

Medellin, November 9, 2022

## EPM Group announces consolidated financial results as of September 30, 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 unaudited.

### 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

### **Tariffs adjustments:**

On Oct. 7, EPM released its tariff reduction proposal of 8.7% for energy commercialization companies that have a greater number of customers in strata 1 and 2, as well as a reduction of 4.7% for other companies with which they have long-term contracts. This implies an amount of approximately COP 340 thousand million for a 12-month period.

### **Hidroituango:**

- On Oct. 26, EPM successfully completed the assembly of the first two power generation units, as well as the complete installation of the metal shields of the vertical wells, and advances in its goal of entering into operation before November 30.
- On Oct. 31, the Colombian firm Schrader Camargo S.A.S was awarded the completion of the civil works of units 3 and 4 that are part of the first stage of the project.
- On Nov. 3. The deadline to receive bids in the contracting process for the construction of the final civil works of the Project (units 5 to 8) was extended to Dec. 7., which was scheduled for November 4.

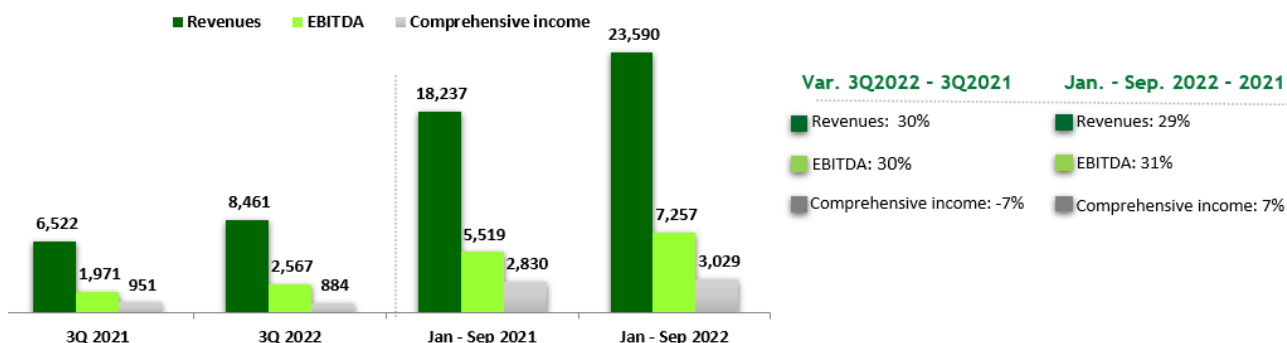
### **UNE:**

- On Oct. 6, after five attempts in the Local Council of Medellin, the request for authorization of the sale of the shareholding that EPM has in UNE and Invertelco was voted negative.

## 2. FINANCIAL RESULTS AS OF SEPTEMBER 30, 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 **September 30, 2022**, consolidated **revenue** totaled COP 23.6 billion with an 29% increase (+ COP 5.35 billion) with respect to same period of last year, which is mostly explained:

- in the **EPM Parent Company** (+ COP 1.5 billion) mainly in the Distribution business (+ COP 762 thousand million) due to increases in prices, higher sales, and better performance of the economy; in Generation business (+ COP 365 thousand million) due to higher income from services, sales on the stock market, and sales to the Non-Regulated Market; and in Gas business, (+ COP 218 thousand million) due to higher consumptions and clients.
- in **Afinia** (+ COP 1.47 billion) mainly due to higher revenues, given the authorization of tariffs in accordance with the Temporary Regime in force for the subsidiary, and higher demand.
- in **ENSA, Panama**, (+ COP 613 thousand million) due to greater commercial and residential demand, and higher prices.
- In **EEGSA (Guatemala)**, (+ COP 377 thousand million) explained by greater number of clients, units sold, and sale prices.
- In **Delsur (El Salvador)** (+ COP 257 thousand million) explained by higher industrial consumption, prices, and number of customers.

Consolidated **costs and expenses** totaled COP 17.67 billion, with an 28% increase (+ COP 3.88 billion), mostly explained by a higher cost of the commercial operation given the greater purchase of energy at higher prices.

**Operating Margin** as of September 30, 2022, was 25%, compared to 24% obtained 2021.

**EBITDA totaled** COP 7.2 billion, increasing 31% (+ COP 1.7 billion), in relation to previous year.

**EBITDA Margin** was 31%, compared to 30% obtained the previous year.

**The comprehensive income for the period** was COP 3.02 billion, showing an increase of COP 166 thousand million in relation to previous year, and **Net margin** of 13%, compared to 16% obtained in 2021, where some aspects to point out are:

**Increase in:**

- Revenues for COP 5.2 billion.
- Costs and expenses for COP 3.9 billion.
- FX revenues for COP 185 thousand million.
- Financial expenses for COP 406 thousand million.
- Income tax provision for COP 453 thousand million.

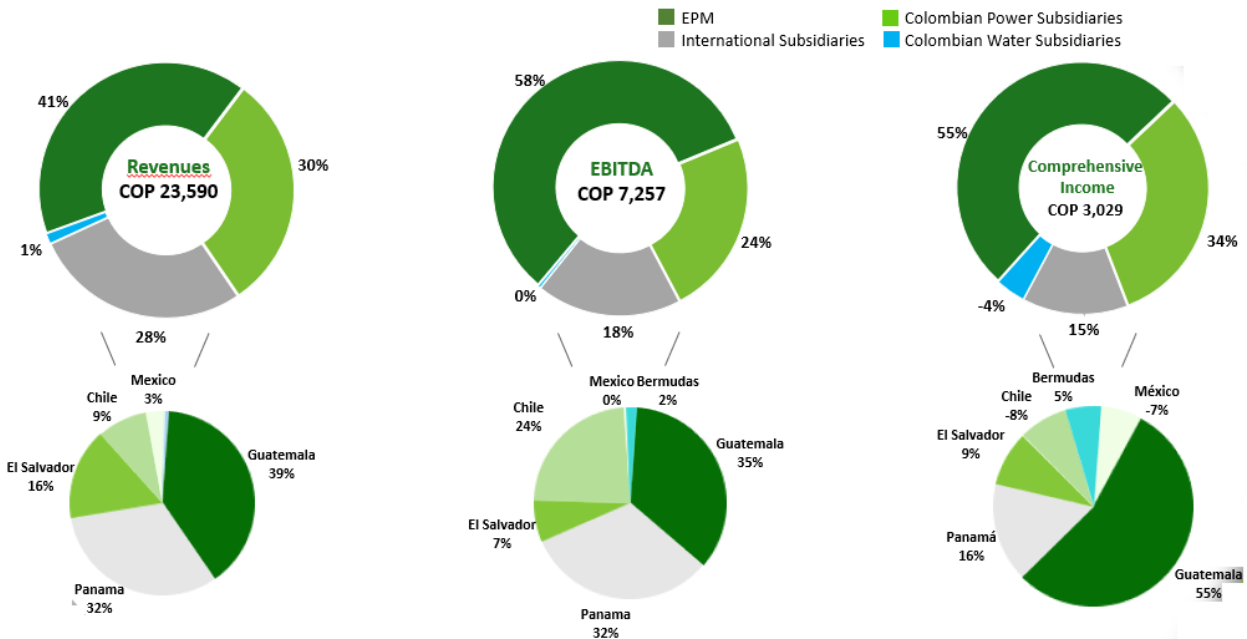
It is important to note that Comprehensive income as of September does not yet include the effects of impairment in the valuation of the investment in UNE and receivable impairment.

Concept	2021	2022	% Var.	2022 USD*
Net Revenues	18,237,460	23,589,589	29	5,205
Costs and administrative expenses	13,792,896	17,673,411	28	3,900
Exchange differences	(24,010)	(208,842)	770	(46)
Financial results, net	(926,354)	(1,332,766)	44	(294)
Investment results, net	41,515	(57,993)	(240)	(13)
<b>Profit before taxes</b>	<b>3,535,715</b>	<b>4,316,577</b>	<b>22</b>	<b>952</b>
Income tax provision	778,826	1,232,176	58	272
Discontinued operations	-	-	100	-
Regulatory accounts, net	72,791	(55,340)	N.A.	(12)
<b>Comprehensive Income for the period</b>	<b>2,829,680</b>	<b>3,029,060</b>	<b>7</b>	<b>668</b>
Other Comprehensive Income	(488,621)	(1,106,884)	127	(244)
<b>Total Comprehensive Income for the year</b>	<b>2,341,059</b>	<b>1,922,177</b>	<b>(18)</b>	<b>424</b>
Minority Interest	171,422	208,576	22	46
<b>Total Comprehensive Income for the year attributable to owners of the company</b>	<b>2,169,637</b>	<b>1,713,600</b>	<b>(21)</b>	<b>378</b>

Figures in COP million

\*Figures in COP were converted to USD at an exchange rate of COP/USD 4,532.07 (September 30,2022).

## 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 accounts for 72% and foreign subsidiaries for 28%.

In Colombia, **EPM Parent Company** accounted for 41%, **the Colombian power subsidiaries** accounted for 30%, and the remaining **1% comes from the Water and Solid Waste Management subsidiaries in Colombia**.

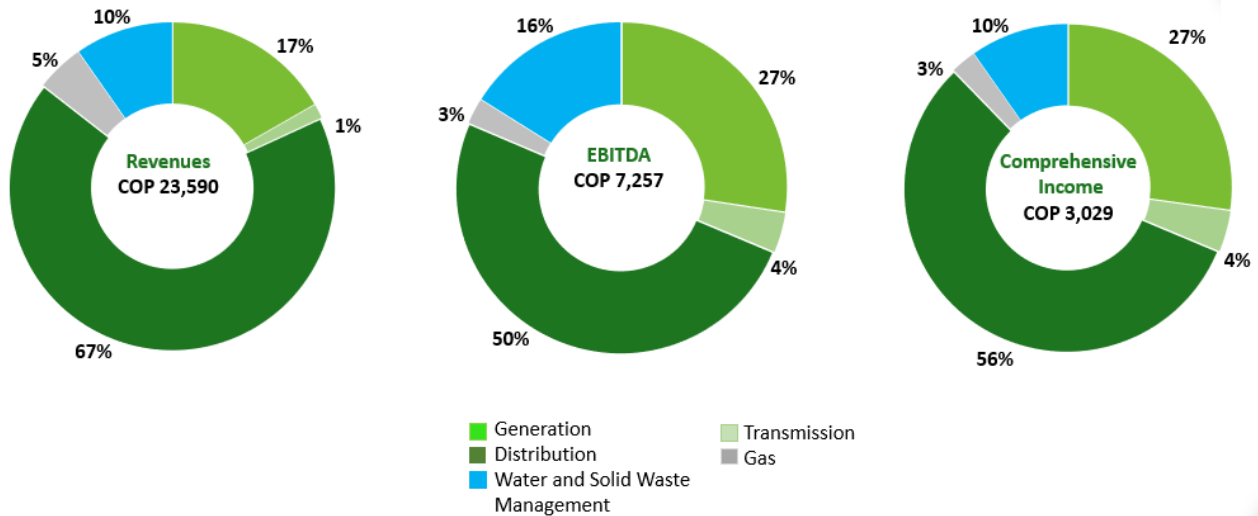
**As to EBITDA**, the Group's Colombian companies accounted for 82% and foreign companies for 18%.

**EPM Parent Company** accounted for 58% of EBITDA with an increase of COP 662 thousand million (+19%) compared to previous year.

**Colombian Power subsidiaries** accounted for 24%, standing out Afinia with COP 589 thousand million, CHEC with COP 113 thousand million (+54%), and CENS with COP 74 thousand million (+41%).

**International subsidiaries** accounted for 18% of the Group's EBITDA, increasing COP 238 thousand million (+21%) compared to previous year, standing out ENSA with COP 238 thousand million (+137%), given the increased demand resulting from the post-pandemic economic reactivation.

## 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 81% 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 4,3 billion, where in EPM greater amount were sold (+GWh 157) at a higher price (+\$/kWh 165), in ENSA greater amounts (+GWh 122) at a higher price (+USD/kWh 34), and in Afinia there was a growth of more than COP 1 billion, given the authorization of rates in mid-2021 in accordance with the current Transitory Regime of the subsidiary.
- In **Generation** there was a growth for COP 384 billion (+10%), given the increases in sales in long-term contracts, on the stock market, non-regulated market and AGC service.

**Fuel Gas services** contributed 5% of the Group's revenue, and 3% of EBITDA.

**Water and Solid Waste Management services** represented 10% of the Group's revenue, and 16% of EBITDA.

## 2.4 STATEMENT OF FINANCIAL POSITION

Financial Position	2022	2021	% Var.	2022 USD*
<b>Assets</b>				
Current	14,217,541	14,576,032	(2)	3,137
No Current	56,819,323	53,200,437	7	12,537
<b>Total assets</b>	<b>71,036,864</b>	<b>67,776,470</b>	<b>5</b>	<b>15,674</b>
<b>Liabilities</b>				-
Current	11,362,753	9,720,287	17	2,507
No Current	30,845,398	29,305,997	5	6,806
<b>Total Liabilities</b>	<b>42,208,150</b>	<b>39,026,284</b>	<b>8</b>	<b>9,313</b>
<b>Equity</b>	<b>28,828,714</b>	<b>28,750,186</b>	<b>0</b>	<b>6,361</b>

Figures in COP million

Figures in COP were converted to USD at an exchange rate of COP/USD 4,532.07 (September 30, 2022).

### Regarding the Balance Sheet:

The **Equity** totaled **COP 28.8 billion**, increasing 0.8%, due to the combine effect of higher total comprehensive income and a decrease for the record of surpluses to the Municipality of Medellín for COP 1.85 billion and to be paid during the period. In the year was paid COP 1.64 billion.

**Liabilities** totaled to **COP 42.2 billion**, increasing COP 3.2 billion, 8% with respect to the previous year, mainly explained by an increase in credits and loans due to FX effect, amortized cost, and new disbursements.

**The Group's total assets** rose to **COP 71.03 billion**, increasing 5% compared to the previous year, standing out investments in infrastructure, mainly Ituango for \$1.3 billion, EPM Distribution projects for \$383 thousand million, EPM Water projects for \$447 thousand million, Afinia \$266 thousand million, and foreign subsidiaries for \$420 thousand million.

**Cash position** as of September 30, 2022, was **COP 3.9 billion**.

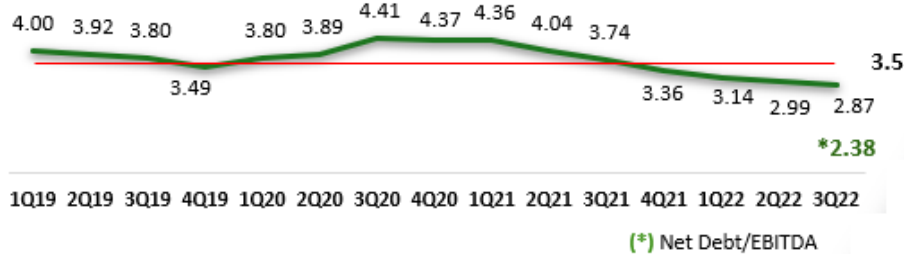
Regarding ratios:

Ratios	2021	2022
Total Debt	58 %	59 %
Financial Debt	41 %	42 %
EBITDA/financial expenses	6.25 X	5.06 X
Long-Term Debt/EBITDA	3.73 X	2.87 X
Net Debt/EBITDA	3.09 X	2.38 X

**EBITDA/ Financial expenses**



**Total Long Term Debt/EBITDA**



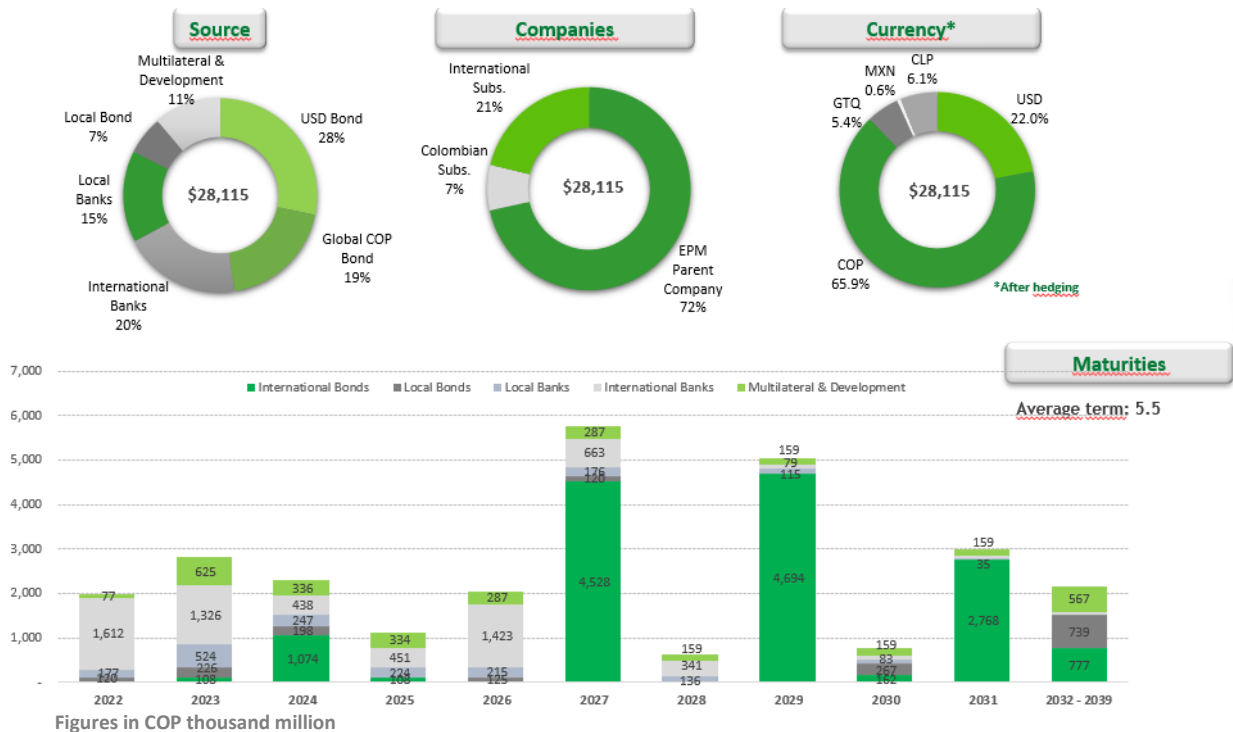
The **Group's Total Debt/Total Assets** was 59%, compared to 58% obtained the previous year.

Regarding **debt** ratios:

- The EBITDA/Financial expenses reached 5.06x.
- The Total Debt/EBITDA was 2.87x, 0.63x under the goal of 3.50x.
- Net Debt/EBITDA: 2.38x.



## 2.5 DEBT PROFILE



The debt of EPM Group totaled COP 28.1 billion. As to financing source, 22% of debt corresponds to domestic debt, 19% to Pesos-denominated foreign debt, and 59% to foreign debt hired in other currencies.

Of EPM Group's total debt 72% 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.

# Third Quarter 2022 Financial Report

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

As of September 30, 2022 and December 31, 2021

In millions of Colombian pesos

	Notes	September 30 2022	December 31 2021
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment, net	7	42,340,681	39,075,180
Investment property		172,907	167,329
Goodwill		3,317,872	3,218,802
Other intangible assets		2,919,754	2,846,369
Right-of-use assets		695,798	697,918
Investments in associates	9	1,257,160	1,393,915
Investments in a joint ventures		19,921	24,054
Deferred tax assets		1,122,577	906,746
Trade and other receivables	10	2,268,924	1,534,443
Other financial assets	11	2,198,356	2,843,684
Other assets		336,543	285,165
Cash and cash equivalents (restricted)	12	99,753	70,550
<b>Total non-current assets</b>		<b>56,750,246</b>	<b>53,064,155</b>
<b>Current assets</b>			
Inventories		685,078	511,364
Trade and other receivables	10	6,899,993	7,626,019
Assets for current tax assets		628,210	575,023
Other financial assets	11	1,732,697	1,004,346
Other assets		933,177	839,770
Cash and cash equivalents	12	3,338,383	4,019,511
<b>Total current assets</b>		<b>14,217,538</b>	<b>14,576,033</b>
<b>Total assets</b>		<b>70,967,784</b>	<b>67,640,188</b>
Debit balances of deferred regulatory accounts		69,079	136,282
<b>Total assets and debit balances of deferred regulatory accounts</b>		<b>71,036,863</b>	<b>67,776,470</b>
<b>Equity</b>			
Issued capital		67	67
Treasury shares		(52)	(52)
Reserves		2,502,823	2,416,297
Accumulated other comprehensive income		2,698,999	3,798,458
Retained earnings		19,228,210	18,125,734
Net profit for the period		2,813,047	3,039,783
Other components of equity		76,849	74,520
<b>Equity attributable to Owners of the Company</b>		<b>27,319,943</b>	<b>27,454,807</b>
Non-controlling interests		1,508,768	1,295,378
<b>Total equity</b>		<b>28,828,711</b>	<b>28,750,185</b>

EMPRESAS PÚBLICAS DE MEDELLÍN E. S. P. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
As of September 30, 2022 and December 31, 2021  
In millions of Colombian pesos

epm® Group

	Notes	September 30 2022	December 31 2021
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Loans and borrowings	13	23,948,051	22,644,119
Creditors and others accounts payable		722,334	667,530
Other financial liabilities		961,590	1,037,843
Employee benefits		928,425	900,109
Income tax payable		33,351	33,351
Deferred tax liabilities		2,325,082	2,171,022
Provisions	14	1,266,436	1,089,354
Other liabilities		639,406	721,786
<b>Total non-current liabilities</b>		<b>30,824,675</b>	<b>29,265,114</b>
<b>Current liabilities</b>			
Loans and borrowings	13	4,166,641	3,121,673
Creditors and others account payable		4,031,185	3,970,341
Other financial liabilities		606,768	603,430
Employee benefits		368,651	310,639
Income tax payable		431,787	159,025
Taxes contributions and rates payable		413,726	480,022
Provisions	14	534,855	535,902
Other liabilities		809,140	539,255
<b>Total current liabilities</b>		<b>11,362,753</b>	<b>9,720,287</b>
<b>Total liabilities</b>		<b>42,187,428</b>	<b>38,985,401</b>
Deferred tax liabilities related to balances of deferred regulatory accounts		20,724	40,884
<b>Total liabilities and credit balances of deferred regulatory accounts</b>		<b>42,208,152</b>	<b>39,026,285</b>
<b>Total liabilities and equity</b>		<b>71,036,863</b>	<b>67,776,470</b>

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

Jorge Andrés Carrillo Cardoso  
General Manager

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

John Jaime Rodríguez Sosa  
Director of Accounting and Costs  
Professional Card No. 144842-T

# Third Quarter 2022 Financial Report

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES

epm Group

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME


For the six months ended September 30, 2022 and 2021  
In millions of Colombian pesos

	Notes	September 30 2022	September 30 2021	For the three months ended September 30, 2022	For the three months ended September 30, 2021
Sale of goods	15	38,774	40,440	14,471	14,962
Rendering of services	15	23,117,313	17,908,320	8,275,813	6,403,265
Leases	15	110,273	78,525	50,455	26,391
<b>Total revenue</b>		<b>23,266,360</b>	<b>18,027,285</b>	<b>8,340,739</b>	<b>6,444,618</b>
Other income	16	321,357	209,462	119,175	76,908
Income from sale of assets		1,872	713	1,114	220
<b>Total income</b>		<b>23,589,589</b>	<b>18,237,460</b>	<b>8,461,028</b>	<b>6,521,746</b>
Costs of goods sold and services rendered	17	(15,100,425)	(12,037,060)	(5,372,424)	(4,307,571)
Administrative expenses	18	(1,671,493)	(1,328,703)	(622,982)	(428,929)
Impairment loss on accounts receivable		(814,595)	(366,339)	(412,455)	(139,118)
Other expenses	19	(86,899)	(60,794)	(43,823)	(14,550)
Financial income	20.1	253,625	119,217	78,326	36,949
Financial expenses	20.2	(1,586,391)	(1,045,570)	(627,554)	(358,480)
Net foreign exchange difference	21	(208,842)	(24,010)	(17,126)	78,697
Share of loss of equity accounted investees		(135,052)	(84,948)	(89,926)	(26,762)
Gain on equity investments		77,059	126,463	28	73
<b>Profit of the period before taxes from continuing activities</b>		<b>4,316,576</b>	<b>3,535,716</b>	<b>1,353,092</b>	<b>1,362,055</b>
Income tax expense	22	(1,232,176)	(778,826)	(443,709)	(442,464)
<b>Profit for the period after taxes</b>		<b>3,084,400</b>	<b>2,756,890</b>	<b>909,383</b>	<b>919,591</b>
Net movement in balances of net regulatory accounts related to the result of the period		(80,828)	90,457	(50,840)	31,375
Net movement in deferred tax related to deferred regulatory accounts related to the results of the period		25,487	(17,666)	25,937	189
<b>Profit for the period and net movement in deferred tax related to deferred regulatory accounts</b>		<b>3,029,059</b>	<b>2,829,681</b>	<b>884,480</b>	<b>951,155</b>
<b>Other comprehensive income (loss)</b>					
Items that will not be reclassified to profit or loss:					
Reclassification of properties, plant and equipment to investment properties		-	187	-	-54
Remeasurement of defined benefit plans		(12,073)	(10,468)	(5,018)	(558)
Equity investments measured at fair value through equity		(576,796)	(293,182)	(390,902)	53,655
Income tax related to components that will not be reclassified		536	2,856	(1)	3,424
		<b>(588,333)</b>	<b>(300,607)</b>	<b>(395,921)</b>	<b>56,467</b>
Items that will be reclassified subsequently to profit or loss:					
Cash flow hedges:					
Reclassified to profit or loss for the period		(804,479)	(383,993)	(258,681)	(24,756)
Effective portion of changes in fair value		(172,496)	285,394	268,685	128,773
Exchange differences on translation of foreign operations		(631,983)	(669,387)	(527,366)	(153,529)
Equity accounted investees - share of OCI		410,727	220,686	385,100	(111,236)
Hedges of net investments in foreign operations		(4)	(7)	(4)	(2)
Income tax related to the components that may be reclassified		(124,350)	(23,800)	(141,024)	(23,800)
		<b>(445)</b>	<b>(901)</b>	<b>(53)</b>	<b>(133)</b>
		<b>(518,551)</b>	<b>(188,015)</b>	<b>(14,662)</b>	<b>(159,927)</b>
<b>Other comprehensive income, net of taxes</b>		<b>(1,106,884)</b>	<b>(488,622)</b>	<b>(410,583)</b>	<b>(103,460)</b>
<b>Total comprehensive income for the period</b>		<b>1,922,175</b>	<b>2,341,059</b>	<b>473,897</b>	<b>847,695</b>
<b>Profit for the period attributable to:</b>					
Owners of the company		2,813,047	2,654,659	812,258	894,189
Non-controlling interest		216,012	175,022	72,222	56,966
		<b>3,029,059</b>	<b>2,829,681</b>	<b>884,480</b>	<b>951,155</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the company		1,713,599	2,169,637	405,927	790,304
Non-controlling interest		208,576	171,422	67,970	57,391
		<b>1,922,175</b>	<b>2,341,059</b>	<b>473,897</b>	<b>847,695</b>

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

  
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# Third Quarter 2022 Financial Report

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the three months ended September 30, 2022 and 2021  
Amounts stated in millions of Colombian pesos

epm<sup>®</sup> Group

Notes	September 2022	September 2021	
<b>Cash flows from operating activities:</b>			
<b>Profit for the year</b>	<b>3,029,059</b>	<b>2,829,681</b>	
<b>Adjustments to reconcile the net profit for the year to the net cash flows used in operating activities:</b>			
Depreciation and amortization of property, plant and equipment, right-of-use assets and intangible assets	17 and 18	1,102,475	995,495
Impairment of property, plant and equipment, right of use assets and intangible assets		88,059	-
Impairment loss on accounts receivable	10	814,595	366,339
Reversal loss of impairment of property, plant and equipment value, right-of-use assets and intangible assets		(117)	(66)
Write-down of inventories, net		1,294	1,103
Gain / loss due to exchange difference	21	208,842	24,010
Gain / loss due to valuation of investment property	16 and 19	(3,232)	(80)
Result for valuation of financial instruments and hedge accounting	20.1 and 20.2	42,332	125,309
Result of compensation for activities associated with investment flow		-	(1)
Provisions, post-employment and long-term defined benefit plans	18	265,978	156,816
Provisions for tax, insurance and reinsurance obligations and financial updating	18 and 20.2	56,809	22,293
Government subsidies applied	16	(89,904)	(89,688)
Deferred income tax	22	(64,526)	157,575
Current income tax	22	1,296,702	621,251
Share of loss of equity-accounted investees	9	135,052	84,948
Interest and yield income	20.1	(199,960)	(97,301)
Interest and commission expenses	20.2	1,433,984	882,601
Gain / loss due to disposal of properties, plant and equipment, right-of-use assets, intangibles and investment property		(1,474)	(574)
Result from withdrawal of property, plant and equipment, right of use assets, intangible assets and investments	16 and 19	21,106	16,927
Gain / loss due to disposal of financial instruments		-	-
Non-cash recoveries	16	(92,363)	(60,468)
Result of deferred regulatory accounts		55,340	(72,791)
Gain / loss from due to disposal of investments in subsidiaries		-	7,626
Gain / loss from business combinations		-	(134,089)
Dividend income from investments	11	(77,059)	(134,089)
		<b>8,022,992</b>	<b>5,836,916</b>
<b>Net changes in operating assets and liabilities:</b>			
Change in inventories		(173,777)	(8,429)
Change in trade and other receivables		(2,754,867)	(919,977)
Change in other assets		(122,002)	(493,920)
Change in creditors and other accounts payable		(137,406)	158,501
Change in labor obligations		67,425	73,928
Change in provisions		(186,265)	212,895
Change in other liabilities		129,336	(67,773)
<b>Cash generated from operating activities</b>		<b>4,845,436</b>	<b>4,792,141</b>
Interest paid		(1,228,825)	(959,358)
Income tax paid		(975,851)	(658,366)
Income tax refund		(1,310)	52,775
<b>Net cash provided by operating activities</b>		<b>2,639,450</b>	<b>3,227,192</b>
<b>Cash flows from investing activities:</b>			
Acquisition of subsidiaries or business, net of cash acquired		-	(7,626)
Disposal of subsidiaries or business		-	-
Purchase of property, plant and equipment	7	(3,303,307)	(2,677,364)
Disposal of property, plant and equipment	7	14,846	23,464
Purchase of intangible assets		(169,000)	(183,107)
Disposal of intangible assets		(88)	2,240
Acquisition of investment properties		-	(80)
Disposal of investment properties		102	-
Purchase of investments in financial assets	11	(1,013,492)	(713,105)
Disposal of investments in financial assets	11	569,371	2,049,944
Interest received		186	1,049
Dividends received from subsidiaries		-	-
Dividends received from associates and joint business		5,444	19,073
Other dividends received		38,505	68,735
Compensation received	16	2,521,064	-
Other cash flows from investment activities		471	17,378
<b>Net cash flow used in investing activities</b>		<b>(1,335,898)</b>	<b>(1,399,399)</b>

# Third Quarter 2022 Financial Report

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the three months ended September 30, 2022 and 2021  
Amounts stated in millions of Colombian pesos


epm<sup>®</sup> Group

	Notes	September 2022	September 2021
<b>Cash from financing activities:</b>			
Acquisition of own shares			
Obtaining of borrowings and loans	13	1,371,235	1,309,796
Payments of borrowings and loans	13	(1,279,365)	(1,920,945)
Transaction costs due to issuance of debt instruments	13	(3,673)	(14,825)
Payments of liabilities for financial leasing		(54,965)	(43,397)
Dividends or surpluses paid to Medellín Municipality	6	(1,647,219)	(1,261,974)
Dividends or surplus paid to non-controlling interests	8	(106,461)	(52,623)
Subsidies of capital		240	45
Payments of capital of derivatives designated as cash flow hedges		37,233	23,015
Acquisition of non-controlling interests			
Payment of pension bonds		(48,636)	(17,346)
Other cash from financing activities		(1,534)	(8,941)
<b>Net cash flows provided / (used in) by financing activities</b>		<b>(1,733,145)</b>	<b>(1,987,195)</b>
<b>Net increase in cash and cash equivalents</b>		<b>(429,593)</b>	<b>(159,402)</b>
Effects of variations in exchange rates in the cash and cash equivalents		(222,333)	(161,588)
Cash and cash equivalents at beginning of the year	12	4,090,062	4,097,964
<b>Cash and cash equivalents at end of the year</b>	<b>12</b>	<b>3,438,136</b>	<b>3,776,974</b>
Restricted cash	12	753,013	554,527

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

  
Jorge Andrés Carrillo Cardoso  
General Manager

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

  
John Jaime Rodríguez Sosa  
Director of Accounting and Costs  
Professional Card No. 144842-T

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



As of September 30, 2022 and December 31, 2021  
in millions of Colombian pesos

	September 30, 2022	December 31, 2021
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment, net	30,318,661	28,136,522
Investment property	152,339	152,339
Goodwill	260,950	260,950
Other intangible assets	591,118	589,244
Right-of-use assets	2,322,972	2,236,680
Investments in subsidiaries	11,646,018	10,312,202
Investments in associates	2,434,417	2,434,417
Investments in a joint ventures	99	99
Trade and other receivables	1,493,962	1,364,067
Other financial assets	2,170,888	2,795,255
Other assets	145,270	93,250
Cash and cash equivalents (restricted)	63,670	21,588
<b>Total non-current assets</b>	<b>51,600,364</b>	<b>48,396,613</b>
<b>Current assets</b>		
Inventories	178,776	172,709
Trade and other receivables	3,050,963	4,869,342
Assets for current tax assets	284,702	322,496
Other financial assets	1,091,557	303,863
Other assets	197,628	145,782
Cash and cash equivalents	1,146,005	1,776,499
<b>Total current assets</b>	<b>5,949,631</b>	<b>7,590,691</b>
<b>Total assets</b>	<b>57,549,995</b>	<b>55,987,304</b>
<b>Liabilities and equity</b>		
<b>Equity</b>		
Issued capital	67	67
Reserves	1,459,906	1,552,992
Accumulated other comprehensive income	2,797,222	3,863,005
Retained earnings	20,814,968	19,211,783
Net profit for the period	2,908,202	3,365,046
Other components of equity	64,320	64,341
<b>Total equity</b>	<b>28,044,685</b>	<b>28,057,234</b>

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



As of September 30, 2022 and December 31, 2021  
in millions of Colombian pesos

	September 30, 2022	December 31, 2021
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Loans and borrowings	17,447,561	16,783,568
Creditors and other accounts payable	8,851	13,253
Other financial liabilities	2,947,186	2,869,128
Employee benefits	388,209	374,626
Income tax payable	29,980	29,980
Deferred tax liabilities	2,007,534	2,001,194
Provisions	783,226	708,498
Other liabilities	30,777	31,049
<b>Total non-current liabilities</b>	<b>23,643,324</b>	<b>22,811,296</b>
<b>Current liabilities</b>		
Loans and borrowings	2,670,842	2,049,528
Creditors and other accounts payable	1,446,922	1,451,427
Other financial liabilities	511,440	488,484
Employee benefits	216,350	164,730
Income tax payable	26,047	26,047
Taxes, contributions and rates payable	179,882	253,656
Provisions	351,420	417,034
Other liabilities	459,083	267,868
<b>Total current liabilities</b>	<b>5,861,986</b>	<b>5,118,774</b>
<b>Total liabilities</b>	<b>29,505,310</b>	<b>27,930,070</b>
<b>Total liabilities and equity</b>	<b>57,549,995</b>	<b>55,987,304</b>

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General Manager

Martha Lucía Durán Ortiz  
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Investments

John Jaime Rodríguez Sosa  
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Professional Card No. 144842-T



# Third Quarter 2022 Financial Report

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.


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

For the nine months ended September 30, 2022 and 2021


in millions of Colombian pesos

**epm**<sup>®</sup>

	September 30 2022	September 30 2021	For the three months ended September 30, 2022	For the three months ended September 30, 2021
Sale of goods	6,127	4,216	2,232	1,510
Rendering of services	9,608,629	8,146,301	3,476,978	2,868,678
Leases	60,949	36,947	32,903	11,916
<b>Total Revenue</b>	<b>9,675,705</b>	<b>8,187,464</b>	<b>3,512,113</b>	<b>2,882,104</b>
Income from sale of assets	275	516	93	68
Other income	137,847	72,805	52,004	29,641
<b>Total income</b>	<b>9,813,827</b>	<b>8,260,785</b>	<b>3,564,209</b>	<b>2,911,813</b>
Costs of goods sold and services rendered	(5,207,990)	(4,417,438)	(1,839,905)	(1,586,058)
Administrative expenses	(899,962)	(732,582)	(342,310)	(239,569)
Impairment loss on accounts receivable	(150,884)	(99,289)	(128,505)	768
Other expenses	(29,301)	(28,665)	(16,938)	(7,186)
Financial income	166,756	119,765	75,905	33,711
Financial expenses	(1,243,660)	(913,092)	(495,481)	(313,213)
Net foreign exchange difference	(207,126)	(30,100)	(11,696)	72,150
Share of loss of equity accounted investees	1,227,835	965,592	404,841	385,014
Gain on equity investments	85,155	136,394	27	(14)
<b>Profit of the period before taxes from continuing activities</b>	<b>3,554,650</b>	<b>3,261,370</b>	<b>1,210,147</b>	<b>1,257,416</b>
Income tax expense	(646,448)	(634,035)	(207,616)	(399,550)
<b>Profit for the period after taxes</b>	<b>2,908,202</b>	<b>2,627,335</b>	<b>1,002,531</b>	<b>857,866</b>
<b>Net profit for the period</b>	<b>2,908,202</b>	<b>2,627,335</b>	<b>1,002,531</b>	<b>857,866</b>
<b>Other comprehensive income (loss)</b>				
<b>Items that will not be reclassified to profit or loss:</b>				
Remeasurement of defined benefit plans	(2,853)	(6,712)	(4,829)	(378)
Equity investments measured at fair value through equity	(576,595)	(293,182)	(390,902)	53,761
Equity accounted investees - share of OCI	(42,097)	(71,738)	(54,892)	(380)
	(621,545)	(371,632)	(450,623)	53,003
<b>Items that will be reclassified subsequently to profit or loss:</b>				
<b>Cash flow hedges</b>	<b>(805,873)</b>	<b>(386,976)</b>	<b>(258,823)</b>	<b>(25,181)</b>
Recognized profit for the period	(173,890)	282,412	268,543	128,349
Reclassification adjustment	(631,983)	(669,388)	(527,366)	(153,530)
Equity accounted investees - share of OCI	492,069	328,858	488,239	561
Recognized profit for the period	492,069	328,858	488,239	561
Hedges of net investments in foreign operations	(124,350)	(23,800)	(141,024)	(23,800)
Recognized profit for the period	(124,350)	(23,800)	(141,024)	(23,800)
	(438,154)	(81,918)	88,392	(48,420)
<b>Other comprehensive income, net of taxes</b>	<b>(1,059,699)</b>	<b>(453,550)</b>	<b>(362,231)</b>	<b>4,583</b>
<b>Total comprehensive income (loss) for the period</b>	<b>1,848,503</b>	<b>2,173,785</b>	<b>640,300</b>	<b>862,449</b>

  
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Professional Card No. 144842-T

# Third Quarter 2022 Financial Report

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.


## CONDENSED SEPARATE STATEMENT OF CASH FLOWS


For the nine months ended September 30, 2022 and 2021


in millions of Colombian pesos

**epm**<sup>®</sup>

	September 30, 2022	September 30, 2021
<b>Cash flows from operating activities:</b>		
<b>Profit for the period</b>	<b>2,908,202</b>	<b>2,627,335</b>
<b>Adjustments to reconcile the net profit (loss) for the period to the net cash flows used in operating activities:</b>	<b>1,444,246</b>	<b>1,009,837</b>
Depreciation and amortization of property, plant and equipment, right-of-use assets and intangible assets	533,038	490,463
Impairment loss on accounts receivable	150,884	99,289
Write down inventories, net	76	12
Gain/loss due to exchange difference	207,126	30,100
Result for valuation of financial instruments and hedge accounting	41,094	69,058
Provisions, post-employment and long-term defined benefit plans	213,817	109,268
Provisions for tax, insurance and reinsurance obligations and financial updating	48,839	12,852
Deferred income tax	6,340	322,827
Current income tax	640,108	311,208
Share of loss of equity-accounted investees	(1,227,835)	(965,592)
Interest and yield income	(122,102)	(101,162)
Interest and commission expenses	1,109,073	812,575
Gain / loss due to disposal of properties, plant and equipment, right-of-use assets, intangibles and investments property	(240)	(450)
Result from withdrawal of properties, plant and equipment, right of use assets, intangible assets and investments	8,231	5,255
Non-cash recoveries	(79,047)	(49,472)
Gain / loss from business combinations	-	6,492
Dividend income from investments	(85,156)	(142,886)
<b>Net changes in operating assets and liabilities:</b>	<b>4,352,448</b>	<b>3,637,172</b>
Change in inventories	(4,695)	25,472
Change in trade and other receivables	(571,341)	(33,979)
Change in other assets	(104,412)	(88,724)
Change in creditors and other accounts payable	(234,031)	(1,590)
Change in labor obligations	38,041	66,893
Change in provisions	(244,113)	(82,351)
Change in other liabilities	117,029	(102,451)
<b>Cash generated from operating activities</b>	<b>3,348,926</b>	<b>3,420,442</b>
Interest paid	(1,058,342)	(866,517)
Income tax paid	(602,315)	(401,315)
Income tax refund	-	53,096
<b>Net cash provided by operating activities</b>	<b>1,688,269</b>	<b>2,205,706</b>
<b>Cash flows from investing activities:</b>		
Acquisition and capitalization of subsidiaries or business	(2,757)	(5,566)
Disposal of subsidiaries or business	-	8,000
Acquisition of property, plant and equipment	(2,329,588)	(1,868,303)
Purchase of property, plant and equipment	304	(5,094)
Acquisition of intangible assets	(45,163)	(32,945)
Acquisition of investments in financial instruments	(728,857)	(590,556)
Proceeds from sale of investments in financial instruments	131,874	1,930,375
Dividends received from subsidiaries, associates and joint business	227,815	216,925
Other dividends received	38,497	68,728
Loans to economic associates	(86,692)	41,530
Compensation received	2,521,064	-
Other cash flows from investment activities	(4,465)	(20,654)
<b>Net cash flow used in investing activities</b>	<b>(277,968)</b>	<b>(257,560)</b>
<b>Cash from financing activities:</b>		
Obtaining of borrowings and loans	115,723	145,317
Payments of borrowings and loans	(349,248)	(524,227)
Transaction costs due to issuance of debt instruments	(3,706)	(8,979)
Payments of liabilities for financial leasing	(10,282)	(9,362)
Surpluses paid	(1,647,219)	(1,261,974)
Payments of capital of derivatives designated as cash flow hedges	37,239	25,604
Payment of pension bonds	(45,212)	(14,074)
Other cash from financing activities	(1,456)	145,083
<b>Net cash flows used in financing activities</b>	<b>(1,904,161)</b>	<b>(1,502,612)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(493,860)</b>	<b>445,534</b>
Effects of variations in exchange rates in the cash and cash equivalents	(94,552)	13,479
Cash and cash equivalents at beginning of the period	1,798,087	864,631
<b>Cash and cash equivalents at end of the period</b>	<b>1,209,675</b>	<b>1,323,644</b>
Restricted cash	556,439	109,835

  
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