



**More resources for the community and the development of the country:
EPM will transfer to the Municipality of Medellín
COP 1.5 billion this year thanks to 2019 financial
results**

- The EPM Group provided utility services to 10.4 million customers in six countries, generating revenues of COP 18.4 billion
- The companies of the business group made investments in infrastructure projects of utility services for COP 3.2 billion for the continuity of the service and the improvement of the quality of life of the community.
- EPM advances in the reduction of risks in the Ituango hydroelectric project, with a cumulative total of COP 11.6 billion in investments, reaching 76.7% of physical progress.

The EPM Group continues to add to the development of the country and the quality of life of millions of people, with investments in infrastructure projects, contributions to the generation of employment, resources for the care of the environment, purchase of goods and services, payment of taxes and transfers that make social programs a reality. In one sentence: when EPM grows everyone wins.

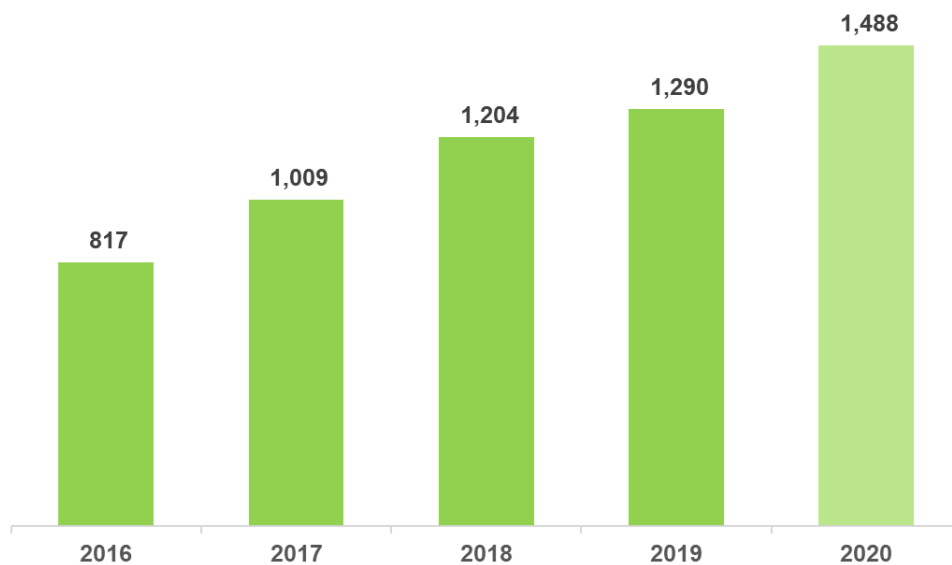
In 2019, the EPM Group obtained revenues of COP 18.4 billion (increasing 12%), an EBITDA of COP 6 billion (17% higher than 2018) that allowed the payment of taxes, transfers to the Municipality of Medellín and execute one of the most intense investment programs in recent years. "The growth we achieved last year is a reflection of our commitment to society, the reason for being of our business group, for whom we work every day to provide them with quality, continuity and coverage of utility services, in that higher purpose of contributing to the harmony of life for a better world ", stated Álvaro Guillermo Rendón López, EPM's Chief Executive Officer.

Rendón López highlighted that in 2019 the EPM Group generated Distributed Added Value of COP 10.4 billion, thus contributing to the development of the territories in which it has a presence. "That is why we say that when our Organization grows, we all win," said the CEO.



In 2019, transfers to the Municipality of Medellín and its inhabitants amounted to nearly COP 1.3 billion, equivalent to 55% of 2018 net income. During the last 12 years (2008-2019), transfers on net income have reached COP 10.9 billion, fundamental in the development that the capital of Antioquia, and which enabled initiatives in education, social inclusion, infrastructure, sports, culture, innovation, mobility, housing, territorial management, health, the environment and security. The 2019 results allow transfers of COP1.5 billion during 2020.

Transfers to the Municipality of Medellín by Results



Figures in thousand million pesos

In this period, it is also highlighted that the suppliers of goods and services of the EPM Group received COP 1.5 billion, which are a contribution to job creation in Colombia. In turn, COP 261,189 million were allocated to communities and environmental care.

The investments made by the EPM Group in infrastructure projects for COP 3.2 billion were fundamental for the economic dynamism of the countries in which the group operates. Of these resources, EPM Parent Company contributed 67%. For the Ituango hydroelectric project, currently in contingency, this item was COP1.1 billion.



Diversified portfolio

Investments in various latitudes and various utility services has been essential to reach results that have allowed the Organization to advance on the path of growth and to award more resources to the community. Of COP 18.4 billion of revenue in 2019, EPM Parent Company contributed 47%, foreign subsidiaries 36%, Colombian Power and Water subsidiaries 17%.

The EBITDA of COP 6 billion explains it: the increase in income of all business segments thanks to a greater number of customers and consumption, the efficient management of costs and expenses -which increased to a lesser extent with respect to the increase in Revenues- and the outstanding results of the EPM Parent Company and the foreign power subsidiaries.

The EPM Group EBITDA margin was 33%, the highest in the last five years, reflecting the responsible management of the companies, with a permanent search for efficiency.

EPM Group Statement of Financial Position

- ✓ **Total Assets:** COP 54.9 billion, with a growth of 5%.
- ✓ **Liabilities:** COP 30.7 billion, with a growth of 1%.
- ✓ **Equity:** COP 24.2 billion, with a growth of 10%.

EPM Parent Company Statement of Financial

- ✓ **Total Assets:** COP 47.3 billion, with a growth of 4%.
- ✓ **Liabilities:** COP 22.9 billion, with a growth of 1%.
- ✓ **Equity:** COP 24.4 billion, with a growth of 8%.

The financial indebtedness for the Group and EPM Parent Company was 40% and 38%, respectively, compared to 41% and 40% in 2018. This decrease is due to financial health and progress in the management of the insurance claim of the construction of the Ituango hydroelectric project, which contributed COP 525 thousand million during 2019.



The ratio Total Long-Term Debt/EBITDA: In the EPM Group the period closed at 3.49, compared to 3.86 in 2018. In EPM Parent Company it was at 4.52, compared to 5.01 in 2018. The decrease was due to the increase in EBITDA (17%) compared to the growth in financial liabilities (6%).

As an external auditor, the firm KPMG submitted an unqualified opinion on EPM's separate and consolidated financial information.