



## PRESS RELEASE

**EDESUR LOST \$ 6.065 MILLION DURING 2020, DUE TO RATE FREEZING THAT TAKES MORE THAN 2 YEARS**

“In a year of pandemic and tariff deterioration, Edesur has guaranteed an essential service, has contributed to the state savings banks more than 16,000 million pesos in taxes and fiscal collection and also sustained more than 6,000 jobs. We continue to contribute to the good operation of the Argentine electricity system”, said Nicola Melchiotti, Country Manager of Enel in Argentina.

**MAIN FINANCIAL HIGHLIGHTS**

The figures corresponding to the previous period have been re-expressed to consider the changes in the purchasing power of the peso, in accordance with the provisions of IAS 29 and General Resolution No. 777/2018 of the CNV.

(million Argentine Pesos, ARS)	Jan/Dec 2020	Jan/Dec 2019	Change
Revenues	66,591	88,290	(25%)
EBITDA	486	22,291	(98%)
EBIT	(5,742)	17,927	(132%)
Net income	(6,065)	17,262	(135%)
Net debt	8,596	10,314	(17%)
Capex	9,487	14,999	(37%)

**Buenos Aires, February the 23rd 2021** - The Directory of Distribuidora Sur S.A. (“Edesur”) approved its financial statements as of December 31, 2020 as of today.

**Revenues** registered a 25% decrease during 2020, as a result of the current rate freeze and several measures imposed by Necessity and Urgency Decrees (DNU) and other related ones, during the pandemic (COVID 19).

**EBITDA** for the year 2020 reached just 486 million pesos, affected by the freezing of rates (drop in income). Compared with the 2019 financial year, the effects of the agreement signed with the national authorities during said year are added, for the resolution of the pending regulatory issues related to the 2006-2017 period.

**EBIT** worsened in line with the decrease in EBITDA.

The decrease in the **net income** for the year is mainly explained by the operating loss recorded and by a lower gain due to inflation adjustment, partially offset by lower financial costs and a lower income tax charge.

**Net Debt** decreased 17% compared to 2020.

As in the last 10 years, Edesur still does not distribute dividends and reinvests all of the available resources.

**Capex** reached 9,487 million pesos in 2020, which, added to the more than 700 million dollars invested in the last four years (2016-2019), have allowed continuous improvement in reducing the average duration of cuts 29% compared to 2019. The fall in investments compared to 2019 is due to



the lower cash available due to the rate freeze and limitations imposed by the authorities during the quarantine.

### **MAIN OPERATIONAL INDICATORS**

During 2020, the accumulated demand for electricity in Edesur's concession area decreased by 1.8% compared to 2019, reaching 19,540 GWh. It should be noted that the increase in the consumption of residential demands, as a consequence of the quarantine (Preventive and Mandatory Social Isolation) imposed by the government according to Decree DNU 297/2020 of 03/20/2020, has not offset the sharp drop in electricity consumption of medium and large demands (businesses / small and large industries), a situation that exacerbated the economic recession of recent years, and with it the drop in electricity consumption at the country level.

Likewise, a migration of consumption is observed from areas such as the microcenter of the Autonomous City of Buenos Aires towards residential areas, preferably in the Province of Buenos Aires, with a notable increase. Total sales for 2020 (15,477 GWh) were reduced by 4.3% compared to 2019 (16,197 GWh) due to reduced demand and increased energy losses.

- The average duration of cuts (SAIDI) has had an improvement of 29% compared to 2019.
- The number of clients registered a slight increase, of the order of 0.8%, due to the growth of clients of the T1 rate - small demands for residential use.
- Energy losses went from 15.5% in 2019 to 18.9% in 2020 explained by the deterioration of the country's economic situation and by restrictions on operations on the ground imposed by the regulator.