EPM
BofA Securities
2022 Emerging Markets Debt & Equity Conference

June 1-3

Agenda

1. EPM Group Highlights
2. ESG Highlights
3. Ituango Hydroelectric Project
4. Afinia: relevant energy distribution subsidiary
5. Financial results as of March 2022
6. Liquidity and Debt Strategy

1. EPM Group Highlights

Colombia´s largest multi-utility Company with presence and leadership across LatAm

6 Countries

44 Companies

7 Business Lines

- Power Generation
- Power Transmission
- Power Distribution
- Natural Gas Distribution
- Water
- Wastewater Treatment
- Solid waste management

Ratings:

- **Moody's: Baa3,** stable outlook
- **Fitch:**
  - Local **AAA**
  - International **BB+,** negative watch

16,851 Employees

Over 9 million

Beneficiary people in Latin-America

Assets 0%

COP 67.9 billion

(USD 18,135 million equiv.)

Revenues 31%

COP 7.3 billion

(USD 1,956 equiv.)

EBITDA 33%

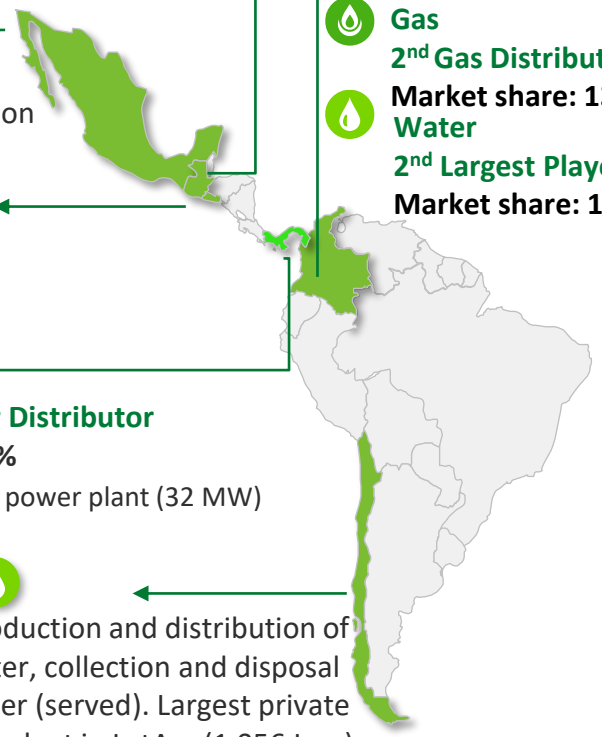
COP 2.3 billion

(USD 616 million equiv.)

Figures as of March 31, 2022

1. EPM Group Highlights

EPM is a relevant player among LatAm utilities



Colombia

1st Power Generator
Market share: 24%
1st Power Distributor
Market share: 38.5%
4th Power Transmission
Market share: 8.5%
Gas
2nd Gas Distributor
Market share: 13%
Water
2nd Largest Player
Market share: 14.1%

Guatemala

DECA II:
1st Power Distributor
Market share: 43.5%

Mexico

TICSA - Wastewater treatment plants, **11 plants** under operation

El Salvador

DELSUR
2nd Power Distributor
Market share: 25.1%

Panama

ENSA – 2nd Power Distributor
Market share: 41%
HET - Bonyic Hydro power plant (32 MW)

Chile

ADASA - Production and distribution of drinking water, collection and disposal of wastewater (served). Largest private desalination plant in LatAm (1,056 Lps.)

EPM Group Infrastructure	Colombia and LatAm
Power Generation	**36** hydro power plants **3** thermal power plants **1** Wind park
Installed Gen. Capacity	**3,442 MW**
Power Distribution	T&D lines: **294,565 Km** Substations: **609** Transformers: **413,874**
Natural Gas	Distribution network: **8,448 Km**
Water	Drinking water network: **6,602 Km** Sewage network: **6,539 Km**

EPM Group Customers *(in millions)*	2020	2021	Var. %
Total	13.9	14.4	3.6%

2. ESG Highlights

Our strategic direction is aligned with the SDG

ESG Main Targets

- **Carbon neutral** operations by 2025.
- **Protection of 137,000 hectares** of water supply basins.
- **Greater availability of utility services** through conventional and unconventional solutions.
- **Climate change mitigation:** energy efficiency, renewable energy, sustainable mobility and emissions management.
- **Contribution** to Sustainable Development Goals
- **Continuity** of the corporate governance framework

97.6% coverage in water provision
1.5 M customers equiv.

94.4% coverage in Waste-water treatment
1.4 M customers equiv.

ADASA **expanded its production capacity** from 1,000 L/s to around **1,400 L/s**

Commitment to gender equity:

- **EPM:** Seal of Labor Equity Equipares Silver level
- **CHEC:** Labor Equity Recognition
- **ENSA:** Award of Happiness – Women Empowerment
- **DELSUR:** International Plan Recognition

97.2% coverage in Energy.
6.5 M customers equiv.

Ituango: 2,400 MW Hidropower plant

Tepuy: 83 MW of solar energy

99.3% coverage in solid waste management
907 thousand customers

EPM achieved **100% self-supply of electricity at the Aguas Claras WWTP** using biogas generated in the plant.

30% reduction in maintenance time without the use of water or chemicals at the Bonyic power plant

39 million m³ of water reused in the hydroelectric power generation and Potable water treatment processes

Protection of **9,246 new hectares** totalizing 106,773 protected hectares since 2016

EPM sold **2.13 M international renewable energy certificates (I-REC)**, equivalent to 269,232 tCO2e avoided

EPM's emission factor in 2021 was **0.0650 tCO2e/MWh**, while the national electricity factor was 0.1264 tCO2e/MWh

3. Update on Ituango Hydroelectric Project

Largest hydro-generation power plant in Colombia

Total work progress

✓ **88.1%** as of April 2022

3. Update on Ituango Hydroelectric Project

Largest hydro-generation power plant in Colombia

Milestones that pave the way for the entry into operation

Progress is being made in the **reconstruction of the tunnels and wells** that carry the water to the turbines

The main caverns have been recovered and stabilized

Progress is being made in the **installation of the main equipment** for the two first generation units

3. Update on Ituango Hydroelectric Project

Largest hydro-generation power plant in Colombia

17% of the country's electricity demand once fully operational (8 power generation units)

2400 MW Total net effective capacity

8 power generation units

of **300MW each**

5,708 GWh/Year Firm Energy for Reliability Charge

Firm Energy Obligations (GWh/Year)	Deadline to start operations
3,482	Nov. 2022
1,141	Nov. 2023
4,623	

Firm Energy for Reliability Charge	Jul-22	Sep-22	Jan-23	Oct-23
By Power Generation Unit	1 Unit	2 Units	3 Units	4 Units
(GWh/Year)	2,234	4,468	5,708	5,708

100% of the 1st Firm Energy Obligation will be fulfilled with 2 power generation units.

3. Update on Ituango Hydroelectric Project

Start of operations scheduled for 2nd half 2022

Highlights

- The Ituango Project is expected to generate an average of 13,930 GWh of energy per year.
- Total Work Progress as of April 30, 2022 [**88.1%**]
- The schedule continue with entry into operation in 2022 of the two first power generation units.

Civil Work	Milestones Achieved	Pending Completion	% of Completion
Dam and Spillway	▪ Fully operational Dam ▪ Fully operational Spillway with two channels	▪ Final stage of abutment injections	99.7%
Powerhouse	▪ Stabilization of access tunnel ▪ Extraction of sediments ▪ Works on north zone vault ▪ Cleaning and removal of damaged equipment from units 1 to 4 ▪ Assembly of 300-ton bridge cranes	▪ Recovery and stabilization of tunnels and caverns ▪ Reconstruction of the control building ▪ Assembly of generation units	83.7%
Pressure Well	▪ Completed works in-between pressure wells 1 and 2	▪ Shielding of pressure wells ▪ Underwater work in intake structures	81.2%
Intermediate Discharge Tunnel	▪ Partial reinforcement with concrete lining in selected areas ▪ Reinforcement of downstream walls ▪ Enlargement of Plug 12	▪ Gate completion and shielding ▪ Concrete coating	66.3%
Right Diversion Tunnel (RDT) and Auxiliary Diversion Tunnel (ADT)	▪ Closing of both gates to the ADT ▪ Concrete pouring in said gates was completed. ▪ Final plug ADT	▪ Pre-plug 2 and final plug RDT	96.3%

3. Update on Ituango Hydroelectric Project

Figures in COP thousand million

Project Cost*

Concept	Project Cost		
	Before	Current	Variation
Direct Cost	9,993	15,671	5,677
Financial Expenses	1,500	2,648	1,148
Total Cost	**11,493**	**18,319**	**6,826**

- **Direct Cost**: $5.7 billion increase, mainly in recovery of the main Works and Equipment due to the 2018 contingency.

- **Gross investment as of April 2022: $16.8 billion.**
- **Net investment as of April 2022: $12.6 billion,** deducting payments from insurance policies.

The cost of $ 18.3 billion corresponds to the latest version approved by the Board of Directors in June 2021.

**Figures subject to variation based on technical findings and design adjustments*

4. Afinia: relevant energy distribution subsidiary

Over one year of incorporation of Afinia to EPM Group

COP 543 thousand million

invested in infrastructure, equivalent to 8 times the investment made on average in the last 8 years

Infrastructure

- 3 substations, 2 distribution lines, 5 transformers, 20 electrical circuits, 126 renewals and replacements.

Operational Highlights

- Collection percentage: 83.96% (from 75% in 2020)
- Accumulated commercial demand: 4,850 GWh (2021) and 2,116 GWh (1Q2022)

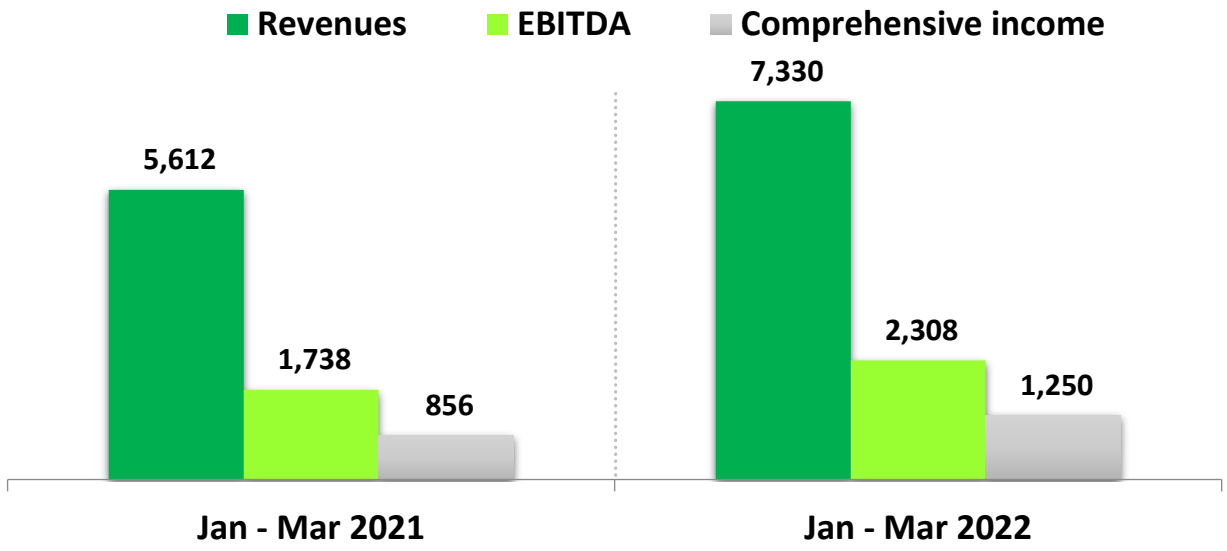
1Q2022 Financial Highlights

- Revenues: COP 1.3 billion
- EBITDA: COP 192 thousand million
- Net Income: COP 166 thousand million
- Assets: COP 3.7 billion
- Liabilities: COP 1.4 billion

5. Financial Results as of March 31, 2022 (unaudited)

EPM Group Income Statement

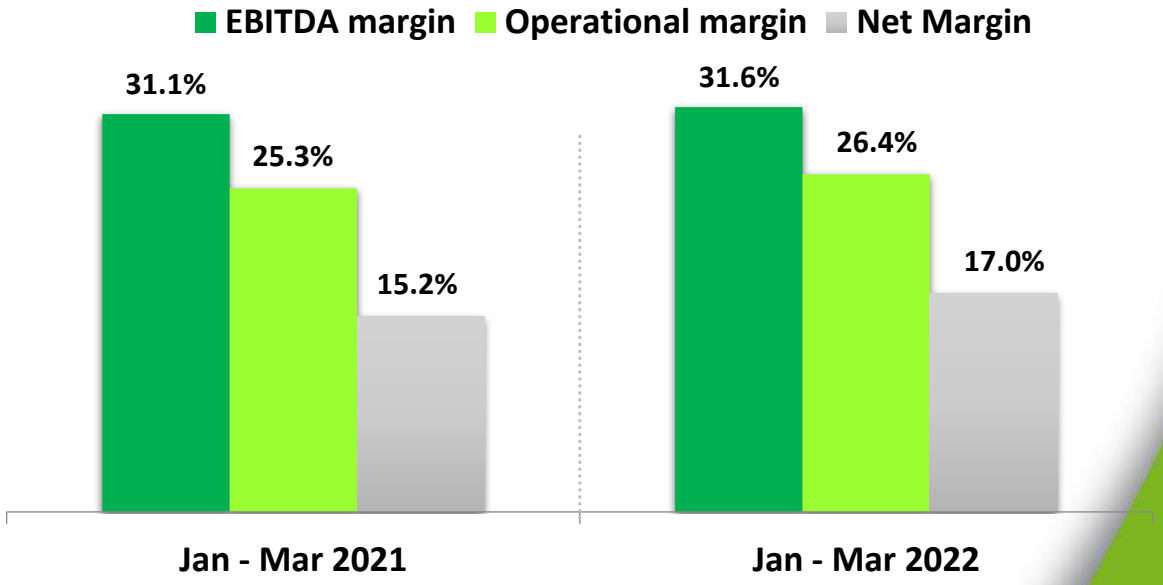
Figures in COP thousand million



Jan - Mar 2022 – 2021

- Revenues: 31%
- EBITDA: 33%
- Comprehensive income: 46%

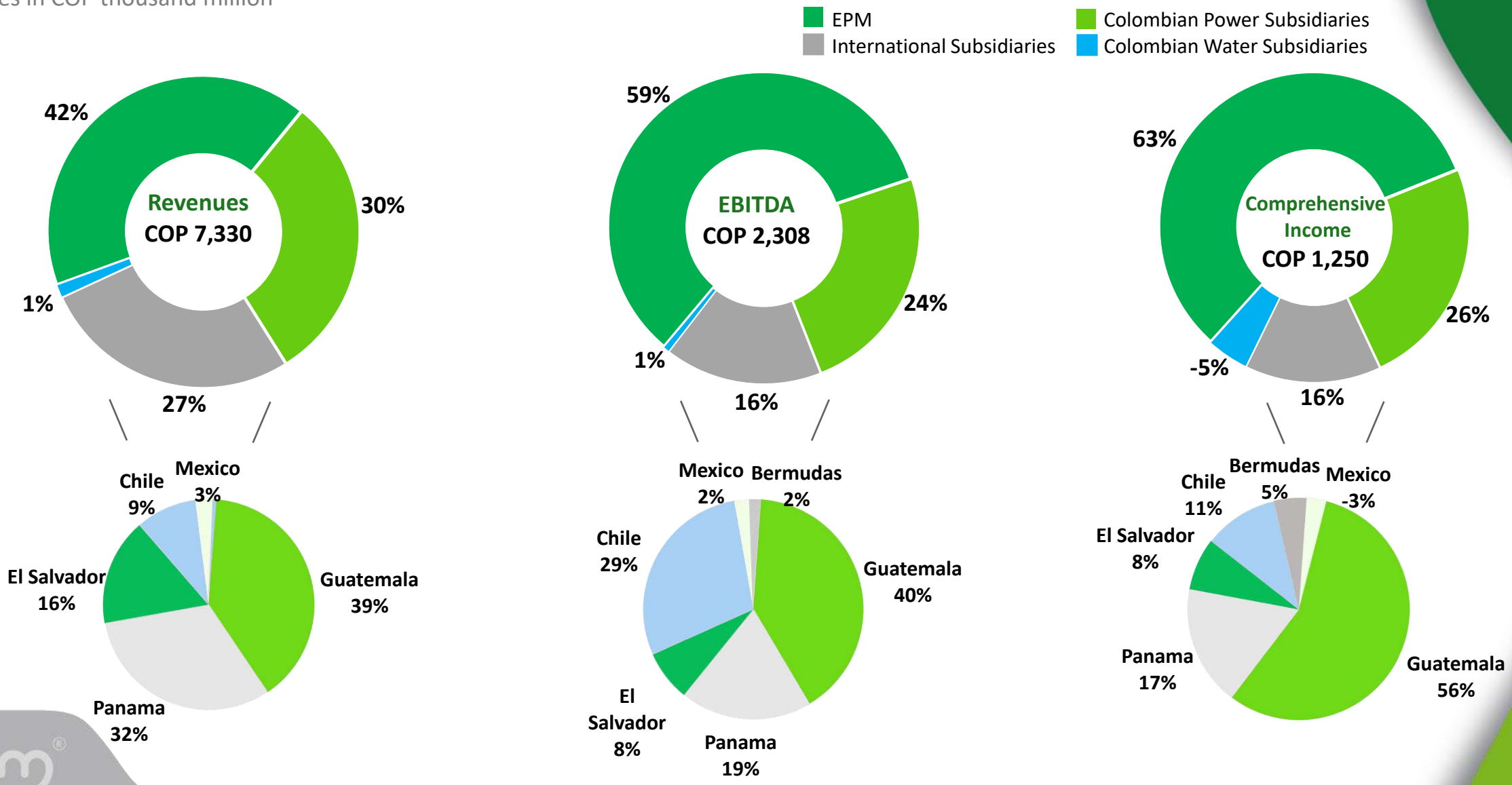
- **Revenues** increased COP 1,718, 31%, mainly explained by higher revenues in the distribution business of Colombian and international companies given the higher demand and rise in prices.
- **Costs and expenses** increased COP 1,204, 29%, explained by a higher cost of the commercial operation given the greater energy purchases at a higher rate.
- **EBITDA** increased COP 571, 33% with respect to previous year, standing out the contribution of the EPM parent company, AFINIA, ENSA, CENS, CHEC, and ADASA.



5. Financial Results as of March 31, 2022 (unaudited)

EPM Group by Colombian and International Subsidiaries

Figures in COP thousand million

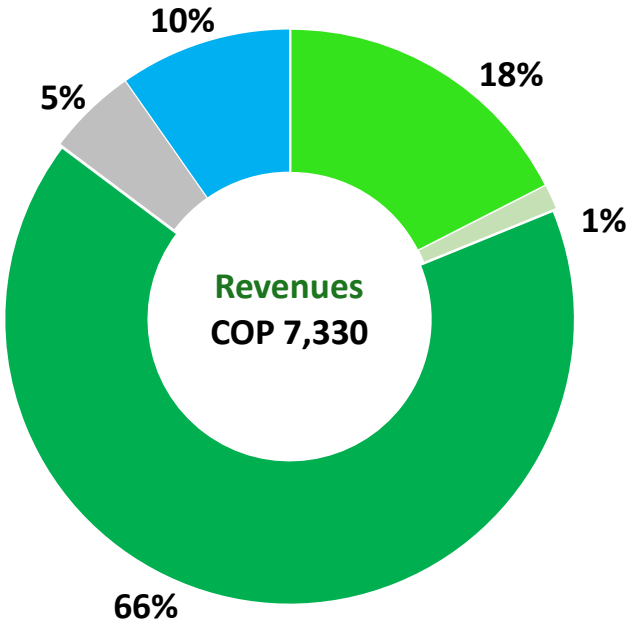


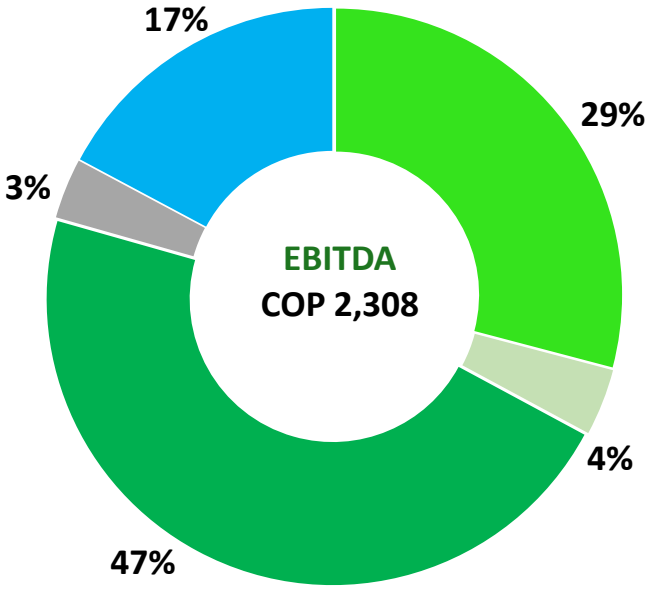
The percentages do not include the other segments and eliminations.

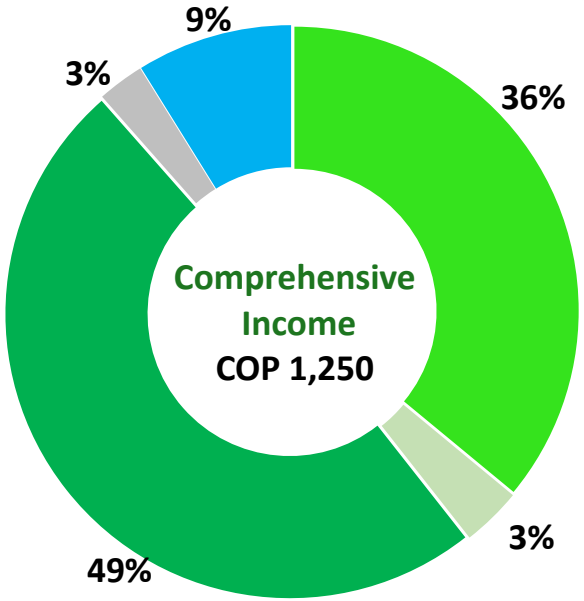
5. Financial Results as of March 31, 2022 (unaudited)

EPM Group by Segments

Figures in COP thousand million







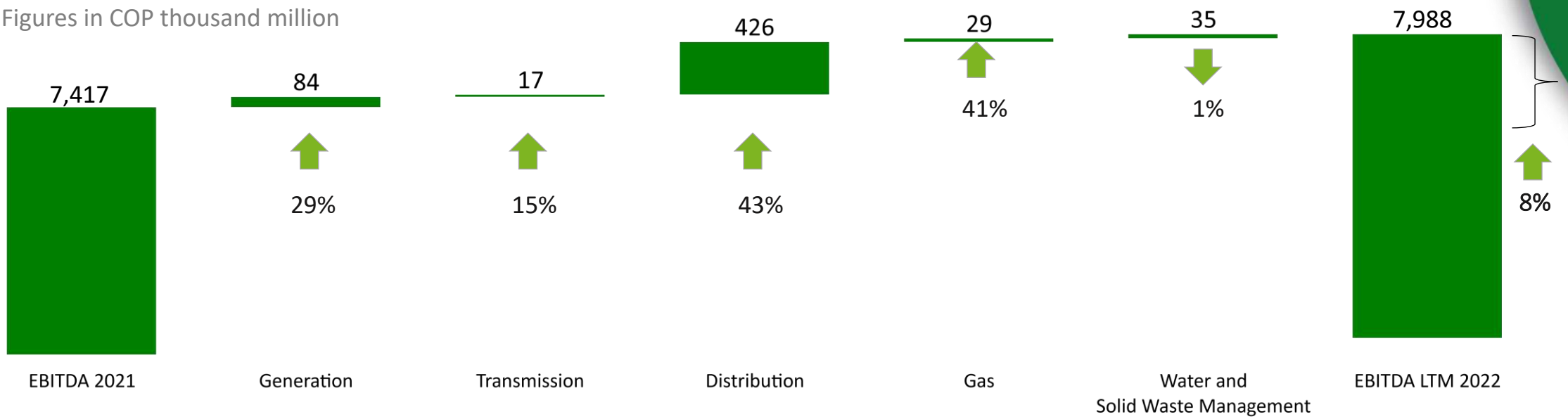
Generation
Distribution
Water and Solid Waste Management
Transmission
Gas

The percentages do not include the other segments and eliminations.

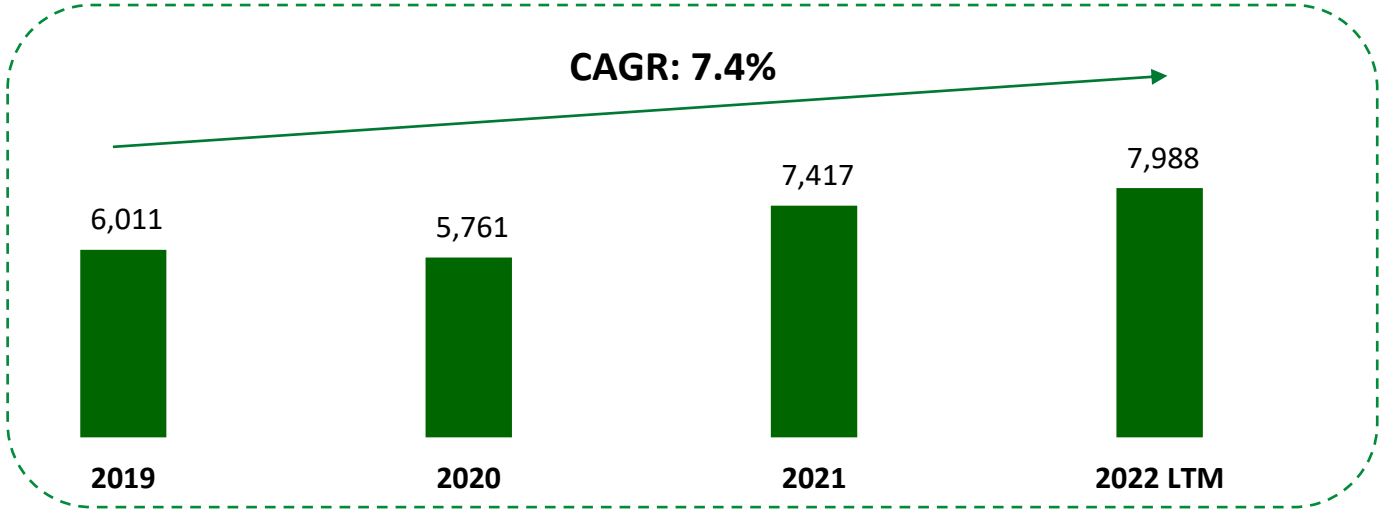
5. Financial Results as of March 31, 2022 (unaudited)

EPM Group EBITDA

Figures in COP thousand million



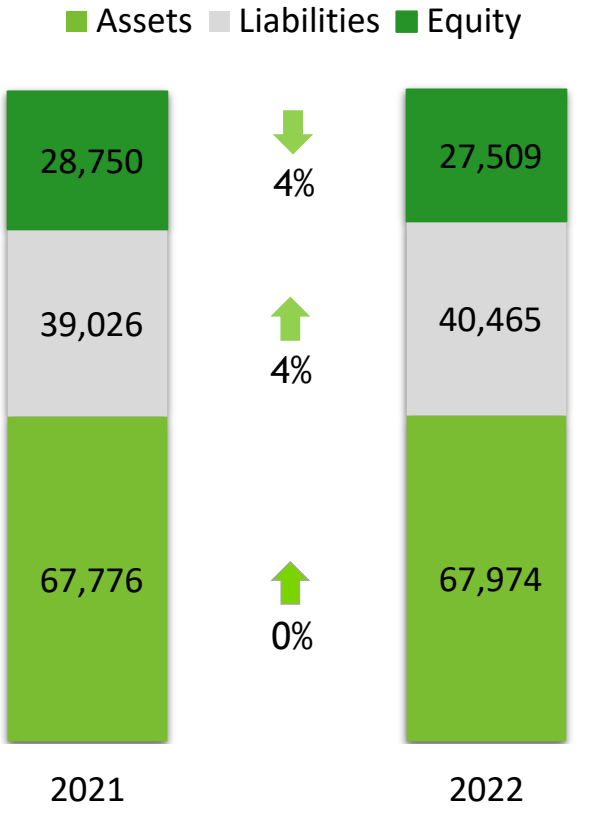
It does not include the other segments and eliminations.



5. Financial Results as of March 31, 2022 (unaudited)

EPM Group Statement of Financial Position

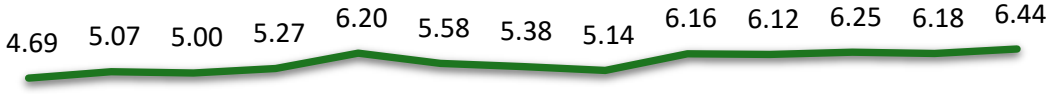
Figures in COP thousand million



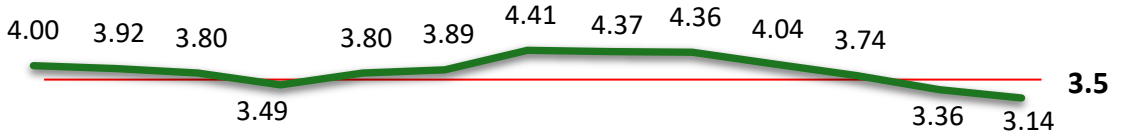
Cash position	
3,690	5,247

Ratios	2021		2022	
Total Debt	59	%	60	%
Financial Debt	42	%	41	%
EBITDA/financial expenses	6.16	X	6.44	X
Total Debt/EBITDA	4.42	X	3.34	X
Long-Term Debt/EBITDA	4.36	X	3.14	X
Net Debt/EBITDA	3.53	X	2.43	X

EBITDA/ Financial expenses



Long Term Debt/EBITDA



1Q19 2Q19 3Q19 4Q19 1Q20 2Q20 3Q20 4Q20 1Q21 2Q21 3Q21 4Q21 1Q22

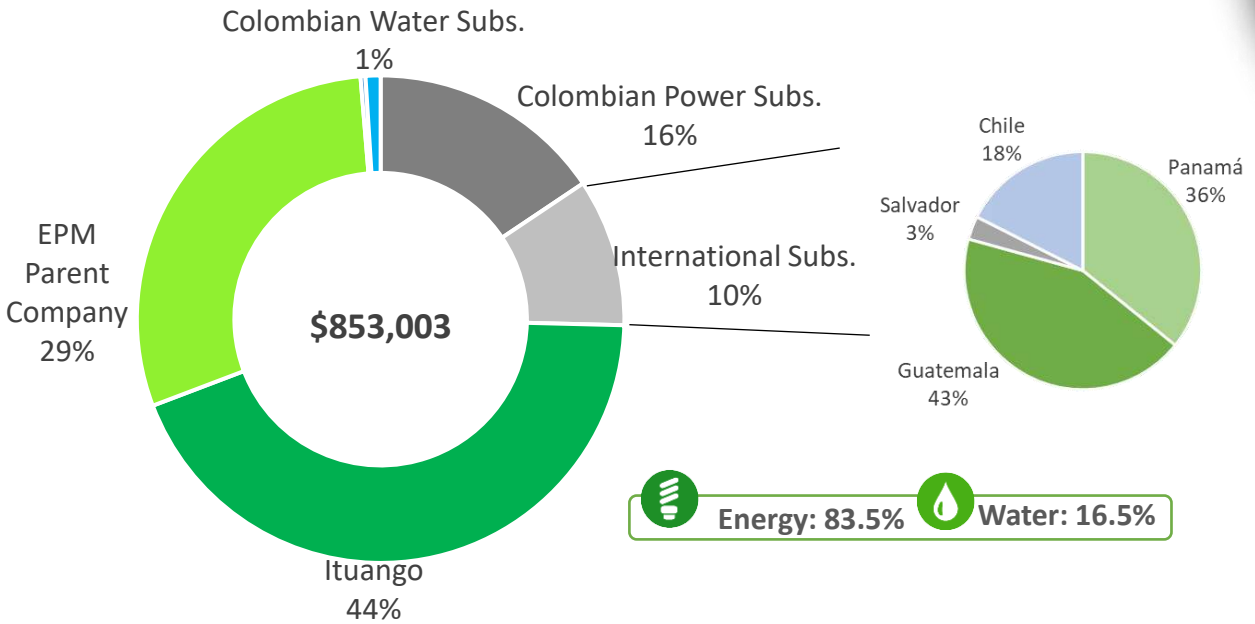
(*) Net Debt/EBITDA

5. Financial Results as of March 31, 2022

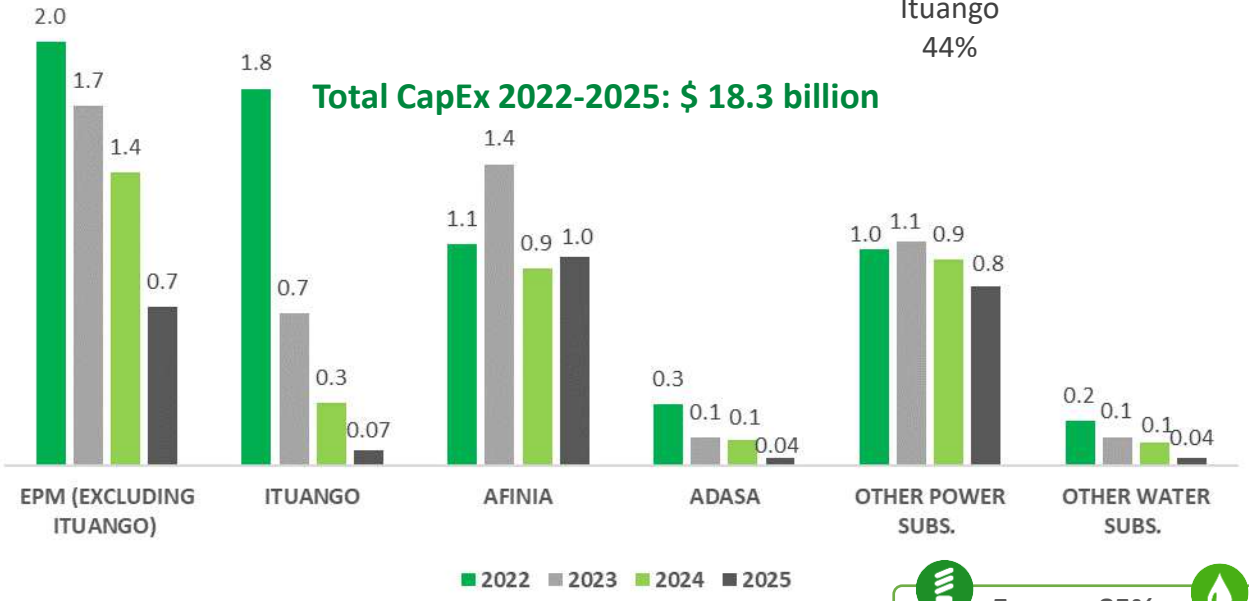
EPM Group CapEx

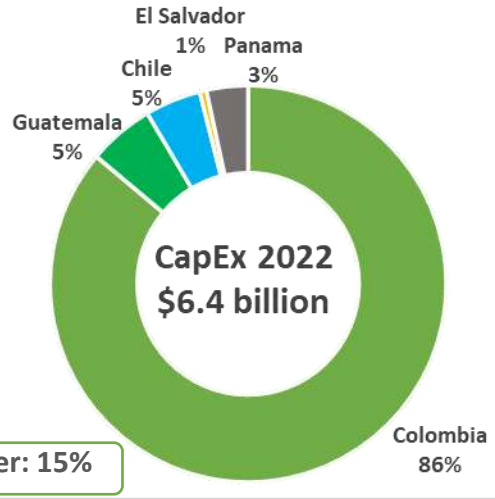
Figures in COP million

EPM Group	Jan – March 2022
Ituango	373,840
EPM Parent Company (excluding Ituango	251,260
International Subs.	83,608
Aguas Claras WWTP	2,786
Colombian Power Subs.	133,039
Colombian Water Subs.	8,470
Total	**853,003**



Energy: 83.5% Water: 16.5%





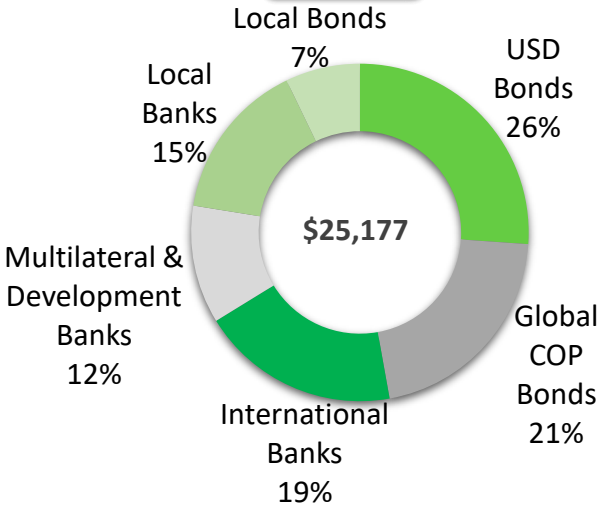
Energy: 85% Water: 15%

5. Financial Results as of March 31, 2022

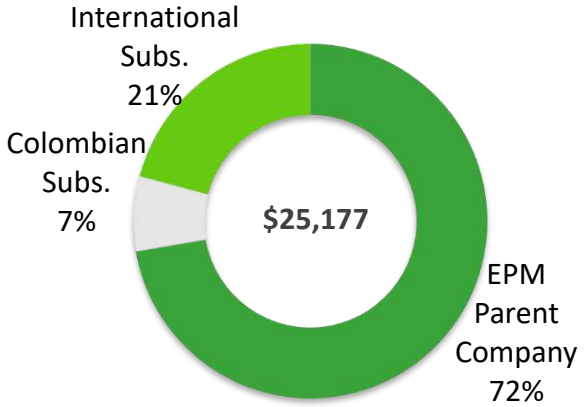
EPM Group Debt Profile

Figures in COP thousand million

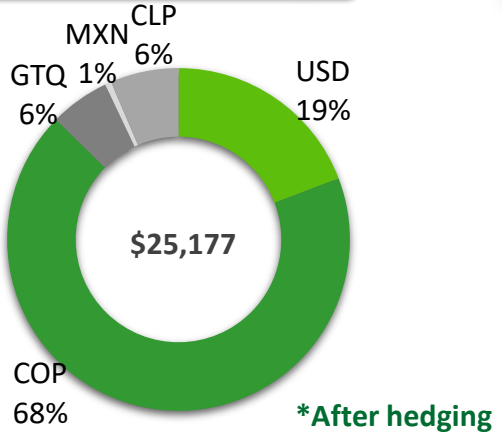
Source



Companies

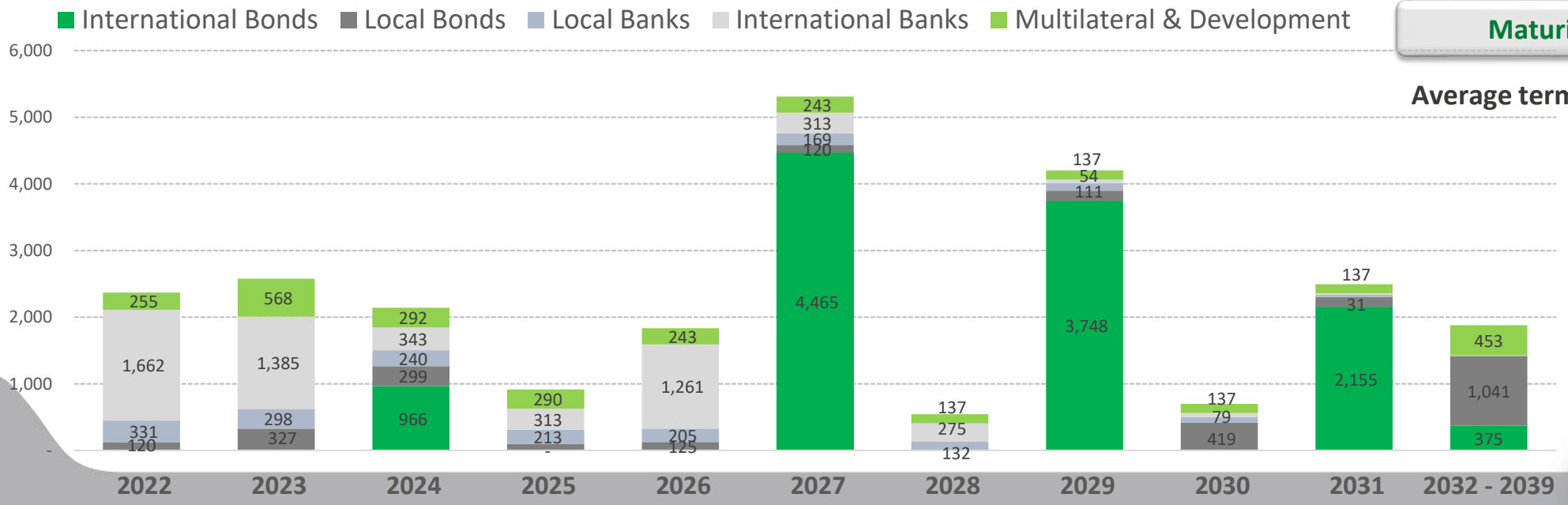


Currency*



*After hedging

Maturities



Average term: 5.8

6. Liquidity and debt strategy

COP Figures in thousand million

EPM Group cash position as of March 2022: COP 5.2 billion

Committed Lines COP 787

- EPM BNDES: USD 38 MM
- ESSA CAF: USD 96 MM
- ESSA: COP 100
- CENS: COP 124
- CHEC: COP 15

Banking facilities

- **Development bank**
  Amount: EUR 180 MM
  Term: 10 years
  Use of proceeds: *General Capex plan in Power Distribution and Water*

- **International Commercial Banks**
  Amount: USD 700 MM
  Term: 4/5 years
  Use of proceeds: *General Capex plan in Power Distribution and Water.*

Other financing sources of interest

- **Local Capital Market**
- **International Capital Market**
- **Local Banks**
- **Development banks**

Sources in permanent monitoring to identify market opportunities

Divestment Plan

- **Une-Tigo**

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