

AGUAS ANDINAS

9M2024 Results

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1 Financial context

A small orange water drop icon.

2 Results

A small orange water drop icon.

3 VIII tariff process

AGENDA



01

Financial Context

Financial Context



The rainfall recorded during 2023 and 2024 has allowed maintaining a high-volume level in the El Yeso Reservoir and a **significant reduction in water transfers** that gives a better overview of water availability for the coming months.

Aguas Andinas maintained operational continuity despite the intense weather conditions that affected the region.



As of September 30, 2024, the Aguas Group decided to use the **reevaluation model for intangible assets other than goodwill related to water rights**. In this way, the value of this class of assets will be updated periodically according to their fair value. The application of this policy implied an **increase of \$390,479 million**.



Ratification of local risk rating by ICR Chile at **AA+ and stable outlook**.

Ratification of international risk rating by S&P at **A- and stable outlook**.



On November 18, 2024, Aguas Andinas announced that it had reached an agreement with the Superintendency of Sanitary Services within the framework of the tariff process that will be in force for the period 2025-2030. **The agreement considers a 5% increase in tariffs in real terms** (vs. December 2023 levels) and will be applied gradually.



02

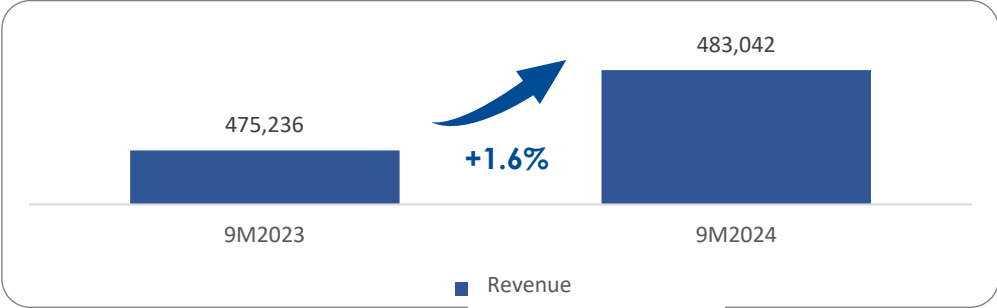
Results

9M2024

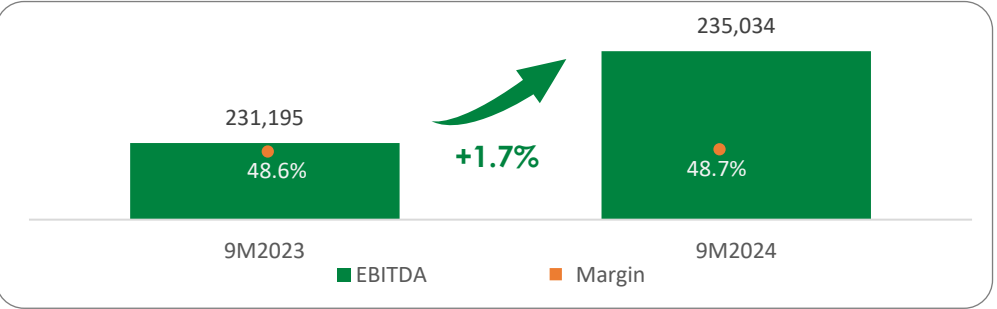


EBITDA increased by 1.7%,
Maintaining its growth.

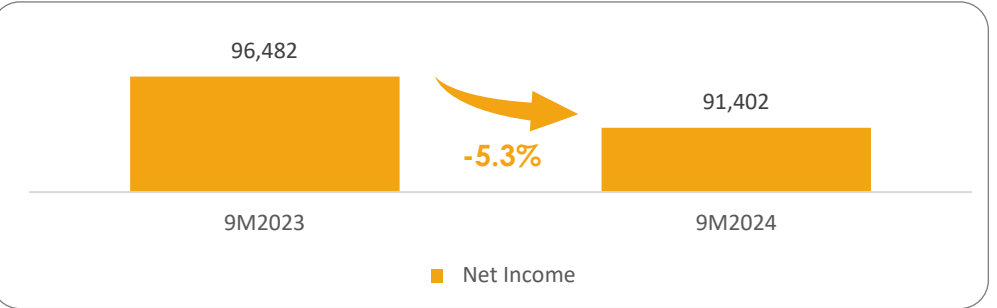
REVENUE



EBITDA



NET INCOME



MAIN VARIATIONS

➤ Revenue:

- Consumption effect of +547 MCLP.
- Tariff effect of +7,804 MCLP, mainly due to polynomial indexations.
- Other sanitation revenue of +1,014 MCLP mainly associated with fixed charges and interest on customer debt.
- Non-sanitation revenues for (1,588) MCLP mainly due to lower activity in residential and engineering services, which is partially compensated by higher revenues from the environmental services subsidiaries and insurance returns.

➤ Costs:

- CPI effect and USD exchange rate impact of (8,515) MCLP.
- Higher operating costs (2,067) MCLP mainly associated with higher costs in network maintenance, business support services, chemical inputs, electricity, waste and sludge removal. Partially offset by lower water transfers of +10,928 MCLP.
- Extraordinary events of +2,631 MCLP.
- Improvement in bad debt of +4,266 MCLP (1.4% over revenues vs 2.3% in September 2023).
- Efficiencies of +1,941 MCLP.

➤ **Financial results** were mainly affected by lower income from treasury surpluses, lower interest rates and exchange rate differences. Additionally, there was a greater revaluation of the financial debt by (1,748) MCLP, mainly due to a higher level of debt in Bonds.

➤ **Income tax** mainly explained by lower income before taxes, together with the monetary correction effect of the Equity Tax (effect linked to inflation). Effective tax rate of 21.0% vs. 20.7% in the previous year.

Lower working capital

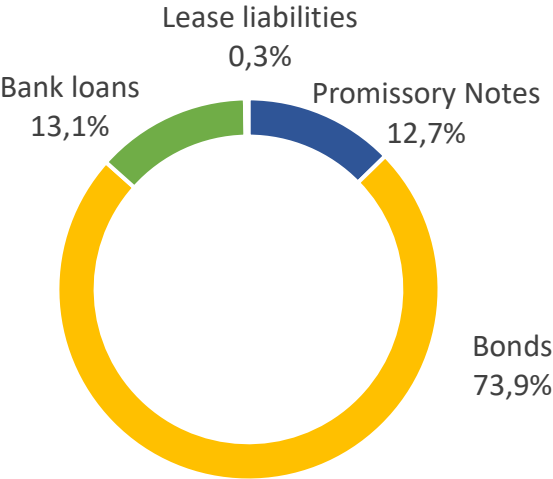
Higher payments for projects' executions

Figures in CLP millions

	Sep-2024	Sep-2023	Var.	
OCF	235,172	230,613	4,558	
<i>Taxes</i>	<i>(22,640)</i>	<i>(41,996)</i>	<i>19,356</i>	Mainly due to lower PPM rate together with tax refund (year 2024)
<i>Net financial payments</i>	<i>(31,687)</i>	<i>(25,616)</i>	<i>(6,071)</i>	Lower interest on financial investments due to lower cash surpluses.
<i>Capex paid</i>	<i>(123,136)</i>	<i>(88,831)</i>	<i>(34,305)</i>	Mainly associated with investments made in the last months of 2023 that generated a higher payment in the first quarter of 2024. During 2024, the accrued investments have been relatively stable (96,691 MCLP in Sep-2024 vs 103,135 MCLP in Sep-2023).
FCF	57,709	74,171	(16,462)	
<i>Assets transferred</i>	<i>4,056</i>	<i>4,998</i>	<i>(942)</i>	
<i>Dividend paid</i>	<i>(90,100)</i>	<i>(52,189)</i>	<i>(37,912)</i>	
<i>Payment of ESSAL agreement</i>	<i>-</i>	<i>(10,249)</i>	<i>10,249</i>	
Total CF	(28,335)	16,731	(45,066)	

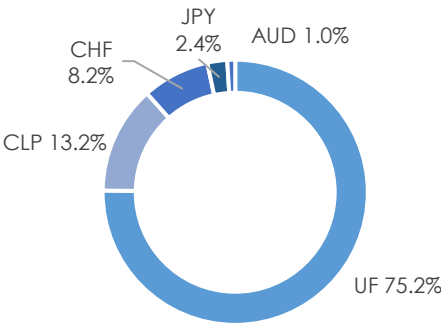
Stable Net Debt

Debt by instrument

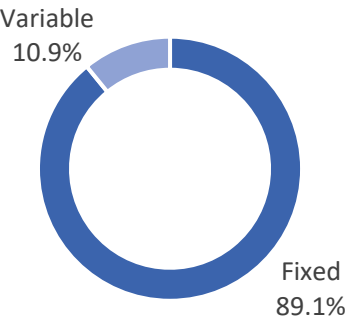


22,63% of our debt is green and social.
The second international issuance was completed in May.

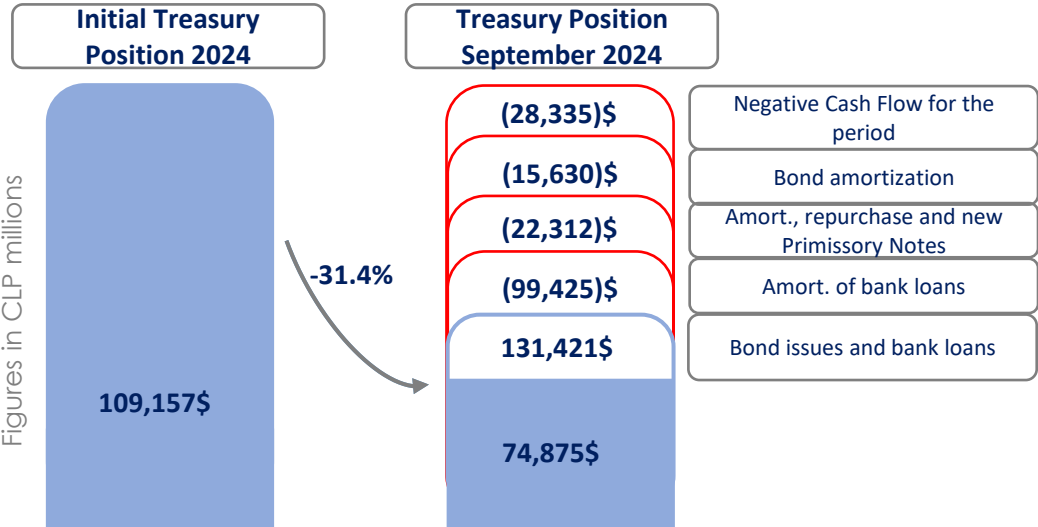
Debt by currency



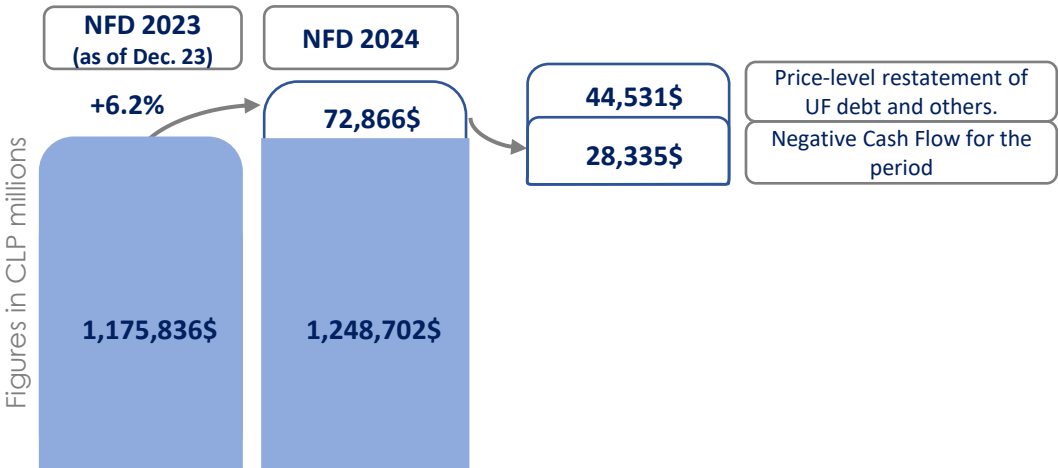
Debt by rate



Cash Position Variation

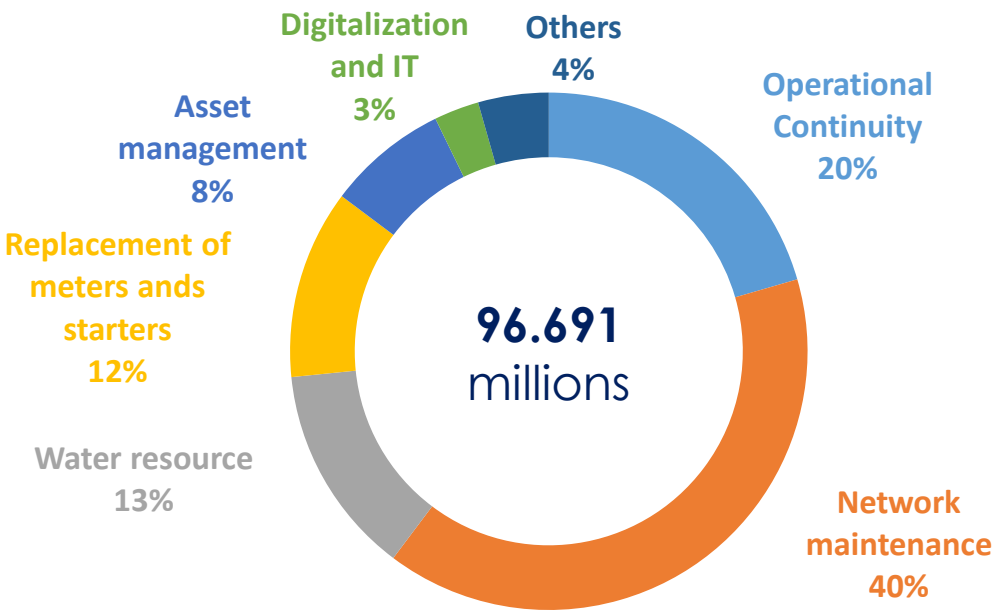


NFD Variation 2024



Strong investment plan

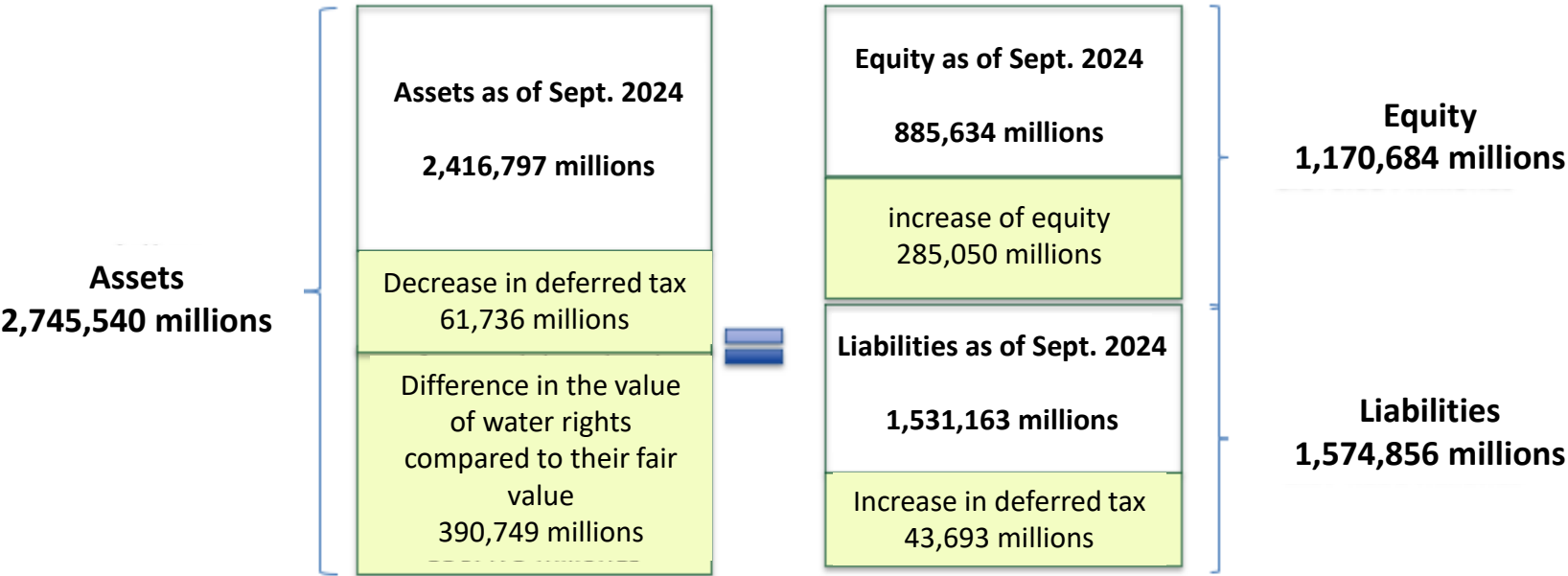
For standards about security of supply committed for Santiago under climate change conditions.



Revaluation of Assets

Change to the accounting policy from the cost to the revaluation model

- As of September 30, 2024, the Aguas Group decided to use the revaluation model for intangible assets other than goodwill related to water rights.
- The net book value of the water rights as of December 31, 2023, was \$195.81 billion. These assets had never been revalued.
- The application of this policy implied an **increase of \$390,479 million**.
- The appraisal of water rights was carried out in accordance with accounting standards and the requirements of the Superintendency of Sanitary Services.
- The valuation was made by an independent consultant with vast experience in water rights matters.
- Revaluations of water rights are carried out with sufficient regularity to ensure that the carrying amount of the revalued asset does not differ significantly from fair value.



Sustainability and Economic Value

Ratios reflecting a strong financial structure

EV/EBITDA(1) **25Nov. 2024**
9,1x

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

ROCE **Sep. 2024**
9,4%

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

EPS **Sep. 2024**
\$20,97

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

Leverage **Sep. 2024**
1,35x

Leverage: Total Debt / Equity

Liquidity **Sep. 2024**
0,90x

Liquidity: Current Assets / Current Liabilities

Net Debt/EBITDA **Sep. 2024**
3,88x

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

Ratios consider the effect of asset revaluation.

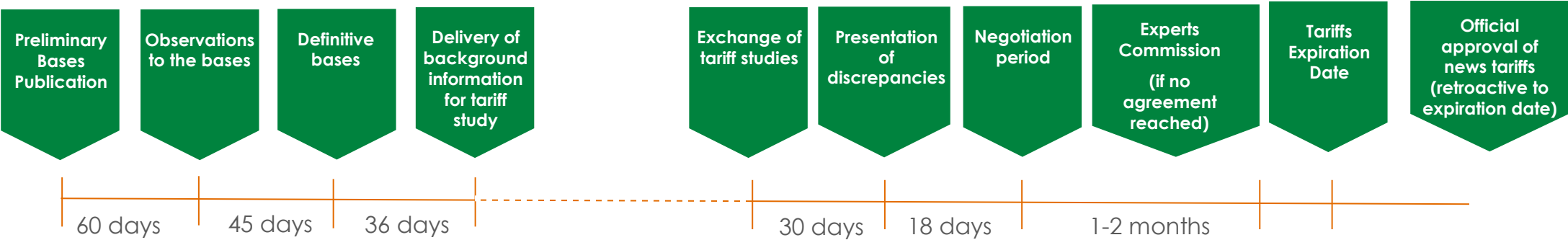
(1) EV/EBITDA according to Bloomberg methodology as of Nov. 25th, 2024.



03

VIII Tariff Process

Schedule of tariff processes



Aguas Andinas

28 Nov 2023	26 Jan 2024	11 Mar 2024	10 Apr 2024	01 Oct 2024	31 Oct 2024	18 Nov 2024	Completion of the tariff process after agreement with the SISS New tariff comes into effect as of 01 Mar 2025
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Aguas Manquehue

28 Nov 2023	26 Jan 2024	11 Mar 2024	10 Apr 2024	04 Nov 2024	04 Dec 2024	19 Dec 2024	Dec'24 – Feb '25	AM: 18 May 2025
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Aguas Cordillera

28 Nov 2023	26 Jan 2024	11 Mar 2024	10 Apr 2024	04 Nov 2024	04 Dec 2024	19 Dec 2024	Dec'24 – Feb '25	AC: 29 Jun 2025
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INCREASES AGREED

- 3% starting March 1st, 2025
- Additional 1% starting December 1st , 2025
- Additional 1% starting March 1st, 2026

OTHER AGREEMENTS

- The “Base Drought” rate applies to the extent that wells are constructed, or compensation costs are incurred for water transfers derived from redistribution agreements in the Junta de Vigilancia del Río Maipo to guarantee human consumption during periods of drought.
- The base rate includes all discounts for non-regulated service revenues for the five-year period.
- The current indexation polynomial is maintained.

WORKS FIVE-YEAR PERIOD 2025-2030

	Definitive %
Base Drought	3.85%
Final Drought: Wells in canal trench	0.15%
Final Turbidity: Maipo alternative catchment	1.17%
Deodorization (basic) La Farfana	0.30%
Emergency supply plan	0.55%
Thermal hydrolysis La Farfana	1.14%
Thermal sludge drying - El Trebal	0.25%
Total	7.40%

WORKS FIVE-YEAR PERIOD 2030-2035

	Definitive %
Final drought (excluding projects)	
Maipo return	2.25%
New sources Maipo conduction	2.87%
Til-Til drought	0.38%

Biociudad projects for the next five years

< 300 MMCLP
+5,17% in tariffs



Santiago West Wells

Battery of 12 wells distributed in the communes of Estación Central and Lo Prado. Contemplating 1,200 l/s of subway production.



Santiago South Wells

It involves the underground production of 1,500 l/s through 16 wells in the southern area of the Metropolitan Region.



Maipo Alternative Catchment and Conduction

It allows the El Yeso reservoir to be connected to drinking water production plants, helping to overcome extreme turbidity events in rivers.



Fajas de Canales Wells

It involves the construction of 7 wells with a flow rate of 70 l/s each and a common drive for the wells to discharge the works planned in the Tronco canal.



Other flagship projects with tariff indexation

< 80 MMCLP
+2,24% in tariffs



La Farfana Biofactory Deodorization

Solution to encapsulate and treat odorous gases from the Biofactory.



Alternative Supply Plan

Solution focused on supplying drinking water in the event of supply interruptions, through the distribution of portable tanks at various points and the logistical planning tasks for transporting them.



La Farfana Thermal Hydrolisis

Construction of thermal hydrolysis of biological sludge, sludge thickening, and steam generation works, which ensure compliance with current regulations.



Mapocho Trebal Biofactory - Thermal Drying of Sludge

Implementation of thermal drying at the Mapocho Trebal Biofactory for a total of 200 tons/day of wet sludge.

Biocidad and other post-2030 projects



Maipo Return

Construction of a pipeline that will transport up to 3,000 l/s of treated water from Mapocho Trebal to the Maipo River for agricultural use.



Driving new sources Maipo Poniente

It includes the construction of a pipeline of between 40-50 km that will connect batteries of different wells in the south-west area with the Las Vizcachas Plant.



New sources Til Til

A solution that incorporates new sources of supply for the town of Til Til, allowing the incorporation of additional drinking water production capacity to the existing one.

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