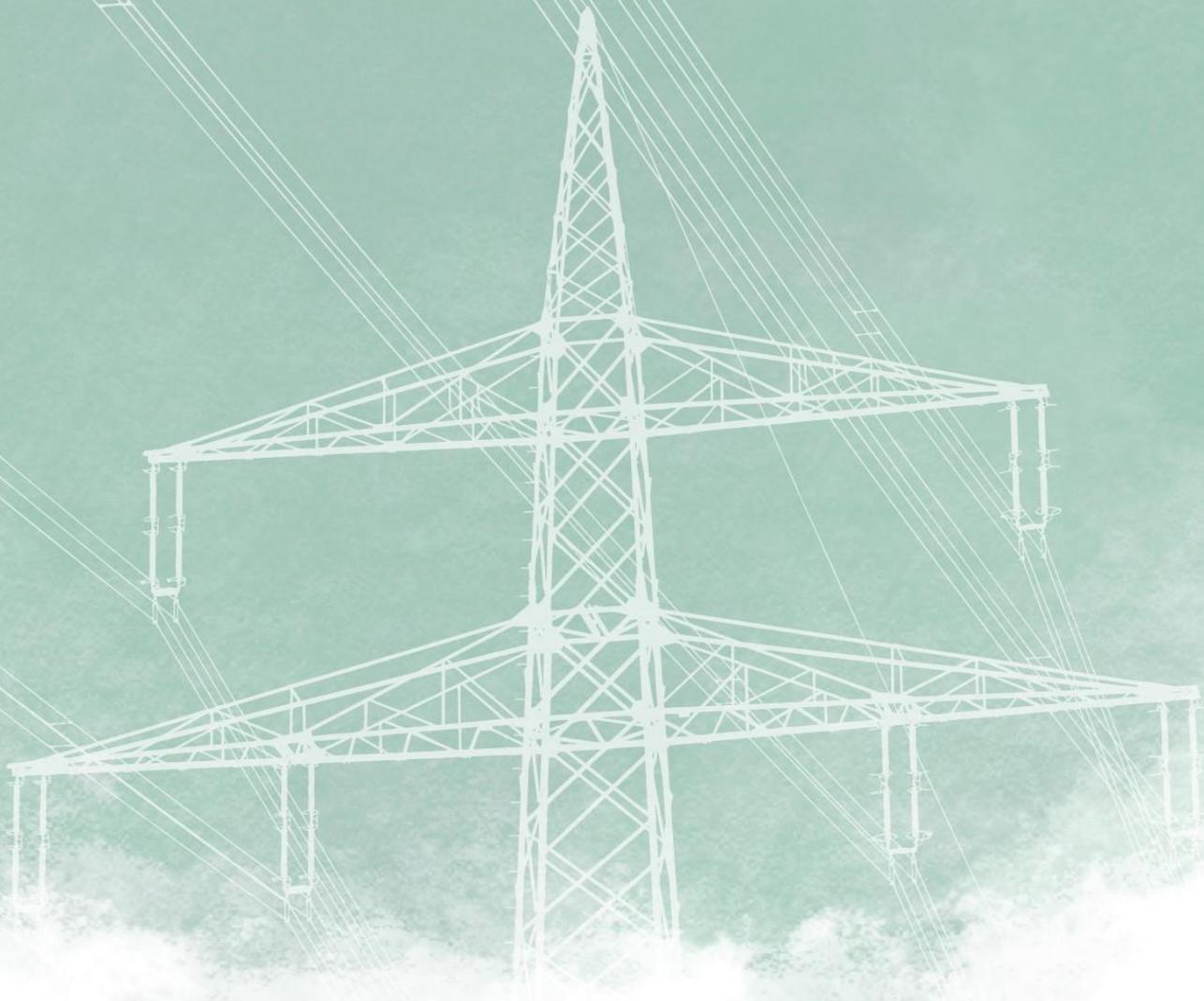




Earnings Release

SECOND QUARTER 2023



INDEX

I.	Letter from CFECapital CEO	3
II.	Relevant Events for CFE	6
III.	Operating Results of the Transmission Sector	7
IV.	Quarterly Financial Statements	11
	IV.1 Promoted Trust	11
	IV.2 Issuer Trust	12
V.	CFE FIBRA E Performance	13
VI.	CFE FIBRA E Distribution 2Q2023	15
VII.	Issuer Trust Administration and Expenses	18
VIII.	Corporate Governance Activities	19



Dear Investors,

It is a pleasure for me to address you on behalf of the CFECapital team (CFECapital, S. de R.L. de C.V.) in our capacity as Settlor and Administrator, to present the report for the Second Quarter of 2023 of CFE FIBRA E (Irrevocable Trust Number CIB/2919).

Despite the complex international outlook, economic growth expectations for 2023 for Mexico have been revised upwards, between 1.7% and 2.9%¹, due to the resilience of the national economy shown during the first quarter of the year, mainly due to the reactivation of the service sector and the continued growth of the secondary sector. Along the same lines, the Bank of Mexico has stated that inflation in our country has begun to decrease from 8.01 to 7.46% for the first quarter of 2023 and standing at 6.00% in the first half of May 2023. However, given that inflation continues considerably above the target (3%), Bank of Mexico decided to increase the interest rate from 10.50% to 11.00% in February, and from 11.00% to 11.25% in March, forecasting to maintain the reference rates at the same level for a longer period.

On the other hand, the preliminary data of direct foreign investment in Mexico for the first quarter of 2023 indicates a flow of 18,636 million dollars, 48% higher than the same period of the previous year², demonstrating the confidence of investors to maintain and expand their investments in the country. Under this scenario, the Federal Electricity Commission (CFE) continues to strengthen itself through the development of energy infrastructure, preserving its financial balance, its social nature, and service to 48 million customers.

During the second quarter of the current year, different national and international investors have reiterated their confidence in the CFE. Proof of this was the granting of financing for \$98.7 million dollars by the French Development Agency for the first stage of the Puerto Peñasco Photovoltaic Power Plant in order to expand the CFE generation park through clean and renewable sources³; and the successful placement of certificates carried out by the CFE in the local market with the Environmental, Social and Governance (ESG) label for 10,000 million pesos with a demand 2.4 times the total amount. With this capital raising CFE will allocate a similar amount of resources to renewable energy projects, energy efficiency and provision of essential public services (internet, rural electrification, etc.)⁴

Similarly, the agreement signed between the CFE and Essentia Energy Systems for the joint development of new natural gas infrastructure in the country with an investment in the order of 300 million dollars to optimize the use of existing gas pipelines and include new natural gas delivery

¹ Bank of Mexico “Quarterly Report January- March 2023”. Available on: <https://www.banxico.org.mx/publicaciones-y-prensa/resumenes-visuales/informe-trimestral-pdf/%7B09734AC3-22BD-01AF-E132-50AF4E0E393D%7D.pdf>

² Ministry of Economy, "Foreign Direct Investment, First Quarter 2023". Available on: https://www.gob.mx/cms/uploads/attachment/file/826709/20230519_Presentaci_n_IED_1T-2023_p_blica_2_.pdf. It does not account for movements due to the Televisa –Univisión merge and restructuring of Aeroméxico.

³ CFE press release, June 28th, 2023. Available on: <https://app.cfe.mx/Aplicaciones/OTROS/Boletines/boletin?i=4874>

⁴ CFE press release, July 4th, 2023. Available on: <https://app.cfe.mx/Aplicaciones/OTROS/Boletines/boletin?i=4878>

points to serve CFE power plants and communities and sectors that will benefit from access to natural gas at competitive prices to strengthen their development.⁵

Additionally, during the session of the CFE Board of Directors, the results for the second quarter of 2023 were presented. In his report, the General Director highlighted the capacity and commitment of the CFE and CENACE staff to successfully overcome the highest energy demand in the history of the country of more than 50,000 MW presented on June 20th, 2023, which represented 9% more than the maximum demand registered in 2022. In addition, he emphasized the investment in infrastructure that the CFE has undertaken during this administration, the renegotiations of contracts that have made it possible to make honest and mutually beneficial investments, through strategic agreements for the transportation and commercialization of natural gas.⁶

Likewise, in this session, the CFE presented the Global Financing Proposal for Fiscal Year 2024, reiterating that FIBRA E is a fundamental part of its financing strategy. Among its objectives, the need to obtain the necessary resources to finance the CFE Investment Program under the best terms and conditions was highlighted, ensuring the capital required in a timely and efficient manner, as well as implementing alternative financing schemes such as fiduciary structures or capital-based instruments such as FIBRA E, reduce financial costs, access capital markets through the issuance of green bonds under ESG criteria, refinance the company's liabilities and take advantage of the resources of the Corporate and Subsidiary Productive Companies.

CFE FIBRA E continues to be a financial vehicle that provides a double-digit dividend yield since its creation in 2018. The dividend yield presented by CFE FIBRA E during the second quarter of 2023 was 11.22%, which is above performance offered by its peers (7.69%).

During the second quarter of 2023, the price range of the CFE FIBRA E certificate was \$26.59 to \$28.31 pesos, with an average daily volume exchanged of 98,078 certificates. In accordance with the distribution policy, on June 30th, the distribution corresponding to the months of March, April and May 2023 of \$0.6864 pesos per certificate for Series "A" (FCFE18), \$1.2613 pesos per certificate for Series "B" (FCFE18-2) was paid, reflecting the expected seasonal increase in the demand for electricity for those months.

This report also highlights the criteria for compliance with the tax regulations of the investment regime, the tax treatment of distributions, information on account statements, financial statements, investment indicators and reimbursements for the maintenance and operation of the National Transmission Network.

⁵ CFE press release, June 27th, 2023. Available at: <https://app.cfe.mx/Aplicaciones/OTROS/Boletines/boletin?i=4872>

⁶ CFE press release, July 13th, 2023. Available at: <https://app.cfe.mx/Aplicaciones/OTROS/Boletines/boletin?i=4880>

To conclude, I want to highlight the investment made by the CFE to strengthen it by increasing the capacity to supply fuel and generate, transmit and distribute electricity in the country to attend the growing demand for electrical energy. All this to guarantee the energy service to Mexican households, while propping itself up as a lever for the economic development of the entire country, as a State Company with a solid financing strategy, of which the CFE FIBRA E it is a fundamental part.

Carmen Serdán Banda
CFE Capital CEO



II. Relevant Events for CFE



April 11th, 2023, CFE Transmission reported to its Board of Directors about infrastructure projects throughout the country, in addition, informed the progress in the maintenance and expansion of the National Transmission Network.



May 2nd, 2023, CFE presented its financial statements for 1Q23, **reporting a 7.1% increase in total revenues compared to the same period of the previous year**. This is due to the sale of energy, as well as a growth in income from energy transportation.



June 7th, 2023, was the first anniversary of the **strategic alliance between CFE and TC Energy**, the value and importance for the development of the **Puerta al Sureste Project and the Tuxpan-Tula gas pipeline**, as well as the infrastructure for the transportation of natural gas, were endorsed.



June 20th, 2023, the CFE Corporate Director of Strategic Planning reiterated **the strengthening of the National Transmission Network with 3,800 km of transmission lines and 800 km of general distribution networks**.



June 20th, 2023, CFE and ESENTIA Energy Systems signed an MoE for the joint development of new natural gas infrastructure in the country with an **investment of 300 million dollars** to optimize the use of existing gas pipelines and include new natural gas delivery points.



June 28th, 2023, the French Development Agency **granted financing for \$98.7 million dollars** for the first stage of the **Puerto Peñasco Photovoltaic Power Plant** to promote the expansion of generation with clean and renewable sources.



July 4th, 2023, CFE successfully carries out its second placement of certificates in the local market with the Environmental, Social and Governance (ESG) label for **10,000 million pesos, with a demand 2.4 times the total amount**.



July 13th, 2023, CFE presented results for 2Q23 in its Board of Directors, highlighting the ability of CFE and CENACE to successfully meet the highest energy demand in its history (6/20/23). In addition, CFE reiterated that **FIBRA E is part of its financing strategy for infrastructure projects**.



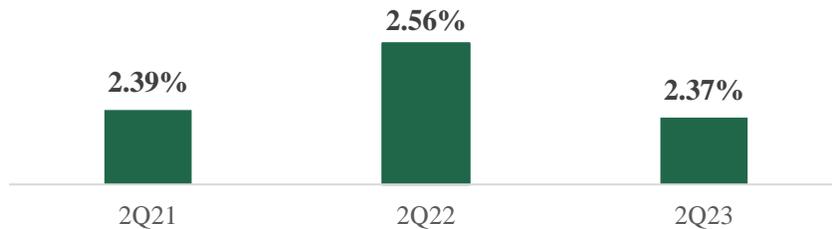
July 27th, 2023, CFE presents the financial statements for 2Q23, highlighting the **accumulated net profit of 87,793 million pesos**, reversing the results obtained since 2017. In addition, **CFE's equity registers an increase of 17.8% while total liabilities, a reduction of 8.5%** compared to the end of 2022.

Source: CFE Press Releases from April 1st to July 27th, 2023.

III. Operating results of the Transmission Sector

Chart 1 shows the index that corresponds to the percentage of transmission losses as of June 30th, 2023. This indicator refers to the technical losses that correspond to the nature of energy. The decrease in transmission losses is due to the actions carried out by the CFE to make electric power transmission more efficient. As of 2Q23, technical losses were reduced by 0.83% and 7.42% compared to the same period in 2021 and 2022 respectively, which complies with the international standard of keeping energy losses below 3%.

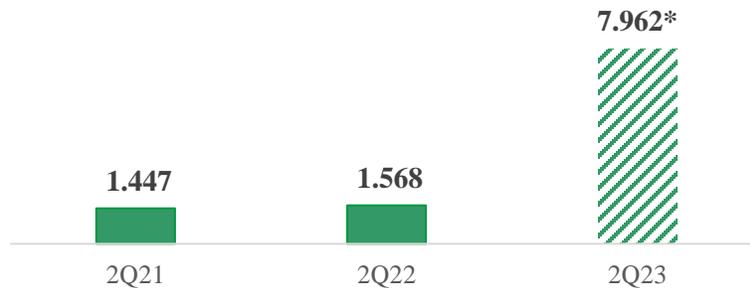
Chart 1. Transmission Losses
(Percentage)



Source: CFE Transmission June 30th, 2023.

Chart 2 shows the average duration of the interruptions in minutes of the electricity supply for an end user. These interruptions are attributable to the transmission process of the National Transmission Network (NTN). This indicator for 2Q23 is presented as **preliminary**, since 44 events are still under review.

Chart 2. System Average Interruption Duration Index (SAIDI)⁷
(Minutes)



Note: *Preliminary figures, since 44 events are under review.

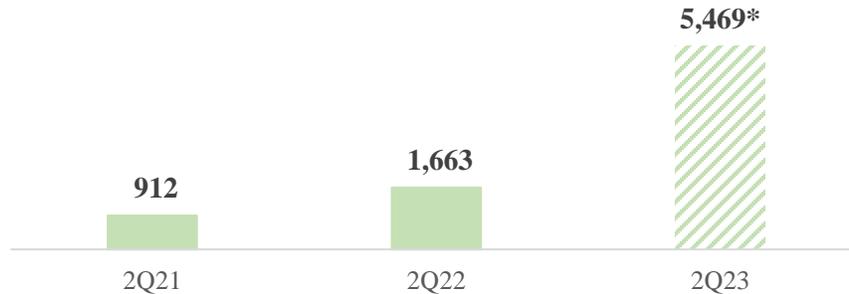
Source: CFE Transmission, June 30th, 2023.

The energy not supplied to users due to interruptions for periods longer than five minutes that occur due to failures in the NTN, at lower voltages or due to lack of coverage through radial networks.

⁷ Average duration of interruption of electricity supply to the end user.

As of the second quarter of 2023, this indicator is presented with **preliminary** figures, since 44 events are still under review.

Chart 3. Power not delivered
(MWh)⁸

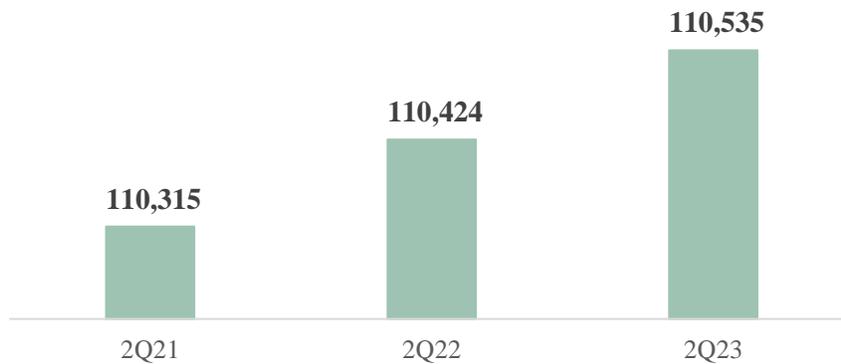


Note: *Preliminary figures, since 44 events are under review.

Source: CFE Transmission, June 30th, 2023.

Chart 4 shows the number of kilometers that have increased in the NTN, which has reached 110,535 kilometers, that is, 111 kilometers more respect to the same period of the previous year.

Chart 4. Transmission Lines
(Kilometers)



Source: CFE Transmission, June 30th, 2023.

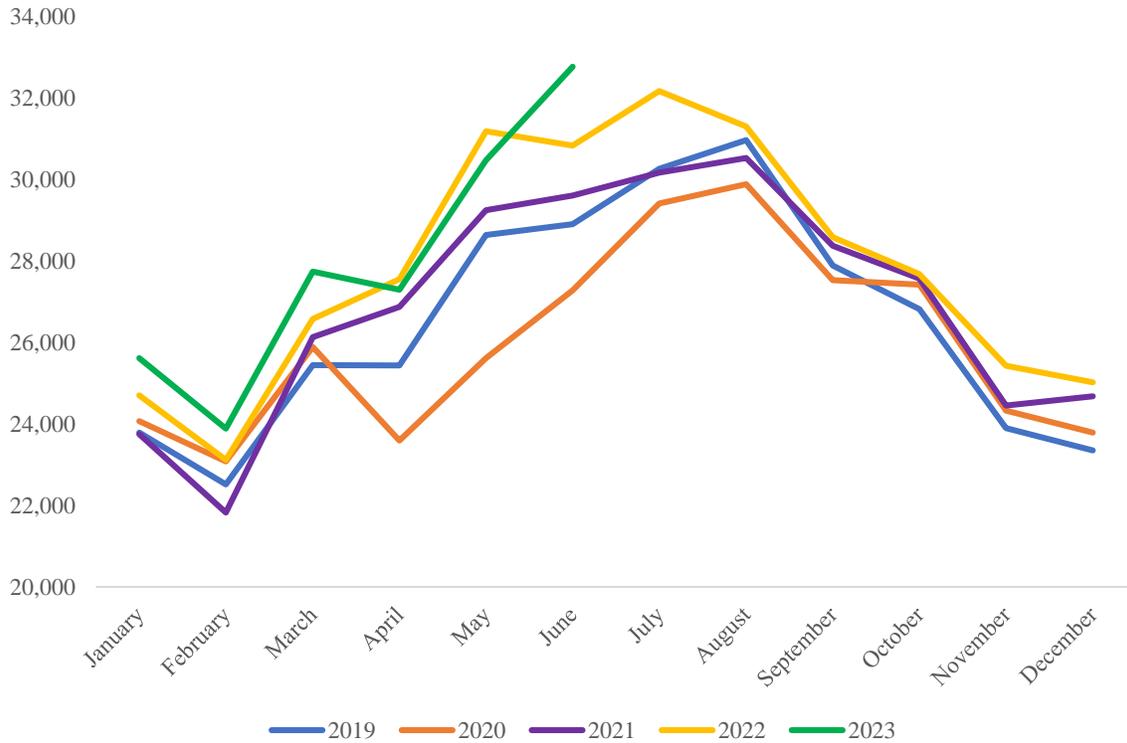
In the second quarter of the year there was an increase in the demand for electrical energy compared to the first quarter due to the seasonal nature of the sector. However, at the end of June a notable increase was observed compared to the same period in previous years, an example of this was the maximum demand of 50,000 MW presented on June 20th, 2023.

It is important to mention, as shown in graph 5, the extraordinary performance of energy volumes during the second quarter of 2022, this consideration explains the 1.1% increase compared to the second quarter of 2023, however, if we contrast the increase in the second quarter of 2023 with the

⁸ Megawatt per hour or 1000 kilowatt hours.

volumes of electrical energy transmitted in the same period of 2021, it can be observed a notable increase of 5.6% and 18.4% compared to the same period of 2020.

Chart 5. Volume of Electric Power in the NTN
(TWh)¹

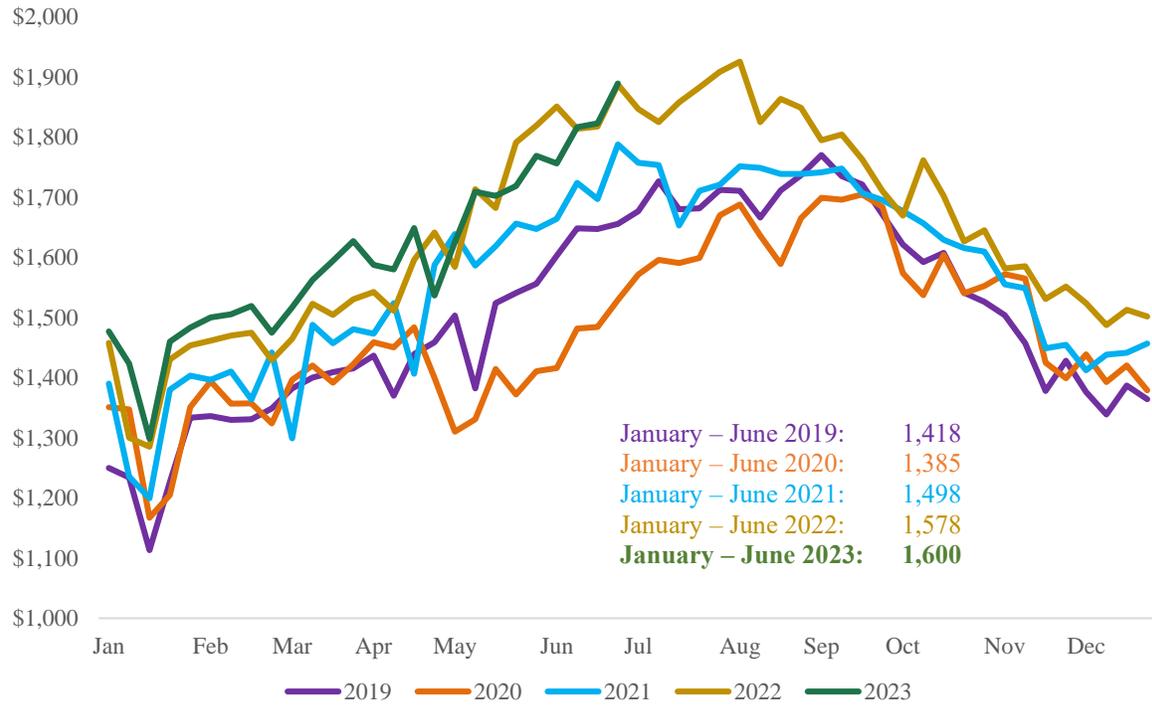


Note:¹Terawatt hour

Source: CFE Transmission with information as of June 30th, 2023.

Graph 6 shows the performance of collection rights from January to June 2023 and previous periods. The weekly average of collection rights increased 1.38% compared to the same period of 2022 and 6.79% in relation to 2021. In this graph it can also be observe the seasonal performance of energy volumes and the impact of the transmission tariff in force in 2023.

Chart 6. Weekly incomes by CENACE¹
(Weekly average | Million MXN)
January – June 2023



Note: The figures shown correspond to the quarterly average of the weekly distributions from January 1st to June 30th, 2023, applicable for each year shown. Revenues in the graph include VAT. Rounded figures in millions of pesos. ¹National Center for Energy Control.

Source: CFE Transmission (as of June 30th, 2023).



IV. Quarterly Financial Statements

IV.1 Promoted Trust

The second quarter began with a balance of \$4,937,242,754 pesos, to which were added \$22,160,951,897 pesos for the collection rights for the period received from CENACE (VAT included), withdrawals for the period amounted to \$8,372,608,576 pesos. In April⁹, the distribution of the Promoted Trust corresponding to the collection rights for the month of March was carried out for \$4,686,892,757 pesos, in May¹⁰ the distribution corresponding to the collection rights for the month of April for \$3,157,664,205 pesos, and in June¹¹ the distribution corresponding to the collection rights for the month of May for \$6,281,669,283 pesos, which results in a total distribution for 2Q23 for \$14,126,226,245 pesos. During the period, interest was generated for \$169,185,872 pesos and whose ISR amounted to \$2,229,665 pesos.

Table 1. Account Balance Promoted Trust F/80758
(MXN)

	April	May	June	2Q23
Initial Balance	4,937,242,754	3,407,902,129	6,532,051,197	
+ Collection Rights	6,352,222,191	8,524,787,685	7,283,942,021	22,160,951,897
- Withdrawals	3,254,071,650	2,301,541,541	2,816,995,385	8,372,608,576
- Distribution	4,686,892,757	3,157,664,205	6,281,669,283	14,126,226,245
Gross Balance	3,348,500,538	6,473,484,068	4,717,328,550	
+ Interest	58,037,698	61,505,174	49,643,000	169,185,872
- Interest tax	764,715	809,438	655,512	2,229,665
Final Balance	3,405,773,521	6,534,179,804	4,766,316,038	
Accrued Interest	-2,128,608	2,128,607	-1	
Portfolio Value	3,407,902,129	6,532,051,197	4,766,316,039	

Note: Rounded figures in MXN.

Source: Account Statements of the Promoted Trust (F/80758) consulted in the NAFIN Fiduciary System.

From the total approved budget of the Promoted Trust for 2023, the equivalent of 24% of the total budget was exercised to the second quarter.

⁹ Distribution approved by Unanimous Resolution through Agreement 20042023-A02 dated April 20th, 2023.

¹⁰ Distribution approved by Unanimous Resolution through Agreement 26052023-A02 dated May 26th, 2023.

¹¹ Distribution approved through the 22nd Ordinary Session of the Technical Committee of the Promoted Trust dated June 12th, 2023.

Table 2. Approved Budget vs. exercised as of June 30th, 2023
(MXN)

Category	Budget 2023	Exercised 2Q23	%
Intercompany expenses	11,160,579,377	2,272,788,418	20%
Operation and minor maintenance	10,257,710,550	3,582,759,730	35%
Obligation expenses	5,179,639,857	2,116,923,318	41%
Major maintenance	11,339,574,698	1,115,460,201	10%
Trust expenses	20,356,463	7,090,041	35%
Financing costs	-	-	0%
Total	37,957,860,945	9,095,021,708	24%

Note: Rounded figures in MXN.

Source: CFE Transmission.

IV.2 Issuer Trust

Regarding the Issuer Trust, the 2Q23 began with a balance of \$45.9 million pesos, to which \$957 million pesos were added corresponding to the distributions of the collection rights for the months of March, April and May of the Promoted Trust, which were received on April 25th, May 31st, and June 16th, of 2023, respectively.

As of June 30th, disbursements amounted to \$18.1 million pesos, which are Issuer Trust Expenses, with a final balance in the quarter of \$50.9 million pesos. In addition, during the second quarter interest was generated for \$10.3 million pesos.

The distributed amount in the 2Q23 was \$944,326,390 pesos on June 30th, 2023.

Table 3. Account Balance Issuer Trust as of June 30th, 2023
(MXN)

	April	May	June	2Q23
Initial Balance	45,918,069	346,868,802	563,674,009	
+ Deposits	317,588,681	213,966,578	425,652,381	957,207,640
- Withdrawals	17,213,449	512,224	405,330	18,131,003
Distribution to holders	0	0	944,326,390	944,326,390
Gross Balance	346,293,301	560,323,157	44,594,669	
Interest charged	575,501	3,350,852	6,390,910	10,317,263
Final Balance	346,868,802	563,674,009	50,985,579	

Note: Rounded figures in MXN.

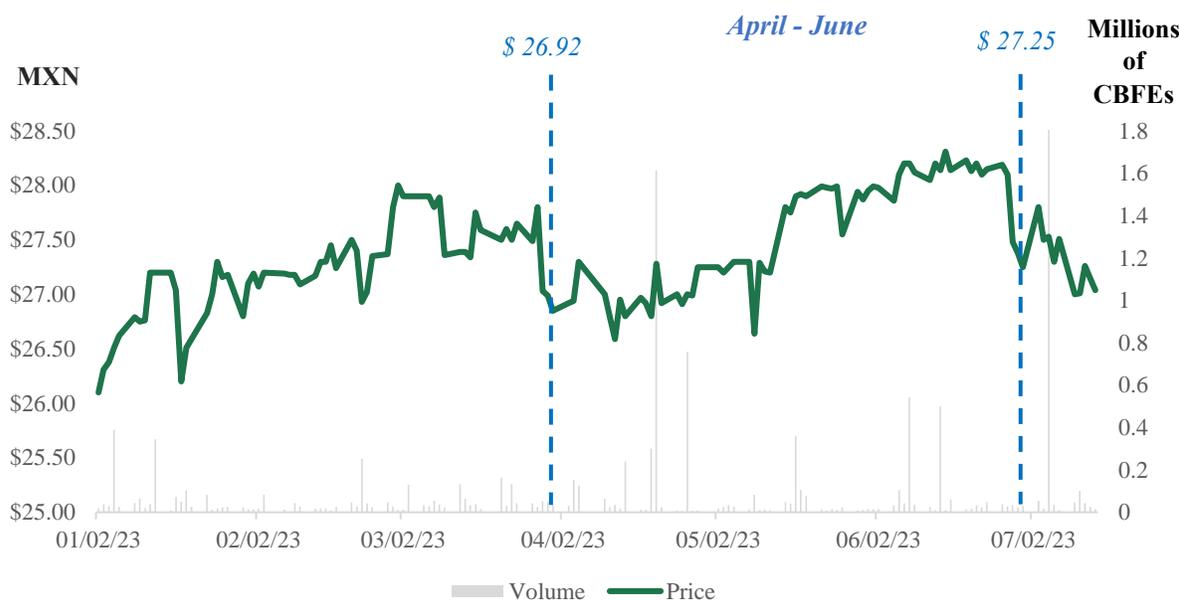
Source: CFECapital with information from the Account Statements of the Issuing Trust CIB/2919 as of June 30th, 2023.



V. CFE FIBRA E performance

The price of the Energy and Infrastructure Investment Trust Stock Certificates (CBFEs), during the second quarter of 2023, oscillated in a range between \$26.59 and \$28.31 pesos, observing a weighted average price of \$27.47 per CBFE and the average daily volume was 98,078 certificates, showing the positive performance of the instrument, despite the challenges posed by the current macroeconomic environment.

Chart 7. Price and Volume of CFE FIBRA E (FCFE18)
(January 2nd, to July 31st, 2023)



Maximum Price ¹ 06/15/2023	\$28.31
Minimum Price ¹ 04/12/2023	\$26.59
Weighted Average Price 2Q23 ¹	\$27.47
Average Daily Volume 2Q23 ¹	98,078
Closing price 07/31/2023	\$26.80

Note: ¹The second calendar quarter of 2023 is from April 1st to June 30th, 2023.

----- Indicates the period that includes the second calendar quarter.

Source: Own elaboration with data from Bloomberg on July 31st, 2023.

The CFE FIBRA E investment instrument has achieved outstanding performance compared to other similar variable income instruments on the Mexican Stock Exchange.

Table 4 shows the dividend yield of CFE FIBRA E, financial vehicle that has granted double-digit dividend yield. The dividend yield presented by CFE FIBRA E during the second quarter of 2023 was 11.22%; above the yield of comparable instruments (FBMEX INDEX: 7.69%).

Table 4. Dividend Yield² Indicative of the CFE FIBRA E vs other REITS³
(April 1st to June 30th, 2023)
%

Instrument	April	May	June
FCFE18 MM Equity	11.37	11.13	10.96
FUNO11 MM Equity	6.27	6.06	6.23
DANHOS13 MM Equity	10.03	10.83	11.14
FNOVA17 MM Equity	7.06	7.26	7.72
FIBRAMQ MM Equity	6.77	6.66	6.97
FIBRAPL MM Equity	5.47	5.70	5.35
TERRA13 MM Equity	4.96	5.81	5.69
FBMEX INDEX	7.66	7.91	6.96

Note:²Calculated by adding the last four distributions and dividing by the weighted average price of the corresponding period. ³For the other instruments, as well as for the REITs index, the indicative dividend yield is taken as of the last day of the period, and this does not consider extraordinary distributions.

Source: CFECapital with data from Bloomberg on July 04th, 2023.

The CFE FIBRA E receives coverage from analysts from different banking institutions, who have determined an average target price of **\$30.50**¹² pesos per CBFE, reflecting a potential growth price per CBFE of **13.81%** compared to the price of 31st July 2023 of \$26.80.

¹² The target prices estimated by the analysts are defined by themselves for the banking institutions they represent.

Table 5. Analyst coverage of CFE FIBRA E

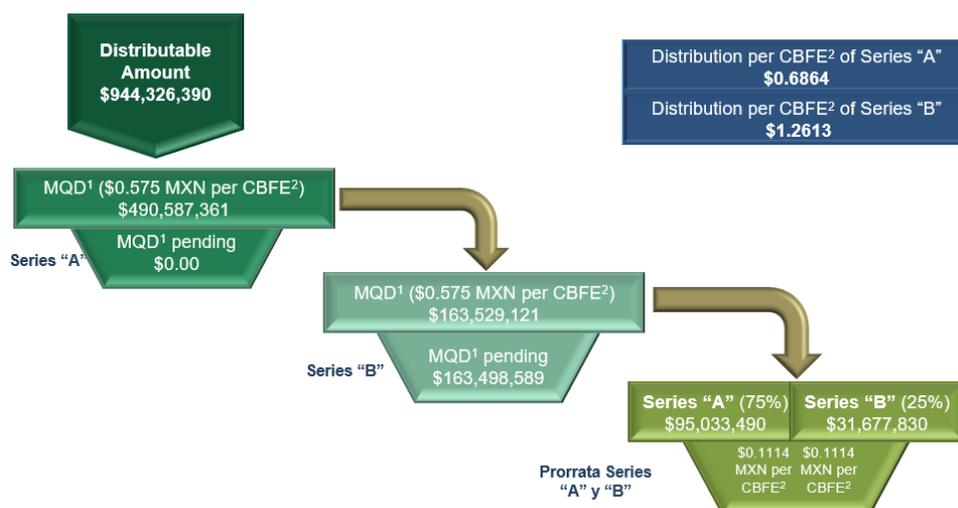
Banking institution	Target Price Estimated by analysts in MXN	Recomendation	Last update
 BBVA	\$32.00	Over return	07/09/2023
 BANORTE	\$32.50	Buy	11/30/2022
 BARCLAYS	\$27.00	Underweight	07/17/2023
Morgan Stanley	\$27.00	Hold	03/13/2023
 Santander	\$30.00	Hold	04/10/2023
 BTGPactual	\$33.00	Buy	04/14/2023
 monex	\$32.00	Buy	06/21/2023

Source: Own elaboration with data from Bloomberg as of July 31st, 2023.

VI. CFE FIBRA E Distribution 2Q23

The distribution period of the second quarter of 2023 includes 14 weeks of income for the collection rights of the National Transmission Network and 13 weeks of reimbursements corresponding to the months of April, May, and June. The distribution of the Promoted Trust was for \$944,326,390 pesos, which includes the restitution of the expense reserve fund and the interest generated in the period.

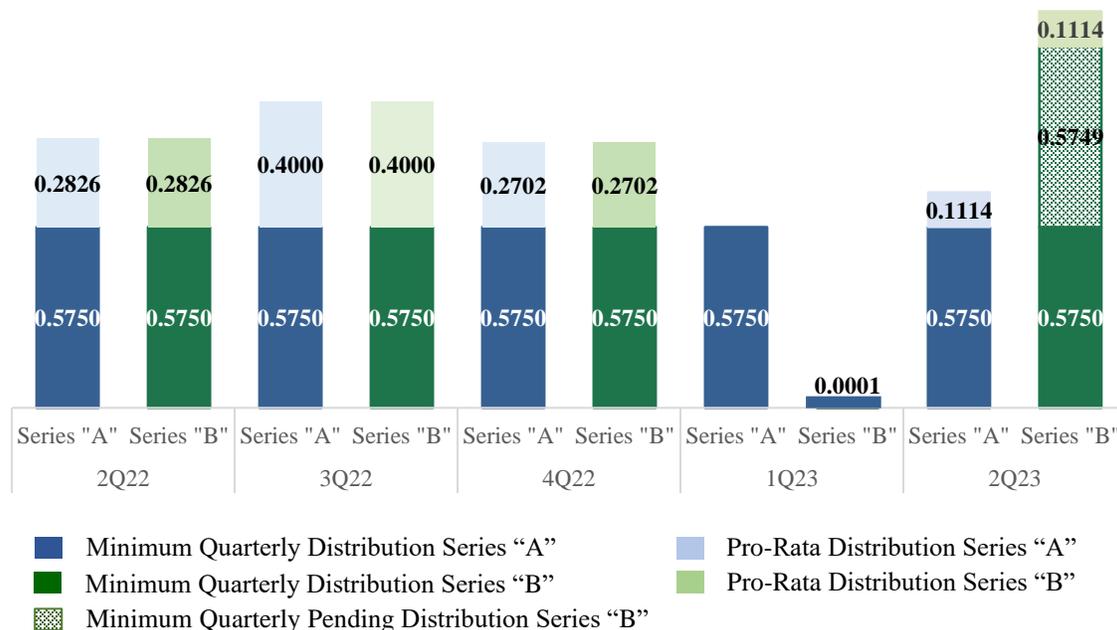
Diagram 1. Amount distributed 2Q23
(Million MXN)



Notes: ¹Minimum Quarterly Distribution. ²Energy and Infrastructure Investment Trust Stock Certificates.
Source: Technical Committee Issuer Trust (June 19th, 2023).

Chart 8 shows the distribution composition for 2Q23. The result was a total distribution of \$0.6864 pesos per certificate for Series “A” (FCFE18) and \$1.2613 per certificate for Series “B” (FCFE18-2). According to the distribution policy, on June 30th, 2023, it was successfully distributed to the certificate holders.

Chart 8. Revenue Composition of CFE FIBRA E Distribution for both Series
(MXN per CBE¹³)



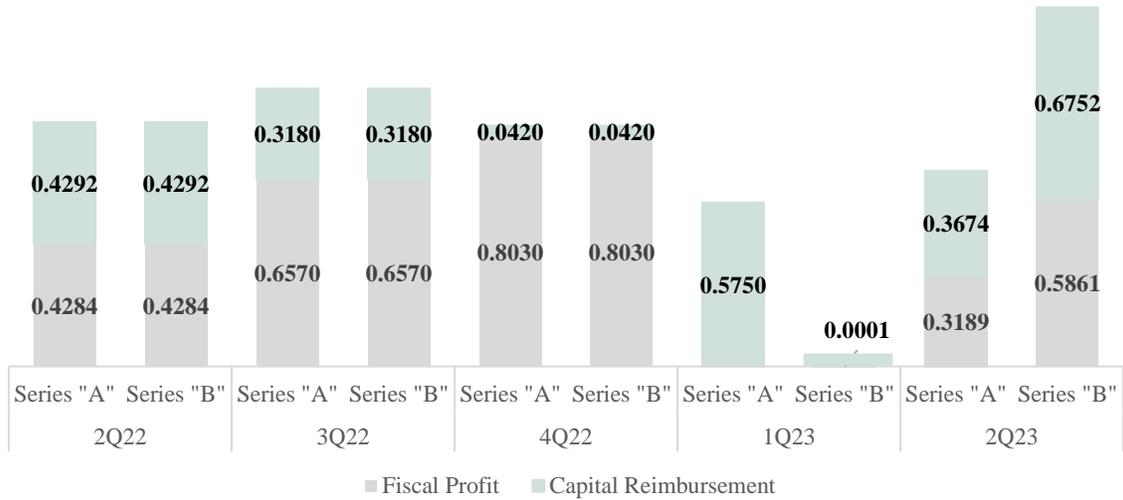
Note: CFECapital gives distribution instruction to the trustee, who makes the deposit to the *Instituto para el Depósito de Valores* (INDEVAL), the central depository of the Securities Market in Mexico. The custodian acts as the tax withholding agent. Rounded figures.

Source: Technical Committee Issuer Trust (2022 y 2023).

Graph 9 shows the fiscal composition of the distribution, the amount corresponding to the fiscal utility was \$0.3189 cents per certificate for Series “A” and \$0.5861 cents for Series “B”. The corresponding part for capital reimbursement was \$0.3674 cents for Series “A” and \$0.6752 cents for Series “B”. The purpose of this composition is to ensure compliance with the CFE FIBRA E regime, maintaining its tax benefits. It is important to mention that the distribution strategy is approved by the Technical Committee of the Issuer Trust and is determined based on the tax requirements of the current Income Tax Law.

¹³ CBEs by its initials in Spanish. It means Stock Exchange Trust Certificate for Investment in Energy and Infrastructure.

Chart 9. Fiscal Composition per CBFE of CFE FIBRA E Distribution for both series
(MXN per CBFE)



Note: Distributions are approved by the Technical Committee and are determined based on the tax requirements of the Income Tax Law. Rounded figures.

Source: Technical Committee Issuer Trust (2022 and 2023).



VII. Issuer Trust Administration and Expenses

In the second quarter of 2023, the maintenance expenses amounted to \$18.1 million pesos, the main disbursement corresponded to Administrator Expenses (CFECapital) and insurance. Other expenses include fees for the External Auditor, accountants, tax, financial, and legal advisors, and compensation for the Independent Members of the Technical Committee.

Table 6. Administrator maintenance expenses as of the second quarter of 2023
(MXN)

	April	May	June	2Q23
Administration Fee ⁽ⁱ⁾	11,806,201	0	0	11,806,201
Fiduciary and Common Representation Fees	45,159	0	0	45,159
Compensation to Independent Members of the Technical Committee	43,334	43,334	213,634	300,301
Expenditure of Maintenance and Registration of CBFEs ⁽ⁱⁱ⁾	0	0	0	0
Independent Appraiser's Fees and Price Providers ⁽ⁱⁱ⁾	0	0	0	0
External Audit Fees, Accounting Services, Fiscal Advisers, and any other Professional Services	157,412	445,556	157,412	760,380
Fees of specialists who advise the Holders Assembly and the Trust Committees ⁽ⁱⁱ⁾	0	0	0	0
Insurance	5,025,729	0	0	5,025,729
Income tax withholding on fees assimilated to independent	135,614	23,334	23,334	182,282
Other expenses	0	0	10,951	10,951
Total	17,213,449	512,224	405,330	18,131,003

Notes: ⁽ⁱ⁾Includes the payment of advances to CFECapital and 7% commission for administration. The administration fee amount corresponds to MXN \$1,710,325. Rounded figures in MXN. ⁽ⁱⁱ⁾ In this period there were no expenses for this concept.

Source: Finance and Administration Management of CFECapital.



VIII. Corporate Governance Activities

VIII.1 Technical Committee of the Irrevocable Trust CIB/2919 (Issuer Trust)

On June 19th, 2023, the 27th Session of the Technical Committee of the Issue Trust was held, in which the following topics were approved:

- **Amount to be distributed and distributions proposed by the Administrator**, in accordance with Clause VI "Distribution Policy" of the Trust Agreement.
- **New Format of the Administrator's Performance Report**, in accordance with Clause V "Administration of the Trust", Section 5.02 "Powers of the Administrator", numeral (i) and Section 5.04 "Reports and Relevant Events", subsection (a) "Reports of Performance" of the Trust Agreement.

Topics for took cognize were addressed:

- Presentation of the **Project to update the website** of CFECapital, S. de R.L. de C.V.
- **Presentation of the "Market Activity and Investor Relations"**, which shows the performance of the Issuing Trust, regarding certain aspects related to the "CBFE's".
- Presentation of the **Administrator's Performance Report**, corresponding to the First Quarter of 2023.
- **2023 Holders Meeting** results report.
- **Appointment of the Secretary-not member** of the Technical Committee.