



EPM

BofA Securities Emerging Markets Debt & Equity Virtual Conference

June 1 – 4, 2021

epm[®] Team



Juan Carlos Sampedro

Head of Debt and Capital Markets

- 29 years with EPM

Juan.sampedro@epm.com.co



Germán Ramírez

Senior Finance Analyst

- 14 years with EPM

German.ramirez@epm.com.co



Catalina López

Investor Relations

- 11 years with EPM

Catalina.lopez@epm.com.co

Agenda



1. Recent developments
2. EPM Group Highlights
3. Afinia
4. Ituango Hydroelectric Project
5. Financial results as of March 2021
6. Investment Plan 2021-2023
7. Liquidity and Debt Strategy

1. Recent developments



- Recent top management appointments



Jorge Andrés Carrillo
CEO since April 14th

- During his professional career, he has worked in the utilities and environmental sectors, serving as:
 - Vice Minister of Water and Basic Sanitation and deputy superintendent for Water, Sewage and Waste Collection of the Superintendency of Utility Services.
 - President of the Drinking Water and Basic Sanitation Regulatory Commission.
- He was member of the EPM BoD.



Martha Durán
CFO since April 30th

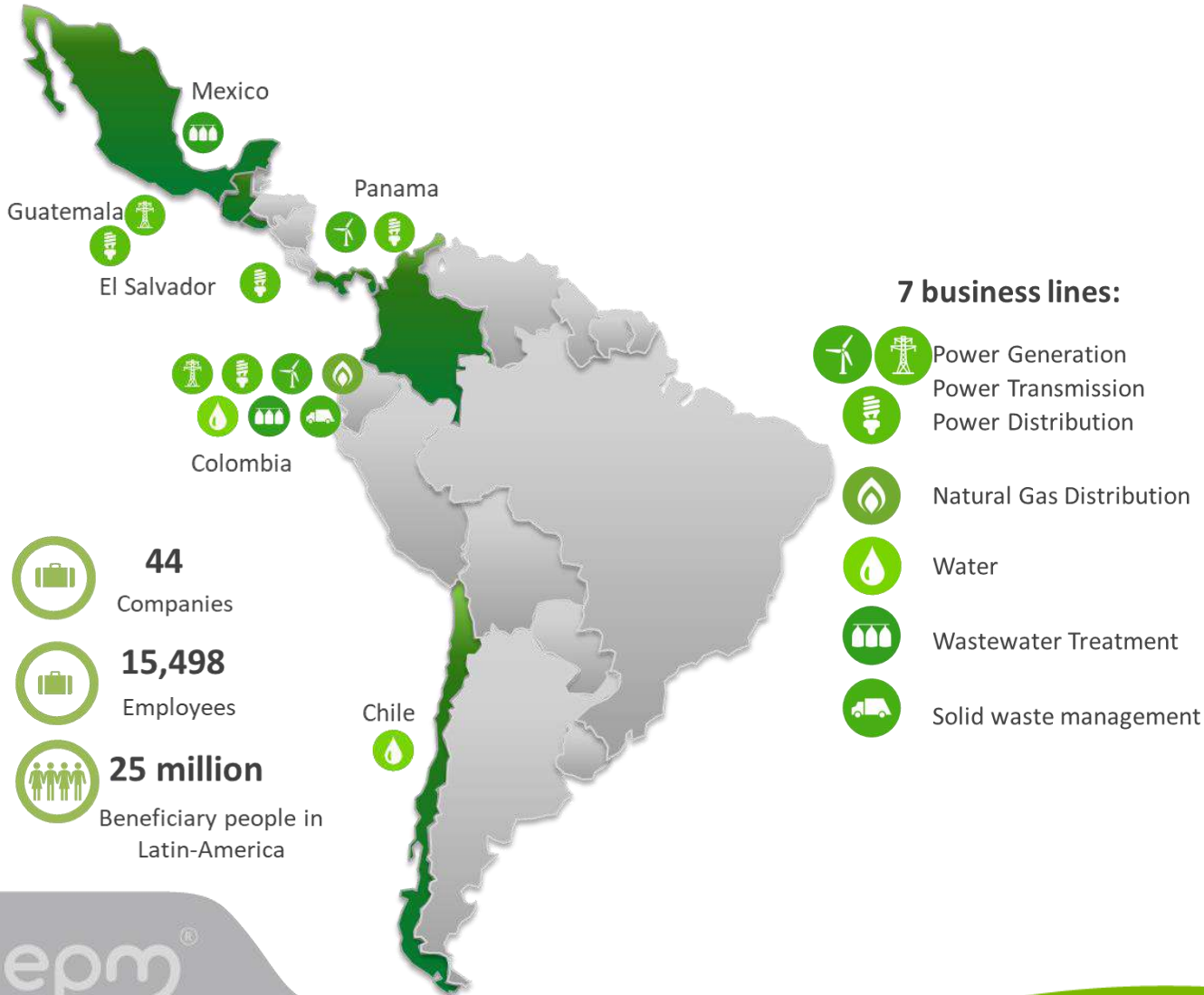
- She is an Economist with vast experience in the structuring, execution, and management of strategic sector projects in the utilities sector.
- Her professional career includes different positions in the Finance and Public Credit Ministry, the Housing, City and Territory Ministry and the Superintendency of Utility Services.

- Asset portfolio**

On May 25th, the BoD 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.

2. EPM Group Highlights

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



Colombia's largest multi-utility company*

- **Assets:** COP 64.7 billion (equiv. USD 17.3 billion)
- **Revenues:** COP 5.6 billion (equiv. USD 1.5 billion)
- **EBITDA:** COP 1.7 billion (equiv. USD 465 million)
- **EBITDA Margin:** 31%

Headquartered in Medellin, with a growing Latin American portfolio

- Founded in 1955, **100% owned by the municipality of Medellin** with administrative and budgetary autonomy from its owner.
- Provides services **across 6 countries** throughout **7 business lines**.

Investment Grade Rating since 2018:

- **Fitch:**
 - Local **AAA**, rating watch negative
 - International **BBB-**, rating watch negative
- **Moody's:** **Baa3**, negative outlook

* Figures as of March 31, 2021

2. EPM Group Highlights

EPM is a relevant player among LatAm utilities



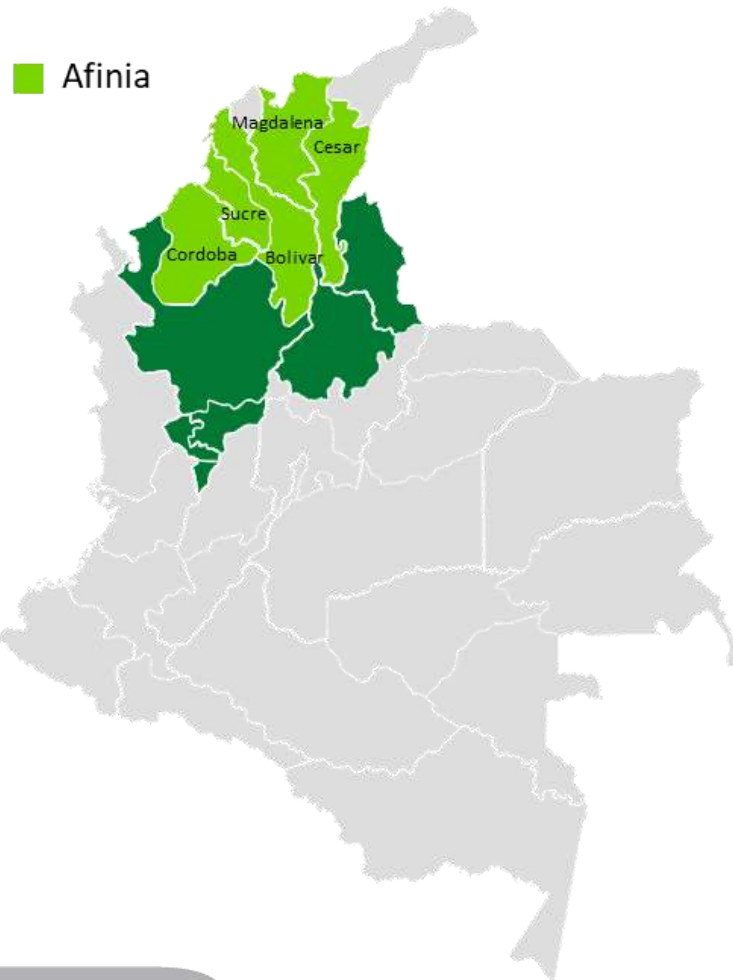
EPM Group Infrastructure	Colombia and LatAm
Power Generation	35 hydro power plants 2 thermal power plants 1 Wind park
Installed Gen. Capacity	3,475MW
Power Distribution	T&D lines: 277,708 Km Substations: 455 Transformers: 353,485
Natural Gas	Distribution network: 8,448 Km
Water	Drinking water network: 6,398 Km Sewage network: 6,552 Km

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



- Start of operations: October 1st, 2020
- 12% Colombian energy market share
- Customers: 1.5 million



4. Ituango Hydroelectric Project Update



Significant total work progress:

- ✓ 80.6% as of December 2020
- ✓ **83.7%** as of April 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 Progress
<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 April 30, 2021 [83.74%] 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 the 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 	80.5%
	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 	76.1%
	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 	67.7%
	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. 	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	13,572	3,579
Financial Expenses	1,500	2,599	1,099
Total Cost	11,493	16,172	4,678

Direct Cost: \$3.6 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 March 2021: \$12.7 billion, of which \$11.4 billion correspond to direct cost and \$2.8 billion to investments derived from the contingency (considers the removal of assets and insurance payments effect).

The cost of \$ 16.2 billion corresponds to the latest version approved by the Board of Directors in July 2020.

Third party costs

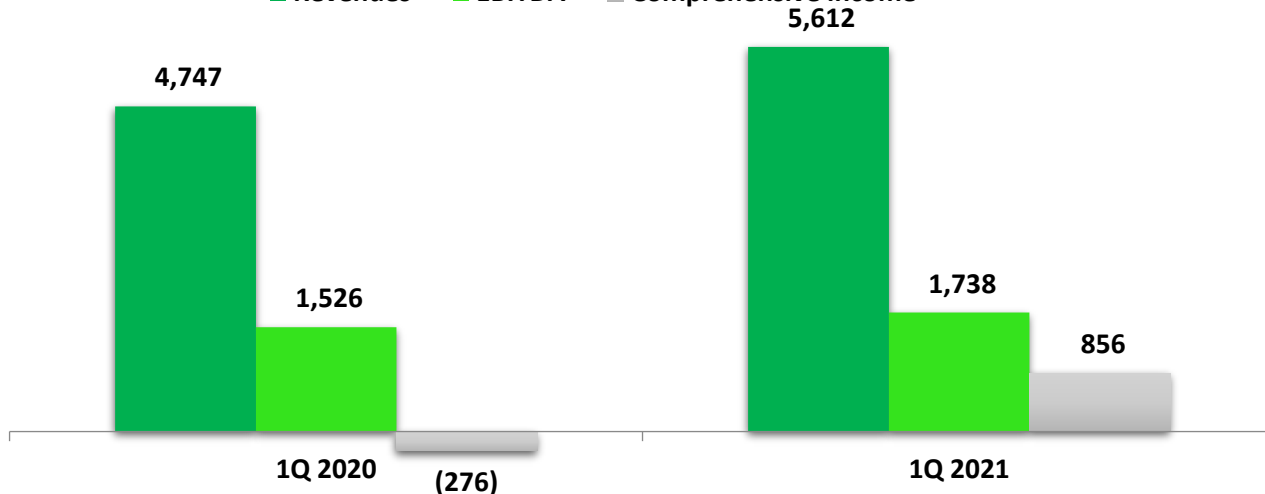
Concept	Amounts accrued	Payments
Shelters Support	57	51
Affected Care and Compensation	78	36
Backup cost and Reliability Charge Guarantee	213	213
Contingency and environmental sanction	130	43
Payment to transmitter	175	0
Contingency attention	75	75
Total	729	417

5. Financial Results as of March 31, 2021 (unaudited)

EPM Group Income Statement

Figures in COP thousand million

■ Revenues ■ EBITDA ■ Comprehensive income

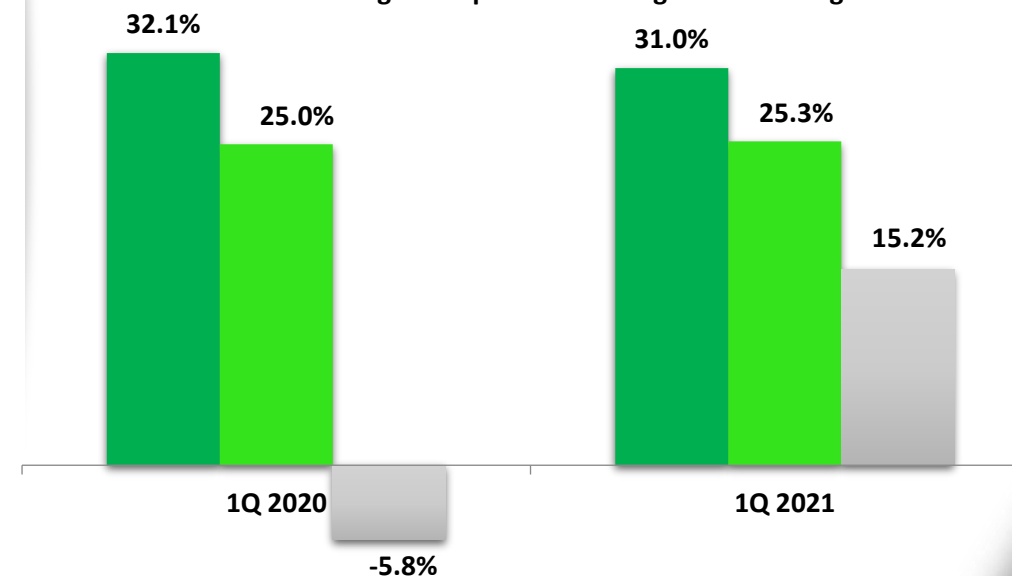


- **Revenues increased COP 865, 18%**, explained mainly by higher energy sales in the Distribution business, revenues from de new subsidiary AFINIA and for greater sales to the thermal plants in the Gas business.
- **EBITDA increased COP 212, 14%** with respect to previous year, standing out the contribution of the EPM parent company, CHEC, ADASA and DECA.
- **Comprehensive income increased COP 1,132, due to :**
 - ✓ Increase in revenues for COP 865.
 - ✓ Increase in costs and expenses for COP 635.
 - ✓ Increase in FX revenues for COP 1,182.
 - ✓ Increase in income tax provision for COP 296.

Var. 1Q2020 – 1Q2021

- Revenues: 18%
- EBITDA: 14%

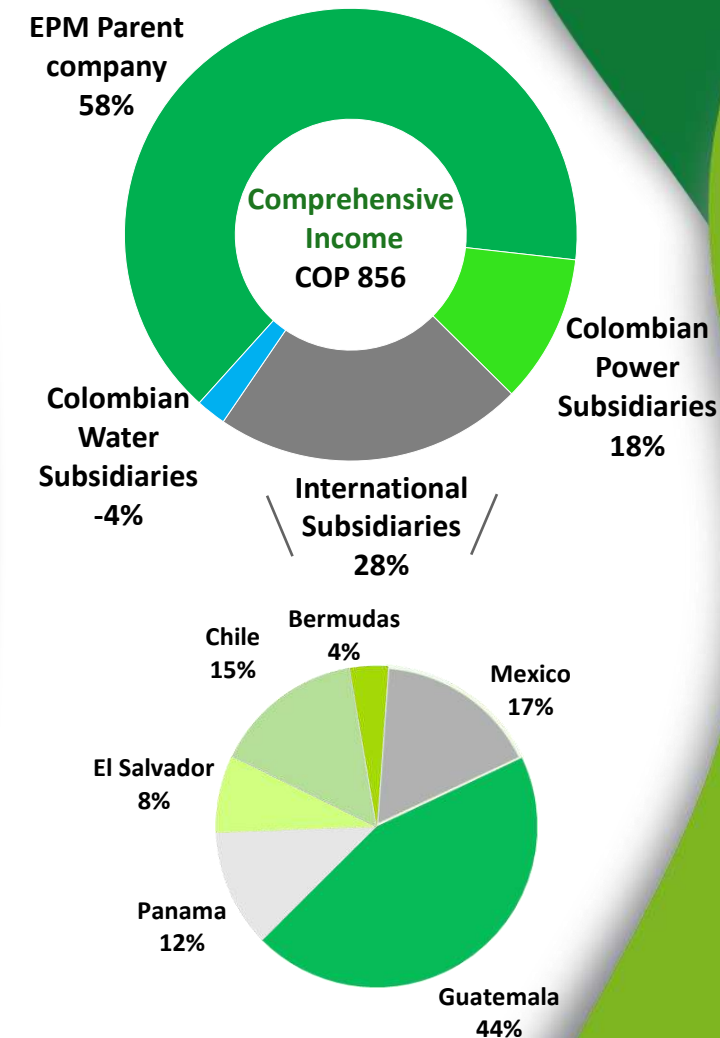
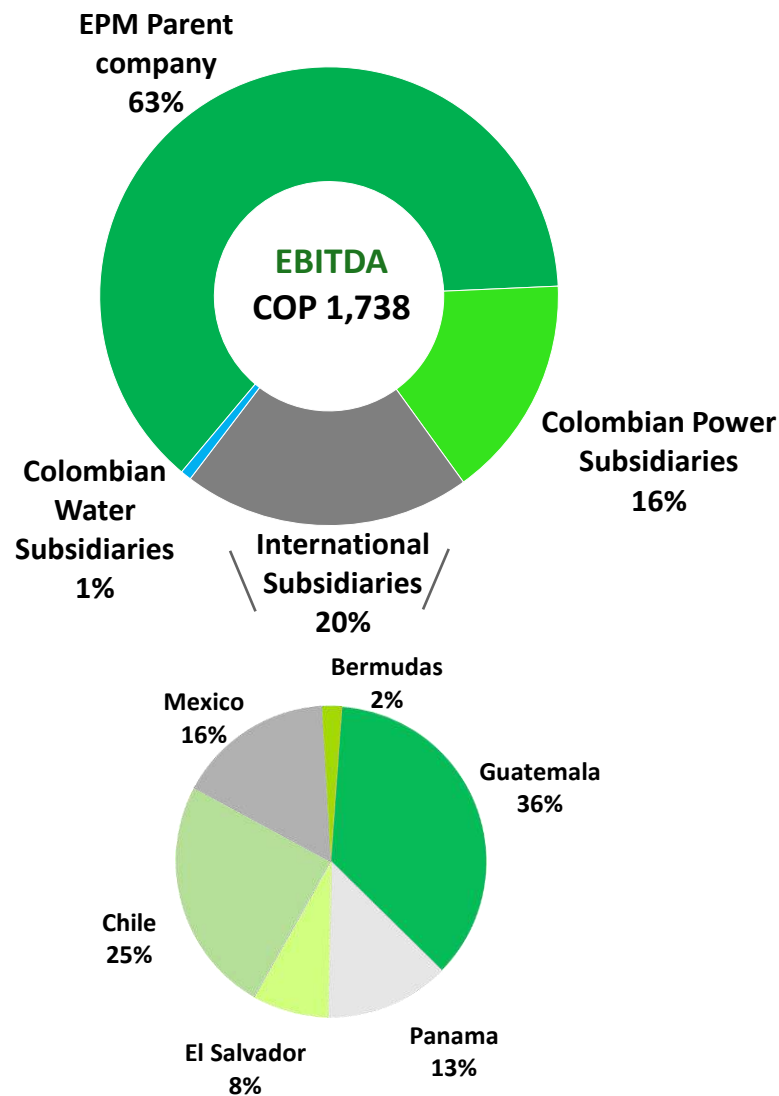
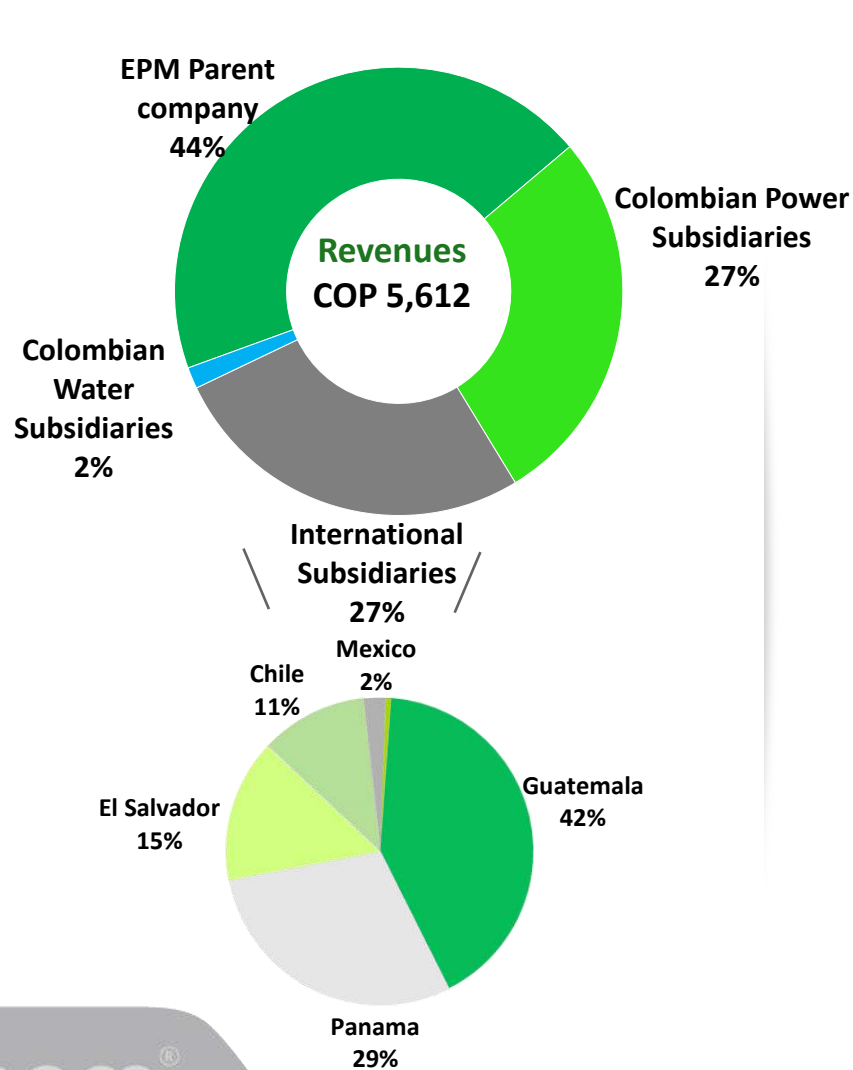
■ EBITDA margin ■ Operational margin ■ Net Margin



5. Financial Results as of March 31, 2021 (unaudited)

EPM Group by Colombian and International Subsidiaries

Figures in COP thousand million

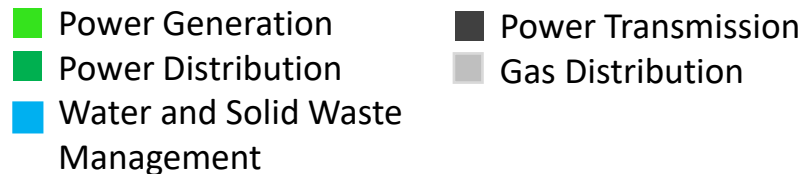
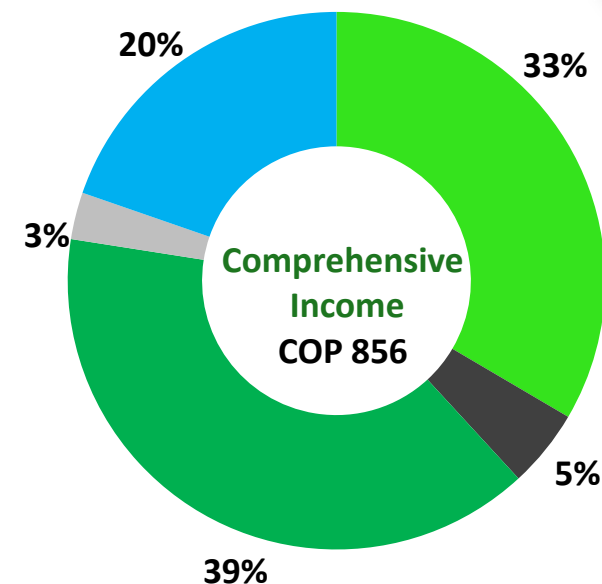
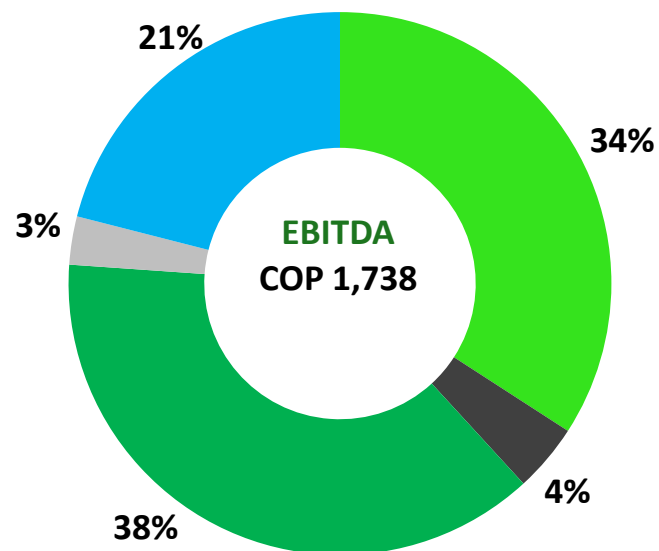
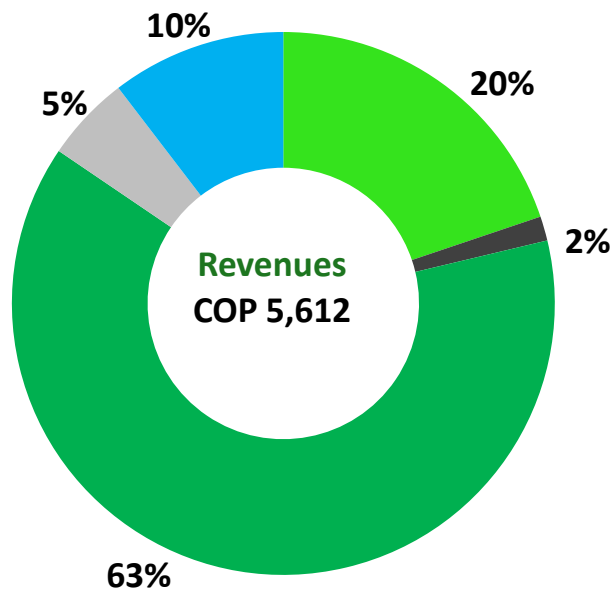


The percentages do not include the Other Segment and Eliminations.

5. Financial Results as of March 31, 2021 (unaudited)

EPM Group by Segments

Figures in COP thousand million



The percentages do not include the Other Segment and Eliminations.

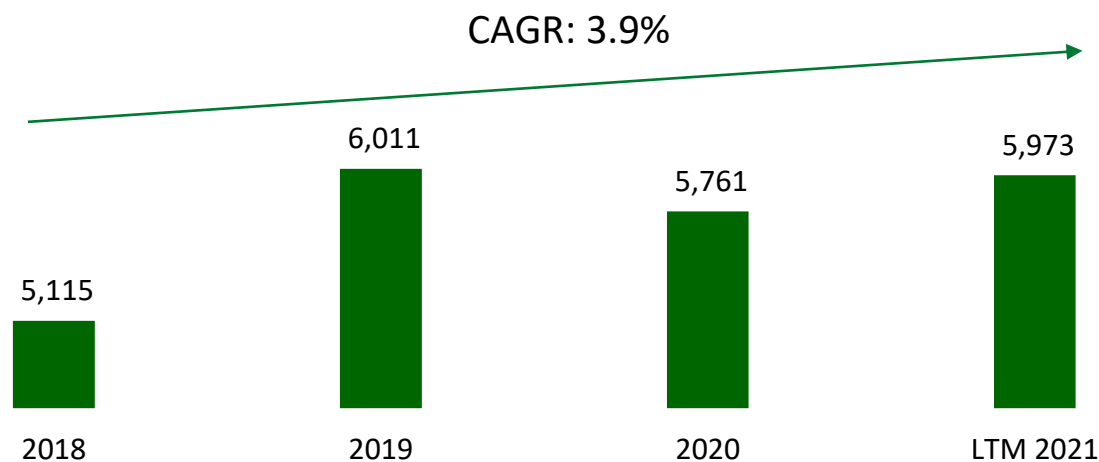
5. Financial Results as of March 31, 2021 (unaudited)

EPM Group EBITDA

Figures in COP thousand million



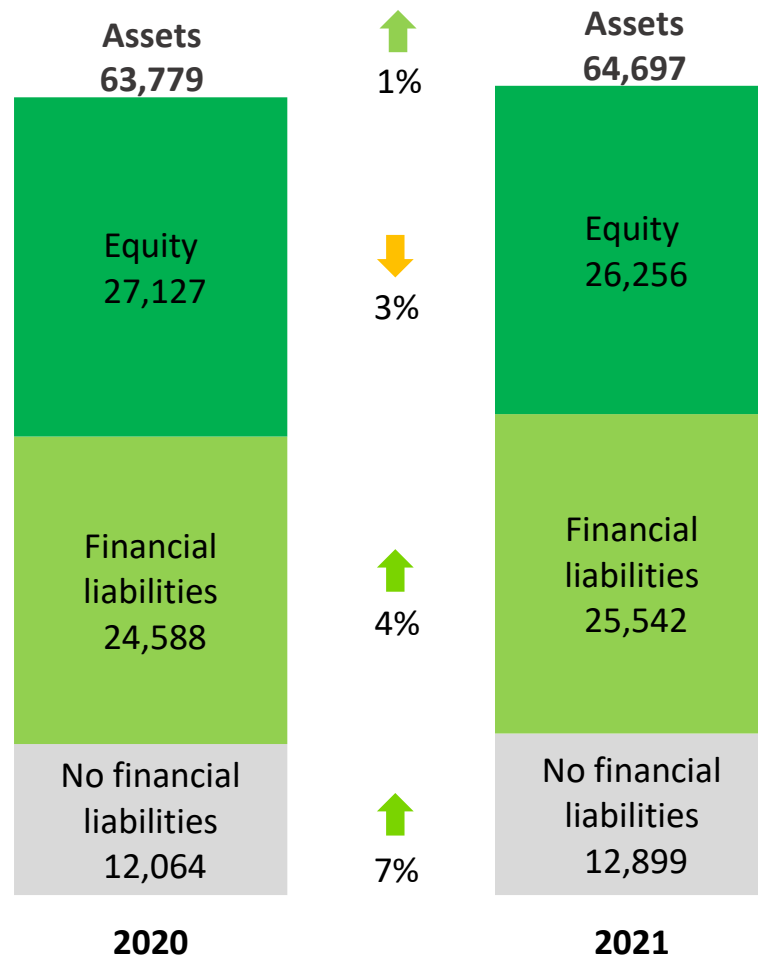
It does not include the Other Segment and eliminations.



5. Financial Results as of March 31, 2021 (unaudited)

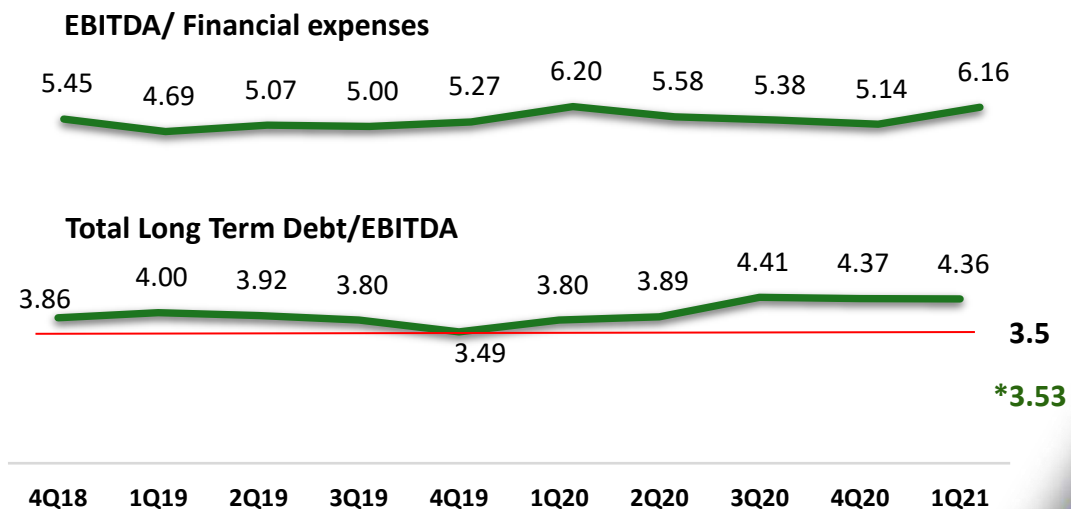
EPM Group Statement of Financial Position

Figures in COP thousand million



Cash position 2020 and March, 2021 :
\$5,624 **\$4,635**

Ratios	2020	2021
Total debt	60%	59%
Financial debt	43%	42%
EBITDA/financial expenses	6.20X	6.16X
Total Long-Term Debt/EBITDA	3.80X	4.36X
Net Debt/EBITDA	3.43X	3.53X

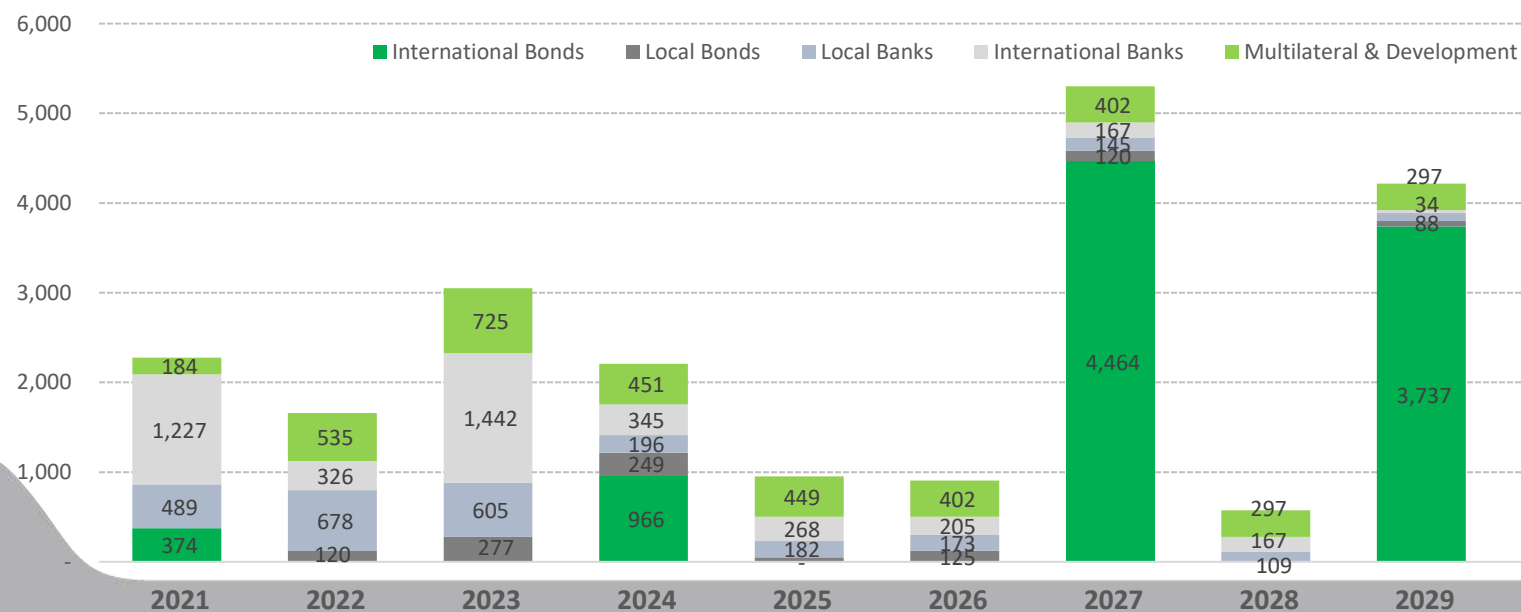
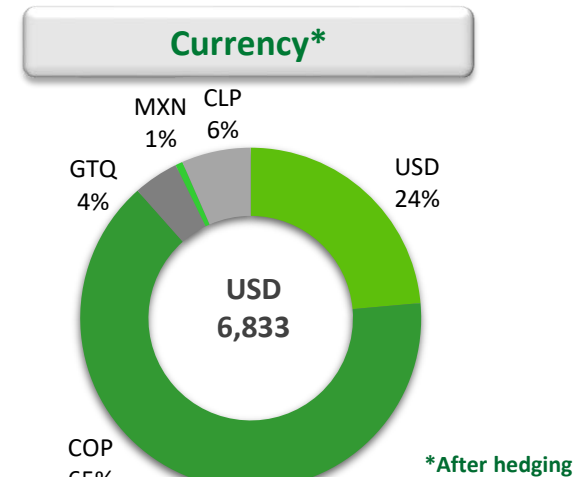
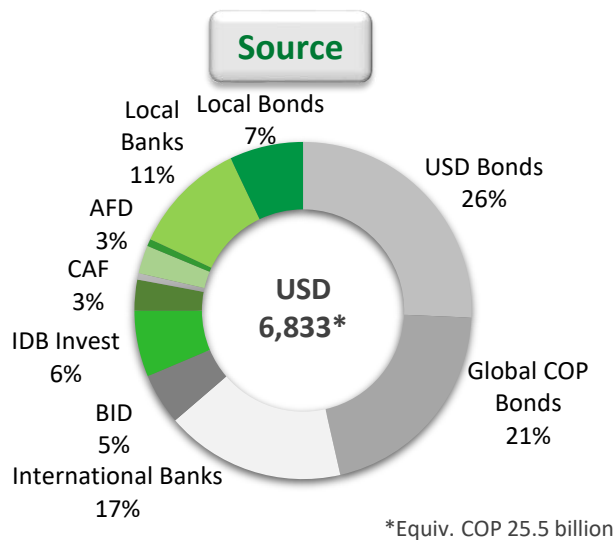


(*) Net Debt/EBITDA

5. Financial Results as of March 31, 2021 (unaudited)

EPM Group Debt Profile

Figures in USD million



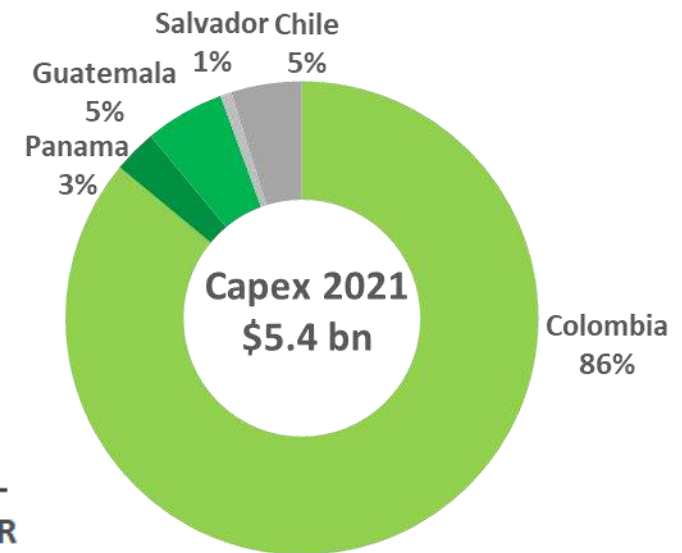
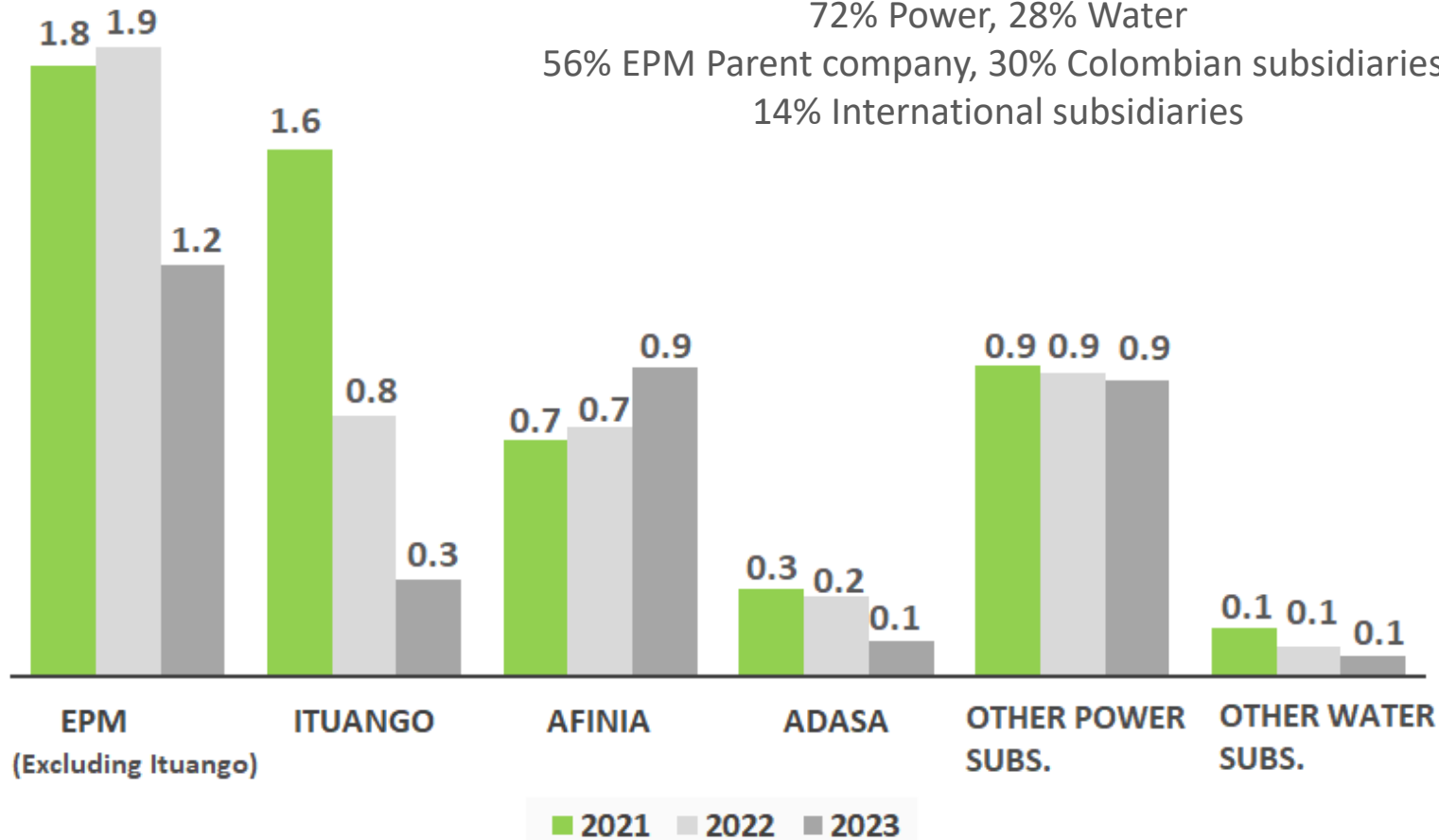
6. EPM Group CapEx 2021-2023

Figures in COP billion

Total CapEx 2021-2023: \$13.4 billion

72% Power, 28% Water

56% EPM Parent company, 30% Colombian subsidiaries,
14% International subsidiaries



7. 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 Bank**

Sources in permanent monitoring to identify market opportunities



Disclaimer

- *Below is a general information presentation about Empresas Públicas de Medellín ESP and its Subsidiaries, as on the date of presentation. The materials herein contained have been summarized and do not intend to be complete.*
- *This presentation contains forward-looking statements which are subject to several risks, uncertainties and circumstances relative to the operations and business environments of EPM. These factors could cause actual results to materially differ from any future result, expressed or implied, in such forward-looking statements. Accordingly, EPM cannot guarantee any results or future events. EPM expressly states that it will be under no obligation to update the forward-looking statements or any other information herein contained.*
- *This presentation does not constitute any offer or invitation to offer, or a recommendation to enter into any transaction, agreement or contract with EPM. This presentation is for debate only and shall be referred to considering only the verbal information supplied by EPM, otherwise it would be incomplete. Neither this nor any of its contents may be used for any other purpose without the prior written consent of EPM.*
- *Only for information matters and reader's convenience, figures in COP were translated in this presentation into their USD equivalent using the exchange rate of COP/USD 3,736.91 as of March 31, 2021, issued by the Colombian Financial Superintendence. Such translations do not agree with US GAAP and have not been audited. Also, they shall not be interpreted as representation of the amounts in Colombian Pesos, which could be translated into US Dollars at this or at any other rate.*



Thank You!

Investorelations@epm.com.co

<https://www.epm.com.co/site/inversionistas>