



Grupo EPM

Investor Presentation

BTG Pactual, North Andean Trip
Medellin
January 21, 2020

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Management and Investments

Agenda



- 1. EPM Group Highlights**
- 2. Update on the Ituango Contingency**
- 3. Financial results as of November 2019**

1. EPM Group Highlights

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



Colombia's largest multi-utility company

- **Assets:** USD 16,995 MM, +6%.
- **LTM Revenues:** USD 5,507 MM, +12%.
- **LTM EBITDA:** USD 1,840 MM, +16%.
- **LTM Ebitda Margin:** 33.4%

Headquartered in Medellin, with a growing Latin American portfolio

- Founded in 1955, **100% owned by the municipality of Medellin** with administrative and budgetary autonomy from its owner.
- Provides services **across 6 countries** throughout **7 business segments**, serving more than **11.5 million customers**.

Investment Grade Rating since 2009 ⁽¹⁾:

- **Fitch:**
 - Local **AAA**, rating watch negative
 - International **BBB**, rating watch negative
- **Moody's:** **Baa3**, negative outlook

Note: USD figures converted at an exchange rate of COP/USD \$3,522.48 as of November 30, 2019.
(1) Source: Credit Rating Agencies.

1. EPM Group Highlights

With total installed capacity of 3,584MW, leading distribution capabilities (Colombia / Central America) and a natural monopoly in the network business, EPM is a relevant player among LatAm utilities



Infrastructure Highlights	EPM Group (Colombia and LatAm)
Power Generation	33 hydro power plants 2 thermal power plants
Installed Gen. Capacity	3,584MW
Power Distribution	T&D lines: 245,646 Km Substations: 446 Transformers: 347,054
Natural Gas	Distribution network: 8,276 Km
Water	Drinking water network: 6,511 Km Sewage network: 6,509 Km

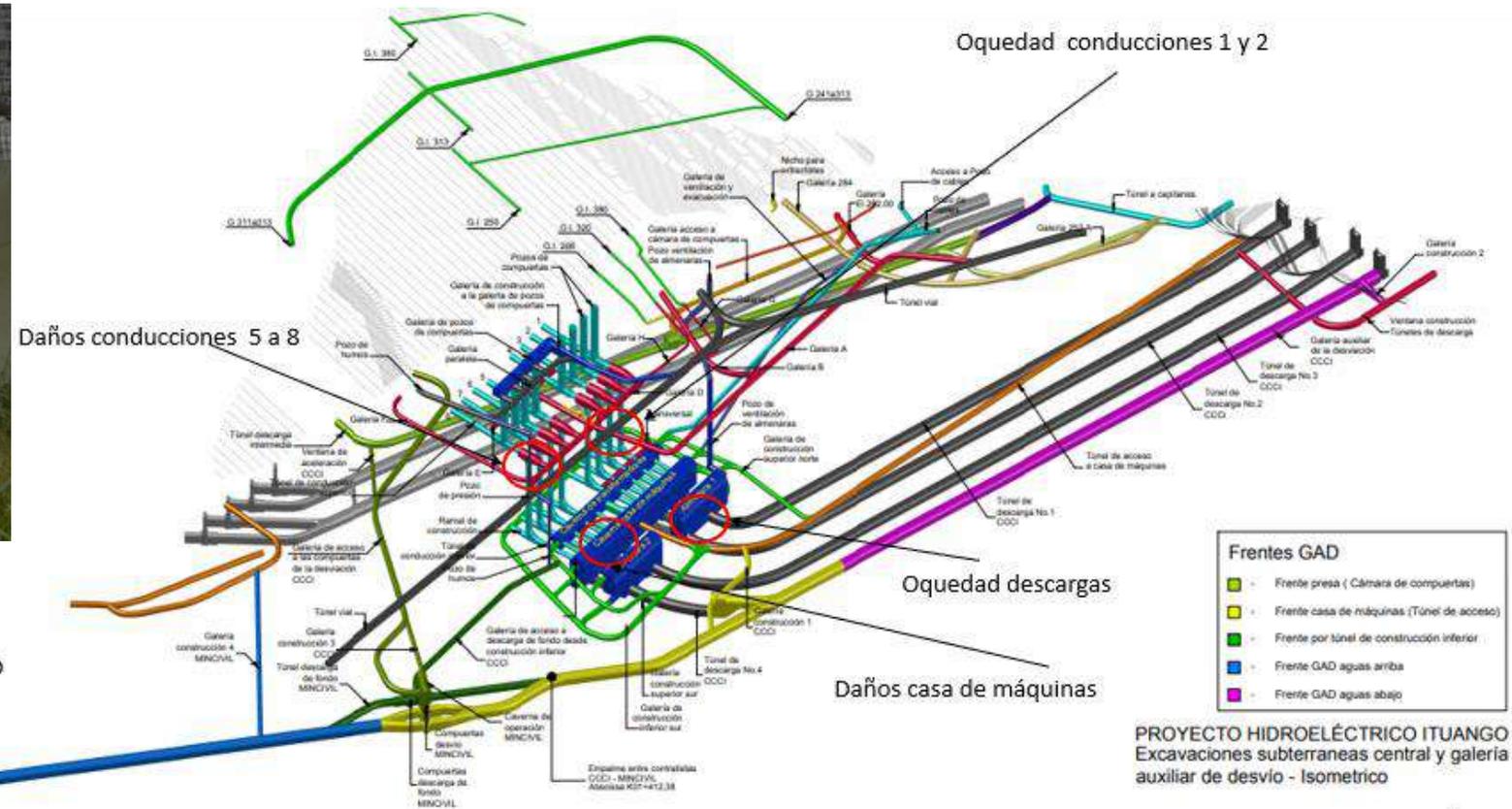
EPM Group Customers (in millions)	2018 Customers	New Customers	Change (%)
Total	11.65	0.46	4.14%

2. Update on the Ituango Contingency



Relevant facts

- Installed capacity 2.400 MW
- Direct cost invested to date COP 11 billion
- Estimated remaining investment COP 1.8 billion
- Progress to date 76.7%
- Estimated start date Dec 2021 (300MW)
- Estimated date Dec 2022 (1200MW)
- Estimated finish date 2024 (2.400MW)



2. Update on the Ituango Contingency



All dates estimated subject to changes due to technical findings and design adjustments (*)

Technical actions - What follows



Conduction tunnels

- **Hollow between pressure tunnels 1 and 2:** the perforations for the concrete launch from the upper driving elbows (5 of 12") culminated.

Estimated compliance dates (*):

- Filling of the hollow between wells 1 and 2: 1Q2020



Right Diversion Tunnel (RDT), Auxiliary Diversion Gallery (ADG) and Intermediate Discharge

- **RDT pre-plug 2:** perforations for the launch of spheres, filter material and the by-pass in the pre-plug 2 were completed (6 units). Drilling for micropiles started in November 2019.

Estimated compliance dates (*):

- RDT final plug: 3Q2020
- ADG: Pre-plug (closing of the right gate): 3Q2019
- Final plug: 1Q2020
- Intermediate Discharge Recovery: 4Q2020



Powerhouse

Estimated compliance dates (*):

- Powerhouse sediments extraction: 1Q2020
- Tunnels and caverns recovery: 3Q2020
- Stabilization of the buttress between No.1 downstream surge tank and the Powerhouse: 1Q2020

➤ Estimated date of entry into operation (*)

Phase 1 (1 power unit): Dec. 2021
(the other 3 power units): Feb., Aug., and Nov. 2022

2. Update on the Ituango Contingency - Financial Impact

Figures in COP thousand million



Project Cost

Concept	Before	Contingency	After
Direct Cost	9,993	2,795	12,788
Financial Expenses	1,500	980	2,480
Total Cost	11,493	3,775	15,268

Direct Cost: COP 2.8 billion increase, mainly in recovery of the main Works and Equipment.

Financial Expenses: COP 1.0 increase. Not additional cash, accounting effect due to delay in Project construcción.

Total invested as of Nov.2019: COP 10.6 billion

Contingency CapEx Execution As of Nov. 2019

Investments	1,109
Expenses	129
Total executed	1,238

Additional costs as of Nov. 2019

Concept	Amounts accrued Nov. 2019	Payments as of Nov. 2019
Downstream population	157	118
Energy system	259	0
Contingency and environmental sanction	73	10
Total	489	129

Pending Financial Resources to be executed Estimated Figures (*)

Contingency Investments: It is estimated that additional resources of up to COP 1.7 billion will be invested in direct costs.

Contingency expenses: in the financial projections, a value of up to COP 0.3 billion, of which has been executed COP 0.1 billion.

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

Insurance

Confirmation of coverage
September 17, 2019

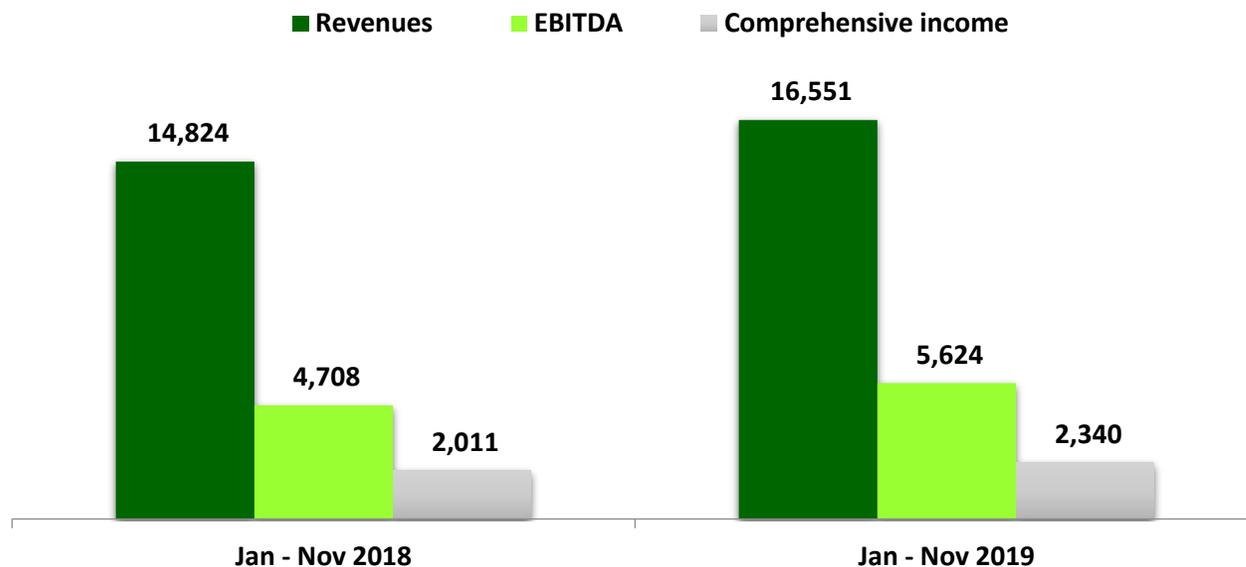
Payment on account (advance)
US150 December 4, 2019

Ongoing adjusting process expected to go until 2021

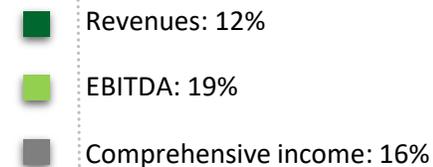
3. Financial Results as of November 30, 2019 (unaudited)

EPM Group Income Statement

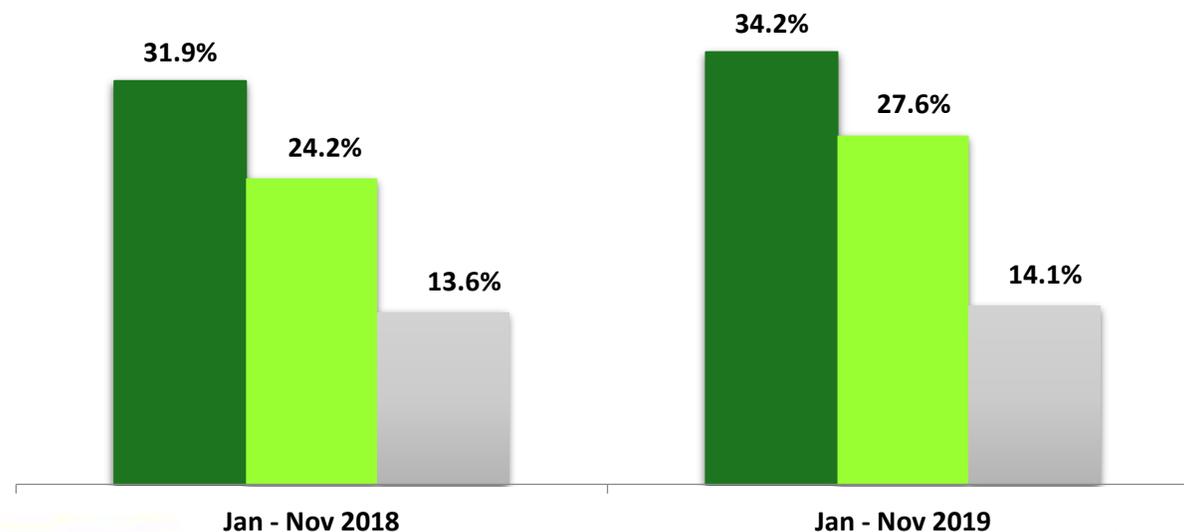
Figures in COP thousand million



Jan-Nov 2019 vs Jan-Nov 2018 growth



EBITDA margin, Operational margin, Net Margin



- Revenues increased COP 1,727, 12%, explained by
 - In Colombia higher prices in distribution energy due to the last tariff regulatory frame, and in energy generation due to operation under the Niño phenomenon.
 - In Central America, in Ensa, Eegsa, and Delsur, higher consumptions and energy prices.
- EBITDA rose COP 916, 19% growth respect to previous year, standing out cost and expense savings.
- Comprehensive income increased COP 329, 16%, due to higher revenues, and cost and expenses savings.

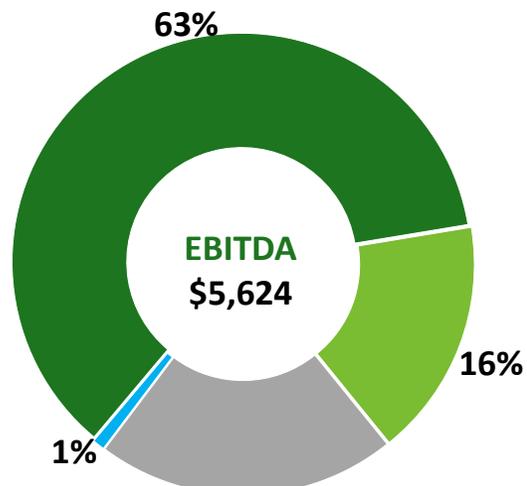
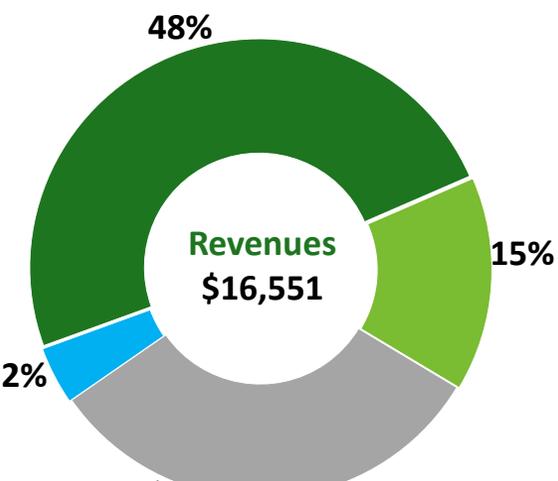
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Colombian-International Subsidiaries and Segments



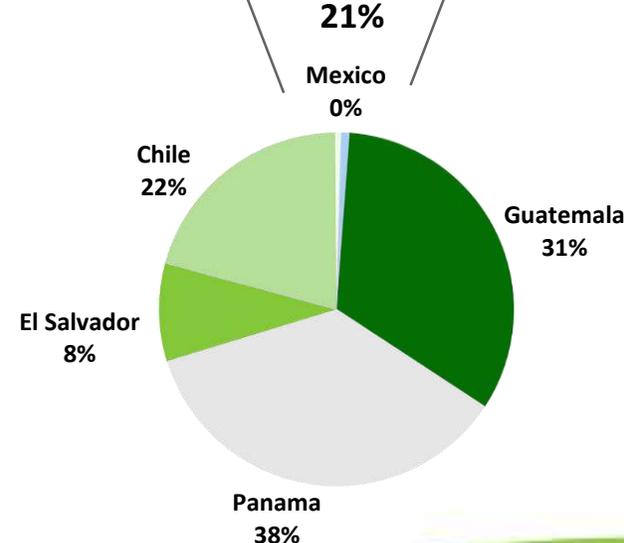
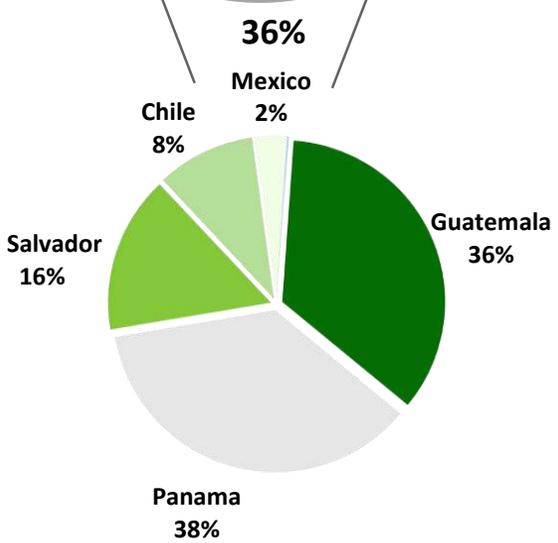
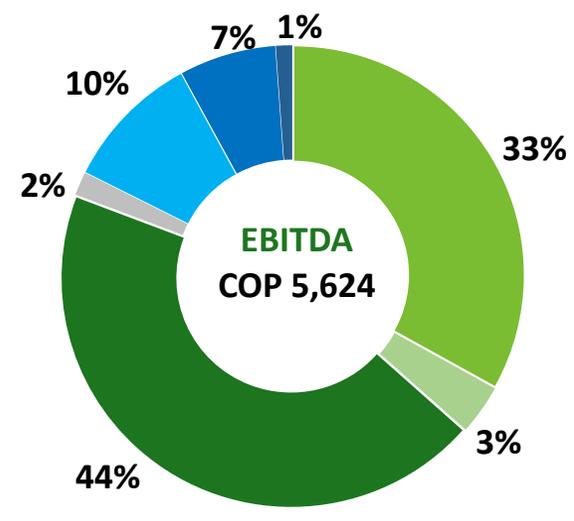
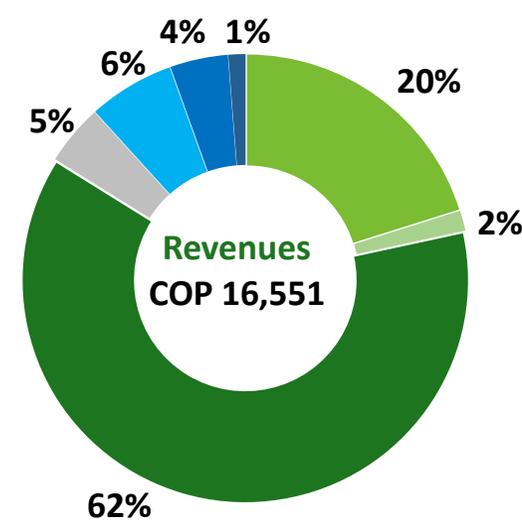
Figures in COP thousand million

- EPM
- Colombian Power Subsidiaries
- International Subsidiaries
- Colombian Water Subsidiaries



- Power Generation
- Power Distribution
- Water
- Solid Waste Management

- Power Transmission
- Gas
- Wastewater Management



The percentages do not include the Other Segment and Eliminations.

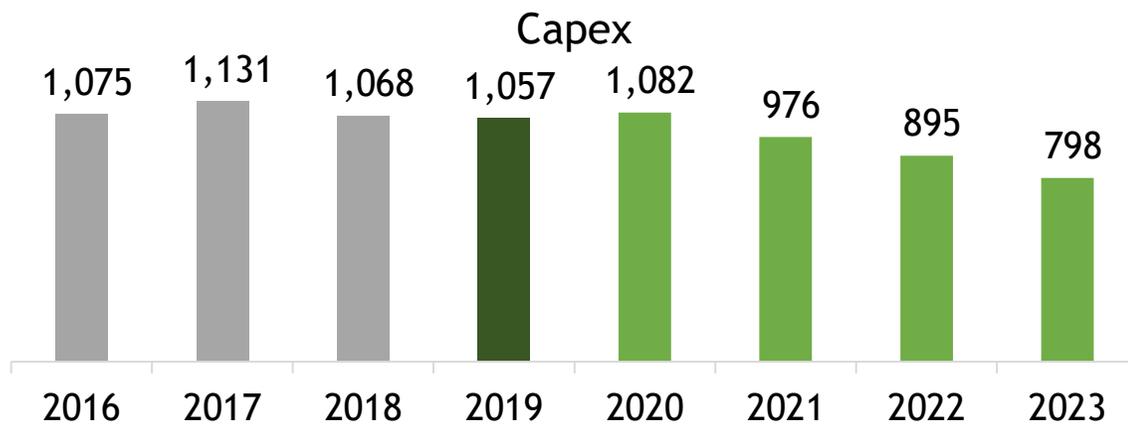
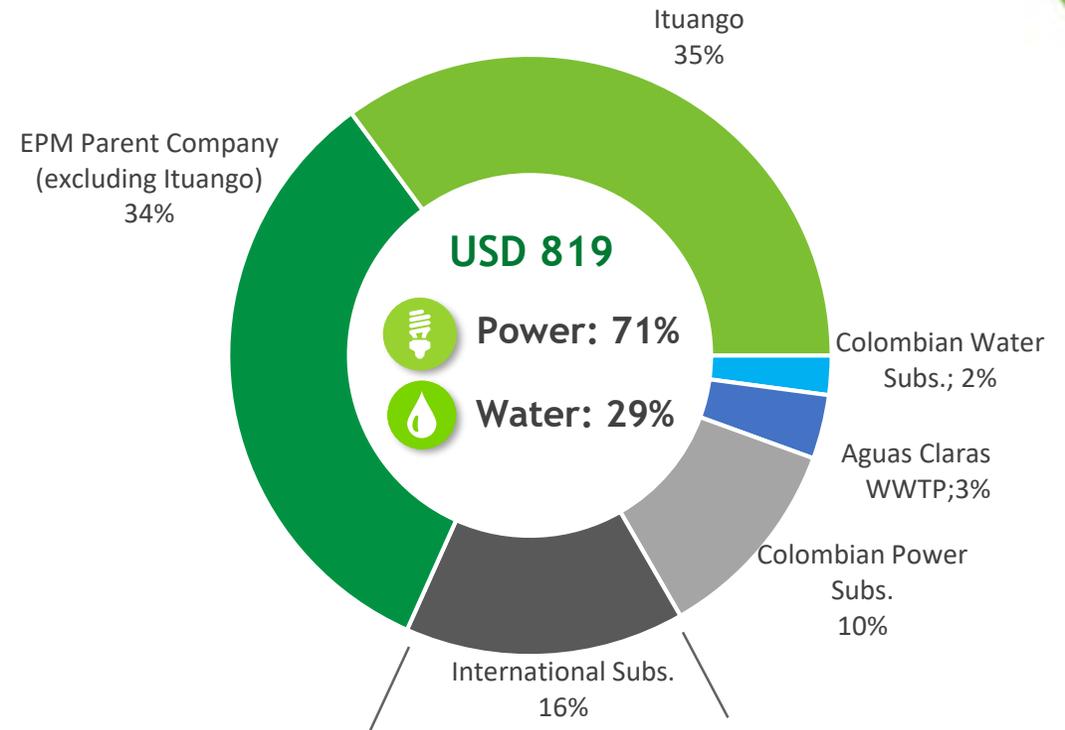
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CapEx EPM Group

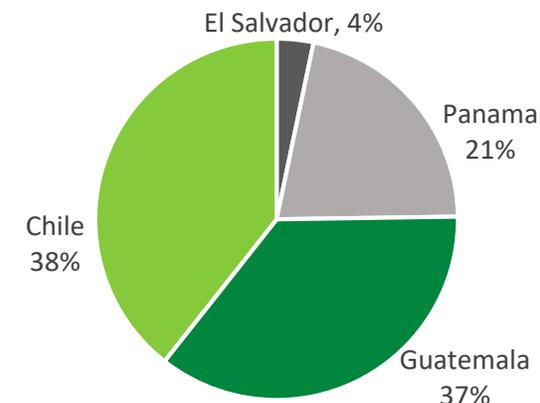
Figures in USD million



Grupo EPM	Jan-Nov 2019
Ituango	284
EPM Parent Company (excluding Ituango)	275
International Subsidiaries	132
Agua Claras WWTP	23
Colombian Power Subsidiaries	86
Colombian Water Subsidiaries	19
Total	819



* 2019 Estimated

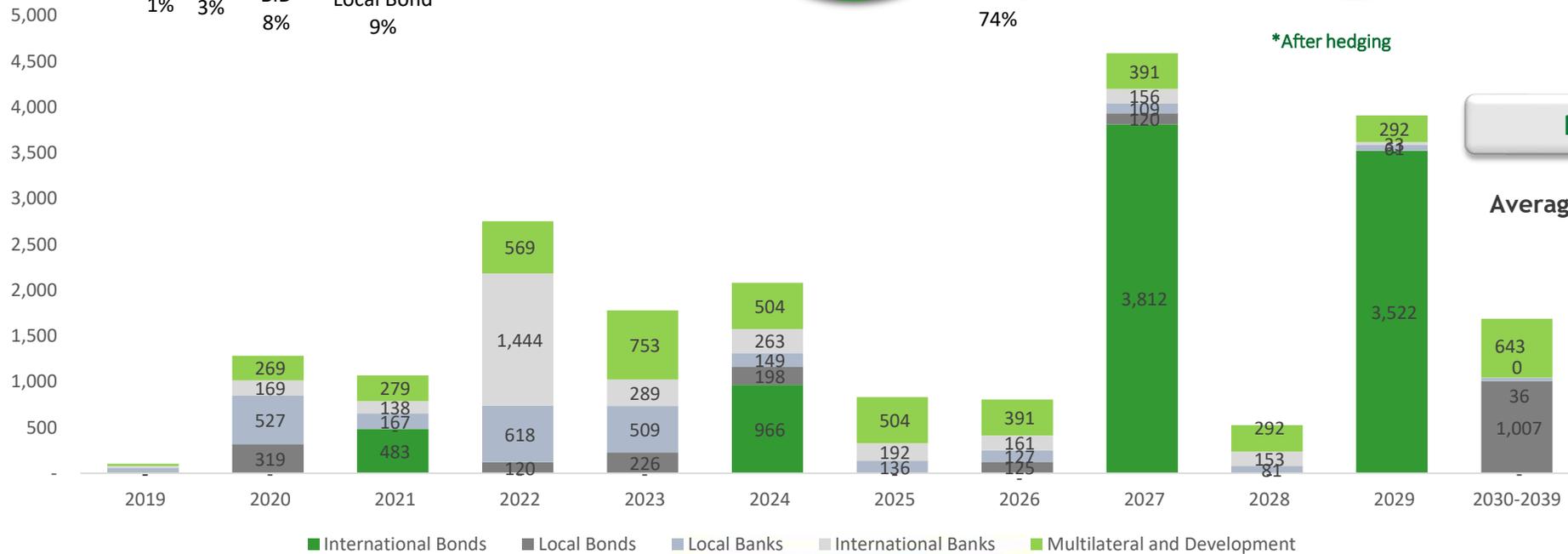


3. Financial Results as of November 30, 2019 (unaudited)



Debt Profile

Figures in COP thousand million



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