

4Q23 Earnings Presentation

March 7th, 2024



EMPRESAS COPEC



DISCLAIMER

This presentation may include market outlooks and forward-looking statements, which are based on the beliefs and assumptions of Empresas Copec's management and on information currently available to the Company. They involve risks, uncertainties and assumptions because they relate to future events and therefore depend on circumstances that may or may not occur in the future.

Investors should understand that general economic conditions, industry conditions and other operating factors could also affect the future results of Empresas Copec and could cause results to differ materially from those expressed in such forward-looking statements. This presentation contains certain performance measures that have been adjusted with respect to IFRS definitions, such as "EBITDA".



- I. CONSOLIDATED RESULTS
- II. REVIEW BY BUSINESS DIVISION
- III. HIGHLIGHTS OF THE QUARTER
- IV. Q&A



Highlights

Higher EBITDA QoQ explained by Arauco, due to higher pulp and panel prices, and lower unit sale costs for all fibers.



FORESTRY EBITDA increased QoQ and decreased YoY

Lower unit selling cost for all fibers, along with higher pulp and panel prices QoQ.

Drop in prices in all segments and higher costs on BEKP YoY.

Positive revaluation of biological assets and insurance compensation.



ENERGY Higher EBITDA QoQ and YoY

Favorable inventory revaluation, volumes and industrial margin QoQ.

Higher net financial costs and an unfavorable effect of the result per unit of adjustment.



PROJECTS AND OTHER DEVELOPMENTS

Agreement for the sale of forestry assets in Brazil for US\$1.16 billion announced.

MAPA reached 802 thousand tons of production in 2023.



ESG MILESTONES

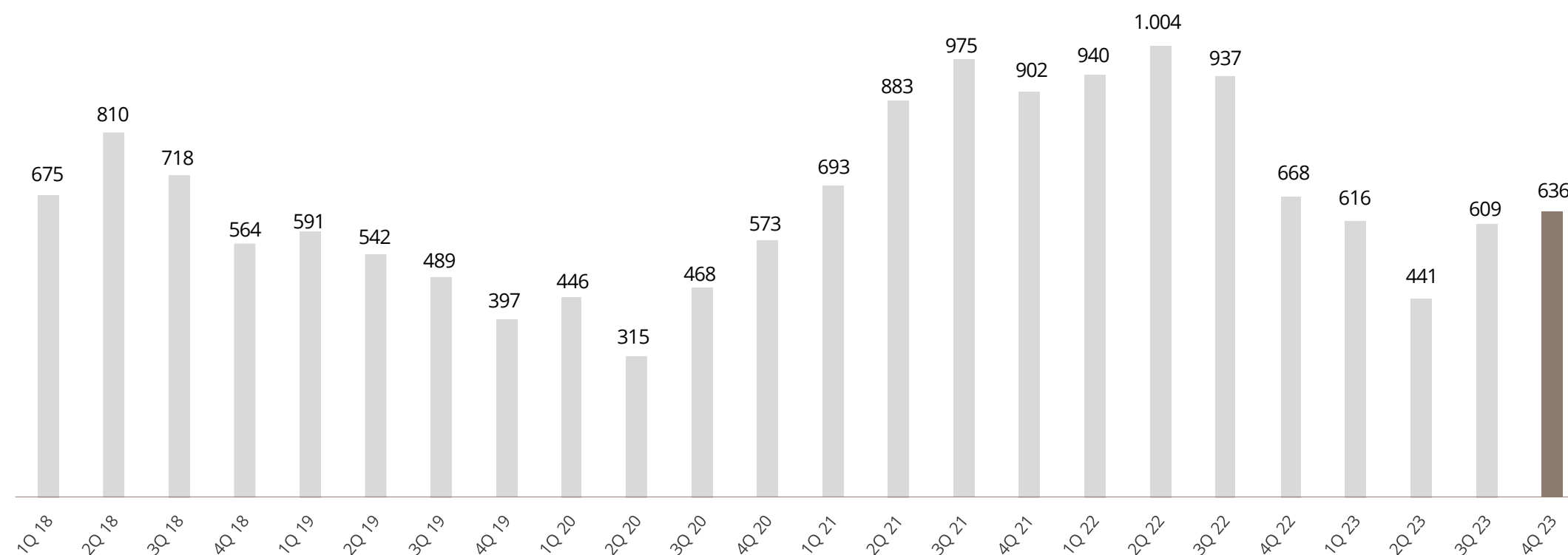
Empresas Copec featured in S&P Sustainability Yearbook and ratified in the Dow Jones Sustainability Index

Copec obtains US\$ 200 million green loan to boost new energies.

Copec announced its investments in sustainable fuels and battery exchange stations.

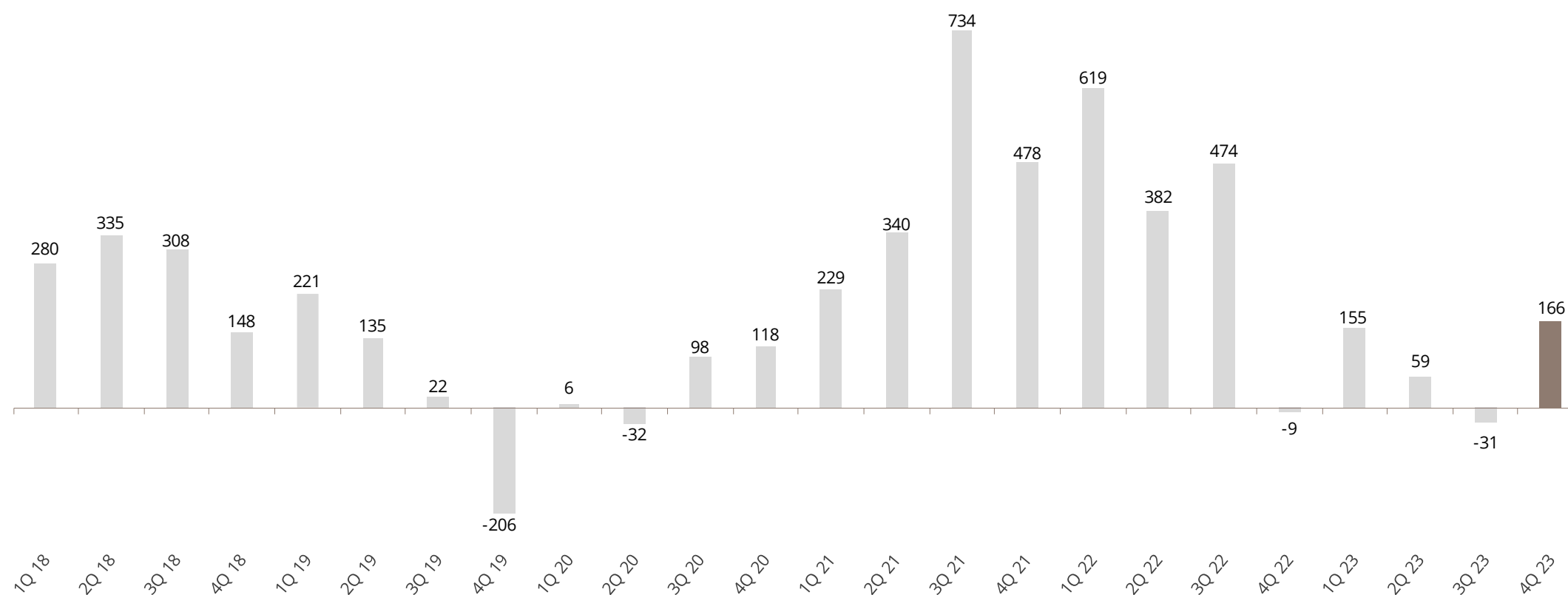


I. CONSOLIDATED RESULTS – Quarterly Performance



636

EBITDA up 4.5% QoQ
and down 4.8% YoY



166

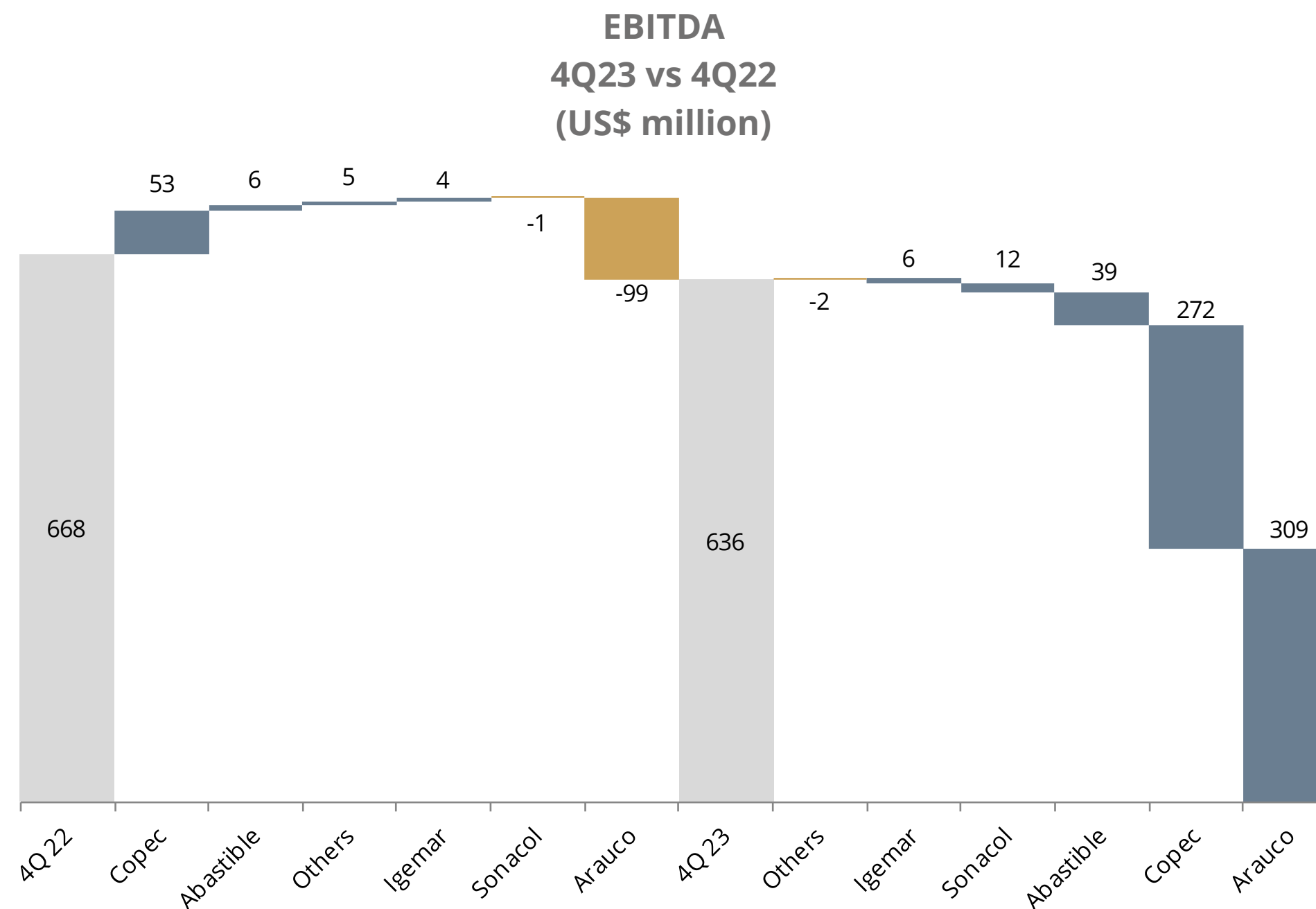
Higher Net Income
QoQ and YoY

*Figures of 1Q22, 2Q22, 3Q22, 4Q22 1Q23, 2Q23, 3Q23 and 4Q23 are presented net of Mapco's EBITDAs, which amounts to US\$ 16 million, US\$ 24 million, US\$ 30 million, US\$ 11 million, US\$ 13 million, US\$ 21 million, US\$ 30 million and US\$ (6) million respectively.

** Figure of 1Q23 includes adjustment for non-operating depreciation.



I. CONSOLIDATED RESULTS – *Quarterly Performance*

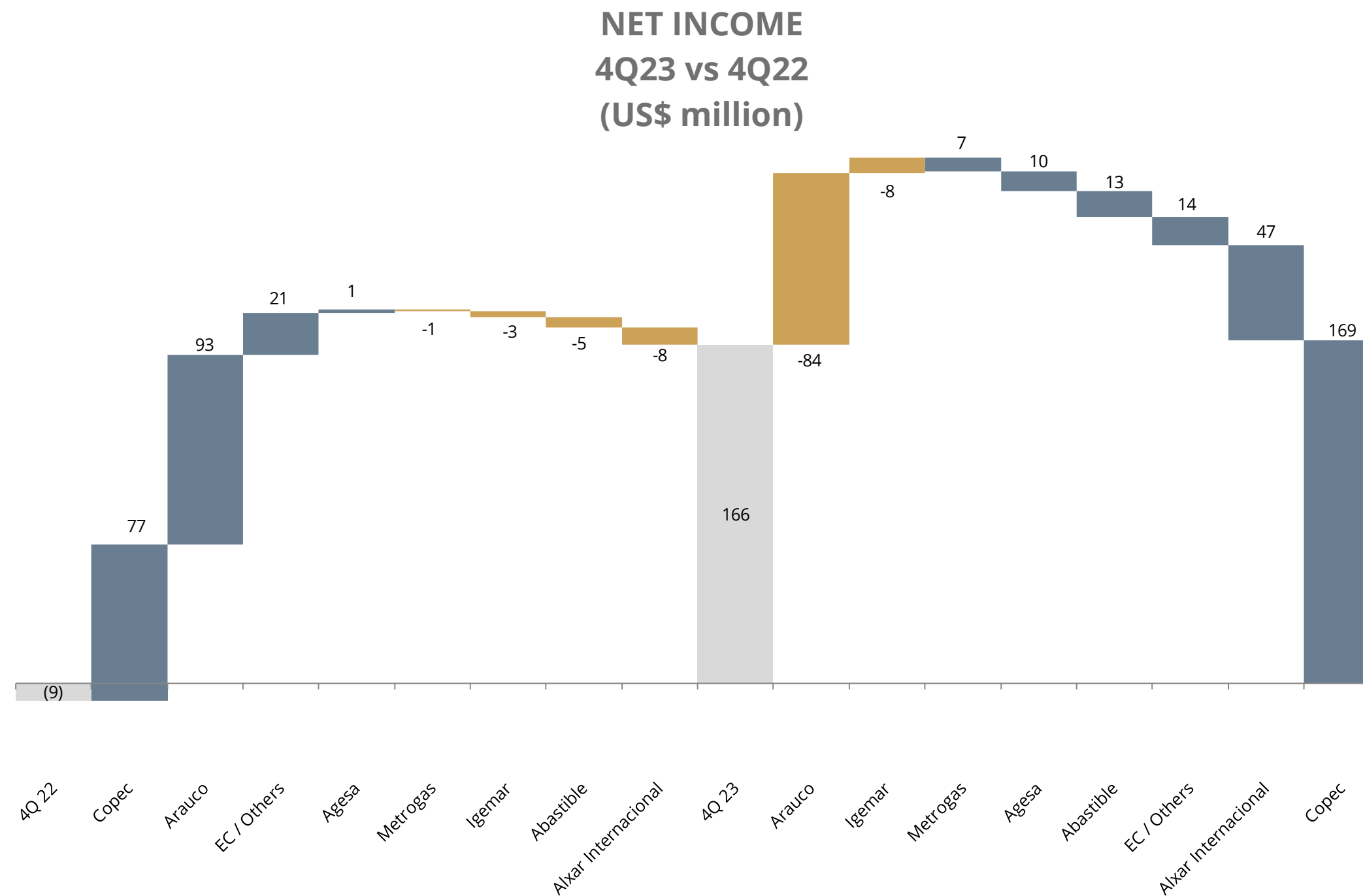


In the forestry sector **EBITDA** decreased due to lower prices in all divisions and increased costs in pulp, offset by higher volumes.

The energy sector **EBITDA** went up explained by higher margins.



I. CONSOLIDATED RESULTS – *Quarterly Performance*



- Higher net income in Arauco.
 - Increase in non operating income, explained by a favorable revaluation of biological assets and insurance compensation.
 - Lower operating income and higher taxes.
- Increased results at Copec.
 - Higher operating income.
 - Increase in income from discontinued operations due to the sale of Mapco.



INCOME STATEMENT

Increased net income explained by less unfavorable non-operating income.

LOWER OPERATING INCOME

- Arauco:
 - Drop in prices in all divisions
 - Higher unit costs for bleached hardwood, partly due to the ramp-up of MAPA
- Copec:
 - Favorable inventory revaluation effect and higher commercial margins in Copec Chile.
 - Higher volumes and margins of lubricants in Terpel.

HIGHER NON-OPERATING INCOME

- Revaluation of biological assets and insurance compensation in Arauco.
- Lower other expenses for write-offs and provisions of fixed assets occurred during the last quarter of 2022.
- Partly offset by unfavorable exchange differences.

OTHER

- Higher profit from discontinued operations due to the sale of Mapco.
- Higher income tax, due to the effect of deferred taxes from the sale of forestry assets in Brazil.

CONSOLIDATED INCOME STATEMENT

Million USD	4Q 23	4Q 22	Change
Net income	166	(9)	175
Operating income	265	362	(97)
Non-operating income	(24)	(409)	386
Other Income	272	(154)	426
Other expenses	(118)	(231)	113
Other profit (loss)	(6)	6	(12)
Financial Income	67	40	27
Financial expense	(176)	(128)	(48)
Profit in associates and JV's	59	70	(12)
Exchange Differences	(110)	(28)	(82)
Gains (losses) on net monetary position	(12)	15	(27)
Taxes	(142)	47	(189)
Gains (losses) from discontinued operations	72	(4)	76
EBITDA	636	668	(32)



FINANCIAL RATIOS

Profitability	4Q 23	3Q 23	4Q 22
Operating margin	3,6%	2,9%	5,1%
EBITDA margin	8,7%	8,4%	9,4%
ROCE	7,1%	6,0%	13,2%

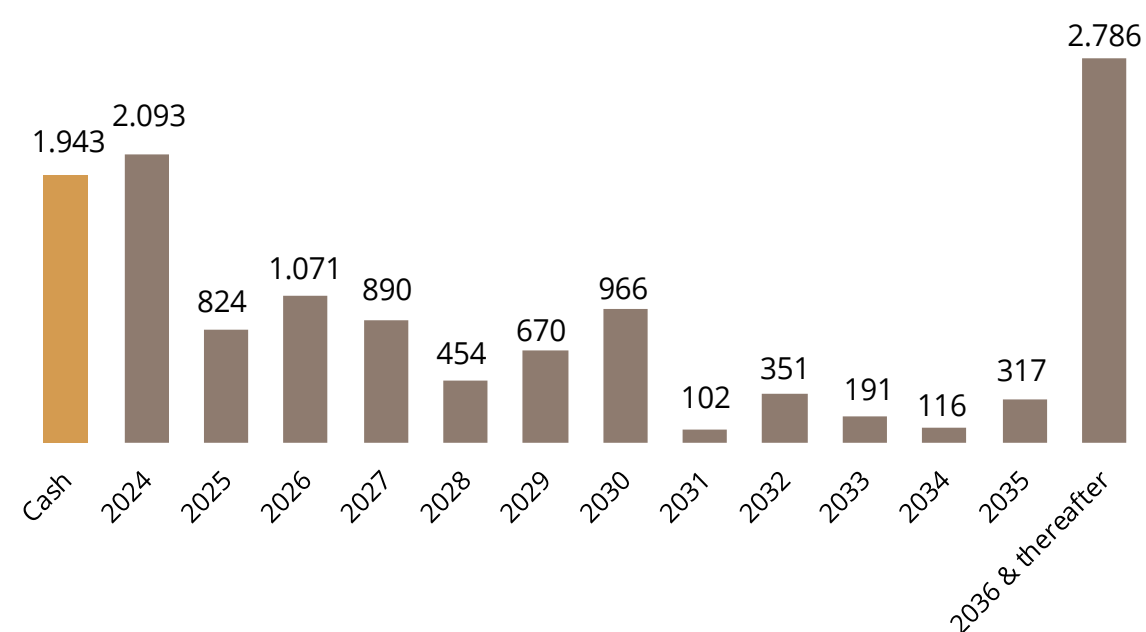
Leverage	4Q 23	3Q 23	4Q 22
EBITDA / net interest expense	4,7	5,0	12,3
Net debt / EBITDA	3.9x	4.0x	2.4x

COMMENTS

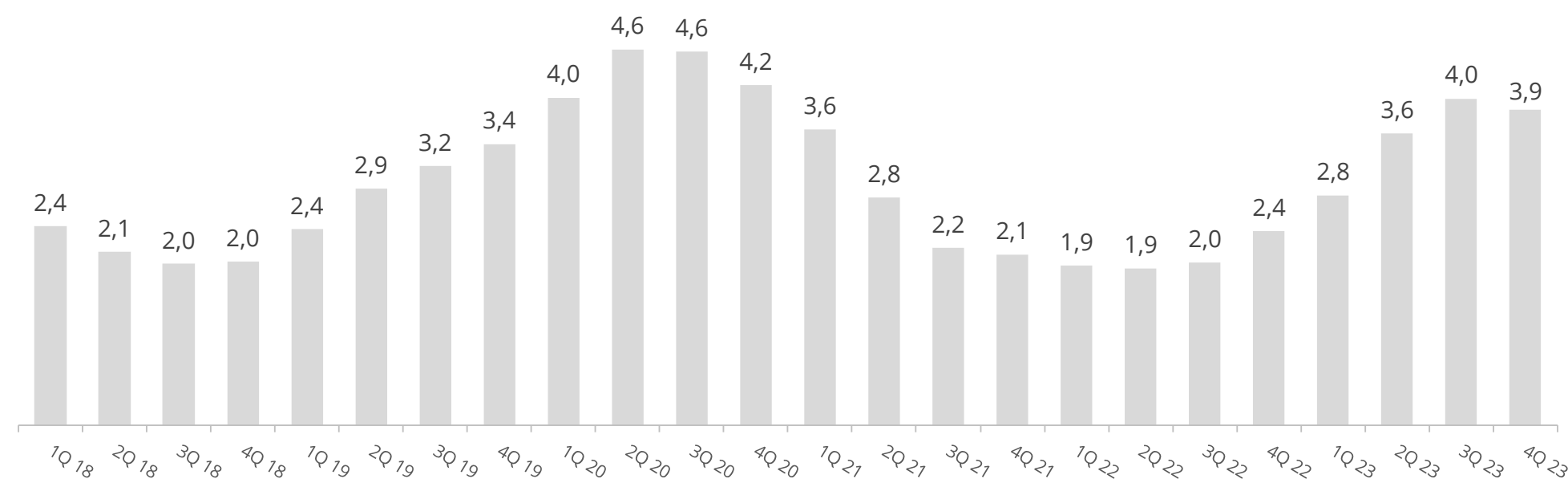
- **Net debt / EBITDA** decreased QoQ, due to lower net debt.
- **EBITDA margin** increased QoQ.
- **Well-balanced debt schedule** for the coming years.

FINANCIAL DEBT MATURITIES

Figures in US\$ million



NET FINANCIAL DEBT / EBITDA





- I. CONSOLIDATED RESULTS
 - II. **REVIEW BY BUSINESS DIVISION**
 - III. HIGHLIGHTS OF THE QUARTER
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-



FORESTRY



ARAUCO

Increased net income due to higher non-operating income

LOWER OPERATING INCOME

- Drop in pulp, panels and sawn timber prices.
- Lower panels volumes, offset by increased volumes in pulp and sawn timber.
- Increased unit selling costs in hardwood, partly due to the ramp-up of MAPA.

FAVORABLE NON-OPERATING INCOME

- Higher other income, associated to insurance payments from Valdivia and Constitucion mills, and a positive biological assets revaluation effect.
- Partly offset by higher exchange differences, due to variation of local currencies in the countries where Arauco have industrial operations, especially Argentina, and increased financial expenses.

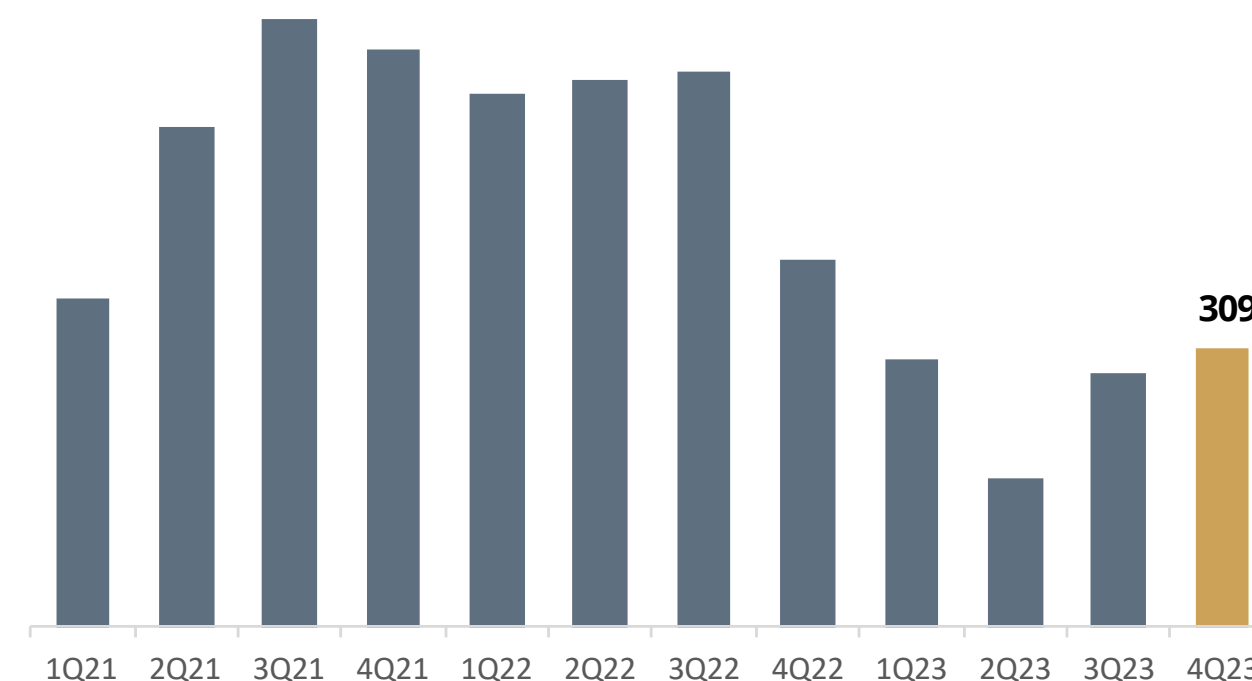
HIGHER TAXES

- Associated to the reclassification of forestry plantations in Brazil as assets held for sale.

ARAUCO – INCOME STATEMENT

Million US\$	4Q 23	4Q 22	Change
Net income	(84)	(177)	93
Operating income	18	182	(164)
Non-operating income	7	(440)	447
Taxes	(109)	80	(189)
EBITDA	309	408	(99)

EBITDA
(US\$ million)





II. REVIEW BY BUSINESS DIVISION – Forestry

PULP

QoQ: EBITDA up, due to lower costs and higher prices, partially offset by lower volumes.

- Unit selling costs:

Bleached hardwood -9.6%

Bleached softwood -3.0%

Unbleached softwood -6.2%

Dissolving pulp -5.7%

YoY: EBITDA down, explained by lower prices and higher costs, partly offset by higher volumes.

- Unit selling costs:

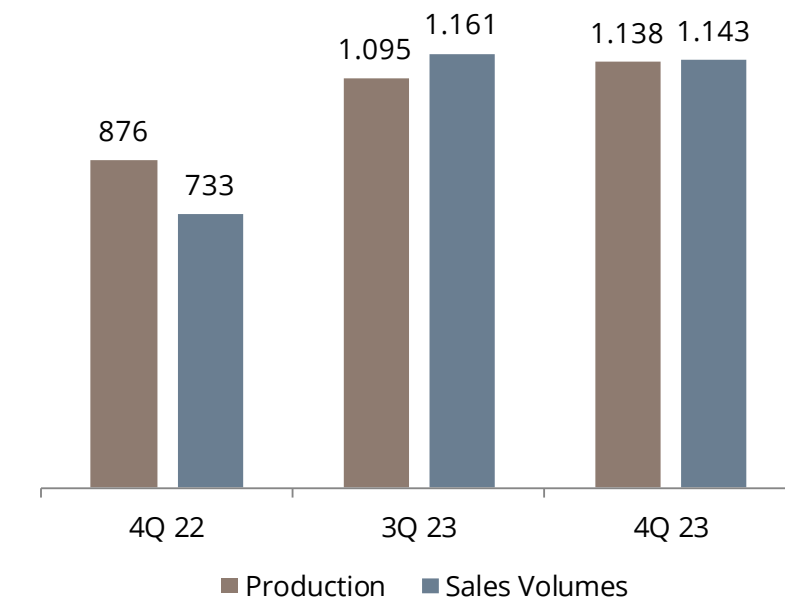
Bleached hardwood +27.5%

Bleached softwood -1.8%

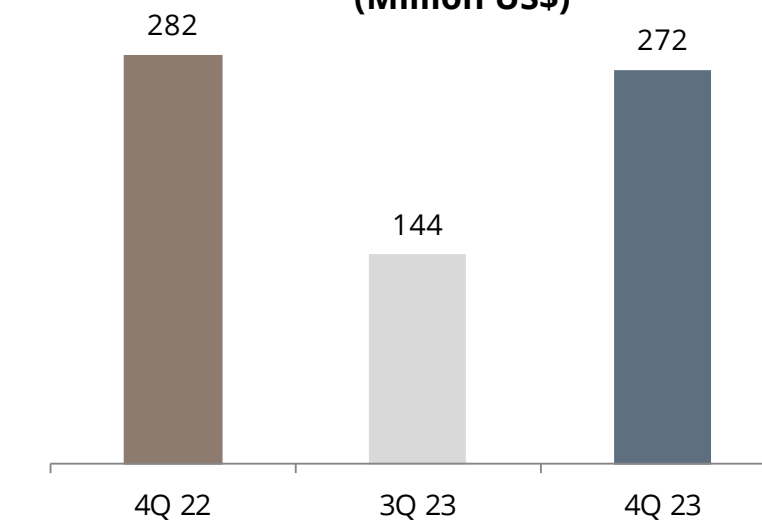
Unbleached softwood -13.3%

Dissolving pulp -4.1%

PULP - Production & sales volumes
(Th. tons)



PULP – EBITDA *
(Million US\$)



* Ebitda as informed by Arauco.

MAINTENANCE STOPPAGES (DAYS)

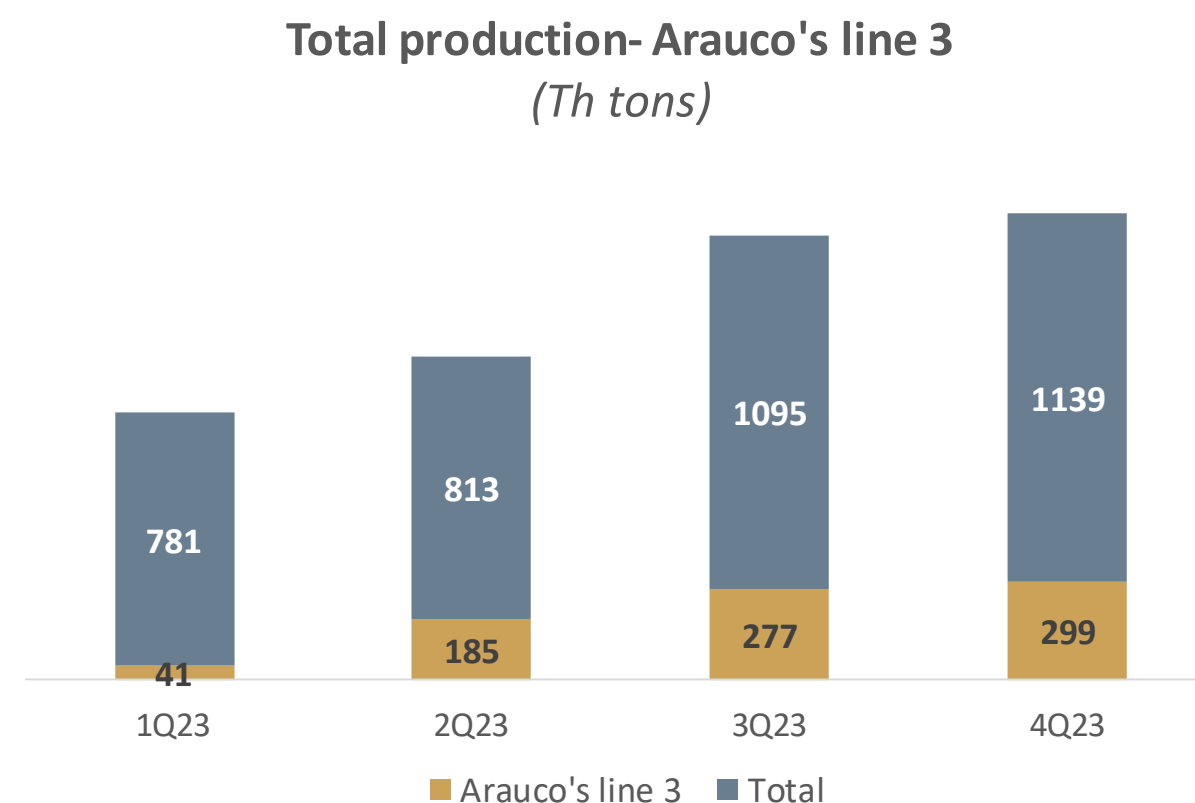
Country	Instalation	2023		2024		
		3Q	4Q	1Q	2Q	3Q
Chile	Arauco L2		16			
	Arauco L3				16	
	Constitución				21	
	Licancel	14				
	Nueva Aldea					
	Valdivia	126				12
Argentina	Esperanza		16			10
Uruguay	Montes del Plata			10	12	

	Net Sales	Price	Sales Volume
Y o Y	8,4%	-30,5%	55,9%
Q o Q	0,9%	3,0%	-1,6%



Pulp

- Market improved throughout the quarter, despite a weak start and higher supply observed in several markets. Global inventories dropped gradually, which helped strengthen demand.
- In China, demand remained stable; however, the paper market slightly weakened. Increases in both hardwood and softwood prices were observed, while operational rates declined.
- In Europe, demand began to improve in 4Q. Paper mills increased operating rates, leading to higher pulp purchase volumes. Price increases in hardwood were driven by decreased pulp inventories and the price differential with China.
- Average dissolving pulp prices increased.
- Production during the fourth quarter of 2023 increased by approximately 43.3 thousand tons (+4.0% QoQ).



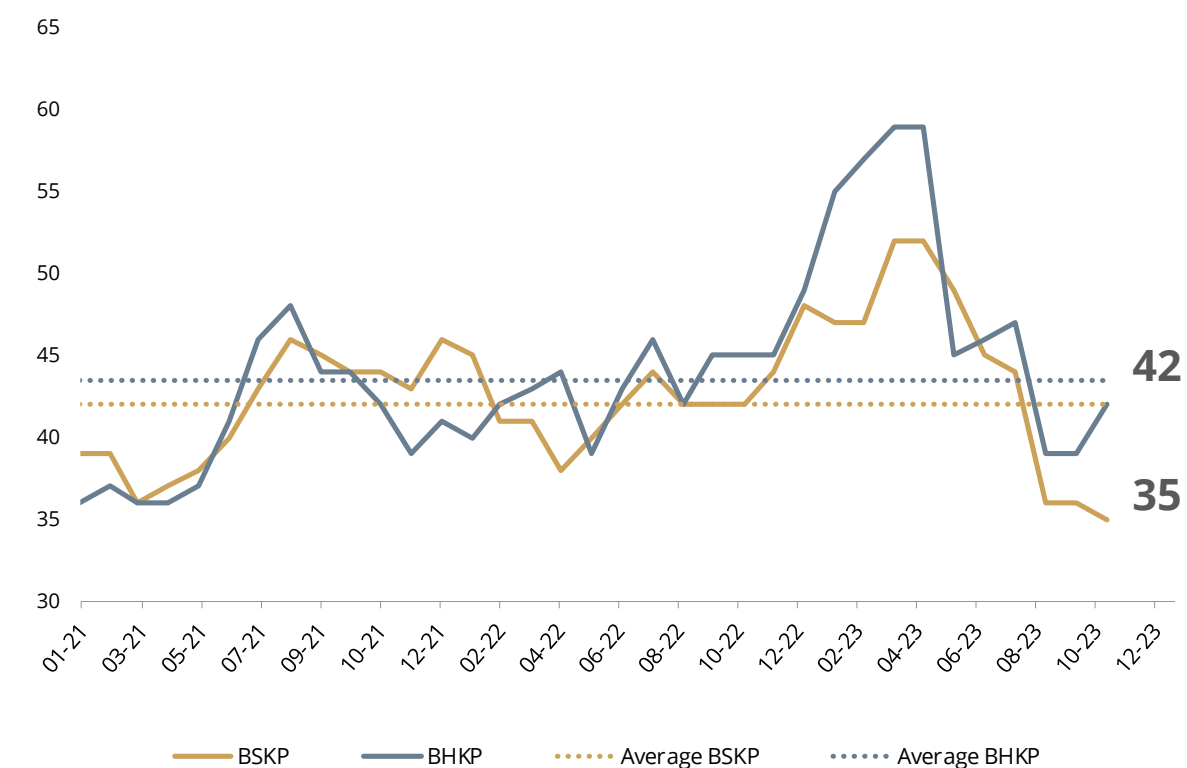
II. REVIEW BY BUSINESS DIVISION – Forestry

GLOBAL BCP DEMAND VARIATION (In '000 tonnes)

	2023	2022	%
China	23.470	17.705	32,6%
Europe	13.080	15.350	-14,8%
Other Asia	8.075	9.290	-13,1%
USA	5.710	6.230	-8,3%
Rest of the World	4.630	4.355	6,3%
Total (th. tons)	54.965	52.930	3,8%

* Accumulated as of November 2023

INVENTORIES (days of supply)

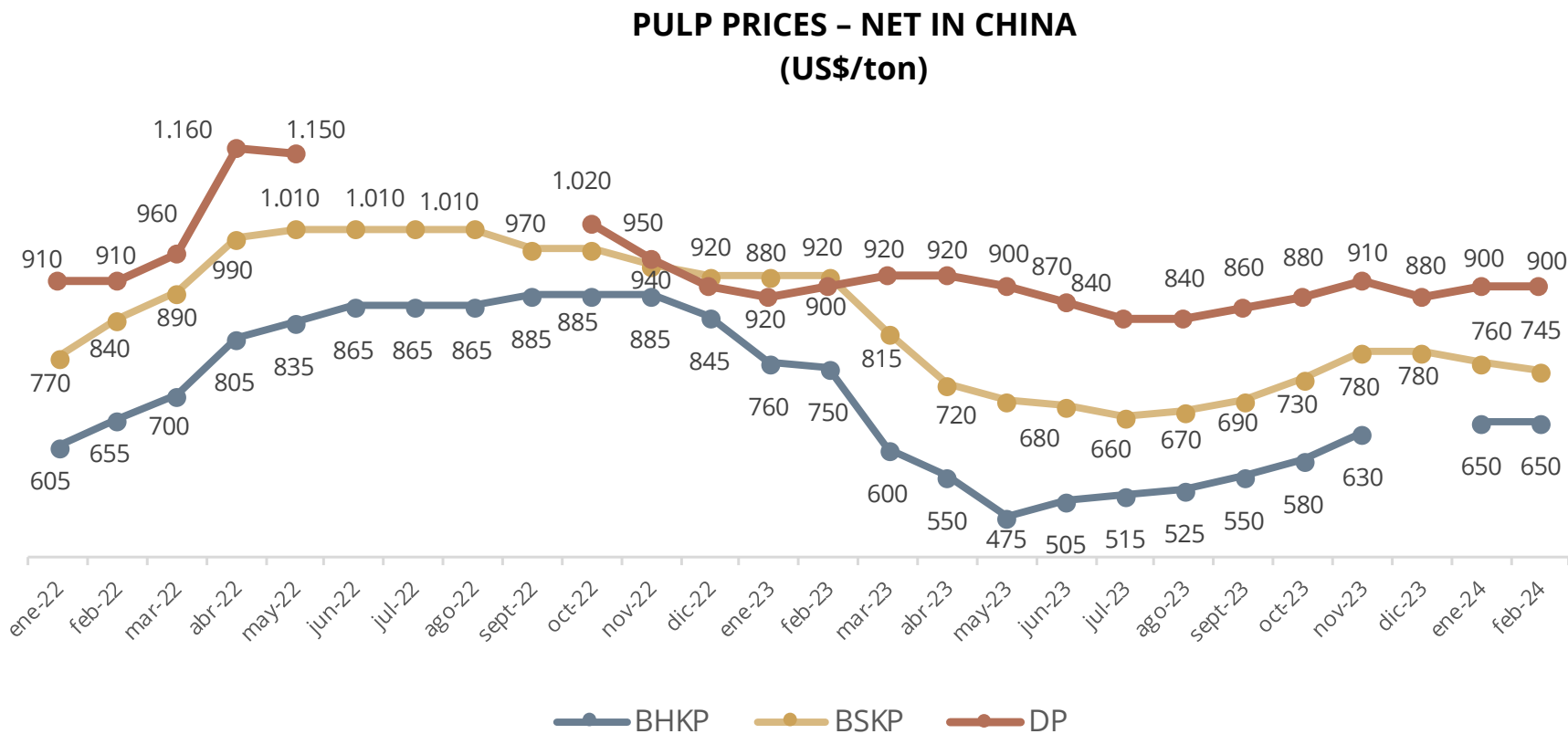


* November 2023



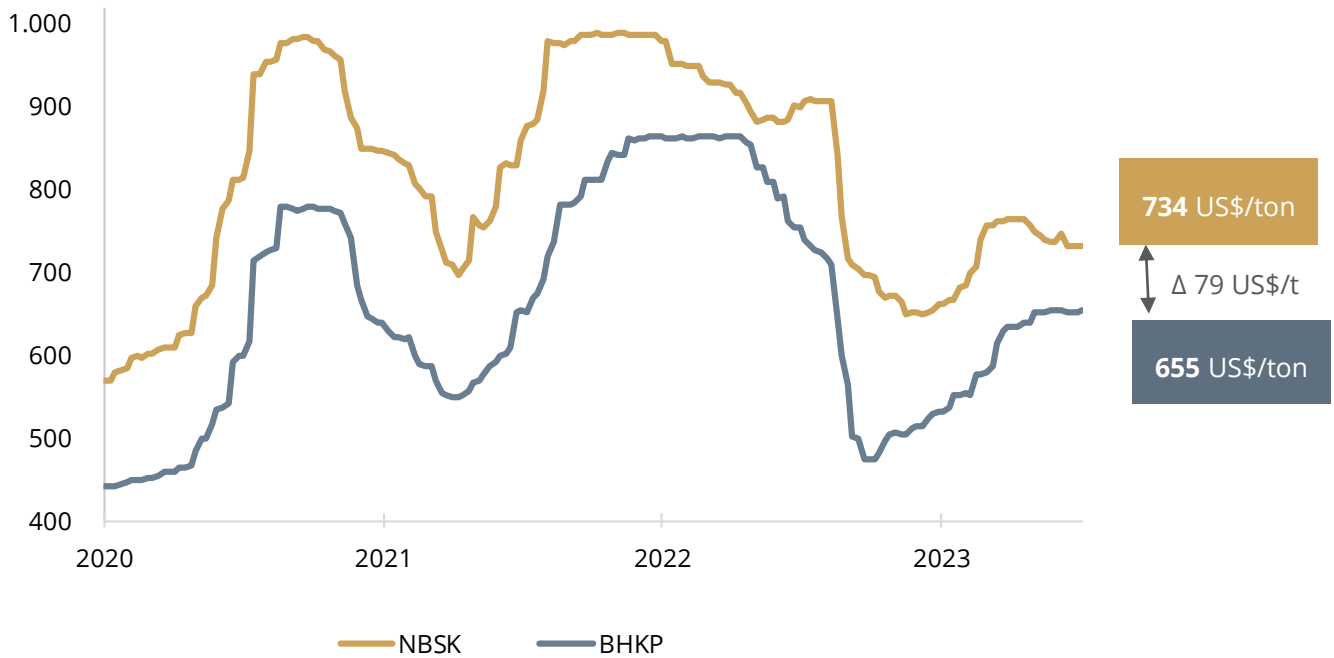
Pulp - Outlook

- In China, demand stabilized after the Chinese New Year. Paper mills should gradually restart production following a temporary stoppage in the past weeks due to elevated costs and holiday season.
- European market could improve, with some price increases and a more active demand.
- Logistic issues in the Panama and the Suez Canals may reduce paper shipments from Asia to Europe and the Middle East. This situation could benefit local paper producers in both regions by allowing them to increase production and absorb the rising demand.

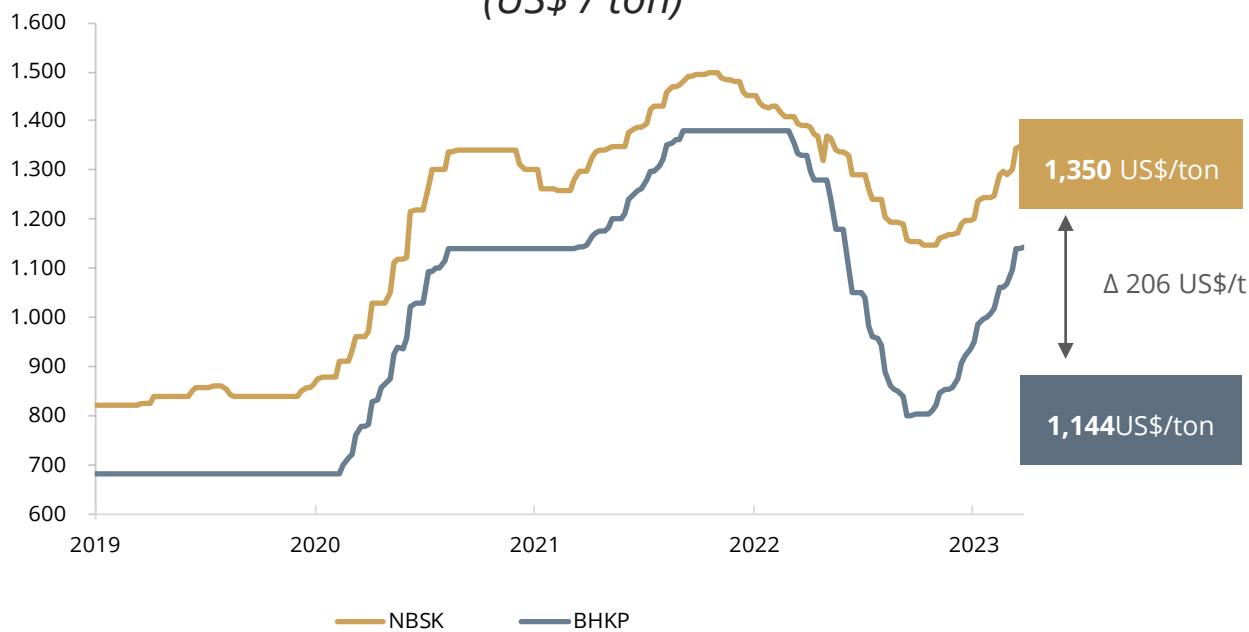


II. REVIEW BY BUSINESS DIVISION – Forestry

PULP PRICES CHINA- NBSK / BHKP (US\$ / ton)



PULP PRICES EUROPE- NBSK / BHKP (US\$ / ton)

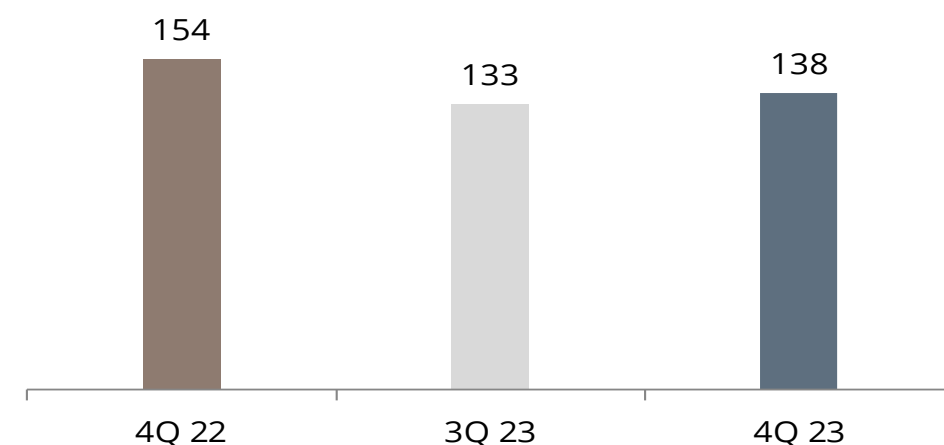


*Arauco, RISI. As of Feb 27th, 2024



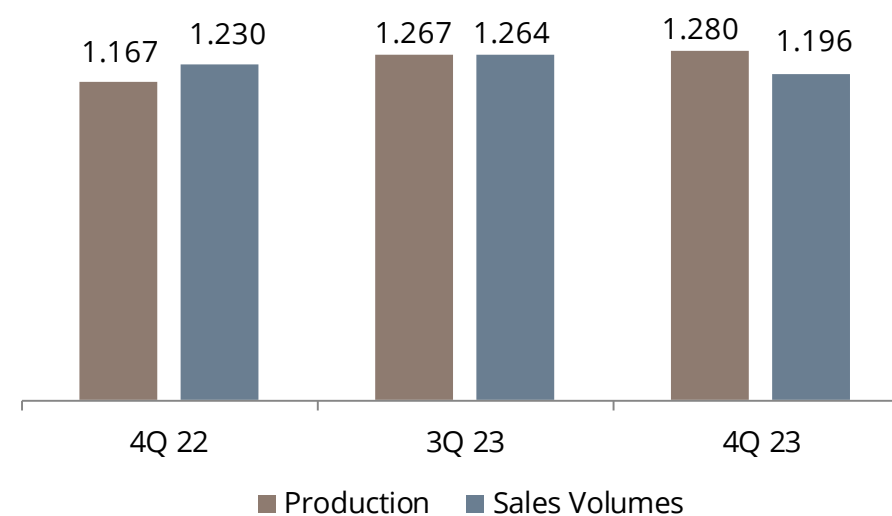
Wood Products

WOOD PRODUCTS - EBITDA *
(Million US\$)



* Ebitda as informed by Arauco.

PANELS
Production & sales volumes
(Th. m³)

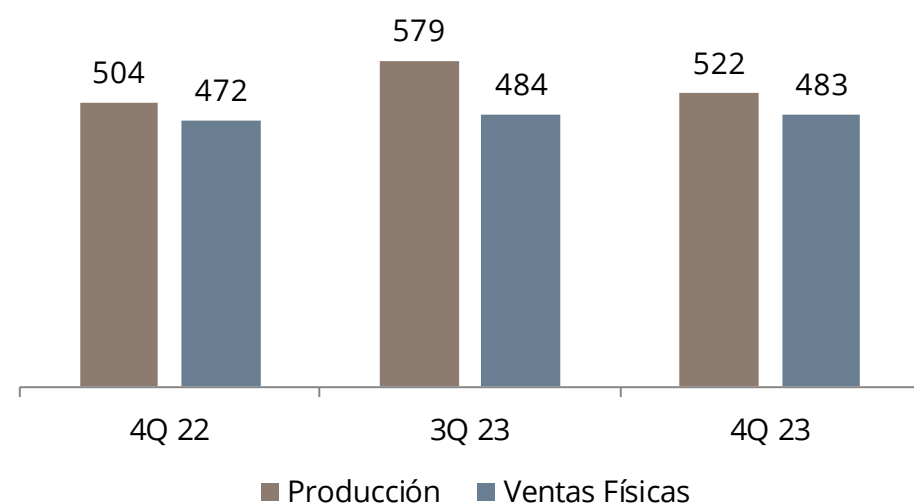


Panels

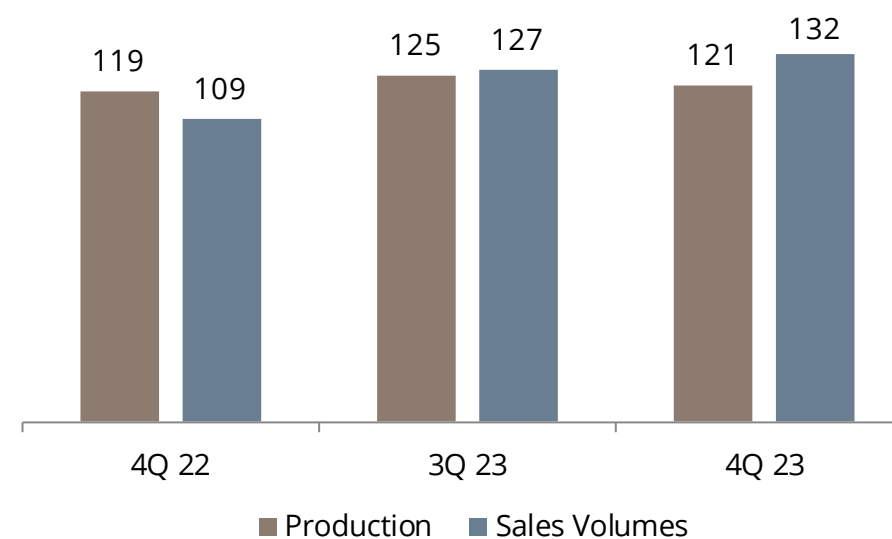
	Price	Sales Volume
Y o Y	-10,2%	-2,8%
Q o Q	0,3%	-5,4%

*MDF, PBO and HB.

SAWN TIMBER
Production & sales volumes
(Th. m³)



PLYWOOD
Production & sales volumes
(Th. m³)



Sawn Timber*

	Price	Sales Volume
Y o Y	-12,8%	5,9%
Q o Q	-2,9%	0,7%

*Includes sawn timber, remanufactured solid wood and plywood.



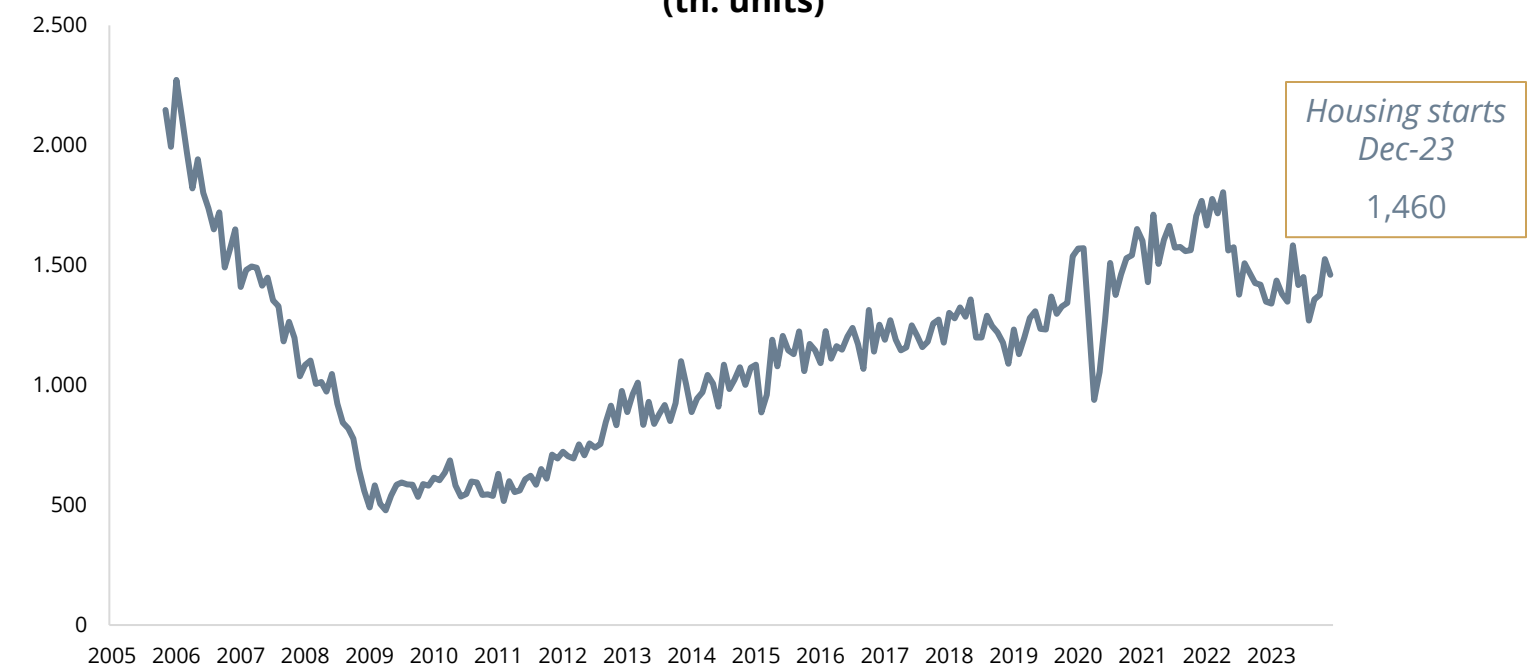
Outlook

North America

48% of revenues

- **MDF:** producers are operating at reduced rates because supply remains abundant. A gradual improvement in demand could occur in the first half of 2024, with prices stabilizing.
- **PB:** situation is slightly better than MDF, associated to lower supply coming from other competitors. Stability is expected, with volumes to reach full capacity.
- **REMANUFACTURED PRODUCTS:** slight improvement could be seen due to seasonality.
- **PLYWOOD:** market could remain with balanced supply and demand during first half of the year.

US HOUSING STARTS INDEX
(th. units)



Source: Census Bureau



Outlook

South & Central America 37%

- **Brazil:** market is showing some improvement. With the decrease in interest rates, construction could strengthen.
- **Chile:** uncertainty for 2024 with reduced indicators in key sectors such as construction and retail.
- **Argentina:** the outlook remains positive for MDF, including price increases. For PB, the market could be more challenging.

Asia & Oceania 10%

- **Asia:** positive outlook for the first half of 2024.
- **Oceania:** a slow recovery could take place during this year, especially in Remanufactured Wood Products and Plywood.

Europe & Middle East 5%

- Slow sales due to winter season and a weaker economy, but prices are showing stability.
- The market could improve towards the end of 1Q24.

ENERGY





II. REVIEW BY BUSINESS DIVISION – *Energy-Copec*

COPEC

Higher operating income and gains from discontinued operations

HIGHER OPERATING INCOME

- Higher gross margin, explained by greater inventory revaluation effect and commercial margin in Copec Chile, added to an increase in volumes and margins of lubricants in Terpel.
- Volumes dropped 1.1% in Copec Chile and 4.0% in Terpel.
- Unfavorable inventory revaluation effect in Terpel.
- Lower industrial margin in Copec Chile.

INCREASED GAINS FROM DISCONTINUED OPERATION

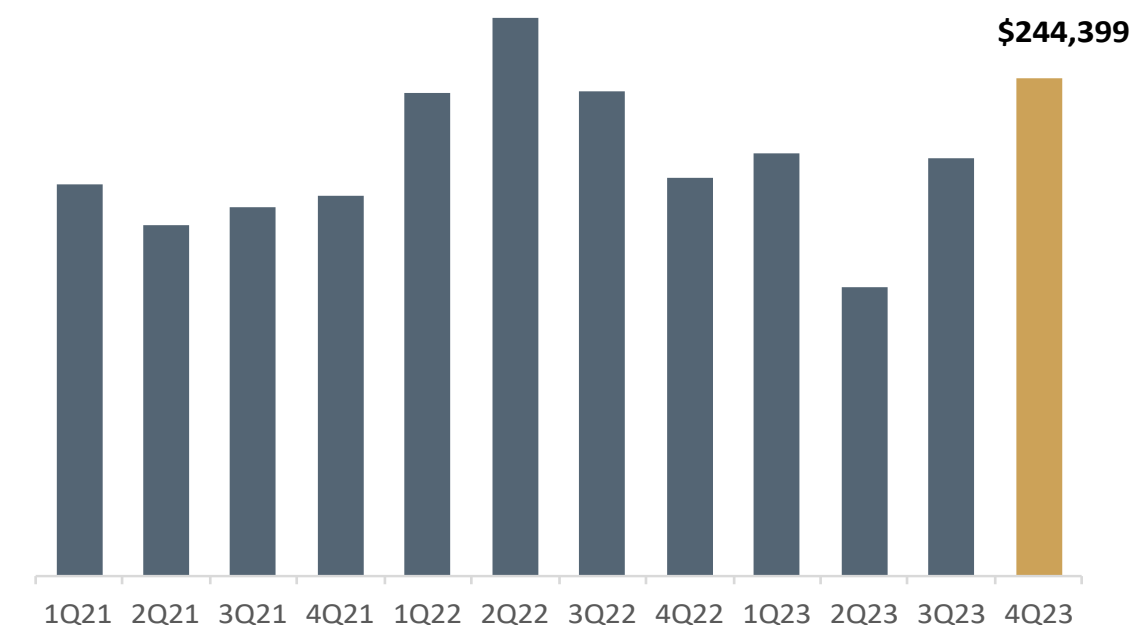
- Gains on the sale of Mapco and profit generated by the reclassification of Mapco-related equity reserves to net income.*

*According to accounting regulations, part of this effect from foreign currency conversion equity reserves was not recorded by the parent company Empresas Copec S.A., as its functional currency is the US dollar.

COPEC – INCOME STATEMENT

Million Chilean Pesos	4Q 23	4Q 22	Change
Net income	289,080	84,743	204,337
Operating income	196,993	150,156	46,838
Non-operating income	(43,565)	(39,725)	(3,840)
Taxes	(22,683)	(19,797)	(2,885)
EBITDA	244,399	195,535	48,864
Profit from discontinued operations	162,200	(3,759)	165,959

EBITDA (CLP million)





MARKET SHARE (accumulated November 2023)

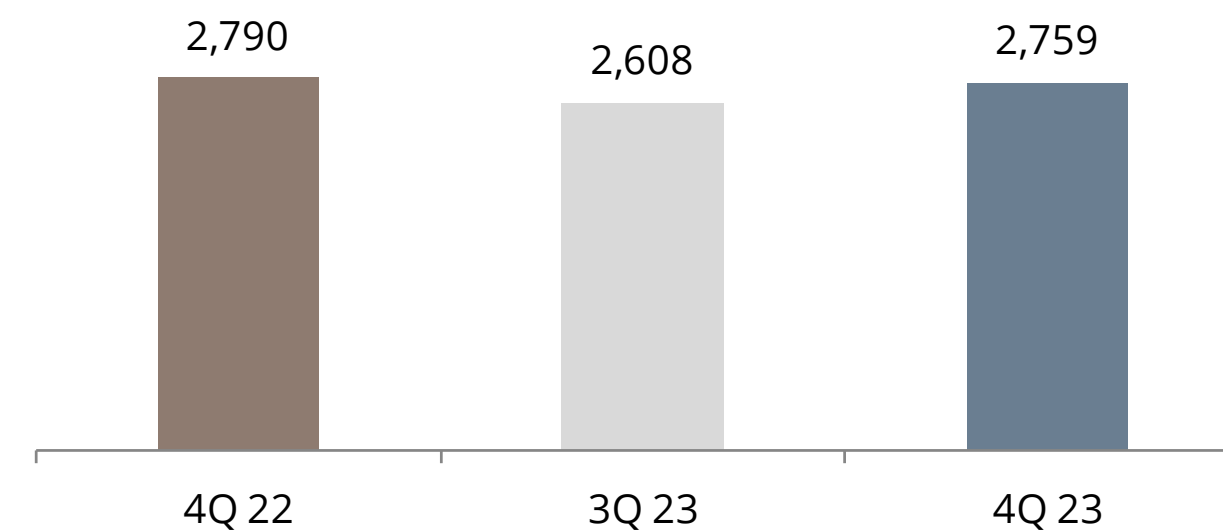


OUTLOOK

- Margins could be affected by potential inventory revaluation effect and industrial margins.
- Volumes potentially affected by lower economic activity.
- Sustained leadership in gas stations due to strong network positioning.

II. REVIEW BY BUSINESS DIVISION – *Energy-Copec*

FUEL VOLUMES IN CHILE (th. m³)



- Industrial Channel: volumes dropped 1.9% YoY and increased 10.1% QoQ.
- Gas Stations: volumes decreased 0.5% YoY and increased 2.8% QoQ.



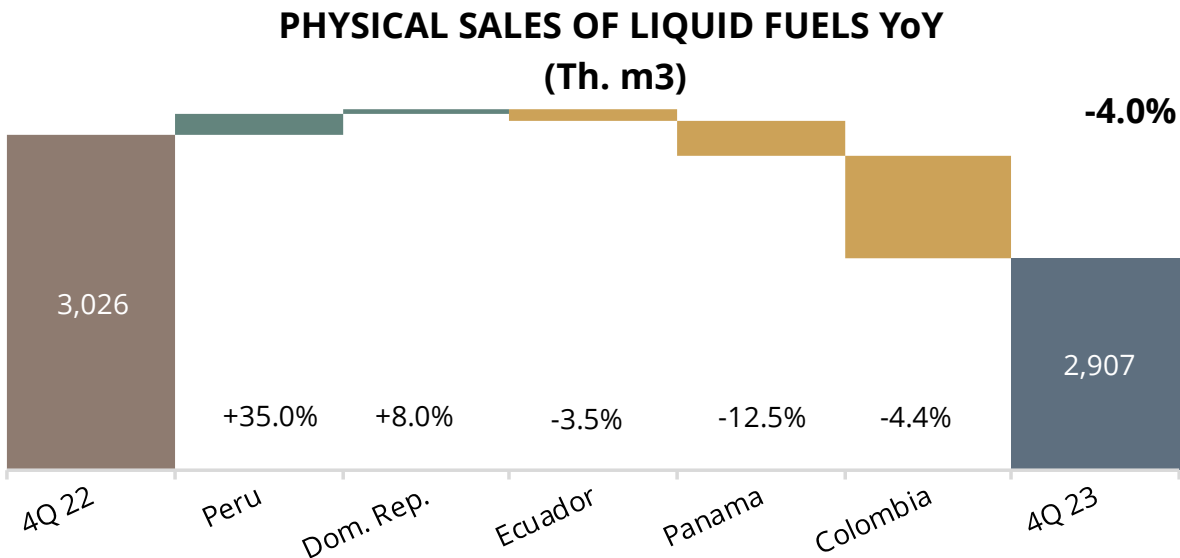
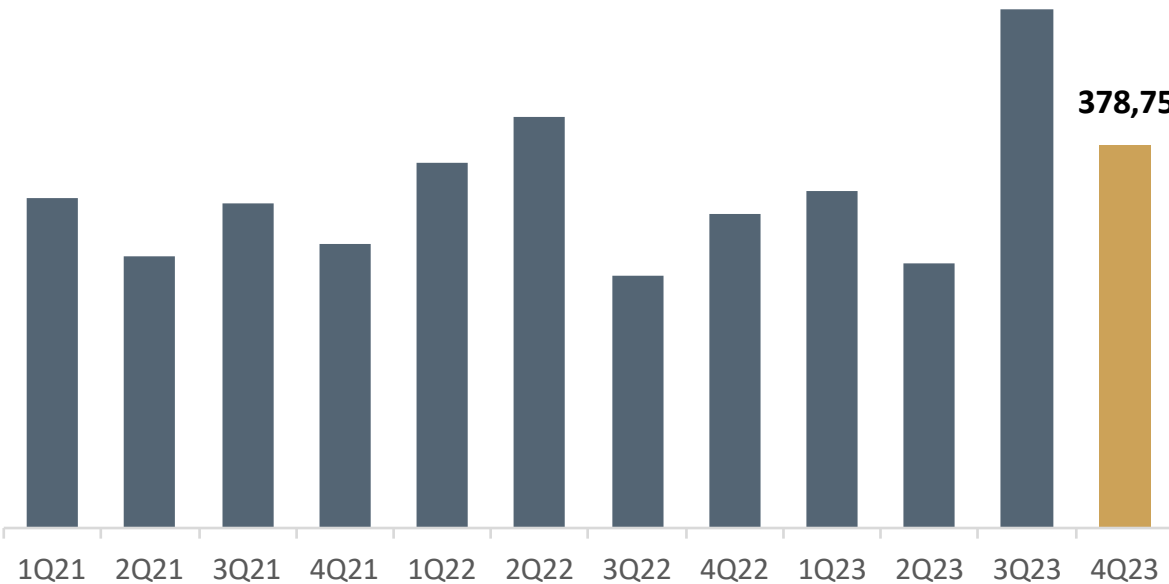
TERPEL

Favorable operating income.

- Higher EBITDA, partly explained by an increase of margins and volumes in lubricants.
- Unfavorable inventory revaluation, associated to Colombia and Panamá, partly offset by an increase in Peru and Dominican Republic.
- Liquid fuels volumes decreased 4.0% YoY, explained by a drop in Colombia, Ecuador and Panama, offset, in part, by a climb in Peru and Dominican Republic.
- Unfavorable non-operating income due to increased financial costs on inflation.

Million COP	4Q 23	4Q 22	Change
Revenues	9,140,205	9,556,127	(415,922)
EBITDA	378,758	311,801	66,957
Operating income	289,008	213,299	75,709
Non-operating income	(164,035)	(136,341)	(27,694)
Net income	71,563	41,273	30,290

EBITDA
(COP million)





ABASTIBLE

Net income drop on higher taxes, offset by increased operating and non operating results.

ABASTIBLE – INCOME STATEMENT

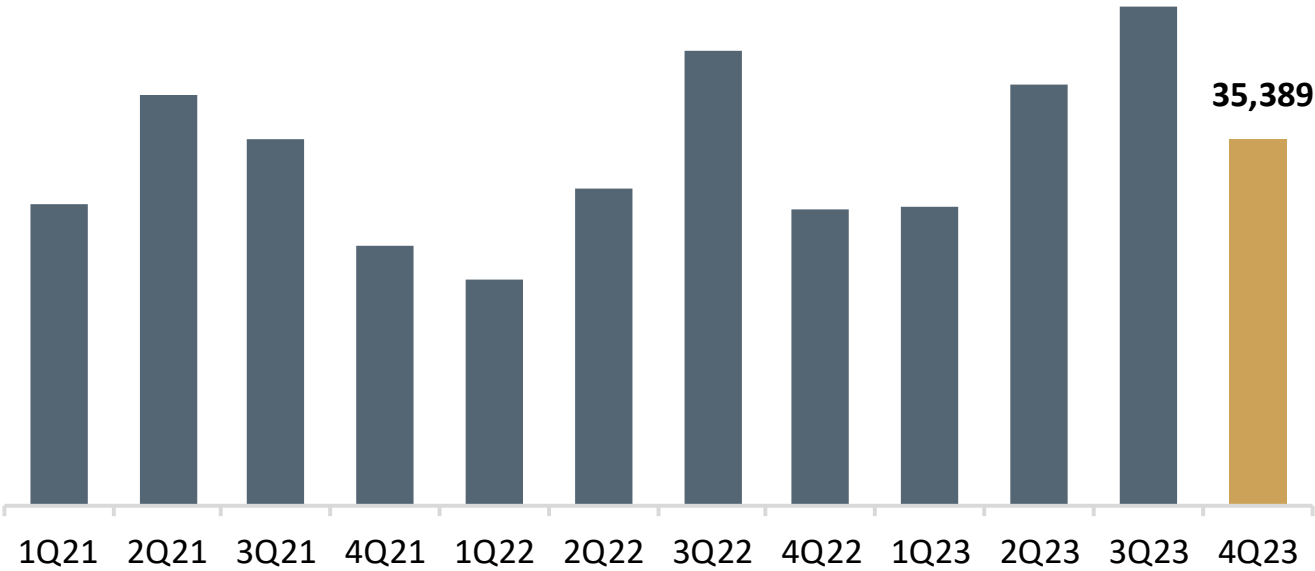
HIGHER OPERATING INCOME

- Volumes in Chile, Peru and Ecuador increased 2.7%, 3.2% and 3.0%, offset by a drop in Colombia of 3.5%.
- Improved margins in Chile, Colombia, Peru and Ecuador.

Million Chilean Pesos	4Q 23	4Q 22	Change
Net income	11,461	16,215	(4,754)
Operating income	19,388	14,154	5,234
Non-operating income	(5,187)	(5,746)	559
Taxes	(1,238)	9,440	(10,678)
EBITDA	35,389	28,765	6,624

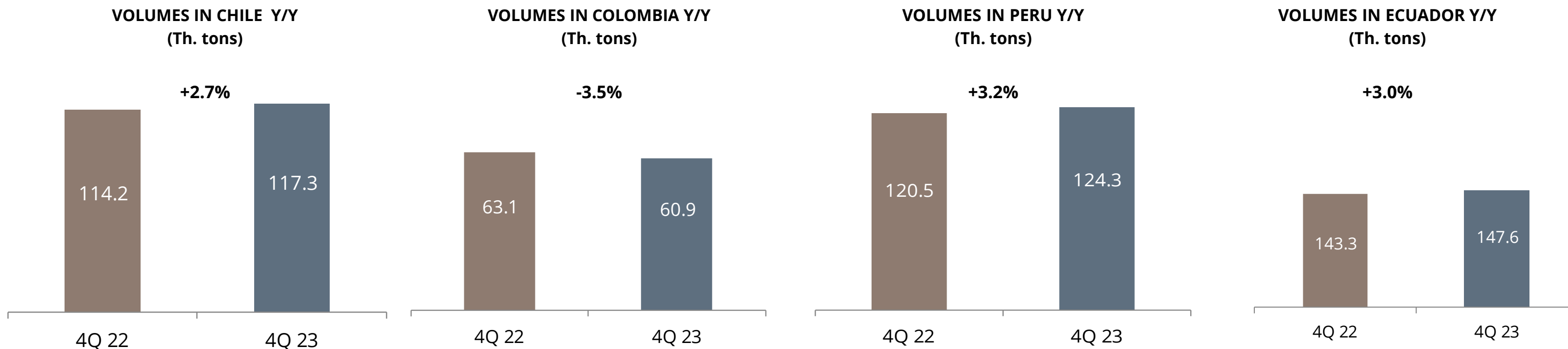
UNFAVORABLE TAX RESULT ON FOREIGN EXCHANGE VARIATIONS

EBITDA
(CLP million)





II. REVIEW BY BUSINESS DIVISION – *Energy-Abastible*



Chile (Abastible):

- Margins in the bottled segment decreased YoY, coupled with lower volumes due to lower market demand.
- Volumes in the bulk segment increased, associated to new industrial clients and higher demand from the fishing industry.
- Market share decreased YoY, due to lower market share in the bottled segment.

Colombia (Colgas):

- Contraction continued this quarter in bottled segment demand, because of weaker economy, while margins expanded.
- Bulk volumes decreased YoY, while margins increased.
- Market share down YoY.

Peru (Solgas):

- Volumes in the bottled segment improve YoY.
- Volumes in the bulk segment decreased YoY, because of a lower demand from the poultry sector due to high temperatures, associated to “El Niño” phenomenon.
- Higher margins on both segments.
- Market share increased YoY.

Ecuador (Duragas):

- Bottled segments volumes decreased.
- Bulk segment volumes improved YoY, on demand for diesel substitution.
- Market share decreased YoY.



OTHER INVESTMENTS



OTHER INVESTMENTS

CUMBRES ANDINAS (MINA JUSTA):

- Decreased net income YoY, due to higher cash costs on lower grades.

SONACOL: decreased operating income on lower volumes, partly offset by a favorable non-operating income.

IGEMAR: lower non-operating income, explained by exchange rate differences and lower income from related companies, offset by higher operating income.

METROGAS: decreased non-operating income due to exchange rate differences, partly offset by unfavorable operating income

AGESA: increased net income, associated to higher non-operating income.

CUMBRES ANDINAS	4Q 23	4Q 22	4Q23 / 4Q22
Sales	339	360	(5.9%)
EBITDA	213	252	(15.1%)
Net income	127	149	(15.0%)
Physical sales	41	40	2.0%
Cathodes (kT)	9	11	(10.6%)
Concentrates (kT)	32	30	6.4%
Treated Ore (kT)	4,186	3,910	7.1%
Cash-cost (C1) (US\$/lb)	1.7	1.3	32.4%

Figures in US\$ million

*Ebitda = Operating Income + Depreciation + Amortization

AFFILIATES AND ASSOCIATES – QUARTERLY NET INCOME

	4Q 23	4Q 22	Change
Affiliated Companies			
Alxar Internacional	46.6	54.9	(8.3)
Sonacol*	4,136	4,828	(692)
Igemar	(9.4)	(5.7)	(3.7)
Associated Companies			
Metrogas*	15,239.7	17,363.4	(2,123.7)
AGESA	24.3	20.6	3.8

Figures in US\$ million

* Figures in million Chilean pesos



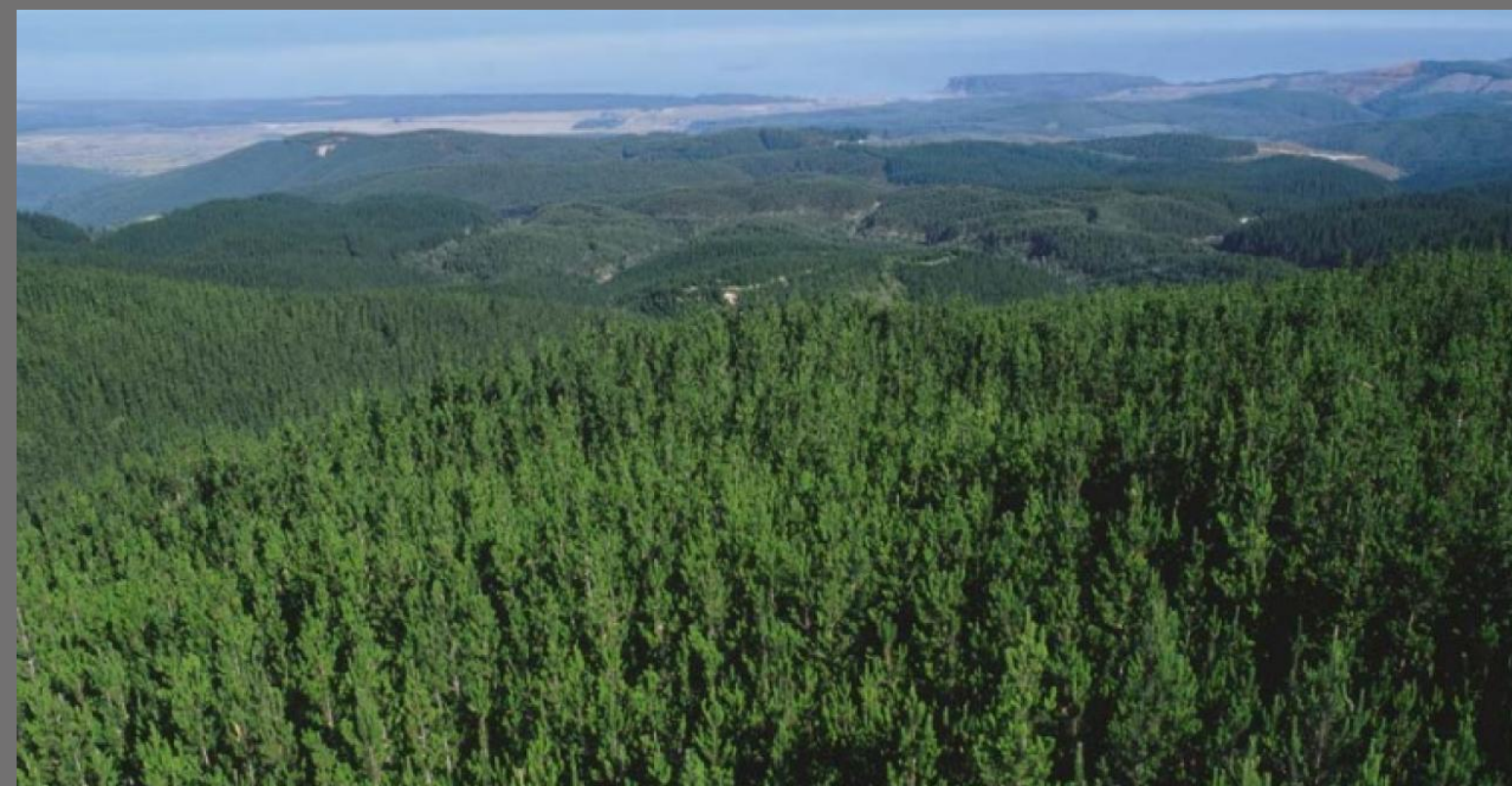
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III. HIGHLIGHTS OF THE QUARTER

Arauco signs forestry land purchase agreement with Klabin

- Arauco has entered into a share purchase agreement to sell to Klabin S.A the shares of the subsidiaries which hold assets in the state of Paraná, Brazil.
- The forest plantations cover approximately 85,000 useful hectares.
- The agreed price is US\$ 1.160 billion, subject to usual adjustments in this type of transactions.
- Arauco estimates that this sale could have a positive effect on its results of approximately US\$ 130 million after taxes.





III. HIGHLIGHTS OF THE QUARTER

MAPA completes first year of operations

- Arauco's "Line 3" has reached 802.000 tons of production during 2023, almost reaching its full capacity.
- The produced pulp during the year stands out for its high quality.





ESG HIGHLIGHTS

Copec obtains US\$ 200 million green loan to boost new energies

- Copec will use the financing of US\$ 200 million to move forward in new energy and electromobility projects, in addition to strengthening the portfolio of new solutions in the energy transformation process of its subsidiaries Copec Voltex, Flux Solar and Ampere Energy.
 - Copec Voltex, a leading company in charging solutions, during 2023 completed a total of eleven electroterminals in the Metropolitan Region, managing to power 50% of the 2.000 electric buses that the public transportation system currently has.
 - Flux Solar, specialized in photovoltaic solar energy, has a portfolio of more than 90 projects and in 2022 entered the distributed generation sector through the development of PMGD plants.
 - Ampere Energy seeks to innovate in the field of second-generation smart energy storage, through the sale of smart batteries, which optimize the use of energy.



Copec keeps progressing in energy transition

- Copec announced its investment in Ineratec, whose technology will enable the development of sustainable fuels using hydrogen and captured CO2.
 - This is an alternative to decarbonize industries that cannot be electrified, such as aviation and maritime transport, and which are relevant to reach the country's energy transition commitments.
- Additionally, Copec signed an agreement with Taiwanese startup Gogoro. The company is developing the first Latin American network of battery exchange stations, being Santiago de Chile and Bogota the first cities to have them.
 - The system will allow users to leave the discharged battery at the station and take a charged one with them. This means that in less than 30 seconds the motorcycle will be ready to ride again.





**Empresas Copec featured in S&P's Sustainability
Yearbook 2024 and ratified in the Dow Jones
Sustainability Index**

- Empresas Copec was included in S&P's Sustainability Yearbook for its good results in the Corporate Sustainability Assessment.
 - For this acknowledgment, 9,400 companies worldwide, corresponding to 62 industries, were reviewed according to their strategy, governance, management and progress in sustainability.
- In addition, for the eighth consecutive year, the Company was ratified in the Dow Jones Sustainability Index, one of the most important and recognized worldwide.

Member of
**Dow Jones
Sustainability Indices**

Powered by the S&P Global CSA

**Sustainability
Yearbook Member**

S&P Global Corporate Sustainability
Assessment (CSA) Score 2023



III. ESG HIGHLIGHTS

Arauco received the Zero Waste 2023 award for its sustainable management

- Arauco won first place in the Cultural Change category in the fifth version of the competition. The event distinguishes those initiatives that promote and encourage circular economy and sustainability, managing waste in an innovative way.
- This recognition is part of the strategy deployed by Arauco to achieve Zero Waste by 2030, with actions to raise awareness among workers and neighbors about the importance of the circular economy and encourage the development of strategic partners and infrastructure to reduce waste generation and increase its recovery.





III. HIGHLIGHTS OF THE QUARTER

Empresas Copec receives La Voz del Mercado award and stands out in Merco ranking

- For the fifth consecutive year, the Company was acknowledged as one of the three Chilean firms with the best corporate governance practices. The study was conducted by EY, Santiago Stock Exchange and the Directors Institute of Chile and considers the perception of more than 370 directors, managers, investors, analysts, brokers and experts from different industries.
- In addition, the Company and some of its subsidiaries were recognized among the 100 companies with the best corporate reputation in the 14th edition of Merco Empresas Chile. The study was based on the analysis of 44,095 surveys to stakeholders and 26 sources of information.





- I. CONSOLIDATED RESULTS
- II. REVIEW BY BUSINESS DIVISION
- III. HIGHLIGHTS OF THE QUARTER
- IV. Q&A



