



Financial results

2023 second quarter

Medellín, Colombia, July 31, 2023

ISA ended 2Q23 with a COP 2.4 trillion EBITDA and a 67% EBITDA margin. Net income for the quarter was COP 694 billion and net margin closed at 20%.

isa

CONEXIONES QUE INSPIRAN

Message from the Administration

ISA is fulfilling its strategy of creating sustainable value.

The credit rating agency Fitch Ratings has confirmed the stable BBB rating for foreign currency debt, which is an indication that despite the macroeconomic volatility, ISA maintains stability and growth while generating value for various stakeholders.

At the beginning of 2023, there was an incremental trend in escalators, which began to decrease in all the geographies where we operate during the second quarter. These effects resulted in lower revenue growth in the second quarter compared to the first. Nevertheless, construction activity has shown better results and efficiencies, especially in Brazil.

We also highlight the start of operations of the Sabanalarga-Bolivar and SmartValves projects in Colombia, as well as the Coya project in Peru. In addition to generating additional income, these projects enable and strengthen the grid for transporting clean energy.

ISA CTEEP was the winner in two lots auctioned by the Brazilian National Electric Energy Agency (ANEEL), which allows us to increase our committed investment for the coming years by more than \$ R 2.400 million (equivalent to about \$2.1 trillion), continuing the path to fulfilling our 2030 strategy.

Assets and liabilities closed the second quarter of 2023 ("2Q23") with a decrease of 4% compared to the end of 2022. This decrease is explained by the revaluation of the Colombian peso against the dollar, the Brazilian real, and the Chilean peso in the first six months of the year. The net income for the first semester of the year reached \$1.5 billion, with a 38% growth compared to the first semester of 2022.

Our program Jaguar Connection supported the first conservation project that generates carbon credits in the Natural Heritage area of Brazil. This program helps offset emissions from our operations and aims to create positive environmental impact in response to the effects of climate change.

We continue to work towards significant steps in an energy transition where ISA grows and generates sustainable value.

Relevant events for the quarter 2Q23

During 2Q23, the following events must be highlighted:

- ISA CTEEP was awarded six expansions, as well as lots seven¹ and nine² in the first public electric power transmission tender held by ANEEL this year in São Paulo, Brazil. These projects will add more than 1,044 km of circuit to the grid, with a CAPEX of BRL 2,436 million (COP 2.1 trillion).

With these new projects, ISA continues to consolidate its participation in the Brazilian energy market, the largest in Latin America, generating progress and development.

- Ruta de la Araucanía and Ruta de los Ríos signed complementary agreements with the Ministry of Public Works (“MOP”) of Chile, with an estimated investment of Unidades de Fomento (UF) 1.5 million (~COP 285 billion), which will be remunerated through an extension of the concession periods.
- ISA signed a connection contract for the expansion of a fourth 230/34.5 kV transformer at the Caño Limón substation.
- In Colombia the Sabanalarga - Bolívar interconnection (UPME 07 of 2017) and the SmartValves project at the Santa Marta Substation came into operation. In Brazil, ISA CTEEP implemented 14 reinforcements and improvements to the grid. In Peru, an important milestone was achieved as the experimental commercial operation of the Coya project began, which is a prerequisite for obtaining the commercial authorization.
- The first share of ordinary and extraordinary dividends, for COP 965 billion, was paid to ISA shareholders.
- Fitch Ratings affirmed the long-term and short-term ratings for ISA local debt at ‘AAA (col)’ outlook Stable and ‘F1+(col)’, respectively. Fitch Ratings also affirmed long-term international ratings in local and foreign currency at ‘BBB’ outlook Stable.

¹ Lot seven: it covers 522 km of 500 kV double circuit line that will transport solar energy to the metropolitan region of Río de Janeiro, relieving loads in the area of the Governador Valadares 6 substation. With this lot, ISA CTEEP enters the state of Río de Janeiro, where it was not present, until now.

² Lot nine: it comprises the works at the Agua Vermelha 500/138 kV substation to enable the connection of new photovoltaic generation projects in northwestern São Paulo and in the Triângulo Mineiro.

- ISA, through its Conexión Jaguar program, provided support to the first project for Reducing Emissions from Deforestation and Forest Degradation (REDD+) in the Pantanal, Brazil, a place considered a Biosphere Reserve by UNESCO, reaching the "Gold" level, the highest category granted by Verra³, by certifying exceptional benefits for biodiversity and communities.

Change in the methodology for the recognition of financial assets of road concessions in Chile

As of July 2022, Intervial Chile changed the treatment of the financial asset from Chilean pesos to Unidades de Fomento (UF), thus achieving a natural hedge with the debt. During the first two quarters of the year, results, compared with 2022, have been impacted by this change. In 2Q23, due to this change, there was a favorable impact on results compared to 2Q22: higher revenues of COP 139 billion, and higher net income of COP 101 billion.

³ A non-profit organization that sets global standards for climate action and sustainable development.

Financial results

Consolidated

ISA S.A. E.S.P. (BVC: ISA; OTC: IESFY) ("ISA" or "the Company"), a platform present in several countries of Latin America engaged in energy transmission, roads, and digital infrastructure, announced its financial results for the second quarter of 2023.

ISA's performance continues on the path of solid, growing results.

Net income for the quarter closed at COP 694 billion, 3% more than in 2Q22, and EBITDA amounted to COP 2.4 trillion, 7% more than in 2Q22.

Based on the last 12 months as of June 2023, income amounts to COP 2.6 trillion and EBITDA to COP 9.5 trillion, increasing by 57% and 16%, respectively, compared to the same period of the previous year. ROAE for the last 12 months as of June 2023 remains at 15%.

2Q23 financial results

- Operating revenues for the quarter totaled COP 3.5 trillion, an increase of 9% compared to 2Q22.
- EBITDA reached COP 2.4 trillion, up 7% from 2Q22. The EBITDA margin was 67%⁴ and 80%⁵ excluding construction.
- Net income for the quarter totaled COP 694 billion, up 3% compared to 2Q22, with a net margin of 20%. This increase is mainly due to the entry into operation of energy transmission projects in Brazil and Colombia; increased construction efficiencies in Brazil; and the net effect of contractual escalators, including higher revenues due to the change in the treatment of the financial asset of road concessions from Chilean pesos to UF as of July 2022.
- Based on the last 12 months as of June 2023, net income closed at COP 2.6 trillion, 57% compare to the 12 months up to June 2022. The net margin was 18%, and ROAE of 15%.

⁴ EBITDA: Operating revenues excluding AOM and provisions; including construction income, income from jointly controlled and associated companies, and other revenues, net. See Table 6.

⁵ EBITDA, excluding construction: Operating revenues excluding AOM and provisions; including income from jointly controlled and associated companies and other revenues, net. See Table 6.

The analysis of comparative financial results over the last 12 months allows evaluating the business performance considering the complete annual cycle, without short-term market fluctuations, and on an annualized basis. Therefore, starting from this quarter, we have included it in the results report. Assets closed at COP 75.4 trillion, 4% less than at the end of 2022, mainly due to the revaluation of the Colombian peso against the US dollar (13%), the Brazilian real (6%), and the Chilean peso (7%). Excluding these exchange rate effects, assets increased by 2%.

- Investments executed during the quarter (CAPEX) amounted to COP 1.1 trillion; so far this year, they amount to COP 2.4 trillion⁶.
- Consolidated financial debt closed at COP 32.4⁷ trillion, 5% less than at the end of 2022; this decrease is mainly due to the exchange rate effect (revaluation of the Colombian peso against the US dollar, the Brazilian real, and the Chilean peso), without which growth would be 3%. The Gross debt/EBITDA ratio closed at 3.5x compared to 4.2x at the end of December 2022.

⁶See Table 8.

⁷This amount represents the nominal amount of the debt, which differs from the amount presented in the consolidated statement of financial position (Table 7), which value is expressed at the amortized cost, according to IFRS Standards.

Consolidated financial results

2Q23

Figures in COP

Macroeconomic variables

Financial statement exchange rates							% Cumulative inflation (12 months)		
Rates	6M23	2022	Var. %	6M23	6M22	Var. %	Indicator	12M Jun. 23	12M Jun. 22
	Closed at			Average					
COP / USD	4,191	4,810	-13	4,599	3,915	17	IPP COL	7.0	16.3
REAL / USD	4.8	5.2	-8	5.1	5.1	-0	IPC COL	12.1	9.7
CLP / USD	802	856	-6	806	826	-2	IGPM BRL	-4.5	0.2
COP / REAL	870	922	-6	907	771	18	IPCA BRL	3.2	11.9
COP / CLP	5.2	5.6	-7	5.7	4.7	20	IPC Chile	7.6	12.5
							PPI Peru	4.3	8.9

1. Income statement

Operating revenues

In 2Q23, operating revenues⁸ reached COP 3.5 trillion, up 9% from 2Q22.

Operating revenues, excluding construction

Operating revenues, excluding construction, reached COP 2.8 trillion, an increase of 10% compared to 2Q22. By business unit, the following were the main factors that explained the variation for the quarter:

Energy transmission: higher revenues of COP 72 billion (+3%) compared to 2Q22. Variations by geography:

- Peru: revenues grew by COP 98 billion (+25%), due to the favorable effect of the conversion of US dollar revenues into Colombian pesos upon consolidation in 2023 and the positive effect of the contractual escalator (PPI).
- Colombia: revenues grew COP 35 billion (+5%), due to the entry into operation of the El Río 220 kV substation (UPME 06-2018), Sabanalarga Bolívar (UPME 07-2017), and the expansion of the Ternera 13.8 Kv substation, as well as the favorable effect of contractual escalators.
- Chile: revenues grew by COP 18 billion (+20%), due to the favorable effect of the conversion of US dollar revenues into Colombian pesos upon consolidation in 2023 and the positive impact of contractual escalators (IPC).

⁸Operating revenues include construction revenues and revenues from operations.

- Brazil: lower revenues by COP 73 billion (-8%), due to the unfavorable effect of contractual escalators (IPCA and IGPM)⁹.

Roads: operating revenues, excluding construction, increased by 45% (COP 170 billion). In Chile, this is mainly explained by the change in the treatment of the financial asset of its road concessions from Chilean pesos to UF as of July 2022, and by the favorable effect of converting Chilean pesos into Colombian pesos in 2023. In Colombia, this is explained by higher returns from the financial asset of the Ruta Costera concession.

Telecommunications: increased revenues by COP 11 billion (+10%), due to higher sales of connectivity services, capacities, Internet service, and *datacenters* in Colombia, and the favorable effect of contractual escalators (exchange rate and inflation) in some of its contracts.

AOM¹⁰

AOM totaled COP 708 billion, 22% more than in 2Q22. By business unit, the performance for the quarter is as follows:

Energy transmission: it totaled COP 499 billion, increasing by 23% (+COP 92 billion) compared to 2Q22, mainly explained by inflationary pressures on costs, the effect of converting amounts of Brazil, Chile, and Peru into Colombian pesos in 2023, and the entry into operation of new projects after 2Q22.

Roads: closed at COP 134 billion, 20% (+COP 22 billion) more than in 2Q22, due to the effect of converting Chilean pesos into Colombian pesos in 2023 and an increase in maintenance activity.

Telecommunications: closed at COP 75 billion, an increase of 21% (+ COP 13 billion), mainly due to higher costs associated with new contracts and the devaluation of the Colombian peso.

Construction income

Construction income for the quarter amounted to COP 135 billion, up 150% from 2Q22. The variation is due to increased construction activity and efficiencies in the energization of improvements and reinforcements in Brazil.

⁹ The recalculation of the contractual asset due to the inflation effect on future cash flows of concessions in Brazil is recognized monthly in operating revenues; this results in lower revenues because: i) 2Q23 IPCA is lower compared to 2Q22 (1.55% vs. 3.15%) and ii) 2Q23 IGPM is lower compared to 2Q22 (-2.7% vs. 3.7%). Concession contracts 143/2001 of IE Jaguar 6 and 020/2008 of Evreay are indexed to the IGPM; the remaining contracts are updated according to the IPCA.

¹⁰ Includes AOM costs; excluding provisions, depreciation, and amortization.

Results of jointly controlled and associated companies and other revenues, net

Results of jointly controlled and associated companies and other revenues, net, totaled COP 145 billion, 24% less (-COP 47 billion) than in 2Q22. The variation is mainly due to the reversal of accounting gains recorded in March in TAESA¹¹ for the award of Lot 5 in the December 2022 ANEEL tender (-COP 35 billion), and the impact of the recalculation of contractual assets of CTEEP and Taesa concessions due to the inflation effect (IPCA/IGPM).

EBITDA

EBITDA reached COP 2.4 trillion, an increase of 7% compared to 2Q22. The EBITDA margin¹² was 67% versus 68% in 2Q22; excluding construction, it was 80% in 2Q23 versus 85% in 2Q22.

The decrease in the EBITDA margin, excluding construction, is explained by lower results in jointly controlled companies and a higher AOM growth compared to the growth of operating revenues; since although inflation has been lowering this year in most countries, personnel expenses, costs associated with operating and maintenance contracts (main components of AOM) increased due to the previous year's inflation. Therefore, the slowdown in contractual escalators is reflected faster in operating revenues than in AOM.

Financial expenses, net

In the second quarter, net financial expenses were COP 645 billion, 8% less than in the same period of the previous year. The variation is due to a lower exchange difference expense for debt indexed to UF in the Roads business unit in Chile and the IPCA in Brazilian concessions.

Income tax

Income tax totaled COP 223 billion, 179% higher (COP 143 billion) compared to 2Q22. This increase is mainly explained by:

- Better results of operations.
- The effect of lower inflation on the monetary adjustment of tax losses in Chile on deferred tax.
- Change in the expectations of recovery of tax losses associated with the deferred tax of Ruta del Bosque, Internexa Chile, Interconexiones Viales, and ISA Inversiones Costera Chile.

¹² From 1Q22, a new methodology for calculating EBITDA was adopted, which includes the results of co-controlled, subtracts provisions, and does not deduct operational taxes. The EBITDA Margin is derived from the ratio of the new EBITDA calculation to the total operating revenues.

The EBITDA Margin, excluding construction, is the ratio between the EBITDA, excluding construction, and the operating revenues, excluding construction.

Net income

Net income for the second quarter totaled COP 694 billion, 3% more than in 2Q22. The net margin was 20% versus 21% in 2Q22. Variations are explained by the above.

2. Balance sheet

Assets and liabilities

Assets of ISA and its companies totaled COP 75.4 trillion, 4% less (-COP 3.4 trillion) compared to December 2022, due to the revaluation of the Colombian peso against the US dollar, the Brazilian real, and the Chilean peso affecting the conversion into Colombian pesos in consolidation. Excluding this effect, assets increased by 2%, driven by the Company's growth through new energy projects, progress in construction, higher returns from concessions, and the higher of the investments in controlled companies.

Liabilities of ISA and its companies totaled COP 47.1 trillion, 4% less (-COP 2 trillion) compared to December 2022, explained by the exchange rate effect of conversion into Colombian pesos in 2023, without which liabilities would increase by 3% thanks to the funding needs of the growth plan and the dividends payable by ISA and its companies in 2Q23.

Equity

ISA's equity reached COP 17 trillion, 8% less (-COP 1.4 trillion) compared to December 2022, due to the exchange rate effect of conversion into Colombian pesos in 2023 and the dividends declared at the General Shareholders' Meeting of March 29 of this year.

Minority interest totaled COP 11.2 trillion, up 1% (+COP 116 billion) compared to December 2022, mainly due to profits generated in Brazil.

3. Cash flow

The initial cash balance in 2023 stood at COP 5.4 trillion¹³. In the first six months of the year, operating cash flows, before income tax, COP 3.3 trillion were generated; also, dividends, interest received were COP 501 billion, and revenues from the sale of assets¹⁴ for COP 136 billion. And indebtedness increased by COP 743 billion¹⁵.

The resources obtained were mainly used in:

- CAPEX of COP 2.4 trillion.
- Dividend distribution of COP 1.5 trillion.

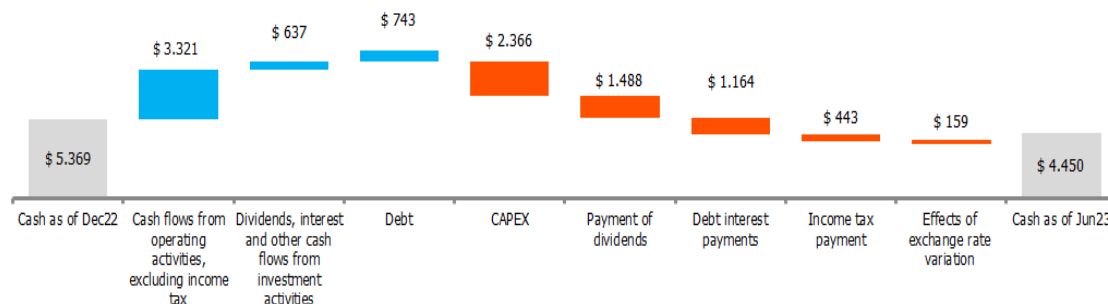
¹³ Cash and cash equivalents at the end of December 31, 2022.

¹⁴ The revenues from the sale of assets mainly correspond to the liquidation of mutual funds' investments in Brazil.

¹⁵ This figure differs from the one presented in the next chapter, due to the effect of exchange rate differences. Amortizations are converted using the exchange rate of the day, while accruals are converted using the closing exchange rate of the period.

- Financial interest expense of COP 1.2 trillion.
- Payment of income tax of COP 443 billion.

As of June 2023, cash stood at COP 4.5 trillion, 17% less than in December 2022.



Considering other current financial assets (COP 668 billion), which consist of rights in mutual funds in Brazil, time deposits with maturities exceeding 90 days, and other short-term fixed-income securities; ISA's liquidity position at the end of the first semester of 2023 amounts to \$5.1 trillion.

4. Debt

At the end of the first half of 2023, consolidated debt stood at COP 32.4 trillion¹⁶, down 5% compared to the end of 2022. This variation is mainly due to the exchange rate effect estimated at COP 2.6 trillion, explained by the valuation of the Colombian peso against other currencies in which the debt is incurred, such as the USD (13%), UF (5%), CLP (7%), BRL (6%), and PEN (9%)¹⁷.

During the six-month period, a positive net indebtedness of COP 866 billion was recorded resulting from debt disbursements to finance the investment plan in Colombia, Brazil, Peru, and Chile, and repayments according to payment schedules.

The Gross debt/ EBITDA ratio closed at 3.5x and Net debt/EBITDA¹⁸ at 2.9x, both below the limits suggested by the rating agencies and below the ones reported at the end of 2022 (4.2x and 3.4x, respectively). The drop in these ratios opens a space of financial capacity to address the portfolio of investment opportunities, which is above USD 20 billion.

International credit ratings by Fitch Ratings (BBB outlook Stable) and Moody's (Baa2 outlook Stable) confirm the low risk profile of our business units, the strong

¹⁶ This amount represents the nominal amount of the debt, which differs from the amount presented in the consolidated statement of financial position (Table 7), which value is expressed at the amortized cost, according to IFRS Standards.

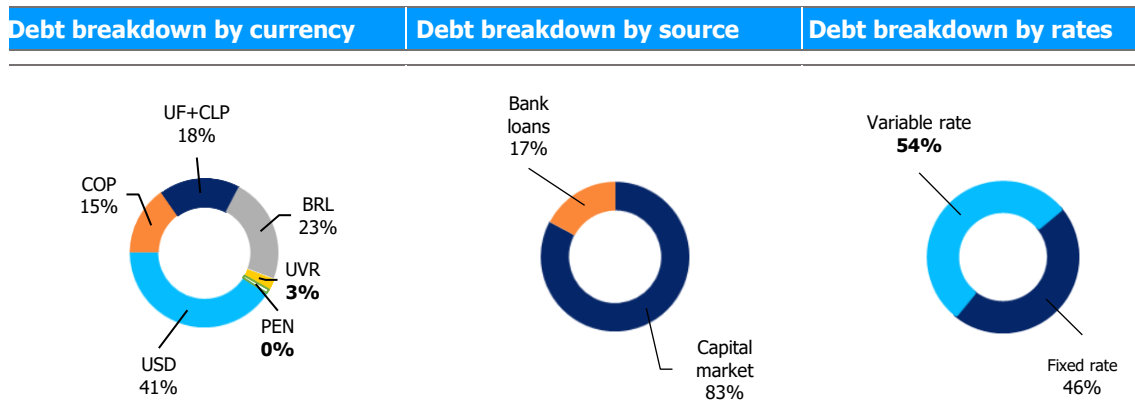
¹⁷ Variations in currencies that affect the balance of the financial liability for each contract.

¹⁸ The net debt amounting to \$26.7 billion is the result of gross debt minus cash and cash equivalents and 100% of investments in mutual funds in Brazil, in which ISA CTEEP, its subsidiaries, and joint ventures have ownership.

By excluding the participation of non-controlled companies in the investments in mutual funds in Brazil, net debt would increase to \$27 billion, and the Net Debt/EBITDA ratio would be 2.94x.

geographical diversification of our revenues, the predictability of our cash flows, and strong corporate governance, resulting in a strong credit profile.

The following debt breakdown, show the composition of the debt by currency, sources of financing, and type of interest rate. As of the end of 2Q23, 36% of ISA consolidated debt corresponds to green bonds issued to finance projects that promote energy transition and connection to renewable energy sources.



5. Investments and projects

Investments

During 2Q23, investments of COP 1.1 trillion¹⁹ were made. This figure represents ISA's tangible contribution to the energy transition, as many of the projects included here will enable the entry of non-conventional renewable energies into the interconnected systems and will contribute to a stronger the transmission grid, improving its reliability and capacity.

CAPEX by country is broken down as follows:

- 30% was concentrated in Colombia; also, progress was made in the construction of projects that include connections of non-conventional renewable energy sources to the transmission grid, expansions, and UPME projects awarded in past tenders.
- Brazil participates with a 30% share as ISA CTEEP continued to work on its reinforcement and improvement program and on the construction of six energy transmission projects.
- Chile continues to execute projects in its two main business units:

¹⁹ The capital expenditures (CAPEX) executed in the first quarter of 2023 amounted to \$1.284 billion, and in the second quarter, it was \$1.082 billion, making a total of \$2.366 billion for the first half of the year. In the first-quarter results report, investments of \$1.363 billion were reported. The difference is due to the reclassification of the variation in the pre-existing infrastructure account in Intervial, Chile.

- In the Energy Transmission business unit, progress was made in the construction of three expansions of ISA Interchile's grid in the Kimal Lagunas (100% owned by ISA) and Kimal-Lo Aguirre (33% owned by ISA) projects.
- In the Roads business unit, construction continues on Rutas del Loa, and preliminary activities begin for the two complementary agreements signed with the Ministry of Public Works ("MOP") in the concessionaires Ruta de la Araucanía and Ruta de los Ríos for the construction of some pedestrian bridges and other improvements. The estimated investment for these agreements amounts to UF 1.5 million (equivalent to about \$285 billion), and their remuneration will be through an extension of the concession periods by eight to nine months.
- In Peru, we made progress in the construction of three expansions and reinforcements; two substations; one connection; and the Coya, Yana, and Chincha-Nazca projects.

By excluding the stake of minority shareholders in affiliates controlled by us without being owners of 100% of their capital stock (CTEEP and REP/CTM), ISA's CAPEX in 2Q23 amounted to COP 800 billion, mainly concentrated in Colombia (40%); followed by Chile (33%), Brazil (17%), and Peru (10%).

We continue to make progress in the construction of 36 projects that will add about 3,400 km of line and 136 km of roads. Once these projects come into operations, they will generate new annual revenues exceeding \$1 trillion.

Additionally, the company Conexión, in Chile, in which ISA holds a 33% stake, is progressing in the environmental licensing and engineering phases of the Kimal Lo-Aguirre project. The indicative CAPEX of this project is USD 2 trillion, and the annual revenues it will receive once it is operational amount to USD 130 million as of 2023, of which ISA will consolidate its 33% share through the equity method.

Country	CAPEX 2Q23 ²⁰	Part. %
Colombia	329	30
Brazil	324	30
Chile	290	27
Peru	138	13
Others	0,1	0
TOTAL	1,082	100

6. ESG

²⁰ Figures in COP billion.

The backbone of ISA's corporate strategy is sustainability, which aims to generate positive social and environmental impact in the countries where it operates. Since 2017, ISA has been working on the Conexión Jaguar program, through which the Company contributes to biodiversity conservation by implementing projects in priority areas for the protection of the jaguar habitat and the development of communities. The highlights of the quarter are presented below:

- In Brazil, the Conexión Jaguar program provided support to the first conservation project that generates carbon credits in a Natural World Heritage site.
- More than 231,000 carbon credits were certified under high international standards, which will be traded in the international voluntary market and have the potential to reduce approximately 430,000 tons of CO₂ by 2030.
- The project certified exceptional benefits for biodiversity, thus earning Gold in the international CCB²¹ Standard (which assesses quantifiable benefits for the climate, communities, and biodiversity).

²¹ Climate, Community and Biodiversity standards.

Individual financial results

Income statement

A comparison of financial results for 2Q23 versus the same period of the previous year shows the following:

Revenues

Operating revenues reached COP 412 billion, 2% more than in 2Q22, due to the positive effect of contractual escalators (IPP, TRM, and PPI) and the inflow of revenues from the El Río 220 KV substation (UPME 06-2018) and Sabanalarga Bolívar (UPME 07-2017).

AOM

AOM were COP 61 billion, an increase of 53% compared to 2Q22, mainly explained by:

- Higher expenses due to an increase in workforce for the execution of new projects and the higher salary adjustment in 2023 versus 2022, considering the inflation differential in 2022 (13.1%) and 2021 (5.6%).
- Higher expenses for administrative fees and internal and statutory audits.
- Higher advertising expenses.

Results of subsidiaries and jointly-controlled and associated companies

Income from investees reached COP 593 billion, 17% more than in 2Q22. This increase is due to the entry into operation of projects, higher construction income, the positive effect of contractual escalators, and the change in the treatment to UF in road concessions.

EBITDA

EBITDA reached COP 950 billion, an increase of 9% compared to 2022. The EBITDA margin²² stood at 95% versus 96% in 2Q22.

Depreciation and amortization

Depreciation and amortization amounted to COP 56 billion, 12% more than in 2022. This variation is explained by the entry into operation of new projects and the updating of the remaining useful lives of operating assets.

²² Revenues (the denominator of the formula) used to calculate the EBITDA margin add to operating revenues the revenues calculated using the equity method.

Financial expenses, net

Net financial expenses totaled COP 127 billion, 43% more than in 2Q22. The variation is mainly due to the increase in the CPI and the fixed-term deposit (DTF) in local debt when compared to the same period of the previous year, as well as the higher exchange rate difference expense on dividends receivable from affiliates abroad, and interest on international bonds issued by ISA in November 2021.

Income tax

Income tax was COP 69 billion, 8% more than in 2Q22, mainly due to higher results of operations.

Net income

Net income closed at COP 692 billion, 4% more than in 2Q22, a variation explained above.

Income for the last 12 months as of June 2023 was COP 2.6 trillion, 57% more than in the same period of 2022.

Balance sheet

Assets and liabilities

ISA's assets totaled COP 25.2 trillion, maintaining a balance similar to December 2022.

Liabilities amounted to COP 8.9 trillion, 17% more than at the end of 2022. The increase is mainly due to debt disbursements in 2023 to finance the investment plan and the recording of dividends payable to ISA shareholders.

Equity

ISA's equity reached COP 17 trillion, 8% less (COP 1.4 trillion) than in December 2022, due to the net result of converting investments into Colombian pesos in 2023, and the dividends declared at the General Shareholders' Meeting.

Cash flow

The initial cash balance in 2023 was COP 489 billion. During the period, operating cash flows, excluding income tax, of COP 628 billion were generated, dividends and interest on loans from investees of COP 506 billion were received, and debt disbursements of COP 450 billion were made.

The resources were mainly used in:

- Dividend payment of COP 965 billion;
- CAPEX of COP 374 billion;
- Interest payments on debt of COP 256 billion;
- Payment of taxes of COP 132 billion.

The first half of 2023 ended with a cash flow of COP 338 billion²³, 31% less than in December 2022.

²³Cash and cash equivalents.

Table 1.

Consolidated revenues

Figures in COP billion, unaudited.

By business unit						
Operating	2Q23	%	2Q22	%	Var. COP	Var. %
Energy	2.660	75	2.593	80	67	3
Roads	765	22	552	17	213	39
Telecom	122	3	111	3	11	10
Total	3.547	100	3.256	100	291	9

Excluding construction	2Q23	%	2Q22	%	Var. COP	Var. %
Energy	2.153	77	2.081	81	72	3
Roads	545	19	375	15	170	45
Telecom	122	4	111	4	11	10
Total	2.820	100	2.567	100	253	10

Operating Revenues, excluding construction - Energy Transmission

Operating	2Q23	%	2Q22	%	Var. COP	Var. %
Colombia	691	32	656	32	35	5
Chile	110	5	92	4	18	20
Brazil	853	40	926	44	(73)	-8
Peru	493	23	395	19	98	25
Other	6	0	12	1	(6)	-50
Total	2.153	100	2.081	100	72	3

By country

Operating	2Q23	%	2Q22	%	Var. COP	Var. %
Colombia	839	24	781	24	58	7
Chile	792	22	577	18	215	37
Brazil	1,303	37	1,339	41	(36)	-3
Peru	599	17	540	17	59	11
Other	14	0	19	0	(5)	-26
Total	3,547	100	3,256	100	291	9

Excluding construction	2Q23	%	2Q22	%	Var. COP	Var. %
Colombia	835	30	779	30	56	7
Chile	576	20	401	16	175	44
Brazil	866	31	940	37	(74)	-8
Peru	529	19	428	17	101	24
Other	14	0	19	0	(5)	-26
Total	2.820	100	2.567	100	253	10

By business unit

Operating	6M23	%	6M22	%	Var. COP	Var. %
Energy	5.622	76	4.795	80	827	17
Roads	1.590	21	1.009	17	581	58
Telecom	246	3	218	3	28	13
Total	7.458	100	6.022	100	1.436	24

Excluding construction	6M23	%	6M22	%	Var. COP	Var. %
Energy	4.485	77	3.922	80	563	14
Roads	1.116	19	736	15	380	52
Telecom	246	4	218	5	28	13
Excluding construction	5.847	100	4.876	100	971	20

Operating Revenues, excluding construction - Energy Transmission

Operating	6M23	%	6M22	%	Var. COP	Var. %
Colombia	1.391	31	1.276	32	115	9
Chile	228	5	183	5	45	25
Brazil	1.866	42	1.664	42	202	12
Peru	974	21	774	20	200	26
Other	26	1	25	1	1	4
Total	4.485	100	3.922	100	563	14

By country

Operating	6M23	%	6M22	%	Var. COP	Var. %
Colombia	1.684	23	1.516	25	168	11
Chile	1.654	22	1.064	18	590	55
Brazil	2.793	37	2.372	39	421	18
Peru	1.286	17	1.033	17	253	24
Other	41	1	37	1	4	11
Total	7.458	100	6.022	100	1.436	24

Excluding construction	6M23	%	6M22	%	Var. COP	Var. %
Colombia	1.678	29	1.514	31	164	11
Chile	1.186	20	793	16	393	50
Brazil	1.895	32	1.694	35	201	12
Peru	1.047	18	838	17	209	25
Other	41	1	37	1	4	11
Total	5.847	100	4.876	100	971	20

Table 2.

Construction and AOM costs

Figures in COP billion, unaudited.

By business unit							
Construction and AOM ²⁴	2Q23	%	2Q22	%	Var. COP	Var. %	
Energy	901	69	888	73	13	1	
Roads	324	25	266	22	58	22	
Telecom	75	6	62	5	13	21	
Total	1.300	100	1.216	100	84	7	

AOM	2Q23	%	2Q22	%	Var. COP	Var. %	
Energy	499	70	407	70	92	23	
Roads	134	19	112	19	22	20	
Telecom	75	11	62	11	13	21	
Total	708	100	581	100	127	22	

By country							
Construction and AOM	2Q23	%	2Q22	%	Var. COP	Var. %	
Colombia	308	24	244	20	64	26	
Chile	340	26	274	22	66	24	
Brazil	502	39	495	41	7	1	
Peru	142	11	190	16	(48)	-25	
Other	8	0	13	1	(5)	-38	
Total	1.300	100	1.216	100	84	7	

AOM ¹⁸	2Q23	%	2Q22	%	Var. COP	Var. %	
Colombia	304	43	243	42	61	25	
Chile	154	22	122	21	32	26	
Brazil	167	23	133	23	34	26	
Peru	76	11	70	12	6	9	
Other	8	1	13	2	(5)	-38	
Total	708	100	581	100	127	22	

By business unit							
Operating	6M23	%	6M22	%	Var. \$	Var. %	
Energy	1.942	70	1.606	73	336	21	
Roads	690	25	461	21	229	50	
Telecom	147	5	121	6	26	21	
Total	2.779	100	2.188	100	591	27	

²⁴ Includes AOM costs; excluding provisions, depreciation, and amortization.

Excluding construction	6M23	%	6M22	%	Var. \$	Var. %
Energy	1.010	70	789	69	221	28
Roads	280	20	224	20	56	25
Telecom	147	10	121	11	26	21
Excluding construction	1.437	100	1.134	100	303	27

By country

Operating	6M23	%	6M22	%	Var. \$	Var. %
Colombia	597	21	472	22	125	26
Chile	722	26	475	22	247	52
Brazil	1.050	38	878	40	172	20
Peru	386	14	338	15	48	14
Other	24	1	25	1	(1)	-4
Total	2.779	100	2.188	100	591	27

Excluding construction	6M23	%	6M22	%	Var. \$	Var. %
Colombia	590	41	471	42	119	25
Chile	317	22	240	21	77	32
Brazil	332	23	260	23	72	28
Peru	174	12	138	12	36	26
Other	24	2	25	2	(1)	-4
Total	1.437	100	1.134	100	303	27

Table 3. Consolidated debt

As of June 30, 2023 (unaudited) and December 31, 2022 (audited).

Figures in COP billion.

Business	Jun. 2023	Dec. 2022	Var. COP	Var. %	
CHILE	10.723	11.968	-1.245	-10%	
Intervial	Vías	638	808	-170	-21%
Ruta del Maipo	Vías	3.659	4.209	-549	-13%
Ruta de la Araucanía	Vías	382	318	64	20%
Ruta del Bosque	Vías	-	-	-	0%
Ruta de los Ríos	Vías	188	109	79	72%
Ruta del Loa	Vías	812	732	80	11%
Internexa en Chile	Telco	15	20	-5	-28%
Interchile	Energía	5.029	5.772	-744	-13%
COLOMBIA	7.634	7.545	89	1%	
ISA	Energía	5.171	4.913	258	5%
Costera	Vías	1.711	1.851	-140	-8%
Transelca	Energía	523	523	-	0%
Internexa	Telco	229	258	-29	-11%
BRASIL	7.454	7.281	172	2%	
CTEEP	Energía	7.255	7.058	197	3%
IEMG	Energía	-	-	-	0%
IEPINHEIROS	Energía	-	-	-	0%
IE Serra Do Japi	Energía	-	-	-	0%
IEENNE	Energía	100	112	-12	-11%
IESUL	Energía	-	-	-	0%
PBTE	Energía	-	-	-	0%
ISA Investimentos e Participações	Energía	-	-	-	0%
Internexa Brasil	Telecom	99	111	-13	-12%
PERU	6.563	7.324	-762	-10%	
ISA Peru	Energía	606	699	-93	-13%
REP	Energía	1.065	1.242	-178	-14%
PDI	Energía	-	-	-	0%
Transmantaro	Energía	4.849	5.325	-476	-9%
Internexa en Perú	Telco	43	58	-15	-26%
TOTAL²⁵	32.374	34.118	-1.746	-5%	

²⁵ This amount represents the nominal amount of the debt, which differs from the amount presented in the consolidated statement of financial position (Table 7), which value is expressed at the amortized cost, according to IFRS Standards.

Table 4.

Net debt movements

For the six-month period ended June 30, 2023.

Figures in COP billion, unaudited.

ISA and its companies' debt	Disbursements	Amortizations	Net
ISA	450		450
Costera	-	-97	-97
Transelca	-	-	-
Internexa	-	-29	-29
COLOMBIA	450	-126	324
ISA Peru	-	-17	-17
REP	67	-89	-22
PDI	-	-	-
Transmantaro	210	-	210
Internexa en Perú	-	-7	-7
PERÚ	277	-113	164
CTEEP	597	-	597
IEPINHEIROS	-	-	-
IE Serra Do Japi	-	-	-
IENNE	-	-6	-6
IESUL	-	-	-
ISA Investimentos e Participações	-	-	-
Internexa Brasil	-	-7	-7
BRAZIL	597	-13	584
Intervial	-	-113	-113
Ruta del Maipo	-	-365	-365
Ruta de la Araucania	126	-47	79
Ruta del Bosque	-	-	-
Ruta de los Rios	83	-	83
Ruta del Loa	131	-17	114
Internexa en Chile	-	-4	-4
Interchile	-	-	-
CHILE	340	-546	-206
TOTAL	1.664	-798	866

Table 5

Projects under construction

Affiliate	Transmission project name	Date of COD ²⁶ Estimated
INTERCHILE	Ampliación mando sincronizado Nuevo Cardones, Nuevo Maitencillo y Nuevo Pan de Azúcar	2023 qtr 4 ²⁷
	Ampliación subestación Nuevo Pan de Azúcar	2023 qtr 4 ²⁷
	Ampliación aumento de capacidad LT Maitencillo - Nueva Maitencillo	2024 qtr 1 ²⁷
INTERCOLOMBIA	Conexión Parque Guayepo Solar a la subestación Sabanalarga 500 kV	2023 qtr 3 ²⁷
	Conexión Windpeshi	2023 qtr 3
	Conexión parque solar Portón del Sol	2024 qtr 1 ²⁸
	Conexión subestación Caño Limón	2024 qtr 2
	UPME 09-2016 Línea de Transmisión Copey - Cuestecitas - Fundación	2024 qtr 3 ²⁷
	Ampliación Segundo circuito Copey - Cuestecitas 500 kV	2024 qtr 3 ²⁷
	Conexión Oleoducto de Colombia en subestación Caucasia 110 kV	2025 qtr 1
	Incremento de confiabilidad Refinería de Barrancabermeja	2025 qtr 2
	UPME 04-2019 Línea de transmisión La Loma - Sogamoso 500 kV	2025 qtr 2 ^{27 28}
	Conexión de parques eólicos Alpha y Beta la subestación Nueva Cuestecitas 500 kV	2025 qtr 3 ²⁹
TRANSELCA	UPME 03-2021 Subestación Carrieles 230 kV y LT asociadas	2026 qtr 1 ^{27 28}
	Conexión planta solar Nabusimake en subestación Fundación	2023 qtr 3 ²⁷
	Ampliación subestación Copey	2023 qtr 4 ²⁹
CTEEP ³⁰	SmartValves Termoguajira 220 kV Etapa 2	2024 qtr 1
	Ampliación Smart Valves Nueva Barranquilla y Sabanalarga	2024 qtr 2
	IE ITAÚNAS (L21) ³¹	2023 qtr 3 ^{27 28}
	MINUANO (L1)	2025 qtr 1
	TRIANGULO MINEIRO (L7)	2025 qtr 1
CTM	RIACHO GRANDE	2025 qtr 4
	PIRAQUÉ	2026 qtr 1
	JACARANDÁ	2026 qtr 2
	COYA Enlace Colcabamba - Campas - Carapongo 500 kV	2023 qtr 3 ²⁷
	Subestación Chinchá Nueva	2023 qtr 3
	Conexión Puerto Chancay	2023 qtr 4 ²⁸
	Subestación Nazca Nueva	2023 qtr 4 ²⁸
	YANA Enlace Campas - Yaros y subestaciones Asociadas 500 kV ³²	Under review
	Refuerzo 2 - Ampliación subestación Planicie	2023 qtr 4
	Refuerzo 1 - cambio de tensión Chilca - Planicie - Carabayllo	2024 qtr 1
Ampliación 21	2024 qtr 3	
Conexión San Garbeil en subestación Chilota 220 kV	2025 qtr 1	

²⁶ COD: Commercial Operation Date

²⁷ Modificación en POC vs IT23 por fuerza mayor.

²⁸ Proyectos en gestión de ampliación de plazo.

²⁹ Modificación en POC vs IT23 por acuerdo con el cliente.

³⁰ The lots 7 and 9 awarded to CTEEP in June 2023 are not yet in the construction phase, and their expected Commercial Operation Date (COD) is estimated to be in 1Q29 and 2Q26, respectively.

³¹ In March 2023, IE Itaúnas announced the start of partial commercial operation, with the right to receive 66% of the RAP

Affiliate	Road project name	Date of POC ³³ Estimated	
Intervial Chile	Ruta del Loa Sociedad Concesionaria S.A.	Tram A	2024qtr 2
		Tram B	2024 qtr 4
	Ruta de los Ríos Sociedad Concesionaria S.A.	Regulatory Safety Works	2023 qtr 3
	Ruta de la Araucanía Sociedad Concesionaria S.A.	Regulatory Safety Works	2023 qtr 3
	Cameras y CCTV ³⁴	2024 qtr 1	

³⁴ Closed-Circuit Television

Table 6. Consolidated income statement

For the three-month periods between March and June 2023 and 2022, and for the 6-month periods ended June 2023 and 2022.

Figures in COP billion, unaudited.

	2Q23	2Q22	Var. COP 2Q	Var. %	6M23	6M22	Var. COP 6M	Var. %
Operating revenues	3.547	3.256	291	9	7.458	6.022	1.436	24
Operating revenues, excluding construction	2.820	2.567	253	10	5.847	4.876	971	20
(-) AOM (includes operating taxes)	(708)	(581)	(127)	22	(1.437)	(1.134)	(303)	27
Operating EBIDA (excludes construction and provisions)	2.112	1.986	126	6	4.410	3.742	668	18
<i>Operating EBIDA margin</i>	75%	77%			75%	77%		
Construction revenues	727	689	38	6	1.611	1.146	465	41
(-) Construction cost	(592)	(635)	43	-7	(1.342)	(1.054)	(288)	27
Gross construction income	135	54	81	150	269	92	177	192
<i>Construction margin</i>	19%	8%			17%	8%		
Total EBIDA (excluding provisions)	2.247	2.040	207	10	4.679	3.834	845	22
<i>Total EBITDA margin (% of operating revenues)</i>	63%	63%			63%	64%		
Results of jointly controlled companies	98	177	(79)	-45	345	326	19	6
Other revenues, net	47	15	32	213	52	18	34	189
Operating taxes	51	39	12	31	124	96	28	29
Provisions ³⁵	(49)	(44)	(5)	11	(94)	(82)	(12)	15
EBITDA (includes results of jointly controlled companies and provisions)	2.394	2.227	167	7	5.106	4.192	914	22
<i>EBITDA margin (% of operating revenues)</i>	67%	68%			68%	70%		
Depreciation, amortization, and impairment ³⁶	(255)	(226)	(29)	13	(529)	(463)	(66)	14
Operating taxes	(51)	(39)	(12)	31	(124)	(96)	(28)	29
EBIT	2.088	1.962	126	6	4.453	3.633	820	23
<i>Operating margin (% of operating revenues plus results of jointly controlled companies)</i>	57%	57%			57%	57%		
Financial expenses, net	(645)	(704)	59	-8	(1.282)	(1.341)	59	-4
Income before taxes	1.443	1.258	185	15	3.171	2.292	879	38
Income tax provision	(223)	(80)	(143)	179	(551)	(362)	(189)	52
Income before minority interest	1.220	1.178	42	4	2.620	1.930	690	36
Minority interest	(526)	(507)	(19)	4	(1.098)	(828)	(270)	33
Net income	694	671	23	3	1.522	1.102	420	38
<i>Net margin</i>	20%	21%			20%	18%		
EBITDA, excluding construction (includes results of jointly controlled companies and provisions)	2.259	2.173	86	4	4.837	4.100	737	18
<i>EBITDA margin, excluding construction (% on operating revenues, excluding construction)</i>	80%	85%			83%	84%		

³⁵ It includes expenses related to provisions, impairment of receivables and other accounts receivable, impairment of inventories, and actuarial calculation expenses.

³⁶ It includes impairment of non-current non-financial assets.

Consolidated income statement

For the 12-month periods ending in June 2023 and 2022.

Figures in COP billion, unaudited.

	12M Jun. 23	12M Jun. 22	Var. COP 12M	Var. %
Operating revenues	14.794	11.975	2.819	24
Operating revenues, excluding construction	11.296	9.666	1.630	17
(-) AOM (includes operating taxes)	(2.846)	(2.338)	(508)	22
Operating EBIDA (excludes construction and provisions)	8.450	7.328	1.122	15
<i>Operating EBIDA margin</i>	75%	76%		
Construction revenues	3.498	2.309	1.189	51
(-) Construction cost	(3.092)	(2.099)	(993)	47
Gross construction income	406	210	196	93
<i>Construction margin</i>	12%	9%		
Total EBIDA (excluding provisions)	8.856	7.538	1.318	17
<i>Total EBITDA margin (% of operating revenues)</i>	60%	63%		
Results of jointly controlled companies	534	607	(73)	-12
Other revenues, net	66	22	44	200
Operating taxes	220	179	41	23
Provisions ⁽¹⁾	(200)	(164)	(36)	22
EBITDA (includes results of jointly controlled companies and provisions)	9.476	8.182	1.294	16
<i>EBITDA margin (% of operating revenues)</i>	64%	68%		
Depreciation, amortization, and impairment ⁽²⁾	(1.160)	(933)	(227)	24
Operating taxes	(220)	(179)	(41)	23
EBIT	8.096	7.070	1.026	15
<i>Operating margin (% of operating revenues plus results of jointly controlled companies)</i>	53%	56%		
Financial expenses, net	(2.536)	(2.847)	311	-11
Income before taxes	5.560	4.223	1.337	32
Income tax provision	(1.194)	(886)	(308)	35
Income before minority interest	4.366	3.337	1.029	31
Minority interest	(1.743)	(1.663)	(80)	5
Net income	2.623	1.674	949	57
<i>Net margin</i>	18%	14%		
EBITDA, excluding construction (includes results of jointly controlled companies and provisions)	9.070	7.972	1.098	14
<i>EBITDA margin, excluding construction (% on operating revenues, excluding construction)</i>	80%	82%		

Table 7.

Consolidated statement of financial position

As of June 30, 2023 (unaudited) and December 31, 2022 (audited).

Figures in COP billion.

	Jun. 23	Part. %	2022	Var. COP	Var. %
Cash and cash equivalents	4,450	5	5,369	(919)	-17
Concessions, debtors, and other accounts receivable	6,064	8	6,547	(483)	-7
Other financial assets	668	1	877	(209)	-24
Current taxes	480	1	384	96	25
Inventories	180	0	198	(18)	-9
Non-financial assets	468	1	347	121	35
Current assets	12,310	16	13,722	(1,412)	-10
Restricted cash	614	1	328	286	87
Non-current taxes	5	0	9	(4)	-44
Investments in joint ventures and associates	5,176	7	5,281	(105)	-2
Concessions, debtors, and other accounts receivable	31,300	42	31,591	(291)	-1
Other financial assets	19	0	19	0	-
Inventories, net	137	0	104	33	32
Property, plant, and equipment, net	14,114	19	14,484	(370)	-3
Intangible assets, net	11,305	15	12,737	(1,432)	-11
Non-financial assets	160	0	166	(6)	-4
Deferred tax	230	0	293	(63)	-22
Non-current assets	63,060	84	65,012	(1,952)	-3
TOTAL ASSETS	75,370	100	78,734	(3,364)	-4
Financial liabilities	4,093	5	2,080	2,013	97
Accounts payable	1,969	3	1,704	265	16
Employee benefits	152	0	165	(13)	-8
Current taxes	386	1	630	(244)	-39
Provisions	203	0	207	(4)	-2
Non-financial liabilities	436	1	574	(138)	-24
Current liabilities	7,239	10	5,360	1,879	35
Financial liabilities	28,508	38	32,090	(3,582)	-11
Accounts payable	193	0	227	(34)	-15
Non-current taxes	1,691	2	1,705	(14)	-1
Employee benefits	480	1	480	-	-
Provisions	458	1	487	(29)	-6
Non-financial liabilities	1,646	2	1,654	(8)	-
Deferred tax	6,928	9	7,180	(252)	-4
Non-current liabilities	39,904	53	43,823	(3,919)	-9
TOTAL LIABILITIES	47,143	63	49,183	(2,040)	-4
Subscribed and paid-in capital	37	-	37	-	-
Premium for placement of shares	1,428	2	1,428	-	-
Reserves	7,953	11	7,691	262	3
Accumulated income	4,744	6	5,414	(670)	-12
Other comprehensive income	2,834	4	3,866	(1,032)	-27
Equity of controlling company	16,996	23	18,436	(1,440)	-8
Non-controlling interest	11,231	14	11,115	116	1
TOTAL EQUITY	28,227	37	29,551	(1,324)	-4

Table 8.

Consolidated cash flow statement

For the six-month periods ended June 30, 2023 and 2022.

Figures in COP billion, unaudited.

	6M23	6M22	Var. COP	Var. %
Net income for the period attributable to ISA shareholders	1,522	1,102	420	38
Adjustments to reconcile net income to net cash flows from operations	3,498	2,863	635	22
Income tax paid	(443)	(236)	(207)	88
Net changes in assets and liabilities	(1,699)	(585)	(1,114)	190
Net cash flows from operating activities	2,878	3,144	(266)	(8)
CAPEX ³⁷	(2,366)	(1,635)	(731)	45
Dividends and interest received	501	135	366	271
Payments to capitalize or acquire investments	-	(65)	65	(100)
Sale of other assets	136	12	124	1,033
Other cash inflows, net	-	75	(75)	(100)
Net cash flows used in investment activities	(1,729)	(1,478)	(251)	17
Amounts from bonds and financial liabilities	1,991	3,346	(1,355)	(40)
Payment of bonds, financial liabilities, and derivatives	(1,248)	(3,562)	2,314	(65)
Interest paid	(1,111)	(1,198)	87	(7)
Dividends paid	(1,488)	(143)	(1,345)	941
Lease payments (principal and interest)	(53)	(30)	(23)	77
Net cash flows used in financing activities	(1,909)	(1,587)	(322)	20
Effects of exchange rate variation on cash and cash equivalents	(159)	1	(160)	(16,000)
Net (decrease) increase in cash and cash equivalents	(919)	80	(999)	(1,249)
Cash and cash equivalents at the beginning of the period	5,369	4,686	683	15
Cash and cash equivalents at the end of the period	4,450	4,766	(316)	(7)

³⁷ Investments executed (CAPEX) in 1Q23 amounted to COP 1,284 billion and in 2Q23 to COP 1,082 billion, for a cumulative total in the six-month period of COP 2,366 billion. In the first quarter results report, investments of COP 1,363 billion had been reported; the difference results from the change in the presentation of investments for pre-existing infrastructure on the Roads business unit in Chile.

Table 9.

Income statement - individual ISA

For the three-month periods between March and June 2023 and 2022, and for the six-month periods ended June 2023 and 2022.

Figures in COP billion, unaudited.

	2Q23	2Q22	Var. 2Q COP	Var. %	6M23	6M22	Var. COP 6M	Var. %
Operating revenues	412	402	10	2	852	793	59	7
AOM (includes operating taxes)	(61)	(40)	(21)	53	(131)	(91)	(40)	44
Total EBIDA (excluding provisions)	351	362	(11)	-3	721	702	19	3
<i>Total EBIDA margin (% of operating revenues plus result of jointly controlled companies)</i>	85%	90%			85%	89%		
Results of jointly controlled companies	593	509	84	17	1.283	809	474	59
Other revenues, net	-	-	-	-	3	4	(1)	(25)
Operating taxes	6	1	5	500	26	18	8	44
Provisions	-	-	-	-	(2)	(1)	(1)	100
EBITDA (includes results of jointly controlled companies and provisions)	950	872	78	9	2.031	1.532	499	33
<i>EBIDA margin (% of operating revenues plus result of jointly controlled companies)</i>	95%	96%			95%	96%		
Depreciation and amortization	(56)	(50)	(6)	12	(111)	(104)	(7)	7
Operating taxes	(6)	(1)	(5)	500	(26)	(18)	(8)	44
EBIT	888	821	67	8	1.894	1.410	484	34
<i>Operating margin (% of operating revenues plus results of jointly controlled companies)</i>	88%	90%			89%	88%		
Financial expenses, net	(127)	(89)	(38)	43	(250)	(187)	(63)	34
Income before taxes	761	732	29	4	1.644	1.223	421	34
Income tax	(69)	(64)	(5)	8	(126)	(126)	-	0
Net income	692	668	24	4	1.518	1.097	421	38
<i>Net margin (% of operating revenues plus result of jointly controlled companies)</i>	69%	73%			71%	68%		

Income statement - individual ISA

For the 12-month periods ending in June 2023 and 2022.

Figures in COP billion, unaudited.

	12M Jun 23	12M Jun 22	Var\$ 12M	Var%
Ingresos operacionales	1.736	1.508	228	15
AOM (incluye impuestos de operación)	(240)	(187)	(53)	28
EBIDA total (excluye provisiones)	1.496	1.321	175	13
<i>Margen EBIDA total (% sobre ingresos operacionales más resultado de co-controladas)</i>	86%	88%		
Resultados co-controladas	2.115	1.331	784	59
Otros ingresos, neto	3	6	(3)	-50
Impuestos de operación	38	35	3	9
Provisiones	(2)	(10)	8	-80
EBITDA (incluye resultados co-controladas y provisiones)	3.650	2.683	967	36
<i>Margen EBITDA (% sobre ingresos operacionales más resultado de co-controladas)</i>	95%	95%		
Depreciaciones y amortizaciones	(220)	(205)	(15)	7
Impuestos de la operación	(38)	(35)	(3)	9
EBIT	3.392	2.443	949	39
<i>Margen Operativo (% sobre ingresos operacionales más resultado de co-controladas)</i>	88%	86%		
Gastos financieros, neto	(470)	(396)	(74)	19
Utilidad antes de impuestos	2.922	2.047	875	43
Impuesto de renta	(310)	(384)	-	-19
Utilidad neta	2.612	1.663	949	57
<i>Margen Neto (% sobre ingresos operacionales más resultado de co-controladas)</i>	68%	59%		

Table 10.

Statement of financial position - individual ISA

As of June 30, 2023 (unaudited) and December 31, 2022 (audited).

Figures in COP billion.

	Jun. 23	Part. %	2022	Var. COP	Var. %
Cash and cash equivalents	338	1	489	(151)	-31
Debtors and other accounts receivable	417	2	288	129	45
Current taxes	99	1	77	22	29
Non-financial assets	32	0	35	(3)	-9
Current assets	886	4	889	(3)	-
Restricted cash	10	0	9	1	11
Debtors and other accounts receivable	30	0	27	3	11
Other financial assets	14	0	14	-	-
Non-current taxes	-	0	-	-	-
Investments in subsidiaries, associates, and joint ventures	15,740	62	16,294	(554)	-3
Property, plant, and equipment, net	8,271	33	7,974	297	4
Intangibles	274	1	276	(2)	-1
Investment property	7	0	8	(1)	-13
Non-financial assets	1	0	1	-	-
Non-current assets	24,347	96	24,603	(256)	-1
TOTAL ASSETS	25,233	100	25,492	(259)	-1
Financial liabilities	655	3	258	397	154
Accounts payable	1,108	4	181	927	512
Employee benefits	12	0	13	(1)	-8
Current taxes	35	0	93	(58)	-62
Provisions	52	0	46	6	13
Other non-financial liabilities	15	0	2	13	650
Current liabilities	1,877	7	593	1,284	217
Financial liabilities	4,615	18	4,733	(118)	-2
Accounts payable	351	1	337	14	4
Employee benefits	159	1	158	1	1
Provisions	97	1	75	22	29
Other non-financial liabilities	95	1	115	(20)	-17
Deferred tax	1,033	4	1,031	2	0
Non-current liabilities	6,350	26	6,449	(99)	-2
TOTAL LIABILITIES	8,227	33	7,042	1,185	17
Subscribed and paid-in capital	37	-	37	-	-
Premium for placement of shares	1,428	6	1,428	-	-
Reserves	7,953	31	7,691	262	3
Accumulated income	4,754	19	5,428	(674)	-12
Other comprehensive income	2,834	11	3,866	(1,032)	-27
TOTAL EQUITY	17,006	67	18,450	(1,444)	-8

Table 11.

Cash flow statement - individual ISA

For the periods ended June 30, 2023 and 2022.

Figures in COP billion, unaudited.

	6M23	6M22	Var. COP	Var. %
Net income	1,518	1,097	421	38
Adjustments to reconcile net income to net cash flows from operations	(758)	(379)	(379)	100
Income tax paid	(132)	(68)	-64	94
Net changes in assets and liabilities	(132)	(107)	(25)	23
Net cash flows from operating activities	496	543	(47)	-9
CAPEX	(374)	(254)	(120)	47
Dividends and interest received	506	542	(36)	-7
Payments to capitalize or acquire investments	-	(5)	5	-100
Other cash (outflows) inflows	(1)	3	(4)	-133
Net cash flows from investment activities	131	286	(155)	-54
Amounts from bonds and financial liabilities	450	-	450	100
Payment of bonds and financial liabilities	-	(120)	120	-100
Interest paid	(256)	(177)	(79)	45
Dividends paid	(965)	-	(965)	-100
Lease payments (principal and interest)	(3)	(2)	(1)	50
Net cash flows used in financing activities	(774)	(299)	-475	159
Effects of exchange rate variation on cash and cash equivalents	(4)	6	(10)	-167
Net increase in cash and cash equivalents	(151)	536	(687)	-128
Cash and cash equivalents at the beginning of the period	489	546	(57)	-10
Cash and cash equivalents at the end of the period	338	1,082	(744)	-69

Glossary of terms

- ANEEL: National Energy Agency of Brazil
- AOM: Operation, administration, and maintenance expenses
- CDI: Certificado de Depósito Interbancario (Interbank Certificate of Deposit)
- COFINS: Contribution to Social Security Financing
- CVM: Comissão de Valores Mobiliarios (Securities and Exchange Commission of Brazil)
- Debt/EBITDA: Total Debt/ (EBITDA IRFS less income from jointly controlled companies and other revenues, plus RBSE cash adjustment and other operating taxes and provisions)
- EBIDA: operating income before interest, income tax, depreciation, and amortization, including operating taxes.
- EBITDA: operating income before interest, depreciation, and amortization, excluding operating taxes.
- IFRS: International Financial Reporting Standards
- IGPM: General Market Price Index in Brazil
- IPC in Chile: Consumer Price Index in Chile.
- IPC in Colombia: Consumer Price Index in Colombia
- IPCA: Broad Consumer Price Index in Brazil
- IPP in Colombia: Producer Price Index in Colombia
- IPP in Peru: the WPSFD4131 index for the United States measures prices of finished goods excluding food and energy.
- Ke: cost of equity
- Equity method in the consolidated income statement: includes income from companies where ISA has joint control and significant influence.
- Equity method in the individual income statement: includes income from companies where ISA has joint control and significant influence
- MOP: Ministry of Public Works of Chile
- PBTE: Piratininga - Bandeirantes Transmissora de Energia S.A.
- RBNI: Red Básica de Nuevas Inversiones (Basic Network of New Investments)
- RBSE: Red Básica del Sistema Existente (Basic Network of the Existing System)
- ROAE: Net income, 12 months / average equity, 12 months
- PPI: Producer Price Index in the U.S.
- PIS: Programa de Integração Social
- RAP: "Receta anual permitida" in CTEEP
- RTP: Periodic Tariff Review Resolution
- TRM: Representative Market Rate in Colombia USD-Colombian peso equivalence
- UF: Unidades de Fomento (Index-linked units), Chile
- UVR: Unidad de Valor Real (Real Value Unit) in Colombia
- tCO₂e: Ton of CO₂ equivalent.

This report may contain forward-looking statements regarding the performance of ISA and should be taken in good faith by institutions; said forward-looking statements reflect management's views and are based on currently-available information, which assumes risks and uncertainties, including economic conditions and those from other markets, as well as the exchange rate variations and other financial variables with respect to which ISA S.A. E.S.P. may not be held responsible, directly or indirectly, for financial operations that the public may conduct in reliance of the information herein presented.

The consolidation process involves the inclusion of 100% of the companies where ISA has control through the method of global integration, following the application of the Accounting and Financial Information Standards accepted in Colombia (NCIF), established in Law 1314 of 2009, which are regulated, compiled, and updated by Decree 938 of 2021, Decree 1432 of 2020, and previous and other current legal provisions applicable to entities supervised and/or controlled by the Financial Superintendence of Colombia and the General Comptroller's Office of the Nation..

These accounting and financial reporting standards correspond to the International Financial Reporting Standards -IFRS-, officially translated, and authorized by the International Accounting Standards Board -IASB-.