



EPM
BofA Securities
2023 Emerging Markets
Debt & Equity Conference

May 31 – June 2, 2023

Agenda



1. EPM Group Highlights
2. ESG Performance
3. Energy distribution tariffs
4. Update on Ituango Hydroelectric Plant
5. Afinia
6. Financial results as of March 2023
7. Liquidity and Debt Strategy

1. EPM Group Highlights

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



Ratings:

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



1%

Assets

COP 75.14 billion
(USD 16,240 million equiv.)



23%

Revenues

COP 9.03 billion
(USD 1,952 million equiv.)



27%

EBITDA

COP 2.92 billion
(USD 632 million equiv.)

Figures as of March 31, 2023

1. EPM Group Highlights

EPM is a relevant player among LatAm utilities



EPM Group Infrastructure	Colombia and LatAm		
Power Generation	37 hydro power plants 3 thermal power plants 1 Wind park		
Installed Gen. Capacity	4,078.05 MW		
Power Distribution	T&D lines: 300,886 Km Substations: 615 Transformers: 420,072		
Natural Gas	Distribution network: 8,746 Km		
Water	Drinking water network: 6,603 Km Sewage network: 6,539 Km		
EPM Group Customers (in millions)	2021	2022	Var. %
Total	14.4	14.8	3%

2. ESG Performance

Our strategic direction is aligned with the SDG



ESG Main Targets

- **Contribution** to Sustainable Development Goals.
- **Carbon neutral** operations by 2025.
- **Protection of 137,000 hectares** of water supply basins by 2025.
- **Greater availability of utility services** through conventional and unconventional solutions.
- **Climate change mitigation:** energy efficiency, renewable energy, sustainable mobility and emissions management.

97.5% coverage in water provision
1.5 M customers.
Universal Access Col.

Awards and recognitions 2022

- **IDB:** most innovative water and sanitation company in Latin America and the Caribbean.
- **Pacto Global Red Colombia:** Good Sustainable Development Practices.
- **MINCIENCIAS:** energy efficiency utility services sector.
- **Andesco:** energy efficiency to the project Optimal distribution planning.
- **ASOCODIS:** Ámbar prize for research in the electricity sector.
- **CIER:** Solar solution for non-interconnected areas.
- **Colsubsidio:** Xpossible award for pilot of individual photovoltaic solar solutions for non-interconnected areas.

SUSTAINABLE DEVELOPMENT GOALS



Energy

97.5% of coverage
6.7 M customers
Universal Access Col.

Gas

86.3% coverage
1.4 M customers
Universal Access Col.

Hidroituango:

2,400 MW
Units 1 and 2 entered commercial operation

Tepuy: 83 MW of solar energy

CapEx: COP 430,000 million.
Investment as of April 2023:
COP 180,570 million.

36 million m³ of water reused in the hydroelectric power generation process

13,705 of new ha protected, totaling 120,478 ha protected since 2016.

Environmental Investment in 2022

COP 271,015 M.

EPM first Sustainability-linked loan (SLLP) for USD 700 MM.

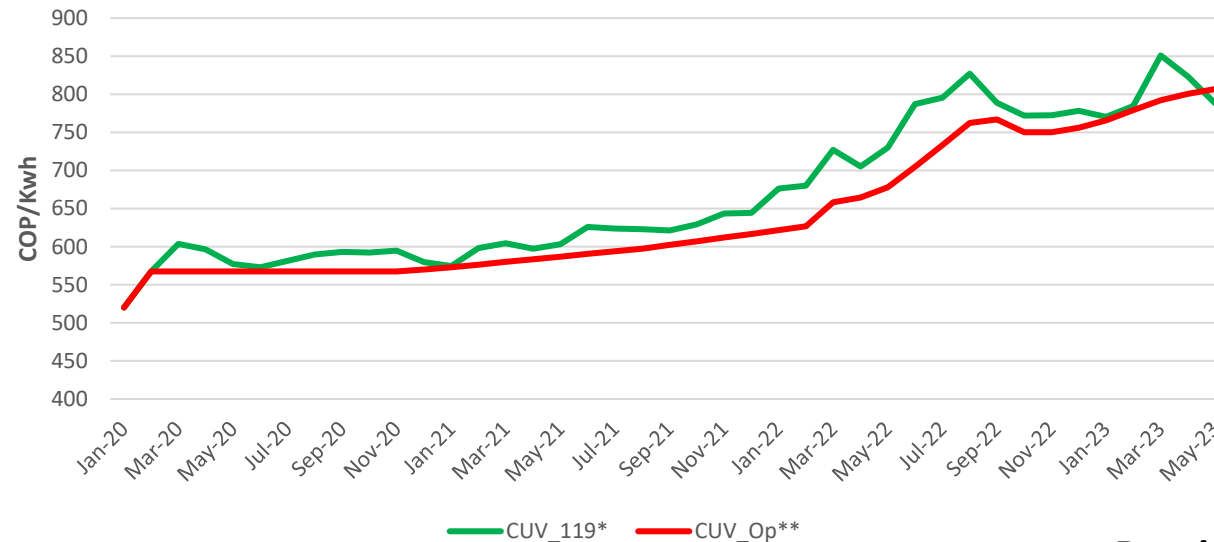
Key Performance Indicators:

- #1: Scope 1 and 2 GHG Emissions measured in Tons of CO₂e. Target 2022-2026: reduction of 73.4%.
- #2: Rate of water losses per billed user (IPUF) measured in m³/user/month. Target 2022-2026: 6 m³

3. Energy Distribution Tariffs



Unit Cost Comparison



*Resolution CREG 119 of 2007

** Tariff option defined by CREG Resolution 012 of 2020, which was temporarily modified through CREG Resolution 031 of 2022 and will be applied to tariffs until September 2023.

<https://cu.epm.com.co/clientesyusuarios/energia/tarifas-energia>

Unit cost: $CUv = G + T + D + C + PR + R$

Receivables by application of Tariff option

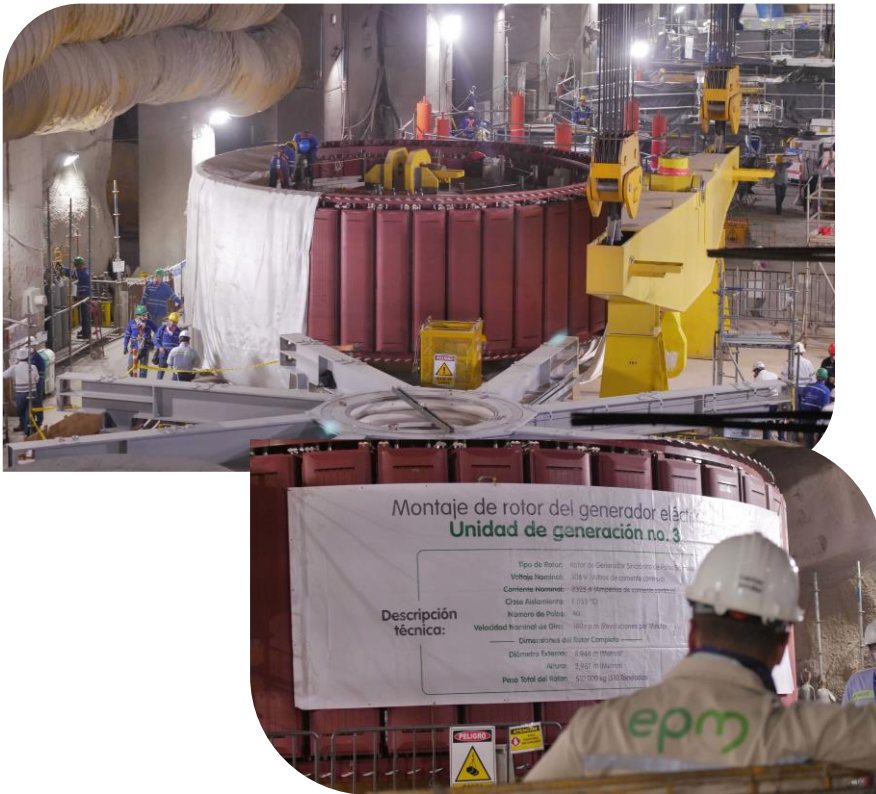
Figures in million COP

Company	2020	2021	2022	Jan. Apr 2023	Accumulated Balance 2020 -2023	Impairment	Tariff option receivables after impairment
EPM parent company	0	248408	321,439	77,269	647,116	213,928	433,188
ESSA	27,433	31,128	45,487	28,359	132,407	6,467	125,940
CHEC	11,728	6,204	40,936	31,855	90,723	13,229	77,494
CENS	22,600	34,645	88,008	15,639	160,891	13,200	147,691
EDEQ	8,841	13,588	22,266	15,064	59,760	7,203	52,557
AFINIA	0	407,843	828,382	202,851	1,439,076	329,489	1,109,587
Total	70,602	741,816	1,346,518	371,037	2,529,973	583,516	1,946,457

4. Update on Hidroituango

Total Work Progress

✓ 90.99% as of April 2023



Units 1 and 2 in commercial operation

- ✓ 12.9 GWh average daily generation
- ✓ Equivalent to 5.5% of Colombian's Power Generation



4. Update on Hidroituango



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 April 2023 [90.99%] Gross investment as of April 30, 2023: \$19.06 billion*. Net investment as of April 30, 2023: \$14.8 billion*, deducting payments from insurance policies. <p><i>*Preliminary figures.</i></p>	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 	99.3%
	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 Assembly of generation units 	86.4%
	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 Underwater work in intake structures 	86.6%
	Intermediate Discharge Tunnel	<ul style="list-style-type: none"> Partial reinforcement with concrete lining in selected areas Reinforcement of downstream walls Enlargement of Plug 12 	<ul style="list-style-type: none"> Gate completion and shielding Concrete coating 	66.3%
	Right Diversion Tunnel (RDT) and Auxiliary Diversion Tunnel (ADT)	<ul style="list-style-type: none"> Closing of both gates to the ADT Concrete pouring in said gates was completed. Final plug ADT 	<ul style="list-style-type: none"> Pre-plug 2 and final plug RDT 	97.8%

5. Afinia

Power service supply in the Southern Zone of the Caribbean Region



Main indicators

As of March, 2023

COP thousand million

- **Revenues:** COP 1,355 (+4%)
- **EBITDA:** COP 97 (COP 192 in 2022)
- **Net income:** COP 61 (COP 166 in 2022)
- **CAPEX:** COP 138

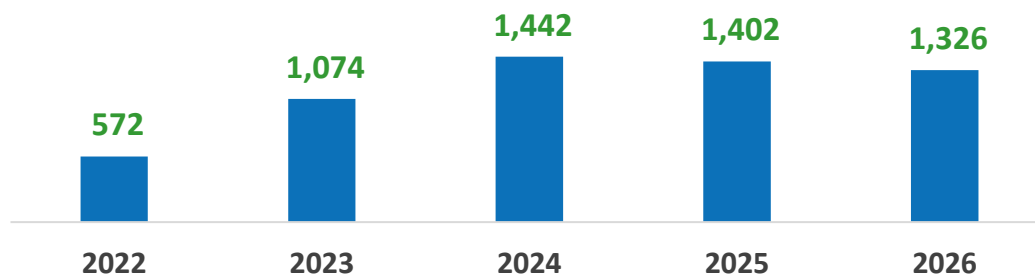
Collection percentage

83.96%	84.09%	79.14%
2021	2022	2023

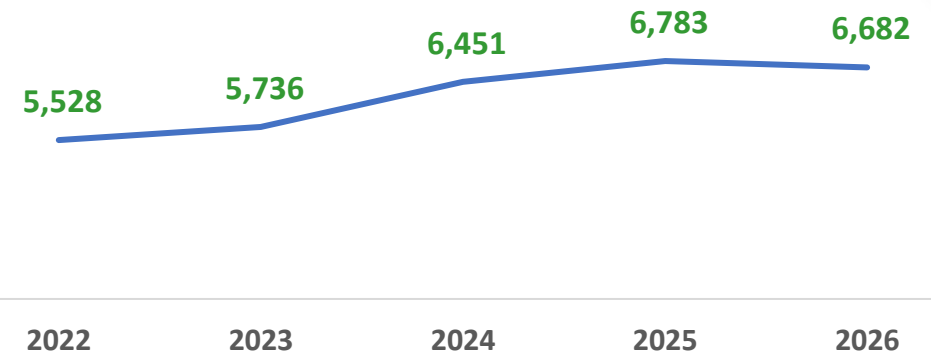
Energy loss indicator

28.29%	26.73%	25.54%
2021	2022	2023

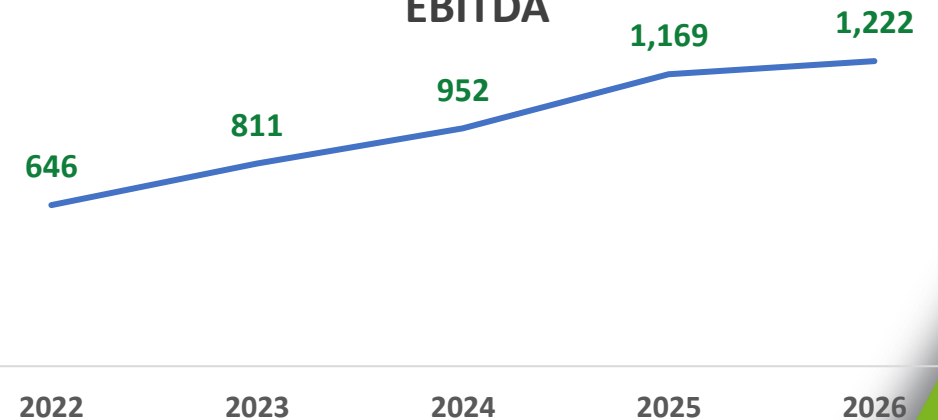
CapEx



Revenues



EBITDA



Figures in COP thousand million

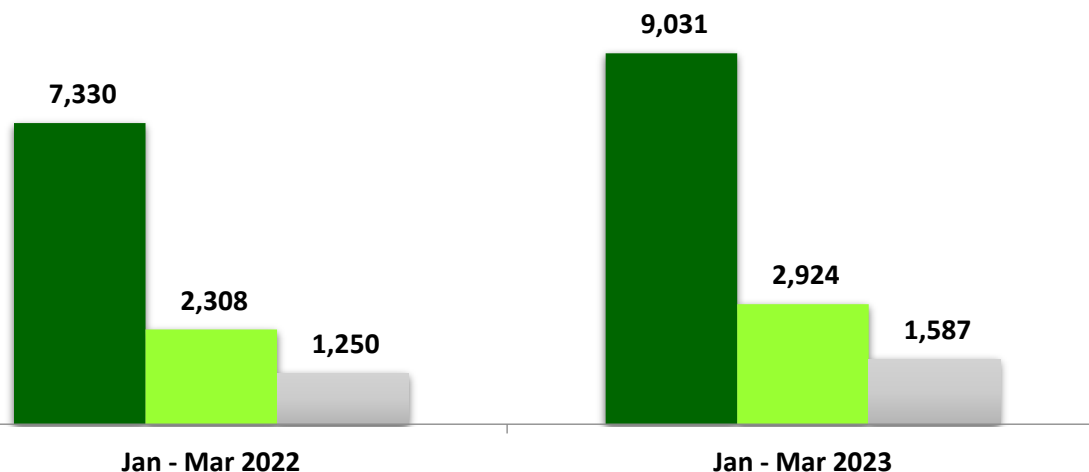
6. Financial Results as of March 31, 2023 (unaudited)

EPM Group Income Statement

Figures in COP thousand million



■ Revenues ■ EBITDA ■ Comprehensive income

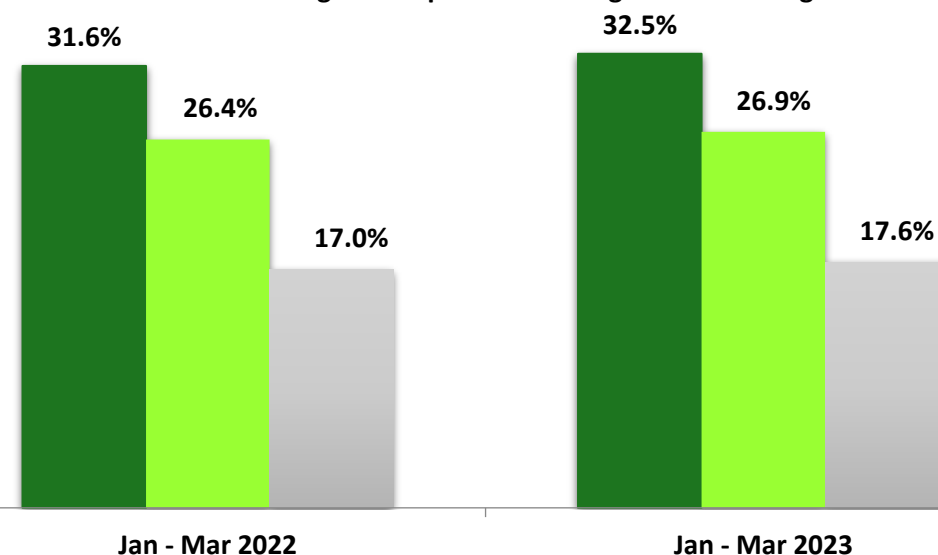


Jan. - Mar. 2023 - 2022

■ Revenues: 23%
■ EBITDA: 27%
■ Comprehensive income: 27%

- **Revenues** increased COP 1,701, 23%, mainly explained by higher revenues in the Energy Distribution business, due to a higher tariffs and units sold, highlighting the international subsidiaries of Guatemala and Panama, and in Colombia EPM parent company and ESSA.
- **Costs and expenses** increased COP 1,204, 22%, explained by a higher cost of the commercial operation given the increase in energy purchases of the energy distribution companies at a higher price.
- **EBITDA** increased COP 616, 27% with respect to previous year, standing out the contribution of the EPM parent company and the Generation Business, ENSA, ESSA, ADASA, and Aguas Nacionales.

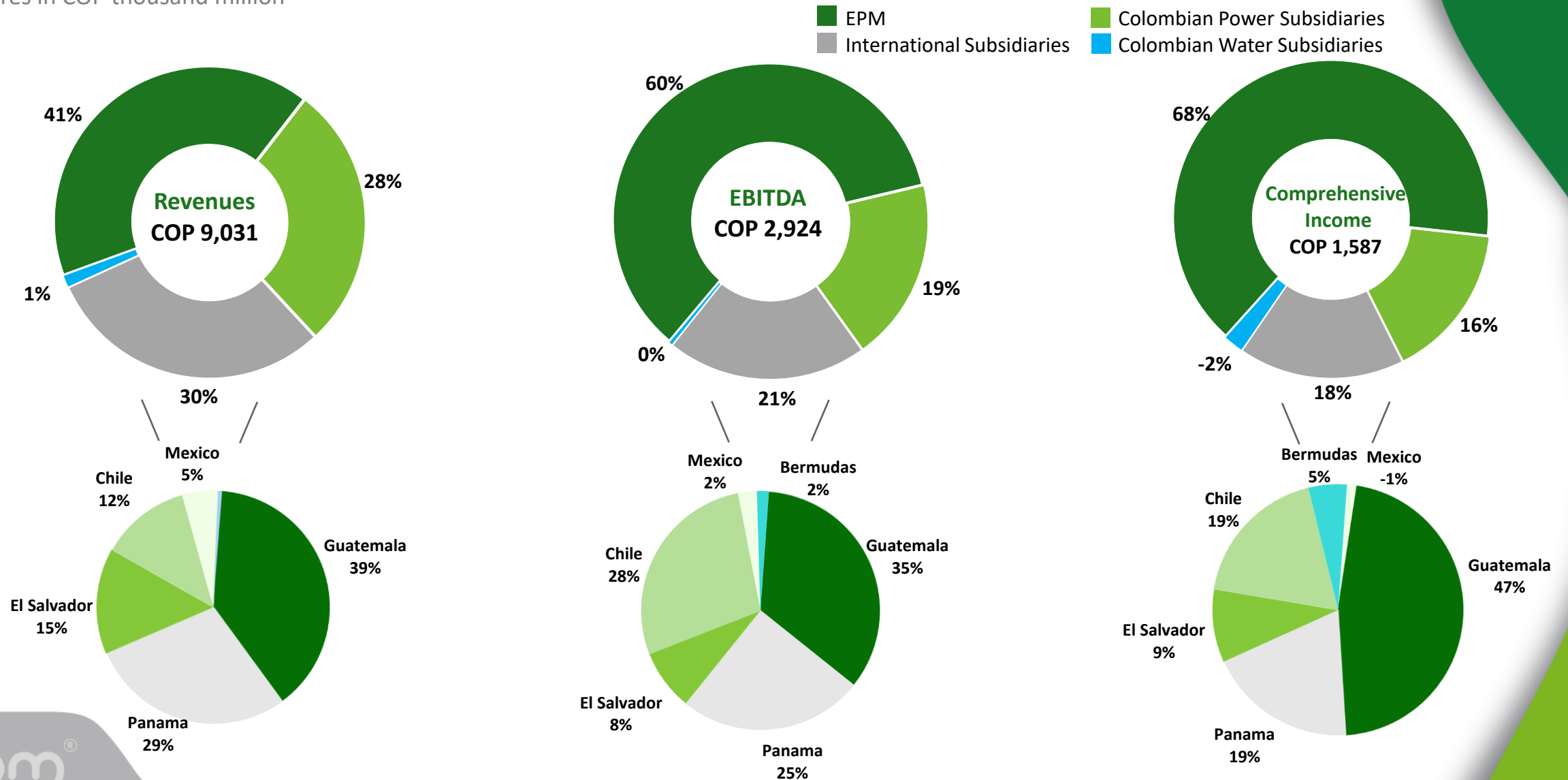
■ EBITDA margin ■ Operational margin ■ Net Margin



6. Financial Results as of March 31, 2023 (unaudited)

EPM Group by Colombian and International Subsidiaries

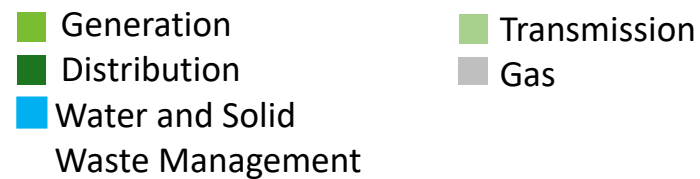
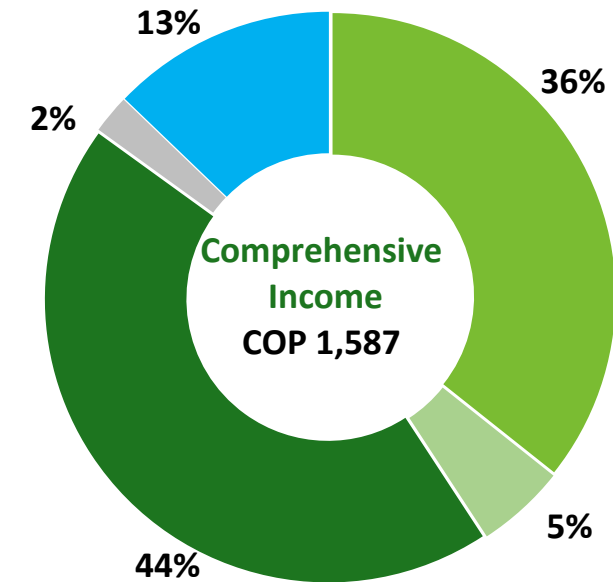
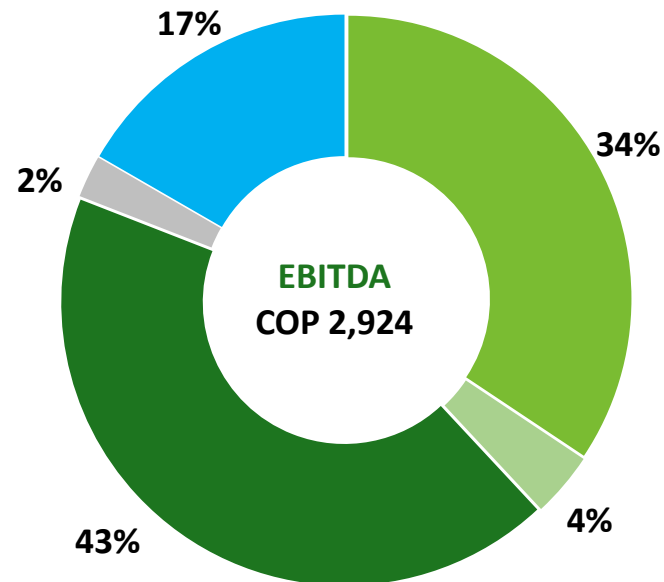
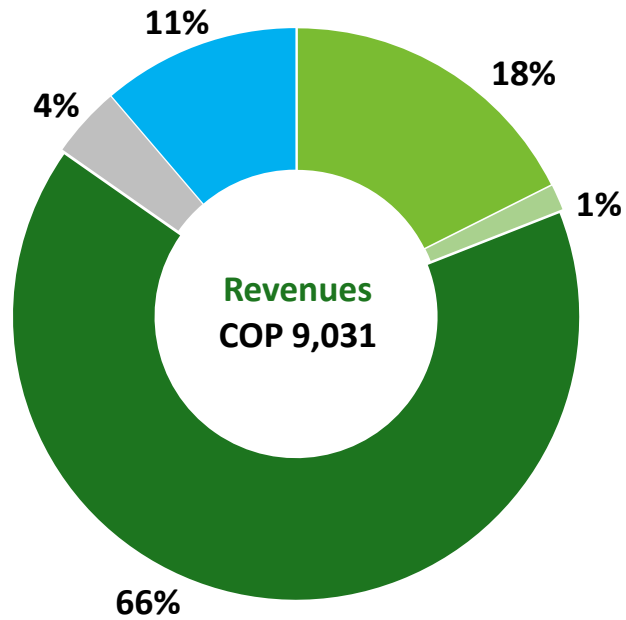
Figures in COP thousand million



6. Financial Results as of March 31, 2023 (unaudited)

EPM Group by Segments

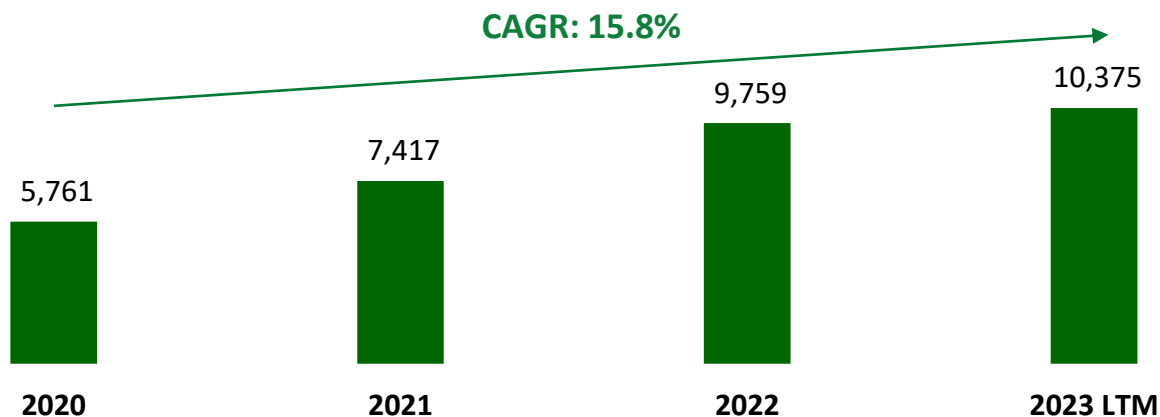
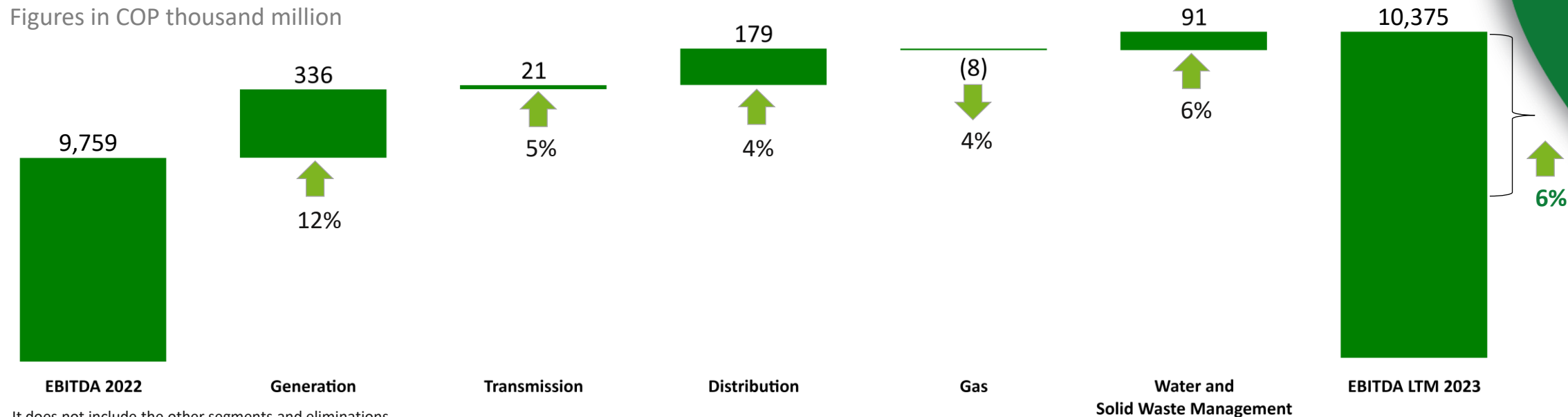
Figures in COP thousand million



6. Financial Results as of March 31, 2023 (unaudited)

EPM Group EBITDA

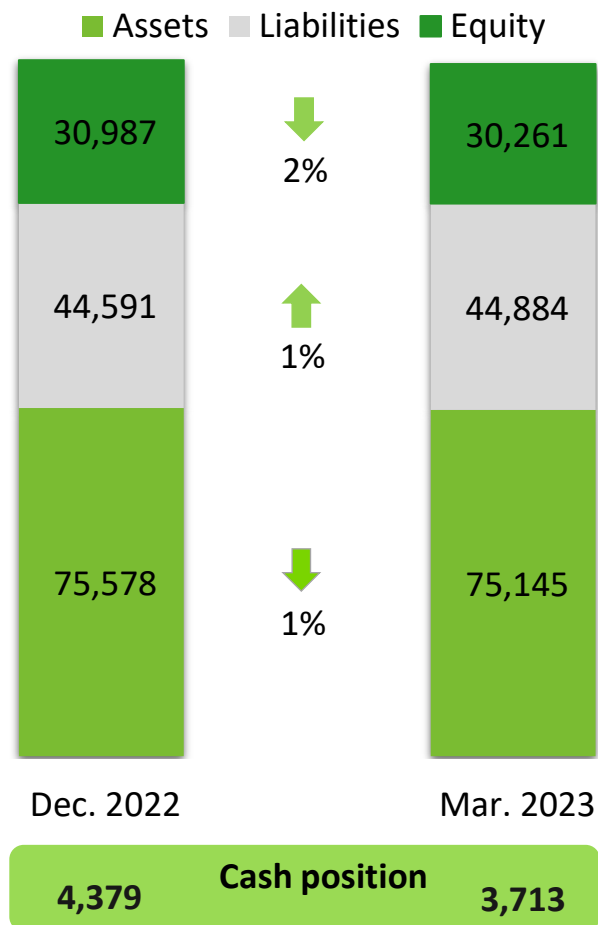
Figures in COP thousand million



6. Financial Results as of March 31, 2023 (unaudited)

EPM Group Statement of Financial Position

Figures in COP thousand million

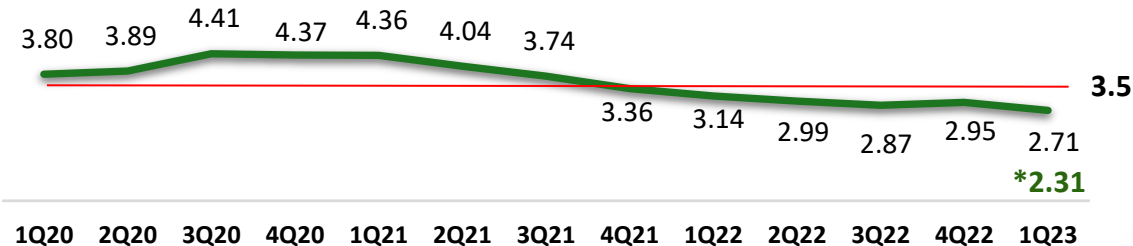


Ratios	Mar. 2022	Mar. 2023
Total Debt	60 %	60 %
Financial Debt	41 %	40 %
EBITDA/financial expenses	6.44 X	4.15 X
Long-Term Debt/EBITDA	3.13 X	2.71 X
Net Debt/EBITDA	2.42 X	2.31 X

EBITDA/ Financial expenses



Total Long Term Debt/EBITDA

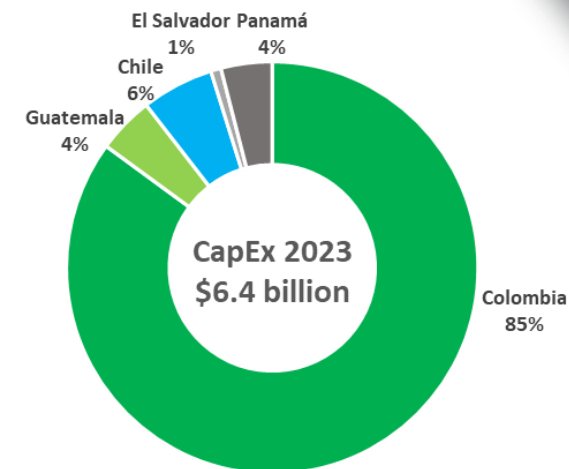
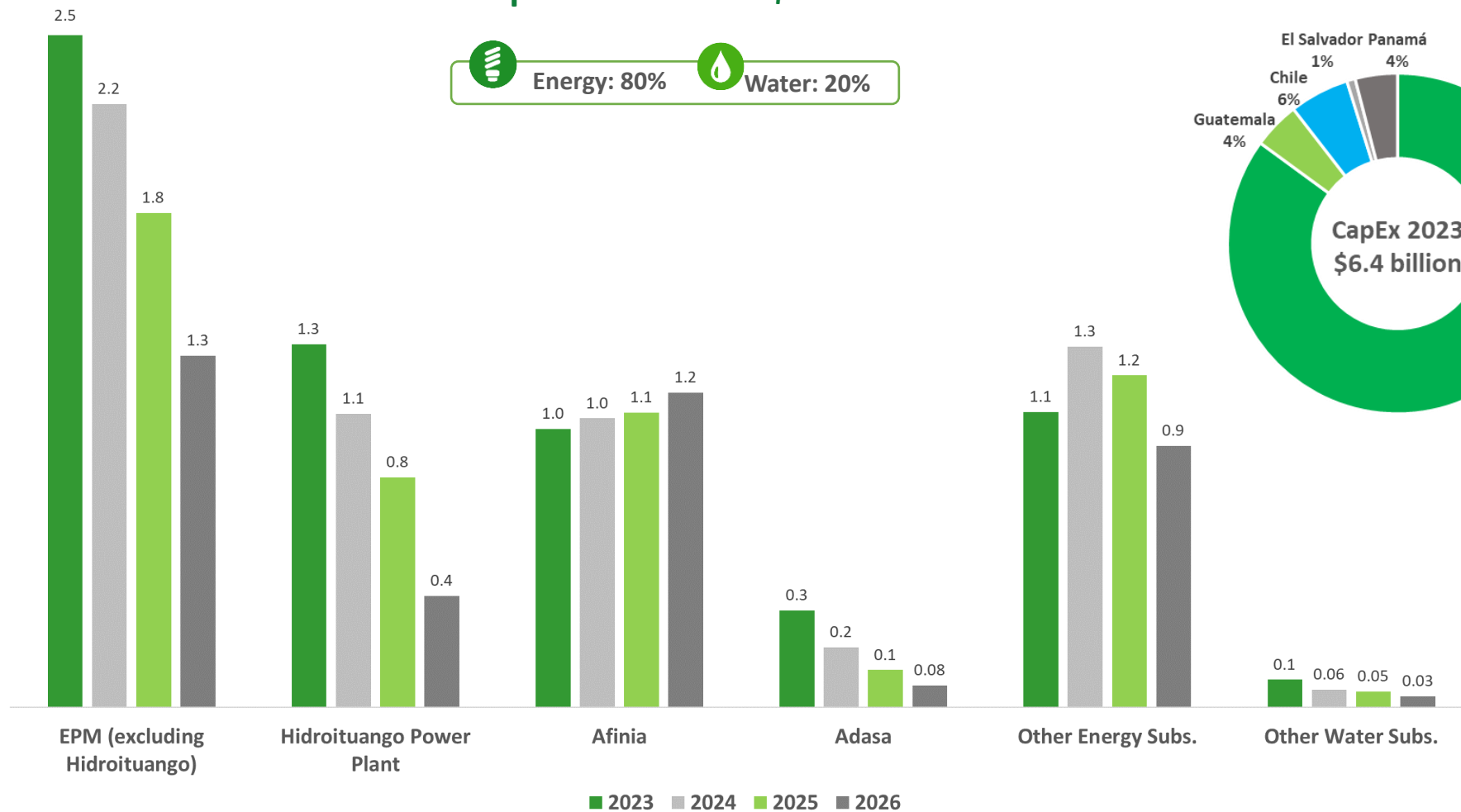
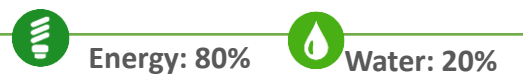


(*) Net Debt/EBITDA

6. CapEx 2023-2026

Figures in COP billion

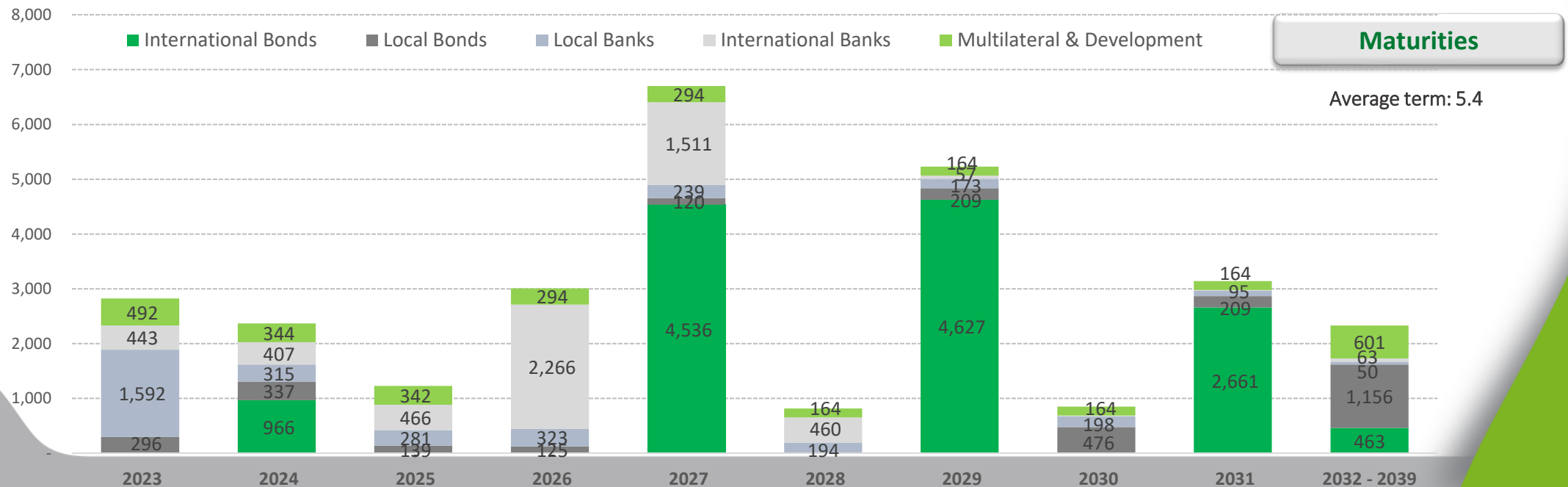
Total CapEx 2023-2026: \$21.5 billion



6. Financial Results as of March 31, 2023

EPM Group Debt Profile

Figures in COP thousand million



7. Liquidity and debt strategy



EPM Group cash position as of March 2023: COP 3.7 billion

Committed Lines

International Commercial Banks

Amount: USD 700 MM

Balance to be disbursed: USD 400 MM

Term: Dec. 2023

Use of proceeds: *General Capex plan*

AFD

Amount: USD 189.8 MM

Term: 10 years

Use of proceeds: *General Capex plan*

Authorization of the Ministry of Finance

and Public Credit: Feb.28, 2023

BNDES

Amount: USD 111 MM

Balance to be disbursed: USD 0.6 MM

Term: Dec. 2023

Use of proceeds: *Hidroituango equipment*

Other financing sources*

- Local and International Capital Markets
- Development banks
- Local Banks
- International banks

**Sources in permanent monitoring to identify market opportunities*



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