



Update on Colombian wind projects

December 19th, 2024

La Guajira projects characterized by good wind resources, but timely execution was blocked by unforeseen Transmission Line permit delays

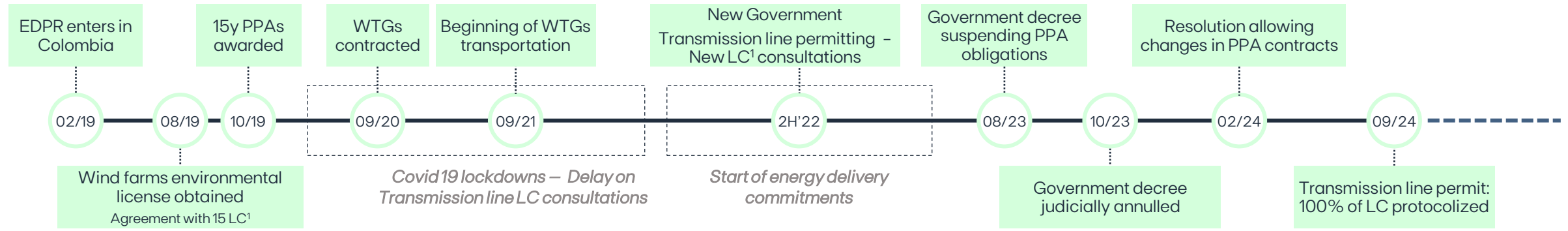
Good location regarding wind resources, with a load factor over 50%...



...but requiring 81 Km of Transmission Line to connect to the Colombian energy system

- 53% Net capacity factor
- 2.5 TWh Annual expected generation
- 81Km Transmission Line
- 504 MW Total capacity





Historical context






1. "LC" stands for Local Communities | 2. "WTG" stands for Wind Turbines Generator

These projects would make a decisive contribution to Colombia's energy diversification goals, but no longer fit into EDPR's risk return profile

Given the status of the projects...

-  **Wind farm projects permitted**, and Transmission Line environmental license delayed and now expected in February 2025 with **100% of communities protocolized**
-  **PPA contracts renegotiated** (80.7% of committed energy suspended for more than 2 years)
-  **90 Vestas V162-5.6MW turbines stored** in port infrastructure in La Guajira
-  **No visibility on the improvement of regulated revenues**, such as the "Reliability Charge" mechanism

...EDPR considers that, in the current context, it no longer fits its risk return profile

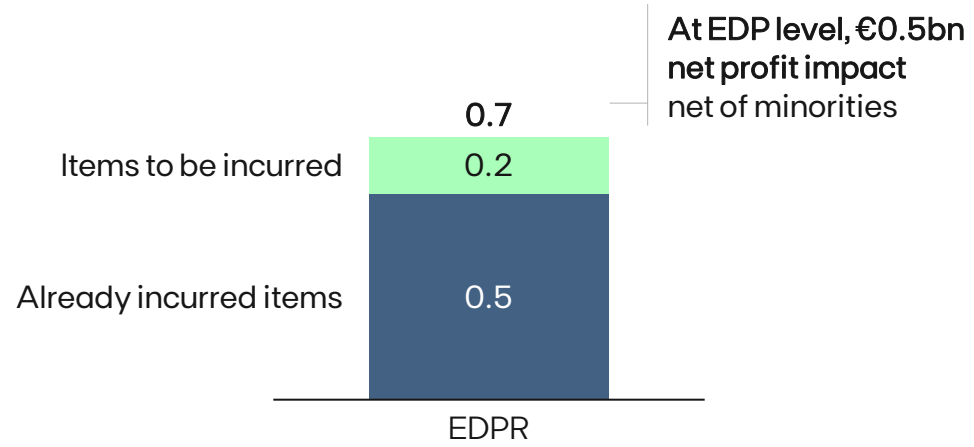
-  **Significant costs following unforeseen Transmission permitting delays** (supply chain renegotiation, PPA energy delivery costs, financial costs and other)
-  **Government approval of some adverse legislative changes** impacting the economics of the projects
-  **Strong capex inflation** on construction since 2019, and additional ~€0.4bn needed for projects completion
-  **Colombian COP local currency:** Increase of interest rates and devaluation vs. USD

EDPR has decided not to proceed with the investment in these wind projects

Divestment decision implies a potential non-recurring loss of up to €0.7bn in 2024, not impacting EDP/EDPR's recurring net profit and dividends

EDPR will account for losses associated to the total impairment of these projects in 2024 accounts...

Impact on 2024 Net Profit, €bn



...without implying any impact on dividend distributions to EDPR and EDP shareholders

➤ The impairment will be treated as a non-recurring event, having no impact on recurring net profit

➤ No expected impact on either EDPR and EDP's dividend distribution policy

> Out of the total estimated losses of €0.7bn:
 €0.5bn Incurred items, related to turbines and historical development costs
 €0.2bn Current estimated liabilities still to be paid. This amount could increment net debt beyond 2024



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Renewables