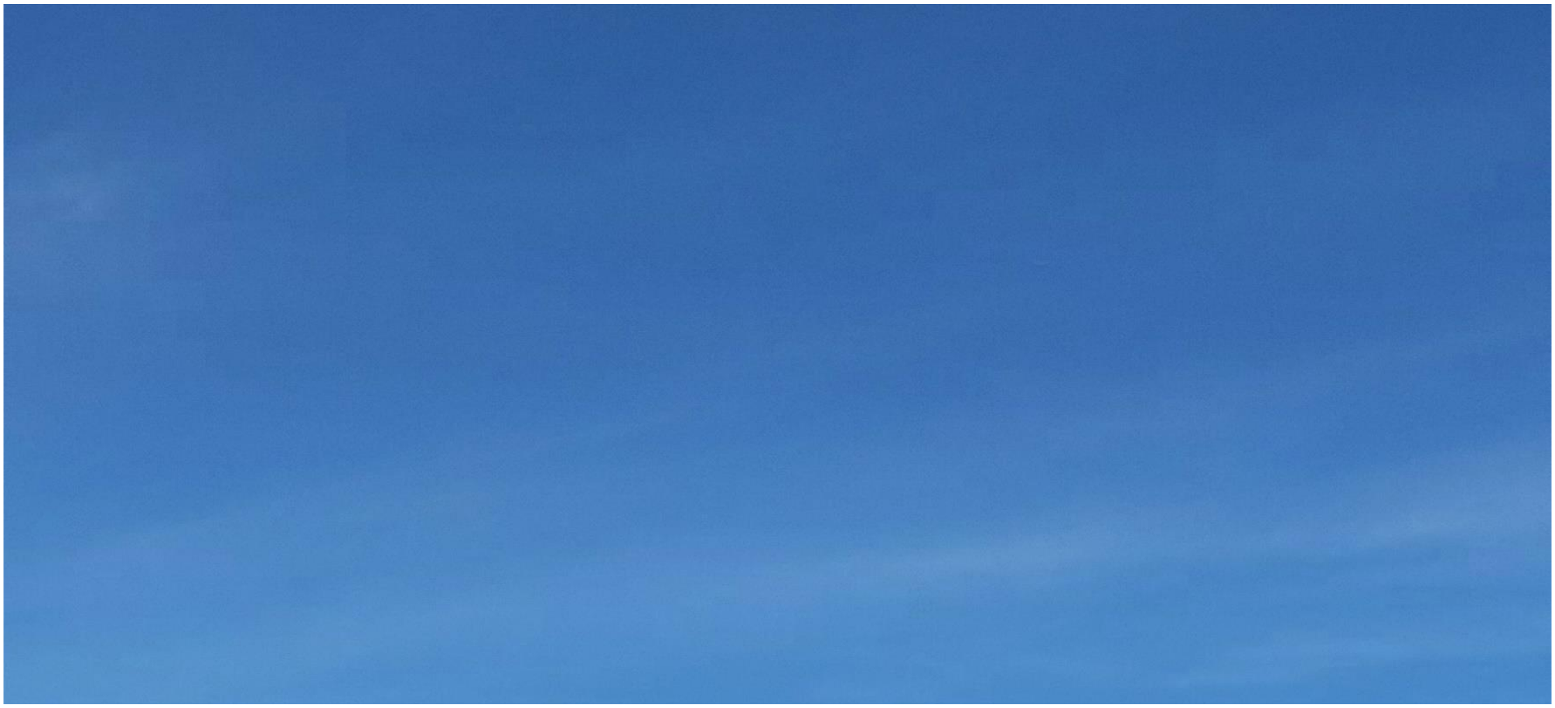

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Financial Analysis Aguas Andinas

Fiscal Year Ended December 31, 2023

1. Fiscal Year Summary

Consolidated Income of Aguas Andinas at the end of fiscal year 2023 show EBITDA growth of 7.6% and a solid financial position and free cash flow are maintained

- Aguas Andinas maintains sustained growth in EBITDA, reaching $318,288 million as of December 31, 2023, which represents an increase of 7.6% compared to the previous year.

- Likewise, it continues with a solid generation of free cash flow in the year, which has allowed it to maintain debt aligned with the Company's objectives.

The moderation in inflation during fiscal year 2023 has positively impacted the Company's financial Income compared to the previous year.

Accumulated inflation in Chile as of December 31, 2023 reached 3.9% versus 12.8% on the same date in 2022, which has a positive impact on the readjustability of financial debt in Unidad de Fomento (UF), registering For this concept, a lower expense of $71,150 million.

Aguas Andinas launched a new strategy called "Biociudad" (Biocity) to adapt Santiago to Climate Change in water matters, which considers a portfolio of specific solutions and projects that total an investment of US$ 1,000 million by 2030.

The Company continues to face the challenge of climate change. During the first half of the year, the deep situation of drought and water shortage that the country is going through continued, which has lasted for almost 14 years despite the rains recorded and some snowfalls that arrived late in the winter. In this context, during the first half of the year, water scarcity continued to be managed by prioritizing water transfer agreements with the different actors in the Maipo River basin, reducing it as the year progressed, which has made it possible to cover one fifth of the demand of Greater Santiago and maintain an adequate level of safety reserves in the El Yeso Reservoir, which in December 2023 reached a level of 217.1 hm3 (99% of its capacity) in line with the Company's objective.

- In line with the work that the Company has been developing for more than 10 years in this matter, Aguas Andinas announced its new strategy to confront the effects of climate change, promoting resilience and sustainable water security over time, both for the city and for its more than eight million inhabitants: Biocity.

This new initiative seeks to strengthen the public-private alliance in order to move towards the execution of projects that allow us to be better prepared for the onslaught of climate change. Biocity includes a battery of initiatives organized into 5 pillars of action: new water sources, resilience against extreme turbidity events in rivers, greater use of groundwater, solutions based on nature (with a special focus on the artificial recharge of aquifers, thus giving sustainability to the previous pillar) and responsible use, with proposals for measures to improve the efficiency of water management and consumption.

Likewise, we have continued with the investment effort in new health infrastructure to expand and diversify the availability of supply sources, which at the end of 2023 reaches $166,726 million.

Aguas Andinas continues to promote its efficiencies program based on the Transformation plan and commercial actions for the management of bad debts and debt recovery

The Company has implemented a Transformation plan with a vision of a new sustainable business model focused on risk mitigation, capturing efficiencies, prioritizing investments and incorporating technology, supported by a new organizational culture. In line with the above, process improvement and digital transformation initiatives have been developed that have generated Efficiencies of $4,798 million at the end of fiscal year 2023.

Along these lines, **commercial actions for debt recovery have made it possible to contain bad debt spending**, going from a revenue ratio of 2.4% as of December 2022 to 1.9% at the end of December 2023.

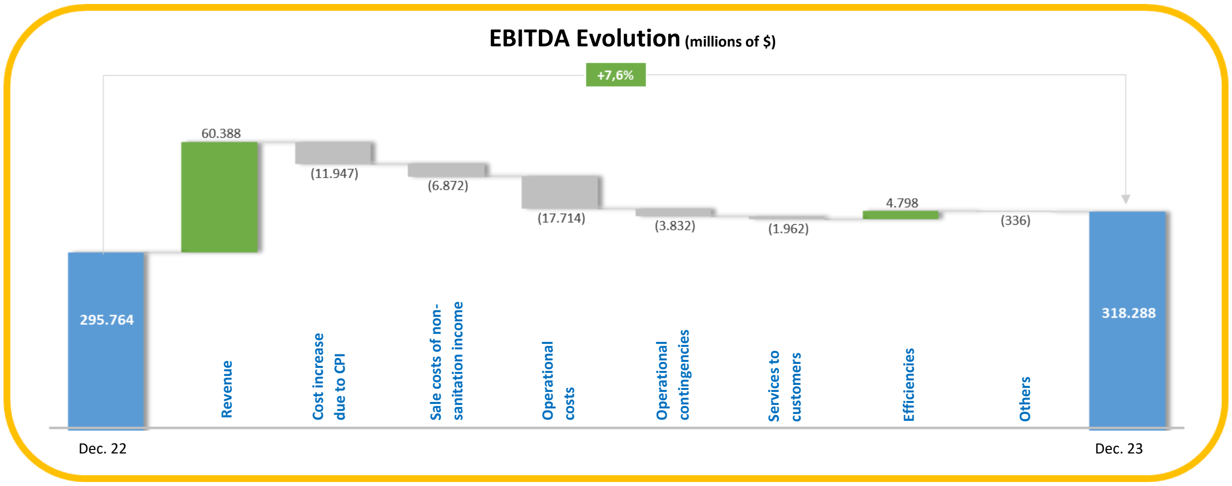
Aguas Andinas remains an outstanding Company in the international market both for its solvency and for its various sustainable practices.

In September 2023, Standard & Poor's ratified Aguas Andinas' **classification at A- with a stable outlook based on its generation of stable** and predictable cash flows, the Company's operations are under a transparent regulatory framework, it shows a solid competitive position as a leader in the local healthcare market and an investment program to strengthen supply and face the impacts of climate change.

On the other hand, the Company was nominated by ALAS 20, an agenda of sustainable leaders, to the categories "**Leading Company in Sustainability" and "Leading Company in Investor Relations**", achieving first place in the latter category.

ALAS 20 seeks to promote sustainable development in Latin America and Spain through the evaluation, qualification and recognition of excellence in public dissemination of sustainable development practices and investor relations.

EBITDA as of December 31, 2023 amounted to $318,288 million, which represents an increase of 7.6% compared to the previous year. The main variations are presented in the following graph:



- Higher healthcare revenues of $49,956 million, mainly associated with a higher average rate of $44,735 million as a result of rate indexations in 2022 and 2023 by polynomial and the entry into operation of new investment works such as Nitrogen Removal Biofactoría Trebal-Mapocho and Wells Cerro Negro -Lo Mena along with higher sales volumes of $465 million (+0.3%), explained by higher consumption of non-Residential customers of +2.8%, and a decrease in Residential customers of 0.7%. In addition, greater activity was recorded in other healthcare revenues for $4,756 million, mainly associated with services not associated with water sales volume and higher interest on customer debt.

  Additionally, higher other income of $10,432 million was recorded, mainly due to modifications to health infrastructure, income linked to home services, income associated with subsidiaries for environmental services and sales of materials.

- The Company's costs have been increased by the **effect of inflation** by $11,947 million, mainly due to higher costs of labor, construction materials, service contracts in UF and salary readjustments. In 2023, the index has been 3.9%. Likewise, the operating costs due to the entry into operation of new facilities and assets are considered, as well as the cost of sales associated with the growth of non-healthcare income.

- **Increase in operating costs** for $17,714 million, mainly associated with electrical energy (due to a higher average rate), maintenance and repair of networks, increase in detection of potable water leaks and in inspection and cleaning of collectors, major maintenance of operating equipment and chemical inputs due to turbidity events . The rains of the second half of the year and the management of the resource have allowed raw water transfers to be reduced by $4,208 million.

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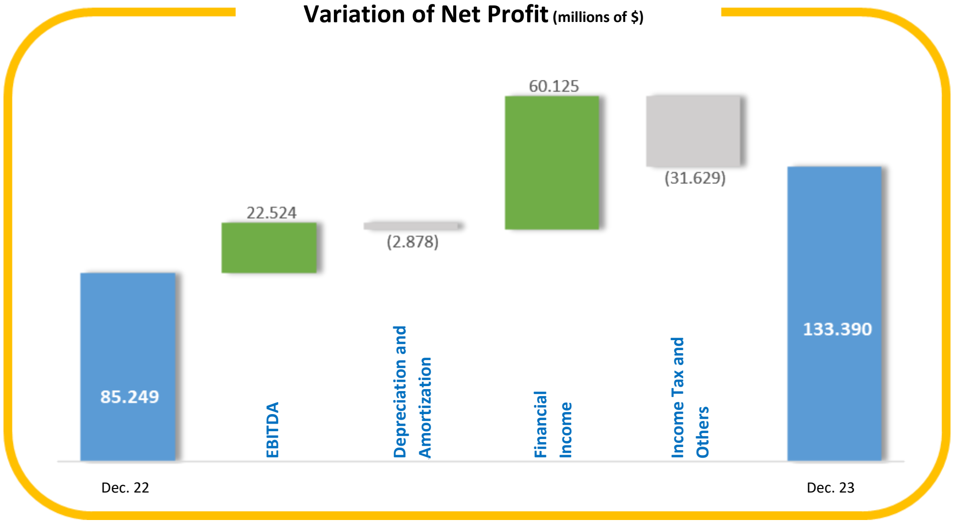
- During the first half of 2023, **3 extraordinary operational contingencies occurred** (impedance of the independent intake, breakage of the matrix in Recoleta and intense rains during June) whose corrective costs amounted to approximately $3,832 million.

  It must be considered that the event in the independent intake is due to an external cause associated with the climatic condition, which during the summer season of 2023 manifested itself with an unusual combination of a high amount of sediment and low flow of the Maipo River, a situation that prevented the normal evacuation of sediments. Likewise, at the end of June an atmospheric river event was recorded that caused extreme increases in turbidity and flows in the channels of the Maipo and Mapocho rivers to levels not seen in the last 30 years. In both cases, the normal operation of the potable water production plants was altered. However, the supply in the city operated without major impacts, thanks to the activation of the operational continuity plan and the supporting operational infrastructure in which the Company has been working and investing for more than 10 years.

- Within the framework of the Transformation plan that the Company is implementing, process improvement and digital transformation initiatives have been developed that have generated **Efficiencies** of $4,798 million as of December 31, 2023. Part of these efficiencies come from the improvement in detection of leaks in networks, purchasing efficiencies, advanced well management, biosolids management and commercial actions for debt recovery that have allowed us to achieve a revenue ratio of 1.9% at the end of the 2023 financial year compared to 2.4% December 2022. Likewise, improvements have been deployed in the measurement management process.

Net income as of December 31, 2023 amounted to $133,390 million, progressively recovering the levels presented prior to the pandemic, also driven by the moderation in inflation for the year. The main variations are presented in the following graph:



- At a non-operational level, there is an improvement in the financial income of $60,125 million compared to the previous year, mainly associated with a lower revaluation of the financial debt due to the variation of the Development Unit (4.8% in 2023 versus 13.3 % in 2022). It should be noted that the monetary correction of the UF is an accounting impact without significant effects on the Company's cash flow.

- As of December 31, 2023, income tax was higher than the previous year by $36,488 million, mainly due to a higher income in profit before taxes added to the inflationary effect of deductible permanent differences, the main difference being the monetary correction of tax equity capital.

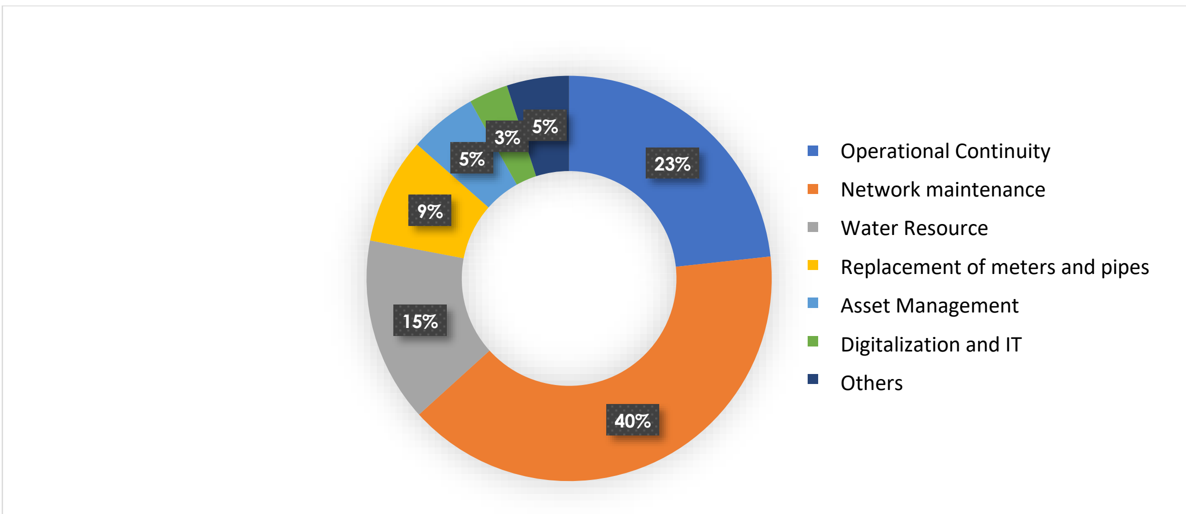
Generation and Cash Position. At the end of fiscal year 2023, the balance of cash and cash equivalent was $109,157 million, decreasing by $70,179 million compared to December 2022. The decrease in this item is mainly explained by the reimbursement of financial maturities.

The Company continues to maintain a robust cash position at the end of fiscal year 2023, which continues to be higher than the minimum cash needs, and which will ensure the development of the investment plan planned for next year, as well as define the strategy in time of 2024 debt maturities.

INVESTMENTS

To face the effects of the prolonged drought, lasting almost 14 years, the Company is developing a robust investment plan to ensure the security of supply standards committed to Greater Santiago under conditions of climate change.

As of December 31, 2023, investments amounting to $166,726 million were executed, according to the following composition:



The main projects developed in fiscal year 2023 were the following:

- Renewal of potable water and wastewater networks
- Renewal of home connection pipes and meters
- Drilling and reinforcement of the water supply system
- Replacement of assets of La Farfana-Trebal Biofactories
- Hydraulic efficiency plan
- Renewal of Vizcachitas – Tagle filters
- Advanced well management

- Padre Hurtado Potable Water Treatment Plant Expansion
- Pond Repair Antonio Varas – Lo Contador
- Manzano-Pirque Driving Security Works

Aguas Andinas, within the framework of its new strategy called “Biociudad” (Biocity), has worked on an ambitious investment plan to address the impacts of climate change and strengthen the city in water matters, which has been presented to the authority.

OTHER HIGHLIGHTS

Distribution of dividends. On November 22, 2023, it was agreed to distribute an amount of $40,000 million as a provisional dividend associated with the profits for fiscal year 2023, equivalent to $6.54 per share, which was paid in the month of December.

Previously, at the Company's Ordinary Shareholders' Meeting held on April 19, 2023, and ratifying Aguas Andinas' commitment to its shareholders in a volatile and challenging macroeconomic context, the distribution of 100% of the profit for fiscal year 2022 was agreed, excluding the provisional dividend paid December 2022 for an amount of $35,000 million. Therefore, the amount to be distributed was set at $50,249 million, which means a final dividend of $8.21 per share, which was payable as of April 28, 2023.

Risk classification ratification. During the month of November, ICR Chile ratified the solvency and bond classification of Aguas Andinas in the **AA+ category with a stable trend**. Likewise, it ratifies in first class level 1 and first class level 4 the mnemonic share titles Aguas-A and Aguas-B, respectively.

The classification ratification is based mainly on the characteristics of the business that position the Company as the largest provider of health services in the country, the regulatory framework in which our operations are carried out and the solid solvency indicators.

The above is in addition to the fact that in April 2023, Fitch Ratings ratified the solvency and public debt issuance classification of Aguas Andinas at AA+, and that in September 2023, Standard & Poor's ratified the international classification of Company A -, both with a stable outlook.

New General Manager of the Company. As of May 2, 2023, Mr. **Daniel Tugues Andrés** serves as the new General Manager of Aguas Andinas, replacing Marta Colet, who undertook new challenges within Grupo Veolia in Spain. The above was agreed at a Board meeting held on February 28, 2023. Daniel is a Civil Engineer from the Polytechnic University of Catalonia, an MBA from IESE Business School and a Master in Comprehensive Water Management (Agbar-UPC). He has more than 15 years of experience in the environmental infrastructure sector, both water and sanitation, as well as recycling and waste recovery.

Lawsuit associated with the sale and transfer of "ESSAL". On August 25, 2022, the Company was notified of various claims for compensation for damages for the sum of $65,222,222,367 filed in an arbitration lawsuit initiated against it by Eco Acquisitionco SpA, for alleged breaches in the sale and transfer operation of the direct and indirect participation of the Company in Empresa de Servicios Sanitarios de Los Lagos SA (ESSAL).

Within the framework of the aforementioned arbitration, on April 27, 2023, the parties have signed a transaction contract putting an end to said litigation and preventing any eventual litigation regarding the sale of ESSAL. The transaction expressly recognizes that in the process and in the sale of ESSAL, both Aguas Andinas and the other parties involved acted in good faith, fulfilling all their obligations with the diligence and care required by law.

Likewise, Aguas Andinas, as a reciprocal concession and against the withdrawal of all the claims filed and the total settlement of the sales contract, paid compensation equivalent to $10,249,330,833.

Likewise, the agreement contemplates that the Company assumes control and the Income of a limited group of current litigations pursued before Civil Courts of which ESSAL SA is a party, derived from events that occurred while the Company was still controlling of the latter.

Finally, by virtue of the reciprocal concessions set forth above, the intervening parties and third parties related to the "Transaction Agreement" gave complete and total settlement with respect to this convention.

Start of VIII Tariff Process. On November 28, 2023, the Superintendence of Sanitation Services published the Preliminary Bases of the rate setting process of the companies Aguas Andinas, Aguas Cordillera and Aguas Manquehue. This process will take place throughout 2024 and the new Aguas Andinas rates will come into effect on March 1, 2025.

2. Income for the year

2.1 Accumulated Income

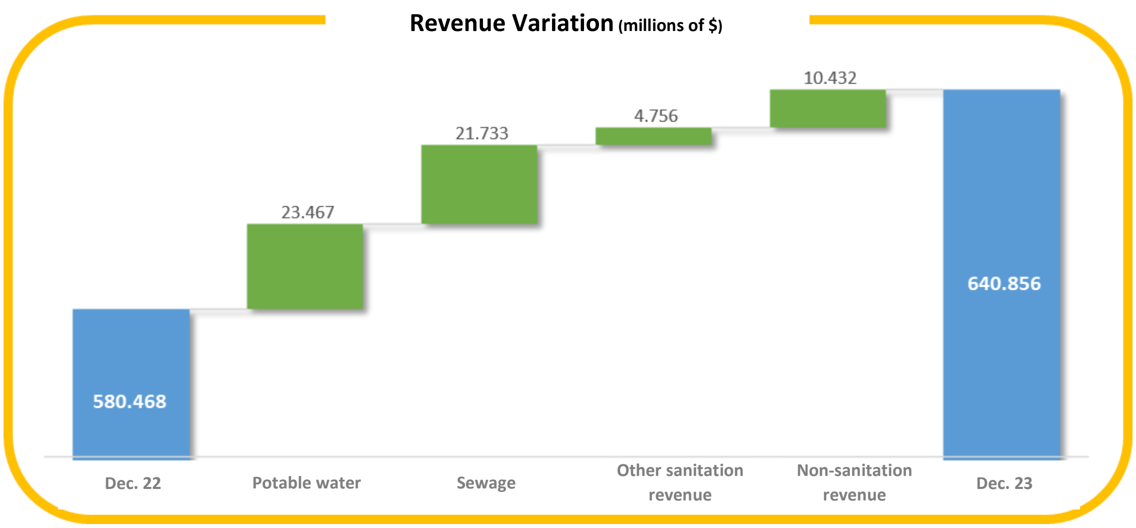
Income Statement (Thousands of $)	Dec. 23	Dec. 22	% Var.	2023 / 2022
Ordinary income	640,855,854	580,468,054	10.4%	60,387,800
Operating costs and expenses	(322,567,911)	(284,703,939)	13.3%	(37,863,972)
EBITDA	**318,287,943**	**295,764,115**	**7.6%**	**22,523,828**
Depreciation and amortization	(77,689,350)	(74,811,690)	3.8%	(2,877,660)
Income from operation	**240,598,593**	**220,952,425**	**8.9%**	**19,646,168**
Other gains (losses)	3,336,545	(1,521,833)	<(200%)	4,858,378
Financial results*	(76,633,585)	(136,758,101)	(44.0%)	60,124,517
Income tax expense	(33,909,237)	2,578,383	<(200%)	(36,487,620)
Minority interest	(1,895)	(2,140)	(11.4%)	245
Net profit	**133,390,421**	**85,248,734**	**56.5%**	**48,141,687**

** Includes financial income, financial costs, exchange differences and Income by readjustment units*

2.2 Revenue analysis

Revenues increased by 10.4% compared to the previous year, according to the following:

	Dec. 23		Dec. 22	
	Sales Thousands $	Stake	Sales Thousands $	Stake
Potable water	255,428,385	39.9%	231,961,337	40.0%
Wastewater	287,315,456	44.8%	265,582,171	45.7%
Other healthcare income	25,825,766	4.0%	21,070,071	3.6%
Non-health income	72,286,247	11.3%	61,854,475	10.7%
Total	**640,855,854**	**100.0%**	**580,468,054**	**100.0%**



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Sales Volume (thousands of m3 accrued)	Dec. 23	Dec. 22	% Var.	Difference
Potable water	525,972	524,299	0.3%	1,673
Wastewater collection	504,516	503,656	0.2%	860
Wastewater treatment and disposal	436,814	435,874	0.2%	940
Interconnections*	118,711	120,227	(1.3%)	(1,516)

Customers	Dec. 23	Dec. 22	% Var.	Difference
Potable water	2,306,152	2,257,165	2.2%	48,987
Wastewater collection	2,261,448	2,212,631	2.2%	48,817

** Interconnections include the Treatment and Disposal of Wastewater from other Sanitation companies.*

Health income

a) Potable water

Potable water revenues at the end of fiscal year 2023 reached Th$255,428,385, which represents an increase of 10.1% compared to the previous year, as a result of higher average rates associated with the polynomial indexations applied over the course of the years 2023 and 2022 and rate associated with the investment of Pozos Lo Mena - Cerro Negro, together with a greater volume supplied (Residential clients by -0.7% and non-Residential clients by +2.8%).

b) Wastewater

Wastewater revenues as of December 31, 2023 reached Th$287,315,456, which meant an increase of Th$21,733,285 (+8.2%) compared to the previous year. This is mainly due to the higher average rate associated with the latest rate indexations by polynomial and rate associated with nitrogen treatment at Biofactorías Trebal-Mapocho.

c) Other healthcare income

This item showed an increase of ThCh$4,755,695, which was due to greater activity in services not associated with the volume of water sales and higher interest on customer debt.

Non-health income

a) Services

An increase of ThCh$7,492,694 was reflected mainly due to greater activity in modifications to health infrastructure, home services to clients and sales of materials.

b) Non-healthcare subsidiaries

The increase in income of Th$2,939,077 was mainly explained by greater activity and new projects by the EcoRiles company along with greater analysis and sampling of potable water in Environmental Analysis.

(Thousands of $)	Dec. 23	Dec. 22	% Var.
EcoRiles SA	22,478,801	20,730,872	8.4%
Environmental Analysis SA	9,649,213	7,943,754	21.5%
Hidrogística SA	3,534,915	4,213,221	(16.1%)
Aguas del Maipo SA	2,130,047	1,966,051	8.3%
Total non-healthcare subsidiaries	**37,792,976**	**34,853,898**	**8.4%**

2.3 Expense analysis

The variation in expenses with respect to the previous year is presented in the following table:

Cost details (M$)	Dec. 23	Dec. 22	% Var.	2023 / 2022
a) Raw materials and consumables	(85,361,668)	(79,574,233)	7.3%	(5,787,435)
b) Employee benefits	(76,458,923)	(66,369,413)	15.2%	(10,089,509)
c) Other expenses by nature	(148,430,974)	(124,929,936)	18.8%	(23,501,038)
d) Impairment losses*	(12,316,346)	(13,830,357)	(10.9%)	1,514,011
Operating costs and expenses	**(322,567,911)**	**(284,703,939)**	**13.3%**	**(37,863,972)**
e) Depreciation and amortization	(77,689,350)	(74,811,690)	3.8%	(2,877,660)
Total costs	**(400.257.261)**	**(359,515,629)**	**11.3%**	**(40,741,632)**

** Losses due to impairment correspond to provision for bad debts*

a) Raw materials and consumables

As of December 31, 2023, the costs of raw materials and consumables reached Th$85,361,668, a figure that increased by Th$5,787,435 compared to the previous year. The main variations are explained by higher costs in electrical energy due to an increase in the average rate, higher cost of sales of materials along with increased spending on chemical inputs due to turbidity events. Additionally, as of April 1, 2022, the costs resulting from the internalization of Biofactories are included. The above is offset by lower water transfers during the second half of the year.

b) Employee benefits

At the end of fiscal year 2023, employee benefit expenses reached Th$76,458,923, a figure higher by Th$10,089,509 than that obtained at the end of the previous year. The increase is mainly associated with the readjustments agreed for inflation and that as of April 1, 2022, the expenses of the personnel incorporated into the Company as a result of the internalization of Biofactories are included. In addition, during 2023 the collective bargaining processes with all Aguas Andinas unions were successfully completed. These agreements will be valid for 3 years.

c) Other expenses by nature

At the end of December 2023, these expenses amounted to ThCh$148,430,974, a figure that increased by ThCh$23,501,038 compared to the previous year, mainly due to greater readjustments of expenses due to CPI, higher operational expenses in maintenance and repair of networks and equipment , increase in detection of potable water leaks and in inspection and cleaning of collectors, higher costs for modifications to sanitation infrastructure, expenses for sales of home services along with customer services, operational contingencies and general expenses. The above is partially offset by lower costs resulting from the internalization of Biofactories along with efficiencies.

d) Impairment losses

At the end of fiscal year 2023, the provision for bad debts was Th$12,316,346, a figure lower by Th$1,514,011 than that obtained the previous year. The ratio of bad debts to total income was 1.9% as of December 2023 compared to 2.4% as of December 2022.

e) Depreciation and amortization

At the end of 2023, depreciation and amortization amounted to Th$77,689,350, an increase of Th$2,877,660 to that obtained in the previous year, as a result of the depreciations associated with the new assets incorporated in the last two years.

2.4 Analysis of financial Income and others

Financial Income (Thousands of $)	**Dec. 23**	**Dec. 22**	**% Var.**	**2023 / 2022**
a) Financial income	15,927,907	15,978,770	(0.3%)	(50,864)
b) Financial costs	(48,849,432)	(36,630,374)	33.4%	(12,219,057)
c) Exchange differences	2,645,936	(854,215)	<(200%)	3,500,151
d) Income per readjustment unit	(46,357,996)	(115,252,282)	(59.8%)	68,894,286
Total Financial Income	**(76,633,585)**	**(136,758,101)**	**(44.0%)**	**60,124,517**
e) Other gains (losses)	3,336,545	(1,521,833)	<(200%)	4,858,378
f) Income tax expenses	(33,909,237)	2,578,383	<(200%)	(36,487,620)

a) Financial income

At the end of 2023, financial income reached Th$15,927,907, which meant a decrease of Th$50,864 compared to the previous year, mainly explained by lower repurchases of promissory notes by AFRs (refundable financial contributions), which was partially offset by higher investment income from treasury surpluses.

b) Financial costs

As of December 31, 2023, financial costs reached Th$48,849,432, which meant an increase of Th$12,219,057 compared to fiscal year 2022, mainly due to higher interest on financial debt along with lower activation of financial expenses.

c) Exchange differences

As of December 31, 2023, the exchange rate differences translate into an income of Th$2,645,936, which represents a positive variation of Th$3,500,151. The above is mainly explained by the positive variation in the dollar exchange rate on certain financial assets and accounts payable.

d) Income per readjustment unit

At the end of fiscal year 2023, the charges for readjustment units were ThCh$46,357,996, determining a lower expense of ThCh$68,894,286, mainly due to the lower revaluation of the debt as a result of the variation of the Development Unit (4.8% in 2023 versus 13. 3% in 2022).

e) Other gains (losses)

As of December 31, 2023, a higher income was obtained compared to the previous year by Th$4,858,378, mainly due to the reversal of the provision associated with the sale of Essal together with the sale of land, which was partially offset by higher retirement retirement plans.

f) Income tax expenses

Income tax expense as of December 31, 2023was higher than the previous year by ThCh$36,487,620, mainly due to a greater result in profit before taxes added to the inflationary effect of deductible permanent differences, the main difference being the monetary correction of tax equity capital.

2.5 Income by segment

a) Accumulated Income Water segment

Income Statement (Thousands of $)	Dec. 23	Dec. 22	% Var.	2023 - 2022
External income	602,598,942	545,272,804	10.5%	57,326,138
Segment revenue	1,896,161	898,163	111.1%	997,998
Operating costs and expenses	(295,207,729)	(257,403,965)	14.7%	(37,803,764)
EBITDA	**309,287,374**	**288,767,002**	**7.1%**	**20,520,372**
Depreciation and amortization	(75,423,530)	(72,764,097)	3.7%	(2,659,433)
Income from operation	**233,863,844**	**216,002,905**	**8.3%**	**17,860,939**
Other gains (losses)	3,685,254	(1,094,059)	<(200%)	4,779,313
Financial results*	(76,175,520)	(136,462,604)	(44.2%)	60,287,084
Tax expense	(32,554,166)	2,935,457	<(200%)	(35,489,623)
Minority interest	(1,895)	(2,140)	(11.4%)	245
Net profit	**128,817,517**	**81,379,559**	**58.3%**	**47,437,958**

** Includes financial income, financial costs, exchange differences and results by readjustment units.*

The net income of this segment increased by 58.3%, mainly due to:

- Increase in external income, mainly associated with health income due to higher average rates associated with the latest indexations and rates associated with investments, greater volume of potable water supplied, greater activity in modifications to health infrastructure, home services to clients and sales of materials.

- Costs increased mainly due to higher CPI expenses, operating costs (mainly network and equipment maintenance, electrical energy), cost of sales associated with non-health revenues and operational contingencies. The above is partially offset by higher efficiencies and lower water transfers.

- The depreciation was ThCh$2,659,433 higher than that obtained compared to the previous year, as a result of the depreciations associated with the new assets incorporated in the last two years.

- The financial income presented a net expense of ThCh$76,175,520, lower by ThCh$60,287,084 compared to the previous year, mainly due to the lower revaluation of the debt as a result of the variation in the Development Unit (4.8% in 2023 versus 13.3% in 2022).

- The 2023 income tax expense was higher than the previous year by Th$35,489,623, mainly due to a higher income in the profit before taxes added to the inflationary effect of deductible permanent differences, the main difference being the monetary correction of own tax capital.

b) Non-Water segment accumulated Income

Income Statement (Thousands of $)	Dec. 23	Dec. 22	% Var.	2023 - 2022
External income	38,256,912	35,195,250	8.7%	3,061,662
Segment revenue	11,790,101	6,002,529	96.4%	5,787,572
Operating costs and expenses	(41,046,449)	(34,200,667)	20.0%	(6,845,782)
EBITDA	**9,000,564**	**6,997,112**	**28.6%**	**2,003,452**
Depreciation and amortization	(2,310,091)	(2,091,863)	10.4%	(218,228)
Result of exploitation	**6,690,473**	**4,905,249**	**36.4%**	**1,785,224**
Other gains (losses)	(304,432)	(383,505)	(20.6%)	79,073
Financial results*	(458,066)	(295,495)	55.0%	(162,571)
Tax expense	(1,355,071)	(357,074)	>200%	(997,997)
Net profit	**4,572,904**	**3,869,175**	**18.2%**	**703,729**

** Includes financial income, financial costs, exchange differences and results by readjustment units.*

The net income of the Non-Water segment presents an increase of Th$703,729 compared to the previous year, due to:

- The higher income was mainly explained by greater activity and new projects by the EcoRiles company along with greater analysis and sampling of potable water in Environmental Analysis.
- The 20.0% increase in costs is mainly associated with greater sales activity along with higher CPI costs.
- The income tax expense as of December 31, 2023 was higher than the previous year by ThCh$997,997, mainly due to a higher income in the profit before taxes added to the inflationary effect of the deductible permanent differences, the main difference being the monetary correction of tax equity capital.

3. Quarterly Income

Income Statement (Thousands of $)	4Q23	4Q22	% Var.	4Q23 – 4Q22
Ordinary Income	165,620,335	161,722,552	2.4%	3,897,783
Costs and Operating Expenses	(78,527,833)	(77,760,034)	1.0%	(767,799)
EBITDA	**87,092,502**	**83,962,518**	**3.7%**	**3,129,984**
Depreciation and amortization	(21,120,294)	(19,344,875)	9.2%	(1,775,419)
Result of exploitation	**65,972,208**	**64,617,643**	**2.1%**	**1,354,565**
Other gains (losses)	5,110,669	(40,686)	<(200%)	5,151,355
Financial results*	(25,480,435)	(27,597,744)	(7.7%)	2,117,308
Tax expense	(8,693,750)	(6,160,754)	41.1%	(2,532,996)
Minority interest	(646)	(629)	2.6%	(17)
Net profit	**36,908,046**	**30,817,831**	**19.8%**	**6,090,215**

** Includes financial income, financial costs, exchange differences and results by readjustment units.*

3.1. Revenue analysis

a) Operating income

Ordinary income for the fourth quarter of 2023 amounted to Th$165,620,335, a figure higher by Th$3,897,783 than that obtained in the same quarter of the previous year, due to higher income from environmental services subsidiaries and health infrastructure modification services, which was partially offset by lower consumption recorded in the period of -2.9%.

3.2. Expense analysis

a) Raw materials and consumables used

During the fourth quarter of 2023, the costs of raw materials and consumables amounted to Th$17,065,674, a figure lower by Th$5,162,840 than that obtained in the same quarter of 2022, mainly associated with lower costs in water transfers and lower expenses of chemical inputs.

b) Employee benefits

Employee benefit expenses for the fourth quarter of 2023 reached Th$20,822,434, a figure higher by Th$2,216,361 than that obtained in 2022. This increase is mainly due to CPI readjustments and other contractually agreed benefits.

c) Depreciation and amortization

During the fourth quarter of 2023, depreciation and amortization amounted to Th$21,120,294, a figure higher by Th$1,775,419 than that obtained in 2022, due to a higher depreciation associated with the new assets incorporated.

d) Other expenses

In the fourth quarter of 2023, other expenses amounted to Th$39,140,290, a figure higher by Th$4,966,584 than that obtained in 2022, mainly explained by readjustment of expenses due to CPI, higher expenses in network maintenance and operational equipment, machine and vehicle rentals, customer services and other services.

e) Impairment losses

During the fourth quarter of 2023, the provision for bad debts was Th$1,499,434, a figure lower by Th$1,252,305 than that obtained in the same period of the previous year. The ratio of bad debts to total income presents an improvement in the quarter, since it was 0.9% compared to 1.7% in 2022.

3.3. Analysis of financial Income and others

a) Financial Income

In the financial income of the fourth quarter of 2023, losses of Th$25,480,435 were obtained, a figure that improved by Th$2,117,308 compared to 2022, mainly explained by a lower revaluation of the debt due to a lower variation in the Development Unit (1.6% in 2023 versus 2.5% in 2022), which was partially offset by lower financial income due to a decrease in treasury surpluses.

b) Income tax expenses

Income tax expense at the end of the fourth quarter of 2023 was higher than the previous year by Th$2,532,996, mainly explained by a better income before tax added to the inflationary effect of deductible permanent differences, the main difference being the monetary correction of the tax capital.

c) Revenue

The net profit for the fourth quarter of 2023 amounted to Th$36,908,046, a figure higher by Th$6,090,215 than that obtained in the same quarter of 2022.

4. Statement of financial position

Assets	Dec. 23	Dec. 22	% Var.
Current assets	275,004,410	324,838,124	(15.3%)
Non-current assets	2,148,343,319	2,054,511,436	4.6%
Total assets	**2,423,347,729**	**2,379,349,560**	**1.8%**
Liabilities and equity			
Current liabilities	361,668,126	265,797,147	36.1%
Non-current liabilities	1,175,540,305	1,274,661,314	(7.8%)
Total liabilities	**1,537,208,431**	**1,540,458,461**	**(0.2%)**
Equity attributable to the owners of the controlling company	886.107.830	838.861.526	5.6%
Non-controlling interests	31,468	29,573	6.4%
Total assets	**886.139.298**	**838,891,099**	**5.6%**
Total liabilities and equity	**2,423,347,729**	**2,379,349,560**	**1.8%**

4.1. Asset Analysis

The total assets of Aguas Andinas at a consolidated level as of December 31, 2023 showed an increase of Th$43,998,169 compared to December 31, 2022.

Current assets decreased by ThCh$49,833,714, mainly due to a lower balance of cash and cash equivalents of ThCh$70,178,660, which was partially offset by an increase in trade debtors and other accounts receivable of ThCh$9,230,141 together with the increase in tax assets by Th$11,716,147 associated with disbursements of monthly provisional payments.

Non-current assets increased by ThCh$93,831,883, mainly explained by higher property, plant and equipment and intangible assets by ThCh$91,474,310 associated with the investments made during the year. The main investment works are reflected in the following table:

Investments (Thousands of $) Dec-23	
Renewal of wastewater networks	45,826,649
Renewal of potable water networks	20,881,436
Renewal of starters and meters	14,157,241
Drilling and reinforcement of the water supply system	9,751,437
Replacement of assets of La Farfana-Trebal Biofactories	7,401,064
Hydraulic efficiency plan	7,073,405
Renewal of Vizcachitas filters - Tagle	2,924,272
Advanced well management	2,082,943
Padre Hurtado Potable Water Treatment Plant Expansion	2,037,276
Pond Repair Antonio Varas - Lo Contador	1,975,932
Manzano - Pirque Driving Safety Works	1,884,954
Other investment projects	50,729,080

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4.2. Analysis of liabilities and equity

The required liability as of December 2023 decreased by ThCh$3,250,030 compared to December 2022.

Current liabilities increased by ThCh$95,870,979. This variation was mainly due to the reclassification of financial liabilities associated with bank loans from long-term to short-term, since they have a maturity of less than twelve months. The above is partially offset by a decrease in provisions for the agreed payment in the lawsuit associated with the sale of ESSAL.

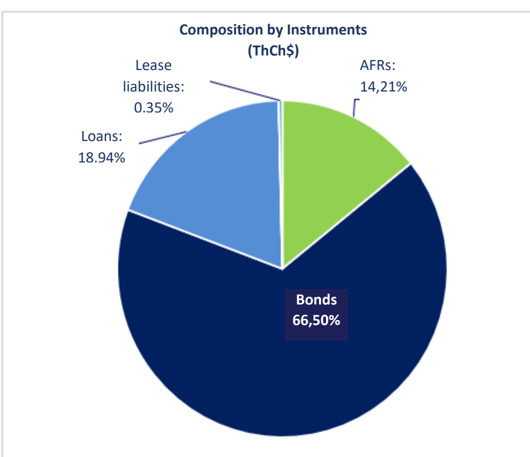
Non-current liabilities showed a decrease of ThCh$99,121,009. This variation corresponds almost entirely to lower financial liabilities associated mainly with the reclassification of short-term bank loans.

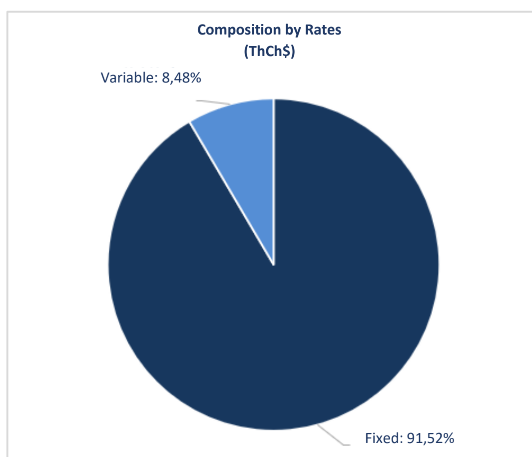
Total equity increased by Th$47,248,199, essentially explained by the profit for the year less the dividends paid during 2023.

The maturity profile of the financial debt as of December 31, 2023 is as follows:

Financial Debt Th$	Currency	Total	12 months	1 to 3 years	3 to 5 years	More than 5 years
AFRs	$	**182,603,868**	27,573,979	40,165,695	37,549,422	77,314,772
Bonds / Derivatives	$	**854.549.533**	20,758,965	6,903,050	-	826.887.518
Loans	$	**243,324,297**	107,083,857	106,368,440	29,872,000	-
Total other financial liabilities		**1,280,477,698**	**155,416,801**	**153,437,185**	**67,421,422**	**904.202.290**
Lease liabilities	$	**4,515,091**	1,752,912	1,635,333	978,008	148,838
Total lease liabilities		**4,515,091**	**1,752,912**	**1,635,333**	**978,008**	**148,838**
Totals		**1,284,992,789**	**157,169,713**	**155,072,518**	**68,399,430**	**904.351.128**

3.3. Structure of financial liabilities





Traducción-

Composición por instrumentos- Composition by instruments

Pasivo por arrendamientos- Lease liabilities

Préstamos- Loans

AFRs- AFRs

Bonos- Bonds

Composición por tasas- Rate composition

Variable- Variable

Fija- Fix

5. Cash flow statements

Cash Flow Statements (M$)	Dec. 23	Dec. 22	% Var.
Operation activities	229,397,451	242,903,240	(5.6%)
Investment activities	(150,000,484)	(165,900,708)	(9.6%)
Financing activities	(149,575,627)	(61,180,505)	144.5%
Net cash flow for the year	**(70,178,660)**	**15,822,027**	**(543.6%)**
Ending cash balance	**109,156,681**	**179,335,341**	**(39.1%)**

The flow from operating activities experienced a decrease of Th$13,505,789 when comparing December 2023 with the previous year. The main variations were the following:

- Collections from the sales of goods and provision of services generated an increase of Th$83,926,669, associated with a higher average rate due to recent rate indexations, in addition to an increase in sales volumes to non-residential customers.

- The interest received generated an increase of Th$3,315,751, mainly due to higher interest rates.

These variations were compensated by the following concepts:

- Increase in payments to suppliers for Th$35,961,483, mainly associated with higher payments to suppliers of goods and services.

- Increase in payment to and on behalf of employees for Th$13,777,242, mainly due to CPI readjustments, contractually agreed benefits and agreements for collective bargaining processes with all Andinas Andinas unions that were closed in 2023.

- Increase in the payment of income taxes by Th$23,417,207, due to a greater basis in the determination of the calculation of monthly provisional payments and lower refunds than 2022 by Th$5,995,732.

- Interest paid generated an increase of Th$11,389,863, mainly due to higher interest rates.
- The other cash outflows generated an increase of Th$8,918,574, mainly due to the payment by extrajudicial agreement of ESSAL.

The disbursement for investment activities decreased by Th$15,900,224, associated with lower payments for investments made in the period.

Financing activities show a decrease compared to the previous year by Th$88,395,122, this is explained by a higher payment of dividends of Th$14,441,385 and lower financing issues of Th$77,321,073.

6. Financial ratios

		Dec. 23	Dec. 22
Liquidity			
Current liquidity	times	0.76	1.22
Acid ratio	times	0.30	0.67
Indebtedness			
Total debt	times	1.73	1.84
Current debt	times	0.24	0.17
Non-current debt	times	0.76	0.83
Annualized financial expense coverage	times	4.42	3.26
Cost effectiveness			
Return on equity attributable to the owners of the parent company annualized	%	15.47	10.14
Annualized asset profitability	%	5.73	3.70
Annualized earnings per share	$	21.80	13.93
Dividend return (*)	%	5.18	6.51

Current liquidity: *current asset/current liability.*
Acid ratio: *cash and cash equivalents/current liabilities.*
Total debt: *required liabilities / total equity.*
Current debt: *current liabilities / payable liabilities.*
Non-current debt: *non-current liabilities / payable liabilities.*
Coverage of financial expenses: *annualized income before taxes and interest / annualized financial expenses.*
Return on equity: *income for the annualized year/total average equity for the annualized year.*
Asset profitability: *annualized income for the year/ average total assets for the annualized year.*
Earnings per share: *Annualized income for the year/number of shares subscribed and paid.*
Dividend return: *dividends paid per share / share price.*
(*) The share price as of December 2023 amounts to $284.60, while as of December 2022 it amounts to $195.90.

As of December 31, 2023, current liquidity decreased by 37.7% due to lower current assets of ThCh$49,833,714, mainly due to the decrease in cash and cash equivalents of ThCh$70,178,660. The above is partially offset by an increase in other financial assets of Th$2,194,236, other accounts receivable of Th$9,230,141, tax assets of Th$11,716,147 and a decrease in assets held for sale. Additionally, current liabilities increased by ThCh$95,870,979, as a result of an increase in other financial liabilities of ThCh$81,069,662.

Debt decreased by 6%, due to a lower demandable liability of Th$3,250,030, mainly explained by a decrease in debt payment and an increase related to the revaluation of the UF. Meanwhile, total equity shows an increase of Th$ 47,248,199.

The profitability of the equity attributable to the owners of the parent company showed an increase of 52.6%, essentially explained by the higher annualized profit for the year by Th$ 48,141,687.

7. Other background

7.1 Rates

The most important factor that determines the Income of our operations and financial condition are the rates that are set for our sales and regulated services. As a healthcare company we are regulated by the Superintendence of Healthcare Services (SISS) and our rates are set in accordance with the DFL Healthcare Services Tariff Law No. 70 of 1988.

Our rate levels are reviewed every five years and, during said period, they are subject to readjustments linked to an indexation polynomial, if the accumulated variation since the previous adjustment is equal to or greater than 3.0% (absolute value), according to calculations made based on various inflation indices.

Specifically, the readjustments are applied based on formulas that include the Consumer Price Index, the Price Index of Imported Goods in the Manufacturing Sector and the Producer Price Index in the Manufacturing Industry Sector, all of them measured by the National Institute of Statistics of Chile. The last indexations carried out by each Group Company were applied on the following dates:

<u>Aguas Andinas SA</u>

Group 1	February 2022, May 2022, July 2022, September 2022 and February 2023
Group 2	January 2022, April 2022, June 2022, September 2022 and February 2023

<u>Aguas Cordillera SA</u>	March 2022, June 2022, September 2022 and March 2023

<u>Aguas Manquehue SA</u>

Santa Maria	March 2022, June 2022, September 2022, January 2023 and November 2023
Los Trapenses	March 2022, June 2022, August 2022, September 2022, January 2023 and November 2023
Chamisero	January 2022, April 2022, June 2022, August 2022, September 2022, January 2023 and November 2023
Chicureo	February 2022, May 2022, July 2022, September 2022, January 2023 and November 2023
Valle Grande 3	January 2022, April 2022, June 2022, September 2022, January 2023 and November 2023

Additionally, rates were increased by investment works that were approved in the respective rate decrees. The works mentioned are the following:

<u>Aguas Andinas SA</u>

Lo Mena Wells - Cerro Negro (December 2022)
Trebal-Mapocho Nitrogen Treatment (April 2022)

The current rates for the period 2020-2025 were approved by Decree No. 33 dated May 5, 2020, for Aguas Andinas SA, of the Ministry of Economy, Development and Tourism and came into effect on March 1, 2020 (published in Diario Official on December 2, 2020). The current rates of Aguas Cordillera SA for the five-year period 2020-2025 were approved by Decree No. 56 dated September 11, 2020, and came into effect as of June 30, 2020 (published in the Official Gazette on February 24, 2021) and the current rates of Aguas Manquehue SA 2020-2025 were approved by Decree No. 69 dated October 27, 2020 (published in the Official Gazette on March 13, 2021) and came into force as of May 19, 2020 for the Santa María and Trapenses systems, April 22, 2019 for Group 3 Chamisero, July 9, 2020 for Group 2 Chicureo and June 22, 2021 for Group 4 Valle Grande III.

On November 28, 2023, the Superintendence of Sanitation Services (SISS) published the Preliminary Bases, formally beginning the VIII Tariff Process for Aguas Andinas, Aguas Cordillera and Aguas Manquehue. This process will take place throughout 2024 and the resulting tariff structure will come into effect for the period 2025-2030.

7.2 Market risk

Our company presents a favorable situation in terms of risk, which is mainly due to the particular characteristics of the healthcare sector. Our business is seasonal and operating Income may vary from quarter to quarter. The highest levels of demand and income are recorded during the summer months (December to March) and the lowest levels of demand and income during the winter months (June to September). In general, water demand is greater in warmer months than in milder months, mainly due to the additional water needs generated by irrigation systems and other external water uses.

Adverse weather conditions can eventually affect the optimal delivery of health services, because the processes of collection and production of potable water depend largely on the weather conditions that develop in the hydrographic basins. Factors such as meteorological precipitation (snow, hail, rain, fog), temperature, humidity, sediment carryover, river flows and turbidity determine not only the quantity, quality and continuity of raw water available in each intake, but also the possibility of them being properly treated in the purification plants.

In case of drought, we have important water reserves that we maintain in the El Yeso Reservoir, Laguna Negra and Lo Encañado, in addition to the contingency plans that we have developed, which allow us to reduce any negative impacts that could generate adverse weather conditions for our operations. In the current period, the drought that has existed since 2010 persists, which means applying contingency plans such as the transfer of raw water, intensive use of wells, leasing and purchasing water rights, among others. All of this with the aim of reducing the impact of the drought and providing our services normally, both in terms of quality and continuity.

7.3 Market analysis

The Company does not present any variation in the market in which it participates because, due to the nature of its services and current legal regulations, it does not have competition in its concession area.

Aguas Andinas SA has 100% coverage in potable water, 98.9% in sewage service and 100% in wastewater treatment from the Santiago basin.

Aguas Cordillera SA has 100% coverage in potable water, 99.0% in sewage service and 100% in wastewater treatment.

Aguas Manquehue SA has 100% coverage in potable water, 99.5% in sewage service and 100% in wastewater treatment.

7.4 Capital investments

One of the variables that most affects the Income of our operations and financial situation are capital investments. These are of two types:

Committed investments. We have the obligation to agree on an investment plan with the SISS, which describes the investments that we must make during the 15 years following the date on which the corresponding investment plan comes into force. Specifically, the investment plan reflects a commitment on our part to carry out certain projects related to maintaining certain quality standards and service coverage. The aforementioned investment plan is subject to review every five years, and modifications may be requested when certain relevant facts are verified.

Approval and update dates of the Aguas Group's development plans:

Aguas Andinas SA
Greater Santiago: October 29, 2020
Locations: April 6, 2018, October 29, 2020, November 16, 2020, March 26, 2021, June 9, 2021 and August 19, 2021.

Aguas Cordillera SA
Aguas Cordillera and Villa Los Dominicos: October 29, 2020

Aguas Manquehue SA
Santa Maria and Los Trapenses: November 9, 2020
Chicureo, Chamisero and Valle Grande III: March 11, 2021
Alto Lampa: October 30, 2023

Uncommitted investments. Uncommitted investments are those that are not contemplated in the investment plan and that we make voluntarily in order to ensure the quality of our services and replace obsolete assets. These, in general, are related to the replacement of network infrastructure and other assets, the acquisition of water use rights and investments in non-sanitation businesses, among others.

In accordance with international financial reporting standards in force in Chile, particularly IAS 23, interest on capital investments in works in progress is capitalized. The aforementioned IAS 23 establishes that when the entity acquires debt in order to finance investments, the interest on that debt must be reduced from the financial expense and incorporated into the financed construction work, up to the total amount of said interest, applying the rate corresponding to the disbursements made as of the date of presentation of the financial statements. Consequently, the financial costs associated with our capital investment plan affect the amount of interest expenses recorded in the income statements, such financial costs being recorded together with the works in progress in the item "property, plant and equipment" of our statement of financial position.

Financial aspects

a) Currency risks

Our income is largely linked to the evolution of the local currency. That is why the Company's main debt level is issued in this same currency.

Now, starting in 2022, Aguas Andinas will acquire new debt associated with the issuance of two bonds in international markets. In order to mitigate the risks associated with the volatilities that surround the environment and business operations, derivative instruments have been contracted, which facilitate the process of matching management and coverage of both the accounting and financial risks to which it is exposed the society.

b) Interest rate risks

As of December 31, 2023, the interest rate risk maintained by Aguas Andinas SA is made up of 91.5% at a fixed rate and 8.5% at a variable rate. The fixed rate debt is made up of: short and long-term bond issues (72.24%), reimbursable financial contributions (15.5%), bank loans (11.4%), derivatives (0.5%) and liability for leases (0.4%), while the variable rate debt corresponds to loans with national banks.

As of December 31, 2022, the interest rate risk maintained by Aguas Andinas SA consisted of 90.3% at a fixed rate and 9.7% at a variable rate. Fixed-rate debt is made up of: short- and long-term bond issues (63.9%), reimbursable financial contributions (15%), bank loans (20.2%), derivatives (0.6%) and lease liabilities. (0.3%), while the variable rate debt corresponds to loans with national banks.

The Company maintains a policy of monitoring and managing the interest rate, which, with the objective of optimizing the cost of financing, permanently evaluates the hedging instruments available in the financial market.

This entire favorable situation has meant that the risk rating agencies ICR and Fitch Ratings maintain a risk classification of AA+ for long-term debt with a stable outlook. Likewise, the Standard & Poor's agency maintained Aguas Andinas in an A- classification.

In the case of shares, the local risk rating agencies assigned us a first class level 1 classification for series A and first class level 4 for series B.

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