



EPM **4Q2021 Report**

April 20, 2022

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Executive Vice President of Finance and

Investments

Agenda



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

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



- In November 2021 was executed a USD 250 million long-term credit agreement with international banks, in development of a liability management transaction. Additionally, in December 2021, two short-term facilities were executed for USD 315 million with international banks, proceeds used for the investment plan and general corporate purposes.
- On December 22, 2021, EPM paid off USD 450 million to BID Invest corresponding to the total balance of the loan signed in December 2017, in fulfillment of the voluntary anticipated payment agreed between the parties.
- By virtue of last year's positive results, during 2022 the municipality of Medellin will be able to develop social investment programs worth COP 1.8 billion, on account of EPM's dividends payout.
- In 2021 EPM Group capex plans to improve its services amounted to COP 4.2 billion, of which COP 1.5 billion were allocated to Ituango Hydroelectric Project.
- On January 25th, 2022, EPM received a payment of USD 633.8 million from insurance company Mapfre Seguros Generales de Colombia S.A. as compensation under the policy for all construction and assembly risks of Ituango Hydroelectric Project.
- On March 7th, Moody's Investors Service ratified EPM's international credit risk rating at Baa3 and improved the outlook from negative to stable, maintaining the "investment-grade" level.
- On April 5th, Fitch Ratings ratified EPM's credit risk ratings on a local and international scale, at AAA and BB+, both with negative rating watch.

2. Update on Ituango Hydroelectric Project



Total work progress to date::

✓ **87.32%** as of February 2022



2. Update on 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 February 28, 2021 [87.32%] 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 	99.7%
	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 	83.3%
	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 Underwater work in intake structures 	80.4%
	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 	66.3%
	Right Diversion Tunnel (RDT) and Auxiliary Diversion Tunnel (ADT)	<ul style="list-style-type: none"> Closing of both gates to the ADT Concrete pouring in said gates was completed. 	<ul style="list-style-type: none"> Pre-plug 2 and final plug RDT Final plug ADT 	95.8%

2. Ituango Hydroelectric Project Update

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.

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

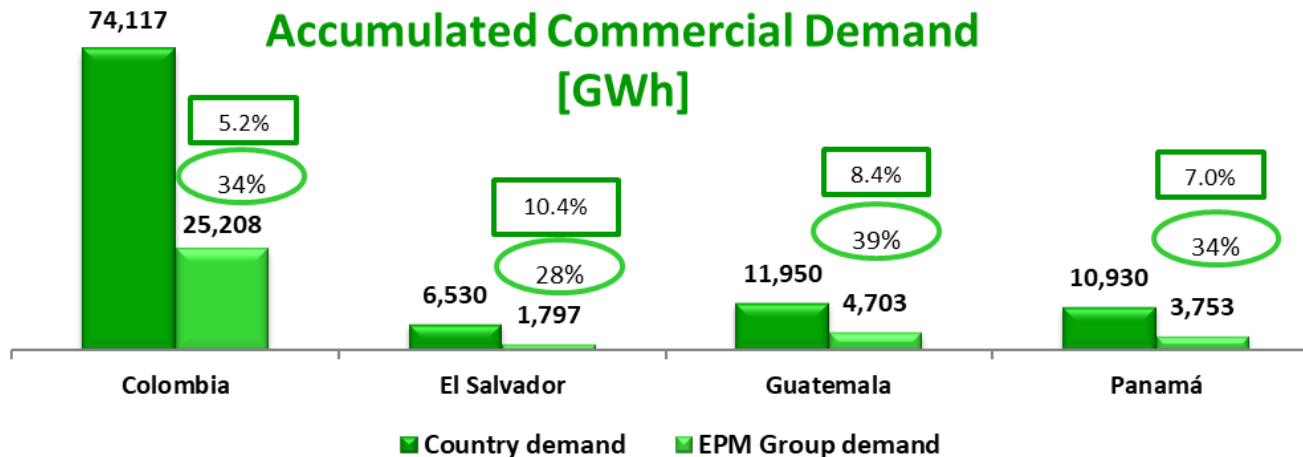
Total invested as of December 2021: \$15.8 billion.

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*

3. Energy Market

EPM Group Commercial Power Demand

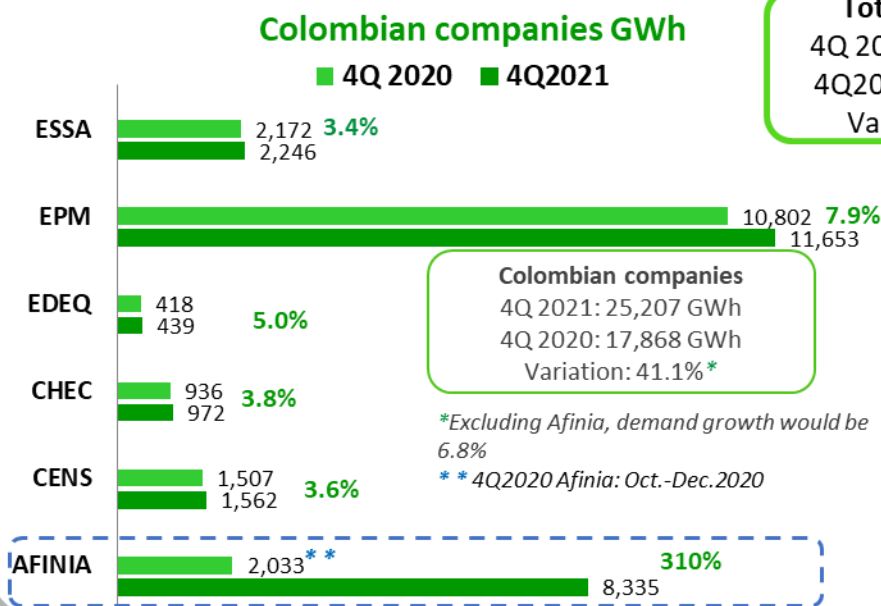


□ % Country's demand variation 4Q 2021 vs 4Q 2020

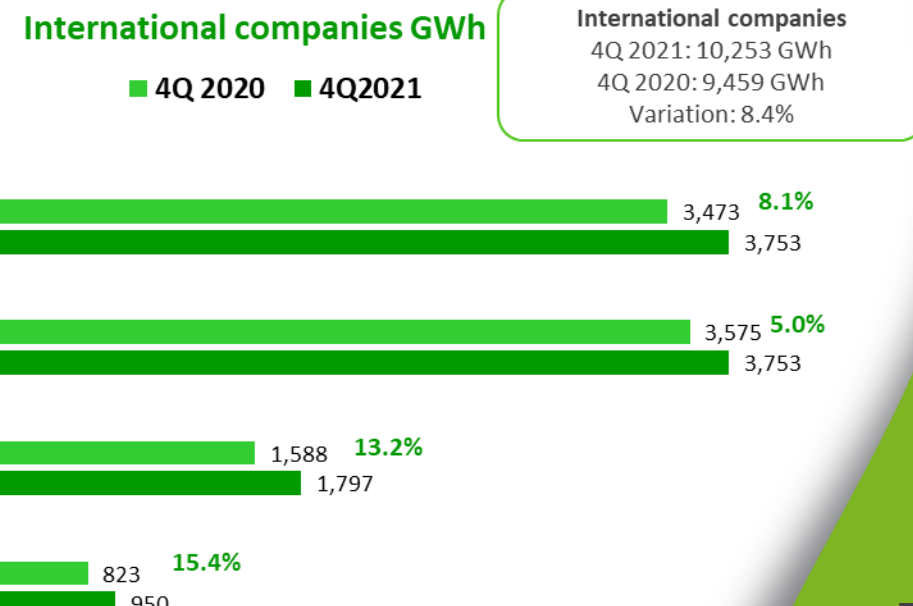
○ % EPM Group country demand's share.

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

4Q = Fourth Quarter

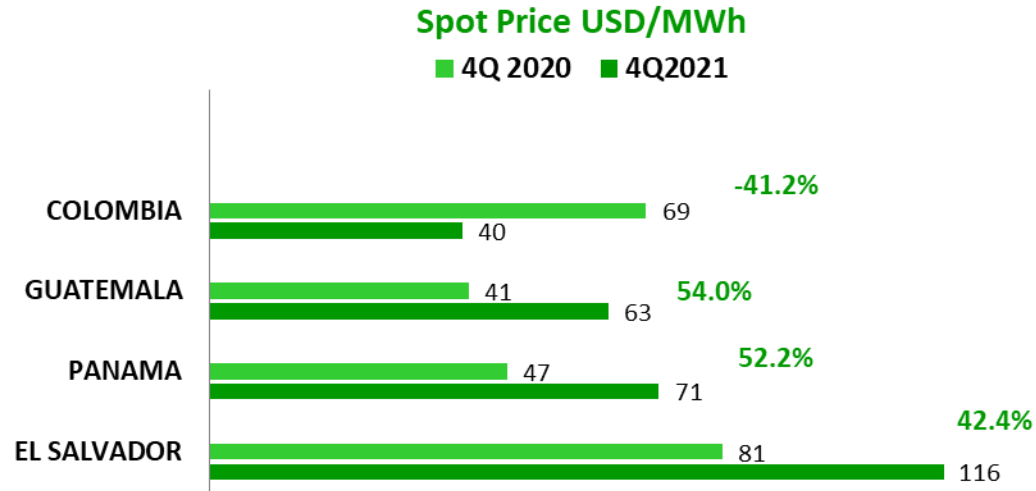


Total EPM Group
4Q 2021: 35,460 GWh
4Q2020: 27,327 GWh
Variation: 29.8%



3. Energy Market

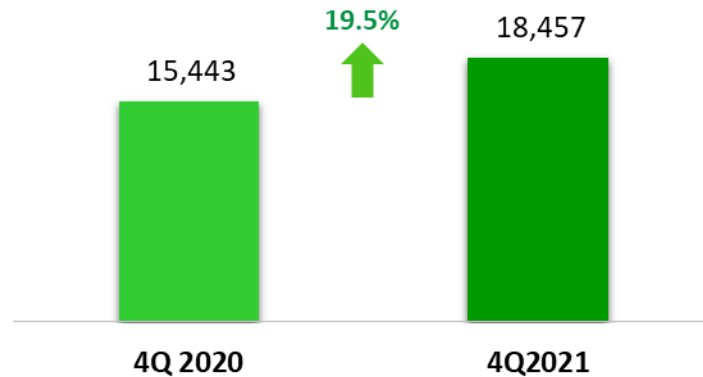
Spot Price USD/MWh and EPM Power Generation (GWh)



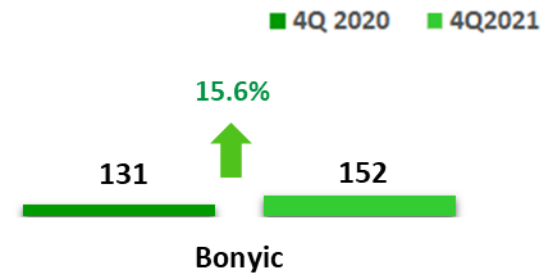
During 4Q2021:

- In Colombia, the spot price decreased 41.2%, due to a greater water contribution from the added SIN reservoir and lower use of the thermal resource.
- In the other countries it increased, mainly due to lower use of water sources and greater use of thermal resources based on coal and oil derivatives.

EPM Group Power Generation in Colombia [GWh]



International Subs. Power Generation [GWh]



4. Financial Results as of December 31, 2021

Macroeconomic Scenario



Concept	Colombia	Chile	Guatemala	Panama	Mexico	El Salvador
GDP (anual variation)	10.60%	11.70%	N.D	15.30%	4.80%	N.D
CPI (anual variation)	5.62%	7.17%	3.07%	2.62%	7.36%	6.11%
PPI/WPI (anual variation)	18.71%	31.53%	N.A	N.A	9.30%	4.82%
Exchange rate (end-of-period)	3,981.16 COP/USD	850.25 CLP/USD	7.72 GTQ/USD	N.A	20.47 MXN/USD	N.A
Devaluation / Revaluation (anual variation)	15.98%	19.54%	-0.96%	N.A	2.81%	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

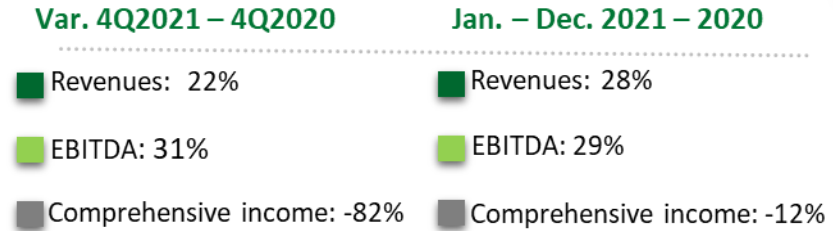
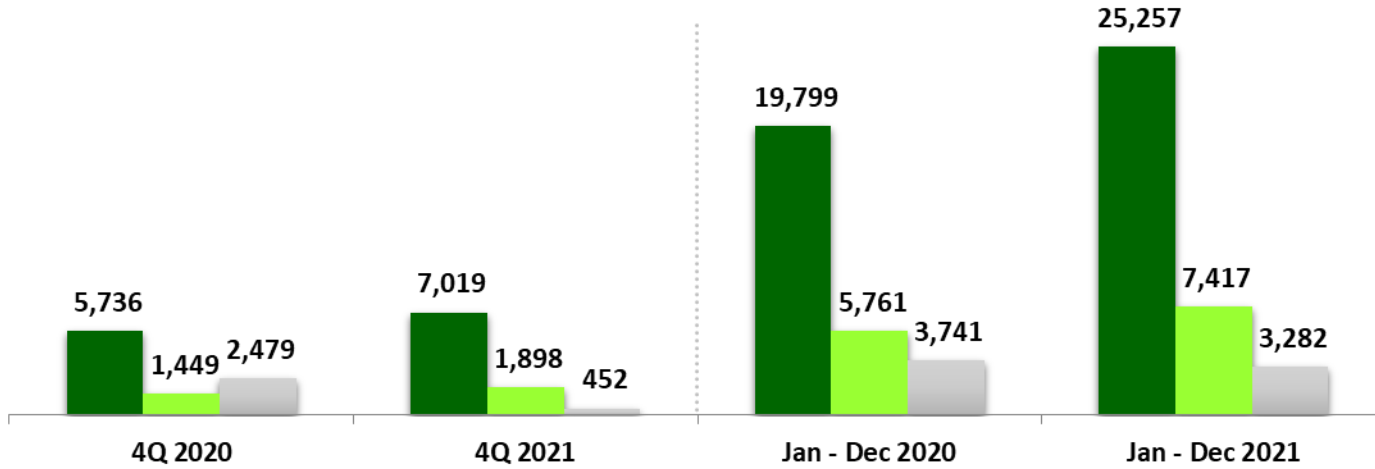
4. Financial Results as of December 31, 2021

EPM Group Income Statement

Figures in COP thousand million

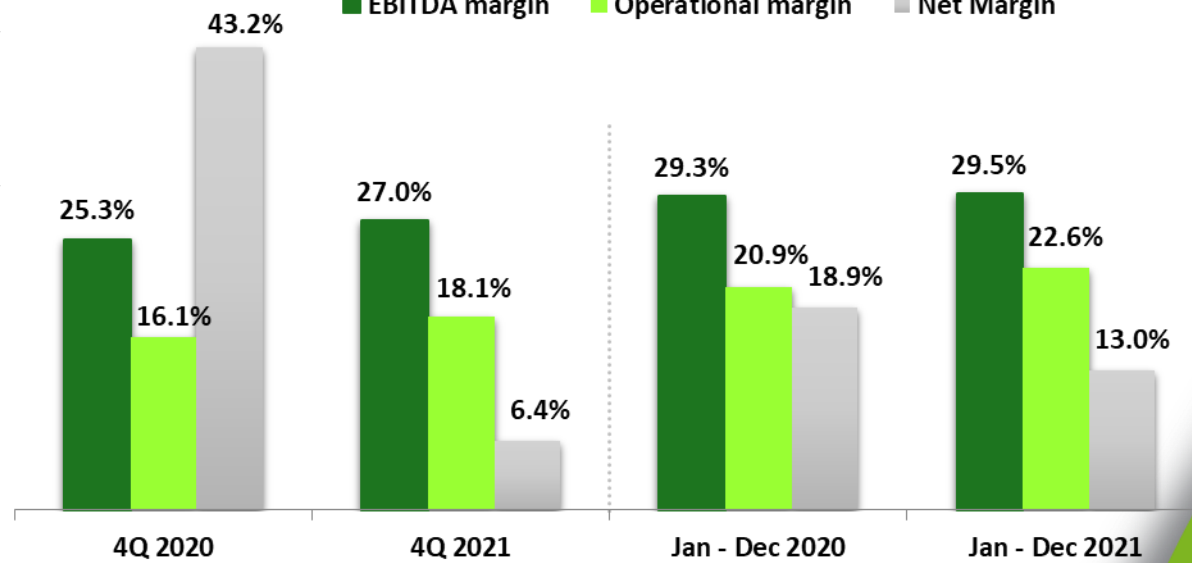


■ Revenues ■ EBITDA ■ Comprehensive income



- Revenues increased COP 5,458, 28% (13% without Afinia), explained mainly by higher revenues from the new subsidiary Afinia, energy sales in the Distribution and Generation business, and for sales to the thermals in the Gas business.
- Costs and expenses increased COP 3,875, 25% (8% without Afinia), explained by Afinia and its incorporation to the Group in the 2020 last quarter.
- EBITDA increased COP 1,656, 29% with respect to previous year, standing out the contribution of EPM parent company, Afinia, ESSA, Aguas Nacionales, ADASA, and DECA.

■ EBITDA margin ■ Operational margin ■ Net Margin



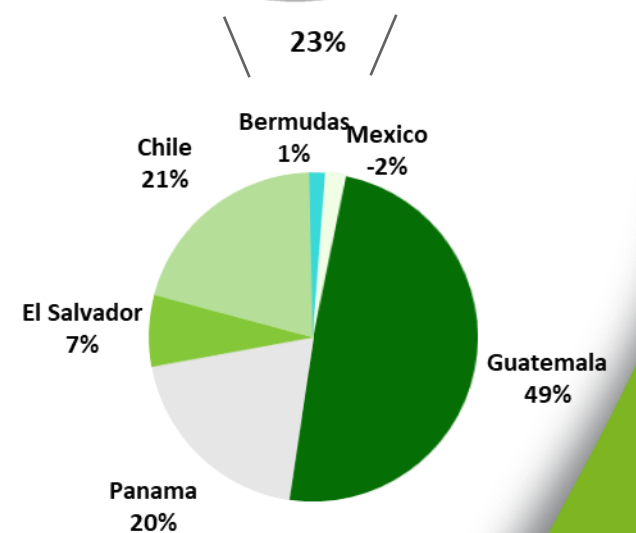
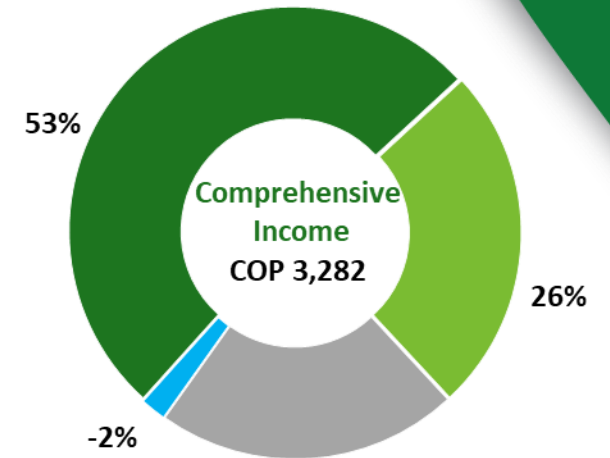
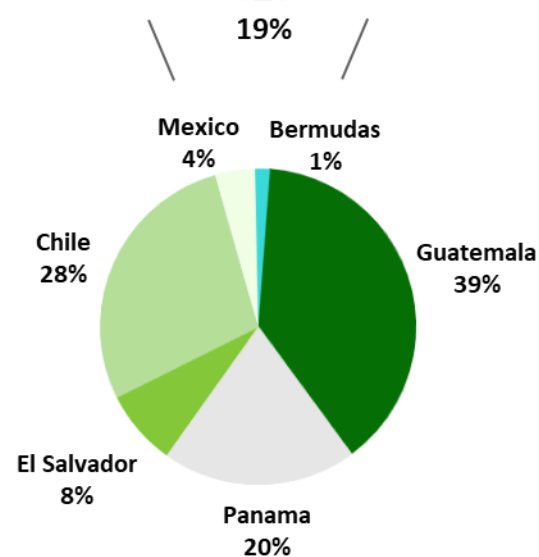
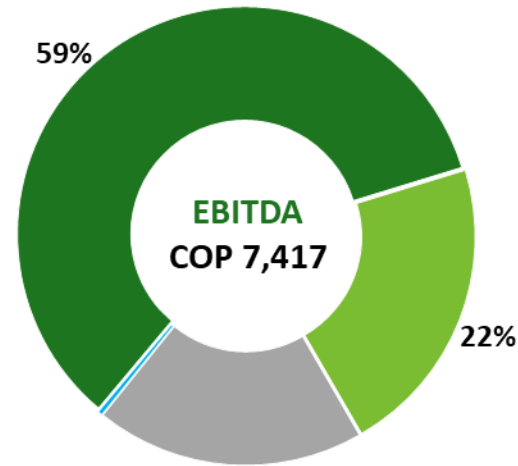
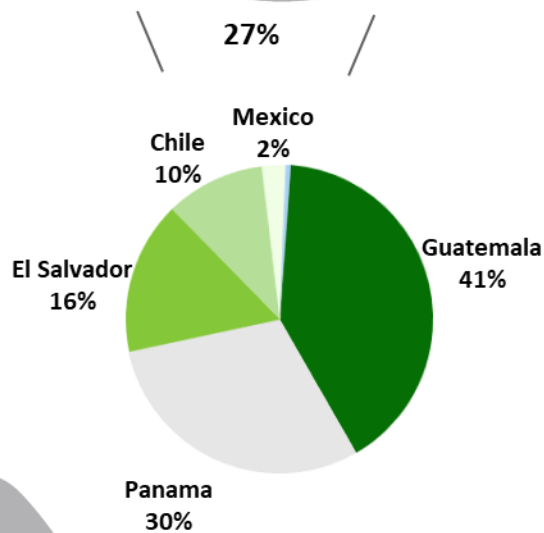
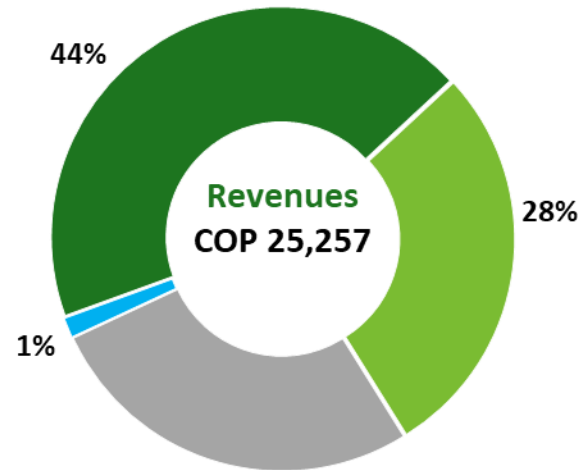
4. Financial Results as of December 31, 2021

EPM Group by Colombian and International Subsidiaries

Figures in COP thousand million



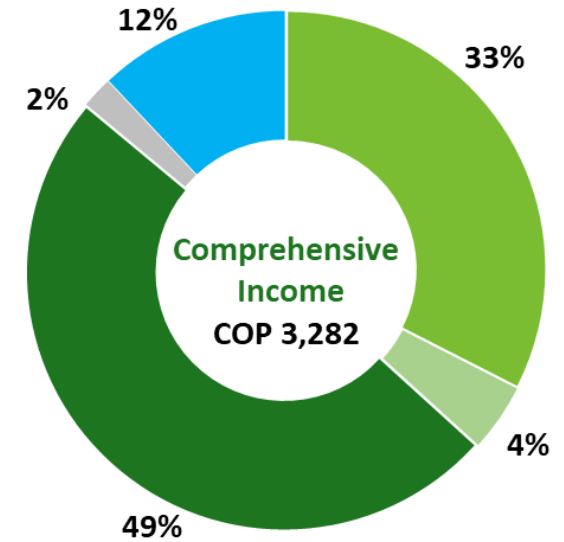
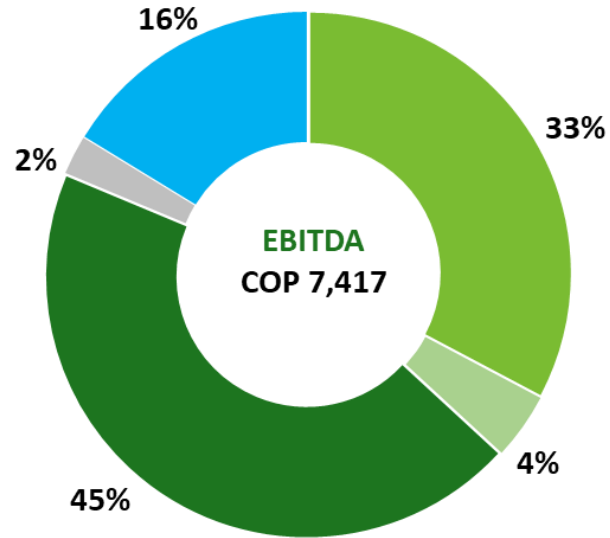
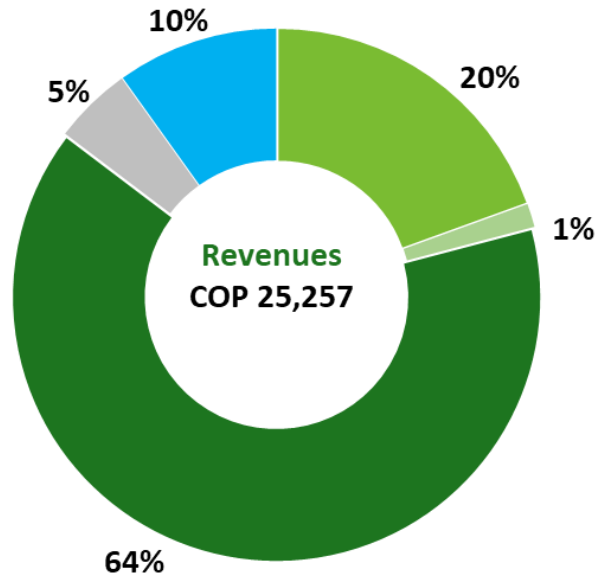
■ EPM
■ International Subsidiaries
■ Colombian Power Subsidiaries
■ Colombian Water Subsidiaries



4. Financial Results as of December 31, 2021

EPM Group by Segments

Figures in COP thousand million

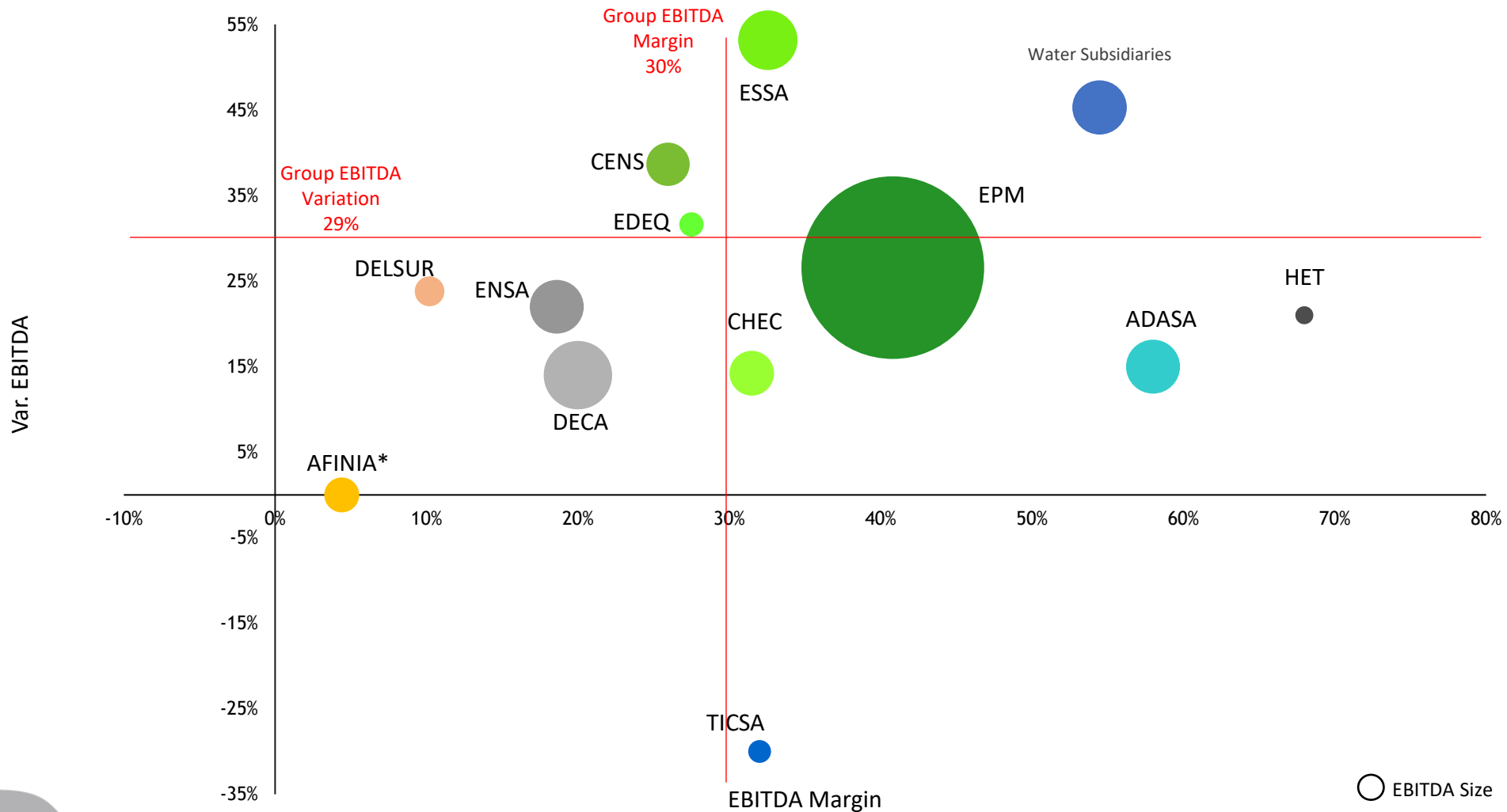


- Generation
- Distribution
- Water and Solid Waste Management
- Gas
- Transmission

4. Financial Results as of December 31, 2021

EPM Group EBITDA

Figures in COP thousand million

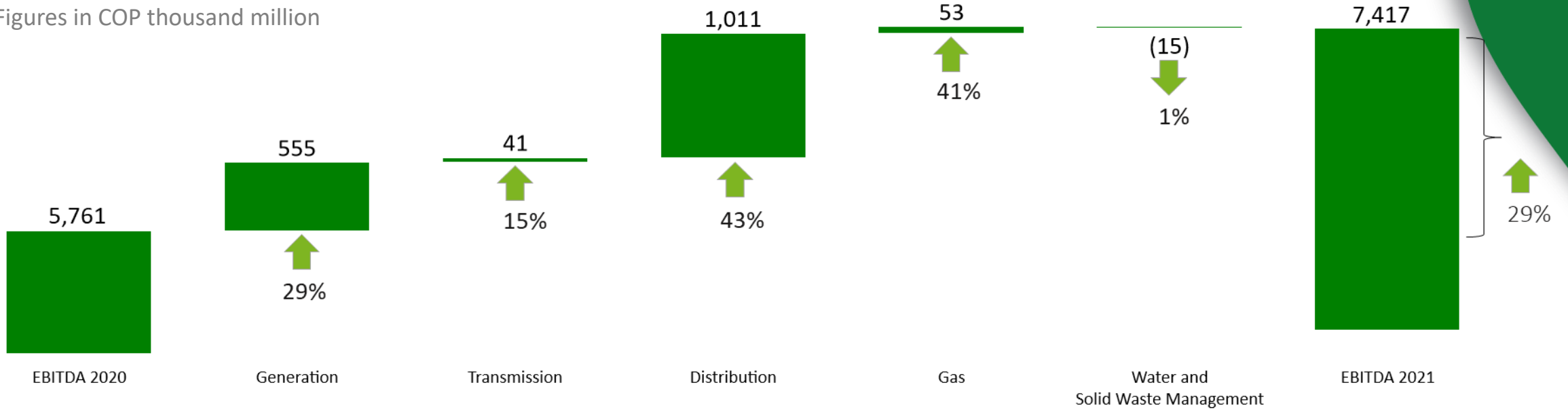


*Afinia presented an EBITDA of COP 167 thousand million. However, its growth is not reflected in the graph, because it started operation in the last quarter of 2020.

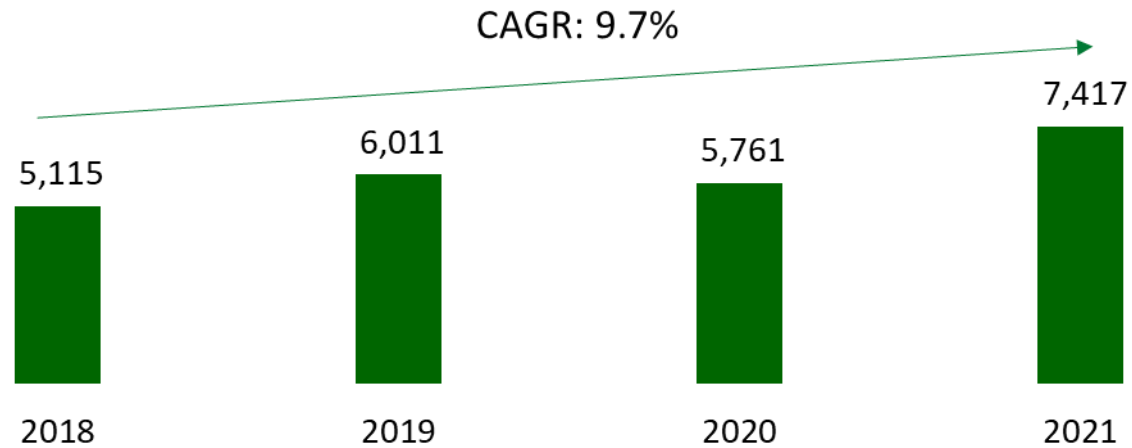
4. Financial Results as of December 31, 2021

EPM Group EBITDA

Figures in COP thousand million



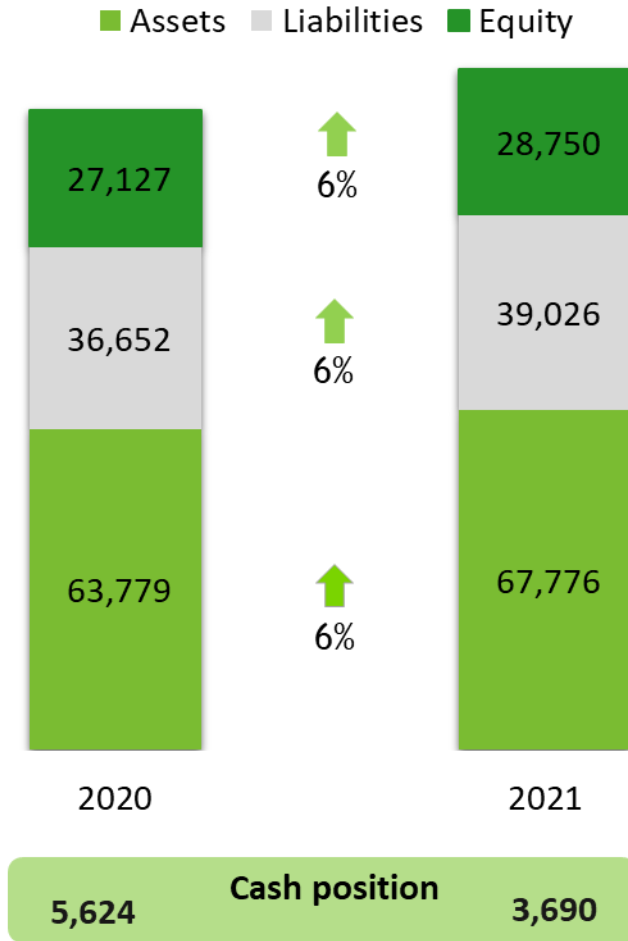
It does not include the other segments and eliminations.



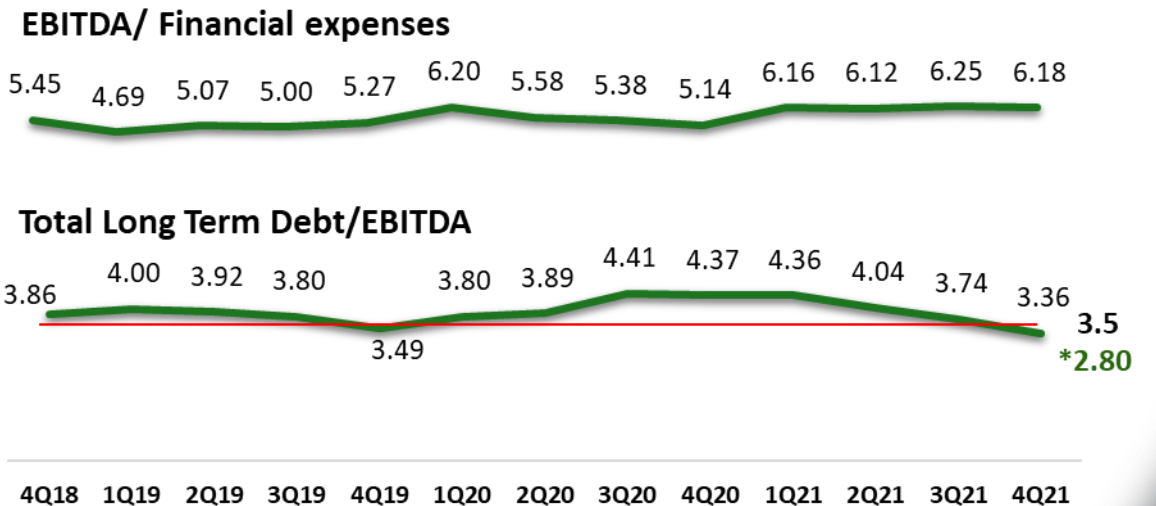
4. Financial Results as of December 31, 2021

EPM Group Statement of Financial Position

Figures in COP thousand million



Ratios	2020	2021
Total debt	57 %	58 %
Financial debt	41 %	40 %
EBITDA/financial expenses	5.14 X	6.18 X
Total Long Term Debt/EBITDA	4.37 X	3.36 X
Net Debt/EBITDA	3.33 X	2.80 X



(*) Net Debt/EBITDA

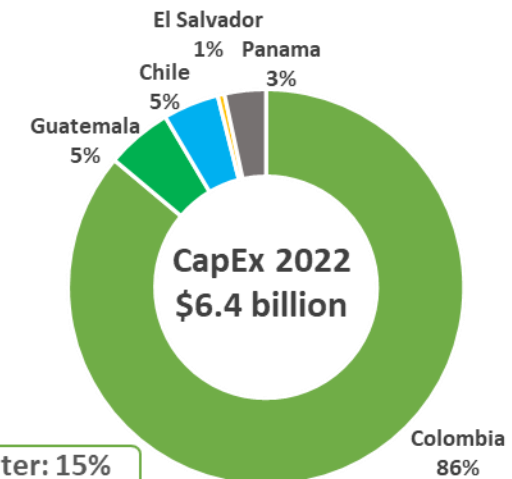
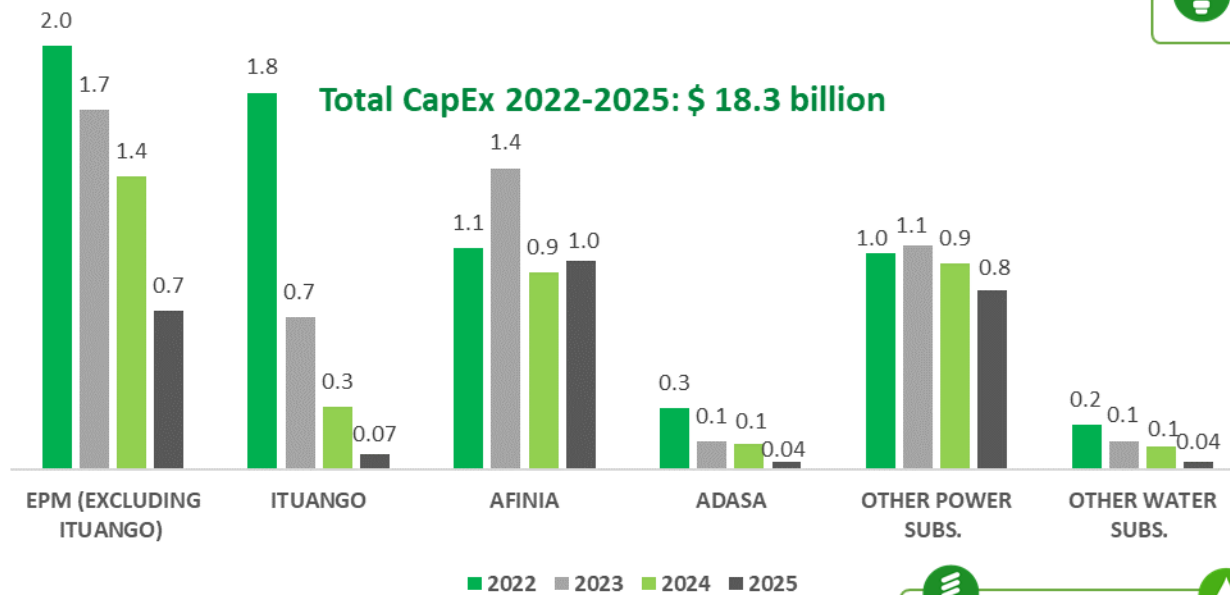
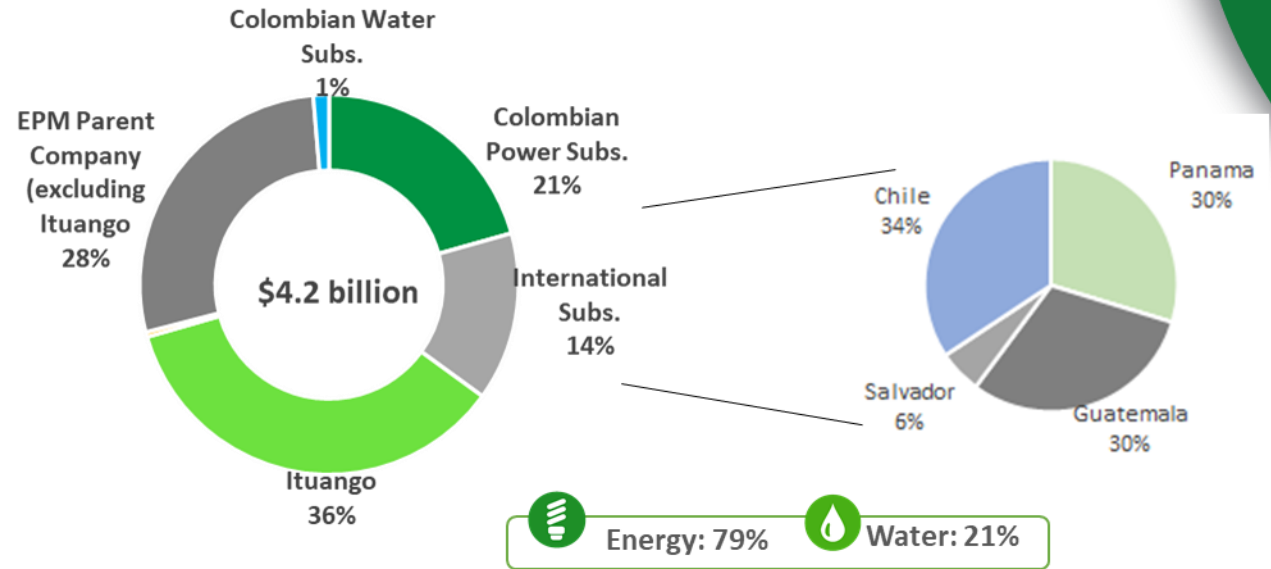
4. Financial Results as of December 31, 2021

EPM Group CapEx



Figures in COP million

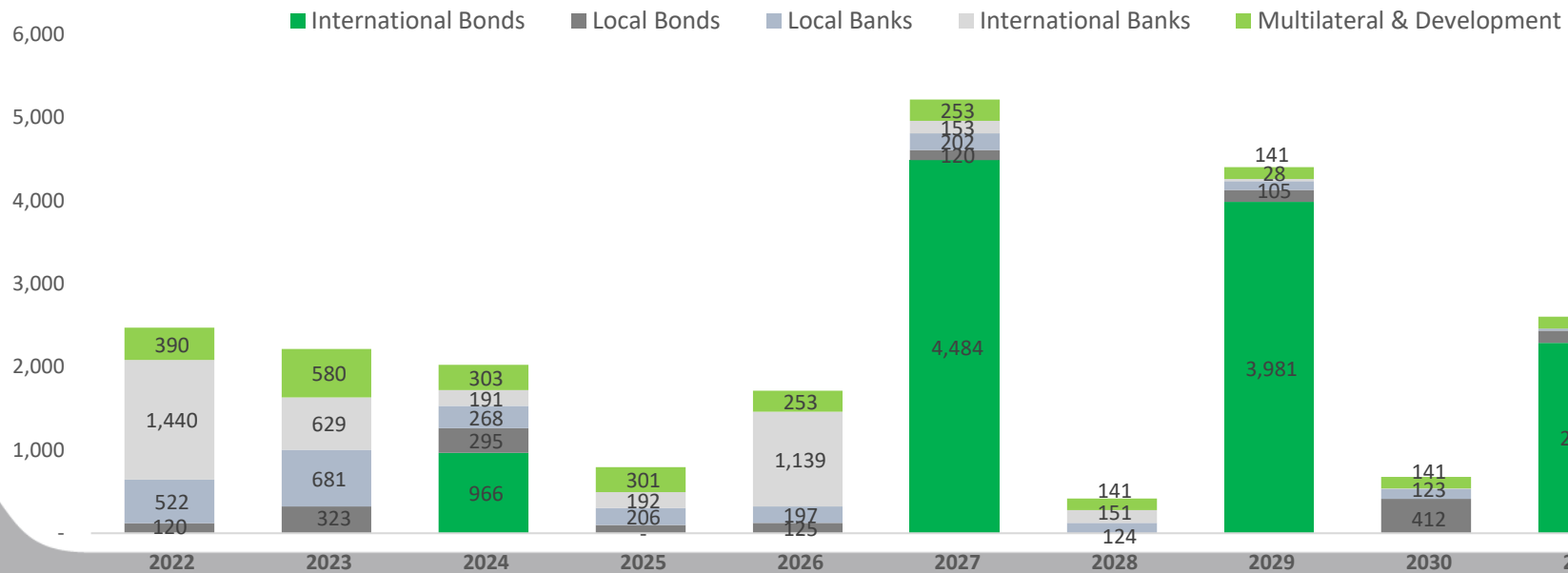
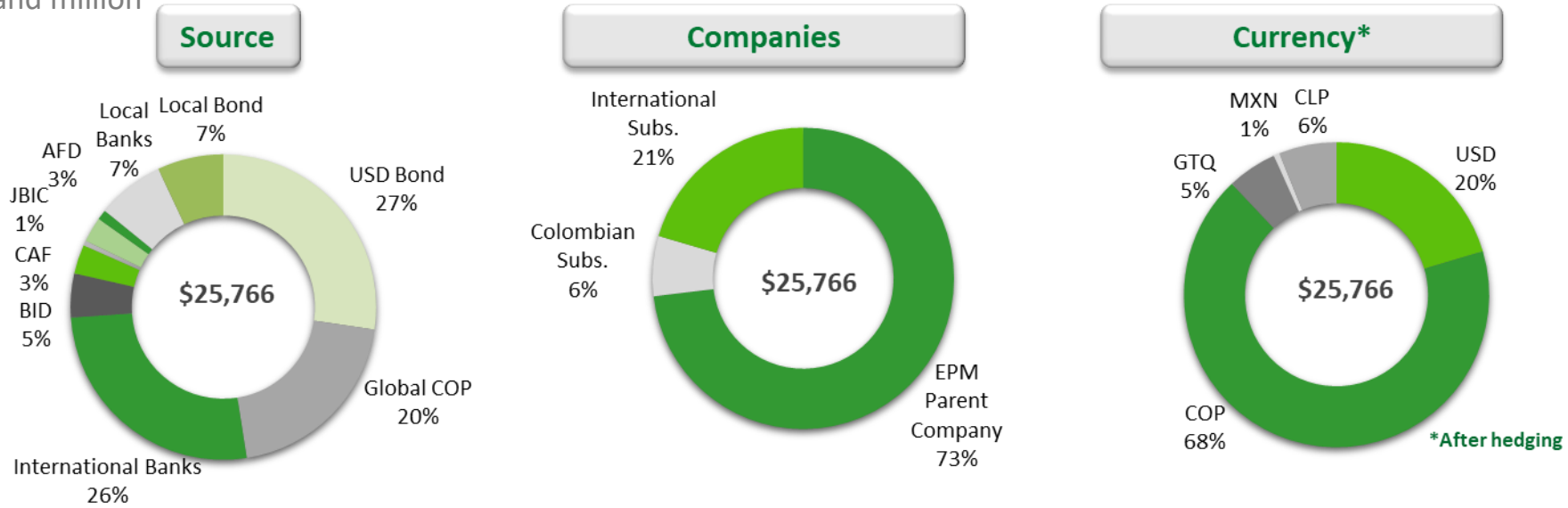
EPM Group	Jan - Dec 21
Ituango	1,503,939
EPM Parent Company (excluding Ituango)	1,170,694
International Subs.	606,672
Aguas Claras WWTP	17,568
Colombian Power Subs.	873,117
Colombian Water Subs.	56,960
Total	4,228,950



4. Financial Results as of December 31, 2021

EPM Group Debt Profile

Figures in COP thousand million





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