

Aguas Andinas 6M2023 Results





Present today



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Chief Financial Officer



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Controlling and
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Investor Relations Team



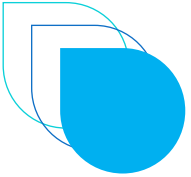
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- 1 Context
- 2 **Climate Change** Challenge
- 3 **Financial** Summary

AGENDA

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August | 2023



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Context



CLIMATE CHANGE

- The deep drought and water scarcity situation that the country is facing continues, despite the recent recorded rainfall
- The transfer agreements for water from the Mapo River basin have continued to be prioritized, and the operational backup infrastructure deployed as part of the resilience plan
- The central zone of Chile received the impact of an atmospheric river, where 266mm were recorded. The company has 37 hours of autonomy, but thanks to the management and extraordinary efforts, it was possible to ensure operational continuity facing an event that totaled 78 hours of turbidity

TRANSFORMATION PLAN

- Aguas Andinas has continued its Transformation Plan:

✓ Risk Mitigation

-Operational continuity

✓ Financial sustainability

-Capture of efficiencies (Ch\$ 2.2 mm in 6M 2023)

-Prioritization of investments

✓ New organizational culture

- Commercial actions to improve bad debt led to a decrease in that expense, with a ratio over revenues of 2.5% at 6M 2023 (vs 2.6% 6M 2022)

FINANCIAL TOPICS

- Inflation in Chile as of 6M 2023 was **2.1% vs 7.1%**
- The moderation of inflation in 6M 2023 has had a positive impact in the financial results of the company
- The results of Aguas Andinas at the end of 6M 2023 consolidate the recovery trajectory of the periods prior the pandemic

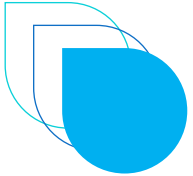




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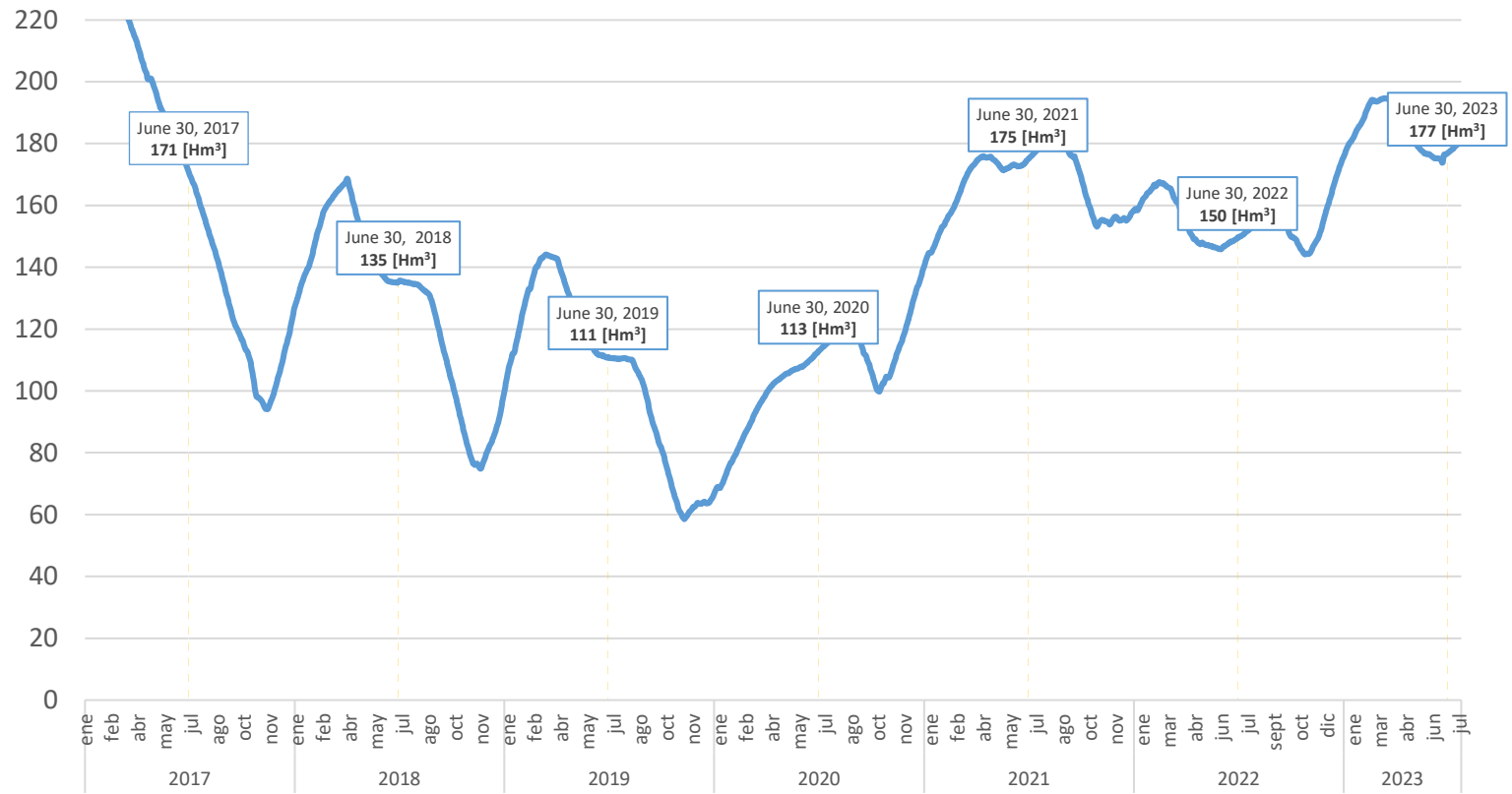
Climate Change Challenge





Climate Change Challenge: Water Scarcity

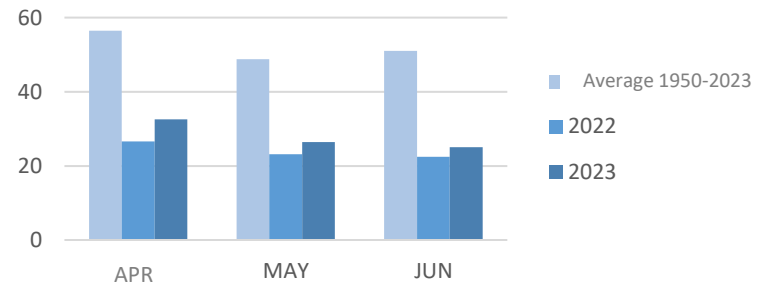
El Yeso Reservoir Volume [Hm³]



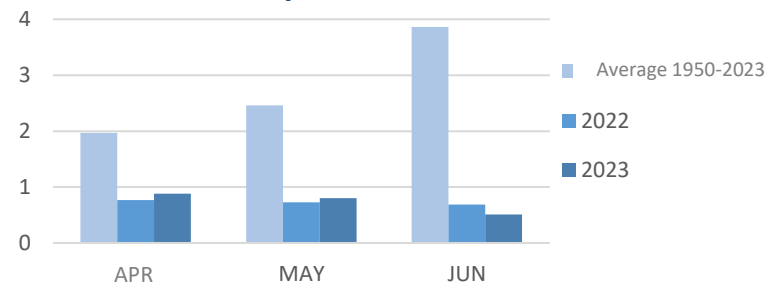
Accumulated April-June	2019	2020	2021	2022	2023
Accumulated Snow Height (cm)	55	2	41,5	74,5	32,5
Reservoir Volume (Hm³)	111	107	175	150	177
Accumulated Precipitation (mm)	82,6	14,5	65,6	87,3	27,6 + 266,4

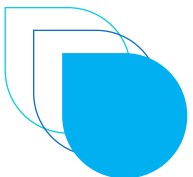


Maipo river flow



Mapocho river flow

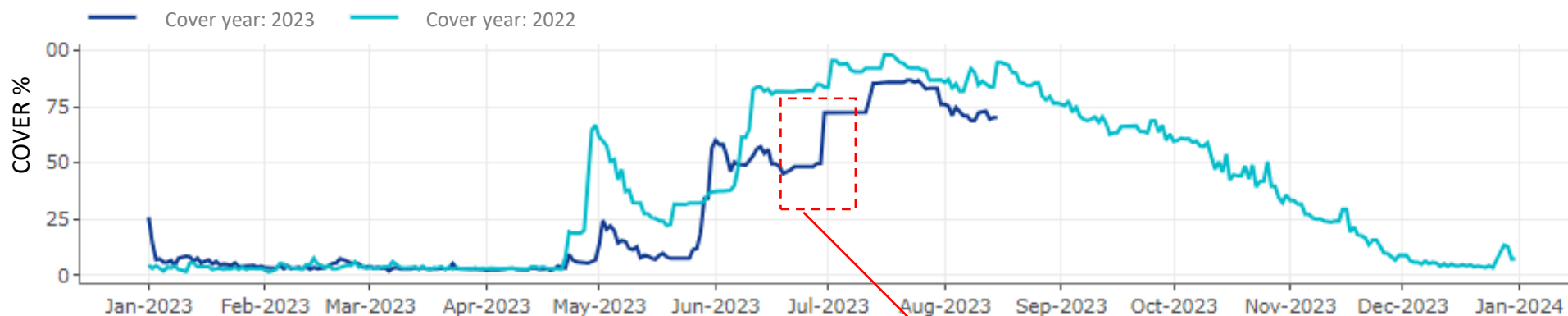




Climate Change Challenge

We continue to experience a prolonged water shortage event in the Metropolitan Region, as well as extreme turbidity phenomena.

Year-on-year comparison of snow cover. Years 2023 - 2022



Source: <https://observatorioandino.com/nieve/>

Note: Information available at 08/16/2023.

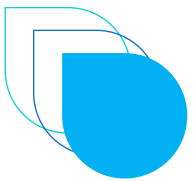
June 2023 event
High 0°C isotherm

August 16, 2022

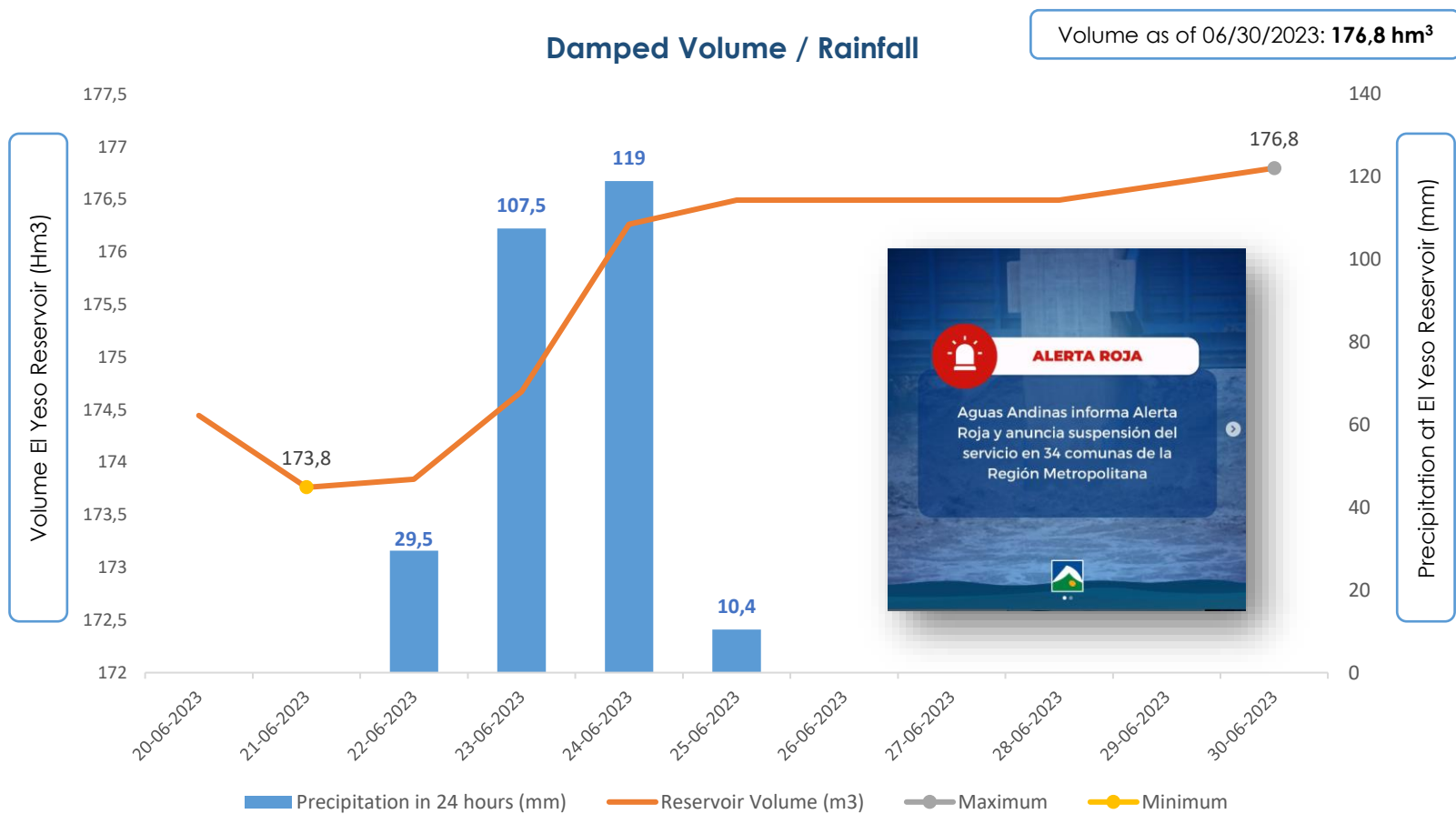


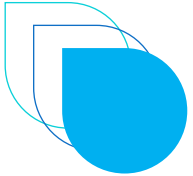
August 16, 2023





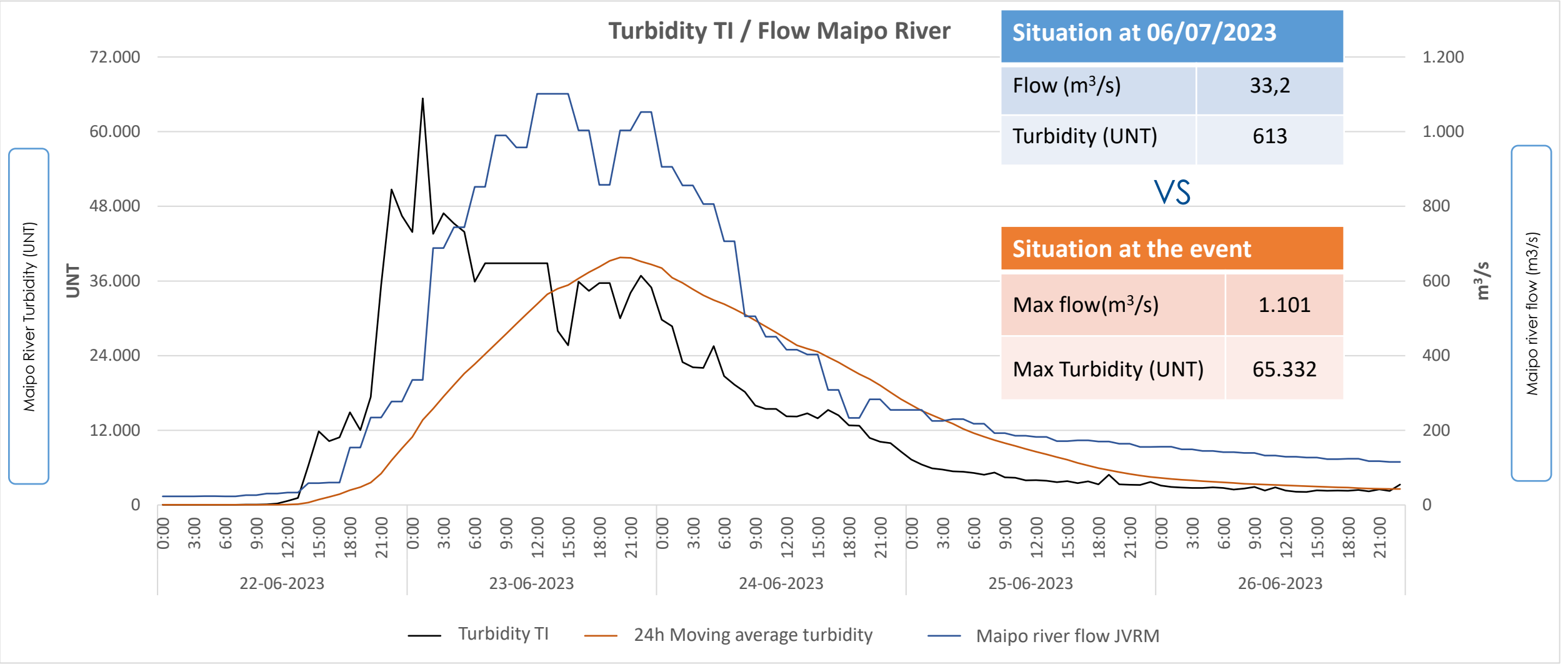
Once again, our resilience infrastructure allows supply and facing climatic events
An extreme weather event affected the central zone of Chile -from Valparaíso region to Biobío region - between June 21 and 26 (266,4 mm of rainfall)

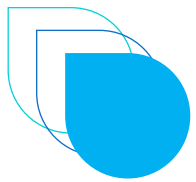




Once again our resilience infrastructure ensured supply, facing climate events

Situation of Maipo River during the June turbidity episode





Maipo and Mapocho River situation post June Atmospheric River



During a **45-hour** period, **77.5% of the capacity of the Pirque Reservoirs was used, equivalent to 1.2 Hm³.**



On June 24th at 17:00 hrs., the lowest reserve level of **323,872m³** was recorded, equivalent to 8 hours of autonomy.



The extension of autonomy was possible thanks to key extraordinary actions that consisted, in the first instance, of:

- **Mixing water** from the Pirque discharge with raw water from the Maipo River and
- Subsequently **treating raw water at high turbidity levels, avoiding the use of reserves.**



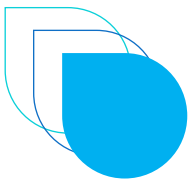
Once the event was over, **we quickly began the recovery of our reserves in the Pirque Mega Tanks**, returning to 100% on July 4.



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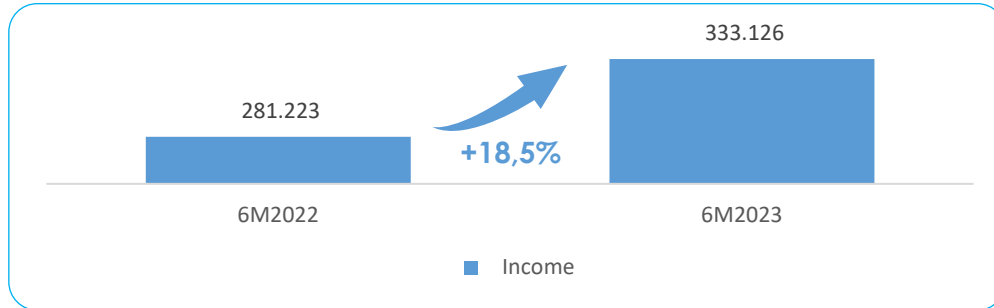
Financial Summary



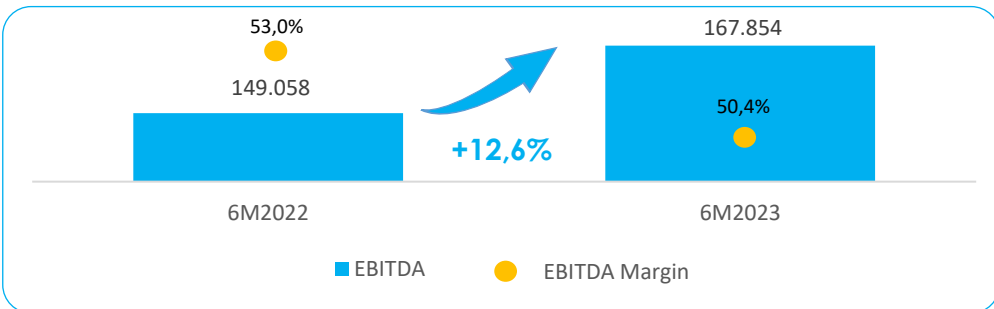


12.6% increase in EBITDA due to higher tariff revenues, slightly higher consumption compared to 2022 and reduction of bad debt

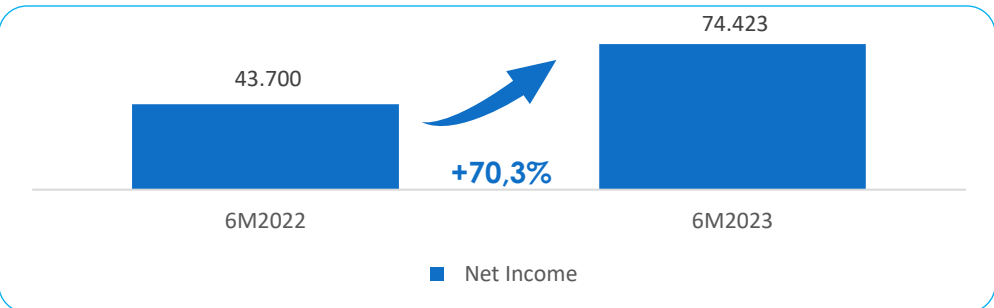
INCOME



EBITDA



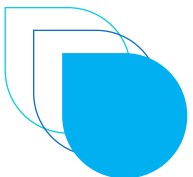
NET INCOME



- **Rate indexations** for 38.570 MCLP (5 indexations by polynomial, +15,4% average rate increase and higher overconsumption of +19,7%).
- **Higher consumption** by 4.576 MCLP (+4,9 Hm3 Potable Water of non residential clients; +1,8%).
- **Other revenues** of 8.758 MCLP (mainly sale of household services, sanitation infrastructure modifications and environmental services subsidiaries).
- **Efficiencies** of 2.234 MCLP.
- **Financial Summary** It is mainly impacted by a lower revaluation of the financial debt for 32,611 MCLP due to the variation of the Unidad de Fomento (UF) (2.8% in 2023 versus 6.8% in 2022), together with higher financial income (better interest rate) partially offset by lower financial activation and higher rate of bank loans

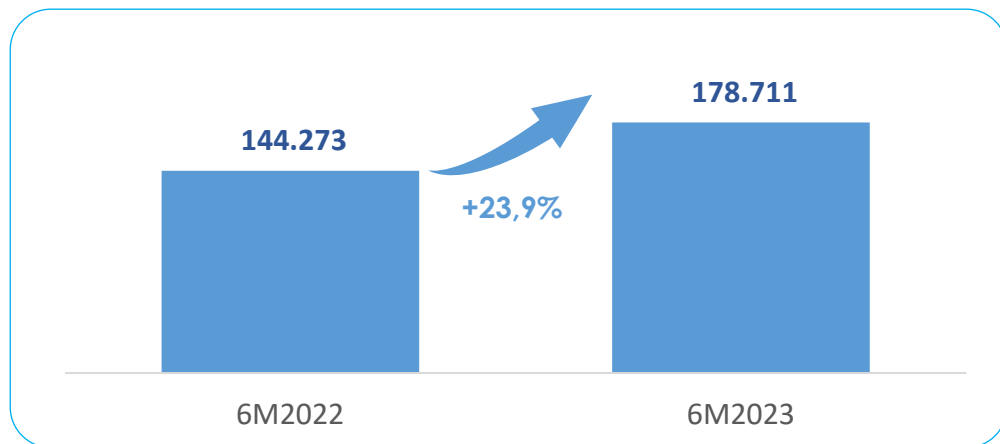
Partially offset by:

- **Higher costs due to CPI:** (9.627) MCLP and cost of sales non-sanitation revenues: (6.204) MCLP.
- **Higher operations costs:** for (9.897) MCLP, mainly associated with electricity, network maintenance and chemical supplies
- **3 extraordinary operating contingencies** (siltation of the independent intake, rupture of the matrix in Recoleta and intense rains in June) whose corrective costs amounted to \$(3,832) million. Insurance compensation is being processed and will be received in the coming months

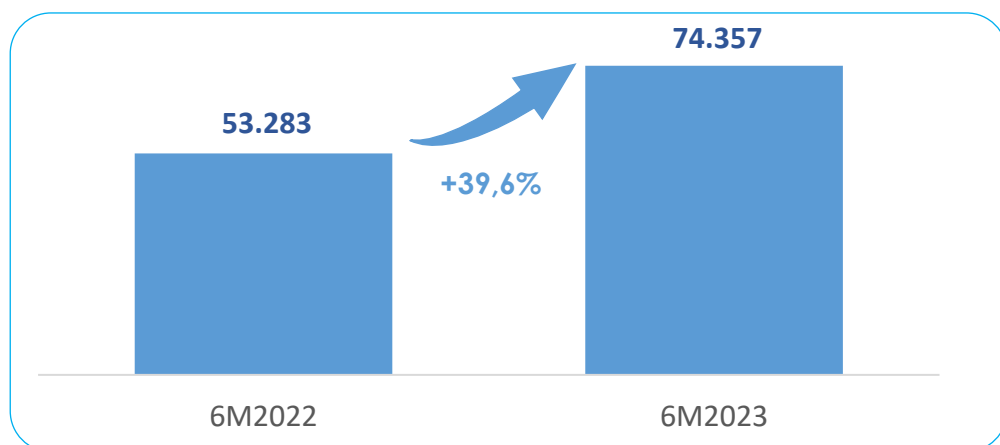


Strong cash generation has allowed us to keep indebtedness in line with our objectives

FCO

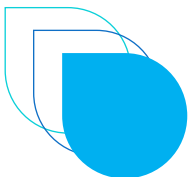


FCF



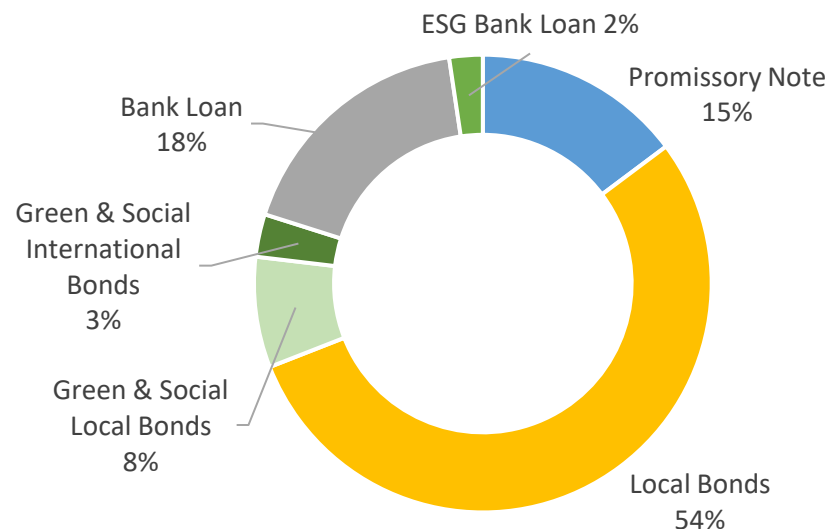
	Jun-2023	Jun-2022	Var.
Operative CF	178.711	144.273	34.438
Taxes	(30.393)	(12.280)	(18.113)
Interest expense on debt	(15.244)	(13.115)	(2.129)
Paid Capex	(58.717)	(65.596)	6.879
FCF	74.357	53.283	21.075

Figures in CLP million

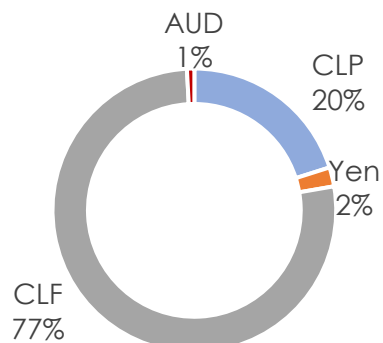


Stable Net Debt (+1,0% dic-22 vs jun-2023)

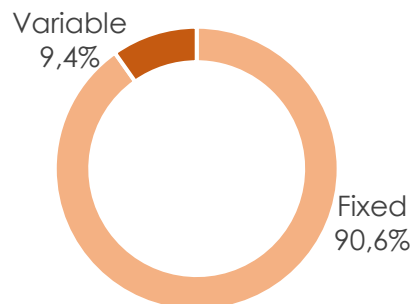
Debt by instrument



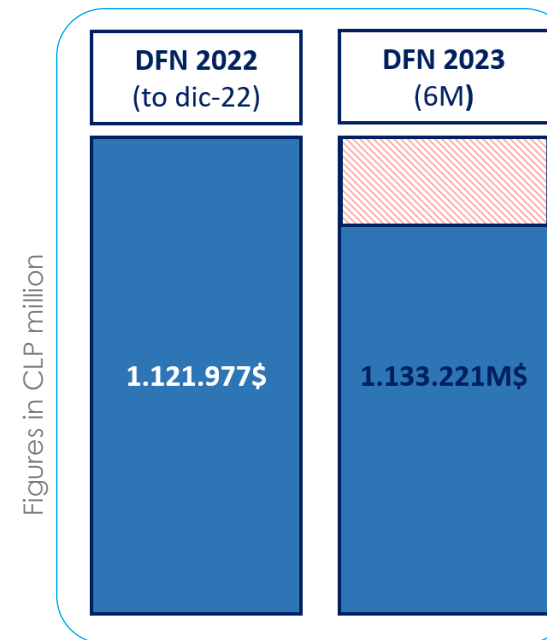
Debt by currency



Debt per rate



Net Financial Debt



Variation DFN 2023

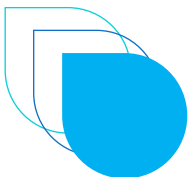
Price-level restatement of debt in CLF	28.223M\$
Positive cash Flow for the period	(16.978)M\$

Total increase DFN 11.245M\$

Variation Cash position

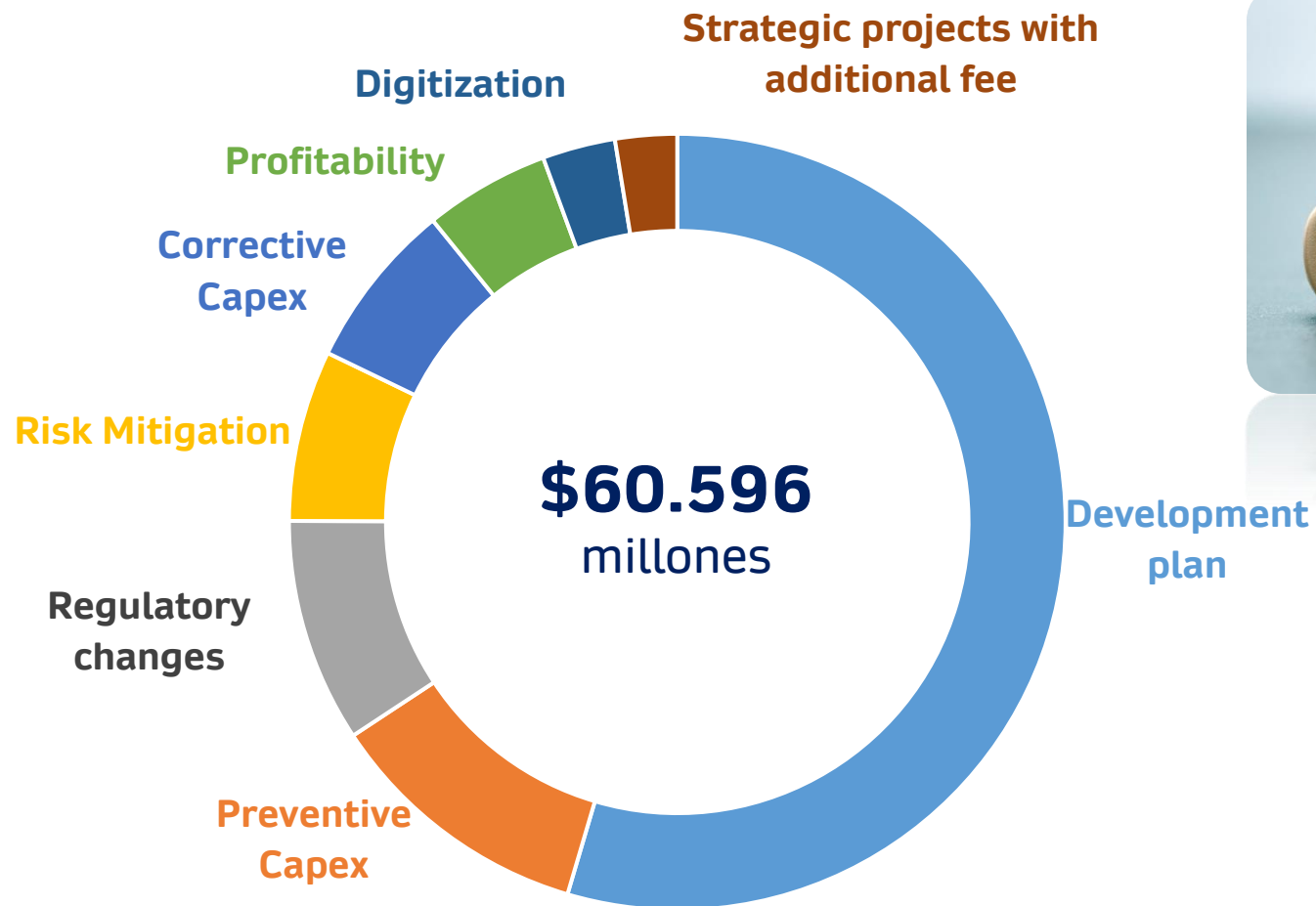
Cash position beginning 2023	179.335M\$
Positive cash flow for the period	16.978M\$
Bond amortization	(11.078)M\$
Amort. PN*, PN repurchase, new PN and others	(15.644)M\$
Bonos y préstamos bancarios	(4.425)M\$
Chash position June 2023	165.166M\$

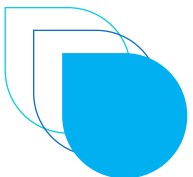
Figures in CLP million



Ambitious Investment Plan 6M2023

Oriented towards efficiency and operational continuity and increase in water resources





Sustainability and economic value

Financial ratios reflecting a sound financial structure

Aug. 2023
EV/EBITDA(1) 9,11x

EV/EBITDA: (Market capitalization + debt + minority interest - cash and cash equivalents) / EBITDA

Jun. 2023
ROCE 11,6%

ROCE: EBIT (12 months) / Capital employed (average of last 2 years)

Jun. 2023
EPS \$18,95

EPS: Earnings per Share o BPA. Annualized profit for the year / total number of shares

Jun. 2023
Leverage 1,75x

Leverage: Total debt / Equity

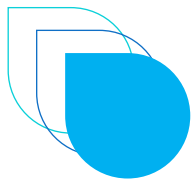
Jun. 2023
Liquidity 1,03x

Liquidity: Current Assets / Current Liabilities

Jun. 2023
Net Debt/EBITDA 3,6x

D. Net/EBITDA: (Net financial debt - cash) / EBITDA

(1) EV/EBITDA according to Bloomberg methodology as August 24, 2023.



Economic Value and Sustainability

Risk Ratings of Excellence

**STANDARD
& POOR'S**

Internacional Rating: A-



Local Rating: AA+ (CL)

ESG Credentials of Excellence



B First category



Assessed by the Colombian Stock Exchange (bvc)



Assessed by Morningstar Sustainability

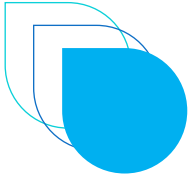


ALAS20 is the only Latin American initiative that fully qualifies and recognizes excellence in the public disclosure of information on sustainable development practices, corporate governance, and Responsible Investments of companies and investors in Latam.



Aguas Andinas is a pioneer in the issuance of Green Bonds in Chile and a benchmark for this type of financing in the market.

This is why we were invited to the **Green Finances in Latin America event, organized by the Santiago Stock Exchange and Enel.**

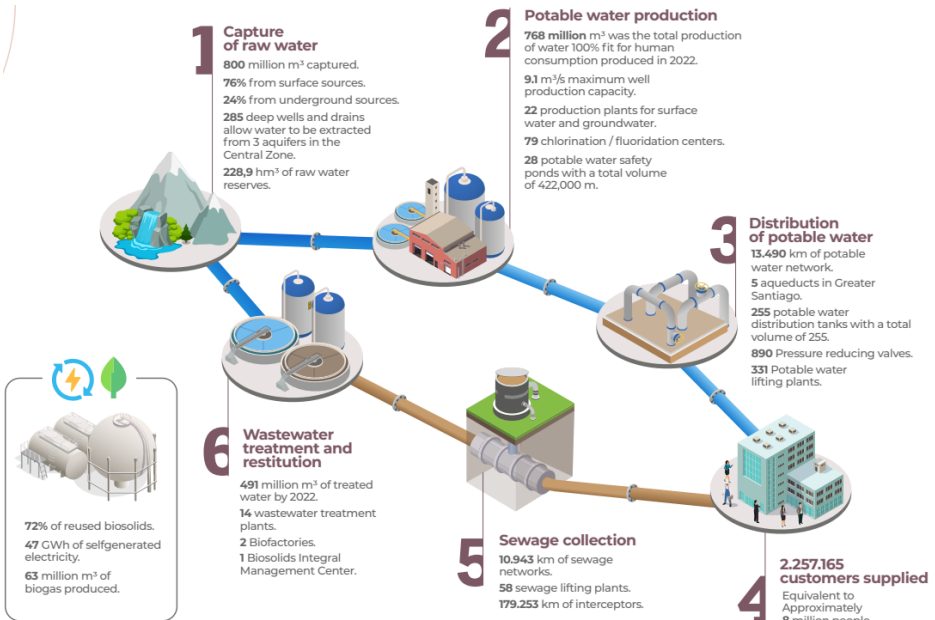


ESG commitment that has been translated into our financing

Our roadmap has focused on Sustainability

Strategy and Commitment

Leading climate action



Green and Social Financing

2018

BAGUA-AC green and social bond

- 59 millions of USD equiv.
- Structure: Redeemable
- Expiration: 2025
- Interest Coupon: UF+1,8%

2019

Green and social bond BAGUA-AE

- 75 millions of USD equiv.
- Structure: Redeemable
- Expiration: 2044
- Interest Coupon: UF+2,5%

2022

Private bond issued in JPY and AUD

- 50 millions of USD (JPY and AUD)
- Expiration: 2037
- Interest Coupon: UF +3,8895%

2022

ESG credit ITAU

- 35 millions of USD equiv.
- Subject to: Sustainability Goals

UN COP-24 Award

Acknowledgement – in the Planetary Health category – to the Gran Santiago Biofactory of Aguas Andinas



COP24·KATOWICE 2018
UNITED NATIONS CLIMATE CHANGE CONFERENCE

UNITED NATIONS CLIMATE CHANGE CONFERENCE
COP24·KATOWICE 2018



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