



# **EPM** **1Q2022 Report**

*May 18, 2022*

*Martha Duran*

*Executive Vice President of Finance and*

*Investments*

# Agenda



- 1. Relevant events subsequent to the end of the quarter**
- 2. Ituango Hydroelectric Project**
- 3. Energy Market**
- 4. Financial results as of March 2022 (unaudited)**

# 1. Relevant events subsequent to the end of the quarter



- In early May, EPM reached one of the most important technical milestones in Hidroituango: the final plugging of the Auxiliary Diversion Gallery (ADG), where the contingency started on April 28, 2018. This is a milestone for the stability of the work and mitigation of the risks to communities downstream from the future power generation plant.
- On April 21, EPM presented to a plenary meeting of the Council of Medellin the estimated result of a valuation of its shareholdings in UNE and Invertelco, performed jointly with the investment bank and its advisors.

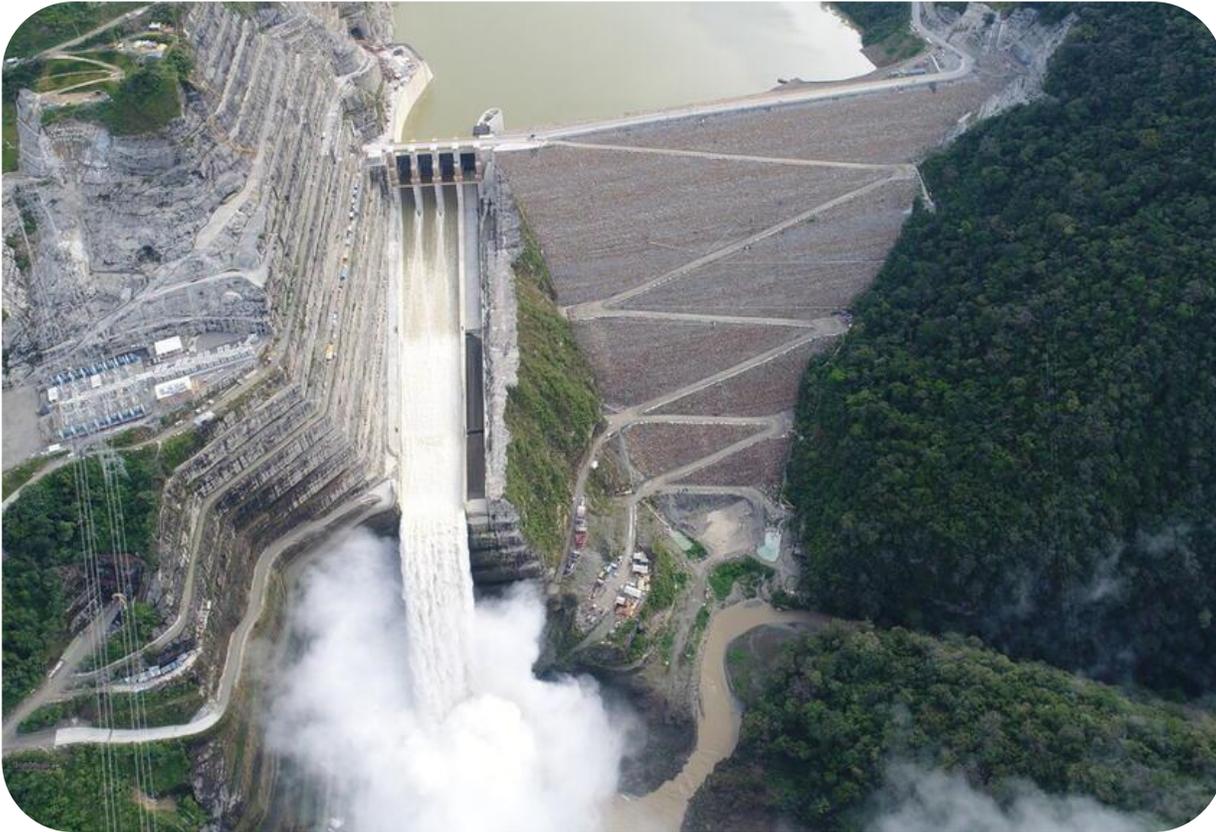
The status of the sale of EPM's shares in UNE Millicom is in a preliminary stage of authorization by the Medellin Council, for the eventual sale of EPM's shareholding in the telecommunications business.

## 2. Update on Ituango Hydroelectric Project



Total work progress to date::

✓ **88.1%** as of April 2022



## 2. Update on Ituango Hydroelectric Project



Highlights	Civil Work	Milestones Achieved	Pending Completion	% of Completion
<ul style="list-style-type: none"> <li>The Ituango Project is expected to generate an average of 13,930 GWh of energy per year.</li> <li>Total Work Progress as of April 30, 2022 [<b>88.1%</b>]</li> <li>The schedule continue with entry into operation in 2022 of the two first power generation units.</li> </ul>	<b>Dam and Spillway</b>	<ul style="list-style-type: none"> <li>Fully operational Dam</li> <li>Fully operational Spillway with two channels</li> </ul>	<ul style="list-style-type: none"> <li>Final stage of abutment injections</li> </ul>	99.7%
	<b>Powerhouse</b>	<ul style="list-style-type: none"> <li>Stabilization of access tunnel</li> <li>Extraction of sediments</li> <li>Works on north zone vault</li> <li>Cleaning and removal of damaged equipment from units 1 to 4</li> <li>Assembly of 300-ton bridge cranes</li> </ul>	<ul style="list-style-type: none"> <li>Recovery and stabilization of tunnels and caverns</li> <li>Reconstruction of the control building</li> <li>Assembly of generation units</li> </ul>	83.7%
	<b>Pressure Well</b>	<ul style="list-style-type: none"> <li>Completed works in-between pressure wells 1 and 2</li> </ul>	<ul style="list-style-type: none"> <li>Shielding of pressure wells</li> <li>Underwater work in intake structures</li> </ul>	81.2%
	<b>Intermediate Discharge Tunnel</b>	<ul style="list-style-type: none"> <li>Partial reinforcement with concrete lining in selected areas</li> <li>Reinforcement of downstream walls</li> <li>Enlargement of Plug 12</li> </ul>	<ul style="list-style-type: none"> <li>Gate completion and shielding</li> <li>Concrete coating</li> </ul>	66.3%
	<b>Right Diversion Tunnel (RDT) and Auxiliary Diversion Tunnel (ADT)</b>	<ul style="list-style-type: none"> <li>Closing of both gates to the ADT</li> <li>Concrete pouring in said gates was completed.</li> <li>Final plug ADT</li> </ul>	<ul style="list-style-type: none"> <li>Pre-plug 2 and final plug RDT</li> </ul>	96.3%

## 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
<b>Total Cost</b>	<b>11,493</b>	<b>18,319</b>	<b>6,826</b>

**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).

**Gross investment as of April 2022: \$16.8 billion.**

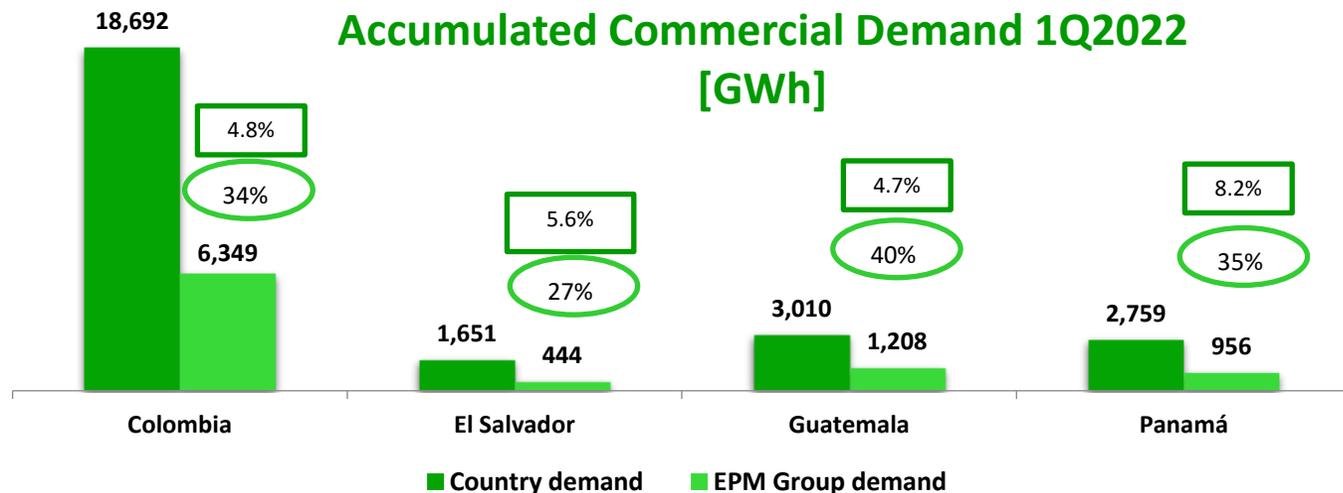
**Net investment as of April 2022: \$12.6 billion,** deducting payments from insurance policies.

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*

# 3. Energy Market

## EPM Group Commercial Power Demand

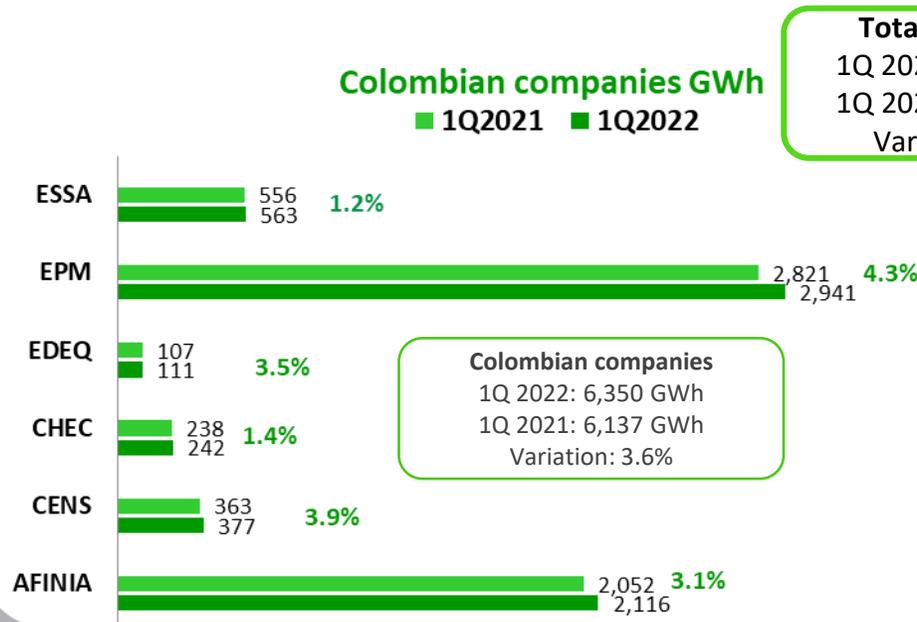


□ % Country's demand variation 1Q 2022 vs 1Q 2021

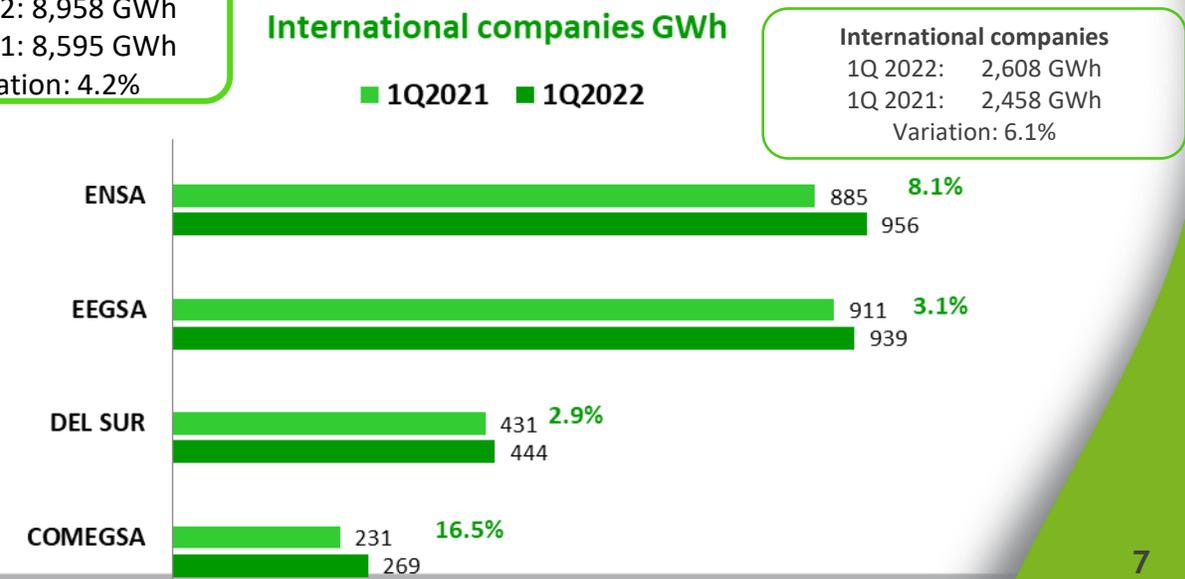
○ % EPM Group country demand's share.

*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*

1Q = First Quarter

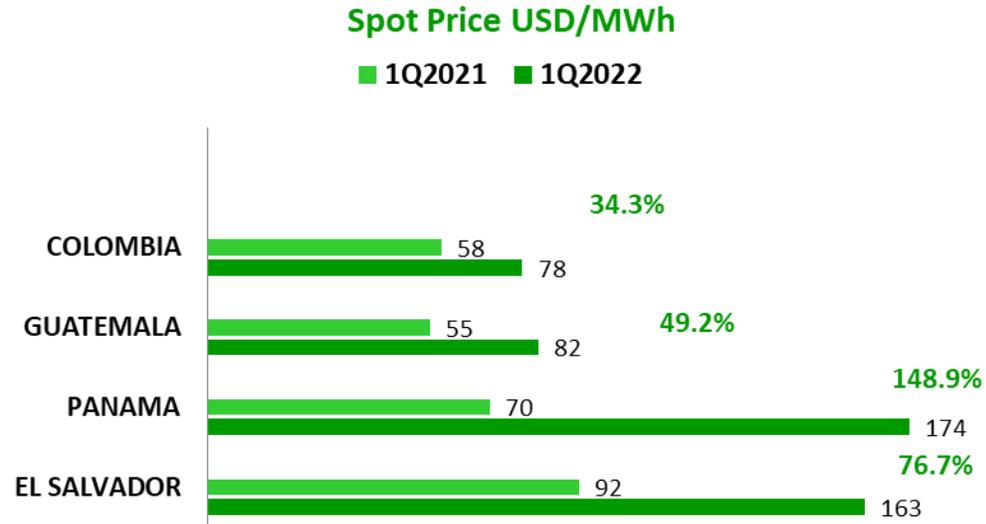


**Total EPM Group**  
 1Q 2022: 8,958 GWh  
 1Q 2021: 8,595 GWh  
 Variation: 4.2%



# 3. Energy Market

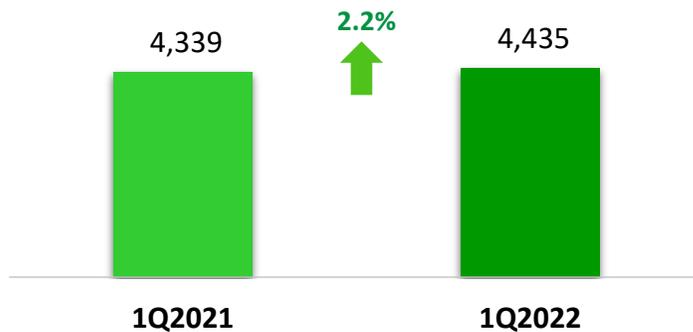
## Spot Price USD/MWh and EPM Power Generation (GWh)



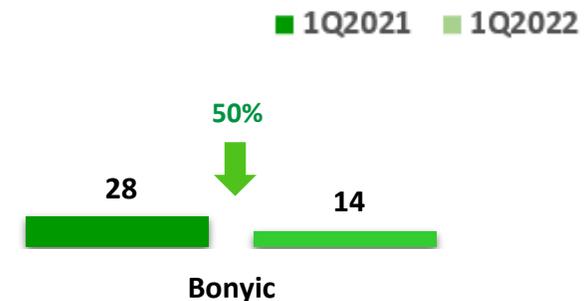
During 1Q2022:

- In Colombia, the spot price increased 34.3%, mainly due to the decrease in the water supply of the SIN aggregate reservoir and a greater 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 March 31, 2022

## Macroeconomic Scenario



Concept	Colombia	Chile	Guatemala	Panama	Mexico	El Salvador
GDP (YTD)	4.36%	3.38%	1.89%	1.89%	2.43%	2.23%
CPI (anual variation)	8.53%	9.41%	4.17%	3.21%	7.45%	6.69%
PPI/WPI (YTD)	8.88%	3.55%	N.A.	N.A.	2.51%	1.76%
PPI/WPI (anual variation)	22.47%	24.87%	N.A.	N.A.	8.59%	5.67%
Exchange rate (month-end)	3,748.15 COP/USD	787.16 CLP/USD	7.68 GTQ/USD	N.A.	19.91 MXN/USD	N.A.
Devaluation / Revaluation (YTD)	-5.85%	-7.42%	-0.50%	N.A.	-2.72%	N.A.

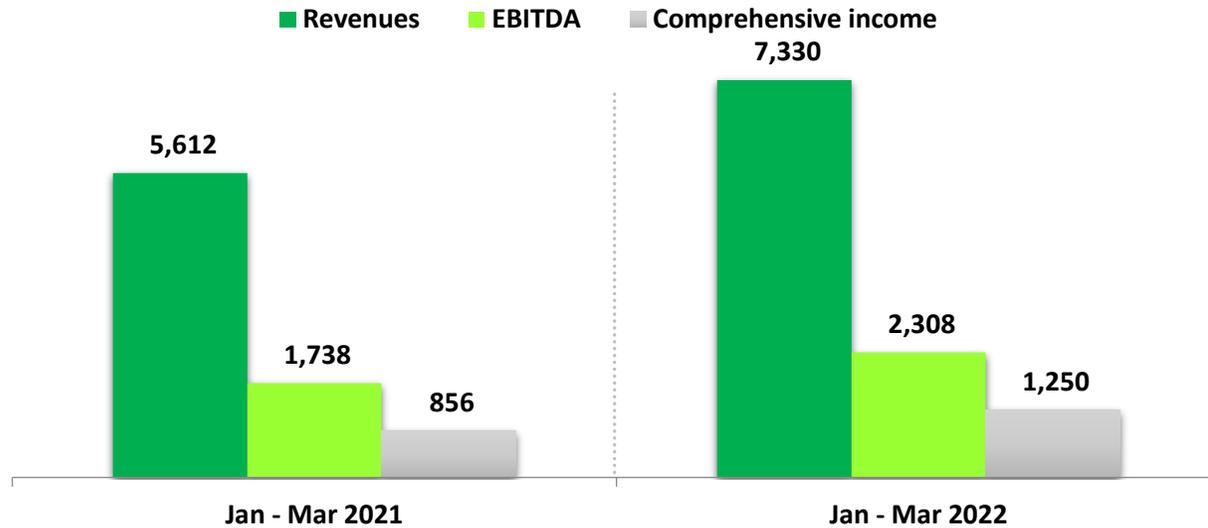


**CPI: Consumer Price Index**  
**PPI: Producer Price Index. In Colombia corresponds to the internal supply index.**  
**WPI: Wholesale Price Index**  
**N/A: Not applicable, Not available**

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

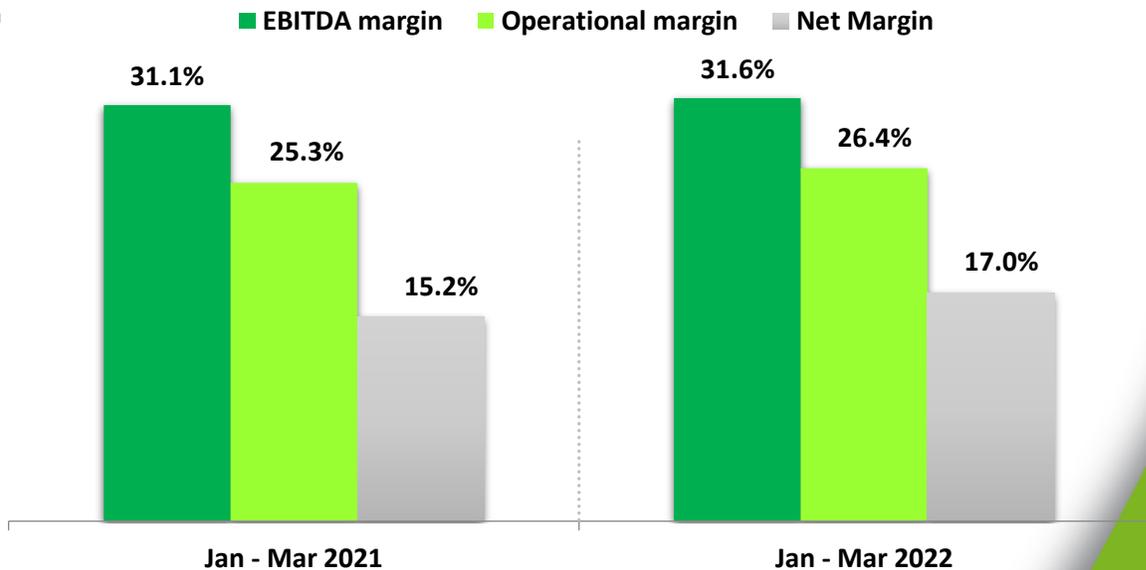
## EPM Group Income Statement

Figures in COP thousand million



### Jan - Mar 2022 – 2021

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

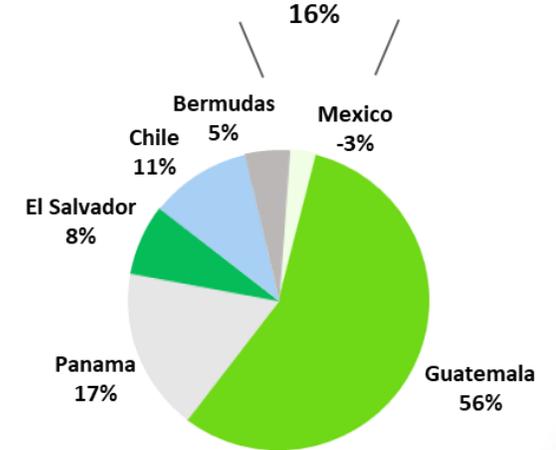
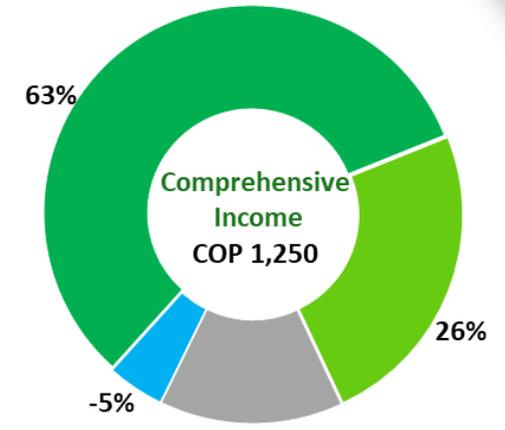
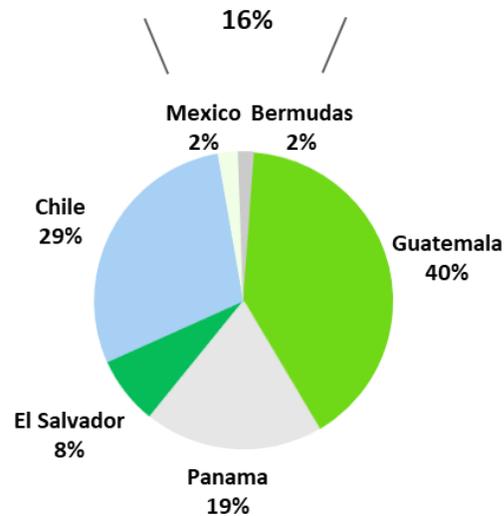
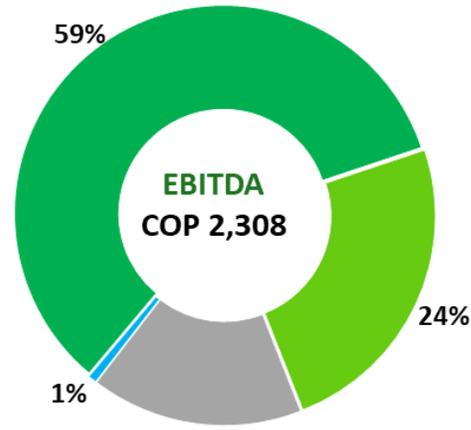
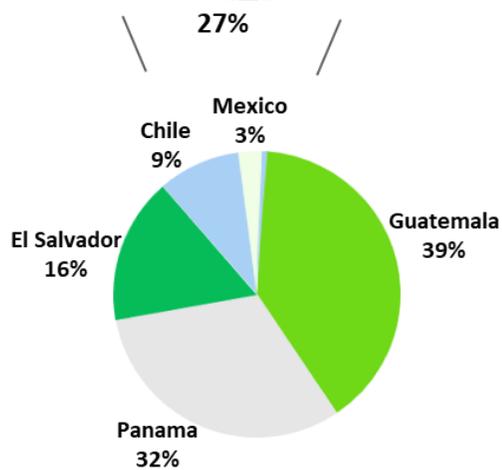
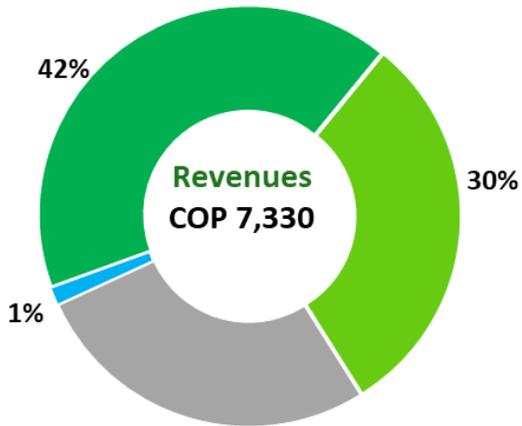


- Revenues** increased COP 1,718, 31%, mainly explained by higher revenues in the distribution business of Colombian and international companies given the higher demand and rise in prices.
- Costs and expenses** increased COP 1,204, 29%, explained by a higher cost of the commercial operation given the 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.

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

## EPM Group by Colombian and International Subsidiaries

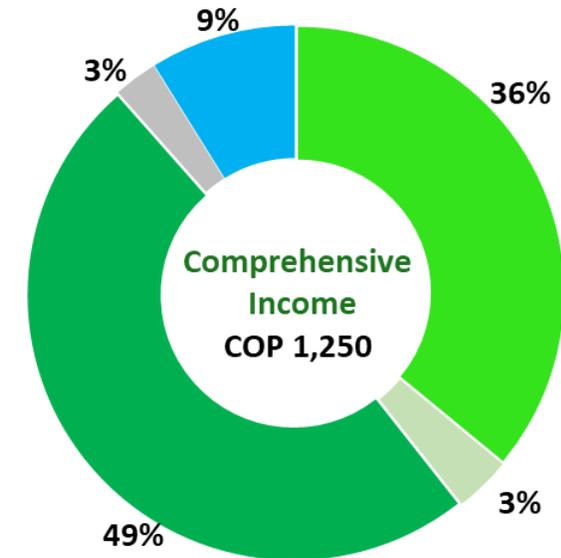
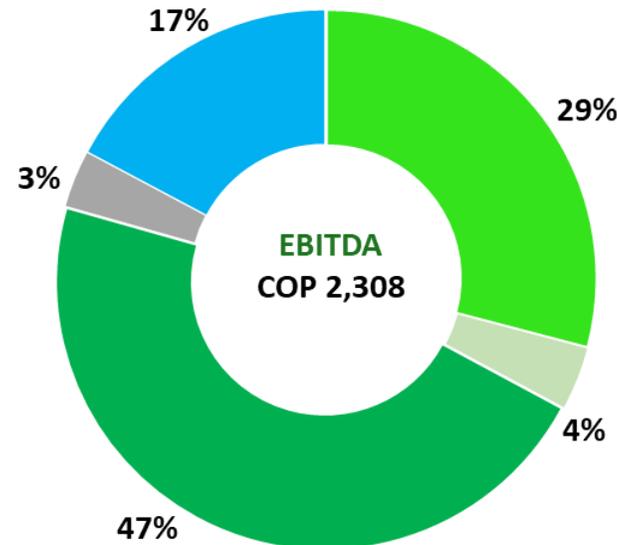
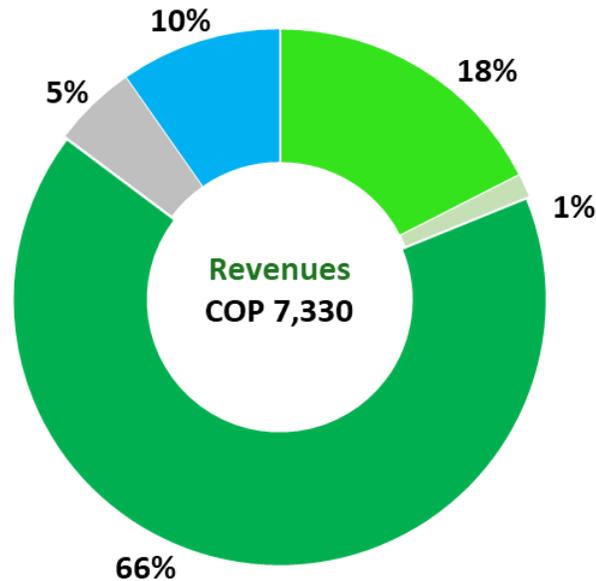
Figures in COP thousand million



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

## EPM Group by Segments

Figures in COP thousand million

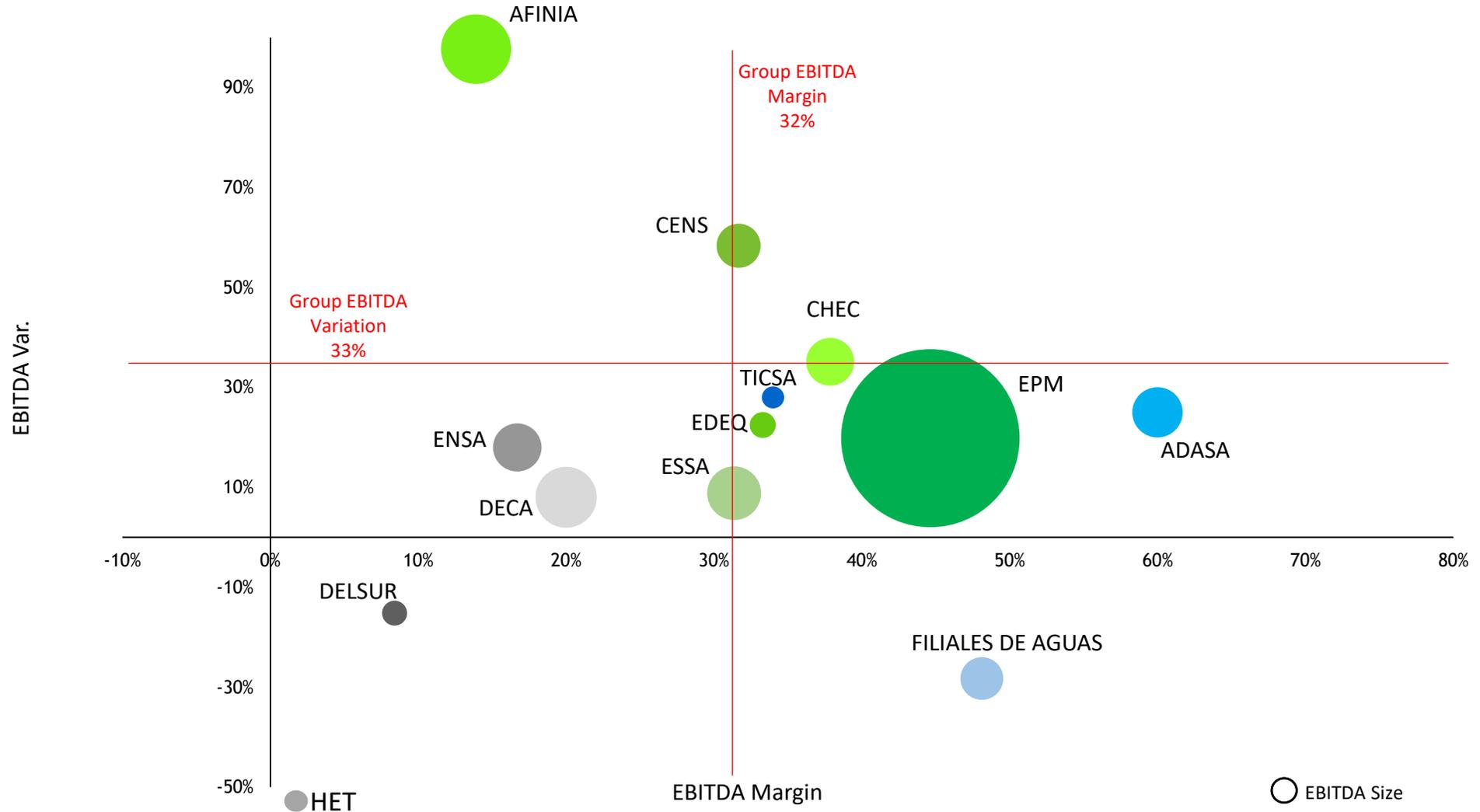


- Generation
- Distribution
- Water and Solid Waste Management
- Transmission
- Gas

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

## EPM Group EBITDA

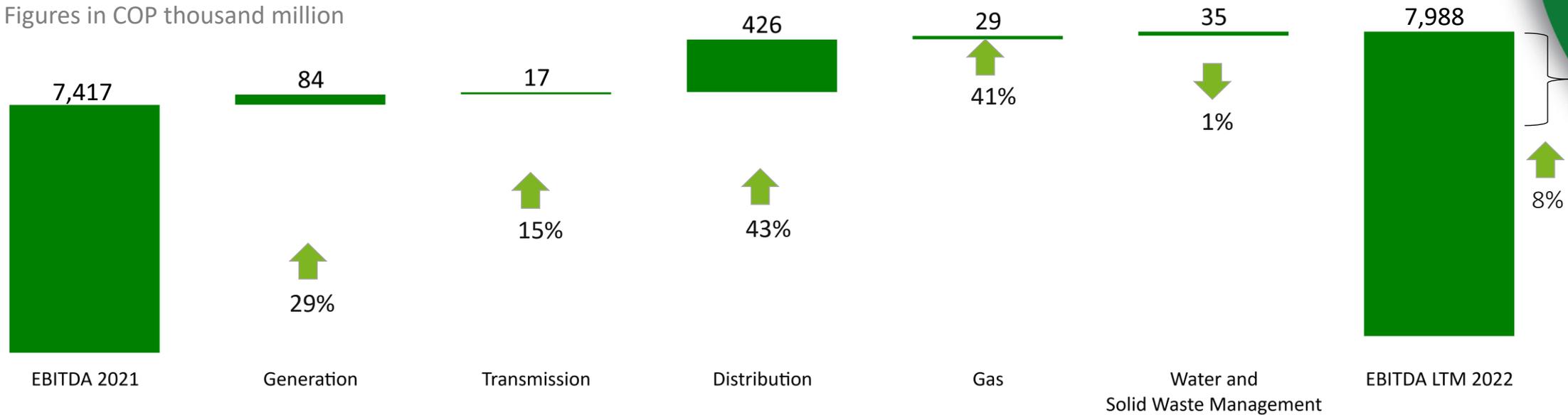
Figures in COP thousand million



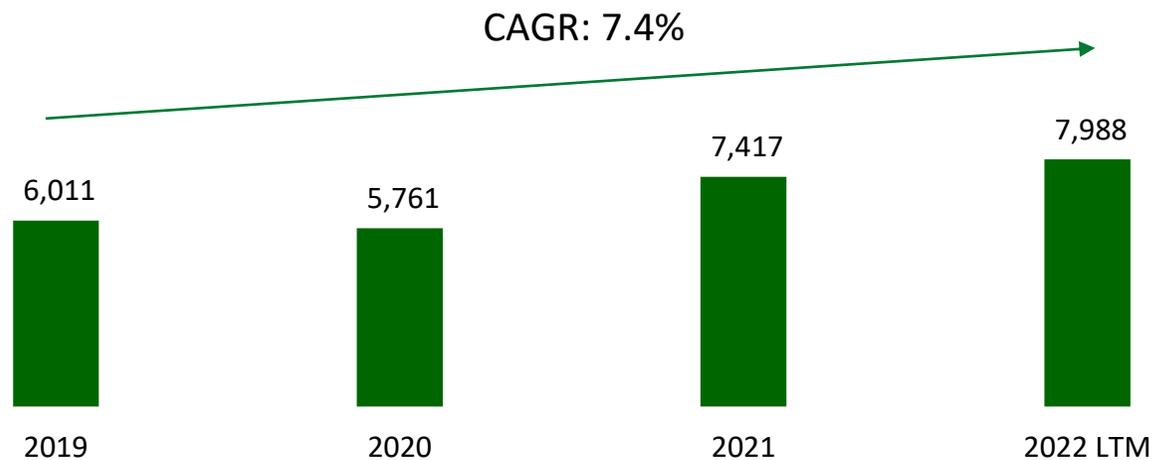
# 4. Financial Results as of March 31, 2022 (unaudited)

## EPM Group EBITDA

Figures in COP thousand million



It does not include the other segments and eliminations.

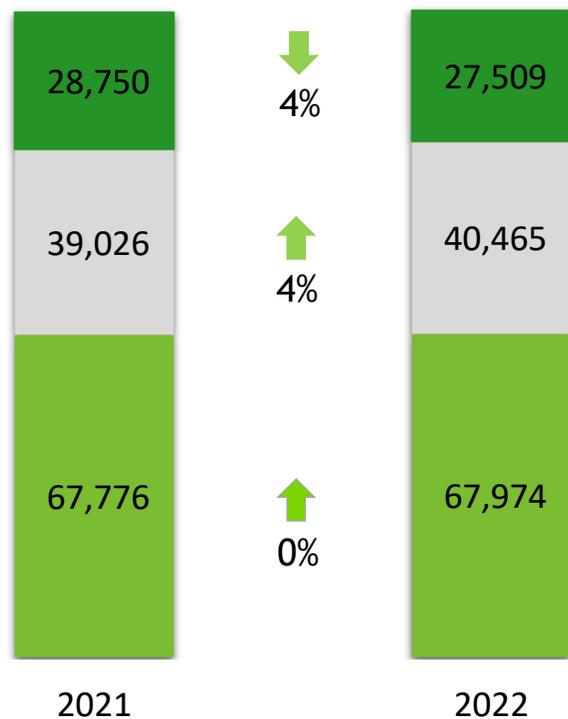


# 4. Financial Results as of March 31, 2022 (unaudited)

## EPM Group Statement of Financial Position

Figures in COP thousand million

■ Assets ■ Liabilities ■ Equity



**3,690** Cash position **5,247**

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

### EBITDA/ Financial expenses



### Total Long Term Debt/EBITDA



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

(\*) Net Debt/EBITDA

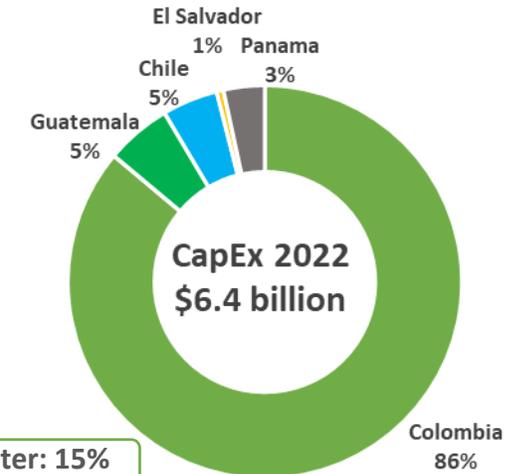
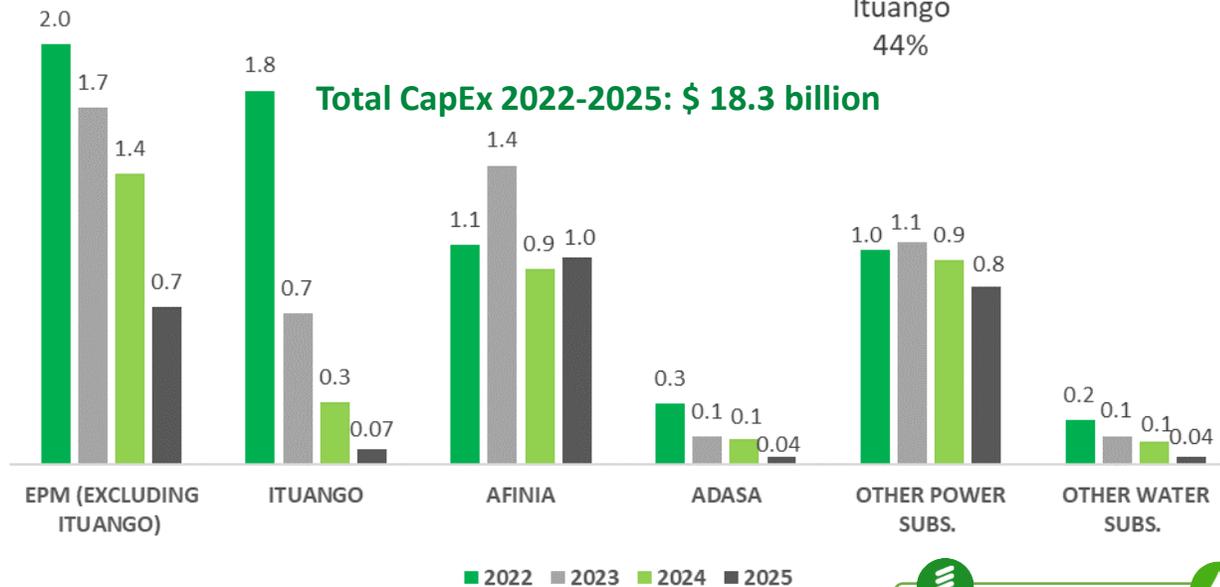
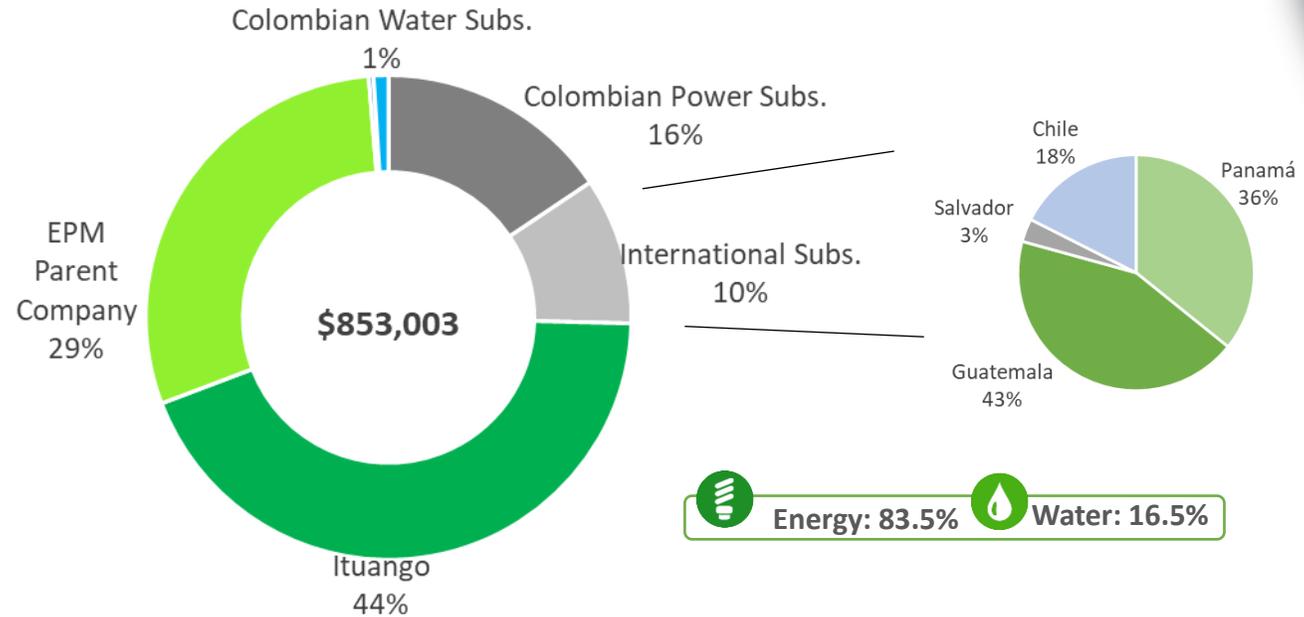
# 4. Financial Results as of March 31, 2022

## EPM Group CapEx



Figures in COP million

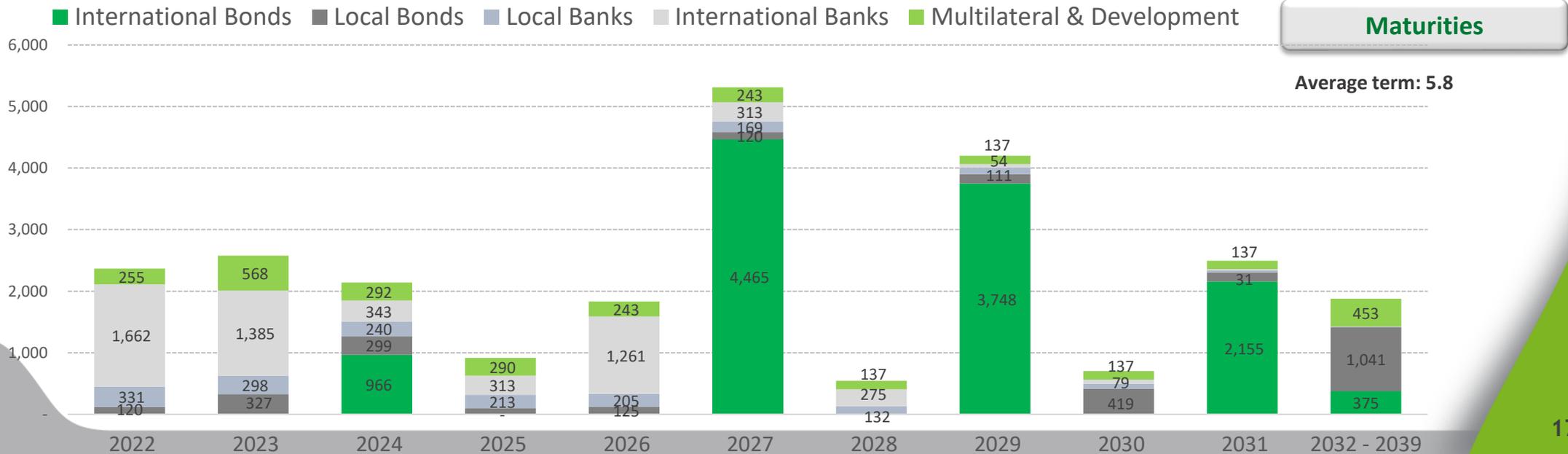
EPM Group	Jan – March 2022
Ituango	373,840
EPM Parent Company (excluding Ituango)	251,260
International Subs.	83,608
Agua Claras WWTP	2,786
Colombian Power Subs.	133,039
Colombian Water Subs.	8,470
<b>Total</b>	<b>853,003</b>



# 4. Financial Results as of March 31, 2022

## EPM Group Debt Profile

Figures in COP thousand million





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