



EPM
Investor Virtual Meeting
hosted by BofA

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epm[®] Team



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Agenda



- 1. Recent developments**
- 2. EPM Group Highlights**
- 3. Afinia**
- 4. Ituango Hydroelectric Project**
- 5. Financial results as of June 2021**
- 6. Liquidity and Debt Strategy**

1. Recent Developments



- **Asset portfolio**

On May 25th, the Board of Directors authorized to initiate the necessary procedures for the total disposal of EPM's shareholding in UNE EPM Telecomunicaciones S.A. and Inversiones Telco S.A.S.

On July 26th, the Mayor of Medellín submitted the Draft Project before the Council of Medellín for its debate, in order to obtain its authorization.

- **Ituango**

- On June 22nd, EPM and MAPFRE have agreed to suspend for 8 months the arbitration process established in relation to the Ituango Project claim in the All-Risk Construction policy, in consideration of the agreement of both parties to continue with the adjustment process.

- EPM updated the budget to finish the project by an additional COP 2.1 billion. The Project's total investment stands at COP 18.3 billion. This increased investment will be financed mainly by the internal generation of funds and the divestment plan in subsidiaries where EPM does not have control.

- **Credit Analysis update**

- In July, Fitch Ratings has downgraded EPM to "BB +" from "BBB-" and maintained the Negative Rating Watch.
- Moody's Investors Service affirmed EPM's international credit risk rating at Baa3 with Negative Outlook.

2. EPM Group Highlights

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



Ratings:

- **Moody's: Baa3**, negative outlook
 - **Fitch:**
 - Local **AAA**
 - International **BB+**
- Rating watch negative

15,498 Employees

25 million Beneficiary people in Latin-America

Assets 2%

COP 65.3 billion
(USD 17.4 billion equiv.)

Revenues 26%

COP 11.7 billion
(USD 3.1 billion equiv.)

EBITDA 25%

COP 3.5 billion
(USD 944 million equiv.)



Figures as of June 30, 2021

2. EPM Group Highlights

EPM is a relevant player among LatAm utilities



EPM Group Infrastructure	Colombia and LatAm
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Power Generation	35 hydro power plants 2 thermal power plants 1 Wind park
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Installed Gen. Capacity	3,475MW
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Power Distribution	T&D lines: 277,708 Km Substations: 455 Transformers: 353,485
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Natural Gas	Distribution network: 8,448 Km
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Water	Drinking water network: 6,398 Km Sewage network: 6,552 Km
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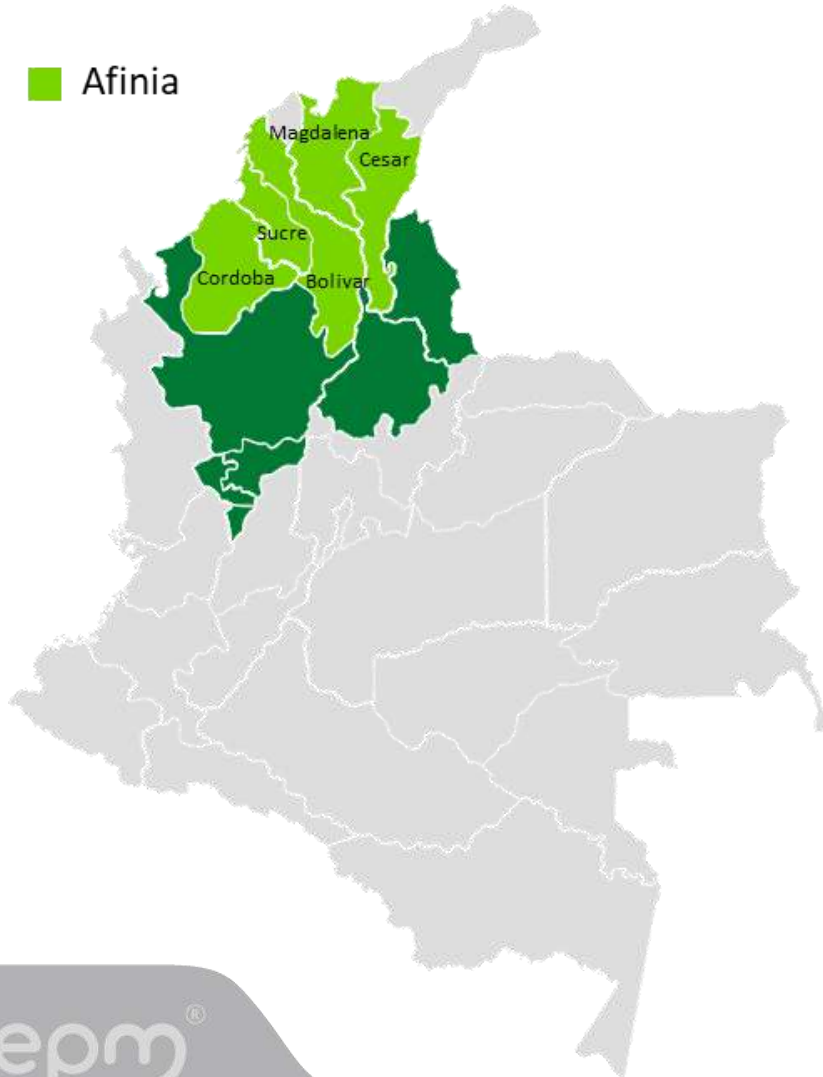
EPM Group Customers (in millions)	2019	2020*	Var. %
Total	12.0	13.9	16%

* Includes Afinia: 1.5 million customers

3. Afinia

Power service supply in the Southern Zone of the Caribbean Region

■ Afinia



Highlights

- **Start of operations:** October 1st, 2020
- **Colombian energy market share:** 12%
- **Customers:** 1.6 million
- **Collection percentage:** 83% (from 75% in 2020)
- **Energy loss indicator:** 29% (from 35% in 2020)
- **Accumulated commercial demand:** 3,442 GWh (2021)

Financial information as of June 30, 2021

- **Assets:** COP 3.1 billion
- **Liabilities:** COP 1.3 billion
- **Revenues:** COP 1.3 billion

4. Ituango Hydroelectric Project Update



Significant total work progress:

- ✓ 80.6% as of December 2020
- ✓ 83.7% as of April 2021
- ✓ **84.1%** as of June 2021



4. Ituango Hydroelectric Project Update

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



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 June 30, 2021 [84.14%] Total progress of the project when it starts to generate with the first unit [91%] Progress corresponding to the schedule with entry into operation in 2022 of the two first power generation units. The impacts that the health emergency caused by COVID-19 may generate in the current schedule continues to be monitored. 	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 	99.1%
	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 and generation units 	81.3%
	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 	76.8%
	Intermediate Discharge Tunnel	<ul style="list-style-type: none"> Partial reinforcement with concrete lining in selected areas Reinforcement of downstream walls 	<ul style="list-style-type: none"> Enlargement of Plug 12 Gate completion and shielding Concrete coating 	68.3%
	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. Expected to be completed in mid-2022 	92.5%

4. 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 June 2021: \$13.1 billion, of which \$3.1 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	57	51
Affected Care and Compensation	78	36
Backup cost and Reliability Charge Guarantee	213	213
Contingency and environmental sanction	130	52
Payment to transmitter	228	0
Contingency attention	77	77
Total	793	429

4. Ituango Hydroelectric Project Update



Largest hydro-generation power plant in Colombia



17% of the country's electricity demand

2400 MW Total Net effective capacity
8 Power Generation Units
of **300MW each**

5,708 GWh/Year Firm Energy for Reliability Charge

Firm Energy for Reliability Charge	Jul-22	Sep-22	Jan-23	Oct-23
By Power Generation Unit	1 Unit	2 Units	3 Units	4 Units
(GWh/Year)	2,234	4,468	5,708	5,708

Firm Energy Obligations (GWh/Year)	Limited date to start operations
3,482	Nov. 2022
1,141	Nov. 2023

97% of the 2 Firm Energy Obligations of the project would be fulfilled with **2 power generation units**.

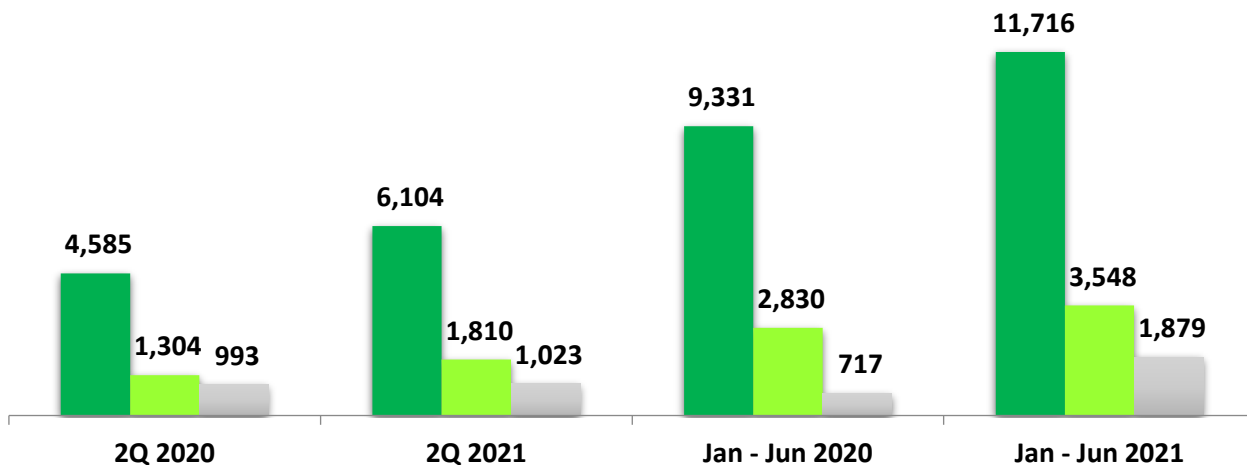
5. Financial Results as of June 30, 2021 (unaudited)

EPM Group Income Statement

Figures in COP thousand million

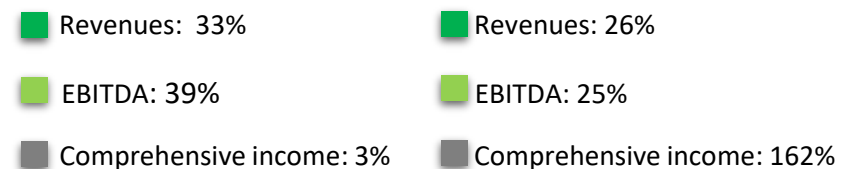


■ Revenues ■ EBITDA ■ Comprehensive income



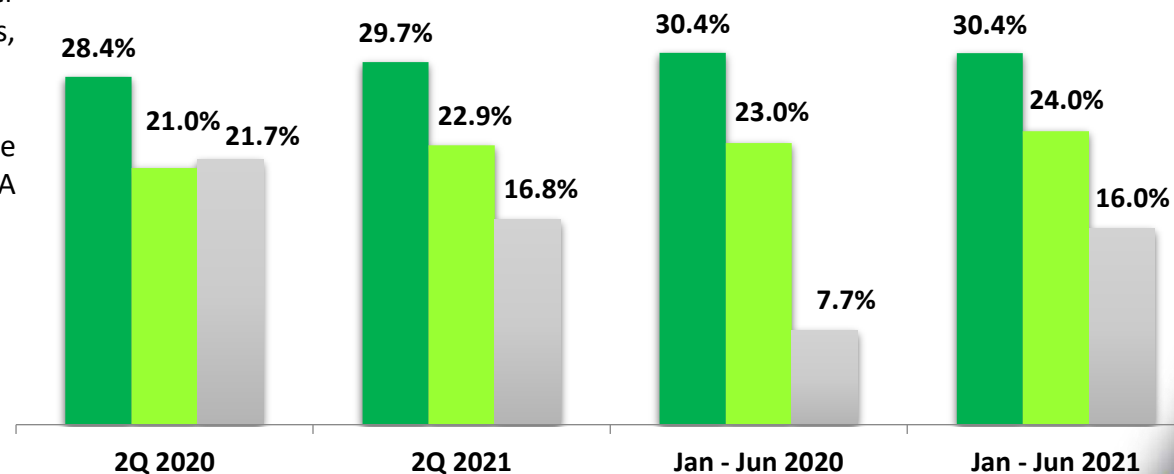
Var. 2Q2021 - 2Q2020

Jan - Jun 2021 - 2020



- Revenues increased COP 2,384, 26% (6% without Afinia), explained mainly by higher revenues from de new subsidiary Afinia, energy sales in the Distribution business, and for sales to the thermals in the Gas business.
- EBITDA increased COP 718, 25% with respect to previous year, standing out the contribution of the EPM parent company, Aguas Nacionales, ESSA, CHEC, ADASA and DECA.
- Comprehensive income decreased COP 1,162, due to increase in :
 - ✓ Revenues for COP 2,384.
 - ✓ Costs and expenses for COP 1,722.
 - ✓ FX revenues for COP 620.
 - ✓ Income tax provision for COP 82.

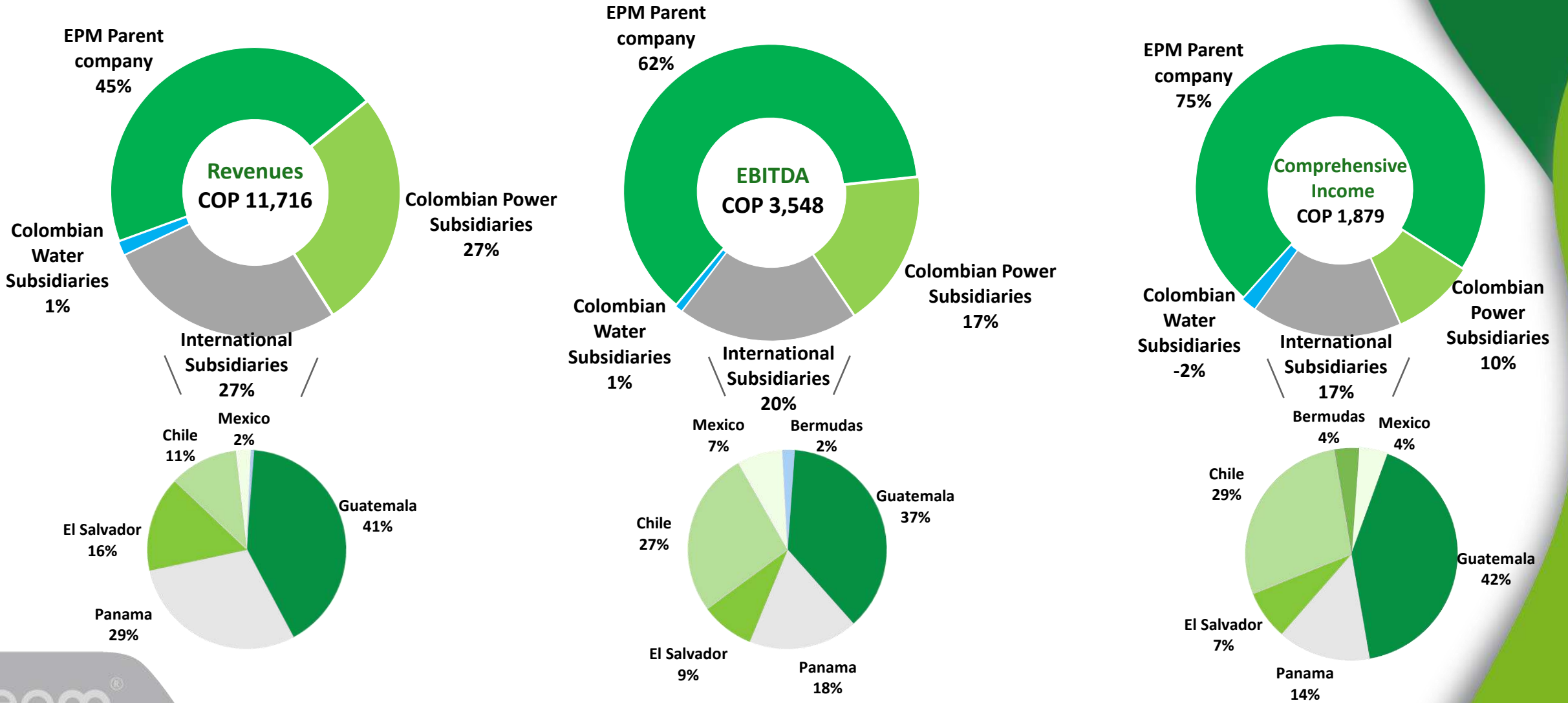
■ EBITDA margin ■ Operational margin ■ Net Margin



5. Financial Results as of June 30, 2021 (unaudited)

EPM Group by Colombian and International Subsidiaries

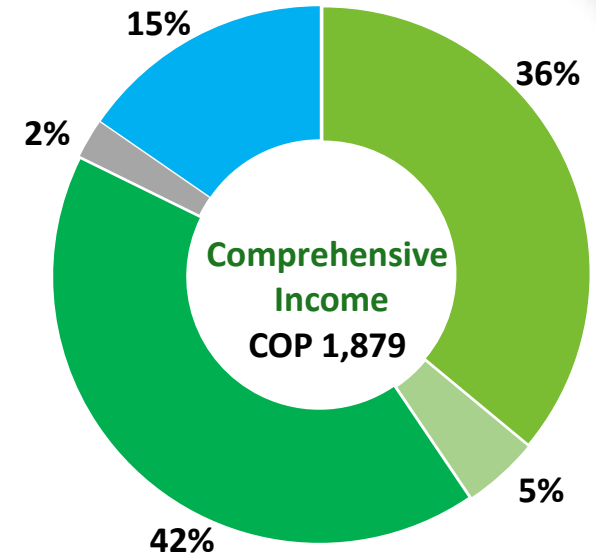
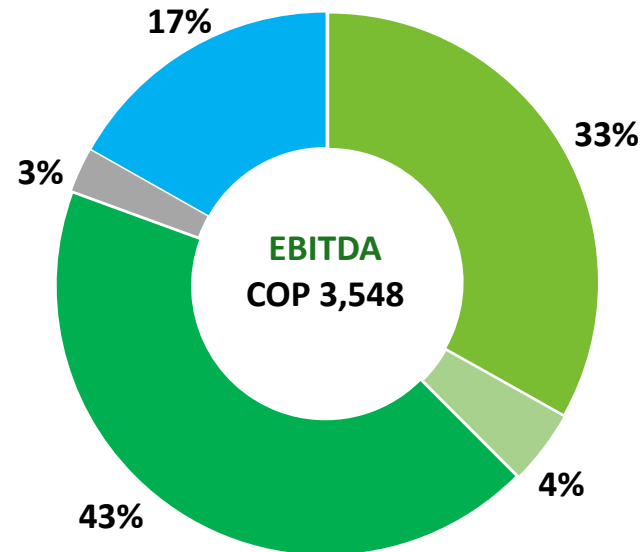
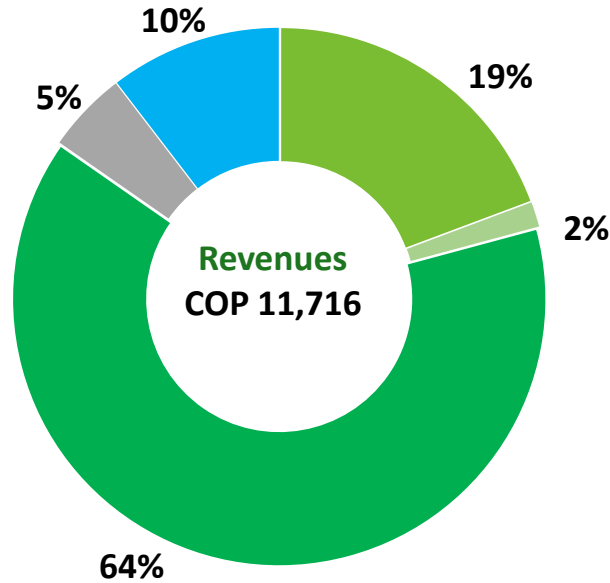
Figures in COP thousand million



5. Financial Results as of June 30, 2021 (unaudited)

EPM Group by Segments

Figures in COP thousand million

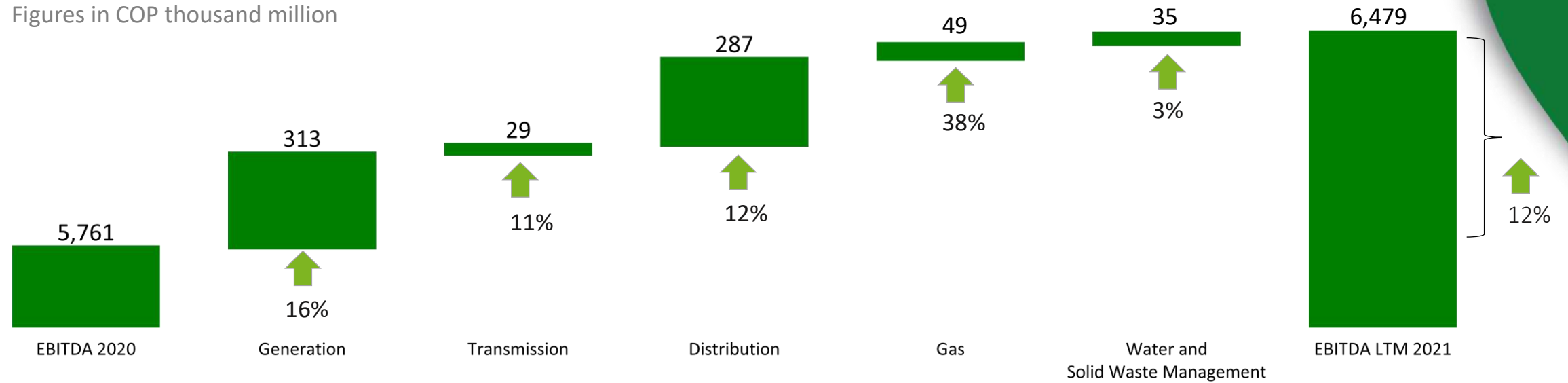


- Generation
- Distribution
- Water and Solid Waste Management
- Transmission
- Gas

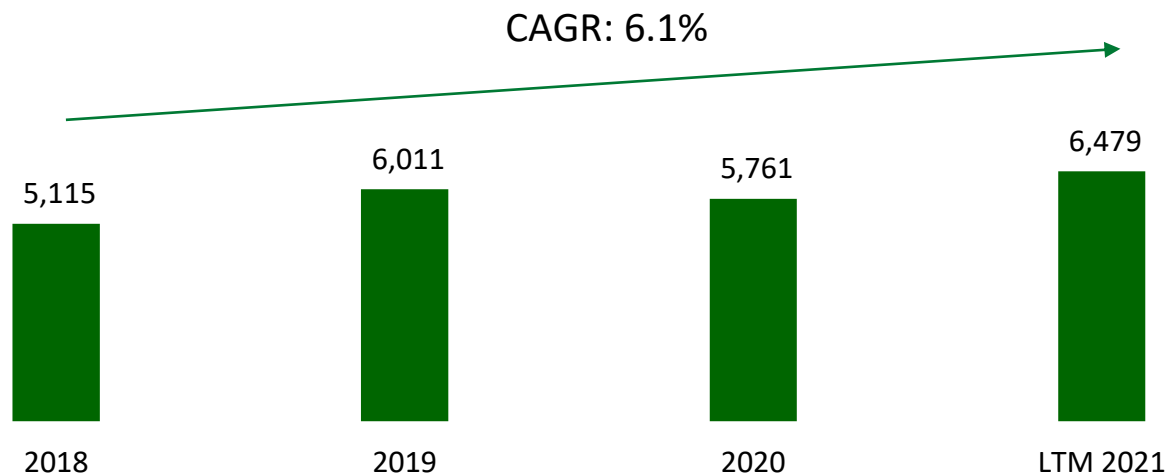
5. Financial Results as of June 30, 2021 (unaudited)

EPM Group EBITDA LTM

Figures in COP thousand million



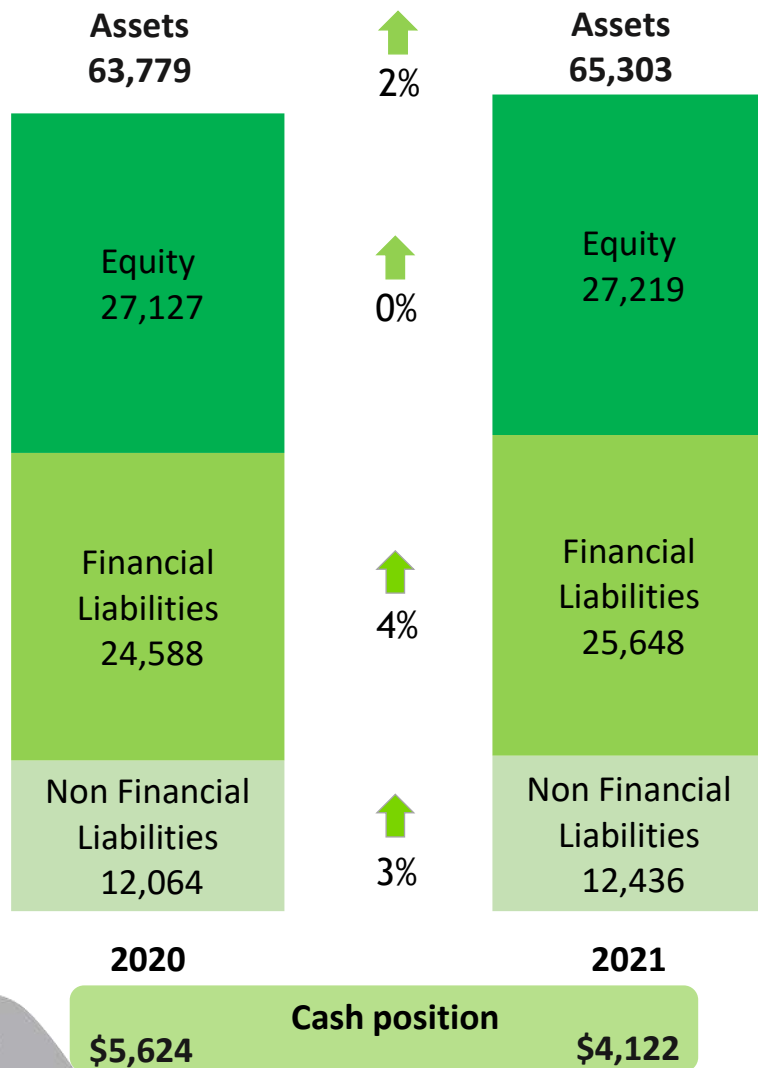
It does not include the other segments and eliminations.



5. Financial Results as of June 30, 2021 (unaudited)

EPM Group Statement of Financial Position

Figures in COP thousand million

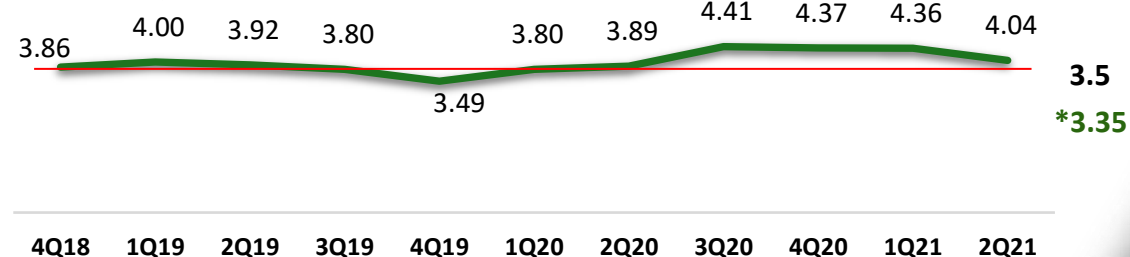


Ratios	2020	2021
Total debt	59 %	58 %
Financial debt	43 %	42 %
EBITDA/financial expenses	5.58 X	6.12 X
Total Long Term Debt/EBITDA	3.91 X	4.04 X
Net Debt/EBITDA	3.49 X	3.35 X

EBITDA/ Financial expenses



Total Long Term Debt/EBITDA

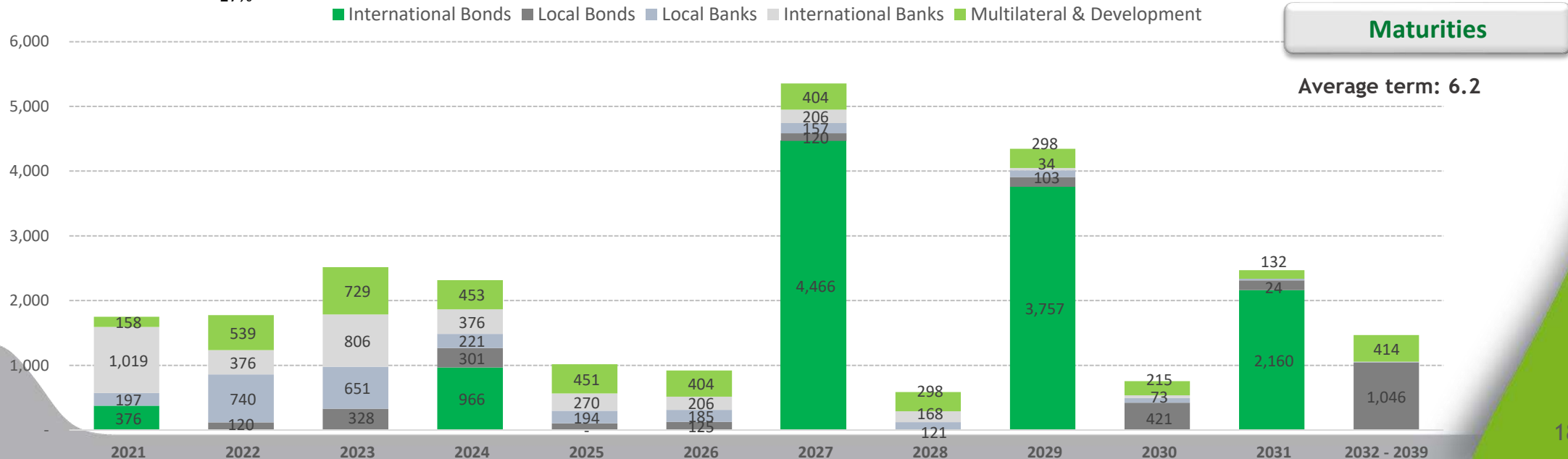


(*) Net Debt/EBITDA

5. Financial Results as of June 30, 2021 (unaudited)

EPM Group Debt Profile

Figures in COP thousand million



6. Liquidity and debt strategy



Committed Lines



● IDB Invest

Amount: USD 900 MM

Balance to be disbursed: USD 450 MM*

Term: 4 years

Maximum date: Apr.14,2022

* Subject to compliance previous conditions to disbursement

● BNDES

Amount: USD 112 MM

Balance to be disbursed: USD 63 MM

Term: 6.5 years

Maximum date: Dec.2022

Credit lines under development

● Development bank

Amount: USD 200 MM

Term: 15 years

Use of proceeds: General investment plan in Power Distribution and Water businesses.

● International banks

Amount: minimum USD 250 MM or its equivalent in COP

Term: 5 years

Use of proceeds: Debt management operation.

Short term facilities: USD 200 MM

Use of proceeds: General corporate purposes.

Other financing sources of interest

- Local Capital Market
- International Capital Market
- Local Banks

Sources in permanent monitoring to identify market opportunities



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