considering the impossibility of bringing forward a strike because it is an essential public service, we proceeded to request the constitution of the Court of Arbitration, which has already issued the corresponding arbitration award. Against it, both Enel Colombia S.A. E.S.P. and the union filed the corresponding annulment appeal, which was granted by the Court and is pending to the date of being filed, distributed, admitted and resolved by the Supreme Court of Justice – Labor Cassation Chamber, decision with which the existing conflict between the parties may end.

Collective Bargaining – REDES

Since 2013, the REDES union organization has submitted a list of demands to Codensa S.A. E.S.P. with a view to obtaining a collective agreement that would regulate relations with its affiliates.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary) Notes to the Consolidated Financial Statements

(In thousands of pesos)

At that time, the process was not advanced based on the concepts issued by the Ministry of Labor regarding the bargaining unit, however, despite this, after a few roundtables, negotiations began, which ended without an agreement between the parties.

Subsequently, and in view of the request for the convocation of the respective Arbitration Court that would put an end to the conflict, a new debate began before the Ministry of Labor on the way to proceed; This process ended by ordering, by the Ministry of Labor, the constitution of the Court of Arbitration, which has already issued an arbitral award.

Against it, the union filed an appeal for annulment, which was granted by the Court, sending the file to the Supreme Court of Justice - Labor Cassation Chamber, who in judgment SL 4089 of 2022, returns the arbitration award to the Court of Arbitration to rule on the following requests: tripartite committee, severance pay, calamity leave procedure, right to information, extension of union privileges over time, doctor at each Enel Colombia S.A. E.S.P. headquarters, training, culture and recreation , wage readjustment and minimum wage; not canceling or returning the other attacked provisions of the arbitration award of July 30, 2021.

• Central America (Panama)

There is a current Collective Labor Agreement signed between Enel Fortuna S.A. and the Union of Workers of the Electrical and Similar Industry of the Republic of Panama (SITIESPA), valid from January 1, 2021 to December 31, 2024. At closing December 2022 covers 38 (51.4%) of 74 employees in total in this legal entity. To date, 100% of it is in compliance and in labor harmony.

23. Equity

Issued capital

The authorized capital is made up of 286,762,927 shares, with a par value of \$4,400 for each share.

The subscribed and paid-in capital is represented by 148,914,162 common shares with a par value of \$4,400, distributed as follows:

Share composition as of December 31, 2022:

	Ordinary shares	
	(%) Participation	Number of shares
Enel Américas S.A.	57,34%	85.394.808
Grupo Energía Bogotá S. A. E.S.P.	42,52%	63.311.437
Other minorities	0,14%	207.917
	100,00%	148.914.162

Merger premiums

As of December 31, 2022, as a result of the perfection of the merger process of March 1, 2022, the merger premium has been established as follows:

	Capital Issued	Issue premium	Total merger premium
Codensa S.A. E.S.P.	\$ 13.487.545	\$ 190.553.195	\$ 204.040.741
Enel Green Power Colombia S.A.S. E.S.P.	31.263.213	2.740.274.676	2.771.537.888
ESSA2 S.p.A.	2.473.245.050	-	2.473.245.050
	\$ 2.517.995.808	\$ 2.930.827.871	\$ 5.448.823.679

The merger premium was globally approved by the Shareholders' Meeting of each of the companies, through the approval of the merger commitment, which included the projected status of the merger.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Distribution of dividends

Approved in the year 2022

The General Assembly of Shareholders on March 29, 2022, approved the distribution of profits and payment of dividends charged to the net profit of 2021 for \$2,448,415,934, which paid 50% in May 2022 and the remaining 50% will be paid in December 2022.

Additionally, in the same Meeting, the distribution of retained earnings from 2016 to 2020 was approved as an extraordinary payment of dividends for \$1,027,824,051, which were paid in August 2022.

On April 28, 2022, Enel Fortuna S.A. decreed dividends to its shareholders for USD 75,953,780.89, of which 49.96% corresponds to non-controlled shares of third parties other than the Group.

On August 23, 2022, Colombia ZE S.A.S. paid dividends for \$510,718 to Enel Colombia S.A. E.S.P.

Central America

Panama: On April 7, 2022, dividends were declared by Enel Panama CAM, S.R.L. (formerly Enel Green Power Panama S.R.L.) to its shareholders as follows:

Society	Dividends 2022 (USD)	Years that generated profit
Enel Green Power S.R.L.	28.502.423	2020
Enel Green Power S.R.L.	11.698.396	2019
Enel Green Power S.R.L.	10.799.181	2018
TOTAL	51.000.000	

Shareholders	Participation fees	Dividend Amount US\$
Enel Colombia S.A. E.S.P.	3.000	50,983,005.66
Enel Americas S.A.	1	16,994.34
TOTAL		51.000.000

These dividends were paid to Enel Colombia S.A. E.S.P. on May 13, 2022.

Guatemala: On May 2, 2022, dividends were declared by Generadora de Occidente Ltda., Generadora Montecristo S.A., Renovables de Guatemala S.A. and Transmisora de Energía Renovable S.A. to their shareholders as follows:

Society	Dividends 2022 (USD)	Years that generated profit
Generadora de Occidente Ltda.	30.900.000	2015-2018
Generadora Montecristo S.A.	1.400.000	2014
Renovables de Guatemala S.A.	6.600.000	2014
Transmisora de Energía Renovable S.A.	600.000	2016-2017
TOTAL	39.500.000	

These dividends were paid to Enel Colombia S.A. E.S.P. on May 13, 2022.

On November 11, 2022, dividends were declared by Generadora de Occidente Ltda., Generadora Montecristo S.A., and Transmisora de Energía Renovable S.A. to their shareholders as follows:

Society	Dividends 2022 (USD)	Years that generated profit
Generadora de Occidente Ltda.	9.500.000	2015-2019
Generadora Montecristo S.A.	2.000.000	2021
Transmisora de Energía Renovable S.A.	3.800.000	2017-2021
TOTAL	15.300.000	

These dividends were paid to Enel Colombia S.A. E.S.P. on November 18, 2022.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Approved in the year 2021

The General Assembly of Shareholders of March 24, 2021, approved the distribution of profits and payment of dividends of Emgesa S.A. E.S.P., charged to the net profit of 2020 for \$1,163,554,895, paid as follows: 100% of the preferred dividend and 50% of the ordinary dividend, in May 2021 and the remaining 50% in August 2021. In the General Assembly of Shareholders in its extraordinary session held on July 27, 2021, the partial distribution of retained earnings and the extraordinary payment were approved of dividends for \$615,482,074, which were paid in December 2021.

The General Assembly of Shareholders of March 24, 2021, according to Minutes No. 76, approved with a vote of 99.8815% of the shares present to distribute ordinary dividends of Codensa S.A. E.S.P., for \$758,749,358 and preferential dividends for \$7,183,516 charged to the net income of December 31, 2020; They were paid as follows: 100% of the preferred dividend and 50% of the ordinary dividend, on May 20, 2021; the remaining 50% on December 16, 2021.

Reserves

	As of December 31, 2022	As of December 31, 2021
Other reserves	\$ 1.146.230.404	\$ 178.127
Reserve for deferred depreciation (Art. 130 ET) (2)	381.958.956	215.186.398
Legal Reserve (1)	354.065.638	327.611.157
	\$ 1.882.254.998	\$ 542.975.682

- (1) As of December 31, 2022, the variation corresponds to the adjustment for homologation of the investment valuation policy to the equity participation method.
- (2) In the tax reform established by Law 1819 of 2016, article 130 of the tax statute was repealed; Consequently, the reserves established up to December 31, 2017 will be reversed to the extent that the accounting depreciation is equal to the fiscal depreciation. Consequently, in the Assembly of March 29, 2022, it was ordered to release \$(23,178,308), from the constituted reserve. Additionally, in the merger process, the increase of \$189,950,866 corresponds to the Codensa S.A. E.S.P. reserve, leaving a balance of \$381,958,956.
- (3) In accordance with Colombian Law, the Group must transfer at least 10% of the profit for the year to a legal reserve, until this is equal to 50% of the subscribed capital. This reserve is not available to be distributed; however, it can be used to absorb losses. As of December 31, 2022, the increase corresponds to the transfer of the Legal Reserve of Codensa S.A. E.S.P. in accordance with the merger process on March 1, 2022 for \$26,454,481.

24. Income from ordinary activities and other operating income

	For the year ended December 31, 2022	For the year ended December 31, 2021
Sale of Energy (*)	\$ 8.662.078.260	\$ 4.618.091.336
Energy Generation and Commercialization, Wholesale Market Clients, Unregulated and stock market (1)	5.671.593.172	4.618.091.336
Energy Distribution and Commercialization, Regulated Market Clients (2)	2.829.238.381	-
Public Lighting service supply (3)	161.246.707	-
Energy Transportation (4)	2.472.465.158	-
Business and Government Services (5)	622.382.464	-
Services contracts (operation leases)	217.739.416	-
Gas Sale	88.917.322	65.205.325
Certificate sales	36.375.925	39.168.228
Docking services (6)	290.849	-
Sale of demineralized water	6.948	220.168
Ordinary activities income	12.100.256.342	4.722.685.057
Other operating income	123.626.589	3.996.937
Total income from ordinary activities and other operating income	\$ 12.223.882.931	\$ 4.726.681.994

(*)At the close of December 2022, estimated non-billed income recognized in relation with generation and distribution amount to \$380.965 million and \$319.454 million, respectively.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

- (1) In Enel Colombia S.A. E.S.P. as of December 31, 2022, energy sales in the wholesale market amount to 11,242 Gwh, non-regulated market to 4,605 Gwh, and energy stock to 2,748 Gwh. Mainly due to the increase in contract prices and higher PPI.

Central America

Panama: A net energy sale was obtained for \$677,021,342 mainly from the company Enel Fortuna S.A. in contracts and in the spot market, with an average price as of December 2022 of: i) contracts 75.69 USD/Mwh ii) exports 98.25 USD/Mwh iii) spot 107.90 USD/Mwh.

Guatemala: It reflects a sale of net energy for \$315,300,237 corresponding to 659 Gwh, of which 29% are sales to the SPOT market with an average price of 86.34 USD/Mwh, 10% are exports as a result of an increase of the energy sold, mainly from the company Enel Guatemala S.A. and 6% contracted with distributors.

Costa Rica: Net energy sales for \$69,037,624 from the company P.H. Chucás S.A. to the Costa Rican Electricity Institute (ICE).

- (2) As of December 31, 2022, energy sales in the regulated market amount to 9,108 Gwh, of which 5,322 Gwh correspond to residential customers, 2,402 Gwh commercial customers, 1,086 Gwh industrial customers, and 298 Gwh official customers.

The increases in the fee per component received during 2022 are listed below:

	Avg rate Applied 2021	Avg rate Applied 2022	Variation
Gm	237,03	252,61	6.6%
Tm	39,48	45,93	16.3%
Pr	49,39	51,82	4.9%
D	178,88	207,34	15.9%
Rm	26,62	35,93	35.0%
Cv	56,32	60,63	7.7%
Cu	587,71	654,25	11.32%

Transmission Costs: 32.2% increase in the Transmission charge, mainly due to the increase in the Regulated Income due to: The upward behavior of the IPP and the TRM throughout the year. Other concepts that reduce transmission costs such as: payments for delays in the entry into infrastructure and compensation payments that decreased by about 68% and 70%, respectively.

Distribution Costs with ADD: Increase of 18.44% in the distribution charge with ADD, mainly related to the upward behavior of the IPP throughout the year and the inclusion of the Tolima market in the ADD of Oriente to which we belong.

Marketing Costs: Increase of 14.23% in commercialization mainly due to the variation of the CPI, increase in the costs of guarantees to cover the payment of the charges for the use of the STR and/or the SDL and the increase in the other components of the Unit Cost that lead to a increase in the marketing margin.

Restriction Costs: 15.48% decrease in restrictions, among others, due to the decrease in non-merit generation.

Loss Costs: 10.74% increase in losses associated with the increase in generation and transmission variables.

Generation Costs: 2.2% increase in the cost of energy purchases, mainly due to an 8% decrease in coverage through contracts.

Fare option provision

During 2020, Enel Colombia S.A. E.S.P. chose to apply the rate option regulatory mechanism in accordance with CREG Resolution 122 of June 18, 2020, which resolves the appeal for reversal filed by Codensa S.A. E.S.P. against CREG Resolution

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)

Notes to the Consolidated Financial Statements

(In thousands of pesos)

189 of 2019 in the which the necessary variables were approved to calculate the income and charges associated with the activity of distribution of electrical energy for the commercialization market. Given the retroactive adjustment of Resolution CREG036/19 and the retroactive adjustment associated with service quality incentives, an increase in the distribution charge is presented during the months following the approval of charges. As from April 2022 Enel Colombia S.A. E.S.P. is applying the tariff option mechanism. As of December 31, 2022 the account receivable for tariff option is \$351,055,500.

(3) As of December 31, 2022, sales to public lighting customers amount to 257 Gwh.

(4) As of December 31, 2022, it corresponds to billing for the service of use of electrical energy infrastructure of Enel Colombia S.A. E.S.P. by other energy traders in local distribution systems and billing of regional transmission systems for \$2,460,073,017.

Central America

As of December 31, 2022, it corresponds to the toll service on the transmission line for \$12,392,141 from the company Transmisora de Energía Renovable S.A. in Guatemala.

(5) As of December 31, 2022, income from business and government services for the provision of engineering services is presented for \$365,377,001, originated mainly with Usme ZE S.A.S. and Fontibón ZE S.A.S., for the construction of yards in the pre-operational stages and operations under concession, held with Transporte del Tercer Milenio Transmilenio S.A.; value-added services \$162,580,379 and other service benefits \$94,425,084.

(6) Corresponds to the provision of the docking service and use of facilities to the clients Petróleos del Milenio S.A. and Impala Terminals Colombia S.A.S. of the company Sociedad Portuaria Central Cartagena S.A.

Breakdown of revenue from contracts with customers

The Group obtains its income from contracts with clients, for the transfer of goods and/or services; These contracts were grouped into categories that have similar characteristics in the contractual terms and conditions, in accordance with the practical solution of IFRS 15.

The following table summarizes the categories, the groups of contracts within them, the main performance obligations and how these performance obligations are met:

		For the year ended December 31, 2022	For the year ended December 31, 2021
Energy Sales	Over time	\$ 8.662.078.260	\$ 4.618.091.336
Energy transport	Over time	2.472.465.158	-
Business and Government Services	Over time/ At a point in time	622.382.464	-
Leases	Over time	217.739.416	-
Gas Sale	Over time	88.917.322	65.205.325
Sale of certificates	At a point in time	36.375.925	39.168.228
Docking services	Over time	290.849	-
Sale of demineralized water	At a point in time	6.948	220.168
Total income from ordinary activities		\$ 12.100.256.342	\$ 4.722.685.057
Other operating income		123.626.589	3.996.937
Total income from ordinary activities and other operating income		\$ 12.223.882.931	\$ 4.726.681.994

Contractual assets and liabilities

Contractual assets

The Group does not present contractual assets, since the goods and/or services supplied to customers that have not yet been invoiced, generate an unconditional right to consideration by customers, since only the passage of time is required in the enforceability of payments by customers, and the Group has satisfied all performance obligations.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Contractual liabilities

The Group presents the contract liabilities in the consolidated statement of financial position, under other current non-financial liabilities. The liabilities of the contract reflect the obligations of the Group, in the transfer of goods and/or services to customers for which the entity has received an advance consideration.

The contract liabilities by Category are shown below:

	As of December 31, 2022	As of December 31, 2021
Wholesale Clients	\$ 127.677.165	\$ 88.025.621
Not Regulated Clients	26.659.118	20.896.581
Transportation Energy	1.643.088	-
	\$ 155.979.371	\$ 108.922.202

Satisfaction of performance obligations

Performance obligations are satisfied to the extent that goods and/or services promised to customers are transferred, that is, to the extent that the customer obtains control of the transferred goods and services.

Sale of energy to non-regulated clients, wholesalers and the stock market

Satisfaction of performance obligations is carried out over time, since customers simultaneously receive and consume the benefits provided in the provision of energy supplied by the Group.

Gas sale

As in the sale of energy, the satisfaction of performance obligations is carried out over time since the Group is entitled to payment in the event that the contract is terminated for the supply of gas.

Business and government services

Satisfaction of performance obligations is carried out over time, since they are services such as connection, administration, operation and maintenance, which customers receive in parallel to the provision of the service.

Other income

Other income presents performance obligations, satisfied over time since customers simultaneously receive and consume the goods and/or services promised to customers. Examples of income recognized over time are: vendor deviations, power backup in the secondary market mainly.

Performance obligations, satisfied at a point in time are those that do not comply so that the requirements are satisfied over time. Some performance obligations satisfied at a point in time presented in this category correspond to the supply of goods.

Significant judgments in the application of the standard

The Group recognizes revenue when control of the promised goods and/or services is transferred to customers, and they have the ability to direct the goods and/or services supplied, obtaining the economic benefits associated with them.

As for the schedule for satisfying performance obligations, we have that, for performance obligations satisfied over time, the method of measuring the progress of satisfying performance obligations is done by the product method, due to the fact that the Group is entitled to receive as consideration from customers, the value of the goods and/or services supplied to customers, up to the date of their provision.

The prices for the provision of the energy service are established based on the regulation and for other concepts in accordance with the contractually agreed upon; The Group does not offer discounts or other types of benefits to customers that may have variable consideration in the supply of goods and services.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

25. Supplies and services

	For the year ended December 31, 2022	For the year ended December 31, 2021
Energy purchases (1)	\$ 2.727.679.797	\$ 576.499.669
Energy transportation costs (2)	1.251.976.846	574.031.933
Other variable supplies and services (3)	609.935.863	170.613.726
Taxes associated with the business	242.335.213	131.798.571
Fuel consumption	73.399.492	38.085.172
Purchase and consumption of gas	64.368.452	39.035.377
	\$ 4.969.695.663	\$ 1.530.064.448

- (1) As of December 31, 2022, energy purchases amount to 15,507 Gwh; of which correspond to purchases made through contracts to other generators 8,506 Gwh and purchases on the stock market 7,001 Gwh.

There is an increase in the average price on the energy market amounting to \$207/Kwh as of December 31, 2022.

Central America

Net energy purchases in the opportunity market to comply with contractual commitments in hourly transactions carried out amount to \$220,744,963, mainly in the companies Enel Fortuna S.A. and Enel Guatemala S.A. Energy purchases present an average price of 127.15 UDS/MWh in Panama and Guatemala of 78.8 USD/MWh as of December 31, 2022.

- (2) As of December 31, 2022, it is mainly made up of the costs of right of use in the energy systems of national transmission \$629,741,568 and regional transmission \$534,538,462.

Central America

Intermediation costs of energy contracts for the use of the transmission system are presented for \$61,491,503 mainly in the companies Enel Fortuna S.A. and Renovables de Guatemala S.A.

- (3) Below is a detail of other variable supplies and services:

	For the year ended December 31, 2022	For the year ended December 31, 2021
Construction civil works (a)	\$ 250.858.446	\$ -
Costs of providing goods and services to individuals (b)	166.112.451	-
Costs associated with measuring equipment	56.597.708	118.098
Cutting and reconnection costs	33.400.323	-
Cost CND, CRD, SIC	24.575.911	21.111.602
Public lighting maintenance and others	17.110.523	-
Other generation support services	15.965.269	23.786.716
Restrictions	12.727.533	94.462.243
Secondary Market Reliability Charge	10.491.440	17.272.730
Regulation Fee	7.359.913	-
Contributions Regulatory Entities	6.255.008	10.306.169
Commissions of energy contracts	4.694.787	-
Green certificates	3.786.551	3.556.168
	\$ 609.935.863	\$ 170.613.726

- (a) As of December 31, 2022, it corresponds mainly to the design, supply of goods and services and construction of civil and electrical works required for the adaptation of the Functional Operation Unit – UFO 13 Usme II; as well as the supply of e-bus chargers derived from the construction contract of the patio located at Cra. 12 136 – 50 south of the city of Bogotá D.C. – Usme locality.

- (b) As of December 31, 2022, it corresponds mainly to variable costs of new connections, associated costs of value-added service businesses such as electrical works, Christmas lighting and subscriptions to magazines, insurance and other products.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

26. Personnel expenses

	For the year ended December 31, 2022	For the year ended December 31, 2021
Wages and salaries (1)	\$ 349,458.170	\$ 85.163.774
Security service and other social charges	62.989.264	19.313.347
Other personnel expenses (2)	28.652.908	2.060.232
Post-employment benefit obligation expense	1.792.434	1.233.891
Total	\$ 442.892.776	\$ 107.771.244

The variations correspond mainly to the merger process on March 1, 2022 (see note Merger 1.4).

(1) Wages and salaries for 2022 and 2021 are made up of the following concepts:

	For the year ended December 31, 2022	For the year ended December 31, 2021
Salary	\$ 229.450.045	53.574.639
Bonuses	53.702.032	12.218.075
Premium services	28.158.446	5.404.466
Vacation	15.941.769	6.874.303
Severance pay	14.539.751	3.737.396
Amortization Employee Benefits	7.666.127	3.354.895
Total	\$ 349.458.170	\$ 85.163.774

The expenses of wages and salaries of the Central American companies are included; Panama for \$16,250,570, Guatemala for \$15,464,949 and Costa Rica for \$6,915,695; additionally, from the subsidiaries in Colombia, companies Usme ZE S.A.S. and Fontibón ZE S.A.S. for \$709,077.

(2) The variation corresponds mainly to the merger process on March 1, 2022 (see note 1.4), during the year expenses have been recognized for benefits and aid for \$16,587,185, labor processes \$4,645,342, medical expenses for \$5,159,968, recreation expenses \$1,848,075, union contributions \$266,932, actuarial benefits \$145,406. The foregoing includes other personnel expenses in Central America; Usme ZE S.A.S. and Fontibón ZE S.A.S.

27. Other fixed operating expenses

	For the year ended December 31, 2022	For the year ended December 31, 2021
Independent professional services, outsourced and others (1)	\$ 274.587.087	\$ 53.567.139
Repairs and conservation (2)	136.542.783	19.599.840
Other supplies and services (3)	73.636.418	34.968.107
Insurance premiums (4)	55.789.130	29.230.966
Taxes and fees	15.261.362	2.759.788
Leases and royalties	15.141.060	2.003.579
Advertising, propaganda and public relations	14.887.914	-
Transportation and travel expenses	13.231.450	414.436
Total	\$ 599.077.204	\$ 142.543.855

The variations correspond mainly to the merger by absorption process carried out on March 1, 2022 (see note Merger 1.4)

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

(1) The detail of independent, outsourced and other professional services is presented below:

	For the year ended December 31, 2022	For the year ended December 31, 2021
Maintenance services, software development and computer applications (a)	\$ 78.769.428	\$ 11.822.641
Fees (b)	57.168.877	18.944.619
Reading take	33.439.521	5.944.491
Other administration and operation contracts (c)	24.577.299	14.681.127
Market recovery contracts (d)	21.883.219	-
Temporary personnel service	14.872.117	-
General administration expenses (e)	14.496.149	2.174.261
Telecommunications services	10.278.997	-
Customer service contracts	7.574.573	-
Casino and cafeteria	6.275.191	-
Collection contracts	4.203.139	-
Delivery of invoices	3.604.785	-
Unpaid management contracts	1.349.466	-
Diagnosis, inspection and maintenance of substations, networks and electrical installations	1.063.380	-
Civil and administrative litigation (f)	(4.969.054)	-
Total	\$ 274.587.087	\$ 53.567.139

- a) As of December 31, 2022, it corresponds mainly to the contracting and implementation of services associated with cloud architecture and maintenance of technical applications and commercial operation, mainly Amazon Web Service, Synergia 4J, Genesis and technical system applications. and cybersecurity.
- b) As of December 31, 2022, it corresponds mainly to fees from the companies Usme ZE S.A.S. and Fontibón ZE S.A.S., for the construction of yards in the pre-operational and operational stages under concession, which are held with Transporte del Tercer Milenio Transmilenio S.A. Additionally, in Central American companies, expenses for fees amount to \$14,730,856.
- c) Corresponds to the costs of the administration and operation service contracts of the plants, commercial, operational and administrative headquarters.
- d) The costs related to the contracts for the management of the portfolio and its recovery are reflected.
- e) During the year 2022, there is an increase in general administration expenses, mainly due to the charges of the distribution segment resulting from the merger process. (see note 1.4 Merger).
- f) As of December 31, 2022, there is a decrease in the costs of the provision for litigation and contingencies due to rulings in favor of processes and changes in the classification of the contingency.

- (2) Corresponds to the cost of the contracts associated with the maintenance of the infrastructure of networks, lines and cables, energy substations and generation plants of the Group and the materials used in them.
- (3) These costs are presented mainly for the registration of public services, the execution of surveillance contracts, costs for the issuance of bonds, payment of contributions and subscriptions, among others.
- (4) These costs correspond to the value of the all-risk insurance policies on the Group's infrastructure to those of non-contractual and executive civil liability.

28. Expenses for depreciation, amortization

	For the year ended December 31, 2022	For the year ended December 31, 2021
Depreciation (1)	\$ 716.222.410	\$ 226.838.869
Amortizations (2)	143.678.064	20.480.874
Total	\$ 859.900.474	\$ 247.319.743

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

- (1) As of December 31, 2022, there is an increase in depreciation compared to 2021, mainly due to the inclusion of the assets of Enel Green Power Colombia S.A.S. E.S.P. and Codensa S.A., through the merger carried out on March 1, 2022 (see note 1.4 Fusion).

In addition; there is an increase due to the entry into operation of new assets during the year 2022 associated with the distribution, generation and renewable businesses.

- (2) Corresponds mainly to the amortization of concession services with P.H. Chucas S.A., concession of Sociedad Portuaria Central Cartagena S.A. and concession of Enel Fortuna S.A.

29. Impairment losses

	For the year ended December 31, 2022	For the year ended December 31, 2021
Impairment of Property, Plant and Equipment (1)	\$ 283.266.920	\$ -
Impairment of Intangible Assets (2)	5.825.340	-
Impairment Investments (3)	47.091.089	-
Impairment Financial Assets	44.523.572	4.807.234
Total	\$ 380.706.921	\$ 4.807.234

- (1) In 2022, an impairment of property, plant and equipment associated with the Cartagena Thermal Generation Plant was recorded, as a consequence of the analyzes carried out by the Group during 2022 for this plant, in line with the energy transition strategy, based on principles of sustainability and just transition. Likewise, the firm energy obligations (OEF) contemplated in the current regulatory commitments, end on November 30, 2023.

As a consequence of the foregoing, the Group recognized an impairment loss for \$283,266,920 as of December 31, 2022, due to the book value of the assets associated with this power plant exceeding their recoverable value.

	Value in books	Recoverable value	Impairment
Central Cartagena	296.048.030	12.781.110	283.266.920

It should be noted that the generation business line constitutes a single CGU; however, given the indication of specific impairment of the Cartagena Thermal Power Plant, a specific evaluation was carried out for this asset.

The assumptions used in the model to determine impairment values include:

- The net book value of the property, plant and equipment of the Cartagena Power Plant, to which the dismantling value was added.
- The plant's main asset classes are: Electromechanical equipment, civil works, buildings, land and other fixed installations.
- From the total assets, the book value of the land was segregated, taking into account that, before the closure and dismantling of the plant, it is possible to sell the property, therefore, it is not considered impaired.
- Although the power plant does not have independent flows within the CGU, a theoretical estimate of the value in use of the power plant was made based on cash flows after taxes derived from revenues from the reliability charge that go up to November 2023 and the identifiable costs within its operation and the business plans approved by the Group.
- In the calculation, long-term macroeconomic variables have been considered.
- The discount rate for calculating the recoverable value in real terms was determined as the weighted average cost of capital (WACC) and corresponds to 9.66%.

- (2) In 2022, an expense was recorded for impairment of the intangible asset in Sociedad Portuaria Central Cartagena S.A. on the intangible asset corresponding to the port concession. The impairment is generated by the completion of the commercial operation of its main client, the Cartagena Power Plant owned by Enel Colombia S.A. E.S.P. as of November 2023, within the framework of the energy transition strategy for this power plant based on principles of sustainability and just transition.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

As a consequence of the foregoing, Sociedad Portuaria Central Cartagena S.A., recognized an impairment loss for \$5,825,340 as of December 31, 2022, due to the fact that the book value of the intangible asset of the concession exceeded its recoverable value.

	Value in books	Recoverable value	Impairment
Intangible Asset Concession	6.379.580	554.240	5.825.340

The assumptions used in the model to determine impairment values include:

- The value of intangible assets associated with the port concession.
- The estimate of the value in use of the company, based on cash flows after taxes derived from the approved business plans, taking into account the current contracts in the estimate of revenues until November 2023.
- In the calculation, long-term macroeconomic variables have been considered.
- The discount rate for calculating the recoverable value in real terms was determined as the weighted average cost of capital (WACC) and corresponds to 9.66%.

It should be noted that the infrastructure as such associated with the concession contract, such as the fixed pier built by Sociedad Portuaria Central Cartagena S.A., does not show signs of deterioration, except for its normal use, the recognition of impairment on the intangible asset is due to the operation as such of Sociedad Portuaria Central Cartagena S.A., in relation to the closure of the Cartagena thermal power plant.

- (3) As of December 31, 2022, this value corresponds to the impairment of the assets and liabilities of the Usme ZE companies S.A.S.; Fontibón ZE S.A.S.; Bogotá ZE S.A.S. and Colombia ZE S.A.S., for the recoverable amount of 80%, according to the transaction agreement signed with AMP, with which this company will pay the equivalent of 80% of the capital and premium in the placement of shares of this company in Colombia ZE S.A.S.

30. Financial results

	For the year ended December 31, 2022	For the year ended December 31, 2021
Income from valuation and settlement of derivatives (1)	\$ 109.105.795	\$ -
Interest from customer financing (2)	86.252.799	879.150
Income from cash and other equivalent means (3)	82.025.393	6.552.403
Interest from accounts receivable	19.472.207	3.638.967
Interest on financing related parties (4)	5.278.220	-
Other financial income	486.000	-
Financial income	302.620.414	11.070.520
Financial obligations (5)	(614.402.190)	(165.186.596)
Other financial costs (6)	(76.599.165)	(5.303.484)
Tax on financial movements (7)	(42.059.941)	(12.969.360)
Leasing financial expenses (8)	(24.064.155)	(359.381)
Obligation for post-employment benefits (9)	(21.051.024)	(5.164.794)
Tax arrears interest (10)	(5.098.774)	4.356.361
Expenses for valuation and settlement of derivatives (1)	(4.285.486)	-
Impairment of financial assets (11)	(2.990.348)	-
Financial expenses	(790.551.083)	(184.627.254)
Capitalized financial expense (12)	16.355.805	2.327.479
Financial expenses, net	(774.195.278)	(182.299.775)
Income from realized exchange difference (13)	142.781.208	37.605.075
Expense from unrealized exchange difference (13)	(252.544.478)	(42.687.094)
Exchange differences, net	(109.763.270)	(5.082.019)
Total net financial result	\$ (581.338.134)	\$ (176.311.274)

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

- (1) Corresponds to the gains and losses generated by the expiration of financial derivative contracts for trading and CFH for the coverage of variations in the exchange rates of the renewable projects in execution, Cosenit, Frontera and CERE payment, as well as the Exchange rate coverage of the debt in USD measured at fair value and the Swap interest for interest rate on the debt.

In the company Fontibón ZE S.A.S. there is a value of \$2,875,962 derived from the negotiation of hedging financial instruments for the purchase operations of the batteries, effect of the Forward -No Delivery operations in USD of cash flow that cover the exchange rate exposure with the financial entity Citibank Colombia S.A.

- (2) The variation corresponds to billing of interest for financing to municipalities for public lighting, lighting and infrastructure services and late payment interest.

For the companies Usme ZE S.A.S. and Fontibón ZE S.A.S., it corresponds to the recognition of financial income under IFRIC 12 in its operational stage, as established in the concession contract No. 107 of 2021 signed with Transporte del Tercer Milenio - Transmilenio S.A.

- (3) Corresponds mainly to financial returns in national currency from deposits and investments in different financial entities supervised and controlled by the Financial Superintendency of Colombia. The variation compared to 2021 corresponds mainly to the increase in the monetary policy intervention rates by the Banco de la República as follows:

Starting the year 2022 with the intervention rate at 3.00%, increasing more than double that range until the month of July, reaching 7.5%, increasing gradually during the second semester until closing at 12%, as a consequence of this monetary policy, interest-bearing accounts of the company also suffered an increase, additionally, negotiations were held with entities at higher rates that increased yields.

For the company Colombia ZE S.A.S., financial returns generated by deposits in the savings account of Banco GNB Sudameris S.A. for a value of \$362,043 are recognized; For Sociedad Portuaria Central Cartagena S.A., a value of \$11,242 is presented corresponding to returns on Banco Itaú S.A. and Banco GNB Sudameris S.A. savings accounts.

- (4) The variation corresponds mainly to the interests of the mandate contract with the companies Fontibón ZE S.A.S. and Usme ZE S.A.S.

For the companies Fontibón ZE S.A.S. and Usme ZE S.A.S., it corresponds to the recognition of the value of money over time for the advance payment of the chargers with Enel Colombia S.A. E.S.P.

Central America

Corresponds mainly to interest on loans granted by Enel Panama CAM, S.R.L., Jaguito Solar 10MW, S.A., Progreso Solar 20 MW, S.A. and Generadora Solar Austral S.A. to finance the construction of solar plants for an amount of \$15,923,067; interest received for a loan from Enel Guatemala S.A. with P.H. Chucas S.A. and a fixed-term deposit with Panama in the amount of \$5,002,894.

- (5) The variation corresponds mainly to the increase in the financial obligations contracted with Bancolombia S.A. in the months of April, July and November, the repurchase of bonds generated in the month of August, as well as the impact generated by the increase in interest rates. reference interest rate (intervention rate) as well as the IBR to which the bank debt is indexed and indicators such as the CPI to which the bonds are indexed, as a result of the current geopolitical situation, in addition to the interest recognized for financial obligations received in the merger process. (See Note 1.4).

Central America

Corresponds to the interests in Enel Panama CAM, S.R.L. in accordance with a credit with Enel Finance International S.R.L. (EFI); For Costa Rica, interest is recognized on loans to P.H. Chucas S.A., by Enel Finance International S.R.L. (EFI).

The interest on financial obligations as of December 31, 2022 is detailed below:

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)

Notes to the Consolidated Financial Statements

(In thousands of pesos)

Operation	Value
Bonds issued (Colombia)	\$ 399.989.954
National and foreign credits (Colombia and Central America)	214.412.236
Total expense of financial obligations	\$ 614.402.190

- (6) The variation corresponds mainly to financial updating of environmental liabilities for \$18,836,374, the return of VAT paid by the UAESP between November 2015 and July 2016 for \$10,003,441, commissions for the constitution of bank guarantees for the development of the renewable projects of the La Loma and Guayepo solar parks and Chemesky, Fundación and Windpeshi wind farms for \$9,175,964, ICA provision for dividends for \$5,526,892, financial update of the TF provision FOR (\$7,640,376) and financing for the purchase of energy to XM according to the resolution of the CREG 101 029 of 2022_SIC-STN for \$1,237,237; among others.

For the companies Usme ZE S.A.S. and Fontibón ZE S.A.S., the other financial expenses correspond mainly to the movements of commissions and GMF generated in the period.

Central America

In Enel Green Power Costa Rica S.A. it corresponds mainly to concepts of Enel S.p.A. and FEE guarantee commissions with the Bilbao Vizcaya Argentaria S.A. bank for a value of \$1,250,775.

- (7) The variation corresponds mainly to the increase because the bank accounts absorbed at the time of the merger (March 1, 2022), generated a greater expense in Financial Movements Lien (GMF by its acronym in Spanish) which It is a local tax, for banking transactions.
- (8) As of December 31, 2022, the variation corresponds mainly to the activation of the Q93 Building Leasing contract for \$7,061,197, financial expense of renewables for \$4,867,605, and distribution for \$4,058,317; and new contracts for BUSEXPRESS S.A. for \$587,134.

For the companies Usme ZE S.A.S. and Fontibón ZE S.A.S., it corresponds to the liability derived from the lease contract signed between Enel Colombia S.A. E.S.P. and Trami Inversiones S.A.S. for the purpose of use and enjoyment of the lot and the property with urban nomenclature AC31N°135b-20 (Venice Estate) located south of the city of Bogotá D.C. - town of Fontibón and the property located at Cra. 12 136 - 50 south of the city of Bogotá D.C. - town of Usme.

Central America

Corresponds to the amortization of interest associated with leases as follows:

Guatemala: Amortization of the lease liability mainly with the headquarters building, pick-up fleet and land on which projects of the companies Generadora de Occidente Ltda., Generadora Montecristo S.A. and Enel Guatemala S.A. are developed.

Panama: Amortization of the lease liability mainly with land where the photovoltaic generation plants of the companies Enel Fortuna S.A., Enel Renovable S.R.L., Generadora Solar Austral S.A. and Progreso Solar S.A. are located; and in the building category, the administrative offices in Panama City.

- (9) The variation corresponds mainly to the financial cost of pensions and layoffs for \$11,896,836 and the financial cost of benefits for \$1,661,288.
- (10) The variation as of December 31, 2022 corresponds mainly to the recognition of interest for the contingency of foreign contracts for (\$3,457,021) and recognition of default interest for (\$150,423); on the other hand, for 2021 an income was presented due to updating the quantification of the penalty and interest for contracts abroad for \$6,323,530, recognition of late-payment interest for (\$1,970,012) and self-withholdings for (\$157).

For the company Usme ZE S.A.S., a value of \$1,491,330 is presented. corresponding to the recognition of default interest.

- (11) Expense recognized for the impairment of financial assets such as cash and equivalents, agreements and other assets, in accordance with the provisions of IFRS 9 in relation to expected credit loss.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

(12) The variation of the capitalizable financial expense in 2022 versus 2021 corresponds to:

- Financial expense of bank guarantees and interest generated in lease contracts under the scope of IFRS 16 of renewable projects, absorbed through the merger process carried out on March 1, 2022; likewise, the projects included in the distribution business.
- The fluctuation of the nominal annual rate for the capitalization of interest costs for the year 2022 versus 2021 is 3.25%.
- Projects with capitalizable financial expense.

As of December 31, 2022

Central	Project	Value
Distribution	Substations and networks	\$ 5.743.156
Generation and renewables	Windpeshi	4.253.949
Generation and renewables	Guayepo	4.223.481
Generation and renewables	Guavio Sedimentation	870.287
Generation and renewables	Fundación	647.538
Generation and renewables	La Loma	588.259
Generation and renewables	Central Quimbo dam works	29.135
Total \$		16.355.805

As of December 31, 2021

Central	Project	Value
Thermal	Beep Others project (environmental improvement), Life Extension and OCM	\$ 2.317.847
Hydraulics	Additional works Quimbo central dam	9.632
Total \$		2.327.479

(13) The origins of the effects on results due to exchange differences correspond to:

As of December 31, 2022			
	Exchange difference income	Exchange difference expenses	
Bank balances	\$ 38.083.412	\$ (72.868.344)	
Current accounts receivable from related entities	21.804.409	3.310	
Trade accounts and other current accounts receivable, net	5.799.163	(5.576.474)	
Other assets	(3.246.609)	721.397	
Total assets	\$ 62.440.375	\$ (77.720.111)	
Other current financial liabilities	-	(104.118.750)	
Trade accounts and other accounts payable current	74.900.133	(60.886.514)	
Accounts payable to related entities current	5.430.046	(9.095.849)	
Other liabilities	10.654	(723.254)	
Total liabilities	\$ 80.340.833	\$ (174.824.367)	
Total exchange difference	\$ 142.781.208	\$ (252.544.478)	

As of December 31, 2021			
	Exchange difference income	Exchange difference expenses	
Bank balances	\$ 38,385,797	\$ (29.216.810)	
Other assets	135.043	379.914	
Business accounts	88.770	(9.729.536)	
Total assets	\$ 38.609.610	\$ (38.566.432)	
Accounts payable goods and services	(1.200.751)	(3.054.422)	
Current accounts payable to related entities	196.216	(1.066.240)	
Total liabilities	\$ (1.004.535)	\$ (4.120.662)	
Total exchange difference	\$ 37.605.075	\$ (42.687.094)	

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

31. Results of companies accounted for using the equity method

The detail of the effect on results of investments in associates restated by the equity method in which the Group has a direct investment is as follows:

Colombian Companies:

Effect on results equity participation method	Income/Expense	
	For the year ended December 31, 2022	For the year ended December 31, 2021
Income/ Expenditure	\$ (1.093.254)	\$ 756.425
Total	\$ (1.093.254)	\$ 756.425

As of December 31, 2022, it corresponds to the investment in Crédito Fácil Codensa S.A. (financing company).

32. Results on sale and disposition of assets

	For the year ended December 31, 2022	For the year ended December 31, 2021
Result in Sale of Assets	\$ (3.442.229)	\$ (1.637.912)

As of December 31, 2022, the Group presents a net effect on the sale and disposal of assets for \$(3,442,229), corresponding to:

i) Disposals with effect in loss for (\$14,893,014) distributed as follows:

- Generation plants for (\$452,798).
- Distribution Transformers for (\$13,079,392).
- Claims from March to December (\$1,163,647).
- Machinery and equipment for (\$193,380).
- Buildings and land for (\$3,797).

ii) Disposals with effect on profit for \$16,260,874 which are due to:

- Sale of lots and warehouse Wuaku Wuaku \$16,176,841.
- Sale of boats (Boats) \$84,033.

iii) Central American companies have a net effect of (\$4,810,089) mainly due to:

Guatemala: Loss of \$(4,836,284) due to loss of auxiliary equipment at Generadora Montecristo; for rehabilitation of the plant; Lowering of the irrigation bridge in Renovables de Guatemala for rehabilitation of the Palo Viejo plant.

Costa Rica: Profit associated with the sale of office furniture for \$26,195.

33. Income tax expense

The provision recognized to the results of the period, for income taxes is broken down as follows:

	Year ended December 31, 2022	Year ended December 31, 2021
Current tax income	\$ 1.617.698.485	\$ 733.078.991
Tax Income from previous years	(15.528.717)	(13.851.853)
Deferred tax movement	(67.553.370)	92.840.326
Deferred tax movement previous years	7.011.987	2.306.683
ZE Companies adjustments, closing year 2021	(1.180.173)	-
\$	1.540.448.212	\$ 814.374.147

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The total expense for income tax is made up of the calculated tax of Colombian companies, it is \$1,484,334,368, from January 1 to December 31, 2022, plus the tax of the merged companies from February 1 to 28, 2022 by virtue of which the absorbing company acquires all the rights and obligations of the merged companies. Below is the detail of the total income tax provisioned for the taxable year 2022:

Consolidated Colombian income tax expense	\$	1.417.700.637
Codensa income tax expense from January to February		79.873.369
EGP Colombia income tax Income from January to February		(13.239.638)
	\$	1.484.334.368

Below, for companies in Colombia, the reconciliation between the income tax that would result from applying the current general tax rate to the "results before taxes" and the recorded expense equivalent to an effective rate on profit as of December 31, 2022 and 2021 of 32.57% and 32,23%:

Effective tax rate reconciliation	Year ended December 31, 2022	%	Year ended December 31, 2021	%
Enel Colombia profit	\$ 2.859.963.898		\$ 1.712.321.401	
Enel Colombia income tax expense	1.395.325.287		814.374.147	
Earnings before taxes of Enel Colombia	4.255.289.185		\$ 2.526.695.548	
Codensa profit from January to February	148.518.309			
Codensa income tax expense from January to February	79.873.369			
Earning before Codensa tax from January to February	228.391.678			
Loss of EGP Colombia from January to February	(25.300.314)			
EGP Colombia income tax income from January to February	(13.239.638)			
Loss before tax of EGP Colombia from January to February	(38.539.952)			
Profit for the period (1)	3.072.475.271			
Total income tax expense	1.484.334.368			
Total profit before tax	4.556.809.639			
Current legal tax rate	35%		31%	
Tax according to current legal rate	(1.594.883.374)	-35,00%	(783.275.620)	-31,00%
Permanent differences:				
Tax discount (2)	164.450.372	3,61%	4.384.375	0,17%
Equity participation method (3)	113.991.746	2,50%	-	0,00%
Special deduction Law 1715	16.665.362	0,37%	-	0,00%
Previous year rent adjustment	6.805.194	0,20%	11.545.170	0,46%
Rate difference adjustment, deferred adjustment of previous years	2.768.383	0,06%	(45.159.205)	-1,79%
Deduction of real productive fixed assets	442.033	0,01%	2.882.749	0,11%
Profit from sale of fixed assets taxed with occasional gain	390.433	0,01%	-	0,00%
Additional deduction for disabled people	69.515	0,00%	-	0,00%
Presumed interest	(14.182)	0,00%	(1.173)	0,00%
Other permanent differences	(426.840)	0,02%	1.448.837	0,06%
Net effect of movement in estimated liabilities and permanent	(1.654.243)	-0,04%	(2.565.736)	-0,10%
Provisions Book depreciation tax depreciation value	(5.241.536)	-0,12%	(2.270.893)	-0,09%
Deferred industry and commerce tax	(15.116.148)	-0,33%	653.287	0,03%
Expenses without a causal relationship and other non-deductibles (4)	(21.056.630)	-0,46%	262.711	-0,01%
Non-deductible taxes (5)	(40.717.549)	-0,98%	(2.278.649)	-0,09%
Dividends received and ECE income	(110.806.904)	-2,43%	-	0,00%
Total permanent differences	110.549.006	2,43%	(31.098.527)	-1,23%
Income Tax expense	(1.484.334.368)	-32,57%	(814.374.147)	-32,23%

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary) Notes to the Consolidated Financial Statements

(In thousands of pesos)

The total income tax expense of \$1,484,334,368 is made up of the Group's tax calculated from January 1 to December 31, 2022, plus the tax of the merged companies from January 1 to February 28, 2022 in by virtue of which the absorbing company acquires all the rights and obligations of the merged companies. Below is the detail of the total income tax provisioned for the taxable year 2022:

Income tax expense of Grupo Enel Colombia	\$	1.540.448.212
Income tax expense of Codensa from January to February EGP Colombia		79.873.369
Income tax income from January to February		(13.239.638)
Income tax expense of CAM and Colombia affiliates		(122.747.575)
	\$	1.484.334.368

- (1) The rate reconciliation analysis corresponds to Colombian companies that generated income tax in 2022 (Enel Colombia S.A. E.S.P., Sociedad Portuaria Central Cartagena S.A., Enel X Colombia S.A.S. E.S.P., Colombia ZE S.A.S., Usme ZE S.A.S. and Fontibon ZE S.A.S.)
- (2) As of December 31, 2022 and 2021, corresponds to the recognition of tax discounts in: Industry and Commerce Tax for \$63,370,608 and \$1,620,860, donations for \$465,342 and \$274,400, investment in science and technology for \$9,508,092 and \$2,489,116, discounts for taxes paid in Central America in 2022 for \$91,106,329.
- (3) As of December 31, 2022, the equity method includes the Central American companies (Guatemala, Costa Rica and Panama) and the Colombian companies Sociedad Portuaria Central Cartagena S.A., Crédito Fácil Codensa S.A., Enel X Colombia S.A.S. E.S.P., Bogotá ZE S.A.S. and Colombia ZE S.A.S.
- (4) The variation of 2022 and 2021 corresponds mainly to the recognition of non-deductible expenses of the collaboration contract with Colpatria "Open Book", non-deductible expenses for contracts with foreign suppliers without tax requirements, contingency for contracts entered into with foreign entities, impairment of investments, profit from the sale of assets, non-deductible VAT, as well as the effect of expenses without a causal relationship such as donations, default interest, penalties, among others.
- (5) Corresponds to the effect on the income tax of the industry and commerce tax; and tax on financial movements.

The total income tax expense of CAM companies amounts to \$122,747,574, detailed below:

	Guatemala	Panama	Costa Rica (*)
Profit before taxes	185.627.473	524.687.963	10.360.307
Income tax	(24.278.714)	(98.846.690)	377.830
Effective rate	-13,08%	-18,84%	3,65%

Guatemala's nominal rate is 7% on income and/or 25% on net income; Panama's nominal rate is 29% and 30% applies to companies in which the government has a stake; Costa Rica's nominal rate is 25%.

(*) The Costa Rican tax presents a balance contrary to December 2022, due to the difference between the tax for 2,618,912 and the current tax (2,996,742), taking into account that Enel Colombia S.A. E.S.P. pays income tax to a rate of 30%; Enel Colombia S.A. E.S.P. and the Don Pedro and Río Volcán plants have a deferred tax calculation and P.H. Chucas liquid remaining deferred ISR asset given its impossibility of generating taxable profits in the future.

34. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to Group shareholders by the weighted average number of common shares outstanding in the year. As of December 31, 2022, there are no common shares acquired by the Group.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

	For the year ended December 31, 2022	For the year ended December 31, 2021
Profit for the year attributable to owners	\$ 2.859.963.898	\$ 1.712.321.388
Preference Dividends (1)	-	9.234.113
Profit for the year attributable to owners adjusted by preferential dividends	2.859.963.898	1.703.087.275
Weighted average shares outstanding	148.913.918	148.914.162
Basic earnings per share (*)	\$ 19.205	\$ 11.437

(*) Figure expressed in Colombian pesos.

- (1) As of December 31, 2021, of the total shares of Grupo Energía Bogotá S.A. E.S.P., 20,952,601 shares corresponded to non-voting shares with an annual preferential dividend of US\$0.11 per share. For the year 2022, there are no non-voting shares with preferential dividend.

35. Comprehensive income

The detail of other comprehensive income is presented below:

	For the year ended December 31, 2022	For the year ended December 31, 2021
Components of other comprehensive income that will not be reclassified to profit or loss for the period, before taxes:		
(Losses) in new measurements of financial instruments measured at fair value with changes in OCI (2)	241.892	(35.329)
Gains (losses) from new measurements of defined benefit plans (3)	(40.824.175)	14.150.443
Equity method conversion	801.814.678	-
Merger Effect Enel Colombia - (losses) in new measurements of financial instruments measured at fair value with changes in OCI (1)	(28.741)	-
Merger Effect Enel Colombia - Gains (losses) from new measurements of defined benefit plans (1)	(79.996.688)	-
Enel Colombia Merger Effect - Presentation currency translation effect (1)	268.764.068	-
Other profit or loss for the period, before taxes	\$ 949.971.034	\$ 14.115.114
Components of other comprehensive income that will be reclassified to profit or loss for the period, before taxes:		
Gains (Losses) from cash flow hedges (4)	232.471.931	4.311.953
Merger Effect Enel Colombia - Gains (losses) from cash flow hedges (1)	171.902.542	-
Other result that will be reclassified to the result of the period, before taxes	\$ 404.374.473	\$ 4.311.953
Income taxes related to components of other comprehensive income that will not be reclassified to profit or loss for the period		
Gains (losses) from new measurements of defined benefit plans (3)	8.623.854	(3.841.325)
Merger Effect Enel Colombia - Gains (losses) from new measurements of defined benefit plans (1)	15.281.807	-
Income tax related to taxable dividends (5)	(151.255.493)	-
Total income taxes related to components of other comprehensive income that will not be reclassified to profit or loss for the period.	\$ (127.349.832)	\$ (3.841.325)
Income taxes related to components of other comprehensive income that will be reclassified to profit or loss for the period.		
Income tax related to cash flow hedges	(76.489.244)	(1.439.523)
Merger Effect Enel Colombia - Income tax related to cash flow hedges (1)	(51.540.745)	-
Total income taxes related to components of other comprehensive income that will be reclassified to profit or loss for the period	(128.029.989)	(1.439.523)
Total other comprehensive income	\$ 1.098.965.686	\$ 13.146.219

- The variation as of December 31, 2022 corresponds to the balances from the merger process (see note 1.4).
- As of December 31, 2022, it corresponds to the losses derived from the investment in Derivex S.A. E.S.P. as a result of the valuation by the multiples method and the update of the investment in subsidiaries resulting from the application of the participation method.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

3. Corresponds to the effect of actuarial losses valued by the firm AON Hewitt México. As of December 31, 2022 and 2021, the actuarial losses with effect on equity are presented below:

	As of December 31, 2022			As of December 31, 2021	
	Pensions and Benefits	Retroactive severance pay	Temporary rent	Pensions and Benefits	Retroactive severance pay
Initial Balance December 1, 2022	(19.089.179)	(1.348.102)	-	(28.837.301)	(1.909.098)
Actuarial losses recognized in the merger process	(61.780.204)	(189.259)	(2.745.417)	-	-
Actuarial loss	(38.843.579)	(1.980.596)	-	(13.589.447)	(560.996)
Current and Deferred Tax	8.623.854	-	-	(3.841.325)	-
Final Balance December 31, 2022	(111.089.108)	(3.517.957)	(2.745.417)	(46.268.073)	(2.470.094)

4. As of December 31, 2022, corresponds to the Mark to Market (MTM) result of the valuation of hedging derivatives for both forward and swap
5. Dividends from a foreign source are subject to income tax in Colombia, from which you have the right to deduct taxes paid abroad in accordance with the provisions of article 254 of the Tax Code, in the case of dividends from Guatemala, the deferred tax has been calculated as of December 31, 2022 in the amount of \$100,167,239, which corresponds to the net expense in Colombia, once dividends are declared and indirect and direct taxes paid in the country of origin are discounted.

Additionally, as of December 31, 2022, a current tax was recorded in ORI for \$51,088,254 corresponding to the Guatemalan dividends declared in the months of April and November 2022.

36. Foreign currency assets and liabilities

Existing regulations in Colombia allow the free negotiation of foreign currencies through banks and other financial institutions at free exchange rates. However, most foreign currency transactions require compliance with certain legal requirements.

Summary of assets and liabilities denominated in companies' currencies in Colombia:

	As of December 31, 2022		
	(in EUR)	(in US dollars)	(In thousands of pesos)
Cash and cash equivalents (Note 4)	-	5.948.119	28.611.641
Debtors	4.959.908	3.959.072	44.506.540
Accounts payable	(1.899.660)	(36.040.056)	(183.112.133)
Passive position, net	3.060.248	(26.132.865)	(109.993.952)

	As of December 31, 2021		
	(in EUR)	(in US dollars)	(In thousands of pesos)
Cash and cash equivalents (Note 4)	-	2.050.722	8.164.253
Debtors	-	461.585	1.837.644
Accounts payable	(1.684.785)	(8.928.559)	(43.173.681)
Passive position, net	(1.684.785)	(6.416.252)	(33.171.784)

Summary of assets and liabilities denominated in companies' currencies in Central America:

	As of December 31, 2022				
	(in EUR)	(in US dollars)	(in Quetzales)	(In Colons)	(In thousands of pesos)
Cash and cash equivalents (Note 4)	-	88.599.980	40.800	404.045.767	429.437.224
Debtors	128.377	51.946.883	-	-	250.453.523
Accounts payable	(8.658.081)	(204.827.654)	-	-	(1.024.284.762)
Passive position, net	(8.529.704)	(64.280.791)	40.800	404.045.767	(344.394.015)

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

In the companies in Central America, only the assets are presented due to their availability and the liabilities due, which are the accounts payable.

37. Sanctions

In the period between January 1 and December 31, 2022, the Group has been notified of the following sanctions.

Sanctions for regulatory breaches:

- a) On July 11, 2022, through Resolution No. SSPD 20222400660655, the Superintendency of Public Services resolved to penalize a fine of \$700,000 for considering that Enel Colombia S.A. E.S.P. breached the Measurement Code with respect to the client Gran Tierra Energy for accumulating three failures in the measurement system in a period of one year. An appeal for reversal was filed against the sanction before the same SSPD and the entity's decision is pending.
- b) On July 19, 2022, through Resolution No. SSPD 20222400666425, the Superintendency of Public Services resolved to sanction a fine of \$242,459, considering that Enel Colombia S.A. E.S.P. failed to comply with regulations on consumption measurement during May 2020 and invoiced the electric power service based on estimated consumption of 53,339 users, without having proven that this did not occur as a consequence of their action or omission. An appeal for reversal was filed against the sanction before the same SSPD and the entity's decision is pending.

Environmental sanctions

- a) The Autoridad Nacional de Licencias Ambientales (ANLA) confirmed the sanction against the Group for \$2,503,259, for the alleged non-compliance with the Environmental License, in relation to the removal of wood and biomass resulting from the logging of the reservoir basin of the El Quimbo Hydroelectric Project (hereinafter "PHEQ"). An application for annulment and restoration of the right was filed, the application has already been admitted.

The allegations were presented and the process has been before the office since March 10, 2020 for a first instance ruling.

- b) The Corporación Autónoma Regional del Alto Magdalena (CAM) ruled on the appeal filed against Resolution No. 2239 of July 29, 2016, in which the Group was penalized for \$758,864, for violation of environmental regulations, since it carried out activities without having prior environmental permission as established by the regulation (Opening of the road above elevation 720 of the PHEQ), the penalty was reduced to \$492,700.

The claim for annulment and restoration of the right (Legal actions) was filed, the CAM answered the claim. After the suspension of the process decreed by the Administrative Court of Huila on the occasion of the emergency measures by COVID19, in December 2020 the initial hearing was held and the technical testimony requested by Enel Colombia S.A. E.S.P. was carried out, On April 6, 2022, the evidentiary stage was terminated, and a transfer was made to present closing arguments on April 27 of this year.

- c) On January 12, 2018, the company Enel Colombia S.A. E.S.P. was notified of the December 4 resolutions No. 3567, 3568 and 3569, in which the sanctions imposed by the CAM in November 2016 in relation to resolutions 3590 are confirmed. , 3653 and 3816 of November 2016 derived from the lack of dumping permits for the PHEQ resettlements, in accordance with environmental regulations.

As a consequence of the foregoing, the Corporación Autónoma Regional del Alto Magdalena (CAM) imposed three (3) sanctions consisting of a fine of \$50,670 each:

The following are the resolutions and the facts for which we are sanctioned:

- Resolution No. 3590 of November 10, 2016, the CAM sanctions Enel Colombia S.A. E.S.P. for not having the dumping permit for the Montea resettlement.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

A claim for Nullity and Restoration of Law was filed, since May 30, 2019, a first instance judgment was handed down on October 4, 2021 in favor of Enel Colombia S.A. E.S.P. The appeal filed by the CAM is currently being processed.

- Resolution No. 3816 of November 10, 2016, the CAM sanctions the company Enel Colombia S.A. E.S.P. for not having the discharge permit for the resettlement of La Galda.

A claim for Nullity and Restoration of Law was filed against the CAM. On April 14, 2021, a first instance judgment was handed down by the Seventh Administrative Court of Neiva, in which the claims of Enel Colombia S.A. E.S.P. were denied, currently the process is pending the processing of the appeal filed by Enel Colombia S.A. E.S.P. before the Administrative Court of Huila.

Central America

Labor sanction

In the company Enel Guatemala S.A., the Ministry of Labor imposed a fine paid on March 24, 2022 for extemporaneous presentation of the employer's report, in the amount of US\$1,845.68 according to Resolution No. R-VI-0901-0125-2021 notified on March 21, 2022. This fine is final.

38. Other insurance

The Group, in addition to Property, Plant and Equipment insurance (See Note 14), has the following:

Asset/insured person	Covered risks	Insured value <i>Figures in thousands</i>	Expiration	Insurance company
Employees with direct contract with and Enel Colombia S.A. E.S.P.	Death, total disability permanent	maximum insured sum individual \$2,000,000	31/12/2023	Seguros Bolívar
Directors or managers	Civil liability of directors and administrators	\$ 19.385.116*	10/11/2023	SBS Seguros

* Figure valid from 2021 to 2022. Policy that as of Dec 31, 2022 is being issued for renewal.

39. Commitments and Contingencies

a. Purchase commitments:

As of December 31, 2022, the Group has commitments for the purchase of energy (pay what was contracted at current prices), natural gas, fuel oil and coal as follows:

Period	Energy Distribution	Energy Generation	Natural gas	fuel oil	Coal	Total
2023-2026	5.082.322.082	932.278.498	200.494.752	30.218.825	12.199.128	6.257.513.286
2027-2031	2.322.793.881	51.761.108	60.472.519			2.435.027.508
2032-2036	2.339.212.855	-				2.339.212.855
2037 and following	304.116.821	-				304.116.821
Total	\$ 10.048.445.639	\$ 984.039.606	\$ 260.967.271	\$ 30.218.825	\$ 12.199.128	\$ 11.335.870.470

The following is a summary of the commitments to purchase materials and services:

Year	Materials	Services	Total
2023	693.278.030	592.623.852	1.285.901.882
2024 – 2025	408.741.212	535.619.500	944.360.712
2026 – 2027	-	23.197.601	23.197.601
2028 – 2029	-	3.431.324	3.431.324
Total	\$ 1.102.019.242	\$ 1.154.872.277	\$ 2.256.891.519

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Canoas lifting station agreement

On December 5, 2011, the inter-institutional agreement was signed between the Empresa de Acueducto y Alcantarillado de Bogotá ESP ("EAAB") and the Group, with the objective of joining efforts to guarantee the construction of the Canoas Lifting Station, through economic contribution and operation offered by the Group. It is worth noting the importance that the aforementioned agreement has for the inhabitants of the Bogotá river basin, to the extent that it contributes significantly to the financing of mega works necessary for the sanitation of the Bogotá river and allows the use of water resources in the supply of electrical energy guaranteeing the reliability of the system for electrical generation; thus making the power generation process and the optimization of water quality compatible.

The economic contribution of the Group for this agreement amounts to \$84,048,000, the value of the final disbursement will be the result of the simple indexation of the economic resources of the agreement and will be disbursed once the lifting station is built and in operation by the EAAB. It is scheduled to start its assisted operation in the second half of 2023.

The agreement is valid for 27 years from the signing of the agreement and until the Group maintains the status of user of the waters of the Bogotá River by virtue of the water concession granted by the CAR. This may be extended by agreement of the parties as long as the reasons for its celebration subsist.

In November 2018, the EAAB carried out the award process for the designs and construction of the lifting station, which, according to the scheduled schedule, began in March 2019 with a duration of 44 months. The Group will participate in the technical roundtables from the start of the detailed engineering and construction contract. Once the construction of the lifting station, installation and commissioning is completed and the equipment tests are carried out, the Group will receive the Lifting Station to operate and maintain it.

As of December 31, 2022, the following activities have been carried out for an execution of 72.34% of the total contract:

- Completion of the detailed engineering of the different specialties (geotechnics, structural, hydraulic, electrical, mechanical and control) with an advance of 99.7%.
- Progress in the execution of preliminary works of 62.77%.
- Construction of the pumping well with an advance of 83.42% and the screening well with an advance of 70.35%.
- Progress in the construction of related structures such as substation and electrical and control building of 61.03%.
- Substation, medium voltage and low voltage network 79.3%.
- The tests of the main equipment such as transformers for the electrical substation, motors and pumps of the lifting station were completed. We are still reviewing the schedule of the FAT tests of the screening equipment, gates, delivery and control pipes, and protections. Additionally, approval of the design of the 115 kV connection line that will energize the Canoas Lifting Station from the Río Substation is still pending, and the definition of the start-up date for the Lifting Station is still pending.

40. Litigation and arbitration

The Group faces lawsuits classified as possible, for which management, with the support of its external and internal legal advisors, estimates that the result of the lawsuits corresponding to the part not provisioned will be favorable for the Group and will not cause significant liabilities that should be accounted for or that, if they arise, they will not significantly affect its financial position.

(a) Litigation classified as eventual or possible:

The main litigations that the Group has as of December 31, 2022 classified as eventual are:

a. Process Centro Médico de la Sabana P.H. and others.

Start date: 2014.

Claim: \$337,000,000.

Object of the trial: The plaintiffs want the Group to return what it has allegedly overcharged for not applying tariff benefits to said group of users belonging to Voltage Level (1), who are also owners of the distribution assets.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The claim and the main fact of the claim are based on the fact that the Group is illicitly enriching itself since it does not apply any rate benefit to users who belong to this voltage level and who are owners of the infrastructure, as established in Resolution 082 of 2002, modified by Resolution 097 of 2008. The plaintiff determines the amount of this process based on the fact that this situation is replicated in approximately 550 thousand users and that each one is entitled to compensation.

Current status and procedural situation: A conciliation hearing was held, which was declared unsuccessful.

On September 8, 2017, the firm agreed to the plaintiff's request to include in the group of initial plaintiffs 4 legal representatives of the co-ownerships (Office Class Building, Minicentro Shopping Center, Santa Ana II Building and Beatriz Building), which They join the group not as direct plaintiffs, but as a group affected by the facts that constitute the alleged violation, which would make them supportive of the claims of the lawsuit, in the event that the sentence were favorable to them.

On August 2, 2019, the office process leaves, setting the date of October 24, 2019 to carry out the testimonies requested by the parties and practice the expert opinion that was requested ex officio.

On August 21, 2019, the Group is required to provide other documentation, this order is challenged because a detailed list of the users who, without being part of the lawsuit, are the owners of the voltage level assets is being requested, as well as the Group sends transfer of the expert opinion decreed ex officio by the Court and submits a new one, to dispute all the points that are unfavorable for the Group.

As of December 16, 2021, all the evidence was carried out in 3 hearings, the attorney for the plaintiff filed two appeals against the 2 contradictory opinions presented by the Group. A transfer was sent to allege conclusion for 5 days, however, the Public Ministry through the Attorney Karime Chavez Niño, requested the suspension of that term, so that an appeal that the plaintiff filed extemporaneously would be taken into account, reason for which Codensa presented the respective opposition.

As of March 28, 2022: The Administrative Court of Cundinamarca resolved in favor of the Group the appeals filed by the attorney of the plaintiff, regarding the nullity of the expert opinions presented by the Group, to dispute the opinions practiced during the process.

March 24, 2022: The plaintiff and the Group, as well as the Public Ministry present closing arguments. On May 31, 2022, the process enters the Office for a judgment of first instance.

As of December 31, 2022, we are waiting for the first instance judgment to be delivered.

b. Process Association of Owners of the Antonio Nariño Urban Center.

Start date: 2009.

Claim: \$15.000.000.

Object of the trial: The Association demands the claim of a property located within its facilities where a power substation of the Group operated. A counterclaim is filed claiming the prescription of the property or the easement.

Current status and procedural situation: Since February 2019, the logistics of sending notifications to the counterclaim defendants began, which are all co-owners of the properties that make up the co-ownership.

The shipments began to be made from Friday, March 29, 2019, through successive shipments until completing the almost 800 shipments that must be made. However, on April 22, 2019, the Judge resolved to decree the tacit withdrawal of the claim for membership (in a counterclaim) that the Group had filed. The foregoing to the extent that it was not possible to comply with the requirement given by the office, consisting of notifying the passive end in full within the 30 days that had been granted for it, in accordance with the provisions of article 317 of the CGP .

The Group filed an appeal against this decision, which was unfavorably resolved before the Superior Court of the Judicial District of Bogotá. The ongoing process regarding the claim. A guardianship action was filed on the understanding that this procedural burden is impossible to comply with and violates the Group's right to defense, a guardianship that was likewise unfavorable for the Group.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Recently, and before a decision of the Supreme Court of Justice, which indicated that in the processes where the horizontal properties were sued, the procedural link of all the co-owners was not required, the Group informed said decision to the 49th Civil Circuit Judge in order to that he made an unofficial declaration of illegality of the Order that had declared the withdrawal of the Group for the timely failure to link the 1700 co-owners of the Antonio Nariño Urban Center. In view of the previous request, the Judge considered that, although it was correct to indicate the new criterion adopted by the Supreme Court of Justice, it was also true that at the time the tacit withdrawal was declared, the jurisprudential criterion was different, and therefore the The order that declared the tacit withdrawal was not based on any illegality.

As of December 31, 2022, the process continues its course against the claim filed by ASOCUAN. To date, an appeal filed by the plaintiff against an order of procedural linkage issued by the Judge, where he ordered that the co-owners of the Horizontal Property be linked to integrate the litigation, is yet to be resolved.

c. Public Lighting Litigation with the UAESP.

Start date: 2017.

Claim: \$113.082.000.

Object of the trial: Nullity and restoration of the right against the Special Administrative Unit of Public Services (hereinafter "UAESP") for the reliquidation of public lighting in Bogotá D.C. from 1998 to 2004 and its corresponding executive collection.

Current status and procedural situation The main facts of this litigation and the events that occurred are described below:

On April 20, 1997, an inter-administrative agreement was signed between the District and GEB (Grupo Energía Bogotá S.A. E.S.P.) that guarantees the city the supply of energy for public lighting, an agreement that was transferred to the Group on October 23, 1997. In that same year, the CREG, through Resolution No. 99/97, modified the rate for the home energy service, expressly excluding public lighting, for which the Group presented to the District for the years 1998 and 1999 some invoices where the Company he made his own and unilateral calculation of the value of the energy he supplied. The District disputed the Class's rate, but settled what it believed was the fair price. On January 25, 2002, The parties established an applicable methodology for the future and determined to prepare a georeferenced inventory whose result is compared with the existing census, so that, in the event that differences exist, the costs and remuneration will be re-liquidated with respect to the periods that may apply. The georeferenced inventory (prepared between 2000 and 2003) resulted in a difference of 8,661 luminaires less than those that the Group charged the District, for which the Group is required to carry out the re-liquidation that includes default interest for the higher values paid between 1998 and 2004.

As a consequence of a popular action that was taking place in the Tenth Administrative Court of Bogotá, on November 9, 2009, a first instance judgment was issued in which the UAESP and the Group were ordered to, within a period of two months from the execution of the ruling take all the necessary steps to definitively establish the balances in favor or against, duly updated with the DTF (sum update formula) plus interest. If an agreement is not reached, the UAESP itself must carry out a liquidation within two months to submit it for consideration to the Group, who can exercise the pertinent governmental resources and in case of non-payment, proceed to execute the sentence. The judgment of second instance confirmed what was declared and is currently firm, with no other appeals proceeding.

On August 26, 2014, the UAESP and the Group signed an agreement in which they reached an agreed liquidation where the Group assumed 50% equivalent to \$14,432,754. This agreement, in addition to the Group, had to be authorized by the director of the UAESP and ratified by Administrative Judge No. 10 of Bogotá (who heard the process in 1st instance).

On June 1, 2017, the 10th Administrative Judge of the Bogotá Circuit refused to consider the aforementioned agreement, taking into account that it was not entered into within the two months following the execution of the judgment of September 29, 2011, which expired on June 2. February 2012; ordering the UAESP to carry out the unilateral liquidation. However, taking into account that the Judge did not issue a pronouncement of approval or rejection of the agreement, it continues to be opposable between the parties.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

On August 31, 2017, in compliance with the order of the Administrative Judge, the UAESP issued resolution 412 of 2017 through which it re-settled the billing for the public lighting object of the process for an amount of \$141,016,977, as a result of the foregoing, the Group filed an appeal for reversal.

On December 29, 2017, the Group was notified of resolution 730 of 2017 issued on December 18 by the UAESP through which it resolved the appeal for reinstatement filed by the Group, confirming the contested decision and reconsidered the calculation of the re-liquidation notified in August using the DTF as the update basis, in accordance with the order of the Judge in the judgment of September 2009, in that order the new claim of the UAESP amounts to \$113,082,893.

On January 25, 2018, the UAESP required the Group, in view of this situation, the Group offered the UAESP the payment of the amount it considers fair of \$14,432,754, which as of February 28 and according to the agreed update amounted to \$23,633,336. Sum that could be matched with three invoices paid by the UAESP for public lighting as of the date. Given the silence of the UAESP, a request for a working group was filed on March 16, 2018 to reach an agreement since the UAESP began persuasive collection. However, on March 22, 2018, the UAESP communicated the decision to issue a payment order against the Group for the sums of money contained in the Resolution.

On March 22, 2018, the UAESP reported that a payment order had been issued against the Group as coercive collection had begun. Once the coercive collection was answered and the exceptions of the Group were resolved negatively, the UAESP was informed of the admission of the claim for annulment and restoration of the right by the Administrative Court of Cundinamarca, before which the UAESP by order of On September 6, it proceeded to suspend the coercive collection process.

Given the impossibility of reaching an agreement with the UAESP regarding the amounts of the administrative acts, Resolutions No. 412 of August 2, 2017 and 730 of December 18, 2017; On July 25, 2018, the Group proceeded to file the claim for Nullity and Restoration of Law before the Administrative Court of Cundinamarca. This lawsuit was admitted on August 21, 2018.

On September 28, 2018, the Group paid the UAESP the sum of \$24,471,044, which corresponds to the amount that was agreed upon in the agreement signed by the parties in 2014, updated with a rate equal to the DTF from the date the difference occurred to the actual date the payment is made. The remaining value of the unilateral liquidation constitutes the object of the lawsuit against the UAESP.

On August 21, 2019, the Administrative Court of Cundinamarca ruled the process denying the claims of the lawsuit, detracting from the agreement entered into in 2014 as it was considered untimely.

The Group files an appeal because: i) the Court ignored that the transaction entered into by the parties on June 26, 2014 is fully valid and, therefore, the UAESP was obliged to include it in the partial and unilateral settlement of the agreement inter-administrative (Law 80 of 1993 article 60). ii) The Court ignored the existence and validity of the transaction contained in the settlement agreement signed by the parties on June 26, 2014 and, consequently, its effect of res judicata (art. 2483 Civil Code). iii) The Court ignored the principle of good faith (art. 83 Political Constitution) and the prohibition of going against one's own acts (venire contra fatum proprium non valet). iv) The Tribunal failed to recognize that the administration cannot obtain any benefit from its own non-compliance. The delay is not attributable to the Group, since the obligation to resettle unilaterally (2 months) was only for the UAESP and this occurs after 24 months, so the delay is attributable to the UAESP.

The appeal was admitted before the Council of State and in view of the congestion that the administration of justice currently has, the Group considers that it can have a ruling no earlier than five years.

For its part, within the framework of the coercive collection process, a surety policy was presented under the terms of art. 837-1 of the Tax Code, in order to prevent the materialization of attachment orders against the Group.

The contingency is classified as possible or eventual, given that the Court's statements are controversial in our favor before the Council of State, and in response to the ruling against the Group, the percentage does not exceed 50%.

As of December 31, 2022, the process continues to dispatch for a second instance ruling.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

d. Popular action of Comepez – Precautionary measure to suspend the filling of the Quimbo Reservoir.

Start date: 2015.

Claim: indeterminate.

Object of the trial: On February 9, 2015, the Group was informed of the precautionary measure decreed by the Administrative Court of Huila, on the occasion of the Popular Action promoted by the Comepez S.A. group and Others in pursuit of the rights to a healthy environment, public health and food security, as prevention of the imminent danger of massive mortality in the fish farming projects of the Betania reservoir. By virtue of this provisional urgent measure adopted by the Court, the Group was ordered not to begin the activity of filling the El Quimbo reservoir until the optimal flow of the river and other obligations are met.

Current status and procedural situation: On February 13, 2015, the Group was notified of the admission of the action and the precautionary measure, and on February 18, 2015, an appeal for reversal and subsidy of appeal was filed before the Contentious Administrative Court of Huila, against the order that granted the injunction. This appeal was denied, which led to the filing of a guardianship action.

On January 8, 2016, the Group was notified of the guardianship ruling handed down by the Third Criminal Judge of the Neiva Special Circuit, through which he authorized Enel Colombia S.A. E.S.P. (formerly Emgesa S.A. E.S.P.) to immediately generate energy as a temporary measure until the Contentious Administrative Court of Huila decides on the substance on the lifting or not of the decreed precautionary measure.

After the evidentiary phase was completed, on December 18, 2020, an unfavorable ruling was issued ordering the following:

- a) Design a decontamination project that guarantees that the water from the reservoir does not affect the water resource or generate adverse effects on the fauna and underwater flora.
- b) The Ministry of Environment and Sustainable Development and the Group will jointly design a water resource decontamination and treatment project to mitigate and control the adverse effect of coliforms on the riverside population, and will articulate it with the different municipalities located upstream of the reservoir, whose sewage is discharged directly or indirectly into the Magdalena River (San Agustín, Isnos, Pitalito, Palestine, Saladoblanco, Oporapa, Argentina, Elías, Tarqui, Altamira, Guadalupe, Suaza, El Pital, El Agrado, Garzón, Paicol and Gigante).
- c) Urge the ANLA to verify whether the concessionaire built the interceptors and wastewater systems in the municipalities of the area of influence, and according to the results obtained, adopt the decisions that legally correspond to it.
- d) Urge the Ministry of the Environment to design, lead, and formulate a policy for the protection and hydrosanitary recovery of upper, middle, and lower Magdalena.
- e) Order the oxygenation system that was installed in compliance with the precaution to operate permanently, subject to the protocols and guidelines issued by the National Authority for Environmental Licensing. Similarly, the Group will continue to monitor water quality (under the terms and conditions determined by the aforementioned environmental authority); which must be carried out by a laboratory accredited by IDEAM.

Appealed against the ruling by the Group and other parties in the process, on December 31, 2021, the Council of State admitted the appeal. As of December 31, 2022, the Group is waiting for a transfer to file a claim in second instance.

e. Action by Jose Rodrigo Alvarez Alonso Group and others

Start date: 2012.

Claim: \$33.000.000.

Object of the trial: A Group Action has been filed by 1,140 inhabitants of the municipality of Garzón based on the fact that, as a consequence of the construction of the PHEQ, their income from artisanal or business activities has been reduced by an average of 30% without, when preparing the " socioeconomic census" of the project, this would have been taken into account. The Group rejects these claims based on the fact that: (1) The socioeconomic census complied with all the

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

methodological criteria, giving space and time for all interested parties to have the opportunity to register in it; (2) The plaintiffs are non-residents and for this type of person, compensation is only provided for those whose income comes mainly from their activity in the PHEQ's Direct Area of Influence; (3) Compensation must not go beyond the "first link" of the productive chain and be based on the income status indicators of each affected person.

Current status and procedural situation: In the first instance in the evidentiary phase. The actors requested an expert opinion to assess the damage of each of the 1,170 plaintiffs and the public entities to whom the Court has commissioned to carry out the expert opinion have refused.

On August 19, 2019, an expert opinion was presented by an association of professionals, regarding which clarification and complementation were requested. On September 6, the Court required the experts to clarify and complement their work.

The Court by order of November 28, 2019 ordered the experts to complement the opinion giving a term of twenty (20) business days.

As of December 31, 2022, on the occasion of the Group's request, that the evidence be declared abandoned due to the silence of the experts, the Court required the experts to present the complementation of the decreed opinion, consequently, on December 19, 2022. September the opinion was presented. The transfer of said document has not yet been ascertained.

f. Nullity and restoration against official settlement of Income Tax of 2013.

Start date: 2018.

Claim: \$52,808,000 (tax, indexed penalty and interest).

Object of the trial: The DIAN began an audit of the income statement for the taxable year 2013, alleging that there is no right to deduction for productive real fixed assets for those investments in the El Quimbo Project on values above CAPEX initially budgeted in the legal stability contract for the year 2013. The Group maintains that (i) the DIAN was based on a concept that was annulled, (ii) the investments were demonstrated with a certificate from the statutory auditor, and (iii) the Law allowed greater investments than those budgeted in the contract.

Current status and procedural situation: On November 23, 2020, the Administrative Court of Cundinamarca issued an unfavorable first instance ruling. It rejects the DIAN's argument regarding the right to benefit, but considers that the Group did not demonstrate that it made the investments. This ruling was appealed on December 1, 2020.

In March 2022, the Council of State ordered a plea of conclusion in the second instance, which was filed on the 23rd of that same month.

On April 20, 2022, the process entered the office for sentencing.

On August 22, 2022, a judgment of second instance was issued in favor of the interests of the Group.

On September 19, the defendant was notified of the enforceability.

g. Nullity and restoration against settlement of the Forest Exploitation Fee settled by the CAM in 2014.

Start date: 2014.

Claim: \$28,605,000 (rate and interest).

Object of the trial: The Corporación Autónoma Regional del Alto Magdalena - CAM (environmental authority with jurisdiction over the El Quimbo Project) liquidated in 2014 the logging fee allegedly originated in the construction of the Project. The fee is paid for the provision of an environmental service and is calculated at a rate of \$100 (indexed at 25% annually since 1982) for cubic meters of wood with commercial value ("usable"). The Group considers that the indexing of cubic meters should be done by the CPI and not by 25% per year, considering that the standard on which the CAM is based (ie Inderena Agreement 048 of 1982) is not applicable. The Council of State in fact temporarily suspended this rule. Additionally, the CAM has accepted that it has not provided environmental services and it has been shown that the wood had no economic value.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Current status and procedural situation: As of December 31, 2022, the litigation is in the first instance before the Administrative Court of Huila, which must issue a first instance ruling.

h. Nullity and restoration against settlement of the Forest Exploitation Fee settled by the CAM in 2019.

Start date: 2019.

Claim: \$34,838,000 (rate and interest).

Object of the trial: The Corporación Autónoma Regional del Alto Magdalena - CAM (environmental authority with jurisdiction over the El Quimbo Project) settled again in 2019 the logging tax allegedly originated in the construction of the Project. The fee is paid for the provision of an environmental service and is calculated at a rate of \$100 (indexed at 25% annually since 1982) for cubic meters of wood with commercial value ("usable"). Emgesa considers that the indexing of cubic meters should be done by the CPI and not by 25% per year, considering that the standard on which the CAM is based (ie Inderena Agreement 048 of 1982) is not applicable. The Council of State in fact temporarily suspended this rule. Additionally, the CAM has accepted that it has not provided environmental services and it has been shown that the wood had no economic value.

Current status and procedural situation: As of December 31, 2022, the litigation is in the first instance before the Administrative Court of Huila, which by means of an Order of December 15, 2022 set the initial hearing date for February 23, 2023 9am.

i. Return request submitted by Eliot Manufacturing.

Start date: 2015.

Claim: \$5,078,000 (rate and interest).

Object of the trial: Manufacturas Eliot considers that the Group must return the contribution collected on energy bills from 2012 to 2013. The Group's defense maintains that (i) Manufacturas Eliot filed a request for exemption in December 2013, and that the Law only gave it the right to exoneration from the moment of the request; and (ii) the Group is only the collecting agent, and if there is a place for a refund, it is MinMinas who must do it.

Current status and procedural situation: In October 2021, the Administrative Court of Cundinamarca issued an unfavorable ruling, ordering the return.

In May 2022, the dispute reached the Council of State for the second instance.

On September 2, 2022, the process was distributed to the office of Dr. Piza to fill the second instance.

On December 9, 2022, the Council of State issued an Order that admits an appeal. And on December 13, 2022, Manufacturas Eliot S.A.S. filed opposition to the appeal.

j. Nullity and restoration against settlements of the Water Use Rate in 2016, 2017 and 2018.

Start date: 2019.

Claim: \$15,083,407 (rate and interest).

Object of the trial: The Corporación Autónoma Regional del Alto Magdalena - CAM intends to charge the rate for the use of water on the total concession and not for the volume actually used, in the Small Hydroelectric Plant of Rionegro in 2016, 2017 and 2018. The CAR alleges alleged failures in the flow measurement. The Group's defense is based on the arguments that (i) the correct compensation according to the installed capacity were transfers from the electricity sector, (ii) the event generating the rate is the effective use of water for generation: there was no continuous generation 365 days a year, but only on specific days; and (iii) if measurement commitments were met and therefore, the CAR did not have the right to calculate the rate on the entire concession flow.

Current status and procedural situation: The five lawsuits (two for 2016, one for 2017 and two for 2018) are estimated as possible risks due to their probability of loss (between 20% and 45%). The two processes against the liquidations of 2016 began before the contentious administrative jurisdiction in September 2019 and April 2021, while the process against the liquidation of 2017 began in December 2020 and that of 2018 in August and November 2021. As of 31 December 2022, there is no first instance judgment in any.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

k. Action of Grupo Zipaquirá – Public Lighting.

Start date: 2015.

Claim: \$11.933.000.

Object of the trial: A group action was filed against the Group and the Municipality of Zipaquirá, with the claim that the Public Lighting Tax collected between 1979 and 2012 in the Municipality be returned, based on a regulation that had been annulled in 2008. The Group maintains that (i) it is only a collection agent in favor of the Municipality, and that (ii) the plaintiffs have already lost the right to a refund (the expiration of the action operated.)

Current status and procedural situation: The favorable first instance ruling was issued in June 2019, concluding that the Group is only a collecting agent and that it is the Municipality that must return the tax collected between 2008 and 2012. The group action is currently known by the Administrative Court of Cundinamarca In second instance.

l. Nullity and reinstatement against VAT settlements in 2016.

Start date: 2020.

Claim: \$4,055,319 (higher tax, penalty and interest).

Purpose of the trial The DIAN proposed a challenge to the bimonthly VAT settlements for the year 2016, under the understanding that the reconnection services charged to users should have been taxed with VAT. The Group has held that this position is incorrect in light of the regulatory qualification of the service. In 2021, the Council of State also pointed out that the DIAN's position was not adjusted.

Current status and procedural situation: The two lawsuits (one for the first to the fifth two-month period of 2016 and another for the sixth two-month period of 2016) one for 2017 and one for 2018) are estimated as possible risks their probability of loss (44% and 26%). The respective lawsuits were filed in November and October 2020. As of December 31, 2022, there is no first instance judgment in any of them yet and the possibility of accumulation of the processes requested by the DIAN is being studied.

Central America

m. Fee Collection Incident Process.

Start date: : 2018.

Claim: Costa Rican colones ¢6,327,856,578. (Approximately US 10.5 million).

Object of the trial: In the Arbitration Award of the Chucás-ICE arbitration of 2017, the Court condemns the Costa Rican Electricity Institute (ICE) to pay for attorney fees ¢6,327,856,578. The external legal adviser who participated in the Chucás-ICE Arbitration requests in his favor all the costs ordered, alleging that under the Tariff of the Bar Association the costs correspond exclusively to him and are inalienable. Chucás told the former adviser that the costs belong to Chucás, all as agreed between both parties and the legal service contract, in addition to also expressing his opposition to charging ICE for this, and eventually only charging the costs actually incurred during the preparation and processing of the process.

The former adviser files this process so that Chucás collects from ICE the costs that, according to his criteria, are owed to him under the Award. He requested seizure of bank accounts, payments owed to Chucás by ICE, and annotation of properties. Chucás presented his opposition to the incident and requested the lifting of the embargoes.

The judge ruled that a payment in favor of the former adviser for around US\$270,000 was sentenced prudently. Both parties filed appeals against the judge's decision.

Current status and procedural situation: A resolution was obtained from the Court of Appeals rejecting both appeals by the parties. The amount sentenced in the first instance of approximately US\$270,000, plus interest, was confirmed.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The Court resolved the methodology for calculating interest and the company proceeded to pay approximately US\$198,000 in interest, the settlement of the case was signed, and the request for completion of the joint process was submitted. With this document presented, the Court resolved the termination of the process, the lifting of the embargoes and, therefore, the return of the guarantee. Only the return of interest to the company is pending for the judicial deposit that was made of the payment to the plaintiff.

n. Adverse Effects Process 22-2412-1027-CA

Start date: 2022.

Plaintiff: Regulatory Authority of Public Services.

Defendant: P.H. Don Pedro S.A.

Claim: Reimbursement of the supposed amounts paid in excess by Instituto Costarricense de Electricidad (ICE) to P.H. Don Pedro S.A., an amount that would be calculated in execution of the judgment.

State of the process: The initial brief of claim was filed on April 27, 2022. Despite the fact that not all parties have been notified and therefore the term for the response has not begun to run, on behalf of P.H. Don Pedro the brief was filed response on December 6, 2022.

All parties must be properly notified before advancing to the next procedural stage. There are ample possibilities of obtaining a favorable result for P.H. Don Pedro S.A. in compliance with the applicable regulations and action of the administration in the previous administrative process.

o. Ordinary agrarian process file 18-000036-0815-AG.

Plaintiff: Chopped Red Japhet.

Defendants: They are P.H. Chucás, S.A. (hereinafter "Chucás") and Mario González Porras.

On March 23, 2018, Mr. Jafet Rojas Picado filed an ordinary agrarian proceeding against Mr. Mario González Porras, by virtue of a contract for the incorporation of a de facto company, signed by both of them, and which had the name "González & Rojas". In the proceedings filed, Mr. Jafet Rojas Picado requests: (i) the annulment and/or relative annulment of the extrajudicial settlement signed by Mario González Porras and Chucás; (ii) the payment and condemnation of damages caused by the breach of the contract of the partnership; and (iii) termination of the social contract for the constitution of the partnership González & Rojas. Said process is processed in file 18-000036-0815-AG.

By means of the resolution of 10:15 a.m. on April 5, 2018, the Agrarian Court of Alajuela warned Mr. Jafet Rojas Picado to correct the claim, in terms of the claims, and provide all the evidence that was offered but not provided. . Also, in said decision **the plaintiff was ordered to integrate the necessary passive consortium litigation in relation to Chucás.** That is to say, the Court ordered the plaintiff to expand his lawsuit against Chucás and include her as a defendant in the process.

Current status and procedural situation: The evidence receipt hearing was convened for March 8. The Chucas representation has a hearing scheduled for the same day, for which reason it requested a letter requesting the rescheduling.

It is considered that the process filed by Mr. Jafet Rojas has serious formal defects and the legal support on which it is based is weak. The agrarian jurisdiction is characterized by being protectionist and relying on principles such as equity and fair treatment, which is an aspect to take into account, since it could affect the outcome of the process. The economic risks that Chucás faces for being a procedural party in the ordinary agrarian process are limited, since regardless of the outcome of the process, it has already been consigned by the plaintiff that Chucás has acted in good faith, based on an out-of-court agreement. approved by a Judge and under a process that already has a final sentence, and that it does not have any type of responsibility in relation to the events that occurred and of which it was never part or was legally notified. In other words, we consider a favorable outcome for Chucás feasible with a probability of 95%. Nor is there any risk with regard to Mario González, since Chucás has already complied with the out-of-court agreement they had reached, proceeding with

the deposit of the second tranche of the total sum. A result adverse to the interests of Chucás would generate the right of Chucás to recover any sum of money against Mario González. given that Chucás already complied with the out-of-court agreement they had reached, proceeding with the deposit of the second tranche of the total sum. A result adverse to the interests of Chucás would generate the right of Chucás to recover any sum of money against Mario González. given that Chucás already complied with the out-of-court agreement they had reached, proceeding with the deposit of the second tranche of the total sum. A result adverse to the interests of Chucás would generate the right of Chucás to recover any sum of money against Mario González.

p. Labor Trial presented by Marcelo Juarez (Guatemala).

Start date: 2022.

Claim: US\$100,000.00 (Compensation, economic advantages, annual bonus granted by Enel, overtime and damages).

Object of the trial: Labor lawsuit initiated by Marcelo Juarez (former worker), who claims to have been unjustifiably dismissed. Enel Guatemala's defense is based on the fact that it was a dismissal with just cause for being a violation of the Labor Code (which falls within a cause for direct dismissal) and of Enel's internal policies and Code of Ethics.

Current status and procedural situation: On July 15, 2022, the Court of First Instance declared the lawsuit filed by Marcelo Juarez inadmissible, declaring that what was done by the former worker falls within the grounds for dismissal established by the Labor Code and also violated internal policies and the Code of Enel Ethics.

Marcelo Juarez appealed the ruling and the Appeals Chamber (2nd instance) on October 27, 2022 declared the appeal partially in favor of the plaintiff and ordered Enel Guatemala to pay compensation, damages and court costs.

On November 15, 2022, Enel Guatemala filed an amparo action (constitutional guarantee) against the judgment of the Appeals Chamber. The probability of success for Enel is estimated at 50%, since the constitutional court is expected to grant the amparo and confirm the first instance ruling which declared the lawsuit filed by Marcelo Juarez inadmissible.

41. Risk management

The Group is exposed to certain risks that it manages by applying identification, measurement, concentration limitation and supervision systems.

Among the basic principles defined by the Group in establishing its risk management policy, the following stand out:

- a) Comply with the rules of good corporate governance.
- b) Strictly comply with the entire regulatory system of the Group.
- c) Each management and corporate area defines:
 - i. The markets in which you can operate based on sufficient knowledge and skills to ensure effective risk management.
 - ii. Criteria on counterparties.
 - iii. Authorized operators.
- d) The managements, corporate areas and business lines establish for each market in which they operate their predisposition to risk in a manner consistent with the defined strategy.
- e) All the operations of the managements, corporate areas and lines of business are carried out within the limits approved for each case.
- f) Management, corporate areas and business lines establish the necessary risk management controls to ensure that transactions in the markets are carried out in accordance with the Group's policies, standards and procedures.

Interest rate risk

Variations in interest rates modify the fair value of those assets and liabilities that accrue a fixed interest rate, as well as the flows of assets and liabilities referenced to a variable interest rate.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The objective of interest rate risk management is to reduce the volatility of financial expenses reflected in the consolidated income statement.

Depending on the Group's estimates and the objectives of the debt structure, hedging operations are carried out by contracting derivatives that mitigate these risks. The Instruments that can be used correspond to rate Swaps, which set from variable to fixed rate. At the end of December 2022, the Group had an interest rate hedge contracted since May 14, 2021 for 400,000 million pesos, maturing on May 14, 2026, fixing the rate of a credit that was tied to IBR 3 months.

Interest rate	As of December 31, 2022		As of December 31, 2021	
	Variation (bps)*	Sensitivity in thousands COP	Variation (bps)*	Sensitivity in thousands COP
CPI	+/- 6,12%	(+/-)\$ 138.062.916	+/- 3,47%	(+/-)\$ 56.420.859
IBR	+/- 7,62%	(+/-)\$ 209.746.732	+/- 2,62%	(+/-)\$ 16.597.516
LIBOR	+/- 4,08%	(+/-)\$ 17.906.210	-	\$ -

(*) The variations or movements of the interest rates were calculated based on their historical volatility, in a period of three years 2020-2022 for the calculations of 2022, taking twice the standard variation of the series.

Exchange rate risk

Exchange rate risks may arise, fundamentally, with the following transactions:

- (a) Debt contracted by the Group denominated in a currency other than that to which its flows are indexed.
- (b) Payments to be made for the acquisition of materials associated with projects in a currency other than that to which their flows are indexed.
- (c) Income that is directly linked to the evolution of currencies other than that of its flows.

Taking into account that the functional currency of the Group is the Colombian peso, it is necessary to mitigate the exchange rate risk by minimizing the exposure of the flows to the risk of exchange rate variations.

The instruments that can be used correspond to exchange rate derivatives (forwards and swaps). Currently, the Group contracts exchange rate hedges in order to cover the payment of invoices in dollars, euros and renminbis for the purchase of assets in foreign currency (maintenance capex and new projects) and reduction of the CERE (real equivalent cost of energy of the reliability charge) and hedging of credits in foreign currency. At the end of December 2022, the Group had contracted exchange rate hedges in USD, CNH and EUR with the following notional values in the original currency:

- USD 291,605,167 with maturities throughout 2023.
- CNH 636,472,311 with maturities throughout 2023.
- EUR 906,322 with maturities throughout 2023.

Commodity risk

The Group is exposed to the risk of variations in the price of "commodities" (fuel market) and the spot price of energy (Colombian energy market).

The Group purchases fuels for generation without risk coverage due to changes in prices. Liquid fuels are purchased at international market prices. The prices of solid fuels such as coal result from open contracting processes in the local market not directly associated with international commodities; the indexation of these is given by the variation of the CPPI (Coal Producer Price Index) limited to a maximum of + /-5% in order to maintain stability in purchase values.

The Group carries out most of the energy sale transactions through contracts in the wholesale energy market (MEM), in the non-regulated market (MNR) and in the financial derivatives market (Derivex), in which it has previously been agreed. a price indexed to the PPI, thus mitigating the risk on the spot price of the generation portfolio.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)

Notes to the Consolidated Financial Statements

(In thousands of pesos)

Liquidity risk

The Group maintains a liquidity policy consisting of contracting long-term credit facilities, cash and temporary financial investments, for amounts sufficient to support the projected needs for a period that is based on the situation and expectations of the debt markets and of capitals. The available resources must cover the projected net financial debt service needs (principal plus interest), that is, after financial derivatives. Below are the contractual cash flows of financial liabilities with third parties until maturity without discounting, including information from Central America:

Concept	Current			Non-current				
	Less than 90 days	More than 90 days	Total Current	1 to 3 years	3 to 5 years	5 to 10 years	More than 10 years	Total non-current
Trade accounts payable and other accounts payable	\$ 1.870.574.821	\$ 84.659.520	\$ 1.955.234.341	\$ 54.305.280	\$ 275.900.715	\$ -	\$ -	\$ 330.205.995
Bank Loans (capital + interest)	298.839.476	320.312.534	619.152.010	307.794.084	1.912.455.588	1.029.112.139	-	3.249.361.811
Lease liabilities (capital + interest)	13.161.753	26.905.863	40.067.616	79.898.341	68.361.456	102.937.574	80.730.619	331.927.990
Issued Bonds (principal + interest)	87.764	765.311.934	765.399.698	1.448.303.009	250.121.831	722.473.105	-	2.420.897.945
Total	\$ 2.182.663.814	\$ 1.197.189.851	\$ 3.379.853.665	\$ 1.890.300.714	\$ 2.506.839.590	\$ 1.854.522.818	\$ 80.730.619	\$ 6.332.393.741

Credit risk

The Group carries out detailed monitoring of credit risk.

Trade accounts receivable

Credit risk in the Group is historically limited given the short collection period from customers, which means that they do not individually accumulate significant amounts. Likewise, the regulation allows proceeding with the cut off of the energy supply and in almost all the contracts signed with the clients, non-payment is established as a cause for termination of the contract. To this end, credit risk is constantly monitored by evaluating the general and individual portfolio indicators. See expected credit loss tables in Nota 7 Trade accounts and other accounts receivable.

Financial assets

The investments of the Group's available resources (treasury investments) originated in the operation, and in other non-operating income and financial derivative operations will be made with leading national and foreign financial entities that meet the minimum risk rating requested. by the group.

The minimum risk rating of financial counterparties must be long-term international investment grade, or its equivalent on a local scale, taking into account the minimum international foreign currency rating of the Republic of Colombia. It may only be invested in counterparties with a lower rating, within the limits established by risk for non-investment grade counterparties, or prior approval through a current Waiver granted by risk. Local risk ratings must be issued by a recognized and legally established risk rating agency in Colombia. For international risk ratings, those granted by Moody's, S&P and Fitch will be acceptable.

The following rules apply to determine the rating given to counterparties:

- If the counterparty has only one rating, this rating is chosen.
- If the counterparty has two ratings, the best rating of the two available is taken.
- If the counterparty has more than two ratings, the second best available rating is taken.

Excess liquidity operations must meet the following general criteria:

Security: In order to preserve the value of the investment portfolio, the resources available to be placed must meet the credit rating requirements contained in this document.

Liquidity: The instruments that are part of the investments must have high liquidity in the market.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Profitability: Within the risk limits allowed, the maximum possible return on investments must be sought.

Diversification: Concentration of risk in a certain type of issuer or counterparty should be avoided.

Transparency: All operations and commitments made in the management of available resources must be explicitly registered and supported, and be governed by current regulations and procedures.

Risk measurement

The Group adopted IFRS 9 on January 1, 2018, which introduced a new hedge accounting model, with the aim of aligning accounting more closely with the risk management activities of companies and establishing a more based approach. in principles.

Under the new approach, a hedging relationship is effective if and only if it meets the following criteria:

- (a) There is an economic relationship between the hedged item and the hedging instrument.
- (b) The effect of credit risk does not predominate over the changes in value that come from that economic relationship.
- (c) The hedging ratio, understood as the relationship between the notional of the hedged item and the notional of the hedging instrument, is the same that the Group uses for risk management purposes and said relationship is adequate for accounting purposes of coverage.

42. Energy derivatives market

In May 2018, the Board of Directors approved the change in the corporate purpose of Enel Colombia S.A. E.S.P., in order to be able to carry out operations in the derivatives markets for purposes other than hedging the contracting portfolio. As of December 31, 2022, there are current energy futures sales contracts for 19.08 GWh, with a purpose other than hedging the contracting portfolio. In turn, as of December 31, 2022, 12.6 GWh were settled, which were not considered within the hedging strategy.

Futures operations with Trading are backed by guarantees which as of December 31, 2022 amount to \$1,628,196 in cash and \$1,016,778 in TES, which are available to the Group, but as part of its Trading operation, must be maintained as minimum amounts as cash and cash equivalents.

Distribution

In accordance with CREG Resolution 101 020 of 2022 that defines the transfer of contract prices resulting from the mechanism proposed by Derivex S.A. E.S.P., Enel Colombia S.A. E.S.P., trying to mitigate the risk of exposure to the stock market of its regulated market, participated in this mechanism of energy derivatives since the first auction organized by the promoter on October 19 to serve the regulated market. In the first auction of the mechanism, a reference price was set that allowed Enel Colombia S.A. E.S.P. to close an operation in December 2022 of 4 contracts for the period between May and August 2023.

Futures operations with Trading are backed by guarantees which as of December 31, 2022 amount to \$64,865 in cash.

As of December 31, 2022, the Trading valuation for Enel Colombia S.A. E.S.P. closes as follows:

	Operation	MTM	No. Operations
Distribution	Business	\$ (160.232)	69
Generation	Business	(4.349)	4
Total		\$ (164.581)	73

43. Information on fair values

The fair value of financial assets and liabilities is presented for the amount at which the instrument could be exchanged in a current transaction between parties by mutual agreement and not in a forced or liquidation transaction, in accordance with the defined policy.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

The financial assets and liabilities that present a variation between the book value and the fair value, as of December 31, 2022, are presented below:

	Value in books	Fair value
	As of December 31, 2022	
Financial assets (1)		
Trade accounts and other accounts receivable, net	\$ 1.939.039.756	\$ 1.941.469.564
Total assets	\$ 1.939.039.756	\$ 1.941.469.564
	Value in books	Fair value
	As of December 31, 2022	
Financial liabilities (2)		
Bonds issued	\$ 3.232.918.315	\$ 3.106.555.905
Bank loans	3.932.280.366	3.779.145.183
Lease obligations	294.675.470	247.243.025
Total liabilities	\$ 7.459.874.151	\$ 7.132.944.113
	Value in books	Fair value
	As of December 31, 2022	
Non-financial assets (3)		
Carbon Credits	\$ 90.656	\$ 54.656.620
Total non-financial assets	\$ 90.656	\$ 54.656.620

The financial assets and liabilities that show a variation between book value and fair value as of December 31, 2021 are presented below:

	Book amounts	Fair values
	As of December 31, 2021	
Financial assets (1)		
Conventional housing	\$ 11.252.405	\$ 10.149.974
Comprehensive Housing	4.486.313	4.745.254
Other loans	1.857.972	2.263.304
Housing PSJ	233.598	244.634
Pensioner housing	32.052	39.740
Total Assets	\$ 17.862.340	\$ 17.442.906
	Book amounts	Fair values
	As of December 31, 2021	
Financial liabilities (2)		
Bonds issued	\$ 1.870.489.779	\$ 1.953.684.715
Bank loans	451.452.900	537.736.999
Lease obligations	82.774.592	81.364.869
Total liabilities	\$ 2.404.717.271	\$ 2.572.786.583
	Book amounts	Fair values
	As of December 31, 2021	
Non-financial assets (3)		
Carbon Credits	\$ 14.690.586	\$ 38.171.558
Total non-financial assets	\$ 14.690.586	\$ 38.171.558

(1) The Group evaluates long-term accounts receivable and other accounts receivable, classifying them under level 2 of the hierarchy, taking into account that they are observable in similar markets. For this measurement, the base of parameters such as the lowest interest rates in the market for products with similar characteristics as of December 2022, risk factors of each country in particular, the solvency of the client and the risk characteristics of the portfolio are used. financed. Based on this evaluation, provisions are recorded to account for the expected losses on these accounts receivable.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements

(In thousands of pesos)

- (2) Financial obligations and leases are classified within level 2 of the hierarchy since they can be negotiated or traded in active markets at market prices on the measurement date. The fair value is estimated by discounting future cash flows using the rates available for debts with similar conditions, credit risk and maturities. The Group uses the discount rates of the zero coupon curve in accordance with the maturities of each issue.
- (3) The fair value measurement for non-financial assets and liabilities is made based on the consideration to be received or paid for the goods and/or services classified in these items. In the case of inventories, the fair value corresponds to the cost incurred by the Group in the acquisition of these assets.

As of December 31, 2022, CO2 carbon credits have been recognized, whose fair value is \$54,656,620, corresponding to 2,691,628 certificates issued in November 2020 for the reduction of CO2 emissions for the years 2015 – 2018 for \$18,755,788, 1,396,818 certificates issued in March 2021 for the reduction of CO2 emissions for the years 2019 and 2020 for \$19,415,770 and 1,167,444 certificates issued in February 2022 for the reduction of CO2 emissions for \$16,485,062 from the Quimbo, Guavio power plants Minor, Dario Valencia Samper, Salto II Tequendama.

The fair values of cash and cash equivalents and trade accounts payable approximate their carrying amounts, to a large extent, due to the short-term maturities of these instruments.

As of December 31, the Group maintains in its consolidated statement of financial position the following financial assets and liabilities measured at their fair value and classified by levels.

As of December 31, 2022

Financial Assets	Level 3
Financial investments - companies that are not or that have little liquidity	\$ 2.995.695
	Level 2
Derivative instruments (See Note 5)	\$ 148.605.744
Financial liabilities	
Derivative instruments (See Note 17)	\$ 4.615.446

As of December 31, 2021

Financial Assets	Level 3
Financial investments - companies that are not listed or that have little liquidity	\$ 481.721
	Level 2
Derivative instruments (See Note 5)	\$ 2.612.348
Financial liabilities	
Derivative instruments (See Note 17)	\$ 41.864

For the measurement at fair value of this equity instrument, the Group's participation in the equity of Derivex S.A. was taken as the basis, this being the most appropriate method to measure the investment due to the conditions of the counterparty, given that there are no comparables in the market.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

44. Categories of financial assets and liabilities

The categories under IFRS 9 of financial assets and liabilities are the following:

Financial Assets	As of December 31, 2022		As of December 31, 2021	
	Current	Non-current	Current	Non-current
Amortized cost				
Cash and cash equivalents	\$ 1.215.342.798	\$ -	\$ 213.701.458	\$ -
Trade accounts receivable and other accounts receivable, net	1.877.569.647	61.470.109	292.469.954	15.494.296
Accounts receivable from related entities	16.090.113	-	18.351.128	-
Other financial assets (*)	(33.639.099)	432.465.948	8.602.383	-
Total Financial Assets at Amortized Cost	\$ 3.075.363.459	\$ 493.936.057	\$ 533.124.923	\$ 15.494.296
Cost Fair Value through Profit or Loss				
Other financial assets (includes equity instruments)	88.827.743	2.500.000	4.162.635	-
Total Financial Assets at Fair Value with changes in Results	\$ 88.827.743	\$ 2.500.000	\$ 4.162.635	\$ -
Fair Value with changes in OCI				
Other financial assets (includes equity instruments)	59.778.001	65.699.935	-	481.721
Total Financial Assets at Fair Value with changes in OCI	\$ 59.778.001	\$ 65.699.935	\$ -	\$ 481.721

(*) Corresponds to impairment under IFRS 9 of ZE companies held for sale

Financial liabilities	As of December 31, 2022		As of December 31, 2021	
	Current	Non-current	Current	Non-current
Amortized cost				
Other financial liabilities	\$ 1.529.273.643	\$ 5.930.600.508	\$ 632.953.457	\$ 1.771.817.266
Trade accounts and other accounts payable	1.956.448.087	330.205.607	300.189.124	-
Accounts payable to related entities Total	377.013.942	372.569.066	45.442.837	-
Financial Liabilities at Amortized Cost Fair Value with changes in OCI	\$ 3.862.735.672	\$ 6.633.375.181	\$ 978.585.418	\$ 1.771.817.266
Other financial liabilities				
Other financial liabilities	4.615.446	-	41.864	-
Total Financial Liabilities at Fair Value with changes in OCI	\$ 4.615.446	\$ -	\$ 41.864	\$ -

45. Operating Segments

As of the merger process formalized on March 1, 2022, through public deed 562 of the 11th Notary of Bogotá, Emgesa S.A. E.S.P. as absorbing company changes its name to Enel Colombia S.A. E.S.P. and absorbs the Colombian companies Codensa S.A. E.S.P. Emgesa S.A. E.S.P., Enel Green Power Colombia S.A. E.S.P. and the Chilean Society ESSA2 SpA; prior to the merger, each of the companies carried out its activities within the interior as a single energy segment.

Enel Colombia S.A. E.S.P. and subsidiaries have been internally organized by operating segments, which have been defined based on IFRS 8 Paragraph 9, which has as its starting point, the segregation requested by the Group's decision-making bodies to review and evaluate the management of the business; and, on the other hand, the criteria established in paragraph 12 of IFRS 8, taking into account the aggregation of operating segments that have similar economic characteristics.

For each of the segments, the General Manager, the management committee and the Group's board of directors review the internal reports periodically.

Consequently, the Group has defined the following operating segments, whose main products, services and operations are as follows:

N°	SEGMENT	OPERATION
1	Generation	- Power generation, and - Commercialization of gas - Commercialization of carbon credits
2	Distribution	- Distribution and commercialization of Energy Public - Lighting service (infrastructure) and - Other businesses.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

Additionally, these segments meet the quantitative thresholds for the determination of segments that must be reported as of December 31, 2022.

The financial information of the segments is determined by applying the Group's general policies described in the corresponding chapter to each of them.

Below is the financial information by segments:

Segment results for the period January - December 2022	Segments as of December 31, 2022			
	Generation	Distribution	Eliminations or settings	Total
Revenue from ordinary activities from external customers	\$ 6.026.359.389	\$ 6.513.226.857	\$ (439.329.904)	\$ 12.100.256.342
Revenue from ordinary activities from inter-segment transactions	945.720.332	195.619.141	(1.141.339.473)	-
Income from ordinary activities and other operating income	\$ 6.972.079.721	\$ 6.708.845.998	\$ (1.580.669.377)	\$ 12.100.256.342
Supplies and services	(1.701.363.690)	(3.643.443.998)	375.112.025	(4.969.695.663)
Depreciation and amortization	(417.451.142)	(442.449.332)	-	(859.900.474)
Personnel expenses	(228.438.156)	(214.454.620)	-	(442.892.776)
Other income (costs)	(258.694.378)	(165.483.499)	64.217.878	(359.959.999)
Financial income	137.470.536	207.456.232	(42.306.354)	302.620.414
Financial expenses	(413.170.953)	(403.330.679)	42.306.354	(774.195.278)
Exchange Differences	(43.037.386)	(66.725.884)	-	(109.763.270)
Participation in the profit of investees with equity participation	483.959.449	137.047.208	(622.099.911)	(1.093.254)
Results on sale and disposition of assets	(5.375.495)	1.933.266	-	(3.442.229)
Other non-monetary items:	\$ (291.176.036)	\$ (85.550.627)	\$ (3.980.258)	\$ (380.706.921)
Losses due to impairment of financial assets	(291.176.036)	(85.550.627)	(3.980.258)	(380.706.921)
Profit before taxes	\$ 4.234.802.470	\$ 2.033.844.065	\$ (1.767.419.643)	\$ 4.501.226.892
Income tax expense	(944.692.329)	(595.755.883)	-	(1.540.448.212)
Net profit	\$ 3.290.110.141	\$ 1.438.088.182	\$ (1.767.419.643)	\$ 2.960.778.680

Financial Position by segments as of December 31, 2022	Segments as of December 31, 2022			
	Generation	Distribution	Eliminations or settings	Total
Property, plant and equipment 2022	\$ 15.198.753.348	\$ 6.754.221.852	\$ (50.424.431)	\$ 21.902.550.769
Intangible assets	1.295.244.315	460.706.248	298.029.501	2.053.980.064
Accounts receivable	2.375.645.149	1.813.950.377	(2.234.465.657)	1.955.129.869
Investments in subsidiaries, joint ventures and associates	5.719.913.922	280.757.100	(5.986.086.207)	14.584.815
Other Assets	2.083.996.639	1.961.939.703	(308.910.230)	3.737.026.112
Total Operating Assets	\$ 26.673.553.373	\$ 11.271.575.280	\$ (8.281.857.024)	\$ 29.663.271.629
Financial liabilities	2.619.511.471	4.897.186.482	(52.208.356)	7.464.489.597
Accounts payable	3.344.861.161	1.918.718.681	(2.227.343.140)	3.036.236.702
Provisions	513.267.194	56.021.325	(880.704)	568.407.815
Other liabilities	1.381.188.012	831.730.662	67.850.571	2.280.769.245
Total Operating Liabilities	\$ 7.858.827.838	\$ 7.703.657.150	\$ (2.212.581.629)	\$ 13.349.903.359

Segment results for the period January - December 2022	Geographic Location as of December 31, 2022					
	Colombia	Costa Rica	Panama	Guatemala	Eliminations or settings	Total
Revenue from ordinary activities from external customers	\$ 11.248.179.259	\$ 83.531.328	\$ 731.826.740	\$ 476.048.919	\$ (439.329.904)	\$ 12.100.256.342
Revenue from ordinary activities from inter-segment transactions	1.141.339.473	-	-	-	(1.141.339.473)	-
Ordinary activities income	\$ 12.389.518.732	\$ 83.531.328	\$ 731.826.740	\$ 476.048.919	\$ (1.580.669.377)	\$ 12.100.256.342
Supplies and services	(4.894.178.639)	-	(232.379.466)	(218.249.583)	375.112.025	(4.969.695.663)
Depreciation and amortization	(714.417.840)	(25.030.509)	(73.718.779)	(46.733.346)	-	(859.900.474)
Personnel expenses	(393.442.978)	(9.141.681)	(22.657.094)	(17.651.023)	-	(442.892.776)
Other income (costs)	(333.807.443)	(27.675.722)	(56.337.798)	(6.356.914)	64.217.878	(359.959.999)
Financial income	302.353.311	15.791.022	21.715.445	5.066.990	(42.306.354)	302.620.414
Financial expenses	(761.403.922)	(26.856.128)	(25.392.654)	(2.848.928)	42.306.354	(774.195.278)
Exchange Differences	(112.553.071)	2.312.492	886.911	(409.602)	-	(109.763.270)
Participation in the profit of investees with equity participation	437.170.001	-	182.093.435	1.743.221	(622.099.911)	(1.093.254)
Results on sale and disposition of assets	1.367.860	26.195	-	(4.836.284)	-	(3.442.229)
Other non-monetary items:	(372.635.221)	(2.596.690)	(1.348.777)	(145.977)	(3.980.256)	(380.706.919)
Losses due to impairment of financial assets	(372.635.221)	(2.596.690)	(1.348.777)	(145.977)	(3.980.256)	(380.706.919)
Profit before taxes	5.547.970.790	10.360.307	524.687.963	185.627.473	(1.767.419.641)	4.501.226.892
Income tax expense	(1.417.700.638)	377.830	(98.846.690)	(24.278.714)	-	(1.540.448.212)
Net profit	\$ 4.130.270.152	\$ 10.738.137	\$ 425.841.273	\$ 161.348.759	\$ (1.767.419.641)	\$ 2.960.778.680

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)

Notes to the Consolidated Financial Statements

(In thousands of pesos)

Geographic Location as of December 31, 2022						
Financial Position by segments	Colombia	Costa Rica	Panama	Guatemala	Eliminations or settings	Total
Property, plant and equipment	\$ 17.817.295.479	\$ 150.732.393	\$ 2.140.385.433	\$ 1.844.561.895	\$ (50.424.431)	\$ 21.902.550.769
Intangible assets	792.736.257	230.523.261	668.050.651	64.640.394	298.029.501	2.053.980.064
Accounts receivable	2.354.618.146	230.097.671	896.477.861	708.401.848	(2.234.465.657)	1.955.129.869
Investments in subsidiaries, joint ventures and associates	4.597.880.179	514.112.896	888.575.636	102.311	(5.986.086.207)	14.584.815
Other Assets	2.592.972.424	552.536.954	577.769.764	322.657.200	(308.910.230)	3.737.026.112
Total Operating Assets	\$ 28.155.502.485	\$ 1.678.003.175	\$ 5.171.259.345	\$ 2.940.363.648	\$ (8.281.857.024)	\$ 29.663.271.629
Financial liabilities	7.449.464.332	3.280.310	29.511.885	34.441.426	(52.208.356)	7.464.489.597
Accounts payable	2.654.739.507	643.302.567	1.521.991.044	443.546.724	(2.227.343.140)	3.036.236.702
Provisions	537.492.576	-	31.795.943	-	(880.704)	568.407.815
Other liabilities	1.972.453.095	45.686.344	182.293.750	12.485.485	67.850.571	2.280.769.245
Total Operating Liabilities	\$ 12.614.149.510	\$ 692.269.221	\$ 1.765.592.622	\$ 490.473.635	\$ (2.212.581.629)	\$ 13.349.903.359

46. Relevant issues

Central America Corporate Simplification.

On May 18, 2022, the Board of Directors of Enel Colombia S.A. E.S.P. approved a corporate simplification plan, which will modify the structure of the Enel Group companies in Central America (Enel Panama CAM, S.R.L., Enel Green Power Costa Rica S.A., Enel Guatemala S.A.) reducing the number of companies through a merger process.

P.H. Chucás S.A.

On July 28, 2022, the First Chamber received notification of the resolution, which accepted the appeal filed by the Instituto Costarricense de Electricidad (ICE) and declared the Arbitral Tribunal's lack of jurisdiction.

Sociedad P.H. Chucás S.A. will proceed to file the following appeals against the resolution of the First Chamber: (i) Request for review in accordance with the provisions of article 72.1.11 of the Civil Procedure Code; (ii) incident of nullity due to defective activity, as mentioned in article 33.1 of the Civil Procedure Code, and (iii) incident of nullity of sentence, in accordance with the provisions of article 33.3 of the Civil Procedure Code".

According to the resolution of October 24, 2022, the Magistrates who resolved the resolution notified on July 28, 2022, separated from hearing the request for review presented, and the Presidency of the Court will proceed to designate the Alternate Magistrates that will replace

The request for review is being analyzed by the first court, in which it is considered that the probability of obtaining a sentence in favor of the interests of P.H. Chucas S.A. is favorable between 55% and 60%.

Regarding the merits of the dispute, in the event that the actions taken take effect and once the jurisdiction of the arbitral tribunal is confirmed, and the arbitration is continued, the lawyers who carry out the process consider that P.H. Chucas S.A., has high probabilities of obtaining again an award in favor of its interests, a percentage that they value above 70%.

Compliance with the concession contract Transmilenio S.A. and Usme ZE S.A.S.

In accordance with the concession contract No. 107 and No. 108 of 2021, signed with the Empresa de Transporte del Tercer Milenio-Transmilenio S.A. (TMSA) on January 27, 2021; for the non-exclusive and joint concession in the provision of the public service of terrestrial, automotive, urban, mass passenger transport of the Integrated Public Transport System SITP, in its zonal component for the operational functional unit Functional Unit 13 Usme II- the Group el On August 20, 2022, the electroterminal was delivered, located in the urban area of Carrera 12 N°136- 50 Sur (Usme Pueblo) with a fleet of 229 electric buses for the company "Mueve Usme S.A.S." with the purpose of starting the operation at starting August 21, 2022.

Sale agreement of the Company Colombia ZE S.A.S.

On December 14, 2022, the purchase agreement was signed between Enel Colombia S.A. E.S.P. (buyer) and AMPCI Ebus Colombia Holdings S.A.S. (seller), considering that each of the SPVs of the Concession have complied with their obligations under the Contract corresponding Concession, including the creation of trust funds (autonomous estates), the provision

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)
Notes to the Consolidated Financial Statements
(In thousands of pesos)

of the Fleet (Fleet) and the construction and delivery of the relevant Support Infrastructure (Support Infrastructure) of the Functional Units, in each case to the satisfaction of TMSA, in accordance with the terms and conditions of the Concession Contracts and the bidding conditions of the Transmilenio Project.

Credit contract ZE Companies.

On November 8, 2022, the credit agreement was signed between the Fontibón ZE S.A.S. Trust, represented by Fiduciaria Corficolombiana S.A., solely in its capacity as trustee under the Concession Trust Agreement, as Borrower, Fontibón ZE S.A.S., as Concessionaire and Debtor, with the following financial institutions, as Lenders, BNP Paribas (as Issuing Bank, Sustainability Loan Coordinator and Coverage Coordinator), Citibank, NA, (as Administrative Agent and as Offshore Collateral Agent) and BNP Paribas and IDB Invest as organizers and brokers of the electric buses credit project - Public Transport System of Bogotá (Colombia). In order to grant a loan in the amount of USD 58,127,542 for the payment of obligations acquired mainly with Enel Colombia S.A. E.S.P.

Approval of the constitution of Enel X Way Colombia S.A.S.

On September 14, 2022, the Board of Directors of Enel Colombia S.A. E.S.P. authorized the constitution of the Company Enel X Way Colombia S.A.S. in which it will have an investment corresponding to 40% of the total capital stock and authorized the legal representative and/or their alternates, to sign all the documents and celebrate all the acts necessary for this purpose, once the corporate documents have been agreed.

The company's objective is to offer products and services for the transformation of residential, urban and industrial energy for sustainable development.

Power purchase agreements with Sinolam Smarter Energy LNG Group Inc. (Martano)

On September 27, 2022, the National Public Services Authority of Panama authorizes the process of assigning PPAs (power purchase agreements) of distributors of the company Sinolam Smarter Energy LNG Group Inc to Enel Fortuna S.A.

In November 2022, the National Public Services Authority of Panama finally granted the feasibility of administering the amendments to the supply contracts.

In December 2022, all the milestones were met to be able to perfect the energy purchase operation, therefore, the Group proceeded to make the contractual commitments of the establishment of the Escrow and the first payment.

47. Reclassification in the Financial Statements.

In note 6 (Other current and non-current non-financial assets) for comparability purposes as of December 31, 2022, the item of other debtors was reclassified to note 7 Trade accounts and other current and non-current accounts receivable for \$13,872. 478 and \$879,431 respectively.

48. Approval of financial statements

The general purpose financial statements of the Group as of December 31, 2022 were approved by the Audit Committee according to Minutes No. 076 of February 21, 2023 and approved by the Board of Directors according to Minutes No. 521 of February 22, 2023 with the in order to be presented to the General Assembly of Shareholders in accordance with the provisions of the Commercial Code.

49. Subsequent events

Comprehensive modification to the irrevocable mercantile trust agreement of administration Usme ZE S.A.S. and Fontibón ZE S.A.S.

On January 12, 2023, the comprehensive amendment to the irrevocable administration and payment trust agreement entered into on February 23, 2021 for the Usme ZE S.A.S. and Fontibón ZE S.A.S. concessions was signed, with which the Autonomous Patrimony was created, through which all the resources of the concession project are channeled, and in general the monetary resources delivered by the Settlor are managed.

Enel Colombia S.A. E.S.P. and Subsidiaries (formerly Emgesa S.A. E.S.P. and its subsidiary)

Notes to the Consolidated Financial Statements

(In thousands of pesos)

This addition is made in order to manage the resources resulting from the financing contract signing the step on November 8, 2022 with Fontibón ZE S.A.S. and December 14, 2022 with Usme ZE S.A.S.; in which the trust acts as debtor, the settlor, as co-signer, and the lenders, BNP Paribas, as issuer and Guarantor Party; among others.

With this contract, the commercial trust must ensure the payment of obligations and have a scheme for the administration of resources in the economic rights of the concession contract, the payment of the acquired financial obligation and serve as a guarantee in favor of the parties.

Closing long-term financing ZE Companies.

In January 2023, the closing of the long-term financing of the concessionaires Usme ZE S.A.S. and Fontibón ZE S.A.S., being 100% owned by Enel Colombia, this as the first step in the financial closure of the project to supply 401 buses, electricity and 2 recharging yards in the towns of Usme and Fontibón, it is expected that within the next few months stage 2 of the project will be closed, which consists of the sale of the company's participation and injection of capital by the firm AMPCI EBUS COLOMBIA HOLDINGS, which at the end of the transaction will end up with an 80% stake in Colombia ZE S.A.S.

Surplus energy contracts P.H. Don Pedro S.A. and P.H. Río Volcán S.A.

On February 14, 2023, P.H. Don Pedro S.A. and P.H. Río Volcán S.A. signed new energy surplus purchase contracts with the Costa Rican Electricity Institute (ICE). The contracts have a term of 5 years and may be extended for an additional 5 years. The ICE must send the contracts to the endorsement of the Public Services Regulatory Authority prior to starting the operational tests.

Bank credits

On February 13, 2023, the Group received the disbursement of the credit signed with Banco de Bogotá for an amount of \$400,000,000, term of 1 year, bullet and quarterly interest payment. The resources received will be used for general corporate purposes.

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