

Aguas Andinas 12M2023 Results



Speakers



MIQUEL SANS VILLALONGA
Chief Financial Officer



EDSON LANDEROS POBLETE
Planning Manager of the
Engineering, Planning and
Construction Direction

Investor Relations Team



ANTONELA LAINO
Finance and Investor
Relations Manager



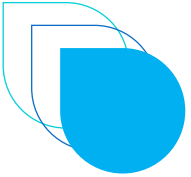
DENISSE LABARCA ABDALA
Head of Investor Relations



ERIKA SANDOVAL SALAZAR
Investor Relations Specialist



JAVIERA VISCAYA JAÑA
Investor Relations Specialist



- 1 Context
- 2 Financial Summary
- 3 Climate Change Challenge 2024

AGENDA

●	●	●	●	●
●	●	●	●	●
●	●	●	●	●
●	●	●	●	●
●	●	●	●	●

March 2024



1^o

Context



Context 12M2023

CLIMATE CHANGE

- Despite the rains recorded throughout the year, the situation of drought and hydric scarcity the country is going throughout continues.
- We continue prioritizing agreements for water transfers from the Maipo river basin and operating the operational backup infrastructure that provides us with greater resilience.
- **Biocidadad** plan launched to face the effects of climate change, promoting resilience and sustainable water security over time. This new strategy includes a battery of projects, whose horizon extends to 2030.

TRANSFORMATION PLAN

- Aguas Andinas continues implementing its Avanza+ Transformation Plan:
 - ✓ **Risk mitigation**
 - Operational continuity.
 - ✓ **Financial Sustainability**
 - Capture of efficiencies (\$4,798 MCLP in 12M 2023)
 - Investment prioritization
 - ✓ **Improve cash flow**
-
- Commercial actions for the recovery of bad debts have expenses, with a ratio over revenues of 1,9% at 12M 2023 (vs 2,4% 12M 2022).

RELEVANTS EVENTS

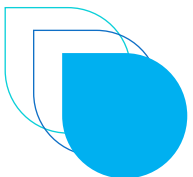
- **Distribution of dividends.** An interim dividend of \$40,000 MCLP, equivalent to **\$6,54 per share**. It was paid in December 2023.
- **Beginning of VIII Tariff Process.** On November 28, 2023, the Superintendency of Sanitation Services published the preliminary bases for the tariff settings process for Aguas Andinas, Aguas Cordillera and Aguas Manquehue. This process will take place throughout 2024 and **new tariffs will become effective on March, 1st**.



2'

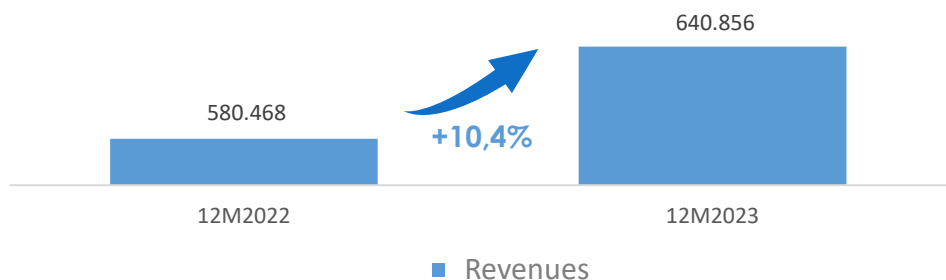
Financial Summary



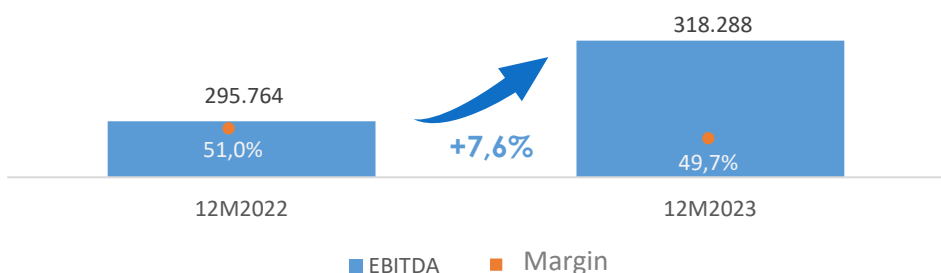


EBITDA increases in 7,6%

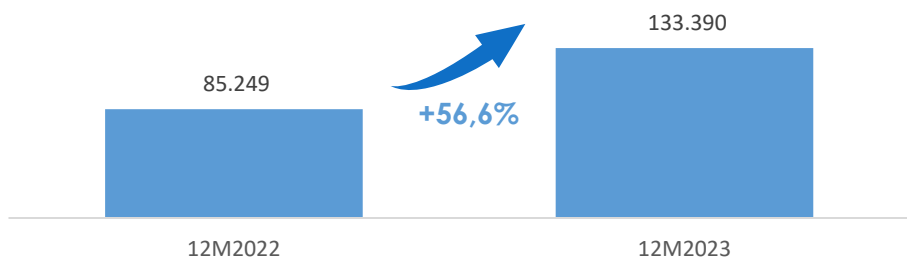
REVENUES



EBITDA



NET INCOME



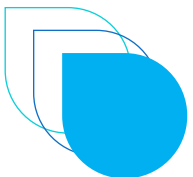
- **Improvement in revenues** of +10,4% mainly because:

- **Regulated income** with +44.735 MCLP for a higher average tariff of +9.0% (cumulative polynomial indexations and higher overconsumption effect in 1Q 2023).
- **Higher consumption** with +465 MCLP (+1,7hm³ potable water and - 0.6hm³ wastewater).
- **Other non-sanitation revenues** for +15.188 MCLP (engineering services for Metro de Santiago line 7, environmental services subsidiaries, household services and others sanitation incomes).

- Improvement due to **lower water transfers**, lower expenses in uncollectible of +1.514 MCLP (1,9% vs 2,4% Dic-22).

- Improvement in **financial result** mainly explained by the accumulated inflation in 2023, which reached 3,9% versus 12,8% as for the same period in 2022, which has a positive impact on the revaluation of financial debt due to Unidad de Fomento (UF), leading to a lower expense of \$71.150 MCLP. This was compensated by higher rates on bank loans.

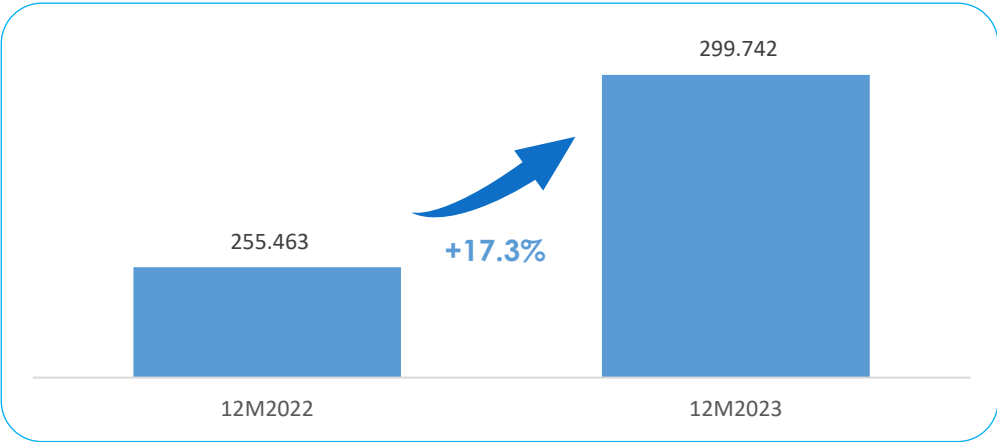
- Costs impacted by inflation and depreciation of CLP with respect to the USD.
- Cost of sales of non-sanitation revenues, wastewater networks and electric power.
- **Extraordinary operational contingencies** by blockage of Toma Independiente, breakage of the Recoleta water main and heavy rains in June, whose corrective costs amounted to \$(3.832) MCLP. No contingencies have been recorded in the reported period.



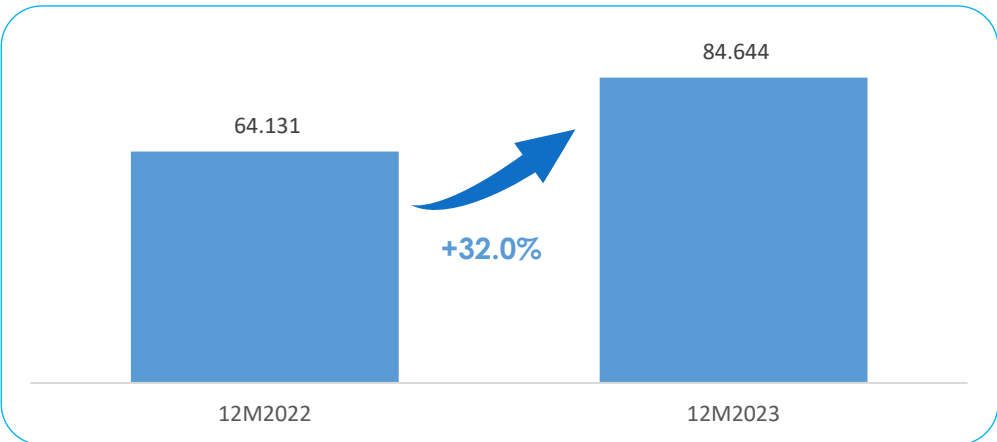
Strong free cash flow generation
has allowed us to keep leverage in line with Aguas Andinas' objectives.

Figures in CLP millions

OCF

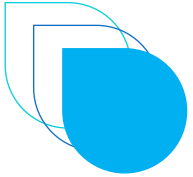


FCF



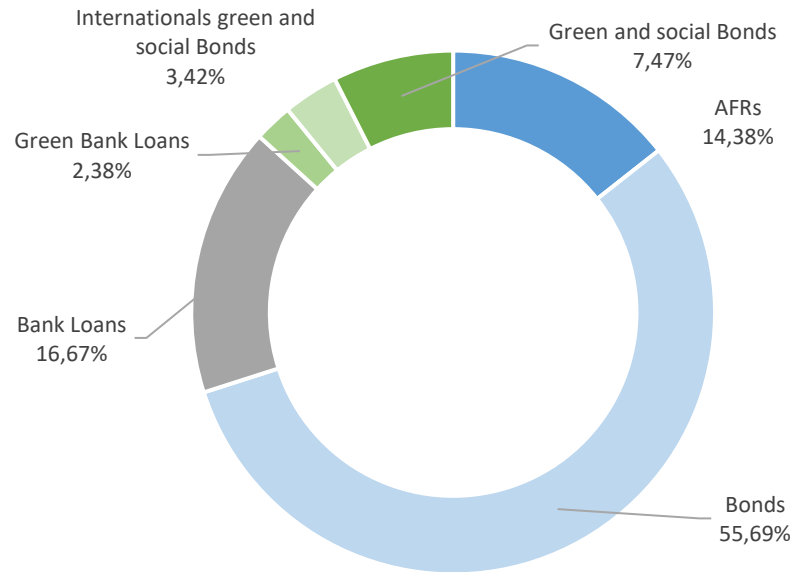
	Dec-2023	Dec-2022	Var.
OCF	299.742	255.463	44.279
Taxes	(53.505)	(30.088)	(23.417)
Net debt interest	(31.909)	(23.836)	(8.075)
Paid Capex	(129.684)	(137.409)	7.725
FCF	84.644	64.131	20.514

Figures in CLP millions

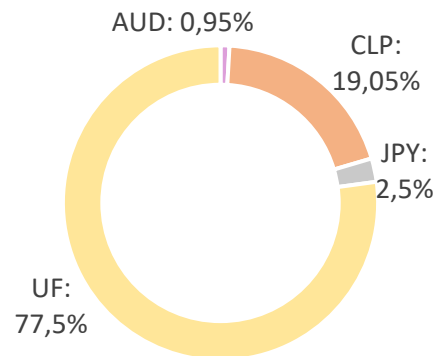


Net Debt stable (+0,9% dic-22 vs dec-23)

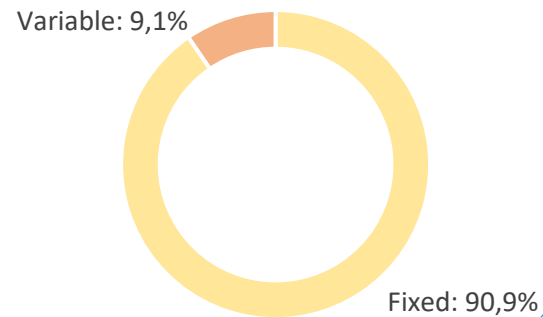
Debt by instrument



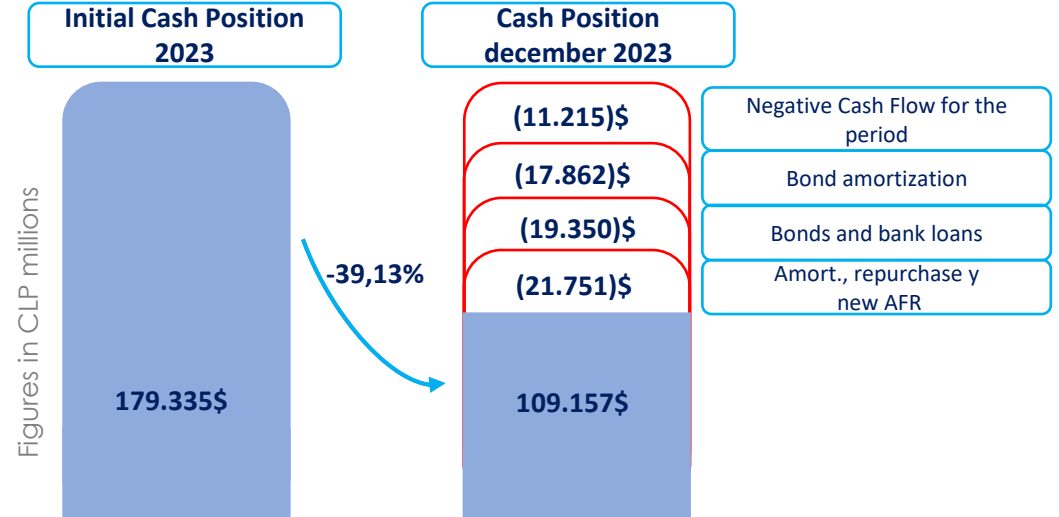
Debt by currency



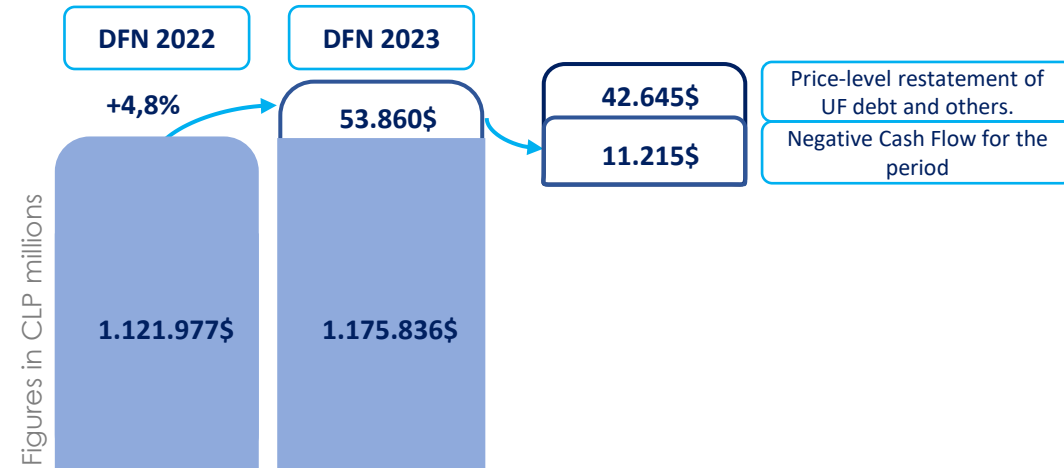
Debt by interest rate

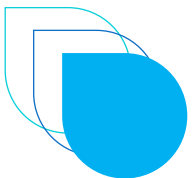


Cash Position Variation



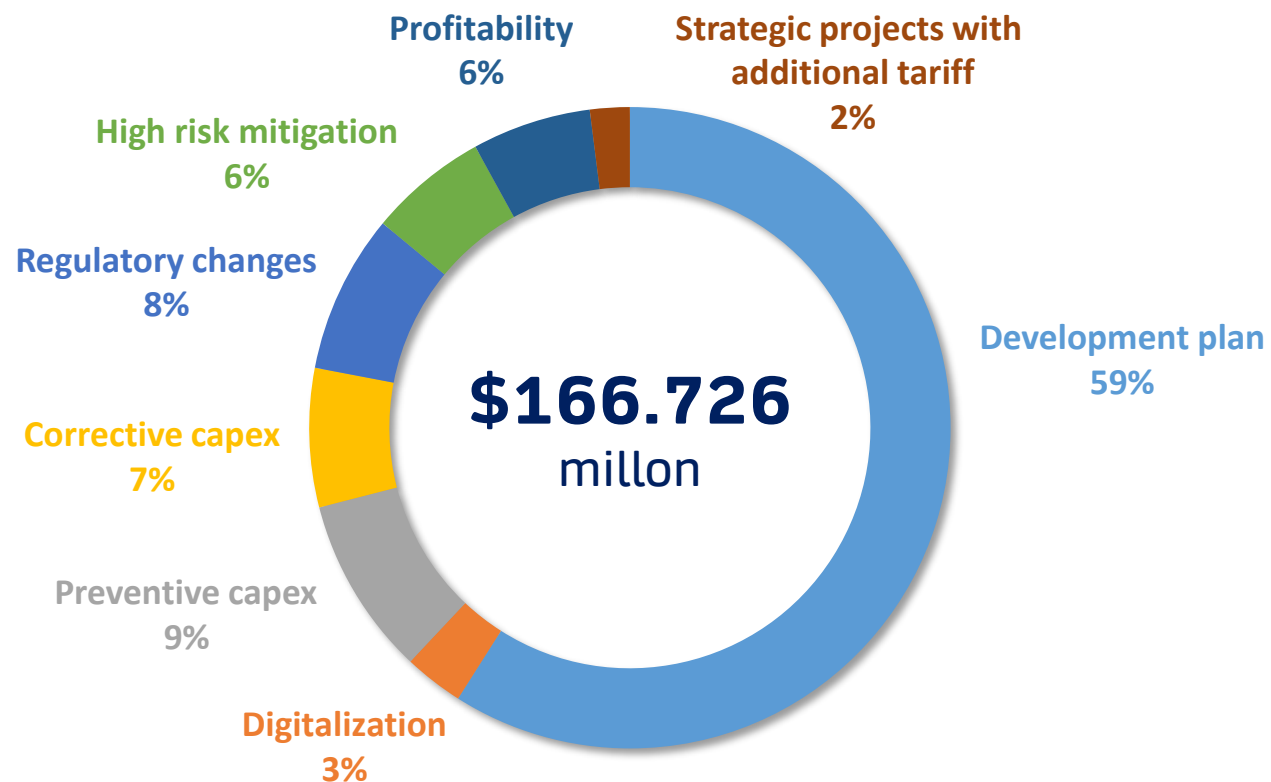
Variation DFN 2023

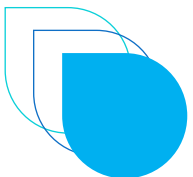




Ambitious Investment Plan 12M2023

Oriented to an efficiency and operational continuity and increase of water resources





Sustainability and Economic Value

Financial ratios reflecting a strong financial structure

Mar.14th, 2024

EV/EBITDA(1) 8,58x

EV/EBITDA: (Market capitalization + Net Financial Debt + Minority Interest) / EBITDA

Dec. 2023

ROCE 11,5%

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

Dec. 2023

EPS \$21,8

EPS: Earnings per Share. Annualized profit for the year / Total number of shares.

Dec. 2023

Leverage 1,74x

Leverage: Total Debt / Equity

Dec. 2023

Liquidity 0,76x

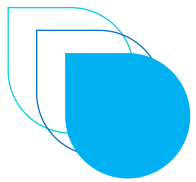
Liquidity: Current Assets / Current Liabilities

Dec. 2023

Net Debt/EBITDA 3,69x

NF. Net/EBITDA: (Net Financial Debt) / EBITDA

(1) EV/EBITDA according to Bloomberg methodology as of March 14th, 2024.



Economic Value and Sustainability

ESG credential of excellence



GLOBAL LISTED
INFRASTRUCTURE
ORGANISATION



Sustainability Yearbook
Member 2022
S&P Global

Evaluated by the
Colombian Stock
Exchange (BVC)

Member of
Dow Jones
Sustainability Indices
Powered by the S&P Global CSA

Rated by
Morningstar
Sustainalytics

Financial and ESG ratings of excellence

STANDARD
& POOR'S

International
rating: A-



Fitch Ratings

Local Rating: AA+
(CL)



Aguas Andinas has been awarded the 2023 **Board of Directors of the Year Award** by the Chilean Institute of Directors for its systematic and profound effort to comply with all ESG regulations emanating from CMF Circular 461.



Aguas Andinas was awarded with 1st place in **“Leading Company in Investor Relations”** by ALAS 20, an agenda of sustainable leaders, and the 7th place for the categories **“Leading Company in Sustainability”** and winning the first place in this last category.



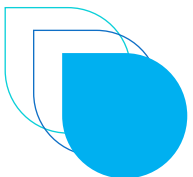
The Company has been certified by **Great Place To Work** as a good Company to work for.



3'

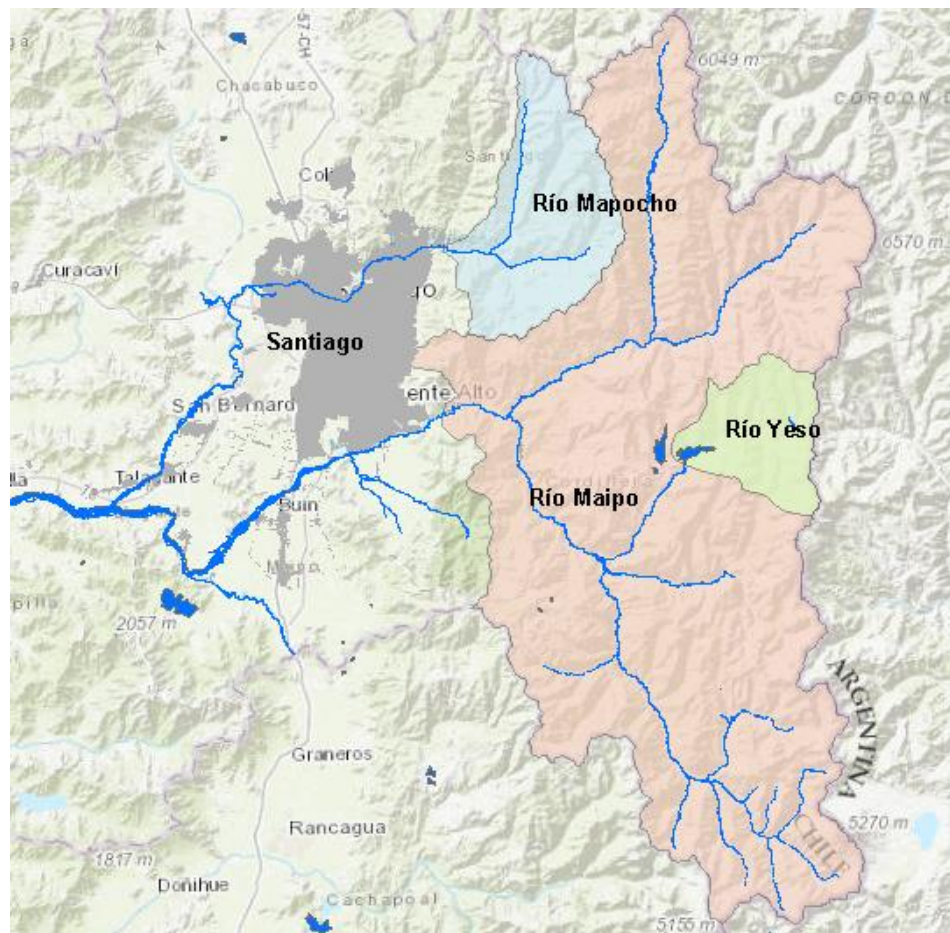
Climate Change Challenge 2024



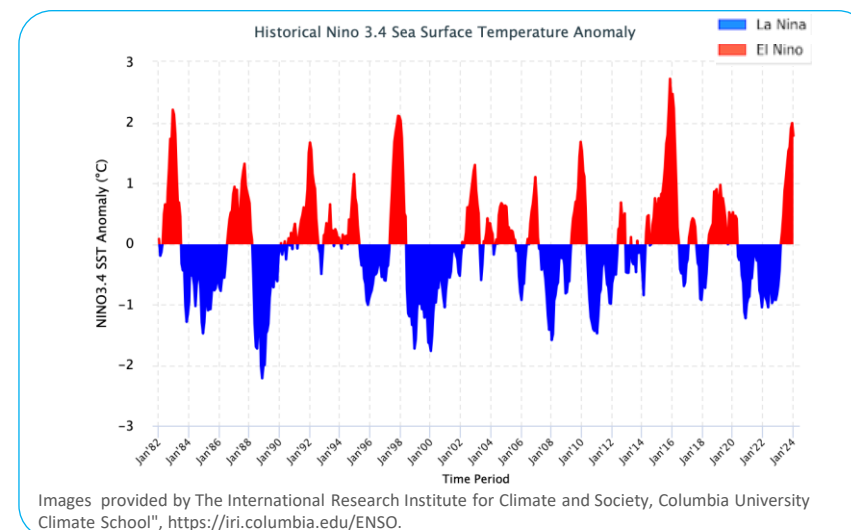


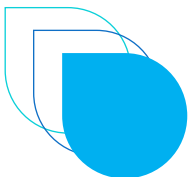
Maipo river basin

Contributing areas to the superficial production



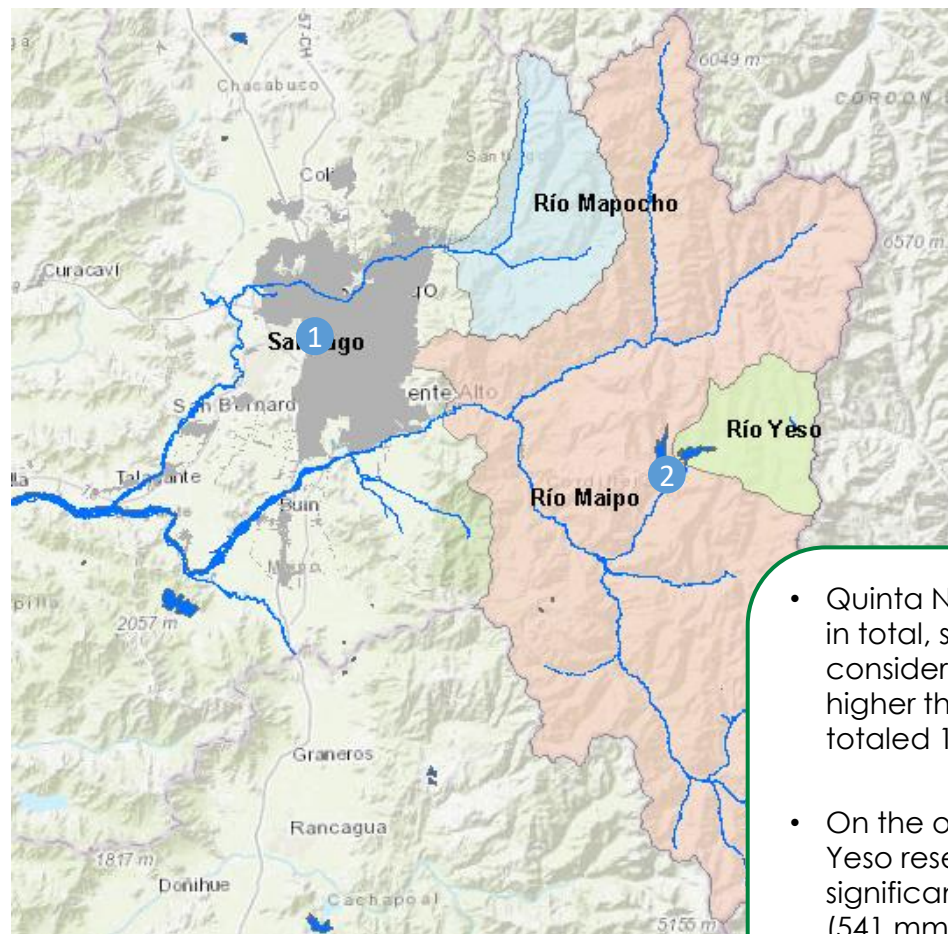
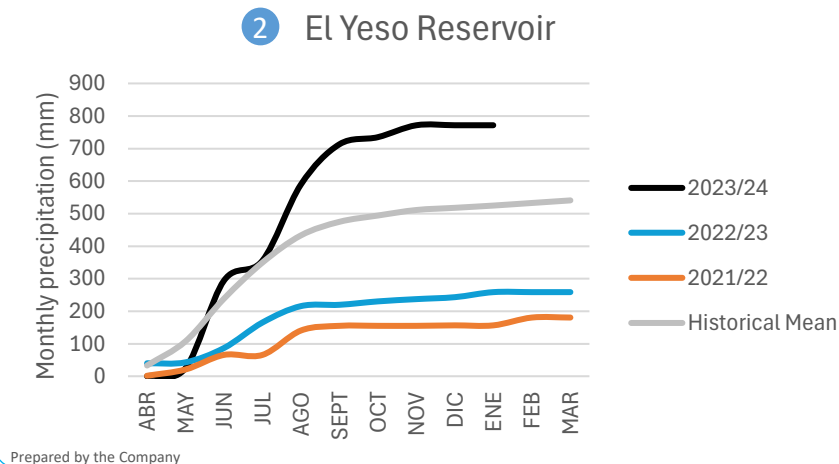
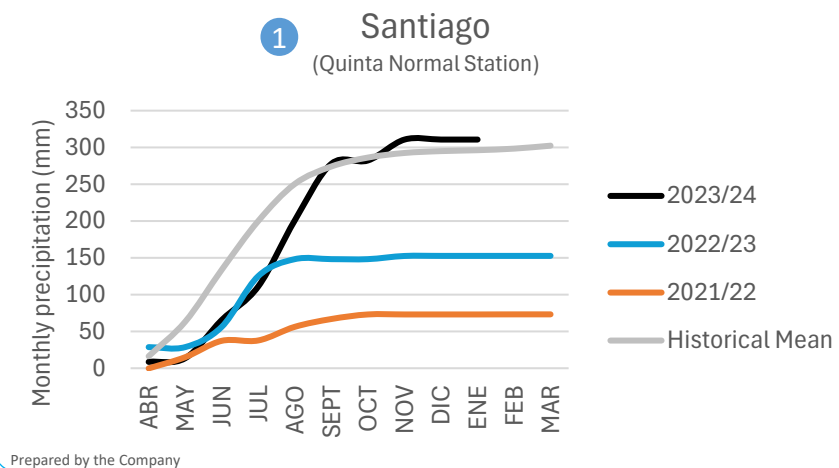
- The hydrological cycle in the Maipo River basin is characterized by starting in April and ending in March of the following year. We are still looking at the end of the hydrological cycle April 2023 – March 2024.
- The main basins that contribute to the production of potable water from superficial sources correspond to the Maipo river basin, Mapocho river and Estero Arrayán, the Yeso river basin is also important because is the one that allows to El Yeso reservoir to be filled.
- “El Niño” condition was presented following the second half of the year, who allowed hydrological records slightly superior to a normal year.



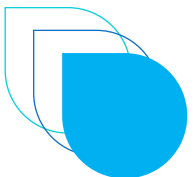


2023-2024 Analysis

Precipitation / one year within normal range



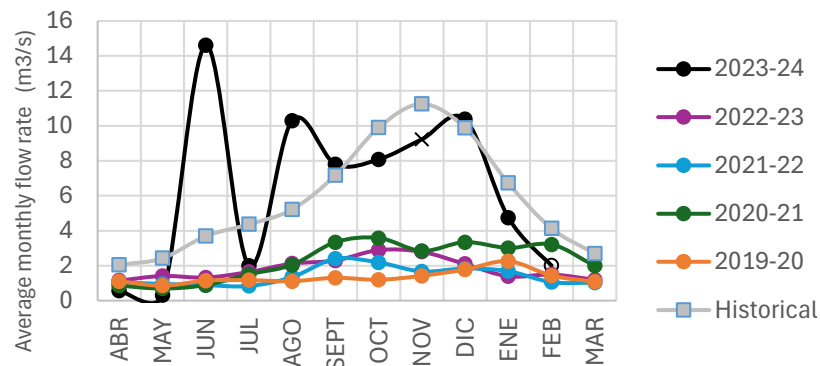
- Quinta Normal station registered 313 mm in total, slightly superior to the 303 mm considered as a normal year and much higher than the previous years which totaled 153 mm y 73 mm.
- On the other hand, precipitation in El Yeso reservoir reached 772 mm, significantly higher than a normal year (541 mm) and the last 2 years, which figures were 259 mm and 180 mm.



2023-2024 Analysis

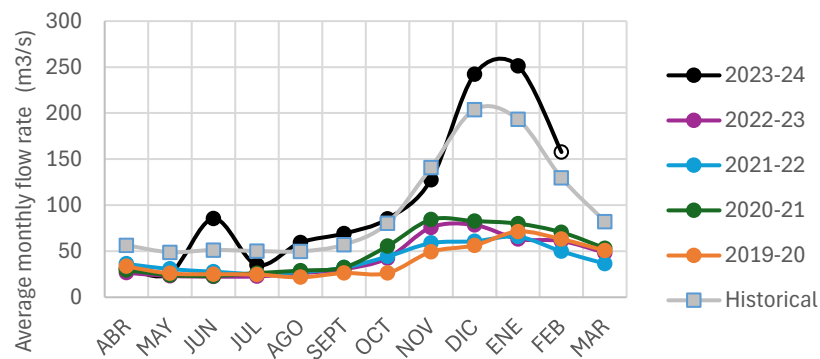
Flow rates - one year within normal range

1 Mapocho River

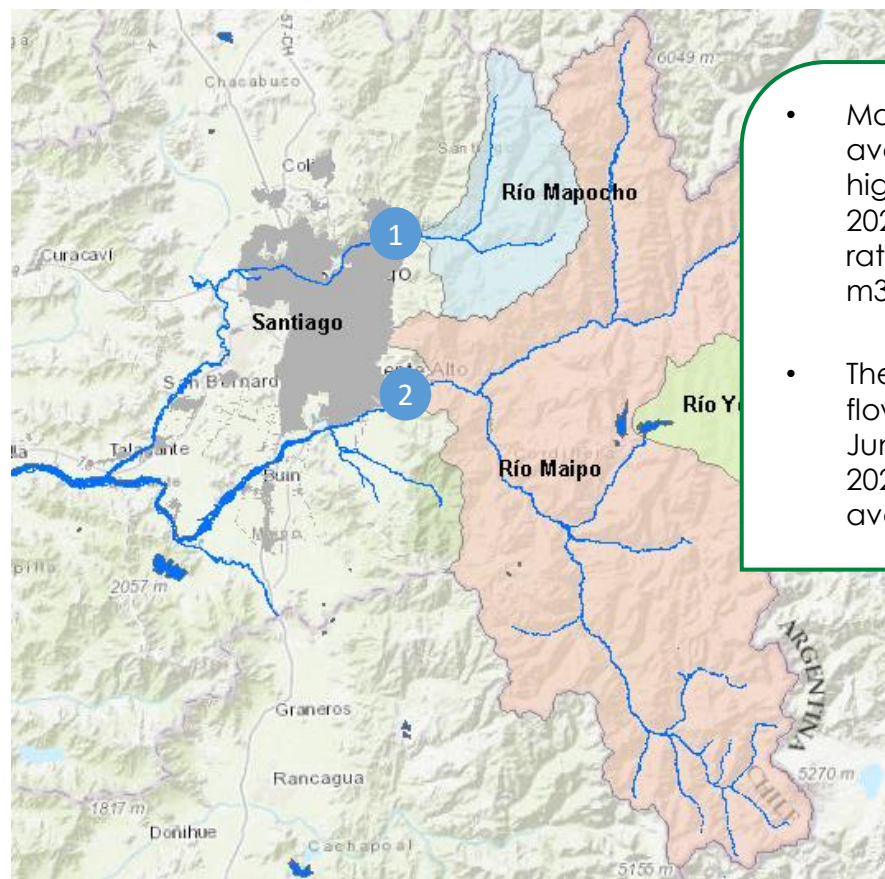


Prepared by the Company

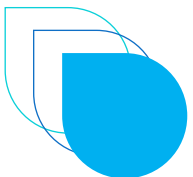
2 Maipo River



Prepared by the Company



- Maipo river in El Manzano reached an average flow rate of 80 m³/s in 2023, higher than the 44 m³/s registered in 2022, but still below the historical flow rate of this river, in the order of 100 m³/s.
- The Mapocho river had an average flow of 4.4 m³/s (without considering June's event), much higher than in 2022 (1.8 m³/s), but below its historical average (5.8 m³/s).

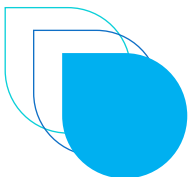


2023-2024 Analysis

El Yeso Reservoir – Reservoir filling during January 2024

- The rivers in the upper Maipo basin showed hydrological conditions that allowed the filling of the El Yeso reservoir, a situation that had not occurred since 2017.

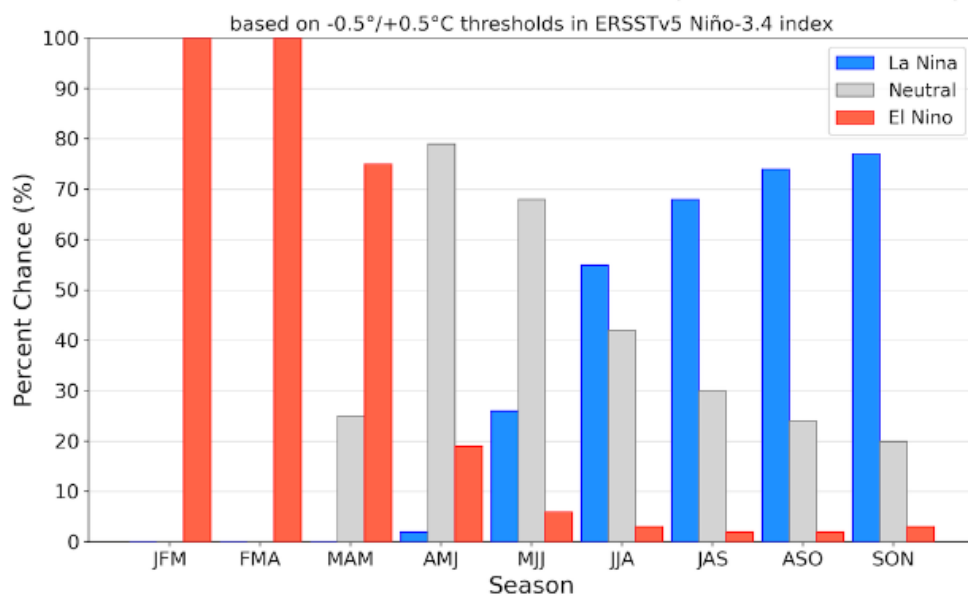




2024-2025 Vision Transition since Niño Condition to Niña Condition

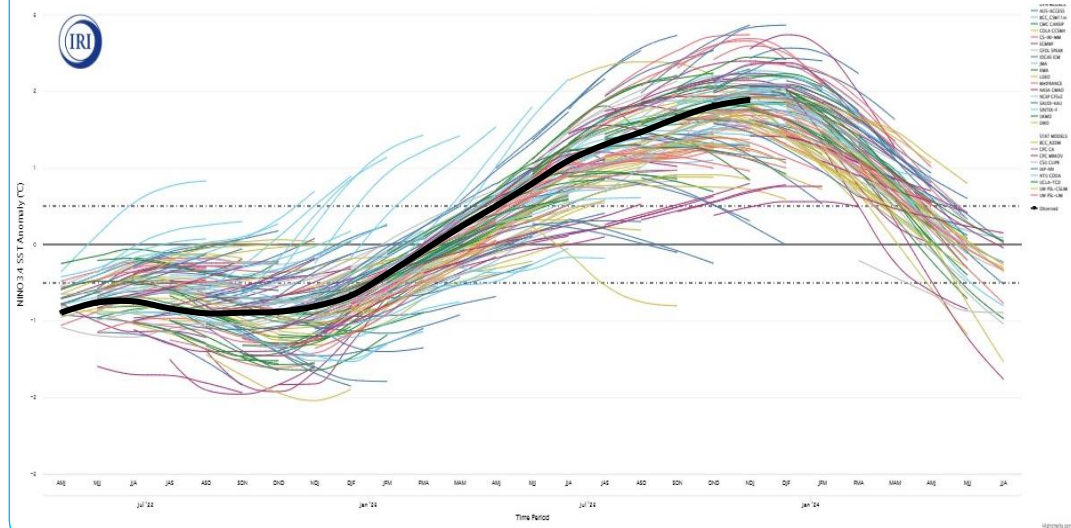
- Climate models forecast a transition to a neutral condition by 2024 to pass later to a Niña type condition during the second half of the year.
- In according to the last ENSO forecast (feb./24), it is expected a predominantly neutral autumn, followed by a Niña type condition, associated with dried conditions than in 2023.
- However, there is a high dispersion in the climate models used.

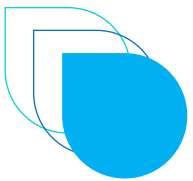
Official NOAA CPC ENSO Probabilities (issued Feb. 2024)



Images provided by The International Research Institute for Climate and Society, Columbia University Climate School[®], <https://iri.columbia.edu/ENSO>.

ENSO Forecast issued in the last 22 months





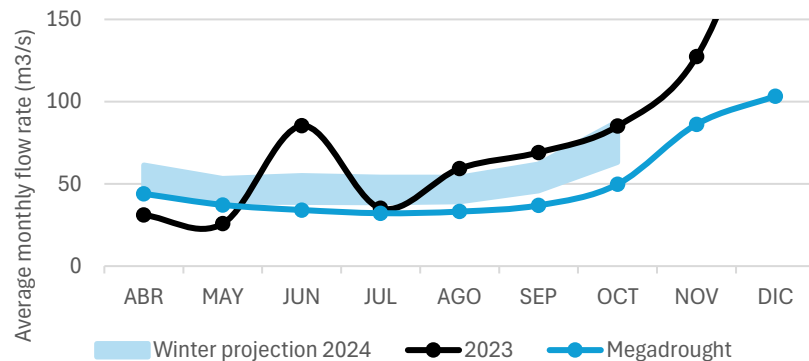
2024-2025 Vision Projection of hydrological conditions

Monthly El Niño Oscillation Index

2009	-0.8	-0.8	-0.6	-0.3	0.0	0.3	0.5	0.6	0.7	1.0	1.4	1.6
Year	DJF	JFM	FMA	MAM	AMJ	MJJ	JJA	JAS	ASO	SON	OND	NDJ
2010	1.5	1.2	0.8	0.4	-0.2	-0.7	-1.0	-1.3	-1.6	-1.6	-1.6	-1.6
2011	-1.4	-1.2	-0.9	-0.7	-0.6	-0.4	-0.5	-0.6	-0.8	-1.0	-1.1	-1.0
2012	-0.9	-0.7	-0.6	-0.5	-0.3	0.0	0.2	0.4	0.4	0.3	0.1	-0.2
2013	-0.4	-0.4	-0.3	-0.3	-0.4	-0.4	-0.4	-0.3	-0.3	-0.2	-0.2	-0.3
2014	-0.4	-0.5	-0.3	0.0	0.2	0.2	0.0	0.1	0.2	0.5	0.6	0.7
2015	0.5	0.5	0.5	0.7	0.9	1.2	1.5	1.9	2.2	2.4	2.6	2.6
2016	2.5	2.1	1.6	0.9	0.4	-0.1	-0.4	-0.5	-0.6	-0.7	-0.7	-0.6
2017	-0.3	-0.2	0.1	0.2	0.3	0.3	0.1	-0.1	-0.4	-0.7	-0.8	-1.0
2018	-0.9	-0.9	-0.7	-0.5	-0.2	0.0	0.1	0.2	0.5	0.8	0.9	0.8
2019	0.7	0.7	0.7	0.7	0.5	0.5	0.3	0.1	0.2	0.3	0.5	0.5
Year	DJF	JFM	FMA	MAM	AMJ	MJJ	JJA	JAS	ASO	SON	OND	NDJ
2020	0.5	0.5	0.4	0.2	-0.1	-0.3	-0.4	-0.6	-0.9	-1.2	-1.3	-1.2
2021	-1.0	-0.9	-0.8	-0.7	-0.5	-0.4	-0.4	-0.5	-0.7	-0.8	-1.0	-1.0
2022	-1.0	-0.9	-1.0	-1.1	-1.0	-0.9	-0.8	-0.9	-1.0	-1.0	-0.9	-0.8
2023	-0.7	-0.4	-0.1	0.2	0.5	0.8	1.1	1.3	1.6	1.8	1.9	2.0

Images provided by The International Research Institute for Climate and Society, Columbia University Climate School", <https://iri.columbia.edu/ENSO>.

Maipo River



Prepared by the Company

- Similar conditions of transition El Niño, from a similar level, to a neutral and then a Niña during the autumn - winter has been observed in the recent 2 year, 2010 and 2016. As can be seen in the historical records associated to superficial temperature of the ocean (SST), both years went from a Niño condition to a Niña condition, showing a rather neutral winter.
- The hydric disponibility in the period autumn - winter 2024 is strongly connected to a finals conditions of the previous hydrological period. In this way, the favorable conditions of the period 2023–2024 allow us to face the year with enough reserves.
- The basins in Maipo river for that period (mar-oct) in the years 2010 and 2016 were in probability of exceedance of 65% and 35% approximately respectively, which may constitute 2 bands in which the flows could behave this winter.
- The forecast for the period of thaw (sep24-mar25) are carried out after winter, because they are strongly influenced by the precipitation during this period, which, if it follows a similar behavior to previous years, would in any case be higher than in recent dry years.

Aguas Andinas 12M2023 Results

