

DISTRIBUTION OF THE CFE FIBRA E CORRESPONDING TO THE THIRD QUARTER OF 2022

Historical Maximum in the distribution of CFE FIBRA E as of 3Q2022

During the current distribution period, electricity consumption was consistent with the seasonality of the Mexican Electricity Market, which reflects the period with the highest energy demand during the year. This distribution is the result of the defensive performance of the electricity transmission sector in the face of a gradual recovery of economic activity and external volatility factors that generate uncertainty in the markets.

The electricity demand during the third quarter showed a substantial recovery, showing levels well above the equivalent months in 2021, exceeding the expectations made by the market.

The importance of the electricity sector in the economy, together with the fundamentals of the CFE FIBRA E instrument, have made it possible to position it as a very attractive option for the investing public that seeks attractive yields such as those that variable income instruments usually offer in an inflationary environment, but without being exposed to their volatility and implicit risk, especially in view of the rise in rates by the Bank of Mexico, which causes debt instruments (which are less risky) to be more profitable for investors. This is a relevant characteristic that makes CFE FIBRA E a unique instrument in the market since it has hybrid properties of a variable and fixed income instrument.

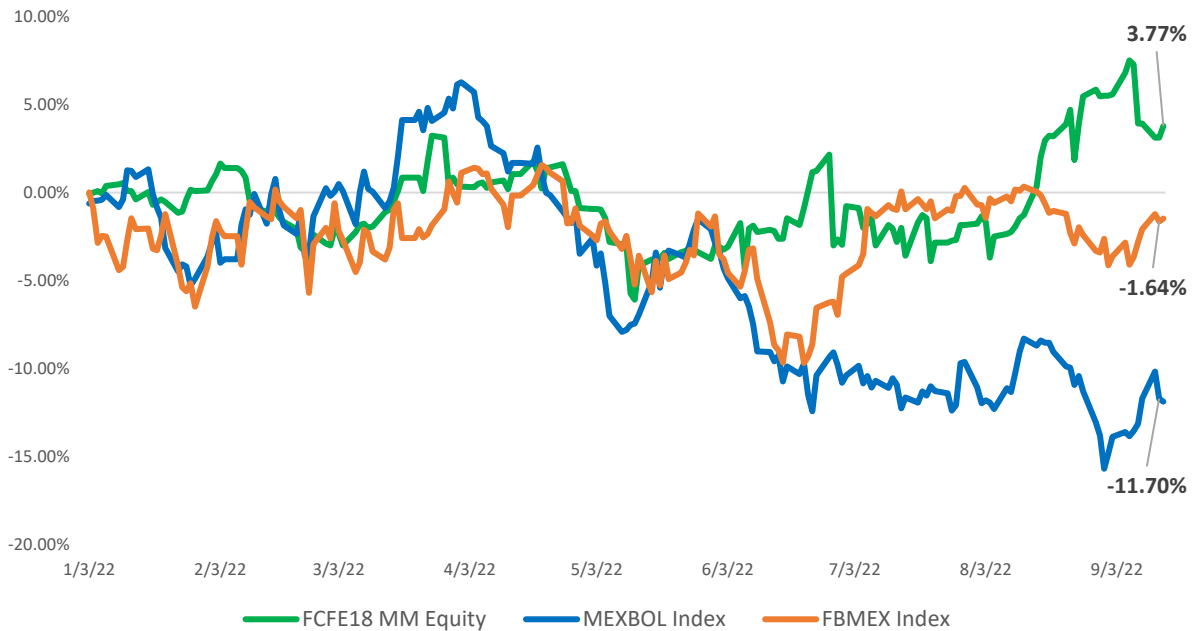
This distribution represents the highest since the constitution of CFE FIBRA E in 2018. During the third quarter of 2022 there was an increase in the amount distributed to holders in relation to 3Q21 of 3.43% (\$1,109.2 vs. \$1,072.4 million pesos).

Mexico City, September 21, 2022.- CFECapital, S. de R.L. of C.V. has announced the distribution of CFE FIBRA E, corresponding to the third quarter of 2022, which will be effective for investors on September 30th of the current year. In accordance with the regulation, the announcement was published through EMISNET.¹

The pandemic caused by the SARS-CoV2 virus and its different variants, the interruption to the international supply chain, geopolitical conflicts, as well as the growing inflationary pressure, have led to constant revisions on different macroeconomic indicators, due to the uncertainty in the productive sectors. Given this growing inflationary pressure, the Bank of Mexico has maintained a more hawkish tone by raising its reference rate by 75 basis points for the second consecutive time, setting it at 8.5%. These actions are in line with the decisions made by the Federal Reserve of the United States (FED) and banks in general, which have raised their reference rates, due to the high inflation registered in the first 8 months of the year.

¹ Electronic Communication System with Securities Issues.

Gráfica 1. Rendimiento acumulado de la CFE FIBRA E vs. MEXBOL vs Índice de FIBRAS



Source: CFECapital with data extracted from Bloomberg as of September 13rd, 2022.

Graph 1 shows the accumulated performance of the CFE FIBRA E, the FIBRAS index and the MEXBOL index, comparable during the first 8 and a half months of the year, which includes from January 1st to September 13rd, 2022.

During the period in question, the price per CFE FIBRA E certificate has had an accumulated yield of **8.86%**, which corresponds to the above-expected increase in volumes of energy transmitted in the National Transmission Network, as well as in collection rights expected for the current year.

The collection period of the distribution of the 3rd. quarter of 2022 comprises 14 weeks of operation -corresponding to the months of June, July and August 2022- and considers a total distribution of \$0.9750 MXN/CBFE for Series A (FCFE18) and \$0.9750 MXN/CBFE for Series B (FCFE18- two). **The present distribution represents the highest since the constitution of the CFE FIBRA E**, showing a great expectation of growth since its incursion in the Mexican Stock Exchange.

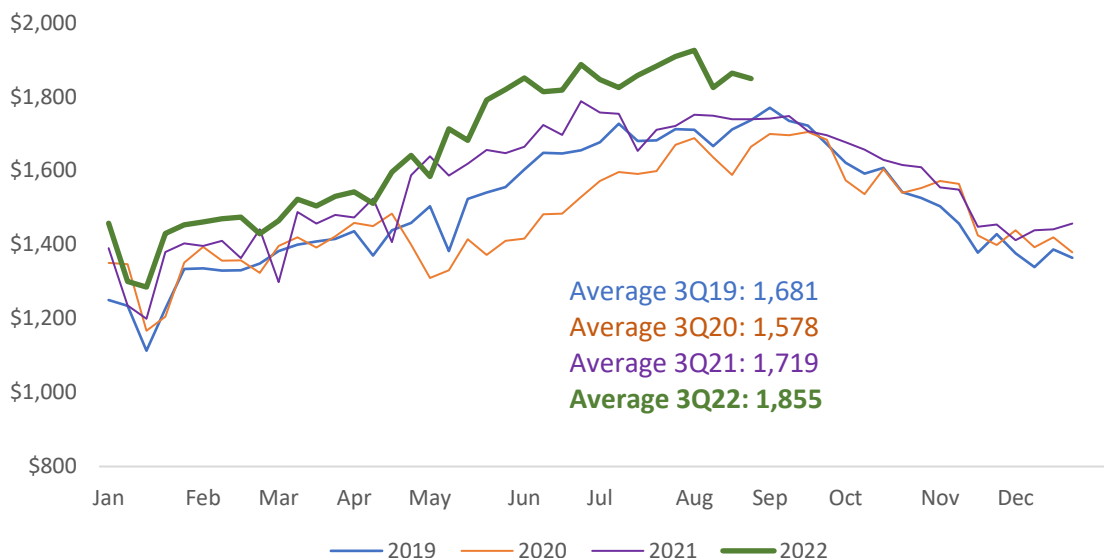
The most outstanding aspects of the distribution, as well as its composition, are detailed below:

- Due to the seasonality of the electricity transmission sector, during the current distribution the greatest demand for electricity is recorded compared to the immediately previous quarter, attributable to meteorological factors.
- The rate for the provision of the electricity transmission service in Mexico, from January 1st to December 31st of the current year (or until the approval of the new

rate methodology) had an **increase of 1.71%**.²

- The average collection rights during the third distribution period registered an **increase of 7.88% compared to the average collection rights of the third quarter of 2021**.
- If we compare collection rights with the same period of 2019 (pre-pandemic year), they showed an increase of 10.35%, exceeding expectations for this year.

Graph 2. Weekly income from CENACE
(Billion Mexican pesos)



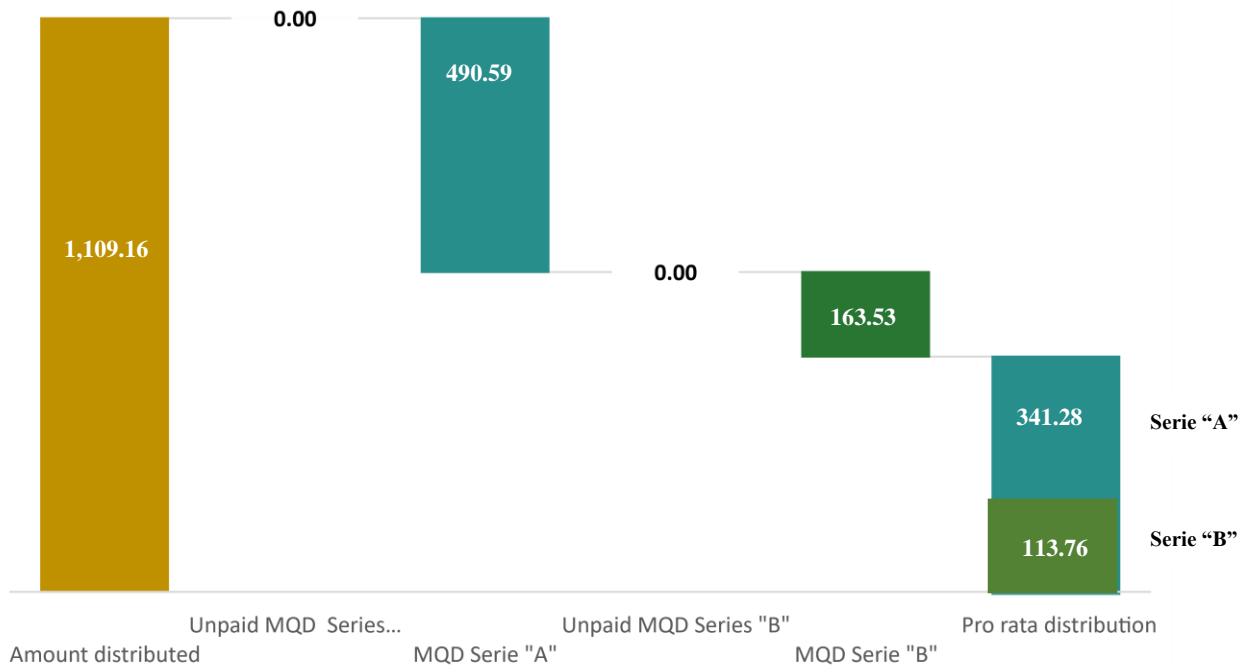
Source: Account Statement of the Promoted Trust (August 2022).

Note: Distribution of the Third Quarter of 2022: From June 1 to August 31, 2022. Rounded figures.

- This quarter registered a substantial increase in the pace of spending, in accordance with the trend of the second half of the year, especially in the items of major maintenance and modernization, as well as in intercompany operations, which reflects an increase in reimbursements of the Promoted Trust.
- During the third quarter of distribution, the reference rate of the Bank of Mexico (Banxico) increased, currently standing at **8.50%**, which means that the implicit yield offered by CFE FIBRA E is the most attractive among its peers. The present distribution was greater than expected.

² Weighted average of electricity rates (Required Income = 30% generators, 70% consumers)
https://www.dof.gob.mx/nota_detalle.php?codigo=5646132&fecha=18/03/2022

Graph 3. Comparison of the distribution CFE FIBRA E 3Q22
(Billion Mexican Pesos)



Source: Presentation of the Technical Committee of the Issuing Trust (September 19th, 2022).

Tabla 1. Breakdown Distribution
(Billion Mexican Pesos)

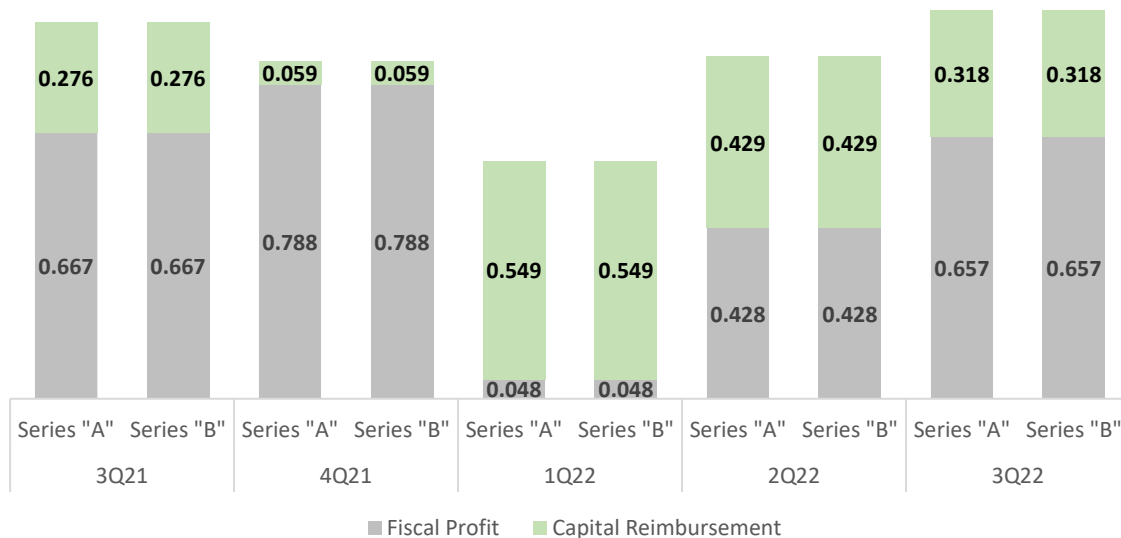
| | |
|--|-----------------|
| CFE FIBRA E Distribution (6.776103%) | 1,122.64 |
| Restitution of the Expenditure Reserve Fund ¹ | -17.59 |
| Interest Generated ² | 4.10 |
| Use of distribution ratio ³ | 0.00 |
| Amount Distributable to Holders | 1,109.16 |

Source: Presentation of the Technical Committee of the Issuing Trust (September 19, 2022).

Notes: 1) As specified in the Issuing Trust Agreement, an estimated Expense Reserve Fund of 45 million pesos must be maintained at the date of calculation of the distribution. 2) Interest generated in the period. 3) The distribution ratio was changed from a ratio of 1/1.1 to a ratio of 1/1 (Conflict Committee of last December 3, 2021); therefore, no cash reserves will be made in the General Account.

- CFECapital maintains a complete distribution policy,³ by distributing the cash reserve of the general account,⁴ in accordance with the strategy of complying with the requirement of distributing at least 95% of the fiscal profit.

Graph 5. CFE FIBRA E distributions by certificate for holders of both series
(Mexican Pesos per CBFE)



Source: Presentations of the 20th, 21st, 22nd, 23rd and 24th Sessions of the Technical Committee of the Issuing Trust, (2021 and 2022).

Relevant events for the Federal Electricity Commission (CFE) during 3Q22:

- On **June 9th, 2022**, CFE conducted the first successful liability management operation in the international market. This consisted of the repurchase of six bonds under favorable conditions, issued in the international market, which allowed reducing the short-term refinancing risk, generating financial savings, and reducing the debt balance in foreign currency, among other benefits.
- On **June 26th, 2022**, the CFE and the French Development Agency and Électricité de France presented advances of the Financial and Technical Cooperation Agreements.
- On **July 1st, 2022**, CFE announced strategic alliances with TC Energy Newfortress Energy Corporation, which will allow CFE to be a partner in a natural gas

³ Page 93, Placement Prospectus (in Spanish).
(<http://cfecapital.com.mx/wpcontent/uploads/2018/05/III-El-Fideicomiso-Emisor.pdf>).

⁴ In accordance with sections 5.07 and 6.02 of the Issuer Trust Agreement
(<http://cfecapital.com.mx/wpcontent/uploads/2018/05/IXAnexos.pdf>, pages 40 y 45).

liquefaction project, acquire an additional generation plan in BCS and guarantee gas supply naturally in the same region.

- On **July 12th, 2022**, the Credit Agency “Moody’s Investors Service” reduced the global rating of the Federal Electricity Commission (CFE) on the global scale from “Baa1” to “Baa2” changing its perspective from “Negative” to “Steady”. This result follows from a similar global rating downgrade that the Government of Mexico experienced on July 8th, 2022, whereby the CFE maintains the same credit rating as the Federal (Sovereign) Government on the global scale.
- On **July 15th, 2022**, the project for the Consolidated Budget of the company and its Subsidiary Productive Companies for fiscal year 2023 was approved during the 50th session of the Board of Directors of the Federal Electricity Commission (CFE), chaired by the Secretary of Energy, Rocío Nahle García and the Director of the CFE, Manuel Bartlett Díaz.
- On **July 21st, 2022**, Sempra Infraestructura a subsidiary of Sempra (NYSE: SRE) (BMV: SRE) and the Federal Electricity Commission (CFE) a productive company of the Mexican State, announced the signing of different agreements to advance jointly in the development of key energy infrastructure projects for Mexico.
- On **July 29th, 2022**, the Federal Electricity Commission (CFE) presented the financial statements corresponding to the second quarter of 2022, a period in which, despite the high volatility in fuel prices derived from the war between Russia and Ukraine, the State Productive Company (EPE) shows a solid capacity to generate positive operating and financial results to cover its obligations associated with the provision of public electricity service to the country.
- On **August 25th, 2022**, the Laguna Verde Nuclear Power Plant endorses its commitment to the environment and energy security in Mexico, by obtaining the extension of the operating license of its unit 2 for another 30 years. With this extension, the CFE remains at the forefront in the production of clean energy in the country and persists as the guarantor of the reliability of the National Electric System, which continues to be under siege by foreign interests who disagree with the fact that Mexicans generate their own electricity.
- On **August 30th, 2022**, CFE, CF Energia and TC Energy celebrate the consolidation of their strategic alliance in favor of the well-being of Mexicans, which is focused on providing sustainable energy solutions and infrastructure that will benefit Mexico for several generations.