



EPM

3Q2021 Report

November 17, 2021

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Executive Vice President of Finance and

Investments

- 1. Relevant events of the quarter and subsequent to the closing**
- 2. Ituango Hydroelectric Project**
- 3. Energy Market**
- 4. Financial results as of September 2021 (unaudited)**

1. Relevant events of the quarter and subsequent to the closing



- **Ituango**

- EPM and the main civil works contracting firms hold negotiation sessions to extend the contract.
- On August 31, EPM received a third payment of USD100 million from Mapfre for the coverage of all construction risks and assembly due to the contingency of the Ituango hydroelectric project. With this new advance payment, the resources received to date amount to USD350 million.

- **Gas Business**

- On August 26, EPM and Canacol Energy signed a contract to guarantee the supply of natural gas in Antioquia. As of December 1, 2024, Canacol Energy will deliver gas to EPM in Medellín, with an initial volume of approximately 21 million cubic feet per day, a volume that will increase during the duration of the contract following the behavior of demand.

- **International Subsidiaries**

- In September, TICSA, a subsidiary of EPM Group, regained control of five water treatment plants, that had been seized by authorities in Mexico. Three of them in the state of Tamaulipas: Tierra Negra, the Reverse Osmosis Treatment Plant that provides its services to PEMEX, and Morelos, and the other two plants in the state of Chiapas: Paso Limón y Tucthlán.

- **Renewable energy**

- In the unconventional renewable energy auction, held on October 26, the National Government awarded EPM 83 MW of solar energy from the Tepuy Project, located in the Department of Caldas.

- **IR Recognition**



Recognition granted by the Colombian Stock Exchange (BVC) to EPM for best investor relations practices since its launch in 2013 and renewed on October 5.

2. Update on the Ituango Hydroelectric Project

Start of operations scheduled for July 2022 - fully operational in 2025



Total work progress to date::

✓ **85.3%** as of September 2021

- 84.1% as of June 2021
- 83.7 % as of April 2021



2. Update on the Ituango Hydroelectric Project



Highlights	Civil Work	Milestones Achieved	Pending Completion	% of Completion
<ul style="list-style-type: none"> The Ituango Project is expected to generate an average of 13,930 GWh of energy per year. Total Work Progress as of September 30, 2021 [85.3%] Total progress of the project when it starts to generate with the first unit [91%] The schedule continue with entry into operation in 2022 of the two first power generation units. 	Dam and Spillway	<ul style="list-style-type: none"> Fully operational Dam Fully operational Spillway with two channels 	<ul style="list-style-type: none"> Final stage of abutment injections 	99.2%
	Powerhouse	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Recovery and stabilization of tunnels and caverns Reconstruction of the control building Assembly of generation units 	82.4%
	Pressure Well	<ul style="list-style-type: none"> Completed works in-between pressure wells 1 and 2 	<ul style="list-style-type: none"> Shielding of pressure wells 	78.5%
	Intermediate Discharge Tunnel	<ul style="list-style-type: none"> Partial reinforcement with concrete lining in selected areas Reinforcement of downstream walls Enlargement of Plug 12 	<ul style="list-style-type: none"> Gate completion and shielding Concrete coating 	68.8%
	Right Diversion Tunnel (RDT) and Auxiliary Diversion Tunnel (ADT)	<ul style="list-style-type: none"> Closing of both gates to the ADT 	<ul style="list-style-type: none"> Pre-plug 2 and final plug RDT Construction of additional bypass system from the ADT and RDT to the final closing of the RDT. 	93.4%

2. Ituango Hydroelectric Project Update

Figures in COP thousand million

Project Cost

Figures subject to variation based on technical findings and design adjustments

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.

Financial Expenses: \$1.1 billion increase, due to a greater period of construction (accounting effect, does not correspond to additional debt).

Total invested as of September 2021: \$13.3 billion (including financial expenses), of which \$3.4 billion correspond to investments derived from the contingency (considers the removal of assets and insurance payments effect).

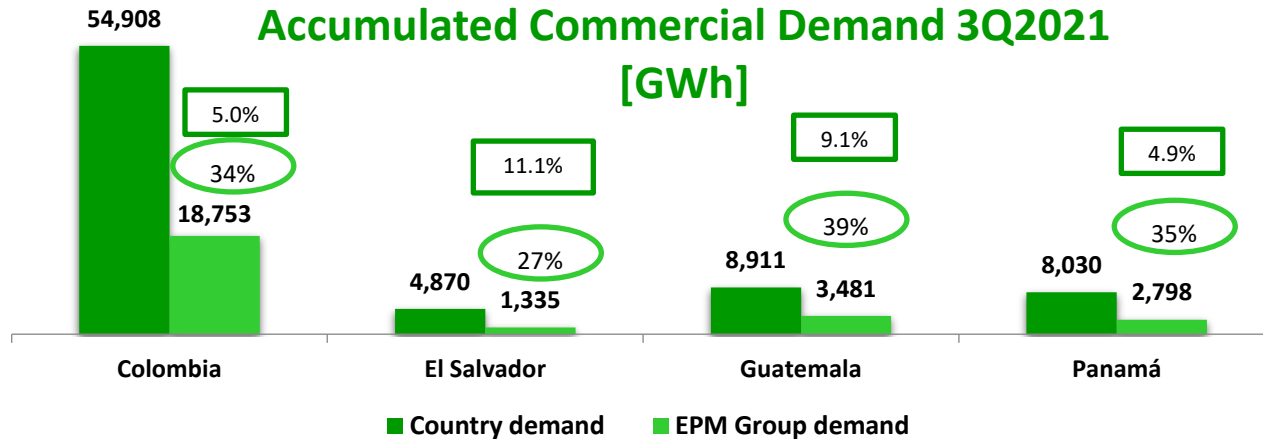
The cost of \$ 18.3 billion corresponds to the latest version approved by the Board of Directors in June 2021.

Third party costs

Concept	Amounts accrued	Payments
Shelters Support	53	52
Affected Care and Compensation	80	37
Backup cost and Reliability Charge Guarantee	213	213
Contingency and environmental sanction	155	57
Payment to transmitter	216	0
Contingency attention	77	77
Total	794	436

3. Energy Market

EPM Group Commercial Power Demand



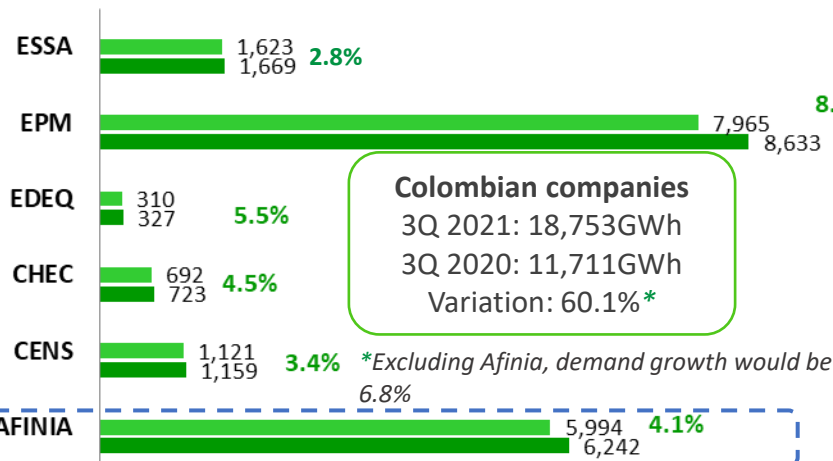
□ % Country's demand variation 3Q 2021 vs 3Q 2020

○ % EPM Group country demand's share.

Note: Commercial demand reported depends on the clients that each Company attends directly, regardless of the distribution network they are connected (regulated plus nonregulated). The Country's demand reported does not consider energy exports

3Q = Third Quarter

Colombian companies GWh

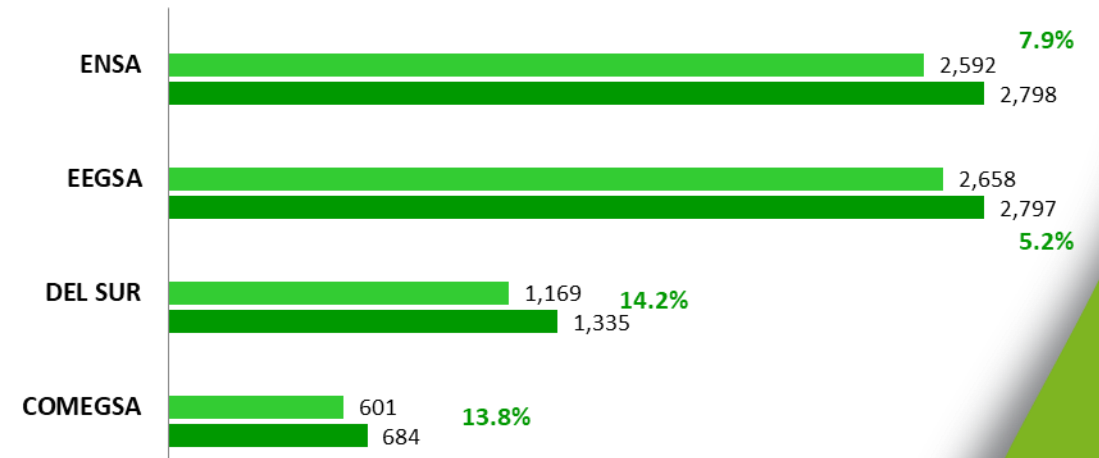


Colombian companies
3Q 2021: 18,753GWh
3Q 2020: 11,711GWh
Variation: 60.1%*

*Excluding Afinia, demand growth would be 6.8%

Total EPM Group
3Q 2021: 26,367 GWh
3TQ2020: 18,731 GWh
Variation: 40.8%

International companies GWh



International companies
3Q 2021: 7,614 GWh
3Q 2020: 7,020 GWh
Variation: 8.5%

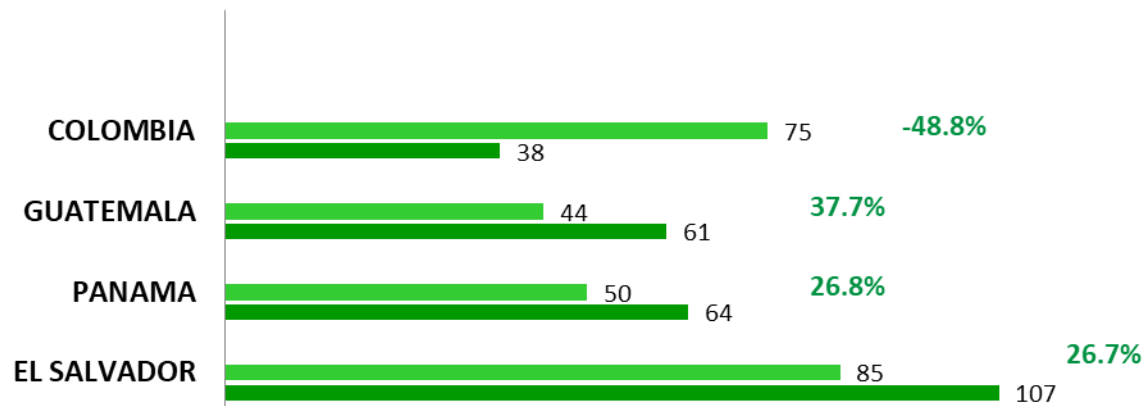
3. Energy Market

Spot Price USD/MWh and EPM Power Generation (GWh)



Spot Price USD/MWh

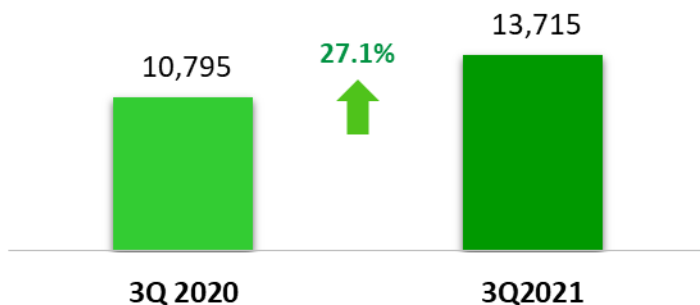
■ 3Q 2020 ■ 3Q2021



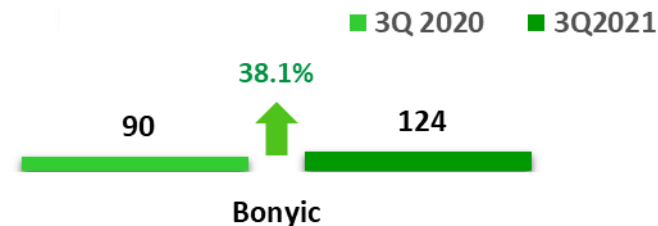
During 3Q2021:

- In Colombia, the spot price decreased by 48.8%, due to a greater water contribution from the added SIN reservoir and less use of the thermal resource.
- In the other countries it increased, mainly due to less use of water sources and greater use of thermal resources based on coal and petroleum derivatives.

EPM Group Power Generation in Colombia [GWh]



International Subs. Power Generation [GWh]



4. Financial Results as of September 30, 2021 (unaudited)

Macroeconomic Scenario



Concept	Colombia	Chile	Guatemala	Panama	Mexico	El Salvador
CPI (YTD)	4.32%	4.41%	2.03%	2.43%	4.88%	4.37%
CPI (anual variation)	4.51%	5.34%	3.67%	2.48%	6.00%	4.97%
PPI/WPI (YTD)	13.15%	21.16%	N/A	N/A	6.21%	3.76%
PPI/WPI (anual variation)	13.77%	27.33%	N/A	N/A	6.02%	3.98%
Exchange rate (month-end)	3,834.68 COP/USD	803.59 CLP/USD	7.73 GTQ/USD	N/A	20.56 MXN/USD	N/A
Devaluation / Revaluation (YTD)	11.72%	12.98%	-0.77%	N/A	3.28%	N/A



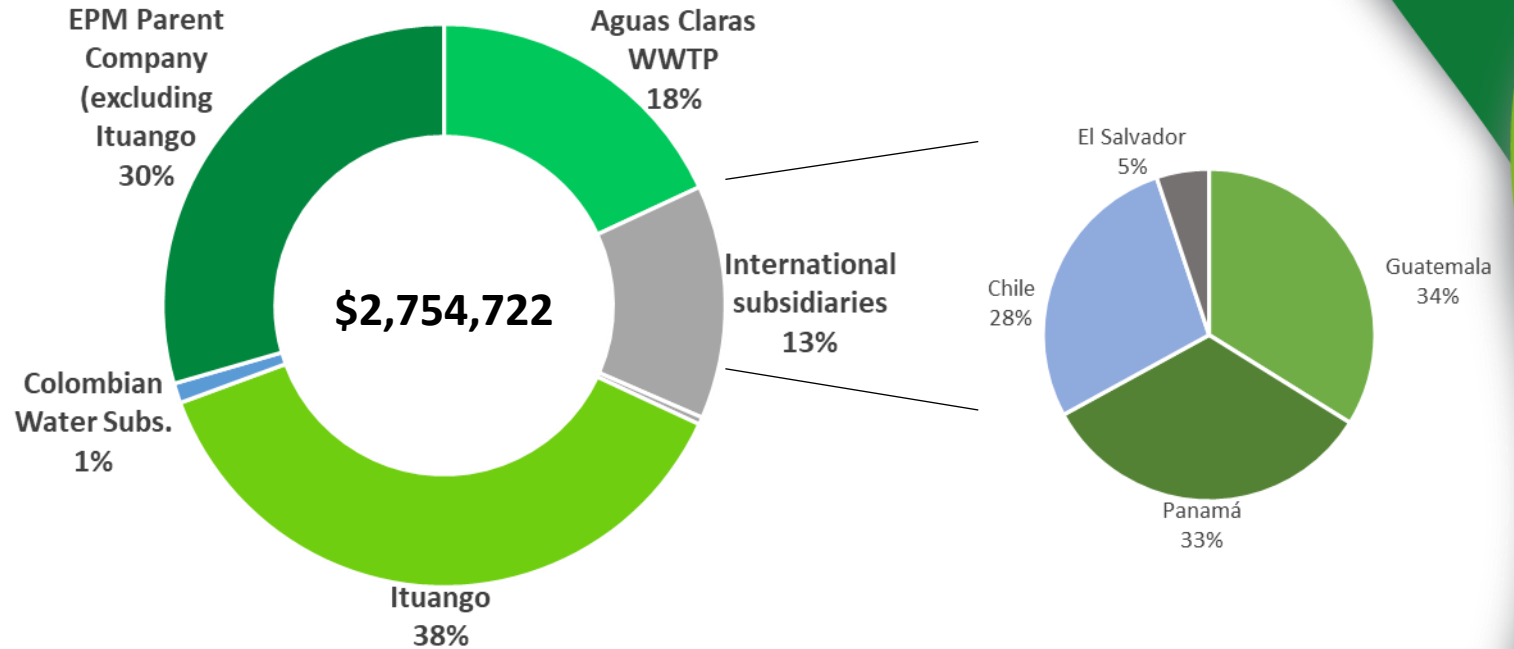
CPI: Consumer Price Index
PPI: Producer Price Index. In Colombia corresponds to the internal supply index.
WPI: Wholesale Price Index
N/A: Not applicable, Not available

4. Financial Results as of September 30, 2021 (unaudited)

EPM Group CapEx

Figures in COP million

EPM Group	Jan-Sep 2021
Ituango	1,031,601
EPM Parent Company (excluding Ituango)	811,991
International subsidiaries	370,091
Aguas Claras WWTP	11,482
Colombian Power Subs.	498,103
Colombian Water Subs.	31,454
Total	2,754,722



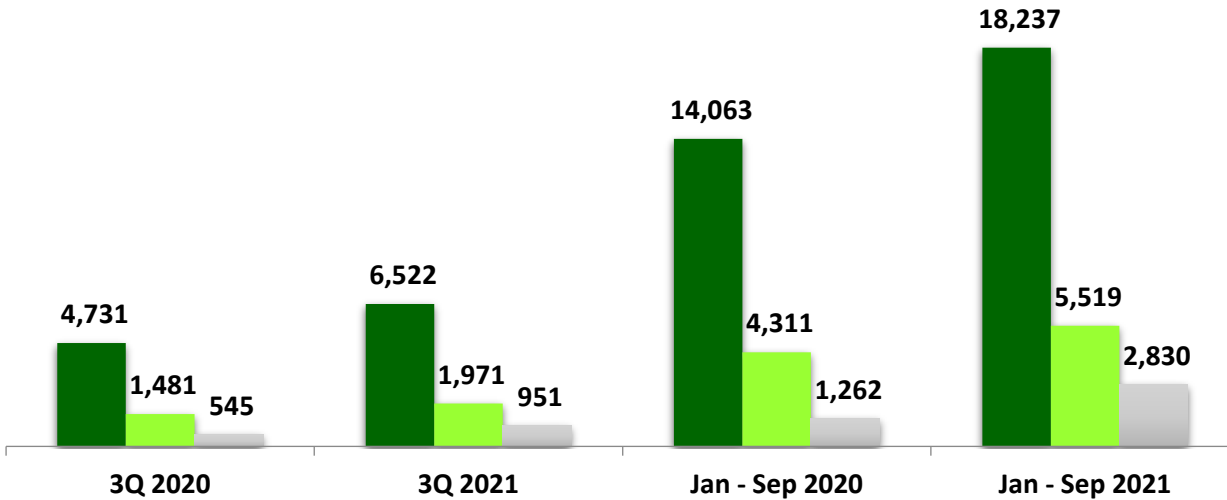
4. Financial Results as of September 30, 2021 (unaudited)

EPM Group Income Statement

Figures in COP thousand million



■ Revenues ■ EBITDA ■ Comprehensive income



Var. 3Q2021 - 3Q2020

Jan - Sep 2021 - 2020

■ Revenues: 38%

■ Revenues: 30%

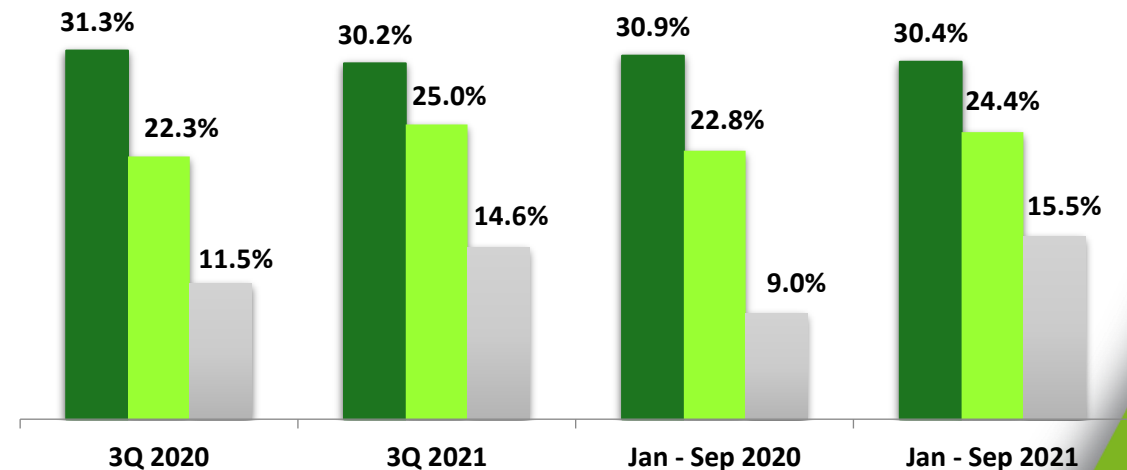
■ EBITDA: 33%

■ EBITDA: 28%

■ Comprehensive income: 74%

■ Comprehensive income: 124%

■ EBITDA margin ■ Operational margin ■ Net Margin



- Revenues increased COP 4,175, 30% (8% without Afinia), explained mainly by higher revenues from the new subsidiary Afinia, energy sales in the Distribution and Generation businesses, and sales to the thermals in the Gas business.
- Costs and expenses increased COP 2,936, 27% (7% without Afinia), explained by Afinia and its incorporation to the Group in the last quarter 2020.
- EBITDA increased COP 1,208, 28% with respect to previous year, standing out the contribution of the EPM parent company, Aguas Nacionales, ESSA, CHEC, ADASA, DECA and TICSA.

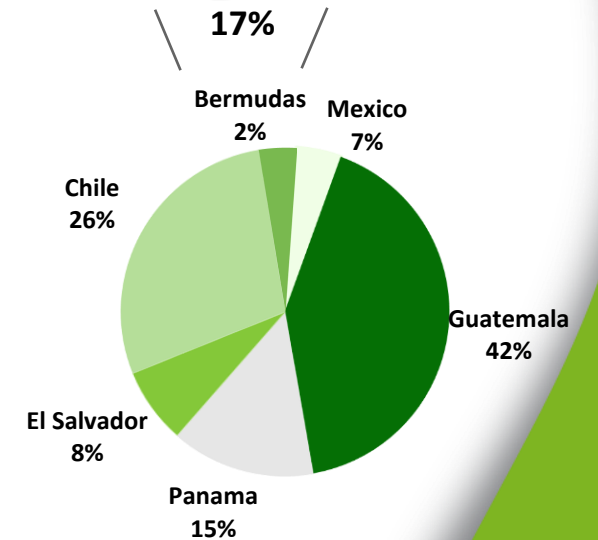
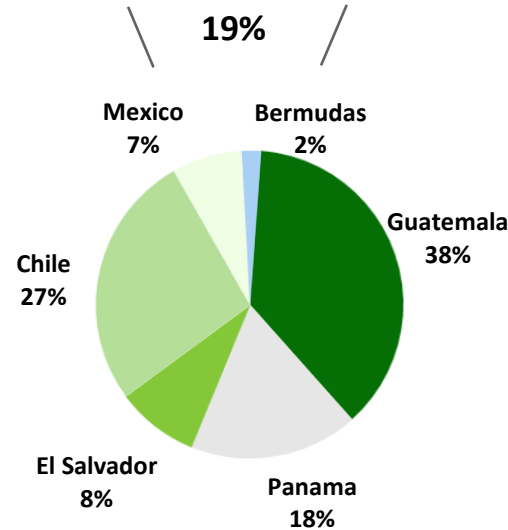
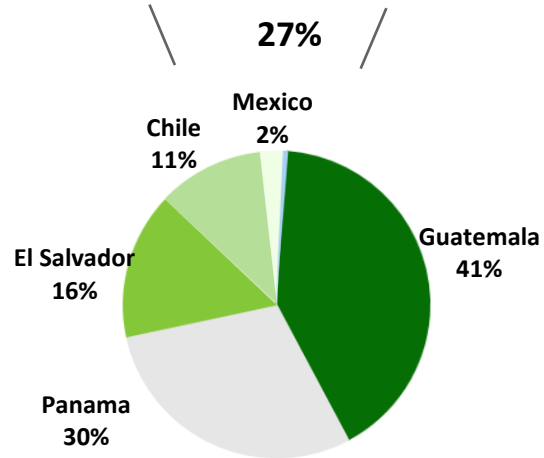
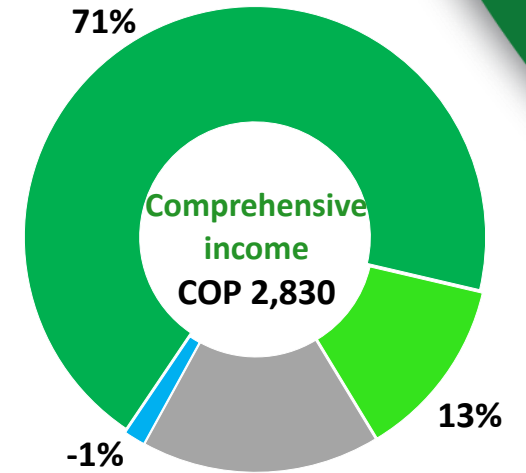
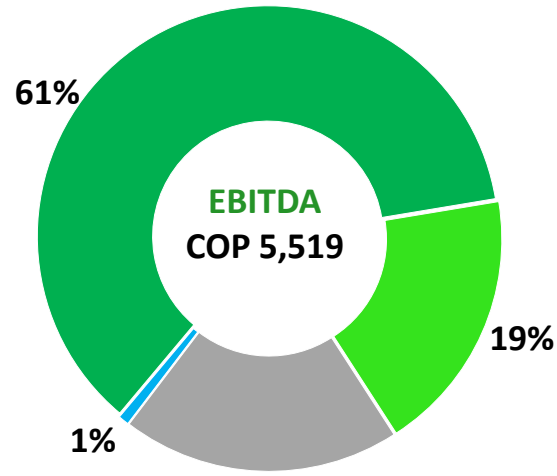
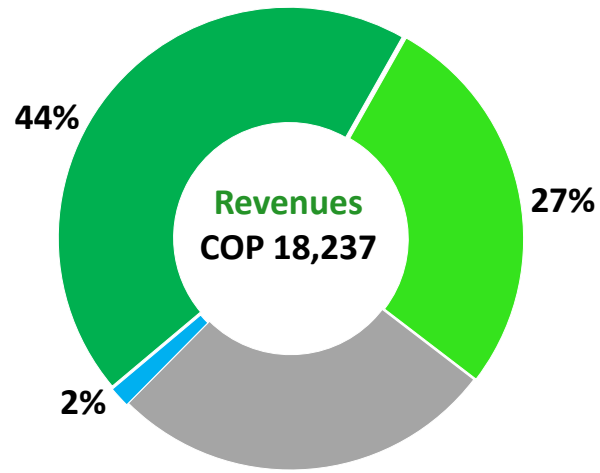
4. Financial Results as of September 30, 2021 (unaudited)

EPM Group by Colombian and International Subsidiaries

Figures in COP thousand million



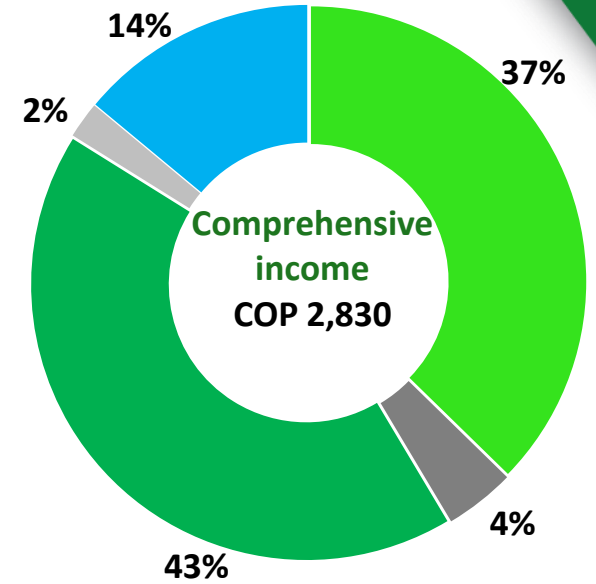
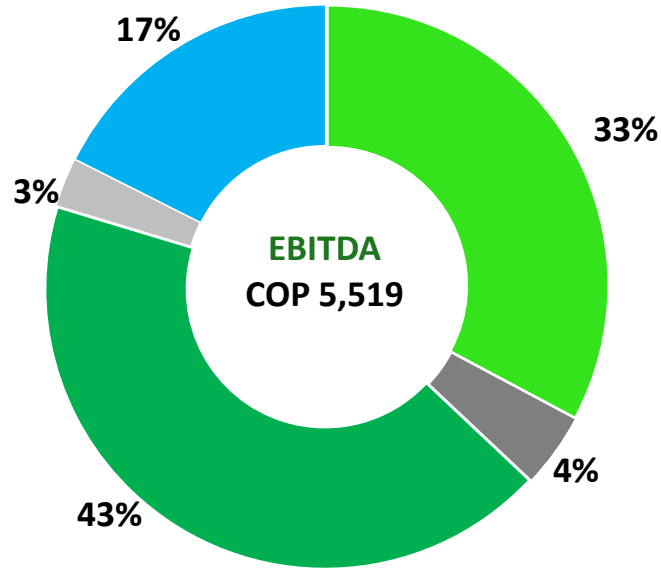
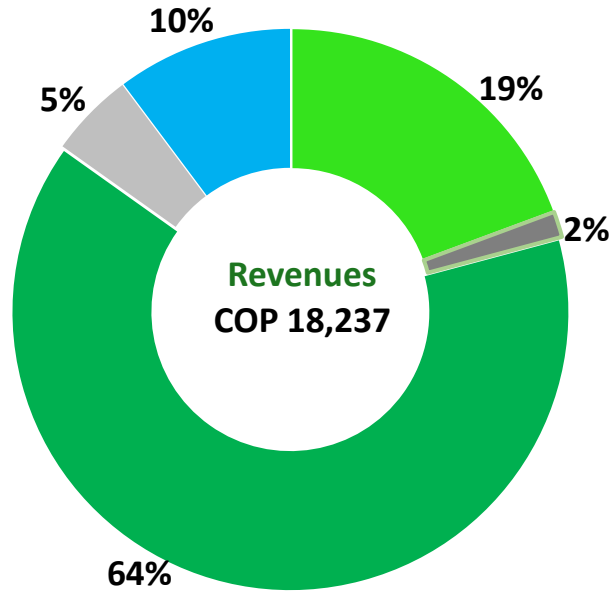
■ EPM
■ Colombian Power Subsidiaries
■ International Subsidiaries
■ Colombian Water Subsidiaries



4. Financial Results as of September 30, 2021 (unaudited)

EPM Group by Segments

Figures in COP thousand million

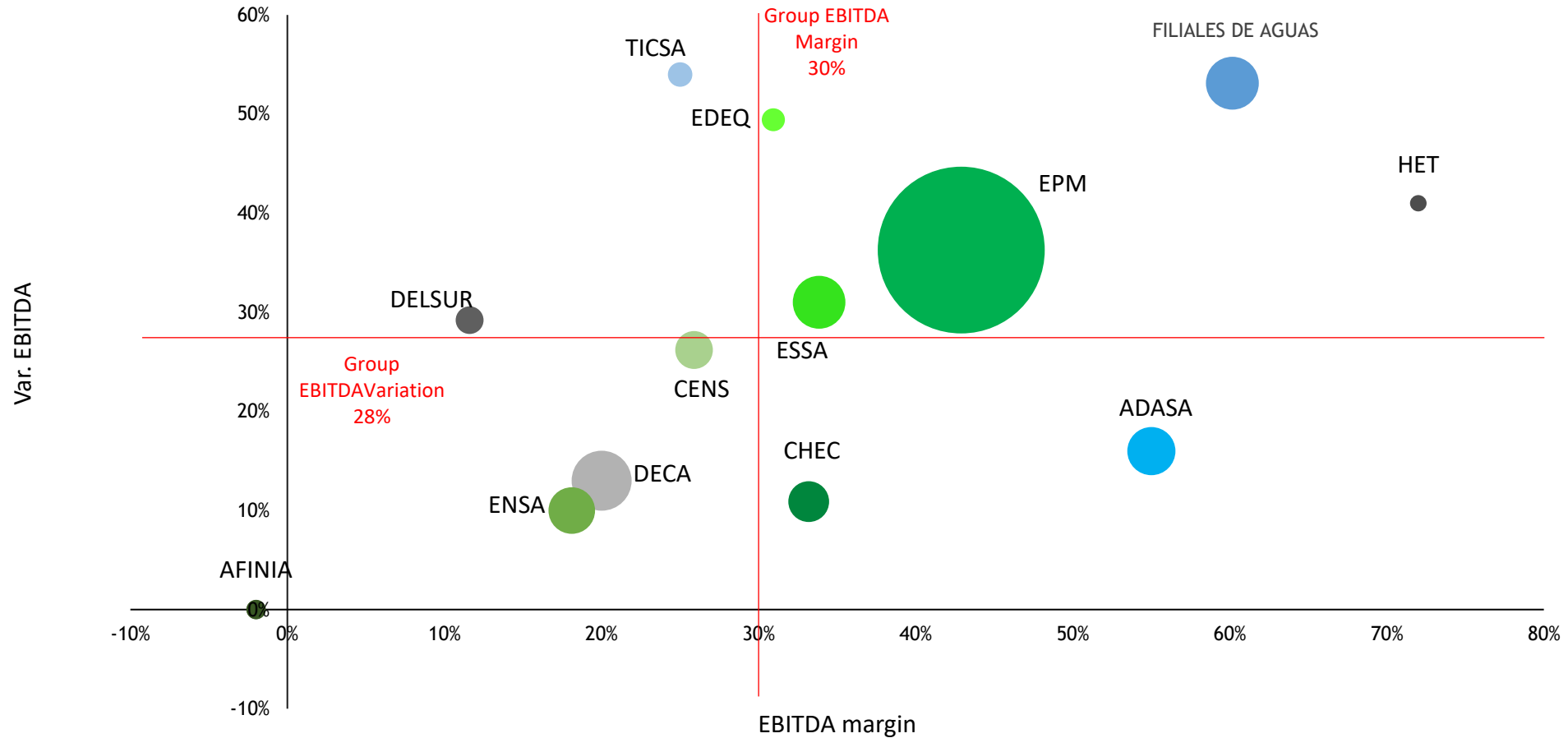


- Generation
- Distribution
- Water and Solid Waste Management
- Transmission
- Gas

4. Financial Results as of September 30, 2021 (unaudited)

EPM Group EBITDA

Figures in COP thousand million

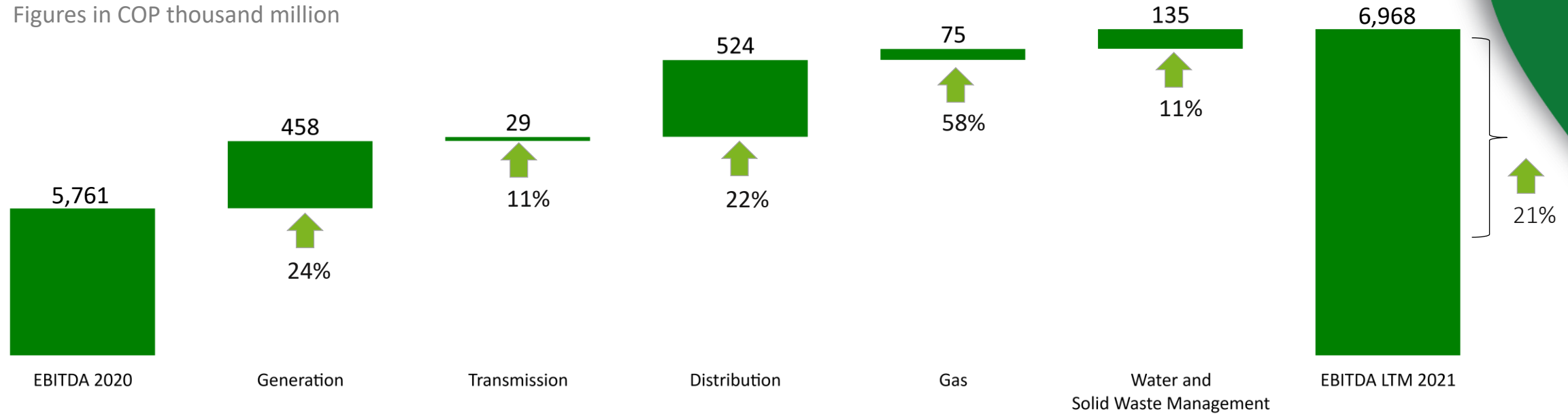


○ EBITDA Size

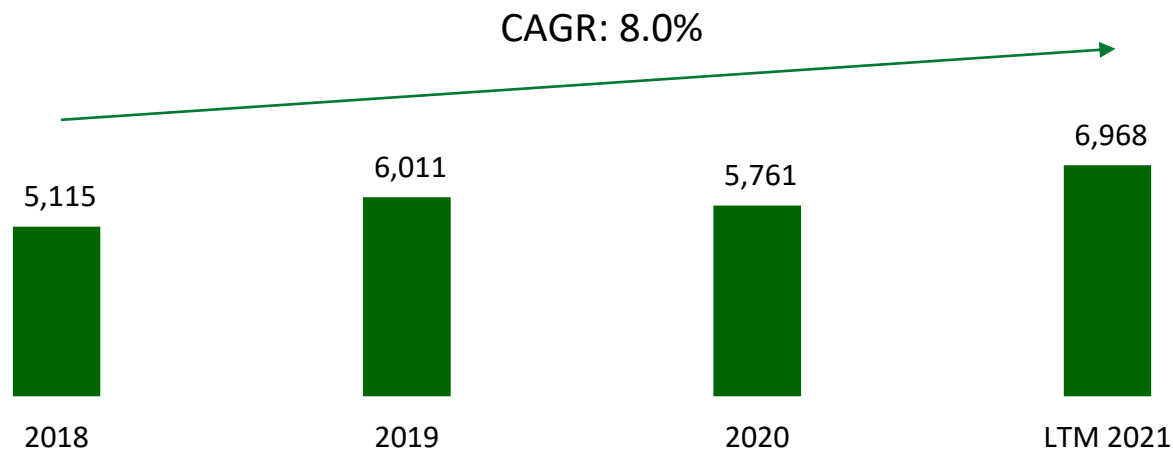
4. Financial Results as of September 30, 2021 (unaudited)

EPM Group EBITDA

Figures in COP thousand million



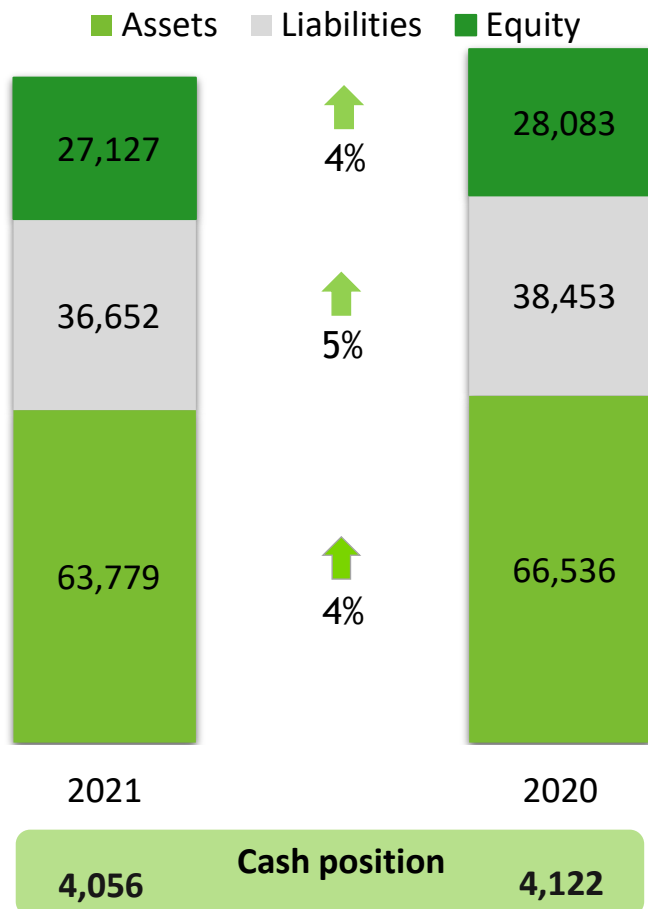
It does not include the other segments and eliminations.



4. Financial Results as of September 30, 2021 (unaudited)

EPM Group Statement of Financial Position

Figures in COP thousand million

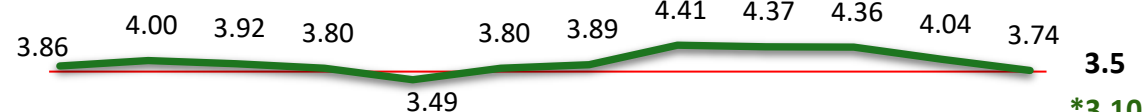


Ratios	2020	2021
Total debt	60 %	58 %
Financial debt	45 %	41 %
EBITDA/financial expenses	5.38 X	6.25 X
Total Long Term Debt/EBITDA	4.40 X	3.74 X
Net Debt/EBITDA	3.40 X	3.10 X

EBITDA/ Financial expenses



Total Long Term Debt/EBITDA



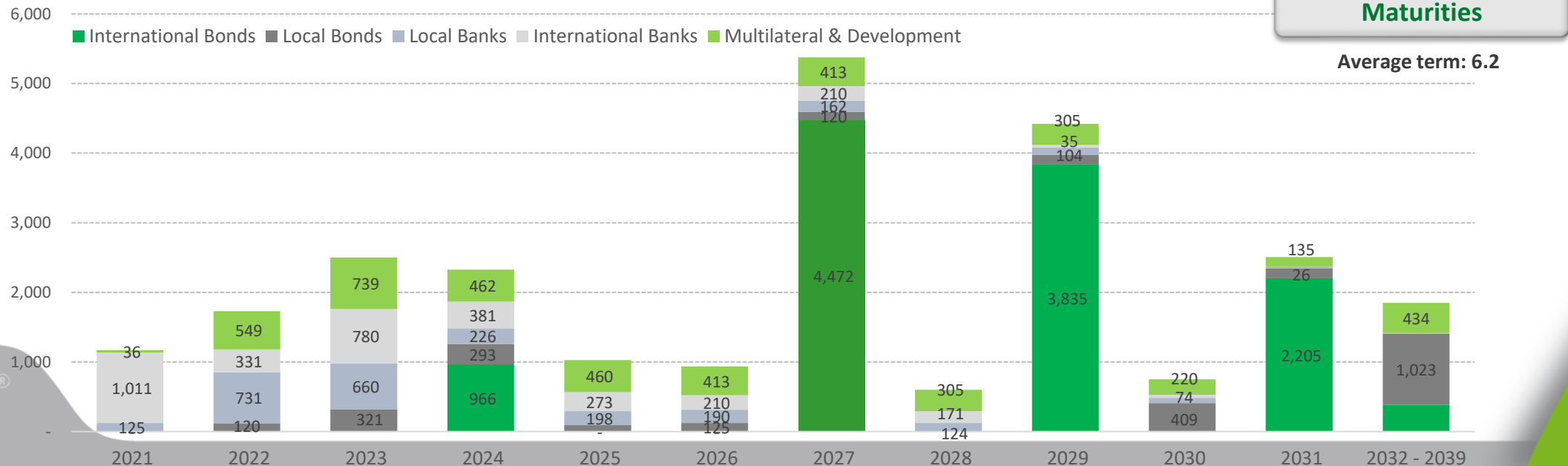
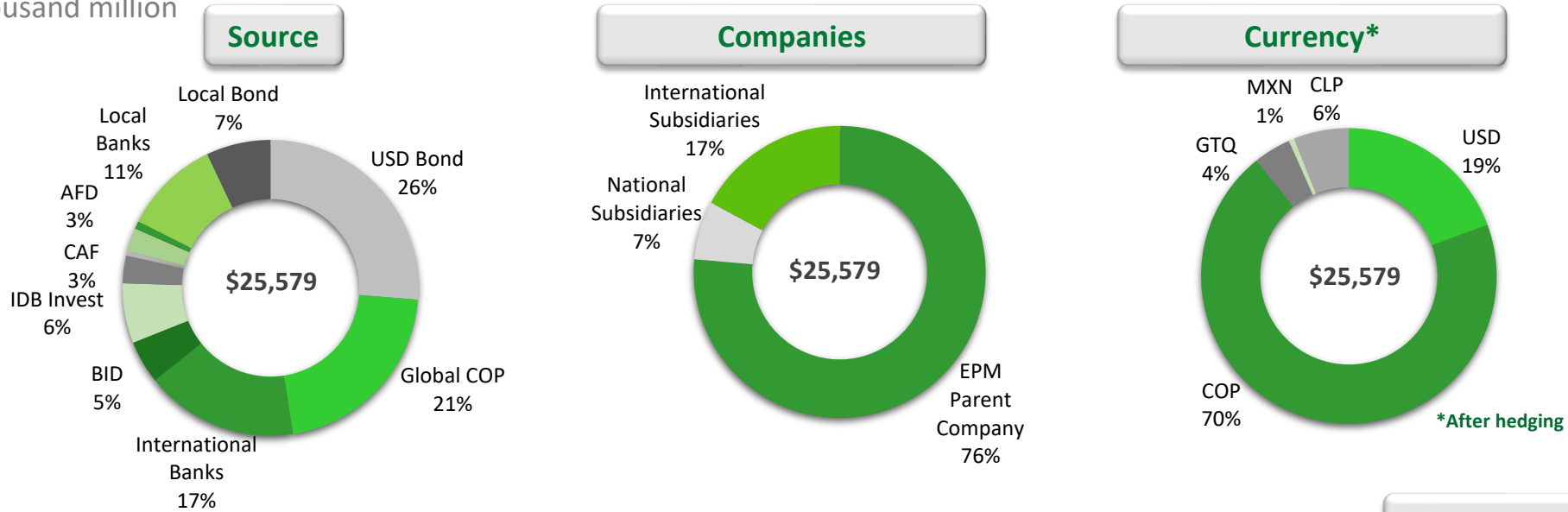
4Q18 1Q19 2Q19 3Q19 4Q19 1Q20 2Q20 3Q20 4Q20 1Q21 2Q21 3Q21

(*) Net Debt/EBITDA

4. Financial Results as of September 30, 2021 (unaudited)

EPM Group Debt Profile

Figures in COP thousand million





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