

Results Report

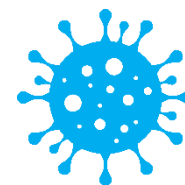
DECEMBER 2020

Marta Colet G.





- Covid-19
- Climate Change Challenge
- Financial Summary
- Regulatory Aspects
- Other topics of interest



Covid-19

Ensuring operational continuity



1

Covid- 19: Corporate Measures: Operational Continuity



Safeguarding workers' health



Helping to contain the spread of the disease



Ensuring continuity of supply to the city



Empathize with customers, suppliers and communities.



WORKERS



Medical staff for worker consultations, symptom tracking and case traceability.



Daily health surveys for symptom detection.



Adoption of security measures.



More than 300 workers in voluntary confinement program



More than 700 workers in teleworking mode.



CUSTOMERS



Support for vulnerable customers.



More than 8 millions of attentions through digital channels.



Suspension of supply cut-off. New debt regularization agreements.



SUPPLIERS



Signing of agreement for continuity of payment for employment protection.



COMMUNITIES



Vaccination campaign to communities (flu).



Campaign to help Fundación Las Rosas



Collaboration agreement with Fundación Techo-Chile that allowed to carry water to different camps in the MR, #ChileComparteAgua.

1

Covid-19: Corporate Measures

Operational Continuity

Peak of:

- 756 people teleworking
- 300 essential people confined

- 1348 own workers inoculated to date (78%)
- 394 with second shot (23%)

- 686 PCR tests performed on essential personnel
- 1.276 Saliva tests, performed on essential personnel

Preventive strategy in advance

Health survey

Focus: Psychological support and health surveillance

Operational continuity for the city

- 51 Critical workers of contractor personnel vaccinated
- 82% of essential workers vaccinated

- 695 People working on-site



Aguas Andinas confina a sus trabajadores para asegurar el suministro en la pandemia

La mayoría de su personal ya firmó el documento de autorización y la empresa les asegura desde la salud hasta el contacto con las familias.

JULIO MATUS.

Para asegurar el suministro de agua potable y el tratamiento de aguas servidas frente a una posible expansión del Covid-19, la empresa Aguas Andinas comenzó un proceso de confinamiento voluntario de su personal, para lo cual levantó instalaciones de emergencia. Rachel Bernardin, subgerente de producción, explicó que se tomó la decisión para que funcione la ciudad en tiempos de la pandemia, en que una de las medidas más importantes es lavarse manos y cara con agua y jabón.

La ejecutiva dice que hasta el momento han funcionado con modelos pilotos. "En el caso de que haya una mayor expansión de los contagios en la Región Metropolitana tenemos la posibilidad de confinar a

campamentos de descanso, luego de una evaluación de salud y psicológica por médicos de la UC. En los primeros, trabajarán y vivirán y en los segundos pasarán el resto del tiempo.

"El día que se confinan se les hace el examen PCR y guardan distancia con sus compañeros hasta tener los resultados que, hasta ahora, todos han dado negativo", explica. Luego duermen en habitaciones individuales, comen a dos metros de distancia, sus puestos son desinfectados antes y después, además de la obligación de usar mascarillas, guantes y alcohol gel.

Durante el confinamiento también se les hace un chequeo de salud y psicológico diario, además de mantener contacto permanente con sus familias. Durante el descanso pueden optar a ejercicios físicos, cursos de perfeccionamiento, entre otras



Climate Change Challenge

Impact on water availability



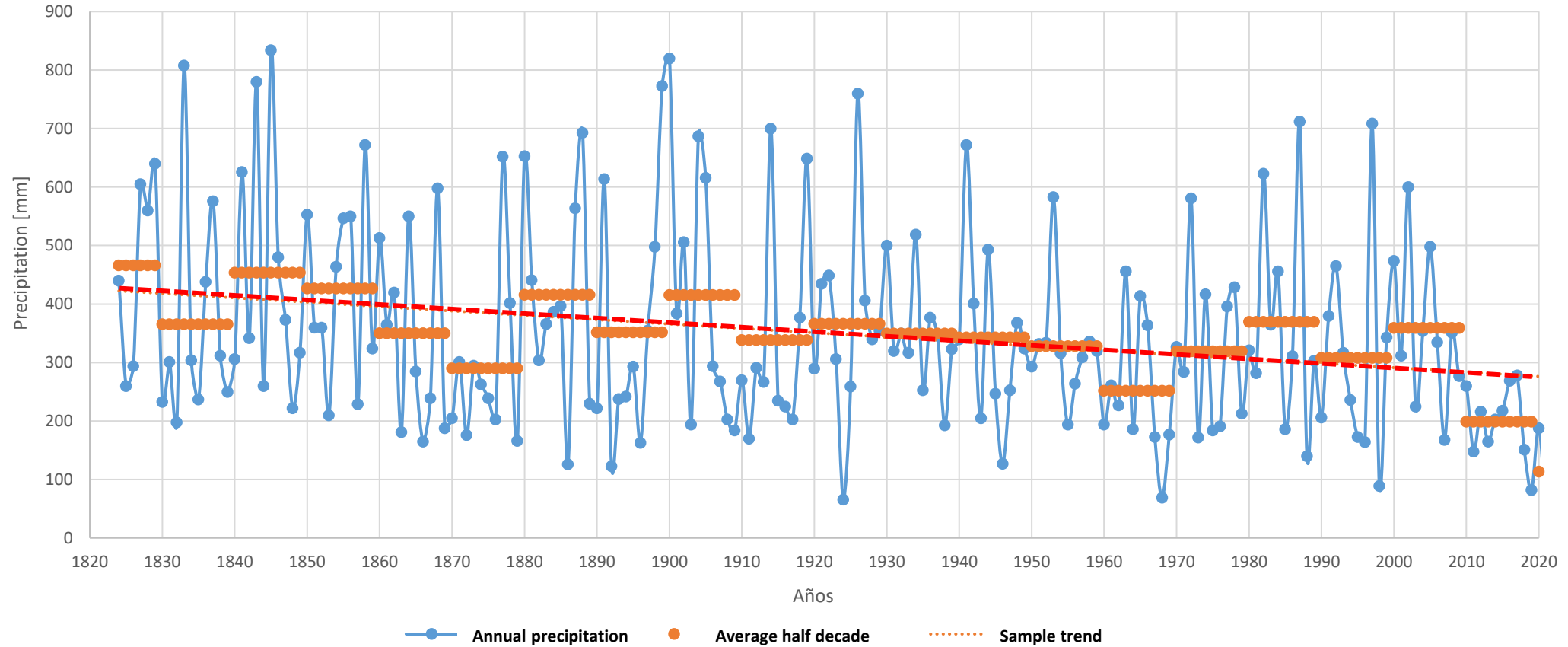
Challenge: Climate change

Impact on water availability

2

2010-2019
199 mm/year

Precipitation in Santiago 1824 - 2020



-57%

A phenomenon that has accelerated in the last decade combining scarcity with episodes of high turbidity

2

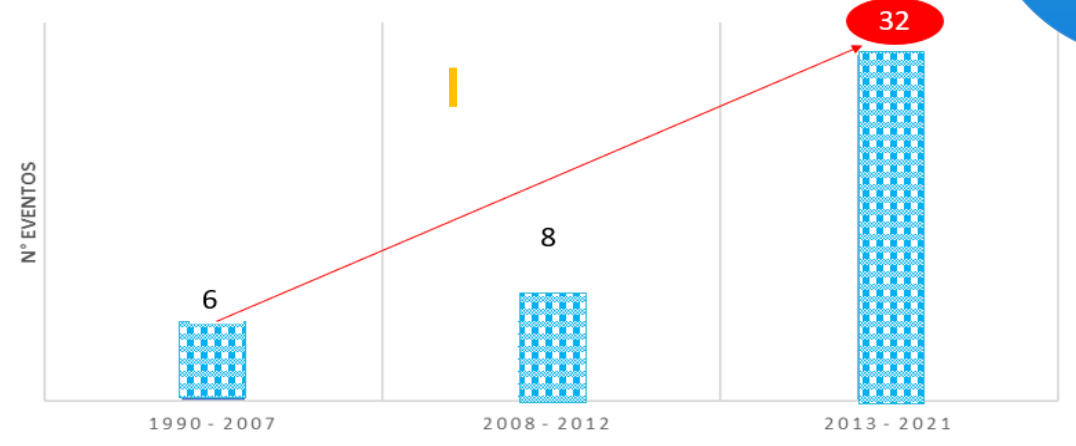


Santiago (2019) Chile **78 mm**



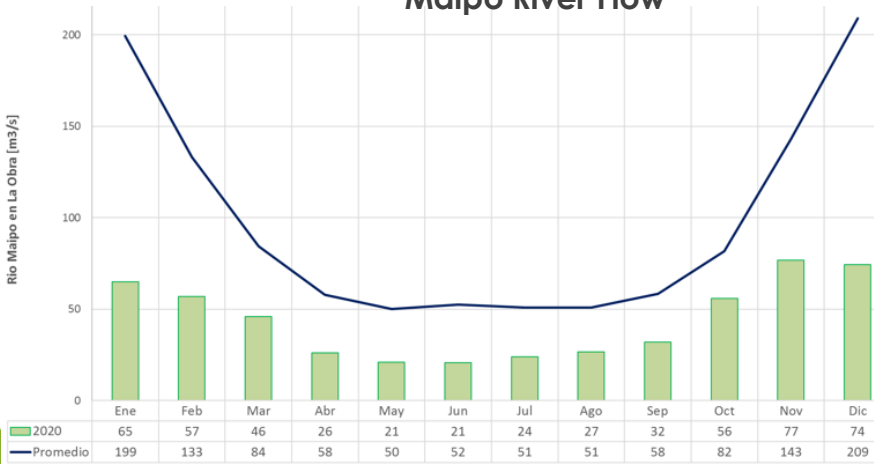
Riad (2019), Saudi Arabia **92.5 mm**

Episodes of high turbidity 1990 – 2021



... and threatening the city's supply sources.

Maipo River Flow



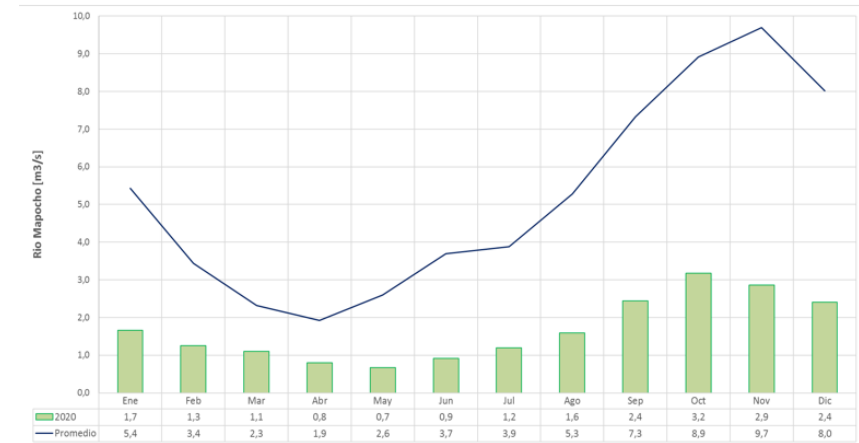
Historical
97.5 m³/sec

-55%

2020
43.8 m³/sec

CETAQUA: "The contribution of glaciers to river flow will decrease up to 75%."

Mapocho River Flow



Historical
5.2 m³/sec

-67%

2020
1.7 m³/sec



We have invested in resilience works

strengthening autonomy in the event of high turbidity episodes in the rivers

Phase 1



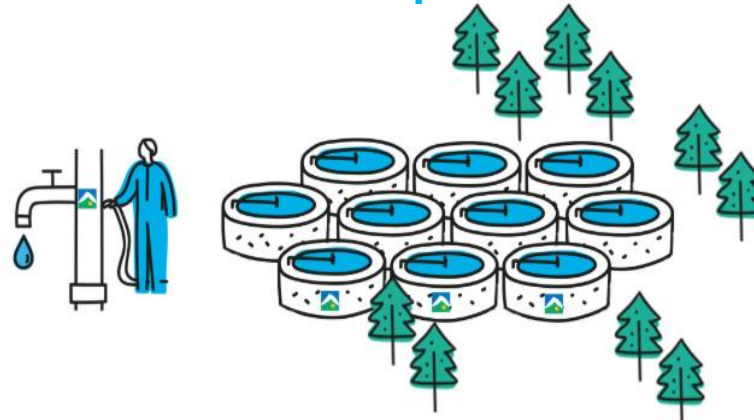
- ✓ Construction of 7 new wells.
- ✓ Construction of 14 tanks of potable water storage.
- ✓ Construction of a 5 km subway pipeline between the El Yeso reservoir and the Las Vizcachas potable water production complex.

Operation: 2013

Autonomy

Increase from 4 to 9 hours

Interim phase



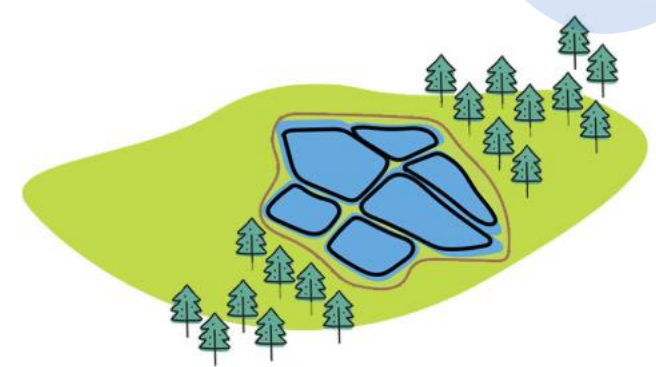
- ✓ Enabling of 16 groundwater extraction wells.
- ✓ Construction of 9 tanks of potable water storage.

Operation: 2018

Autonomy

Increase from 9 to 11 hours

Phase 2



- ✓ Construction of 6 mega reserve tanks in Pirque, to store raw water from the Maipo River in normal times, which can be used to produce potable water in emergency situations.

Operation: 2019

Autonomy

Increase from 11 to 34 hours

Inauguration: Mega Tanks of Pirque

Start of operations in February 2020



We have increased Santiago's autonomy from 11 to 34 hours.

Investment of \$ 77.500 million

In 7 years, we increase in 30 hours the resilience of Santiago

1.500 million liters of water reserve

Fundamental infrastructure to face: Atmospheric River



REPORTAJES SUMINISTRO DE AGUA 04.11.2020 / 01:19

Inauguran seis megaestancques en Pirque para enfrentar futuros cortes de suministro de agua potable

La millonaria inversión de Aguas Andinas permitiría pasar de una autonomía de 11 horas a 34 en todo el Gran Santiago.



Las piscinas tardarán cinco días en llenarse a una tasa de 3,5 metros cúbicos por segundo.

Seis mega estanques atesoran casi 1,5 millones de litros

Santiago alcanza 34 horas de autonomía frente a cortes de agua

Meteorological Event Atmospheric River

Indicators and characteristics

Embalse El Yeso (2452 m)



Meteorological Event
Atmospheric River
(January 29 to February 1)

100 mm of accumulated
rainfall during the entire
event.

10
mm/hr rainfall intensity at El
Manzano station.

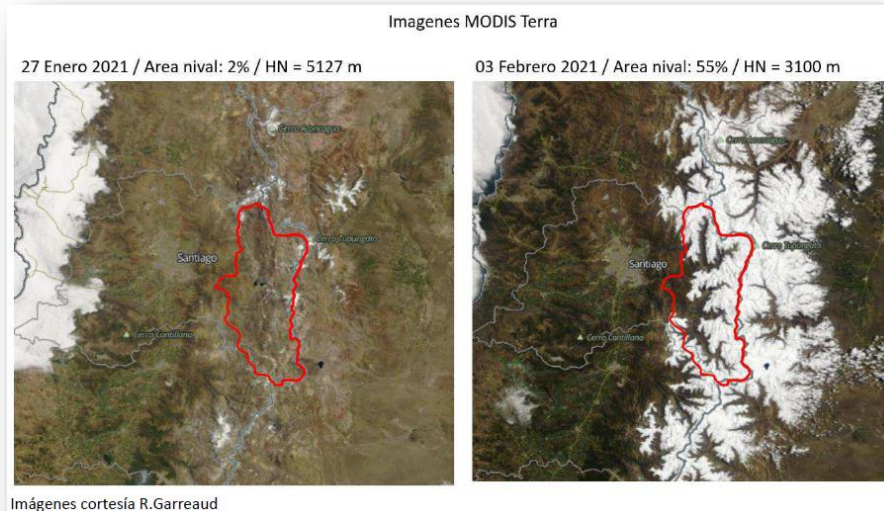
One of the 3 most intense
storms in the last 100 years.



Aguas Andinas descarta corte de agua en la Región Metropolitana, pero se mantiene en alerta amarilla

La compañía señaló que se mantiene en alerta debido a la "inestabilidad provocada por el fenómeno 'río atmosférico' y los efectos de turbiedad que aún podrían experimentarse en los ríos". "Estárimos salvando este evento inédito prácticamente sin cortes", dijo el ministro de Obras Públicas,

Snow cover
increased from 2% to
56% after the event.



Melting of snow
accumulated after the
Atmospheric River
causes material
entrainment and new
turbidity peaks in
rivers (February 2 to 8)

Así funcionan los mega estanques que mantienen con agua a la Región Metropolitana



Pirque Mega-Tanks: Fundamental work to face the climate crisis without massive supply interruptions

There is still some way to go

For a more resilient city



- ✓ Wells
- ✓ Water efficiency plan



2019
+ 270 l/s

2020
+ 1.000 l/s

2021
+ 1.750 l/s

2022
+ 1.500 l/s

2024
+ 1.500 l/s



- ✓ Wells
- ✓ Start of Padre Hurtado plant expansion (requested tariff)
- ✓ Tanks
- ✓ Others of water transportation

- ✓ AVO Tanks
- ✓ Other wells
- ✓ San Antonio Tank (approved tariff)
- ✓ San Enrique Tank (approved tariff)
- ✓ Completion of Padre Hurtado plant
- ✓ Start of treated wastewater reuse work (requested tariff)



- ✓ Progress of treated wastewater reuse work (requested tariff)



- ✓ LoMena Wells (approved tariff)
- ✓ Water efficiency plan
- ✓ Padre Hurtado plant filters



- ✓ El Manzano Project- Pirque
From 48 hours to 3 months the city's autonomy



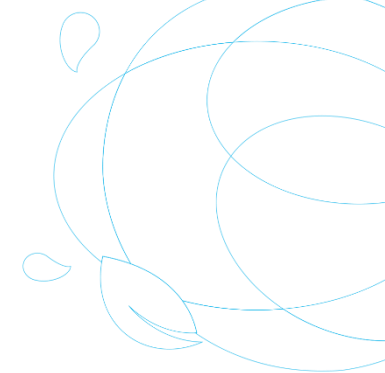


FINANCIAL SUMMARY

Didac Borrás G.



Keys of the period



COVID impact of (\$36,949) million net.



Settlements subscribed with SERNAC and CONADECUS for cuts in 2016 and 2017 with an impact of (\$11,000) million.



Recognition in tariffs of the VII tariff process and start-up of Pirque.



Mega Drought implied higher costs of (\$6,274) million.



Capex of \$124,620 million, in a continuous investment commitment.



Sale of ESSAL is completed, with a net result of \$7,325 million.



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MAIN FINANCIAL FIGURES

EBITDA without extraordinary effects increases by 1.5% compared to 2019. Net debt decreases by 2.6%.

Statement of results (Million \$)	Dec. 20	Dec. 19	% Var.
Ordinary income	478,774	484,329	(1.1%)
EBITDA	235,332	285,306	(17.5%)
EBITDA adjusted*	289,555	285,306	1.5%
%EBITDA/Income	49%	59%	
EBIT	115,682	192,073	(39.8%)
%EBIT/Income	24%	40%	
Net income	98,692	141,737	(30.4%)

*Adjusted EBITDA is obtained discounting COVID net impact, SERNAC - Conadecus settlement, and Mega Drought.

CAPEX	124,620	115,540	7.9%
Net debt	898,638	970,822	(7.4%)

Figures do not include ESSAL



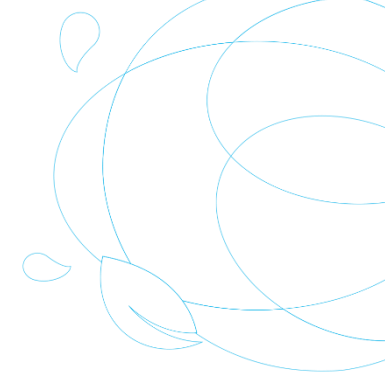
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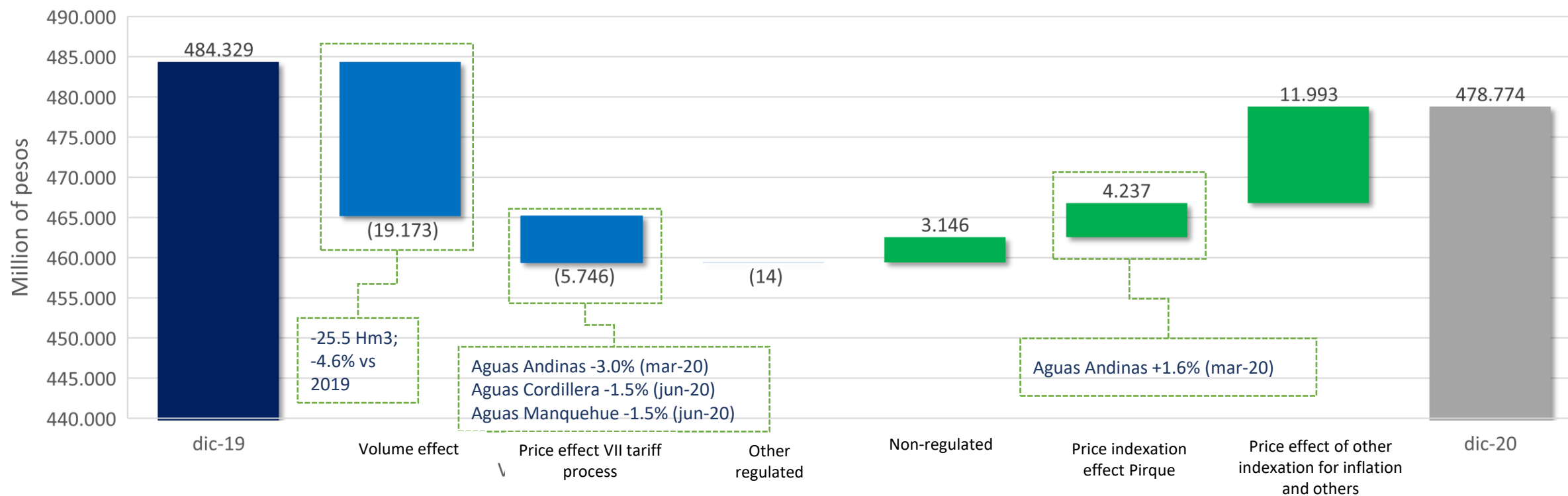
INCOME EVOLUTION

Figures

Revenues practically in line with 2019, despite the lower volume (Covid19 effect) and the impact of the VII tariff process.



Revenue Variation Actual 2019 vs Actual 2020



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CUSTOMERS AND BILLING

The reading effectiveness rate has practically recovered its normal level.



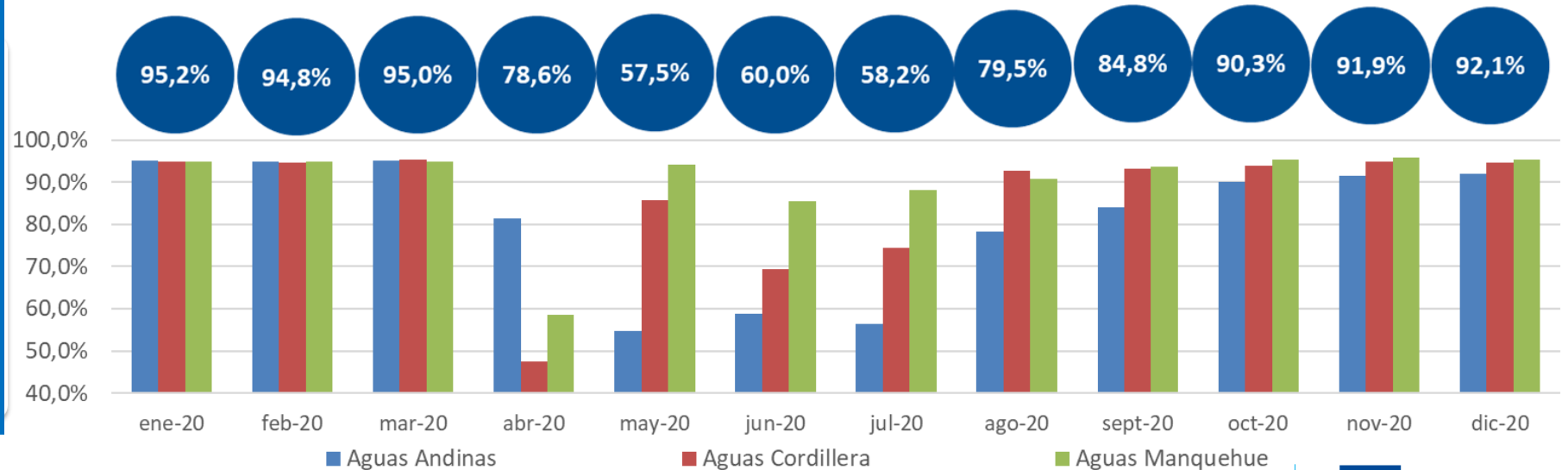
Estimates on a pro-Customer basis:

Average terms according to industry billing manual

Billing for the same month of the previous year

Choose the lowest or the reading reported by the customer.

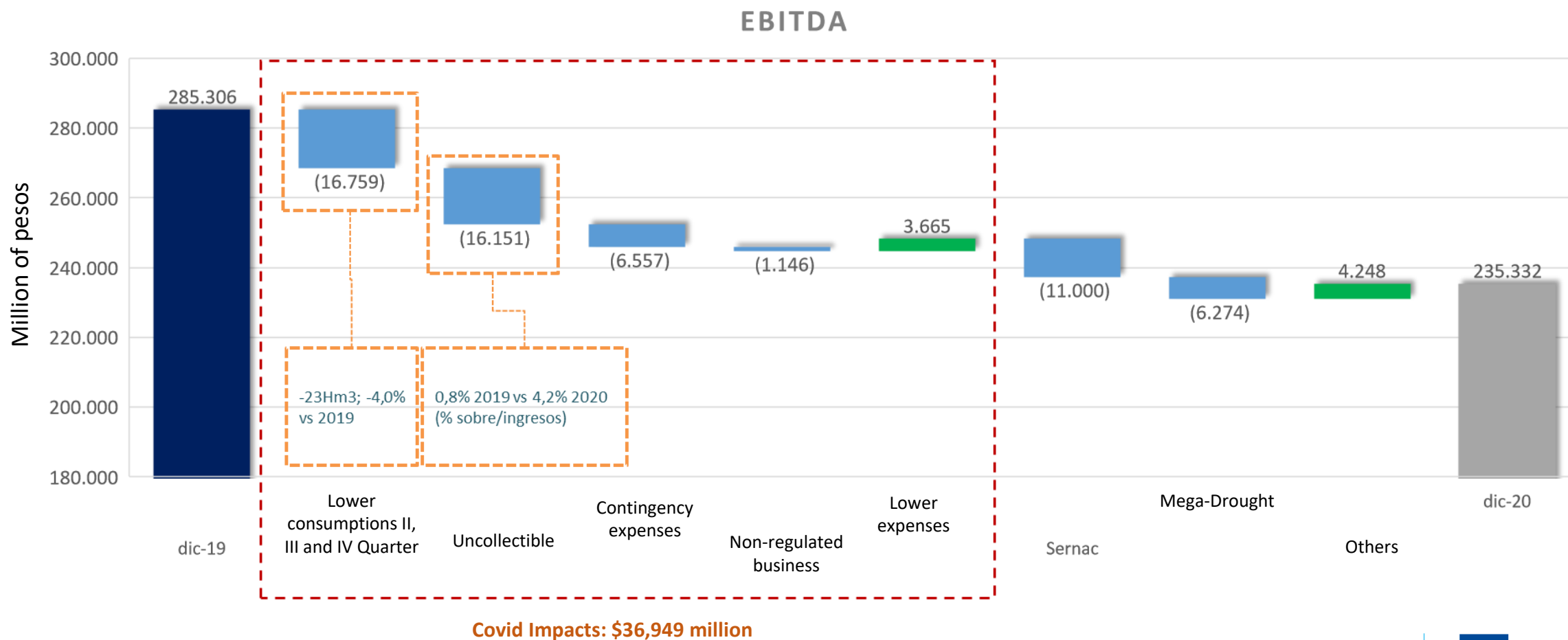
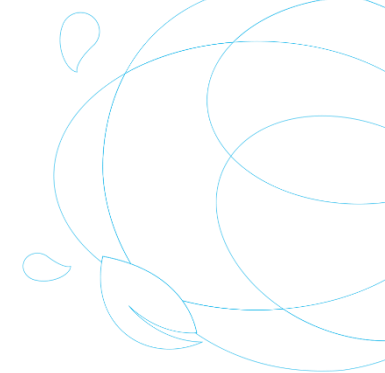
Effectiveness of reading





STATEMENT OF RESULTS– EBITDA BRIDGE

Without considering extraordinary effects, EBITDA for fiscal 2020 increases 1.5% compared to 2019

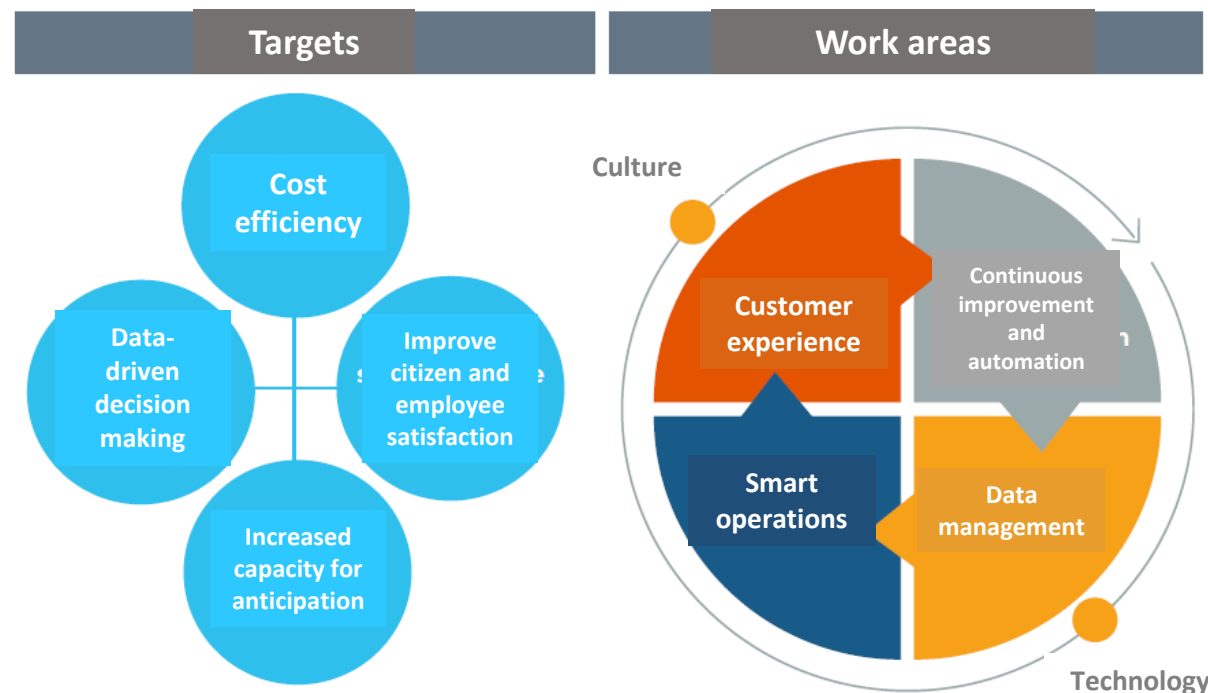


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DIGITAL TRANSFORMATION PROJECTS AND COST CONTAINMENT

- ➔ **Introduction of BOTs for internal and external processes.**
- ➔ New form of attendance marking.
- ➔ Single Regulatory Repository.
- ➔ SAP Ariba implementation and robotization
- ➔ Digital channels
- ➔ Operations management software
- ➔ Implementation of the electronic signature mechanism.



Customers subscribing to electronic bill delivery

129,708 in 2019
9.9% of the
company's total
customers

557,489 in 2020
25.7% of the
company's total
customers

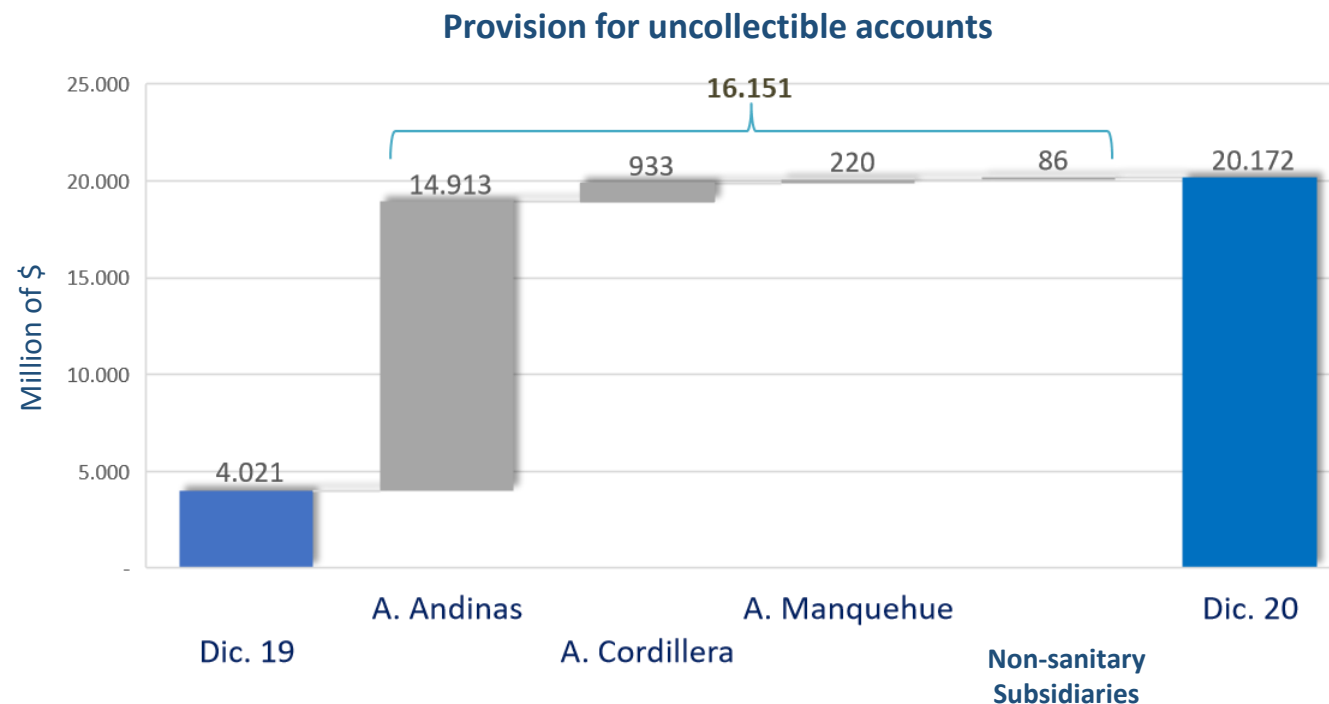


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COBRABILITY

Increase in delinquencies from 0.8% in 2019 to 4.2% in 2020, leading to a higher provision for bad debts of \$16,151 million.



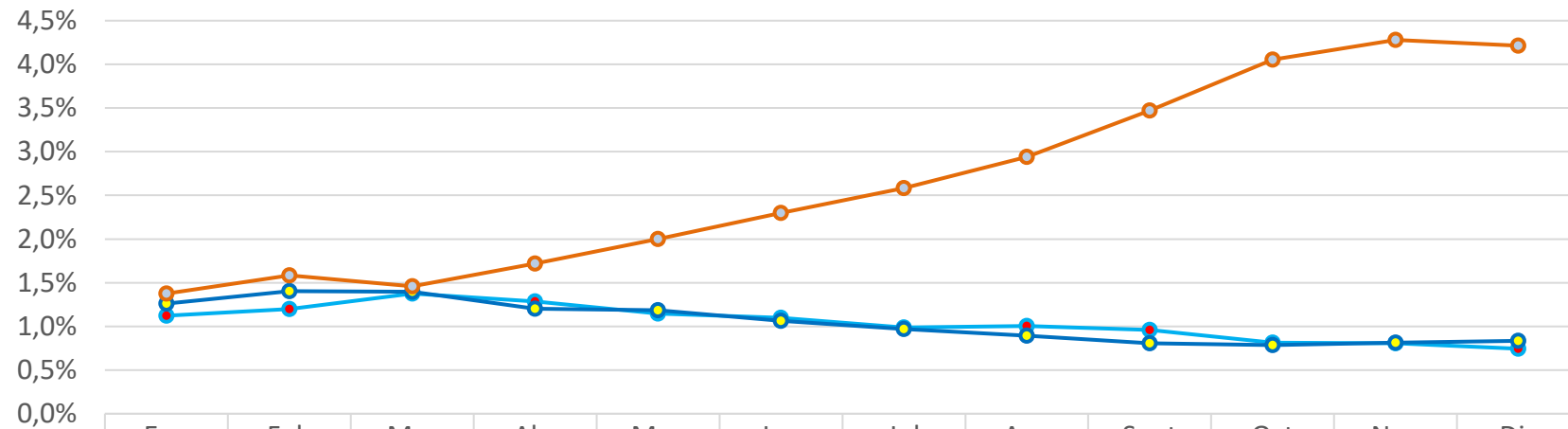
The bad debt recognition policy used by the Company is based on collection statistics according to the age of invoicing:

- Customer debt with more than 8 balances is provisioned at 100%.
- Debts for consumption transformed into payment agreements are provisioned at 100% of the agreed balance.



COBRABILITY

% of uncollectibles on revenues



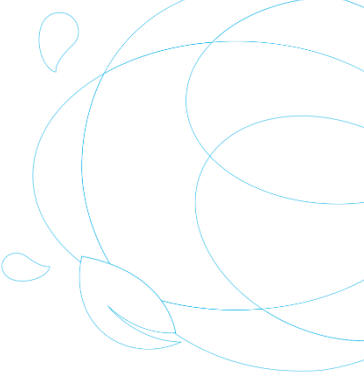
	Ene	Feb	Mar	Abr	May	Jun	Jul	Ago	Sept	Oct	Nov	Dic
2018	1,1%	1,2%	1,4%	1,3%	1,1%	1,1%	1,0%	1,0%	1,0%	0,8%	0,8%	0,7%
2019	1,3%	1,4%	1,4%	1,2%	1,2%	1,1%	1,0%	0,9%	0,8%	0,8%	0,8%	0,8%
2020	1,4%	1,6%	1,5%	1,7%	2,0%	2,3%	2,6%	2,9%	3,5%	4,1%	4,3%	4,2%



- a) Figures for year 2020 correspond to Aguas Andinas Group without Essal.
b) Accumulated data for each month

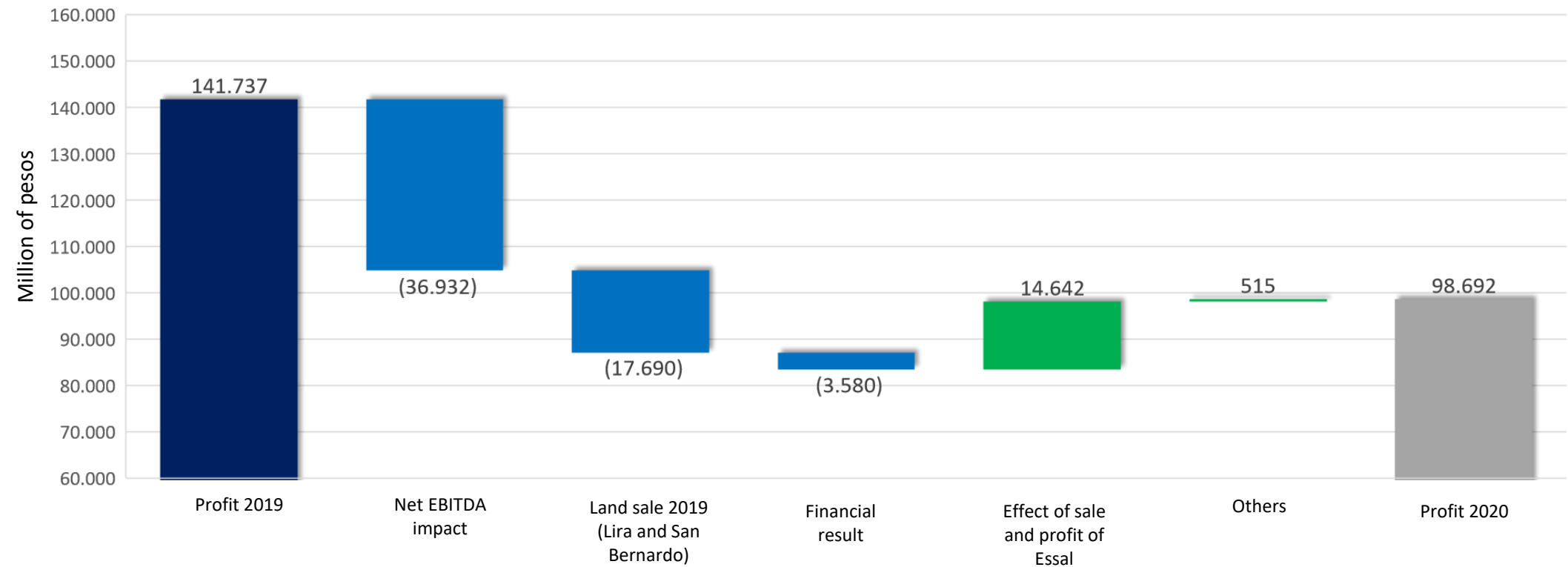


EVOLUTION UNDER EBITDA



Net impact of the sale of ESSAL in 2020 amounts to \$7,325 million.

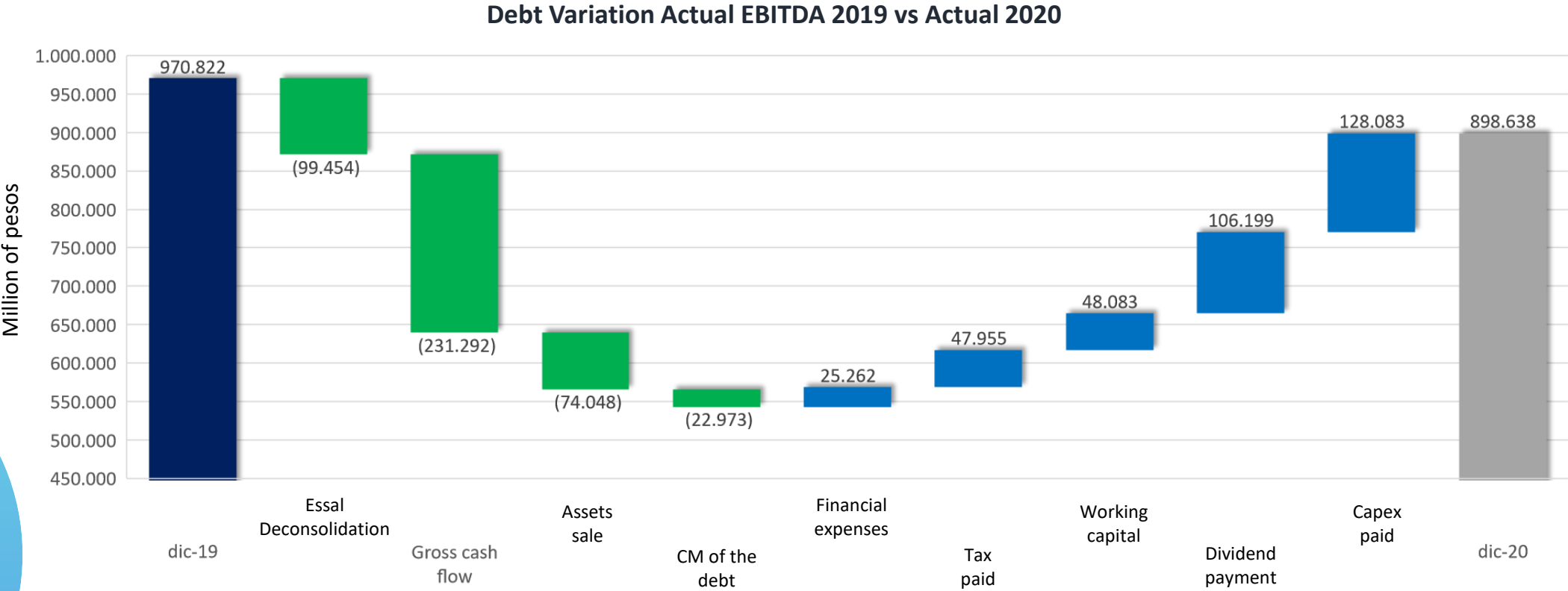
Variation under EBITDA Actual 2019 vs Actual 2020





NET DEBT EVOLUTION

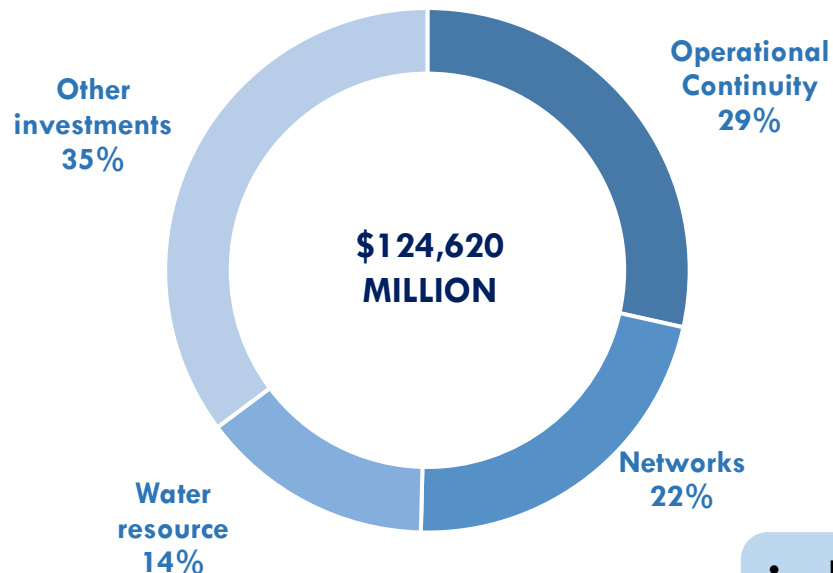
The company's strong cash flow generation has allowed it to maintain its investment program and dividend distribution to shareholders, despite the pandemic.





INVESTMENTS

A COMPANY IN CONSTANT GROWTH



- Drilling and reinforcement of water supply system.
- Hydraulic Efficiency Plan.
- Purchase of Water Rights.
- Reuse of Regenerated Water.

- Nitrate Treatment Farfana-Trebal Wastewater Treatment Plant.
- Replenishment of Assets of La Farfana-Trebal Biofactories.
- Construction of Pirque Tanks.
- Padre Hurtado Potable Water Treatment Plant Expansion.
- Expansion of Arsenic Treatment Plant Quilicura $Q=50l/s<$

- Renovation of sewage networks.
- Renovation of Potable Water networks.
- Starters and Meters.



The Company has continued its investment program during 2020 with 2 clear pillars:

- securing supply in the event of climatic crisis.
- securing water resources.

Figures do not include ESSAL 2020 investments.

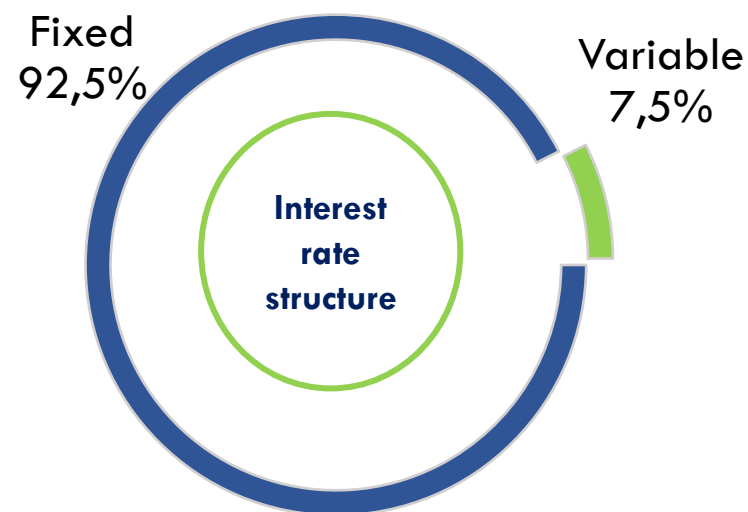
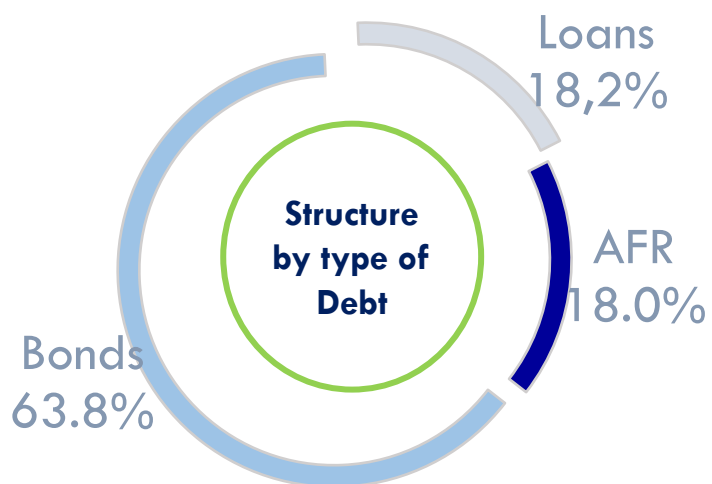


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FINANCIAL STRUCTURE DECEMBER 2020

Healthy financial structure that ensured normal operations in a pandemic year.



Leverage: **1.55**

Coverage of annualized financial expenses : **5.11x**

Local risk classification : **AA+**

Total Net Financial Debt : **\$898,638 million**

Cash and Equivalent: **\$174,946 millones**

Net Financial Debt/EBITDA: **3.8x**

Net Financial Debt/EBITDA_{adjusted*}: **3.3x**

*Considering EBITDA without COVID impact.



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ECONOMIC AND SUSTAINABLE VALUE

FOR OUR SHAREHOLDERS

These financial ratios reflect the Company's resilience, despite the extremely complex fiscal year.



EPS **2020**
\$16.13

Leverage **2020**
1.55

Net Debt/EBITDA_{adjusted}* **2020**
3.3

Current liquidity **2020**
1.24

Net Debt/EBITDA **2020**
3.8

*Considering EBITDA without COVID impact.

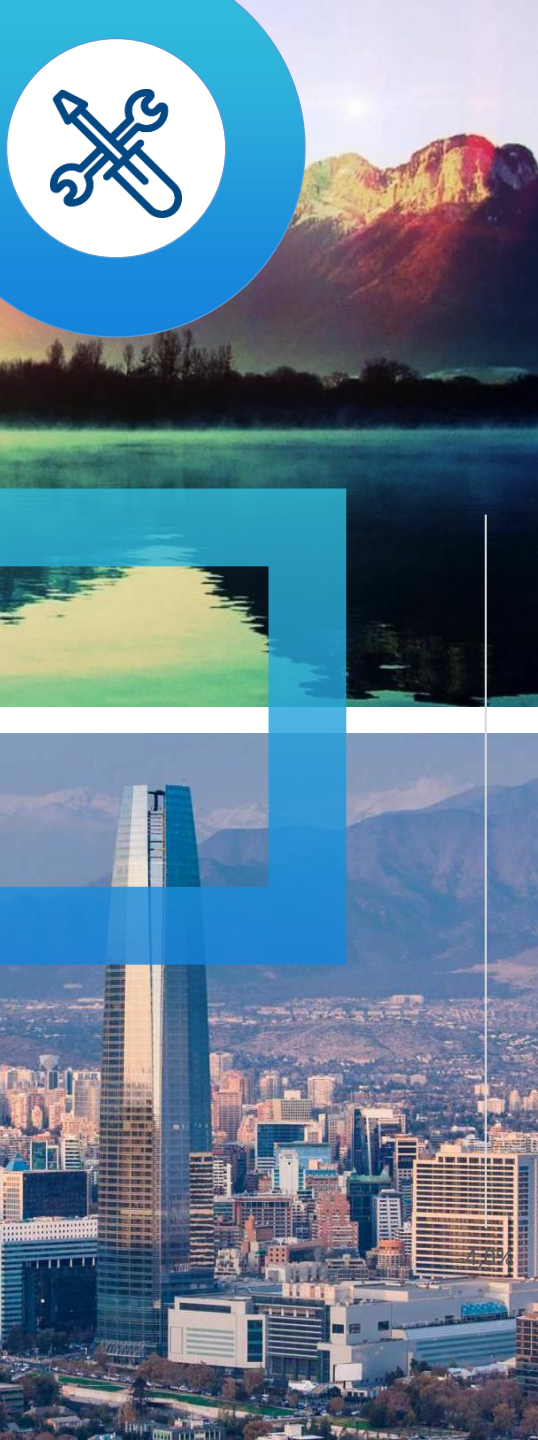


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Regulatory Aspects

Alejandro Riquelme H.

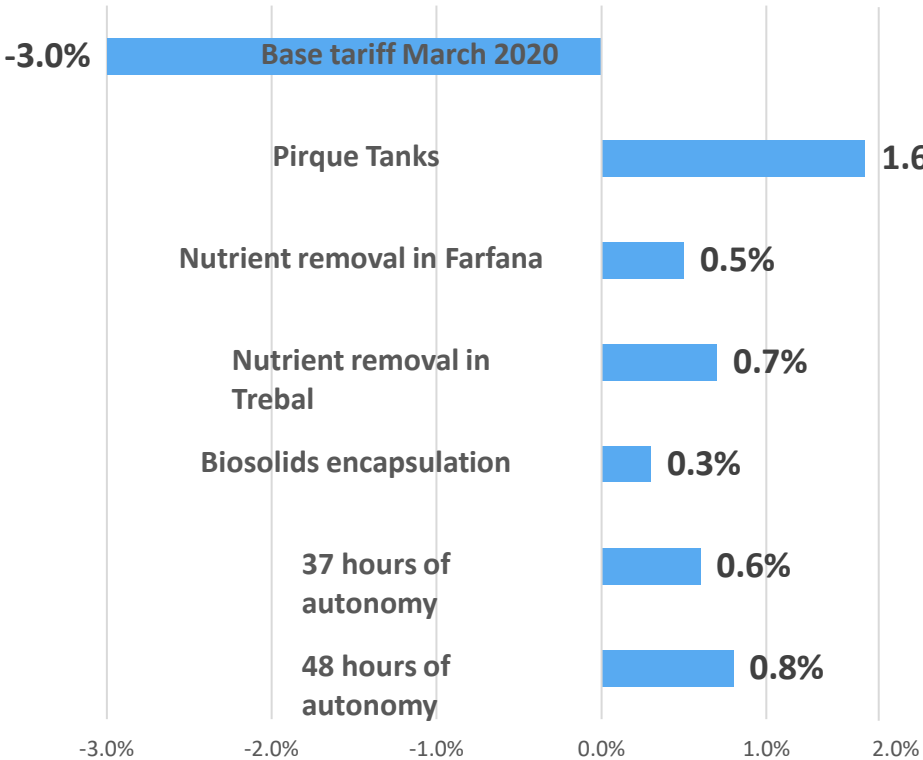


Resolution Seventh Tariff Process

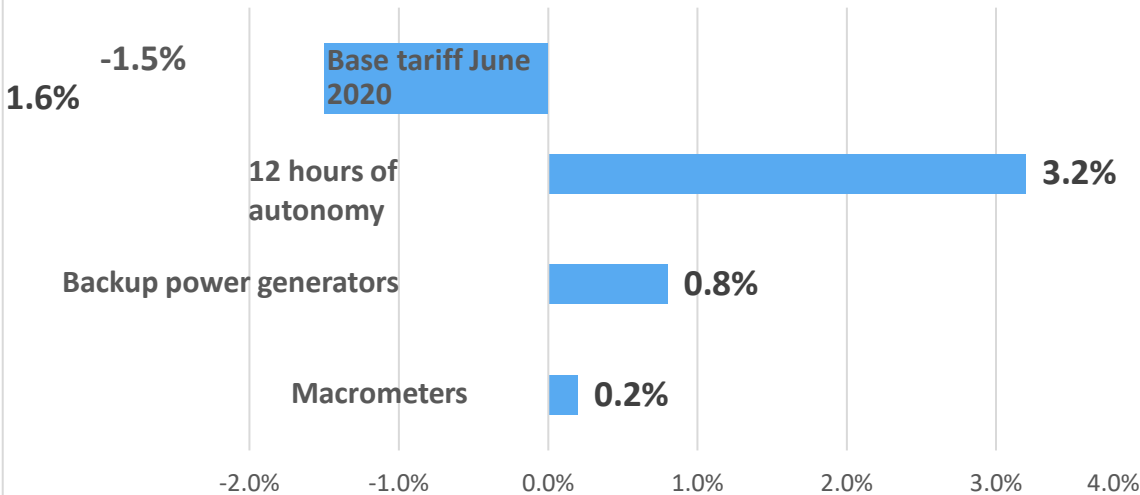
2020-2025



Tariff Variation regarding Revenue (CTLP) Base



Tariff Variation regarding Revenue (CTLP) Base



May 2020 base tariff variation: -1.5%



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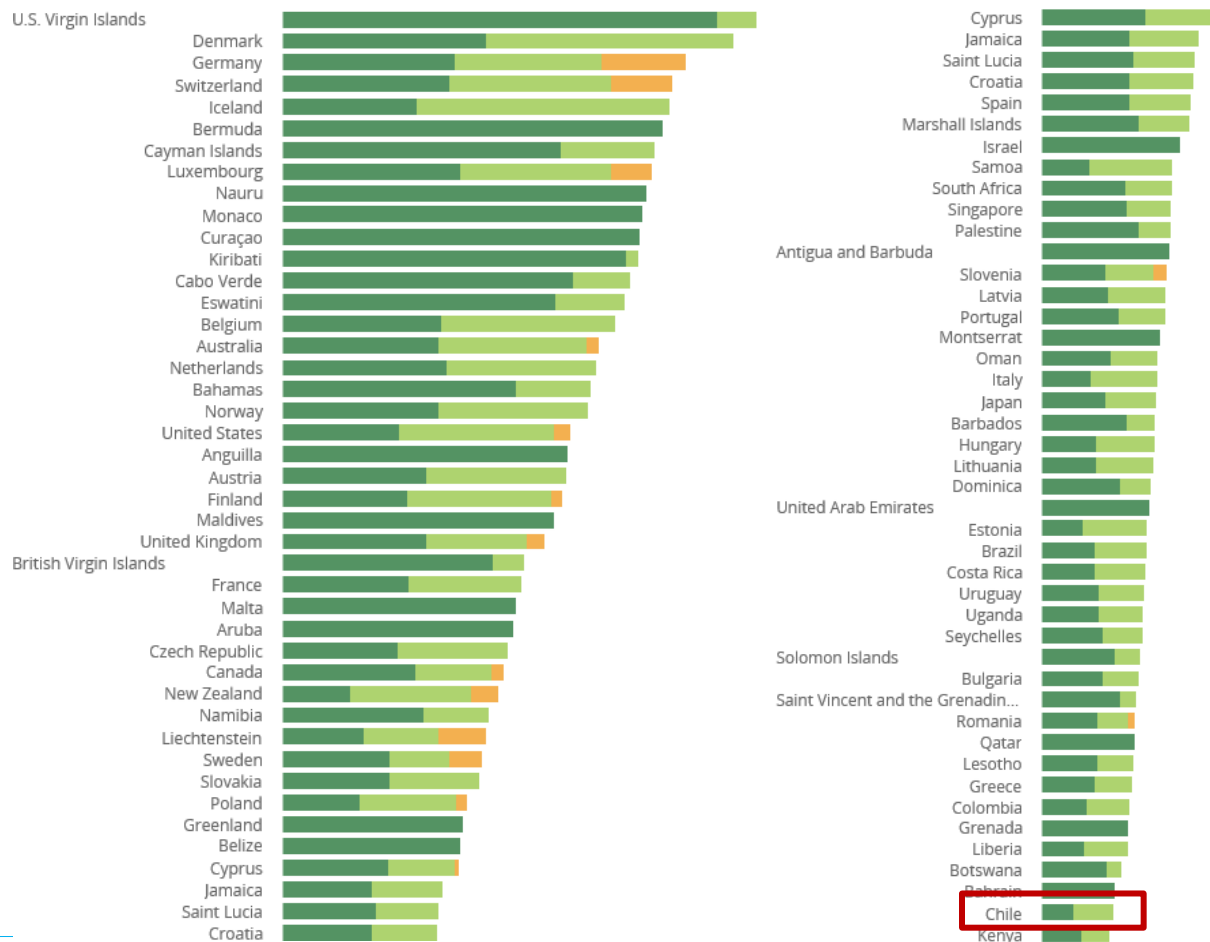




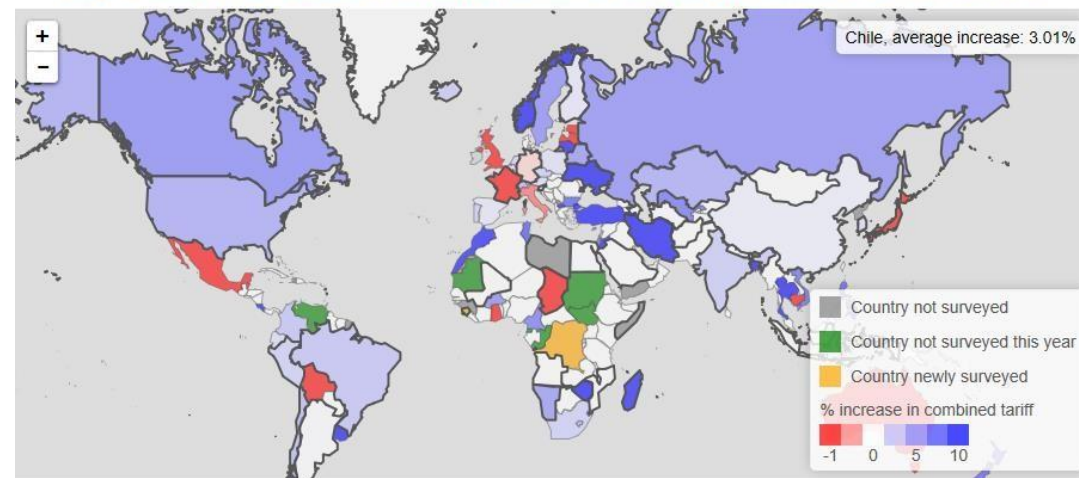
Water and Sanitation Tariffs AROUND THE WORLD

COUNTRIES BY COMBINED 2020 TARIFF

Water Wastewater Stormwater



MAP OF SURVEYED COUNTRIES SHOWING PERCENTAGE CHANGE IN COMBINED TARIFF (2019-2020)



Water and sanitation tariffs in Chile are lower than those in most countries in the world. In addition, in Chile, the tariff includes 100% of Wastewater treatment.

Source: Global Water Intelligence 2020



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REGULATORY ISSUES

Basic Services Law by COVID 19:

1. Enacted on August 8th.
2. Prohibits service cuts triggered by debts.
3. Effective since 03/18/20, and until 90 days after the law comes into force (7 nov.).
4. Extension of debts in 12 installments + 5 previous UF, without fines, interest or expenses.
5. **Beneficiaries:** economically vulnerable population (60%), elderly people, unemployment insurance users, employment protection users, independent or informal workers with reduced income, hospitals and health centers, minor and elderly homes, firefighters, prisons and penitentiaries, non-profit organizations and micro-enterprises, as well as end users who prove to be unable to pay and express it through a simple affidavit, may apply for the benefit.





REGULATORY ISSUES

Law published in the Official Gazette on January 5:

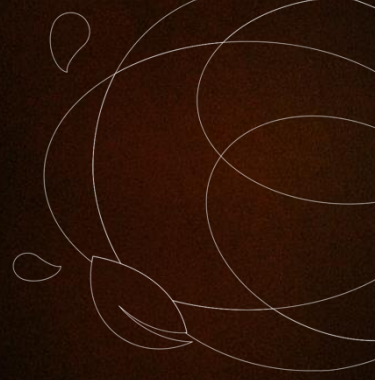
1. Extend the law until the beginning of May 2021, that is, 270 days from its promulgation.
2. Extension of the maximum from 12 months to 36.



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OTHER TOPICS OF INTEREST





SUCCESSFUL SALE OF **ESSAL**



On September 11, Aguas Andinas S.A. officially agreed to the sale and assignment of ESSAL to the Canadian-based company Algonquin Power & Utilities Corp.



In this way, on October 13, 2020, Aguas Andinas S.A. received the total amount of US \$ 92.3 million from the sale of all its direct and indirect participation in ESSAL.



Said transaction generates for the Company an expected impact on net results, after taxes, of approximately CLP 7,000 million



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SERNAC- CLOSING PROCESS FOR CUTS IN 2016 AND 2017



Approximate impact of \$11.000 million.



This closes the SERNAC lawsuits for the 2016 cut and for the two 2017 cuts.



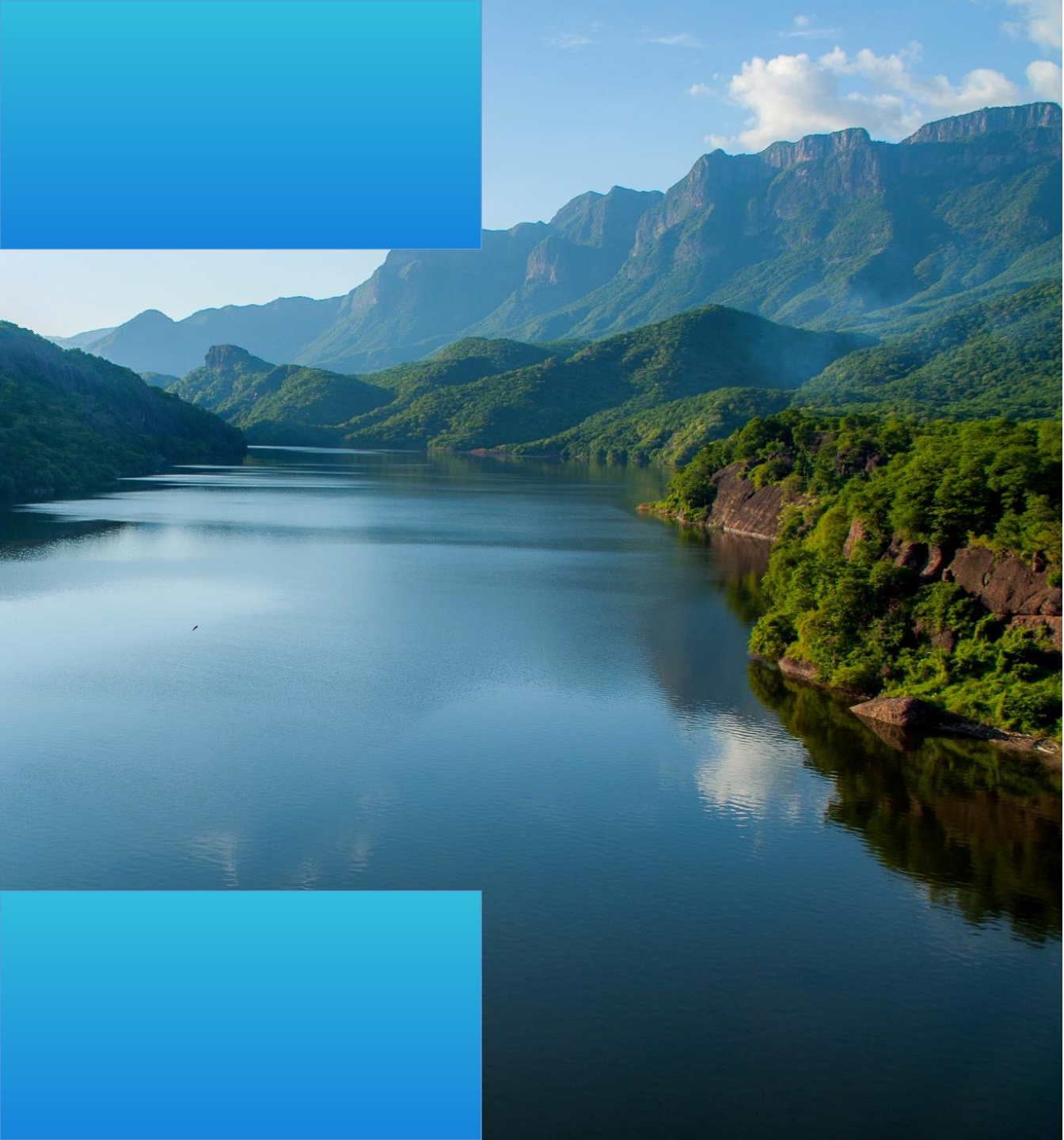
Outages were caused by turbidity events that exceeded the Company's obligations.



With this agreement the company closes a relevant contingency due to past events and with the completion of the Pirque tank and the future construction of the Pirque - Manzano Pipeline, the company is significantly mitigating the possibility of this type of situation occurring in the future.



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Results Report

DECEMBER 2020