

Medellin, April 19<sup>th</sup>, 2023

## EPM Group announces consolidated financial results as of December 31, 2022

Empresas Públicas de Medellín E.S.P. and subsidiaries (hereinafter, "EPM Group") is the holding company of a multi-Latin enterprise group formed by 44 companies and five structured entities<sup>1</sup>, that have presence in the provision of public utilities in Colombia, Chile, El Salvador, Guatemala, Mexico and Panama. Its corporate purpose is the provision of public utilities, mainly in power generation, power transmission and power distribution, gas, water supply, cleaning and waste management business lines.

The figures presented for this quarter are expressed in Colombian Pesos, according to the International Financial Reporting Standards (IFRS) accepted in Colombia. The consolidation process implies inclusion of 100% of the companies where EPM has control. Figures for this period are audited.

### CONSOLIDATION SCOPE



<sup>1</sup> Autonomous Patrimony Social Financing of EPM, CHEC, EDEQ, ESSA and Credieegsa S.A. Under International Financing Reporting Standards (IFRS), it is considered a structured entity that forms part of the consolidation perimeter of the financial statements of the EPM Group.

## 1. RELEVANT FACTS OF THE QUARTER AND SUBSEQUENT TO THE CLOSING

### **2022 Financial Performance:**

- EPM Group presented very positive earnings results in 2022, with higher-than-expected increases compared to 2021, which makes it possible to guarantee the provision of utility services with quality, continuity, coverage, and availability.

### **UNE:**

- On November 30, with the information on Tigo-UNE's business models, technological changes such as spectrum renewal, as well as the situation reflected in the discount rate, a deterioration of the investment of COP 1,044,022 million was evidenced.

### **Debt Strategy:**

- On December 14, EPM signed a USD 700 million sustainability-linked credit agreement with international commercial banks, which includes the monitoring two key indicators in its management: GHG emissions and the rate of water loss per user invoiced (IPUF).
- On March 16, 2023, EPM signed its second credit agreement with the French Development Agency (AFD) for USD 189.8 million, intended to partially finance the investment plan in the Water, Sanitation and Energy segments.

### **Afinia:**

- On December 13, the Board of Directors of EPM approved the signing of a credit agreement with its subsidiary CaribeMar de la Costa SAS ESP (Afinia) for up to COP 450,000 million for a term of 5 years, destined to finance its investment plan.

### **Hidroituango:**

- On March 14, the contracting process for the construction of the final civil works of the Project (units 5 to 8) was declared void, given that the Colombian member of the Ituango PC-SC Consortium did not comply with the participation requirement established in the numeral 2.2.7.-Experience-, of the Particular Conditions.

- On March 23, EPM renewed with Seguros Generales Suramericana, the Extracontractual Civil Liability insurance coverage for the Power-Plant, achieving an increase in the insured limit, which goes from USD 5 million to USD 10 million, for an annual term.
- And on March 24, the All-Risk Material Damage and Business Interruption insurance coverage was contracted with the Colombian insurer La Previsora Seguros, for an annual term, managing to increase insurance coverage, going from an insured limit of USD 200 million to one of USD 250 million.

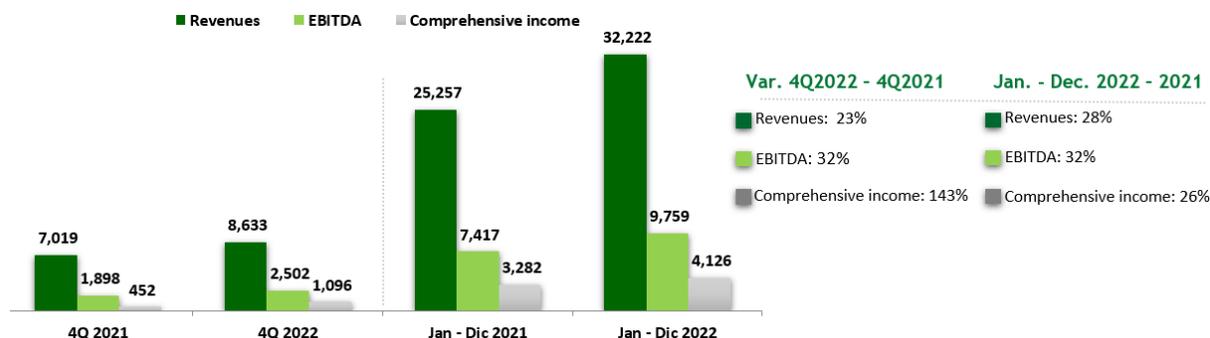
**Credit Rating:**

- On April 3, Fitch Ratings ratified EPM's credit ratings: international at BB+ and local at AAA.

## 2. FINANCIAL RESULTS AS OF DECEMBER 31, 2022

EPM Group presented the following financial performance compared to the same period of the previous year:

### 2.1 INCOME STATEMENT



Figures in COP thousand million

As of **December 31, 2022**, consolidated **revenue** totaled COP 32.2 billion with a 28% increase, equivalent to COP 5.35 billion, with respect to same period of last year, where:

- in the **EPM** Parent Company the increase was COP 2.1 billion, focused on the **Distribution** business due to the increase in tariffs driven by the PPI and CPI macroeconomic indicators growth, and a greater energy amount sold in GWh 199; in **Generation** business by COP 601 thousand million given the greater hydrological contributions of the period that allowed a historical generation of GWh 19,641, growth in energy market sales and to the Non-Regulated Market; and in **Gas** business by COP 279 thousand million due to higher consumptions and clients.
- in **Afinia** the increase was COP 1.6 billion, mainly due to higher revenues, given the authorization of tariffs in accordance with the Temporary Regime in force for the subsidiary, the growth of the PPI and CPI macroeconomic indicators, and higher units sold in GWh 220.
- in **ENSA, Panama** the increase was COP 818 thousand million, due to greater commercial demand in GWh 134, and a higher price of USD/MWh 124.
- In **EEGSA (Guatemala)** the increase was COP 622 thousand million, explained by greater number of clients in 46,111, units sold in GWh 87, and sale price in GTQ/KWh 135.
- In **Delsur (El Salvador)** the increase was COP 347 thousand million, explained by a higher tariff in USD/MWh 31, and a greater number of customers in 10,724.

Consolidated **costs and expenses** totaled COP 24.26 billion, with an 24% increase, COP 4.7 billion, mostly explained by a higher cost of the commercial operation by COP 3.03 billion given the greater purchase of energy at a higher price.

**Operating Margin** as of December 31, 2022, was 25%, compared to 23% obtained 2021.

**EBITDA totaled** COP 9.7 billion, increasing 32%, COP 2.3 billion, compared to previous year.

**EBITDA Margin** was 30%, compared to 30% obtained the previous year.

**The comprehensive income for the period** was COP 4.12 billion, increasing of COP 844 thousand million in relation to previous year, and **Net margin** of 13%, compared to 13% obtained in 2021, where some aspects to point out are:

**Increase in:**

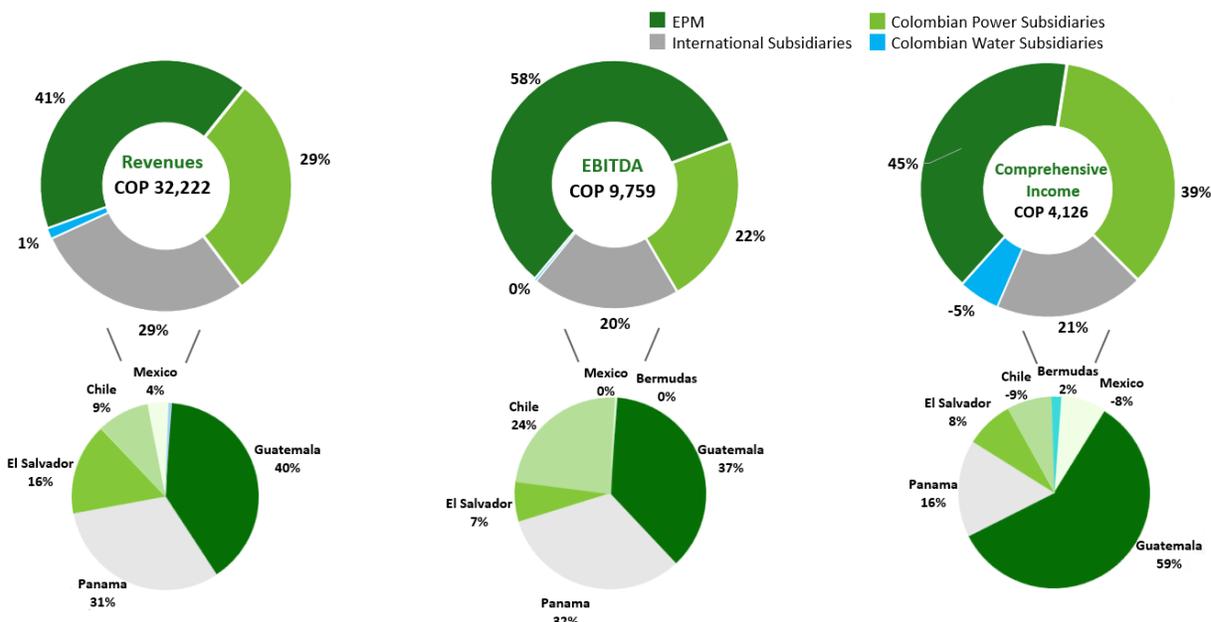
- Revenues for COP 6.9 billion.
- Costs and expenses for COP 4.7 billion.
- FX revenues for COP 82 thousand million.
- Financial expenses for COP 609 thousand million.
- Income tax provision for COP 536 thousand million.

Concept	2021	2022	% Var.	2022 USD*
Net Revenues	25,256,929	32,222,469	28	6,699
Costs and administrative expenses	19,544,663	24,262,450	24	5,044
Exchange differences	(20,922)	(103,086)	393	(21)
Financial results, net	(1,277,659)	(1,886,979)	48	(392)
Investment results, net	(145,846)	(166,544)	14	(35)
Profit before taxes	4,267,839	5,803,410	36	1,206
Income tax provision	1,074,627	1,610,791	50	335
Discontinued operations	-	-	100	-
Regulatory accounts, net	88,434	(67,117)	N.A.	(14)
Comprehensive Income for the period	3,281,646	4,125,502	26	858
Other Comprehensive Income	(274,738)	(36,228)	(87)	(8)
<b>Total Comprehensive Income for the year</b>	<b>3,006,909</b>	<b>4,089,274</b>	<b>36</b>	<b>850</b>
Minority Interest	248,552	276,243	11	57
<b>Total Comprehensive Income for the year attributable to owners of the company</b>	<b>2,758,356</b>	<b>3,813,031</b>	<b>38</b>	<b>793</b>

Figures in COP million

\*Figures in COP were converted to USD at an exchange rate of COP/USD 4,810.20 (December 31,2022).

## 2.2 FINANCIAL RESULTS BY COLOMBIAN AND INTERNATIONAL SUBSIDIARIES



Figures in COP thousand million

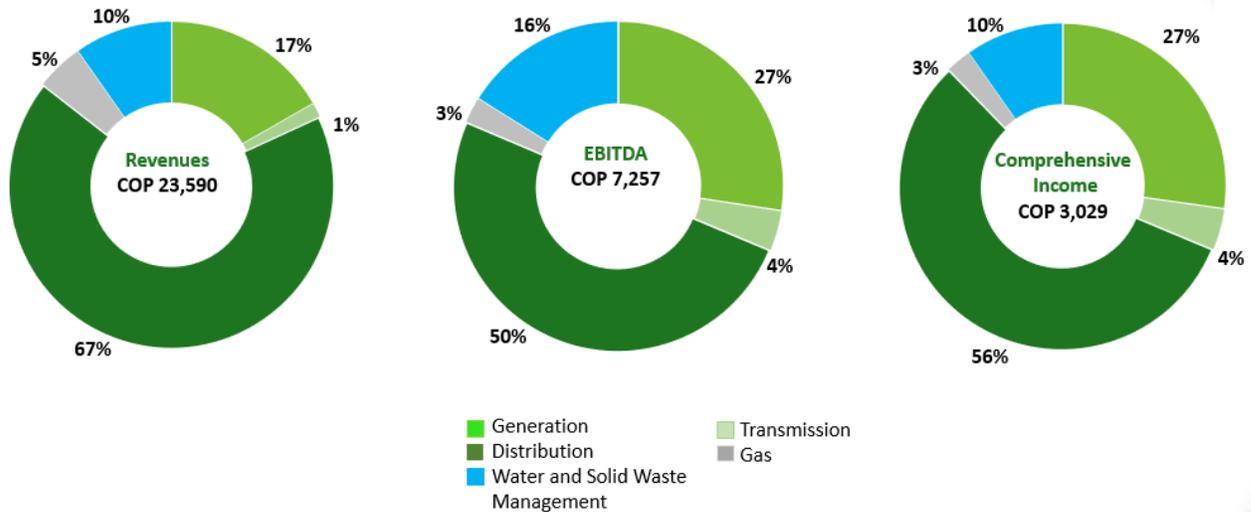
The percentages do not include the Other Segment and Eliminations.

Of the **Group's total revenue**, it is important to underscore the fact that Colombia accounted for 71% and foreign subsidiaries for 29%. In Colombia, **EPM Parent Company** accounted for 41%, **the Colombian power subsidiaries** accounted for 29%, and the remaining 1% comes from the **Water and Solid Waste Management subsidiaries in Colombia**.

**As to EBITDA**, the Group's Colombian companies accounted for 80%, where **EPM Parent Company** accounted for 58%, equivalent to COP 5.7 billion, and a 25% growth, COP 1.1 billion, compared to previous year. **The Colombian power subsidiaries** accounted for 22%, equivalent to COP 2.1 billion, and a 64% growth, mainly driven by Afinia for COP 516 thousand million, CHEC for COP 142 thousand million, and ESSA for COP 79 thousand million.

The Group's **International subsidiaries** accounted for 20%, equivalent to COP 1.9 billion, and a 30% growth, COP 441 thousand million, compared to previous year, standing out ENSA for COP 321 thousand million, and an 129% growth, and EEGSA for COP 76 thousand million, and a 20% growth.

## 2.3 FINANCIAL RESULTS BY SEGMENTS



Figures in COP thousand million  
The percentages do not include the Other Segment and Eliminations.

Regarding the results by segment, **Energy services** accounted for **85%** of the Group's revenue, and **83%** of EBITDA.

In revenue, the **Power Distribution and Power Generation** segments stood out with **67%** and **17%** participation, respectively, where the following stood out:

- In **Distribution business**, there was a growth for COP 5,4 billion, a 31%, where the contributions stood out of: Afinia for COP 1.6 billion, EPM for COP 1.09 billion and a 25% growth, and Ensa for COP 818 billion and a 45 % growth.
- In **Generation business** there was a growth for COP 586 billion, 11%, where the greater contributions were: EPM for COP 601 thousand million and a 12% growth, and HET COP 14 thousand million and a 24 growth.

**Fuel Gas services** contributed 5% of the Group's revenue, and 2% of EBITDA.

**Water and Solid Waste Management services** represented 10% of the Group's revenue, and 15% of EBITDA.

## 2.4 STATEMENT OF FINANCIAL POSITION

Financial Position	2022	2021	% Var.	2022 USD*
<b>Assets</b>				
Current	14,950,654	14,576,032	3	3,108
No Current	60,627,701	53,200,437	14	12,604
<b>Total assets</b>	<b>75,578,355</b>	<b>67,776,470</b>	<b>12</b>	<b>15,712</b>
<b>Liabilities</b>				-
Current	12,063,157	9,720,287	24	2,508
No Current	32,528,329	29,305,997	11	6,762
<b>Total Liabilities</b>	<b>44,591,486</b>	<b>39,026,284</b>	<b>14</b>	<b>9,270</b>
<b>Equity</b>	<b>30,986,869</b>	<b>28,750,186</b>	<b>8</b>	<b>6,442</b>

Figures in COP million

Figures in COP were converted to USD at an exchange rate of COP/USD 4,810.20 (December 31, 2022).

### Regarding the Balance Sheet:

The **Equity** totaled **COP 30.9 billion**, and an 8% growth, due to the combine effect of higher total comprehensive income for COP 4 billion and a decrease for the record of surpluses to the Municipality of Medellín for COP 1.85 billion and paid during the period.

**Liabilities** totaled to **COP 44.6 billion**, and a 14% growth, equivalent to COP 5.6 billion, respect to the previous year, mainly explained by an increase in credits and loans for COP 3.7 billion, creditors and other accounts payable for COP 704 thousand million, and other liabilities for COP 559 thousand million.

**The Group's total assets** rose to **COP 75.5 billion**, and a 12% increase, equivalent to COP 7.8 billion, compared to the previous year, standing out investments in infrastructure, mainly Ituango for COP 1.8 billion, EPM without Ituango for COP 1.4 billion, Colombian power subsidiaries for COP 804 thousand million, and international subsidiaries for COP 721 thousand million.

**Cash position** as of December 31, 2022, was **COP 4.3 billion**.

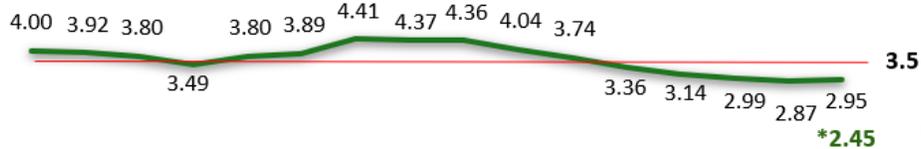
Regarding ratios:

Ratios	2021	2022
Total Debt	58 %	59 %
Financial Debt	40 %	41 %
EBITDA/financial expenses	6.18 X	4.71 X
Long-Term Debt/EBITDA	3.35 X	2.95 X
Net Debt/EBITDA	2.79 X	2.45 X

**EBITDA/ Financial expenses**



**Total Long Term Debt/EBITDA**



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

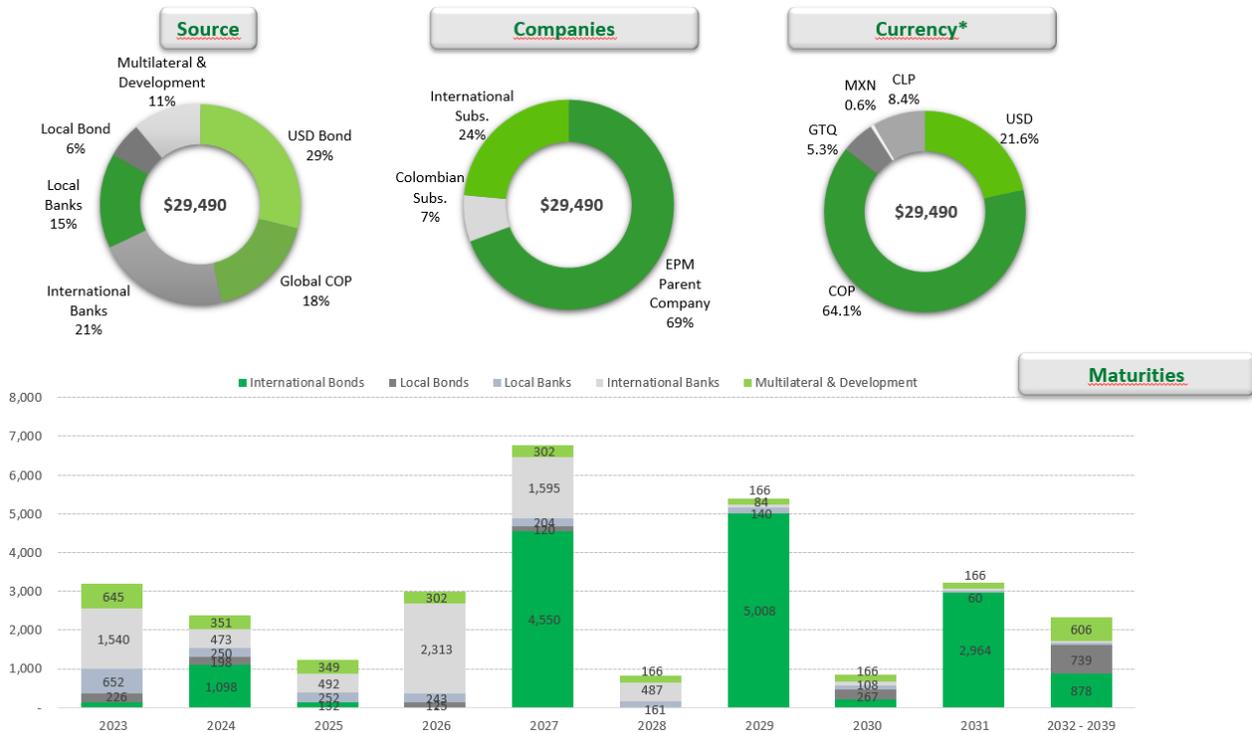
(\*) Net Debt/EBITDA

The Group's Total Debt/Total Assets was 59%, compared to 58% obtained the previous year.

Regarding **debt** ratios:

- The EBITDA/Financial expenses reached 4.71x.
- The Total Debt/EBITDA was 2.95x, 0.55x under the goal of 3.50x.
- Net Debt/EBITDA: 2.45x.

## 2.5 DEBT PROFILE



Figures in COP thousand million

The debt of EPM Group totaled COP 29.5 billion. As to financing source, 21% of debt corresponds to domestic debt, 18% to Pesos-denominated foreign debt, and 61% to foreign debt hired in other currencies.

Of EPM Group's total debt 69% belongs to EPM parent company.

At the quarter's close, accumulated foreign-exchange financial hedges totaled USD 1,575 million.

As to maturities, EPM parent company holds four international bond issues maturing 2024, 2027, 2029 and 2031. These values are continuously analyzed taking into account the roll-over alternative in order to adjust to needs and comply with the strategic objectives of EPM Group.

## EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2022 and 2021

Figures expressed in millions of Colombian pesos

	Notes	2022	2021
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment, net	5	44.181.617	39.075.180
Investment property	6	190.574	167.329
Goodwill	7	3.693.266	3.218.802
Other intangible assets	7	3.405.647	2.846.369
Right-of-use assets	14	826.955	697.918
Investments in associates	10	1.153.598	1.393.915
Investments in joint ventures	11	17.166	24.054
Deferred tax asset	40	1.217.353	906.746
Trade and other receivables	12	2.441.171	1.534.443
Other financial assets	13	3.023.468	2.843.684
Other assets	16	331.706	285.165
Cash and cash equivalents (restricted)	18	89.065	70.550
<b>Total non-current assets</b>		<b>60.571.586</b>	<b>53.064.155</b>
<b>Current assets</b>			
Inventories	17	714.643	511.364
Trade and other receivables	12	7.504.762	7.626.019
Current tax assets	26	697.964	575.023
Other financial assets	13	1.047.473	1.004.346
Other assets	16	947.132	839.770
Cash and cash equivalents	18	4.038.679	4.019.511
<b>Total current assets</b>		<b>14.950.653</b>	<b>14.576.033</b>
<b>Total assets</b>		<b>75.522.239</b>	<b>67.640.188</b>
<b>Debit balances of deferred regulatory accounts</b>	30	56.115	136.282
<b>Total assets and debit balances of deferred regulatory accounts</b>		<b>75.578.354</b>	<b>67.776.470</b>
<b>Equity</b>			
Issued capital	19	67	67
Treasury shares	19	(52)	(52)
Reserves	19	2.518.114	2.416.297
Accumulated other comprehensive income	20	3.765.881	3.798.458
Retained earnings	19	19.212.331	18.125.734
Net profit for the period	19	3.845.458	3.039.783
Other components of equity	19	78.565	74.520
<b>Equity attributable to owners of the Company</b>		<b>29.420.364</b>	<b>27.454.807</b>
Non-controlling interests		1.566.502	1.295.378
<b>Total equity</b>		<b>30.986.866</b>	<b>28.750.185</b>

## EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2022 and 2021

Figures expressed in millions of Colombian pesos

	Notes	2022	2021
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Loans and borrowings	21	25.896.191	22.644.119
Creditors and others accounts payable	22	775.046	667.530
Other financial liabilities	23	888.992	1.037.843
Employee benefits	25	699.708	900.109
Income tax payable	40	33.351	33.351
Deferred tax liabilities	40	2.368.390	2.171.022
Provisions	27	1.240.474	1.089.354
Other liabilities	28	609.344	721.786
<b>Total non-current liabilities</b>		<b>32.511.496</b>	<b>29.265.114</b>
<b>Current liabilities</b>			
Loans and borrowings	21	3.594.078	3.121.673
Creditors and others account payable	22	4.586.525	3.970.341
Other financial liabilities	23	686.730	603.430
Employee benefits	25	390.895	310.639
Income tax payable	40	500.396	159.025
Taxes contributions and rates payable	26	511.280	480.022
Provisions	27	582.926	535.902
Other liabilities	28	1.210.328	539.255
<b>Total current liabilities</b>		<b>12.063.158</b>	<b>9.720.287</b>
<b>Total liabilities</b>		<b>44.574.654</b>	<b>38.985.401</b>
Deferred tax liabilities related to balances of deferred regulatory accounts	30	16.834	40.884
<b>Total liabilities and credit balances of deferred regulatory accounts</b>		<b>44.591.488</b>	<b>39.026.285</b>
<b>Total liabilities and equity</b>		<b>75.578.354</b>	<b>67.776.470</b>

The accompanying notes are an integral part of the Consolidated Financial Statements

  
Jorge Andrés Carrillo Cardoso  
General Manager  
Certification Attached

  
Mariana Lucía Durán Ortiz  
Executive Vice-President of Finance  
and Investments

  
John Jaime Rodríguez Sosa  
Director of Accounting and Costs  
Professional Card N° 144842-T  
Certification Attached

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES  
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME

For the years ended December 31, 2022 and 2021  
Figures expressed in millions of Colombian pesos

	Notes	2022	2021
Rendering of services	31	31.524.554	24.649.101
Sale of goods	31	55.457	74.594
Leases	31	148.397	107.952
Ordinary activities revenue		<u>31.728.408</u>	<u>24.831.647</u>
Other income	32	488.409	423.450
Income from sale of assets	33	5.652	1.832
Total revenue		<u>32.222.469</u>	<u>25.256.929</u>
Costs of services rendered	34	(20.687.461)	(16.739.661)
Administrative expenses	35	(2.330.073)	(2.217.684)
net impairment loss on accounts receivable	12	(1.106.405)	(401.045)
Other expenses	36	(138.511)	(186.272)
Finance income	37,1	397.903	153.186
Finance expenses	37,2	(2.284.882)	(1.430.845)
Net foreign exchange difference	38	(103.086)	(20.922)
Share of loss of equity accounted investees	10 and 11	(237.266)	(269.896)
Gain on equity investments	39	70.722	124.050
Profit for the period before taxes		<u>5.803.410</u>	<u>4.267.840</u>
Income tax	40	(1.610.791)	(1.074.627)
<b>Profit for the period after taxes</b>		<b>4.192.619</b>	<b>3.193.213</b>
Net movement in balances of net regulatory accounts related to the result of the period	30	(97.743)	126.824
Net movement in deferred tax related to deferred regulatory accounts related to the results of the period	30	30.625	(38.391)
<b>Profit for the period and net movement in deferred tax related to deferred regulatory accounts</b>		<b>4.125.501</b>	<b>3.281.646</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Reclassification of properties, plant and equipment to investment properties	20	-	187
Remeasurement of defined benefit plans	20	126.956	158.695
Equity investments measured at fair value through equity	20	(131.035)	(322.482)
Equity accounted investees - share of OCI	10 and 20	(2.714)	9.535
Income tax related to components that will not be reclassified	20 and 40	(349.496)	(48.232)
		<u>(356.289)</u>	<u>(202.297)</u>
<b>Items that will be reclassified subsequently to profit or loss:</b>			
Cash flow hedges:	20	(595.470)	(513.965)
Reclassified to profit or loss for the period		329.799	375.323
Reclassification Adjustment		(925.269)	(889.288)
Exchange differences on translation of foreign operations	20	840.297	282.638
Equity accounted investees - share of OCI	10 and 20	3.347	11.121
Hedges of net investments in foreign operations		(216.145)	(61.509)
Income tax related to the components that may be reclassified	20 and 40	288.033	209.275
		<u>320.062</u>	<u>(72.440)</u>
<b>Other comprehensive income for the period, net of taxes</b>		<b>(36.227)</b>	<b>(274.737)</b>
<b>Total comprehensive income for the period</b>		<b>4.089.274</b>	<b>3.006.909</b>
<b>Result for the period attributable to:</b>			
Owners of the company		3.845.458	3.039.783
Non-controlling interest		280.043	241.863
		<u>4.125.501</u>	<u>3.281.646</u>
<b>Total comprehensive income attributable to:</b>			
Owners of the company		3.813.031	2.758.357
Non-controlling interest		276.243	248.552
		<u>4.089.274</u>	<u>3.006.909</u>

The accompanying notes are an integral part of the Consolidated Financial Statements

Jorge Andrés Carrillo Cardoso  
General Manager  
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Martha Lucía Durán Ortiz  
Executive Vice-President of Finance  
and Investments

John Jaime Rodríguez Sosa  
Director of Accounting and Costs  
Professional Card N° 144842-T  
Certification Attached

# Fourth Quarter 2022 Financial Report

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the years ended December 31, 2022 and 2021  
Figures expressed in millions of Colombian pesos

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	Notes	2022	2021
<b>Cash flows from operating activities:</b>			
		<b>4.125.501</b>	<b>3.281.646</b>
Adjustments to reconcile the net profit for the period to the net cash flows used in operating activities:			
Depreciation and amortization of property, plant and equipment, right-of-use assets and intangible assets	34 and 35	1.524.883	1.353.687
Impairment of property, plant and equipment, right of use assets and intangible assets	8	88.647	10.004
Net impairment loss on accounts receivable	12	1.106.405	401.046
Reversal loss of impairment of property, plant and equipment value, right-of-use assets and intangible assets	8	(117)	(47.969)
Impairment of investments in associates and joint ventures	8	6.420	-
Write-down of inventories, net	34 and 36	2.023	2.918
Result due to exchange difference	38	103.086	20.922
Result due to valuation of investment property	32 and 36	(20.383)	142
Result for valuation of financial instruments and hedge accounting	37.1 y 37.2	25.353	178.636
Result of compensation for activities associated with investment flow		-	(159)
Provisions, post-employment and long-term defined benefit plans	35	317.572	499.411
Provisions for tax, insurance and reinsurance obligations and financial updating	35 and 37.2	86.223	34.368
Applied Government subventions	32	(119.985)	(119.831)
Deferred income tax	40	(152.669)	159.076
Current income tax	40	1.763.460	915.551
Share of loss of equity-accounted investees	10 and 11	237.266	269.896
Interest and yield income	37,1	(293.616)	(122.232)
Interest and commission expenses	37,2	2.069.530	1.199.044
Result due to disposal of properties, plant and equipment, right-of-use assets, intangibles and investment property	33 and 36	(5.084)	(833)
Result from withdrawal of property, plant and equipment, right of use assets, intangible assets and investments	33 and 36	51.865	30.251
Non-cash recoveries	32	(117.643)	(98.481)
Result of deferred regulatory accounts	30	67.117	(88.434)
Result from business combinations		-	10.039
Dividend income from investments	13	(77.059)	(134.089)
		<b>10.788.712</b>	<b>7.754.609</b>
<b>Net changes in operating assets and liabilities:</b>			
Change in inventories		(195.929)	(33.870)
Change in trade and other receivables		(3.327.709)	(1.426.647)
Change in other assets		(562.298)	(576.889)
Change in creditors and other accounts payable		639.967	844.614
Change in labor obligations		25.369	(7.446)
Change in provisions		(375.632)	(192.949)
Change in other liabilities		1.040.968	417.780
<b>Cash generated from operating activities</b>		<b>8.033.448</b>	<b>6.779.202</b>
<b>Interest paid</b>			
		(1.885.286)	(1.501.384)
<b>Income tax paid</b>			
		(1.402.809)	(1.051.369)
<b>Income tax refund</b>			
		(1.576)	52.848
<b>Net cash provided by operating activities</b>		<b>4.743.777</b>	<b>4.279.297</b>
<b>Cash flows from investing activities:</b>			
Acquisition and capitalization of subsidiaries or businesses		-	(10.039)
Purchase of property, plant and equipment	5	(4.952.635)	(4.256.108)
Disposal of property, plant and equipment	5	36.677	12.359
Purchase of intangible assets	7	(529.382)	(331.400)
Disposal of intangible assets	7	10.215	2.138
Acquisition of investment properties	6	-	(280)
Disposal of investment properties		802	-
Disposal of associates and joint ventures		122	-
Purchase of investments in financial assets	13 and 24	(385.474)	(734.148)
Disposal of investments in financial assets	13	841.957	2.735.146
Interest received		274	1.040
Dividends received from associates and joint business	10	8.167	19.073
Other dividends received	13	76.981	134.089
Compensation received	5	2.521.064	694.919
Other cash flows from investment activities		(8.929)	29.615
<b>Net cash flow used in investing activities</b>		<b>(2.380.161)</b>	<b>(1.703.596)</b>

**EMPRESAS PÚBLICAS DE MEDELLÍN E. S. P. AND SUBSIDIARIES**  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the years ended December 31, 2022 and 2021  
Figures expressed in millions of Colombian pesos

Grupo epm

	Notes	2022	2021
Cash flows from operating activities:			
Cash from financing activities:			
Obtaining of borrowings and loans	21	3.797.929	4.816.759
Payments of borrowings and loans	21	(3.516.017)	(5.701.677)
Transaction costs due to issuance of debt instruments	21	(26.617)	(44.163)
Payments of liabilities for financial leasing	23	(63.672)	(76.052)
Dividends or surpluses paid to Medellín Municipality	19 and 41	(1.850.775)	(1.396.953)
Dividends or surplus paid to non-controlling interests	9	(172.661)	(52.702)
Capital subventions		317	2.662
Payments of capital of derivatives designated as cash flow hedges		37.233	22.985
Payment of pension bonds	23	(61.475)	(47.249)
Other cash from financing activities		(4.320)	14.103
<b>Net cash flows provided / (used in) by financing activities</b>		<b>(1.860.058)</b>	<b>(2.462.287)</b>
<b>Net increase in cash and cash equivalents</b>		<b>503.558</b>	<b>113.414</b>
Effects of variations in exchange rates in the cash and cash equivalents		(465.876)	(121.317)
Cash and cash equivalents at beginning of the period	18	4.090.062	4.097.964
<b>Cash and cash equivalents at end of the year</b>	<b>18</b>	<b>4.127.744</b>	<b>4.090.061</b>
Restricted cash	18	299.174	903.773

The accompanying notes are an integral part of these Consolidated Financial Statements.

Jorge Andrés Carrillo Cardoso  
General Manager  
Certification Attached

Martha Lucía Durán Ortiz  
Executive Vice-President of Finance  
and Investments

John Jaime Rodríguez Sosa  
Director of Accounting and Costs  
Professional Card N° 144842-T  
Certification Attached

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.  
SEPARATE STATEMENT OF FINANCIAL POSITION

As of December 31, 2022 and 2021

Figures expressed in millions of Colombian pesos

	Notes	2022	2021
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment, net	5	31.439.635	28.136.522
Investment property	6	169.288	152.339
Goodwill	7	260.950	260.950
Other intangible assets	7	617.800	589.244
Right-of-use assets	14	2.320.213	2.236.680
Investments in subsidiaries	8	12.264.415	10.312.202
Investments in associates	9	1.373.449	2.434.417
Investments in joint ventures	10	99	99
Deferred tax asset		-	-
Trade and other receivables	12	1.462.492	1.364.067
Other financial assets	13	2.990.535	2.795.255
Other assets	16	108.525	93.250
Cash and cash equivalents (restricted)	18	56.615	21.588
<b>Total non-current assets</b>		<b>53.064.016</b>	<b>48.396.613</b>
<b>Current assets</b>			
Inventories	17	195.617	172.709
Trade and other receivables	12	3.300.166	4.869.342
Current tax assets	39	340.687	322.496
Other financial assets	13	382.396	303.863
Other assets	16	158.486	145.782
Cash and cash equivalents	18	2.027.834	1.776.499
<b>Total current assets</b>		<b>6.405.186</b>	<b>7.590.691</b>
<b>Total assets</b>		<b>59.469.202</b>	<b>55.987.304</b>
<b>Equity</b>			
Issued capital		67	67
Reserves	19	1.459.906	1.552.992
Accumulated other comprehensive income	20	3.851.230	3.863.005
Retained earnings	19	20.814.391	19.211.783
Net profit for the period	19	3.035.956	3.365.046
Other components of equity		64.305	64.341
<b>Total equity</b>		<b>29.225.855</b>	<b>28.057.234</b>

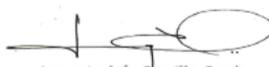
EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.  
**SEPARATE STATEMENT OF FINANCIAL POSITION**

As of December 31, 2022 and 2021

Figures expressed in millions of Colombian pesos

	Notes	2022	2021
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Loans and borrowings	21 and 41	19.120.702	16.783.568
Creditors and others accounts payable	22	9.148	13.253
Other financial liabilities	23	2.808.878	2.869.128
Employee benefits	25	285.502	374.626
Income tax payable	39	29.980	29.980
Deferred tax liabilities	39	1.982.785	2.001.194
Provisions	27	712.137	708.498
Other liabilities	28	30.686	31.049
<b>Total non-current liabilities</b>		<b>24.979.818</b>	<b>22.811.296</b>
<b>Current liabilities</b>			
Loans and borrowings	21 and 41	1.324.693	2.049.528
Creditors and others account payable	22	1.582.400	1.451.427
Other financial liabilities	23	536.815	488.484
Employee benefits	25	209.035	164.730
Income tax payable	39	26.047	26.047
Taxes contributions and rates payable	26	259.252	253.656
Provisions	27	439.283	417.034
Other liabilities	28	886.004	267.868
<b>Total current liabilities</b>		<b>5.263.529</b>	<b>5.118.774</b>
<b>Total liabilities</b>		<b>30.243.347</b>	<b>27.930.070</b>
<b>Total liabilities and equity</b>		<b>59.469.202</b>	<b>55.987.304</b>

The accompanying notes are an integral part of the Consolidated Financial Statements

  
Jorge Andrés Carrillo Cardoso  
General Manager  
Certification Attached

  
Martha Lucía Durán Ortiz  
Executive Vice-President of Finance  
and Investments

  
\* John Jaime Rodríguez Sosa  
Director of Accounting and Costs  
Professional Card N° 144842-T  
Certification Attached



EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

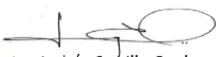
## SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the years ended December 31, 2022 and 2021

Figures expressed in millions of Colombian pesos

	Notes	2022	2021
Rendering of services	30	13.121.382	11.031.048
Leases	30	80.063	51.558
Sale of goods	30	9.043	5.557
<b>Ordinary activities revenue</b>		<b>13.210.488</b>	<b>11.088.163</b>
Income from sale of assets	32	613	1.174
Other income	31	253.346	177.913
<b>Total revenue</b>		<b>13.464.447</b>	<b>11.267.250</b>
Costs of services rendered	33	(7.098.482)	(6.188.883)
Administrative expenses	34	(1.219.985)	(1.315.542)
net impairment loss on accounts receivable	12	(215.877)	(145.851)
Other expenses	35	(40.666)	(55.067)
Finance income	36,1	267.633	146.000
Finance expenses	36,2	(1.777.638)	(1.232.865)
Net foreign exchange difference	37	(90.580)	(28.325)
Equity method in subsidiaries	8	1.600.935	1.606.936
Result of participation in equity investments	38	(975.812)	134.353
<b>Profit for the period before taxes</b>		<b>3.913.975</b>	<b>4.188.006</b>
Income tax	39	(878.019)	(822.960)
<b>Profit for the period after taxes</b>		<b>3.035.956</b>	<b>3.365.046</b>
<b>Net result for the period</b>		<b>3.035.956</b>	<b>3.365.046</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Remeasurement of defined benefit plans	20 and 39	52.230	65.962
Equity investments measured at fair value through equity	20 and 39	(136.838)	(322.482)
Equity method in subsidiaries - NRRP	20 and 39	(67.399)	(28.012)
Income tax related to components that will not be reclassified	20 and 39	(290.514)	(23.739)
		<b>(442.521)</b>	<b>(308.271)</b>
<b>Items that will be reclassified subsequently to profit or loss:</b>			
<b>Cash flow hedges:</b>			
Reclassified to profit or loss for the period	20 and 39	(596.324)	(517.550)
Reclassification Adjustment		328.945	371.739
		(925.269)	(889.289)
<b>Equity method in subsidiaries</b>	20 and 39	<b>1.010.644</b>	<b>358.945</b>
Result recognized in the period		1.010.644	358.945
<b>Hedges of net investments in foreign operations</b>		<b>(216.145)</b>	<b>(61.509)</b>
Result recognized in the period		(216.145)	(61.509)
<b>Income tax related to the components that may be reclassified</b>	20 and 39	<b>288.328</b>	<b>210.364</b>
Result recognized in the period		(91.580)	(77.431)
Reclassification adjustment		379.908	287.795
		<b>486.504</b>	<b>(9.750)</b>
<b>Other comprehensive income for the period, net of taxes</b>	39	<b>43.982</b>	<b>(318.021)</b>
<b>Total comprehensive income for the period</b>		<b>3.079.938</b>	<b>3.047.025</b>

The accompanying notes are an integral part of the Consolidated Financial Statements

  
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General Manager  
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Executive Vice-President of Finance  
and Investments

  
John Jaime Rodríguez Sosa  
Director of Accounting and Costs  
Professional Card N° 144842-T  
Certification Attached

# Fourth Quarter 2022 Financial Report

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.  
**SEPARATE STATEMENTS OF CASH FLOWS**  
For the years ended December 31, 2022 and 2021  
Figures expressed in millions of Colombian pesos

	Notes	2022	2021
<b>Cash flows from operating activities:</b>			
<b>Net result for the period</b>		<b>3.035.956</b>	<b>3.365.046</b>
<b>Adjustments to reconcile the net profit for the period to the net cash flows used in operating activities:</b>			
		2.902.928	1.366.957
Depreciation and amortization of property, plant and equipment, right-of-use assets and intangible assets	33 and 34	706.841	657.982
Net impairment loss on accounts receivable	12	215.877	145.851
Impairment of investments in associates and joint ventures	11	1.060.968	-
Write-down of inventories, net	35	115	18
Result due to exchange difference	37	90.580	28.325
Result due to valuation of investment property	6	(17.122)	226
Result for valuation of financial instruments and hedge accounting	36	13.254	75.654
Provisions, post-employment and long-term defined benefit plans	34	233.281	431.777
Provisions for tax, insurance and reinsurance obligations and financial updating	36,2	79.211	18.137
Applied Government subventions	31	(78)	-
Deferred income tax	39,3	(20.595)	328.309
Current income tax	39,3	898.614	494.651
Share of loss of equity-accounted investees	8	(1.600.935)	(1.606.936)
Interest and yield income	36,1	(181.419)	(119.048)
Interest and commission expenses	36,2	1.598.960	1.112.122
Result due to disposal of properties, plant and equipment, right-of-use assets, intangibles and investment property	32 and 35	(439)	(715)
Result from withdrawal of property, plant and equipment, right of use assets, intangible assets and investments	32 and 35	10.292	13.125
Non-cash recoveries	31	(99.321)	(78.168)
Result from business combinations	38	-	8.533
Dividend income from investments	10 and 13	(85.156)	(142.886)
		<b>5.938.884</b>	<b>4.732.003</b>
<b>Net changes in operating assets and liabilities:</b>			
Change in inventories		(12.778)	(19.509)
Change in trade and other receivables		(1.019.299)	(308.899)
Change in other assets		(420.467)	(243.200)
Change in creditors and other accounts payable		75.833	475.918
Change in labor obligations		11.525	19.233
Change in provisions		(353.605)	(155.639)
Change in other liabilities		1.016.586	322.575
<b>Cash generated from operating activities</b>		<b>5.236.679</b>	<b>4.822.482</b>
Interest paid		(1.651.703)	(1.378.967)
Income tax paid		(917.495)	(700.009)
Income tax refund		690	52.997
<b>Net cash provided by operating activities</b>		<b>2.668.171</b>	<b>2.796.503</b>
<b>Cash flows from investing activities:</b>			
Acquisition and capitalization of subsidiaries or businesses	8	(4.757)	(2.000)
Disposal of subsidiaries or businesses	8	-	10.000
Purchase of property, plant and equipment	5	(3.425.307)	(2.849.341)
Disposal of property, plant and equipment	5 and 32	840	826
Purchase of intangible assets	7	(79.834)	(71.976)
Acquisition of investment properties	6	-	(200)
Disposal of investment properties	6	175	-
Purchase of investments in financial assets	13	(160.088)	(417.055)
Disposal of investments in financial assets	13	351.682	2.523.443
Dividends received from associates and joint business	8 and 9	502.839	633.893
Other dividends received	13	76.973	134.081
Loans to related parties		223.022	278.281
Compensation received	5	2.521.064	694.919
Other cash flows from investment activities		(2.894)	(4.943)
<b>Net cash flow used in investing activities</b>		<b>3.716</b>	<b>929.928</b>

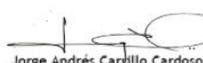
# Fourth Quarter 2022 Financial Report

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.  
**SEPARATE STATEMENTS OF CASH FLOWS**  
For the years ended December 31, 2022 and 2021  
Figures expressed in millions of Colombian pesos



	Notes	2022	2021
<b>Cash flows from investing activities:</b>			
Acquisition and capitalization of subsidiaries or businesses	8	(4.757)	(2.000)
Disposal of subsidiaries or businesses	8	-	10.000
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Other dividends received	13	76.973	134.081
Loans to related parties		223.022	278.281
Compensation received	5	2.521.064	694.919
Other cash flows from investment activities		(2.894)	(4.943)
<b>Net cash flow used in investing activities</b>		<b>3.716</b>	<b>929.928</b>
<b>Cash from financing activities:</b>			
Obtaining of borrowings and loans	21	1.706.272	2.426.610
Payments of borrowings and loans	21	(2.079.859)	(3.809.887)
Transaction costs due to issuance of debt instruments	21	(26.657)	(37.492)
Payments of liabilities for financial leasing	23	(14.252)	(12.746)
Surpluses paid	19	(1.850.775)	(1.396.953)
Capital subventions	31	78	-
Payments of capital of derivatives designated as cash flow hedges	13	37.239	25.604
Payment of pension bonds	23	(57.329)	(40.660)
Other cash from financing activities		1.504	5.046
<b>Net cash flows used in financing activities</b>		<b>(2.283.779)</b>	<b>(2.840.478)</b>
<b>Net increase in cash and cash equivalents</b>		<b>388.108</b>	<b>885.953</b>
Effects of variations in exchange rates in the cash and cash equivalents		(101.746)	47.503
Cash and cash equivalents at beginning of the period		1.798.087	864.631
<b>Cash and cash equivalents at end of the year</b>	18	<b>2.084.449</b>	<b>1.798.087</b>
Restricted cash	18	97.542	523.042

The accompanying notes are an integral part of these Consolidated Financial Statements.

  
Jorge Andrés Carrillo Cardoso  
General Manager  
Certification Attached

  
Martha Lucía Durán Ortiz  
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For more information, contact Investor Relations [investorelations@epm.com.co](mailto:investorelations@epm.com.co)  
<https://cu.epm.com.co/investors/>