

Results Webcast 2Q24

August 21st, 2024





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



FORESTRY EBITDA INCREASES YoY AND DECREASES QoQ



YoY

Higher volumes, prices and lower costs in Pulp

QoQ

Increased prices in Pulp. Drop in volumes and higher costs.

ENERGY EBITDA GROWTH YoY AND DROP QoQ



YoY

Copec: favorable margins, including industrial margin and less unfavorable inventory revaluation effect.

Abastible: higher volumes

QoQ

Copec: lower volumes and unfavorable inventory revaluation effect

Highlights

EBITDA MMUS \$768

Increases YoY and decreases QoQ.
Improved performances in Forestry and Energy YoY, drop QoQ



PROJECTS AND OTHER DEVELOPMENTS

- Abastible agrees to acquire Gasib, LG distributor in Spain and Portugal
- Successful bond issuance
- Arauco to invest in OSB mill
- Terpel sells assets in Peru and Ecuador
- Forestry assets sale in Brazil completed



ESG MILESTONES

- Copec signs agreement for 420 MWh storage project
- Copec Voltex to build and operate electro-terminal in Biobio Region, Chile
- Abastible signed agreement to develop green hydrogen project
- Arauco's fulfillment of social and environmental impact projects of its Sustainable Bond



I. CONSOLIDATED RESULTS – *Quarterly Performance*

Highlights 2Q24

Sales

MMUS\$ 7,101

(+3% YoY / -0.3% QoQ)

EBITDA

MMUS\$768

(+78% YoY / -9% QoQ)

DFN / EBITDA

3.0X

(-15% YoY / -9% QoQ)

CAPEX 2024

US\$ 898 million

(70% forestry / 28% energy)

Pulp EBITDA

MMUS\$320

(+218% Yoy / -11% QoQ)

+10.1% on average pulp prices YoY

+19.8% on sales volume YoY

Copec EBITDA

MM\$236,198

(+76% YoY / -19% QoQ)

Abastible EBITDA

MM\$45,296

(+11% YoY / +9% QoQ)

Mina Justa EBITDA

MMUS\$158

(-22% YoY / +10% QoQ)

Wood Products EBITDA

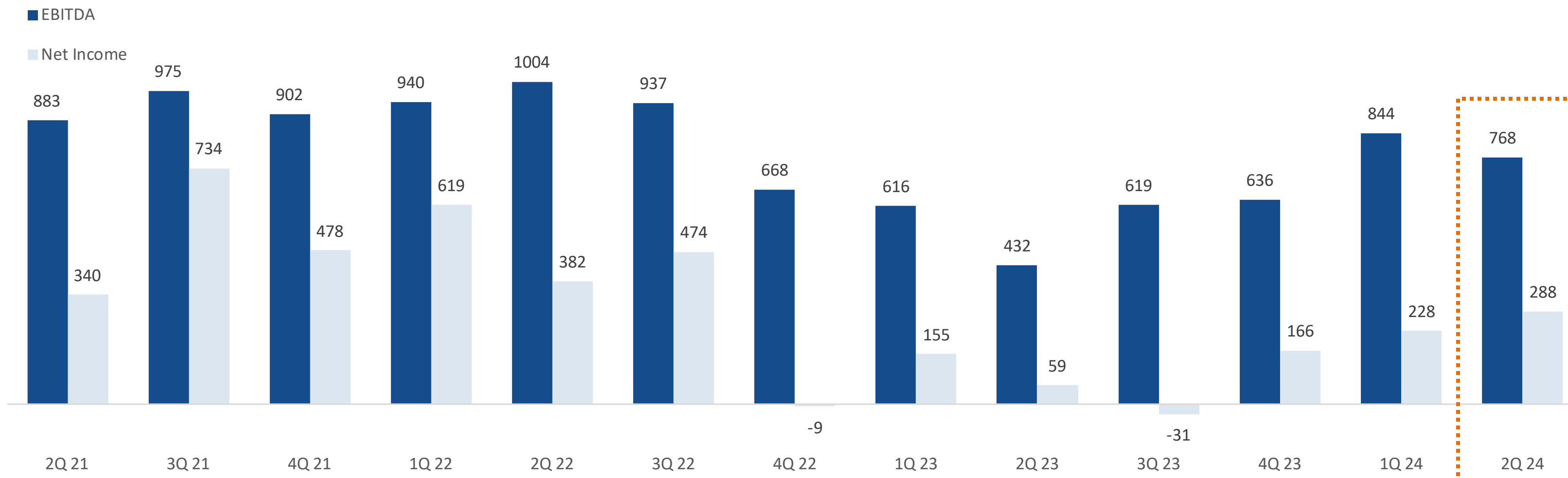
MMUS\$125

(-18% YoY / +9% QoQ)



I. CONSOLIDATED RESULTS – Quarterly Performance

EMPRESAS COPEC RESULTS



768

EBITDA up 78% YoY
down 9% QoQ

288

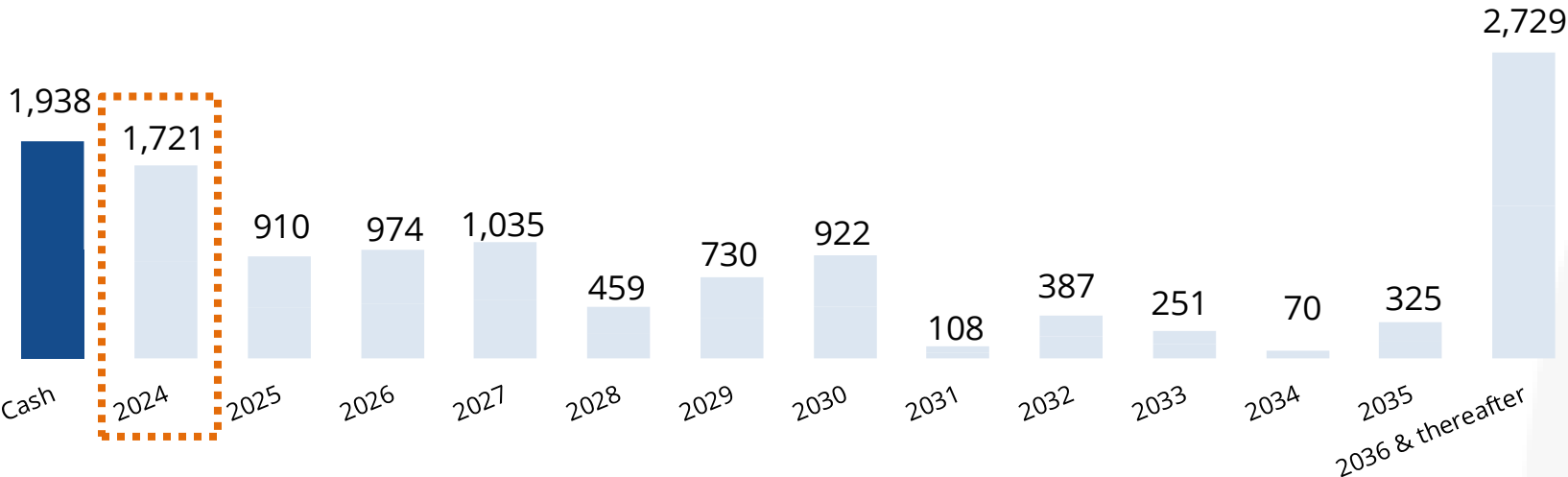
Higher **Net Income**
YoY and QoQ



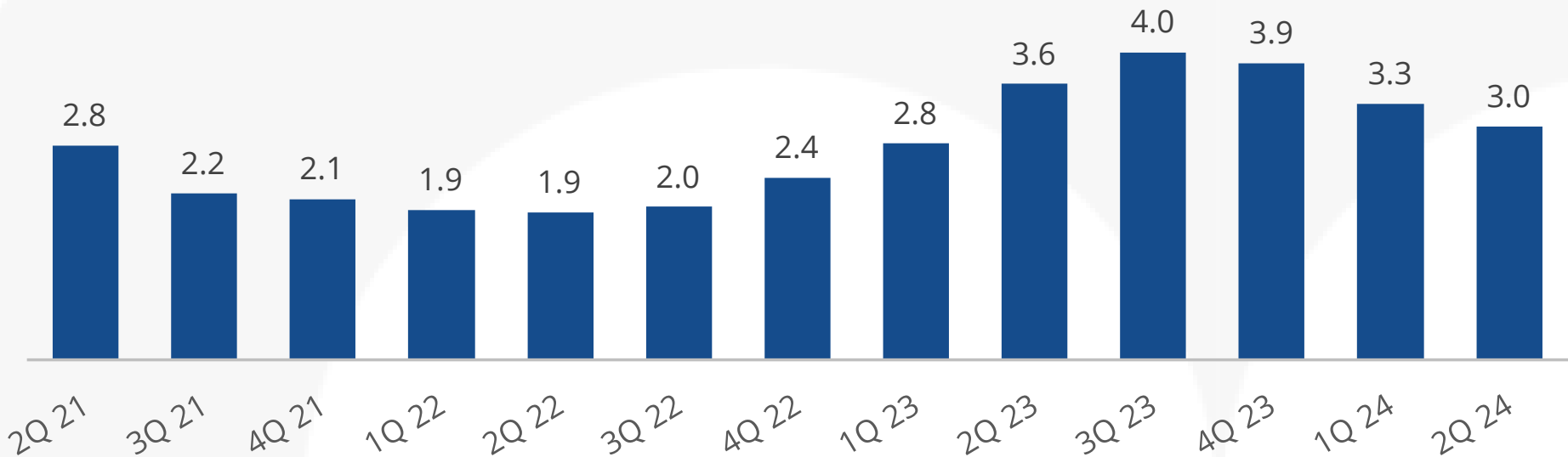
I. CONSOLIDATED RESULTS – Quarterly Performance

FINANCIAL REVIEW

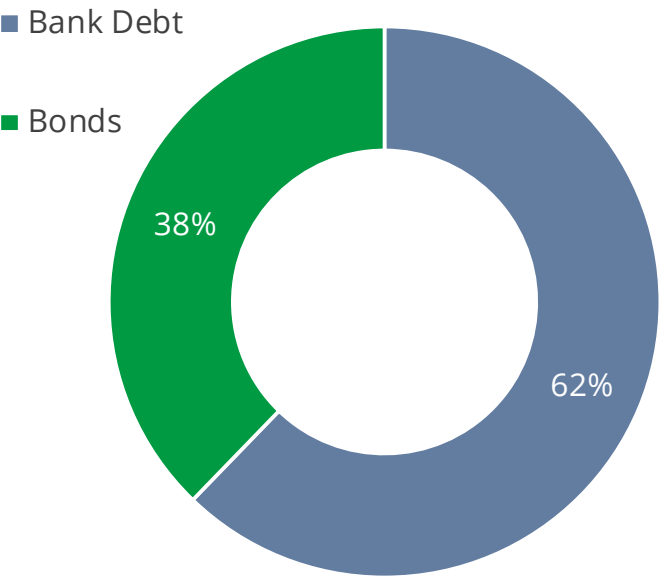
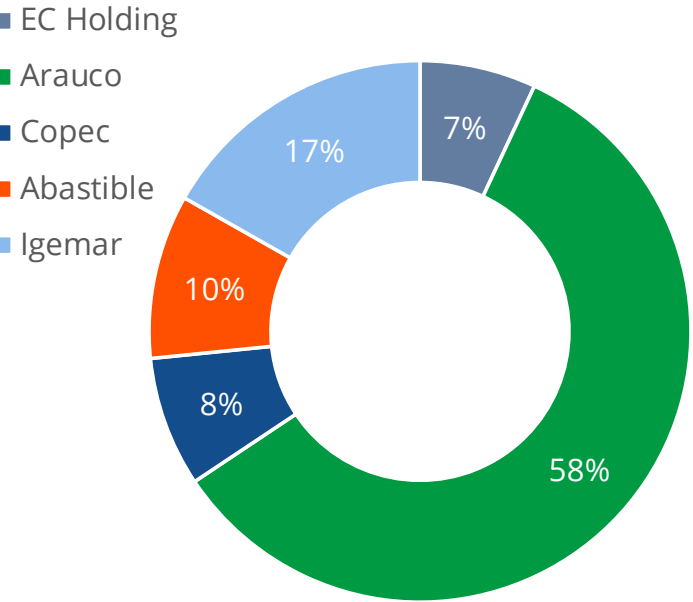
FINANCIAL DEBT MATURITIES
Figures in US\$ million



NET FINANCIAL DEBT / EBITDA

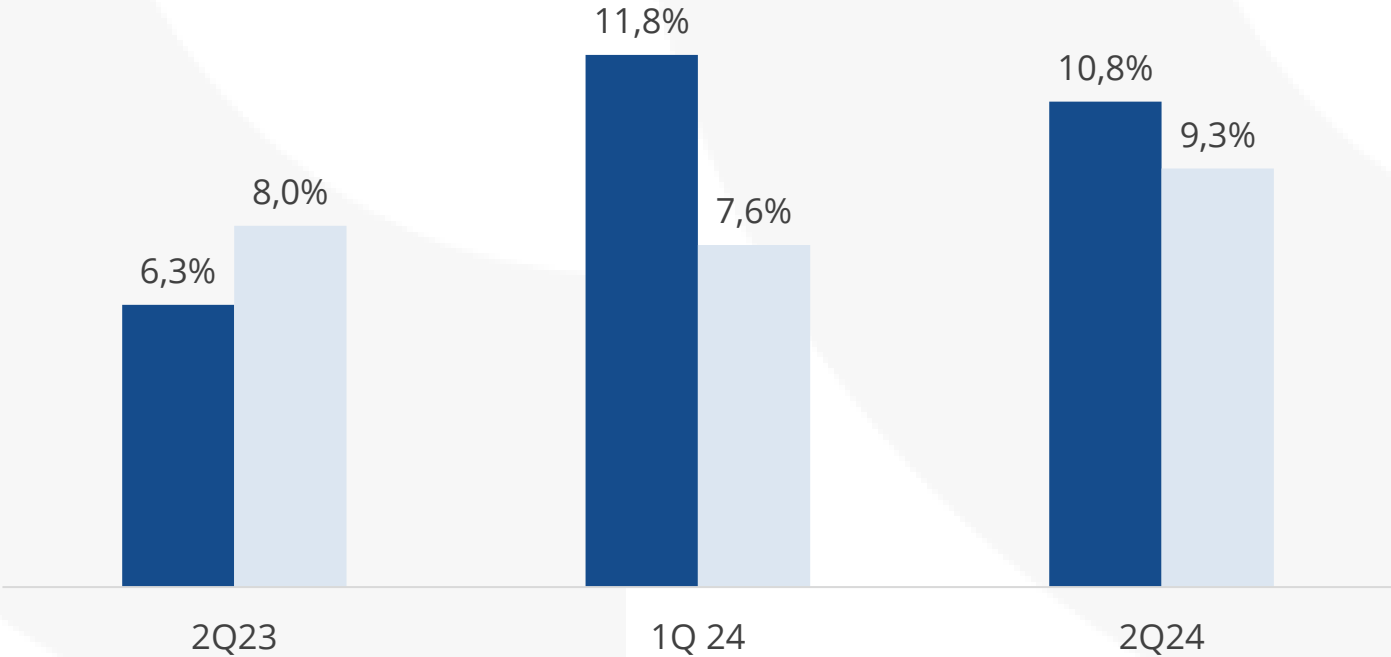


2024 MATURITIES



FINANCIAL RATIOS

■ EBITDA margin ■ ROCE



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





FORESTRY



II. REVIEW BY BUSINESS DIVISION – Forestry

ARAUCO

Higher net income due to better operating results

INCREASED OPERATING INCOME

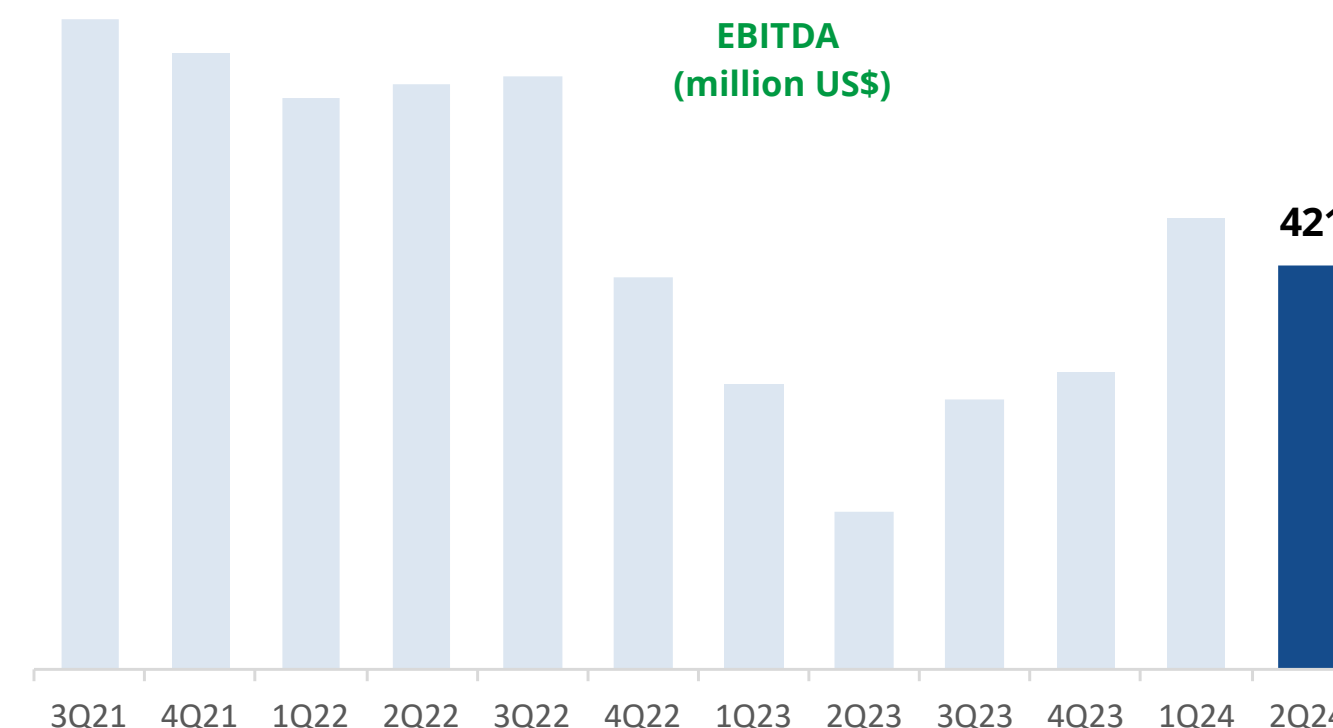
- Improved margins in pulp, associated to higher volumes and prices, together with lower costs.

DECREASED NON-OPERATING INCOME

- Drop in Other Income associated with insurance compensations received in 2Q23.

ARAUCO – INCOME STATEMENT

Million US\$	2Q 24	2Q 23	Change
Net income	41	(47)	88
Operating income	154	(120)	274
Non-operating income	(91)	47	(138)
Taxes	(22)	27	(49)
EBITDA	421	164	257





II. REVIEW BY BUSINESS DIVISION – Forestry

PULP

YoY unit selling costs

Unbleached softwood -3.4%
Bleached softwood -7.7%
Dissolving pulp -12.1%
Bleached hardwood -15.4%

QoQ unit selling costs

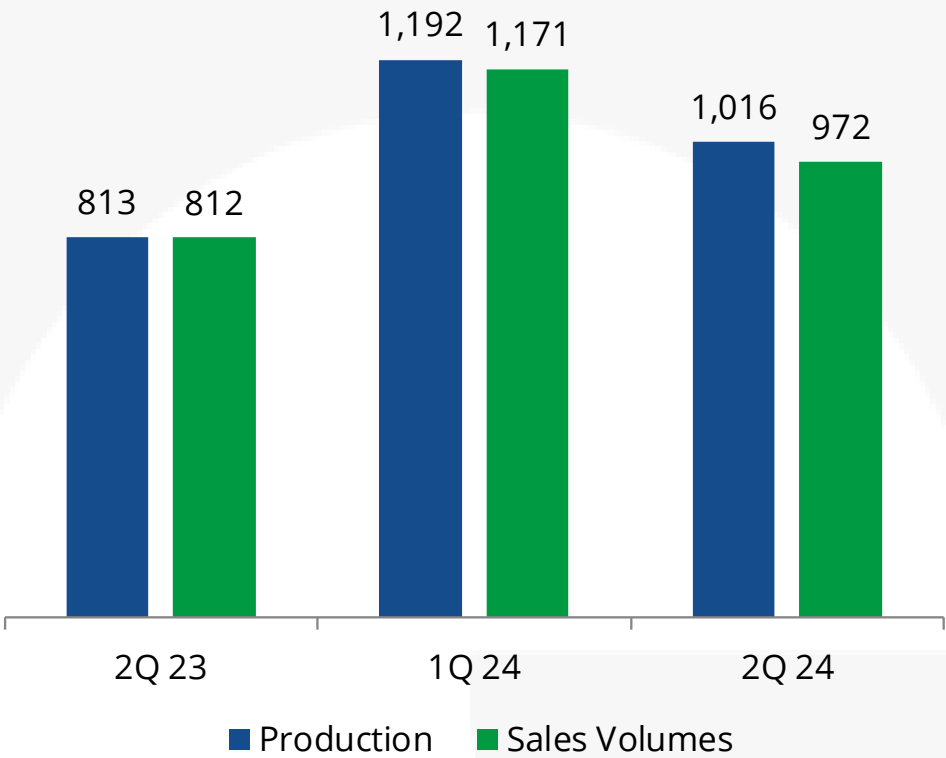
Bleached softwood 11.0%
Bleached hardwood 14.1%
Dissolving pulp -2.8%
Unbleached softwood 18.5%

	Net Sales	Price	Sales Volume
YoY	32.5%	10.1%	19.8%
QoQ	-12.6%	4.5%	-16.9%

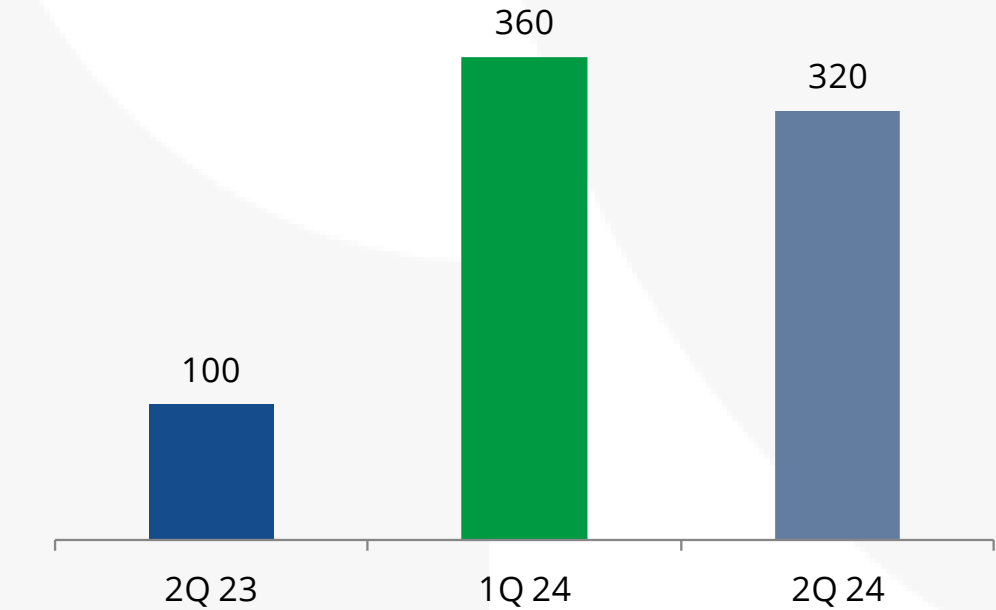
MAINTENANCE STOPPAGES (DAYS)

Country	Instalation	2024				2025
		1Q	2Q	3Q	4Q	1Q
Chile	Arauco L2					16
	Arauco L3		16			
	Constitución		18			
	Licancel			15		
	Nueva Aldea				13	
Argentina	Esperanza				10	
Uruguay	Montes del Plata		15			

PULP - Production & sales volumes
(Th. tons)



PULP - EBITDA*
(Million US\$)



*As informed by Arauco



II. REVIEW BY BUSINESS DIVISION – Forestry

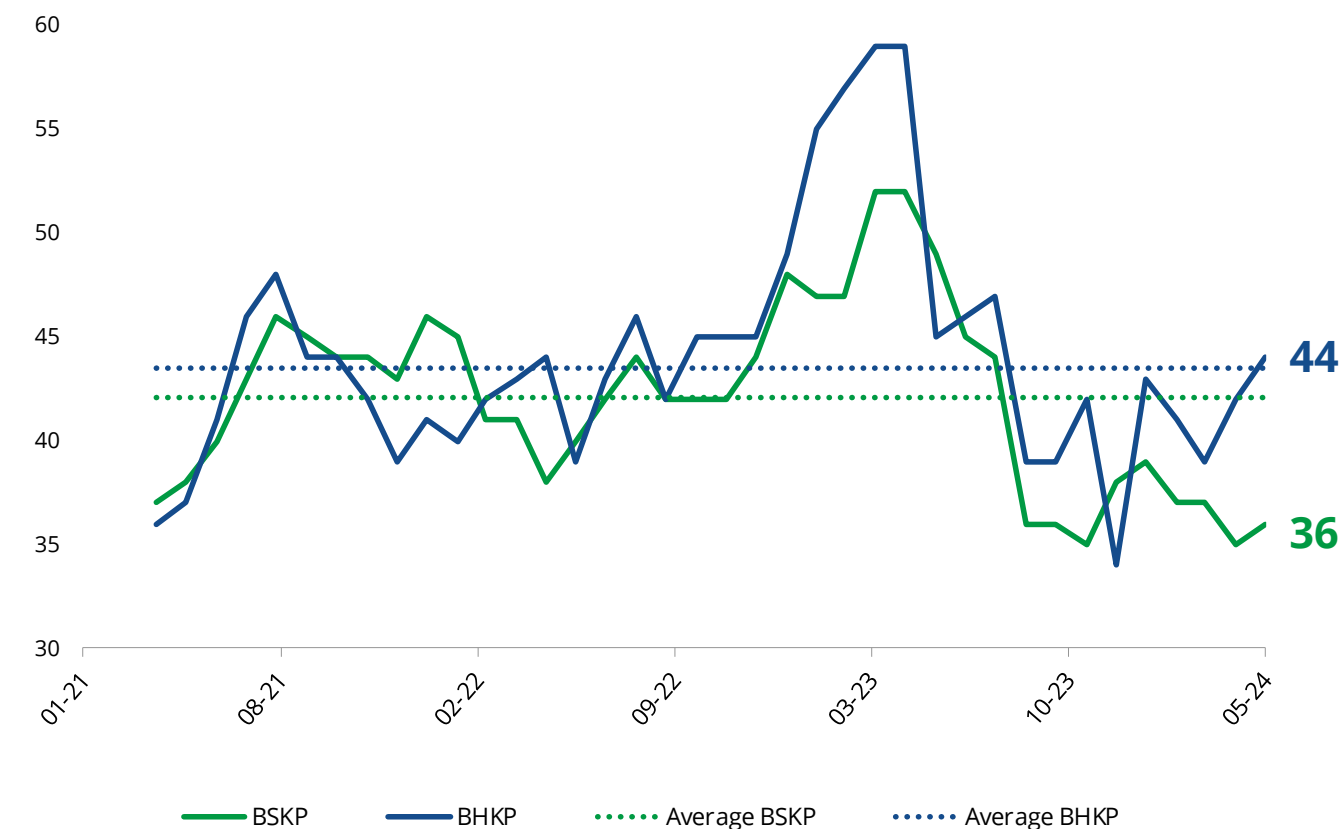
Pulp – 2Q24

- The market was characterized by stability and cautiousness. There was a slight increase in global stocks for both hardwood and softwood throughout the quarter.
- In **China**, the market showed steadiness. Customers failed to pass the increase in pulp prices through to final products, which led to a decrease in operating rates of some mills. Prices increased at the beginning of the quarter and stabilized towards the end. Inventories in ports were stable.
- In **Europe**, the quarter began with strong demand, however, it started to deteriorate mainly due to a decrease in P&W. The *tissue* industry showed a strong demand. Softwood continued to be affected by operational issues in some mills and hardwood supply increased towards the end of the period.
- The **dissolving pulp** market remained stable and balanced between supply and demand.
- Production during 2Q24 decreased by approximately 176.6 thousand tons (-14.8% QoQ), with Arauco's Line 3 decreasing its production by 82.4 thousand tons (-25.7% QoQ).

GLOBAL BCP DEMAND VARIATION (Th Tons)

	2023	2024	%
China	9,400	9,290	-1.2%
Europe	5,900	6,675	13.1%
Other Asia	3,545	3,685	3.9%
USA	2,920	3,035	3.9%
Rest of the World	1,670	1,710	2.4%
Total (th. tons)	23,435	24,395	4.1%

* Accumulated as of May 2024.



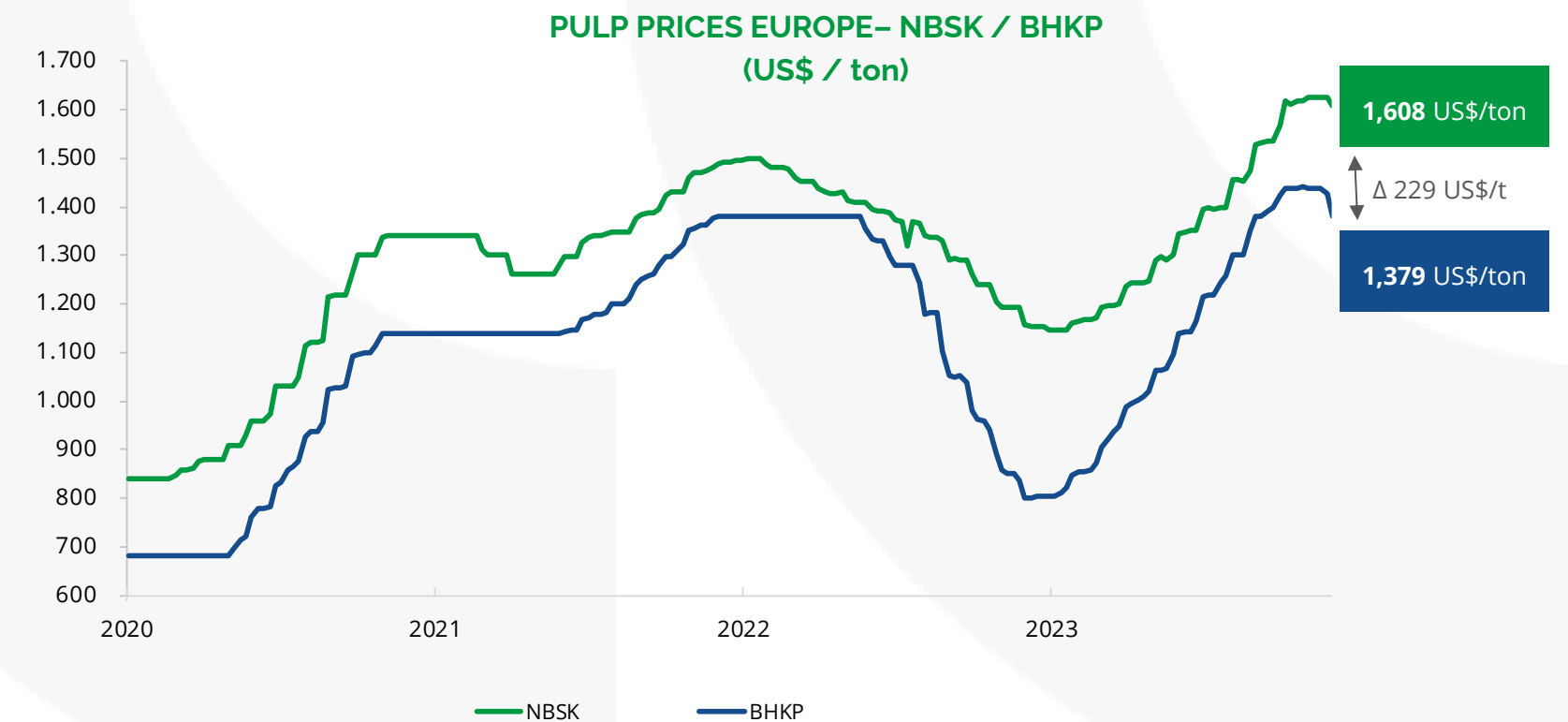
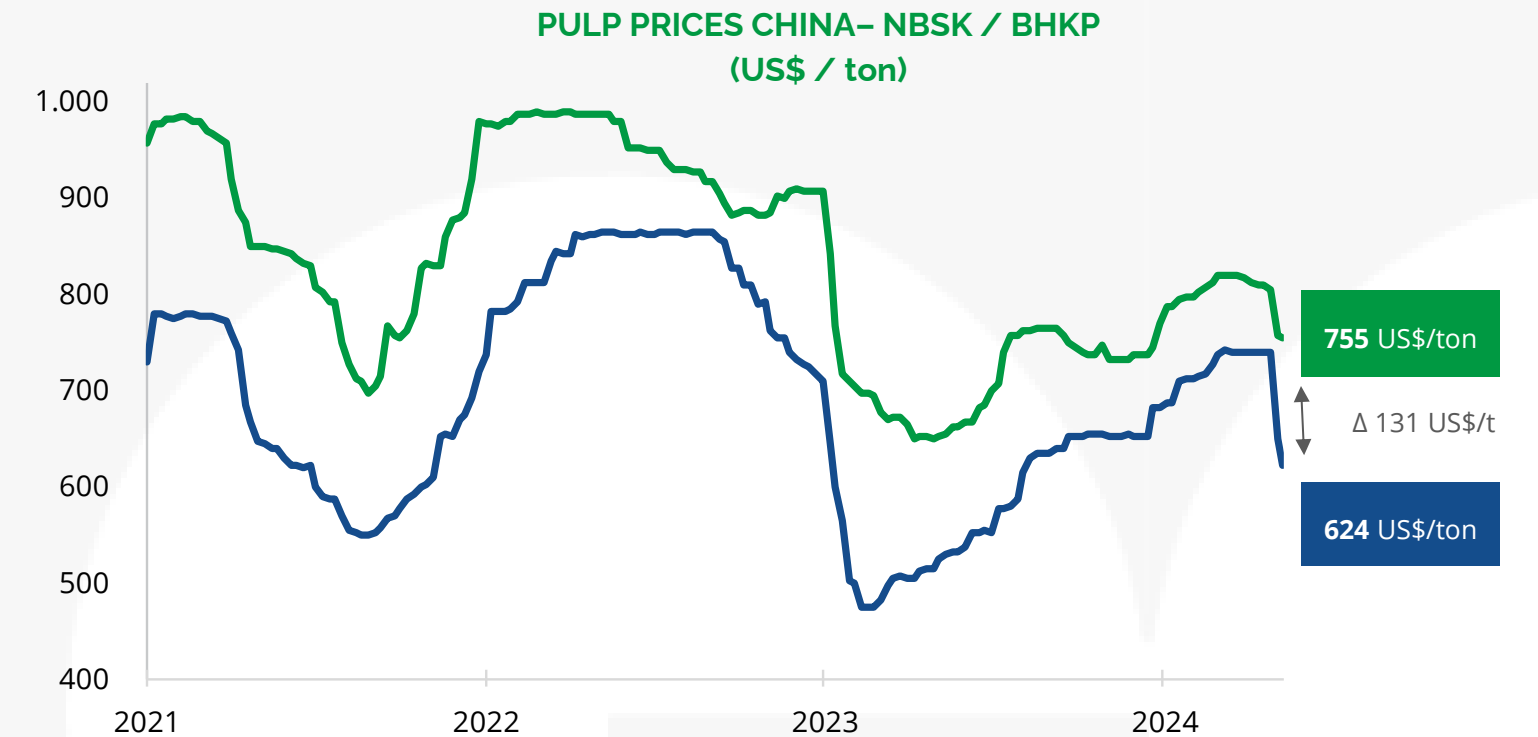
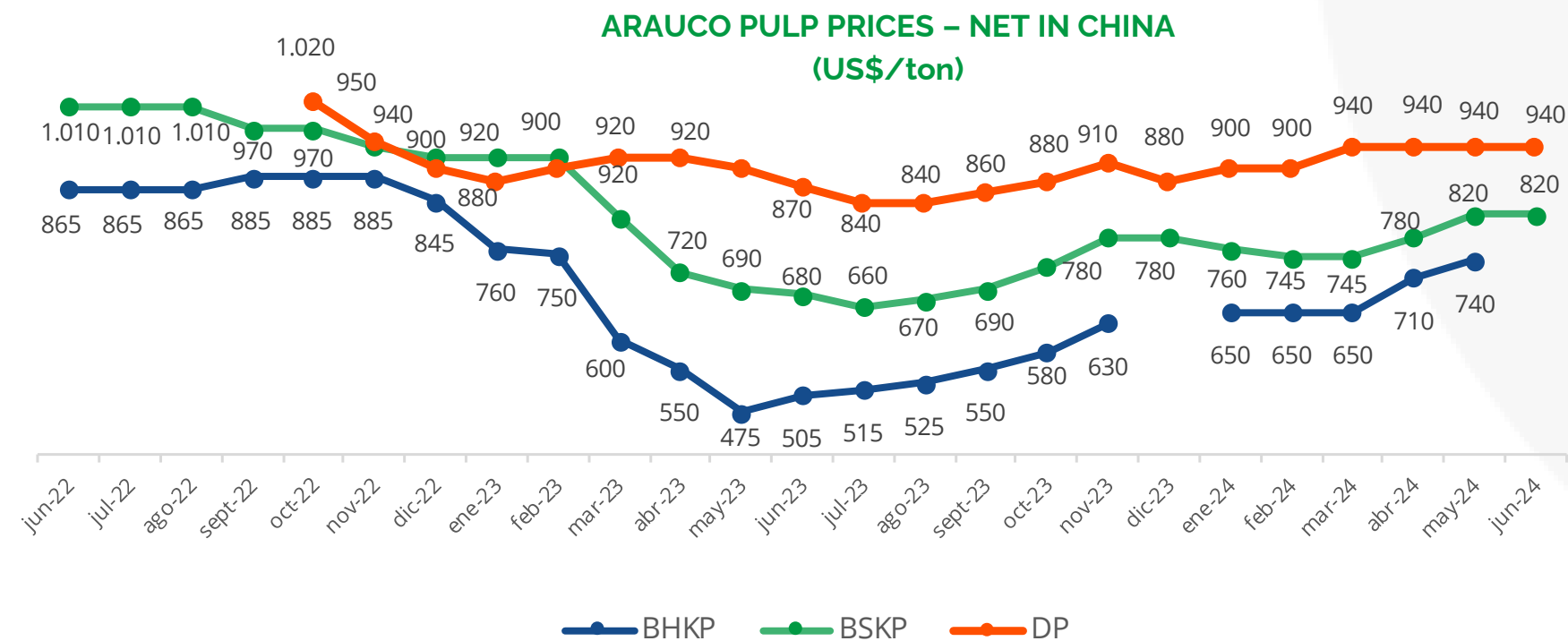
* As of May, 2024



II. REVIEW BY BUSINESS DIVISION – Forestry

Outlook for 3Q24

- The market in **China** is expected to be more challenging. Consumption is showing some weakness, local pulp production is increasing and there are differences between import and local pulp prices. All these could add pressure to demand and prices.
- **Europe** should also show a more cautious environment. Demand could decrease due to lower consumption of finished products. Prices could drop given the difference in net prices with China.
- Supply is expected to increase during the quarter due to the ramp up of two new mills.



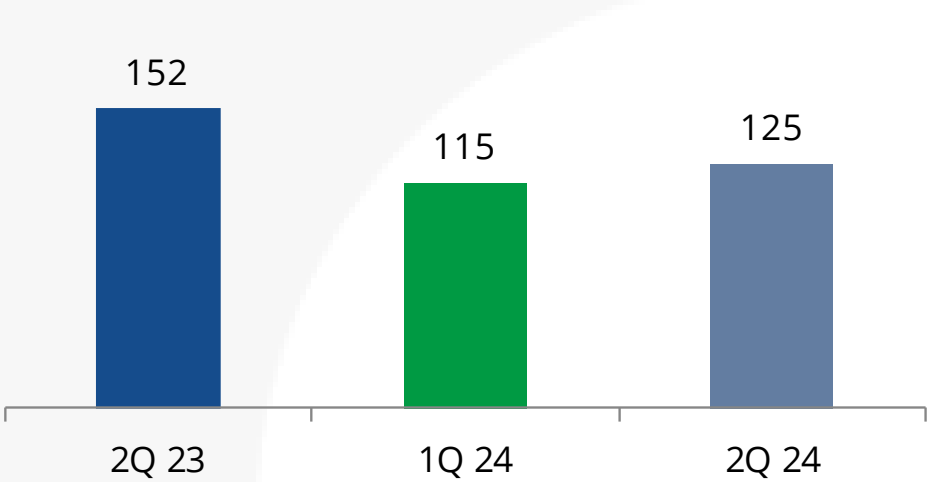
*Arauco, RISI. As of August 8th, 2024



II. REVIEW BY BUSINESS DIVISION – Forestry

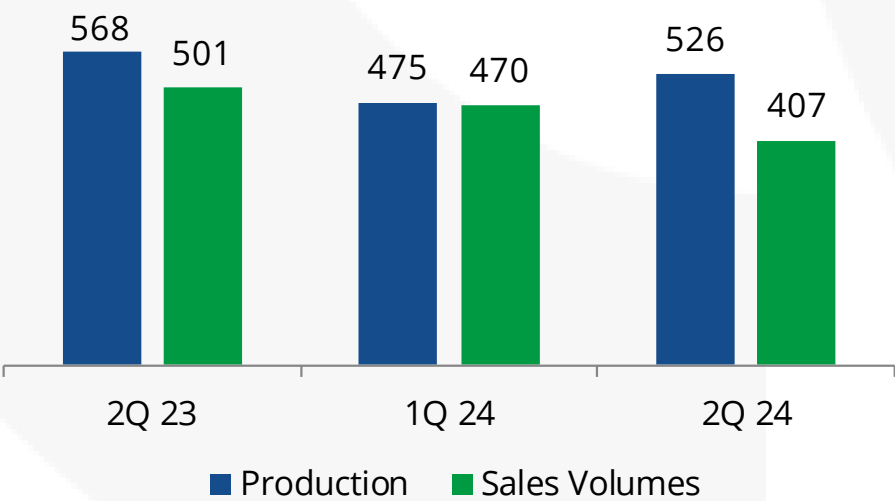
WOOD PRODUCTS

WOOD PRODUCTS – EBITDA*
(Million US\$)

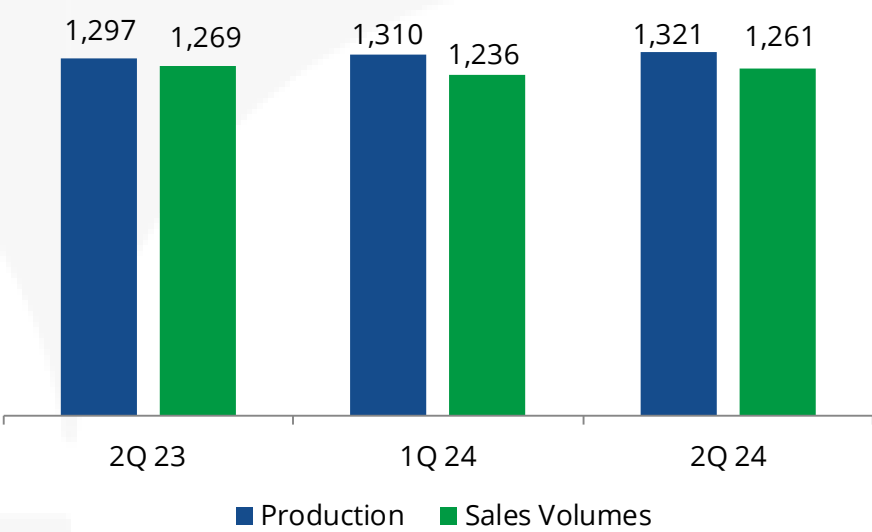


*As informed by Arauco

SAWN TIMBER
Production & sales volumes
(Th. m3)



PANELS
Production & sales volumes
(Th. m3)

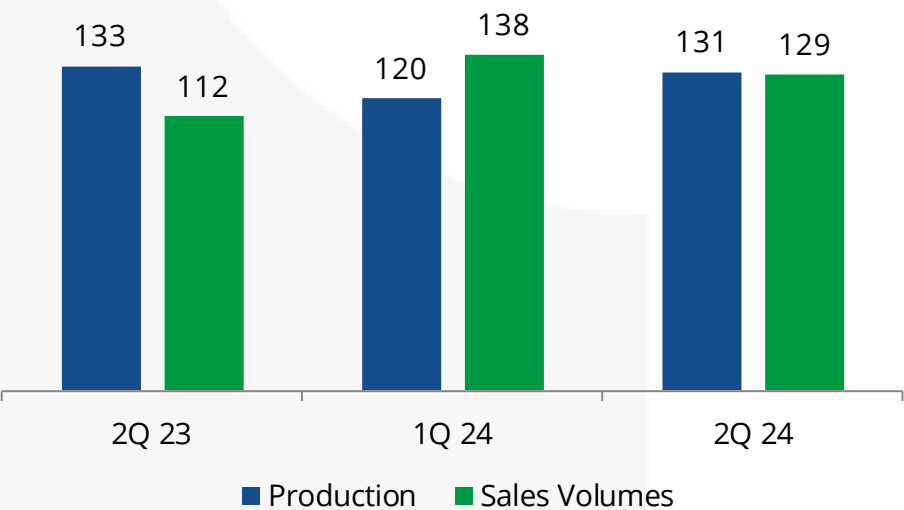


Panels

	Price	Sales Volume
YoY	-8.3%	-0.6%
QoQ	1.0%	2.1%

*MDF, PBO and HB.

PLYWOOD
Production & sales volumes
(Th. m3)



Solid Wood*

	Price	Sales Volume
YoY	4.0%	-12.6%
QoQ	0.5%	-11.8%

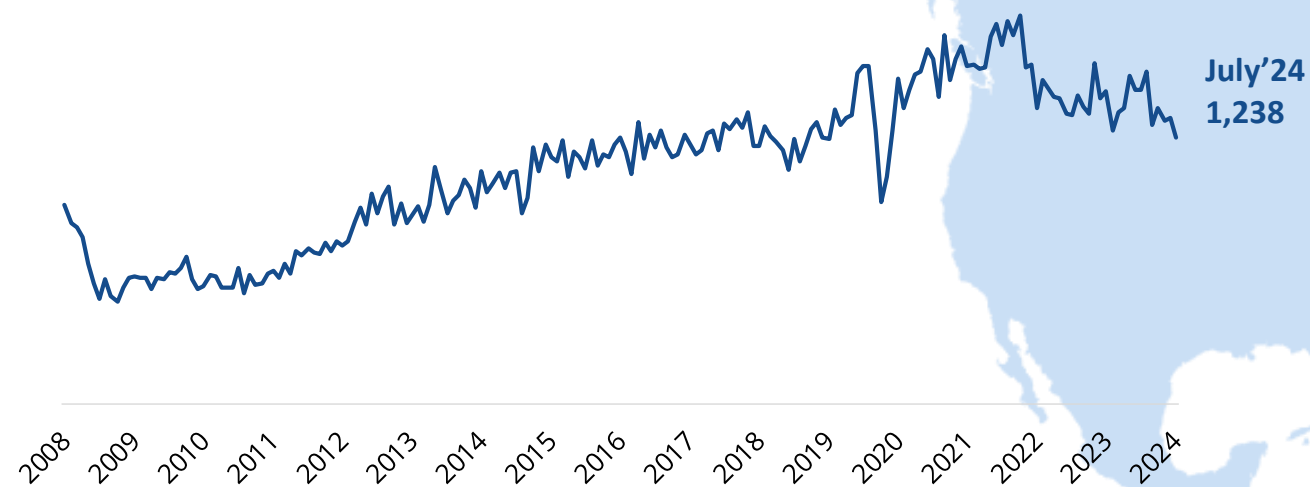
*Includes sawn timber, remanufactured solid wood and plywood.



II. REVIEW BY BUSINESS DIVISION – Forestry

WOOD PRODUCTS OUTLOOK

US HOUSING STARTS INDEX (th. units)



Source: Bloomberg

North America 53%

- **MDF:** demand could improve, with prices stabilizing during the rest of the quarter.
- **PB:** supply restrictions from other producers could potentially improve prices.
- **Remanufactured products:** improvement is expected due to seasonality and logistic issues in Asia and Latin America.
- **Plywood:** a positive outlook is expected for the rest of the year.

Asia, Oceania, Europe and Middle East 12%

- **Asia:** weak demand is expected during the second half of the year. Prices have already peaked
- **Oceania:** a slow recovery is expected during the year.
- **Europe and Middle East:** market could remain at good levels, due to restricted supply in both regions.

South & Central America 35%

- **Brazil:** positive outlook is expected for 2H24, although the depreciation of the Brazilian real could encourage exports.
- **Chile:** Uncertainty could continue during the year, with weak metrics in key sectors such as construction and retail.
- **Argentina:** improvement is expected for the second half of the year. Probably the market already reached its bottom during 1H24.



ENERGY



II. REVIEW BY BUSINESS DIVISION – Energy-Copec

COPEC

Increased EBITDA in Copec Chile and Terpel

INCREASED OPERATING INCOME

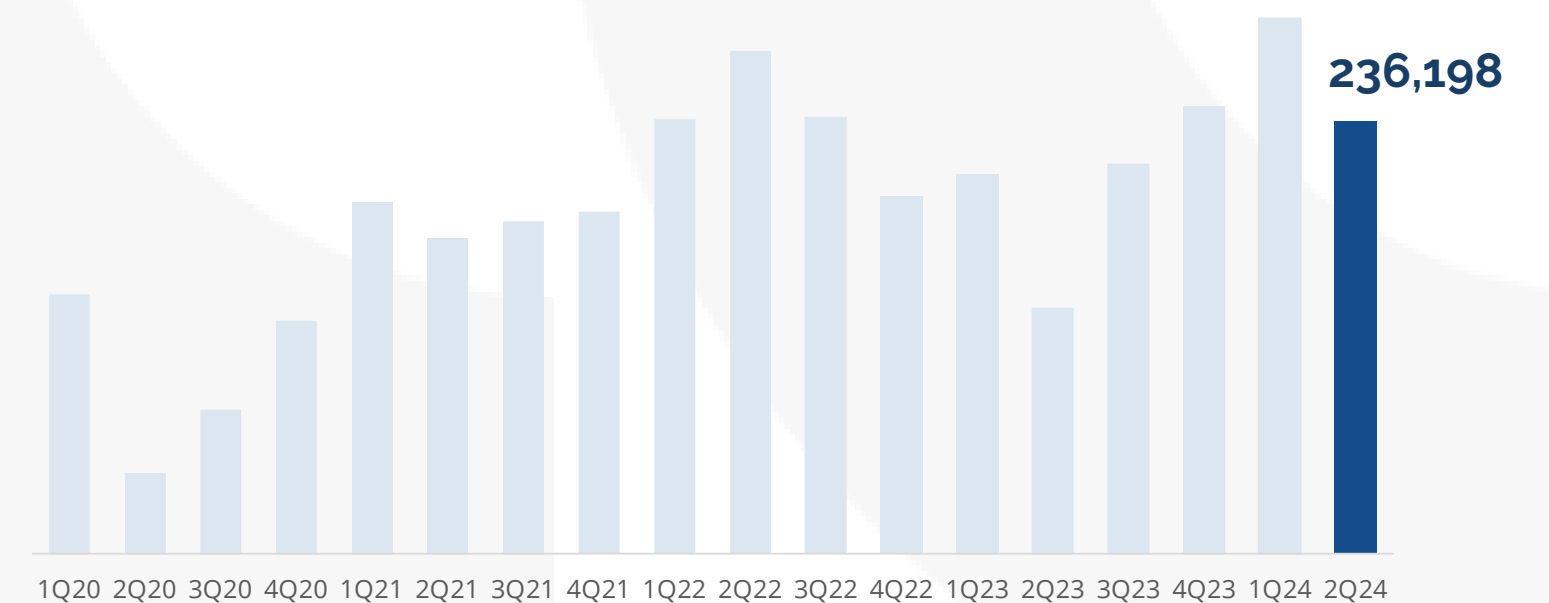
- Higher margins, including industrial margin and less unfavorable inventory revaluation effect.
- Increased lubricants margins.
- Lower volumes in the industrial channel, offset by an increase in the gas station channel in Chile

HIGHER NON-OPERATING INCOME

COPEC – INCOME STATEMENT

Million Chilean Pesos	2Q 24	2Q 23	Change
Net income	100,233	38,373	61,860
Operating income	180,696	89,930	90,767
Non-operating income	(21,103)	(44,977)	23,875
Taxes	(41,454)	(17,933)	(23,520)
EBITDA	236,198	134,321	101,878

EBITDA
(Million CLP)



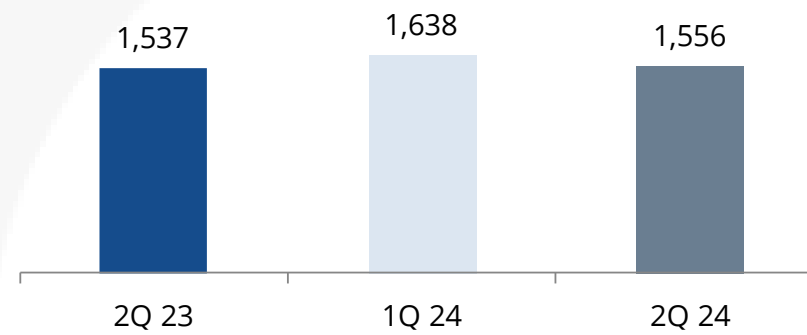


II. REVIEW BY BUSINESS DIVISION – Energy-Copec

COPEC Chile

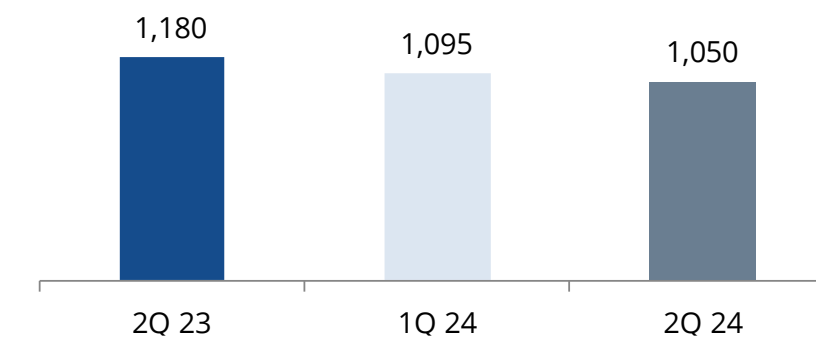
Strong market share and lower volumes.

GAS STATION VOLUMES
(th. m3)



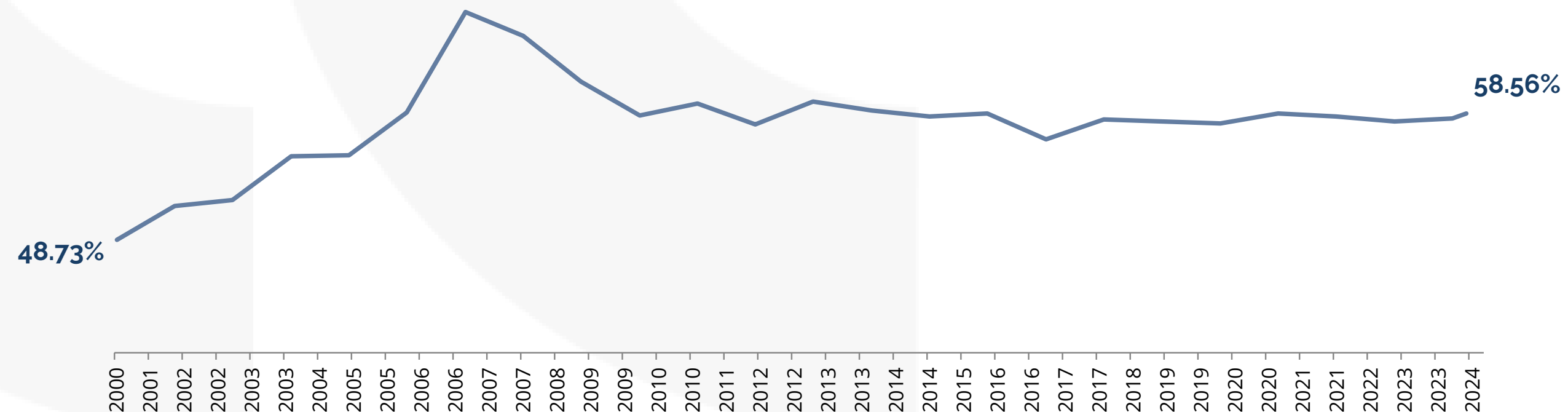
- Gas Stations volumes increased 1,2% YoY.

INDUSTRIAL CHANNEL VOLUMES
(th. m3)



- Industrial Channel volumes down 11,0% YoY.

LIQUID FUELS MARKET SHARE EVOLUTION (yearly data June 2024)



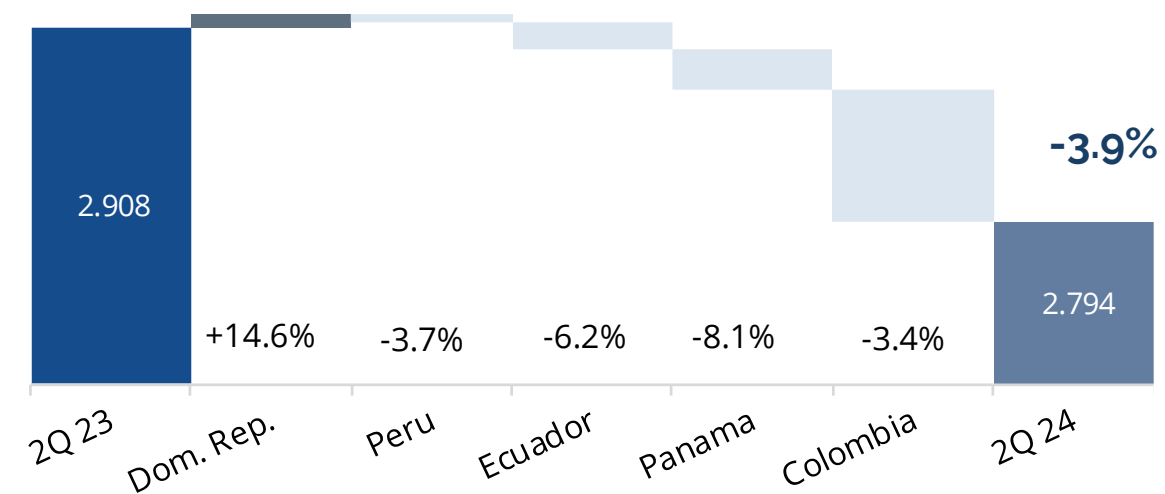


II. REVIEW BY BUSINESS DIVISION – Energy-Copec

TERPEL

Increased results during the period

PHYSICAL SALES OF LIQUID FUELS
(Th. M3)



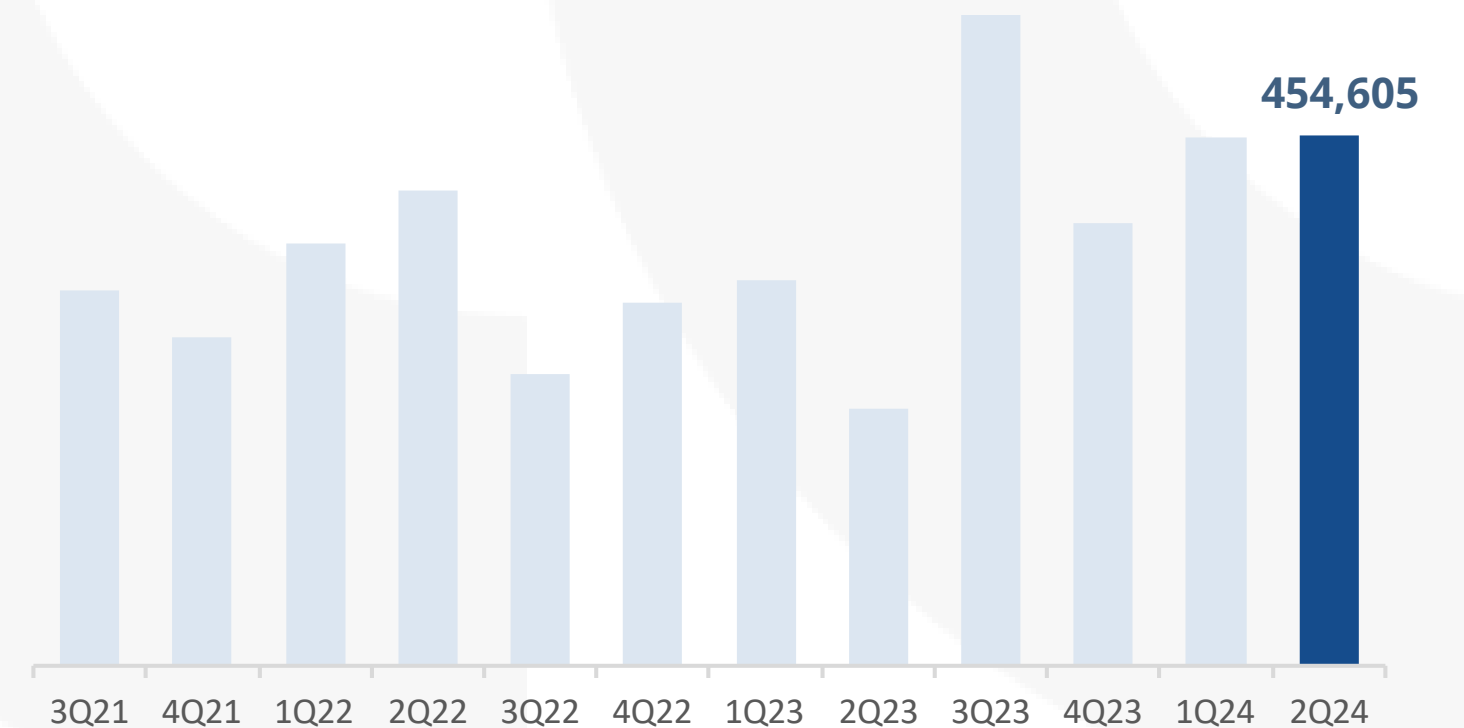
INCREASED OPERATING INCOME

- Less unfavorable inventory revaluation effect.
- Improved performance in lubricants
- Reduced distribution costs.

HIGHER NON-OPERATING INCOME

Million COP	2Q 24	2Q 23	Change
Revenues	8,289,505	7,892,180	397,325
EBITDA	454,605	220,561	234,044
Operating income	362,259	135,409	226,850
Non-operating income	(120,505)	(163,158)	42,652
Net income	121,192	2,394	118,798

EBITDA
(million COP)





II. REVIEW BY BUSINESS DIVISION – Energy-Abastible

ABASTIBLE

Higher operating and non-operating income.

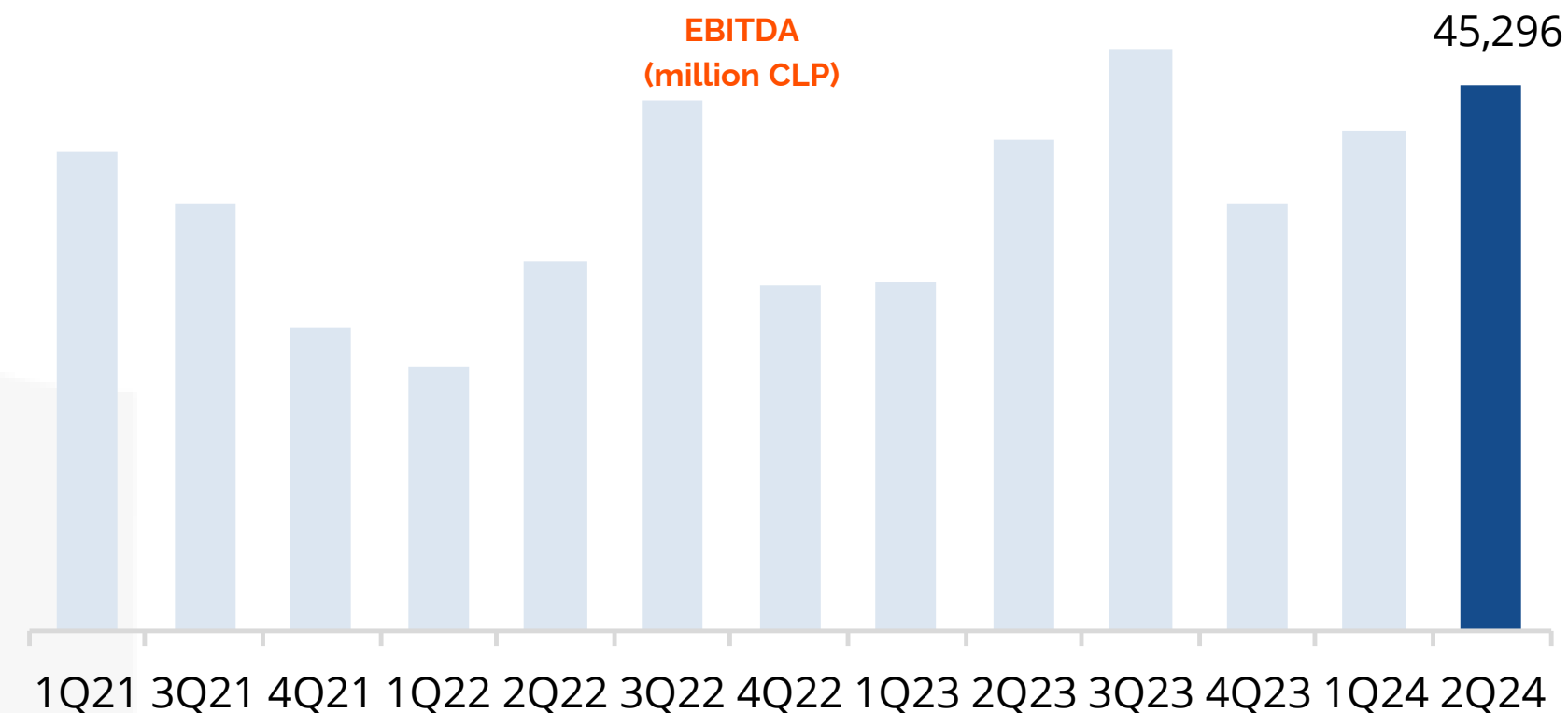
INCREASED OPERATING INCOME

- Better volumes in Chile, Perú, Colombia and Ecuador, increasing 7.6%, 9.6%, 2.0% and 8.7%, respectively.
- Improved margins in Colombia and Ecuador.

FAVORABLE NON-OPERATING RESULT

ABASTIBLE – INCOME STATEMENT

Million Chilean Pesos	2Q 24	2Q 23	Change
Net income	20,343	11,021	9,322
Operating income	32,878	26,586	6,292
Non-operating income	(5,632)	(7,214)	1,582
Taxes	(4,192)	(7,933)	3,741
EBITDA	45,296	40,682	4,614





II. REVIEW BY BUSINESS DIVISION – Energy-Abastible

Colombia:

- **Bottled segment:** Higher margins, offset by lower volumes YoY.
- **Bulk segment:** Higher volumes, offset by lower margins YoY. The fuel subsidy was eliminated, improving the competitiveness of LPG
- **Market share:** Increased to 34.0% YoY.

Ecuador:

- **Bottled segment:** Higher volumes and margins.
- **Bulk segment:** Higher volumes, associated to higher demand of LPG instead of diesel in the industrial sector. Offset by lower margins.
- **Market share:** Increased to 41.0% YoY.

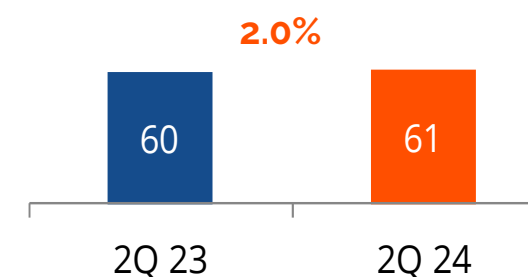
Peru:

- **Bottled segment:** Higher volumes and margins.
- **Bulk segment:** Higher volumes in the poultry sector, and decreased margins.
- **Market share:** Increased to 22.2% YoY.

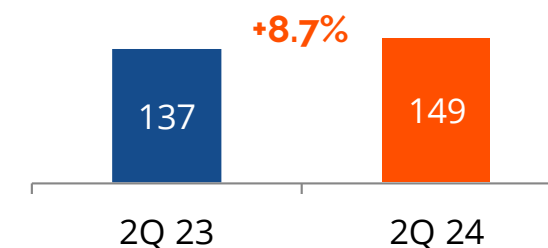
Chile:

- **Bottled segment:** Higher volumes associated to a market increase due to the low temperatures. Offset by lower margins due to high competition.
- **Bulk segment:** Higher volumes and margins.
- **Market share:** Increased to 39.4%.

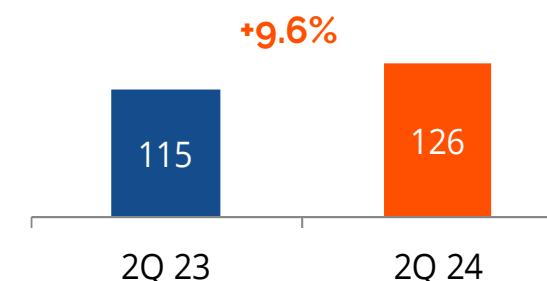
VOLUMES IN COLOMBIA Y/Y
(Th. tons)



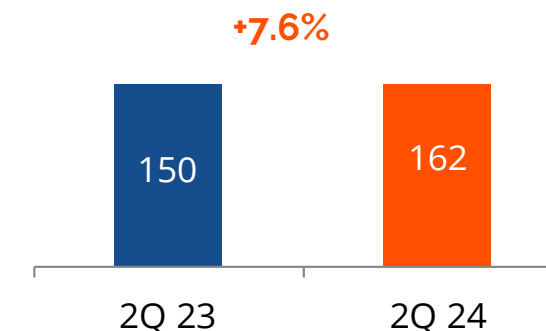
VOLUMES IN ECUADOR Y/Y
(Th. tons)



VOLUMES IN PERÚ Y/Y
(Th. tons)



VOLUMES IN CHILE Y/Y
(Th. tons)





OTHER INVESTMENTS



II. REVIEW BY BUSINESS DIVISION – Forestry

OTHER INVESTMENTS

Net Income	2Q 24	2Q 23	Change
Affiliated Companies			
Sonacol*	6.649	5.120	1.528
Igemar	9	5	3
Associated Companies			
Metrogas*	204.628	23.142	181.486
AGESA	18	15	3

Figures in US\$ million

* Figures in million Chilean pesos

SONACOL: increased results, explained by higher operating and non-operating income.

IGEMAR: favorable results due to lower losses of related companies.

METROGAS: increased net income, explained by favorable effects which includes restatement of provisions.

AGESA: higher net income, due to operating and non-operating income.

CUMBRES ANDINAS (MINA JUSTA): decreased EBITDA YoY, explained by increased average cash cost, and by a drop in sales of concentrates by 46.8% and of cathodes by 1.6%, in a lower grade context.

CUMBRES ANDINAS	2Q 24	2Q 23	2Q24 / 2Q23
Sales	253	309	(18.3%)
EBITDA	158	204	(22.3%)
Net income	69	122	(42.9%)
Physical sales	24	38	(36.6%)
Cathodes (kT)	8	9	(1.6%)
Concentrates (kT)	16	30	(46.8%)
Treated Ore (kT)	3,926	3,685	6.6%
Cash-cost (C1) (US\$/lb)	1.7	1.4	20.7%

Figures in US\$ million

*Ebitda = Operating Income + Depreciation + Amortization

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**Empresas Copec**
Por las futuras generaciones

Emisión de Bonos Corporativos

Serie AD

UF 1.200.000

UF + 3,93%

Spread: 93 pbs

9 años bullet

Asesor Financiero y Agente Colocador

 **Scotiabank**

Abril 2024 | Junio 2024

FitchRatings

S&P Global Ratings





Empresas Copec
Por las futuras generaciones

Emisión de Bonos Corporativos

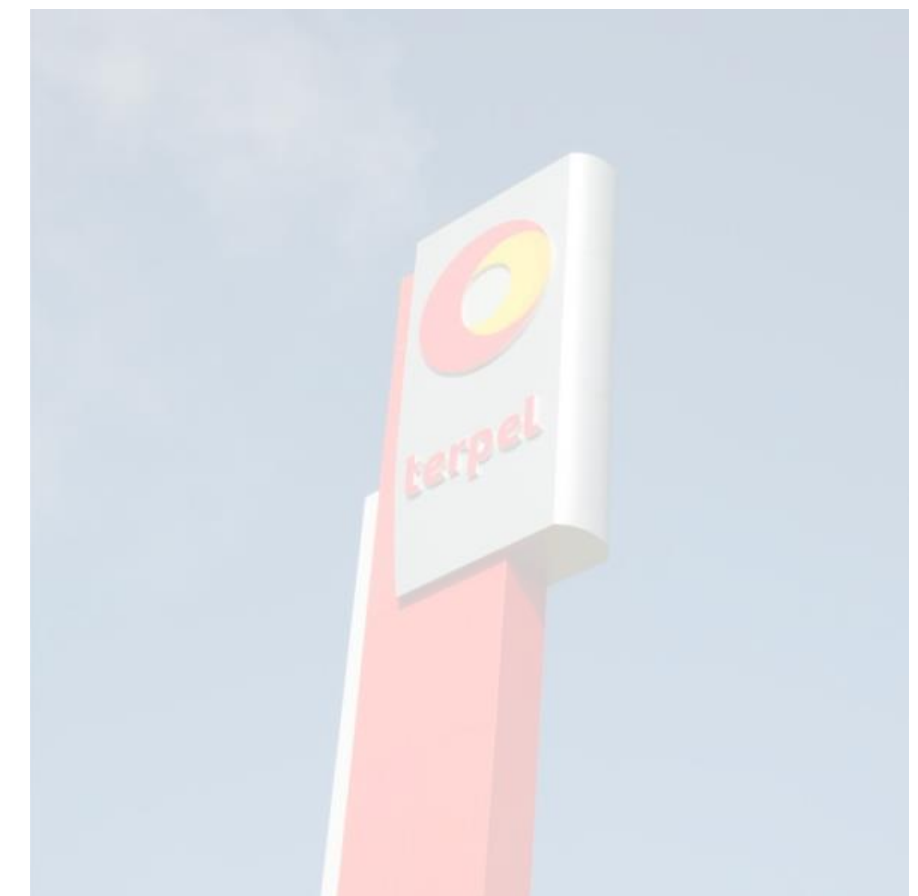
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Asesor Financiero y Agente Colocador

Scotiabank

Abril 2024 | Junio 2024

Abastible agreed to acquire
Gasib, a liquefied gas
distributor in Spain and
Portugal from Cepsa for EUR
275mm






Empresas Copec
Por las futuras generaciones

Emisión de Bonos Corporativos

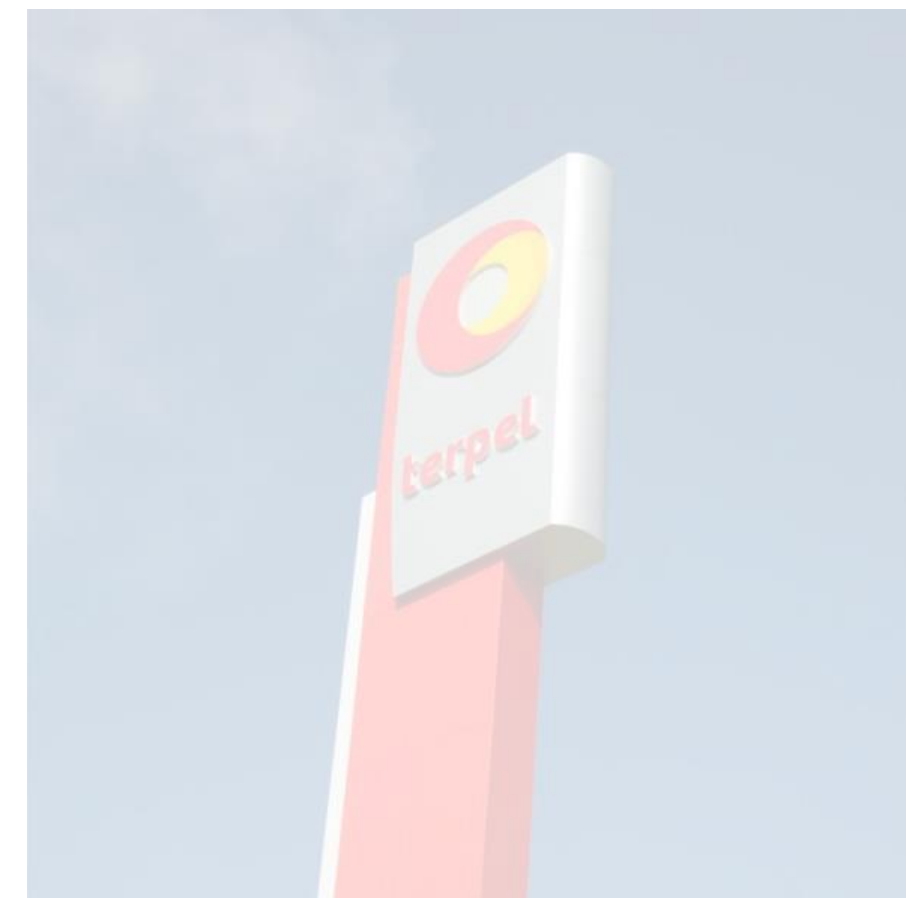
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Asesor Financiero y Agente Colocador

Scotiabank

Abril 2024 | Junio 2024

The Company issued local bonds worth UF 1,200,000 (US\$ 48.5 million), with a rate of 3.93%, beating the previous emission with the lowest corporate spread of the year



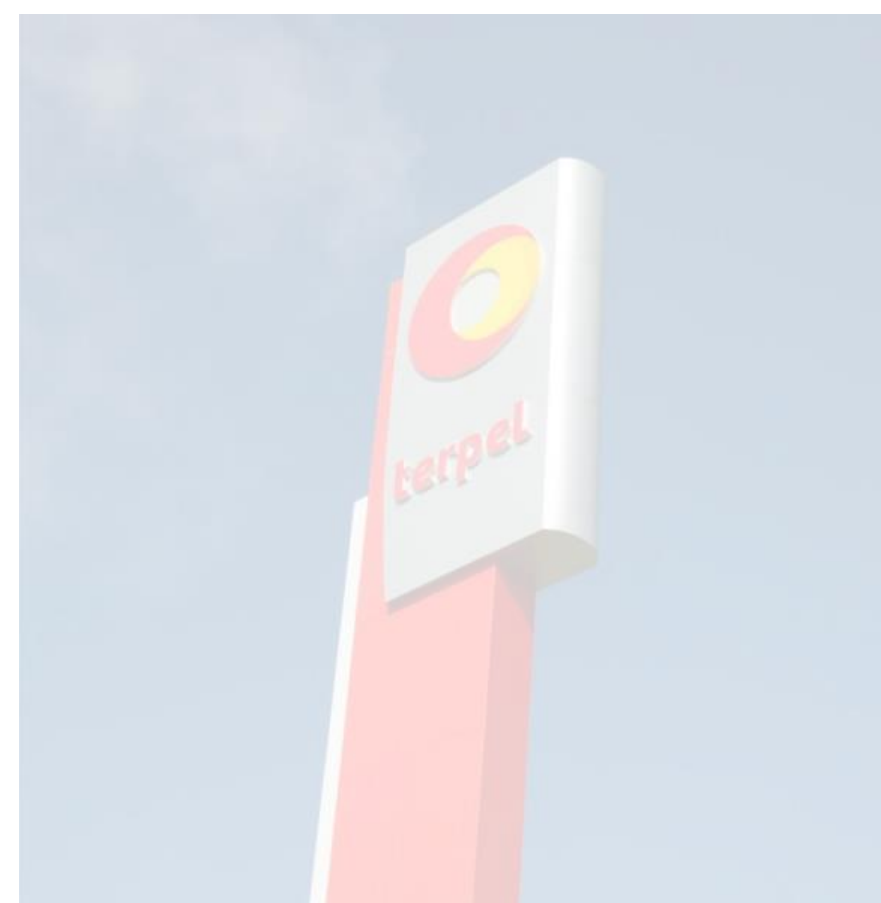


Empresas Copec was ratified
in its BBB international and AA
local ratings by Fitch and S&P,
with stable perspectives



FitchRatings

S&P Global
Ratings



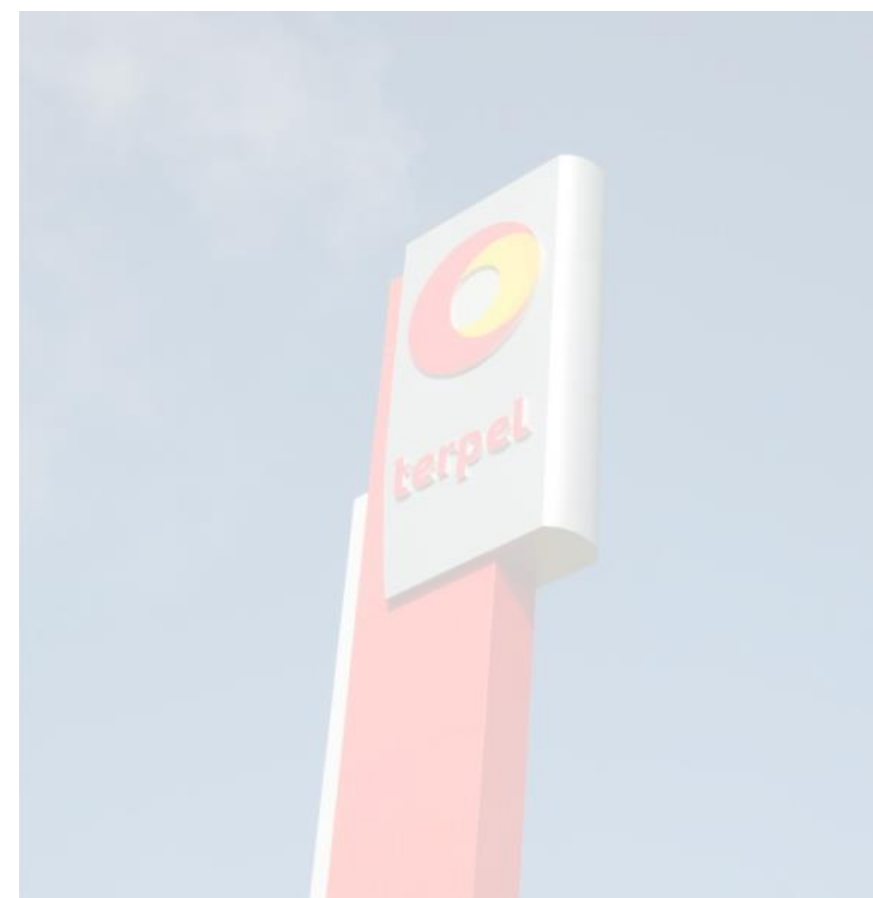


Arauco completed
the sale of forestry
assets in Brazil for
US\$ 1.168 billion



FitchRatings

S&P Global
Ratings






Empresas Copec
Por las futuras generaciones

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Asesor Financiero y Agente Colocador

Scotiabank

Abril 2024 | Junio 2024

FitchRatings

S&P Global
 Ratings

Arauco approved
 an approximately
 US\$ 92 million
 investment in a OSB
 manufacturing line
 in Chile



 **Empresas Copec**
Por las futuras generaciones

Emisión de Bonos Corporativos

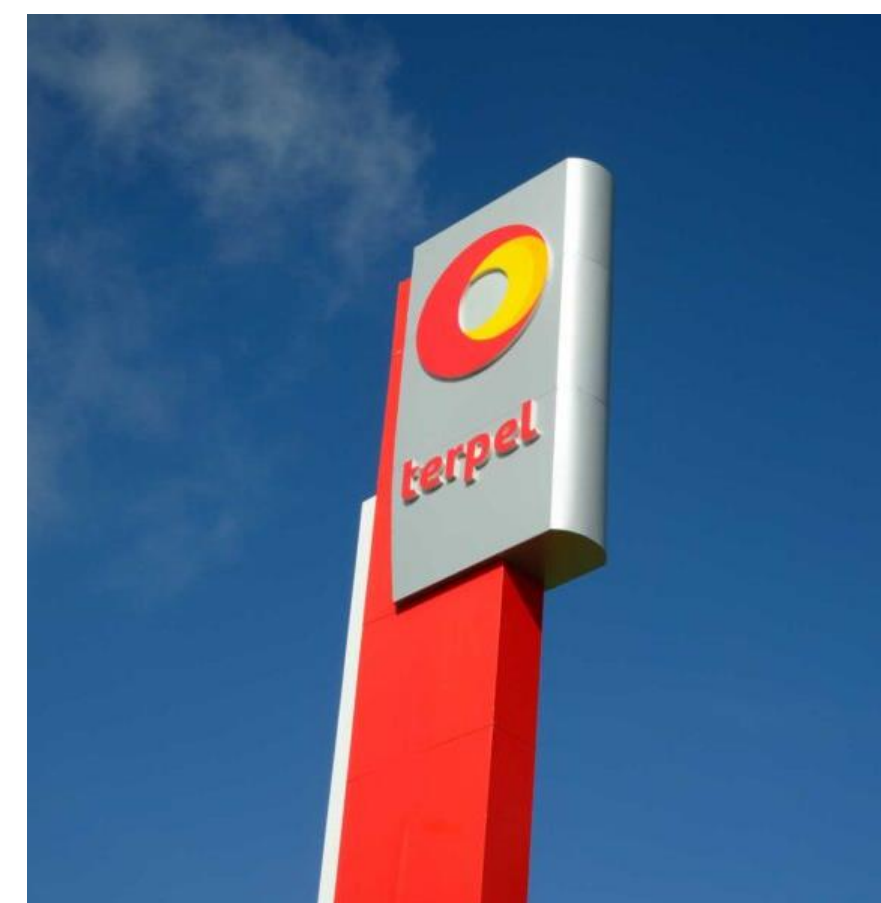
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Asesor Financiero y Agente Colocador

 **Scotiabank**

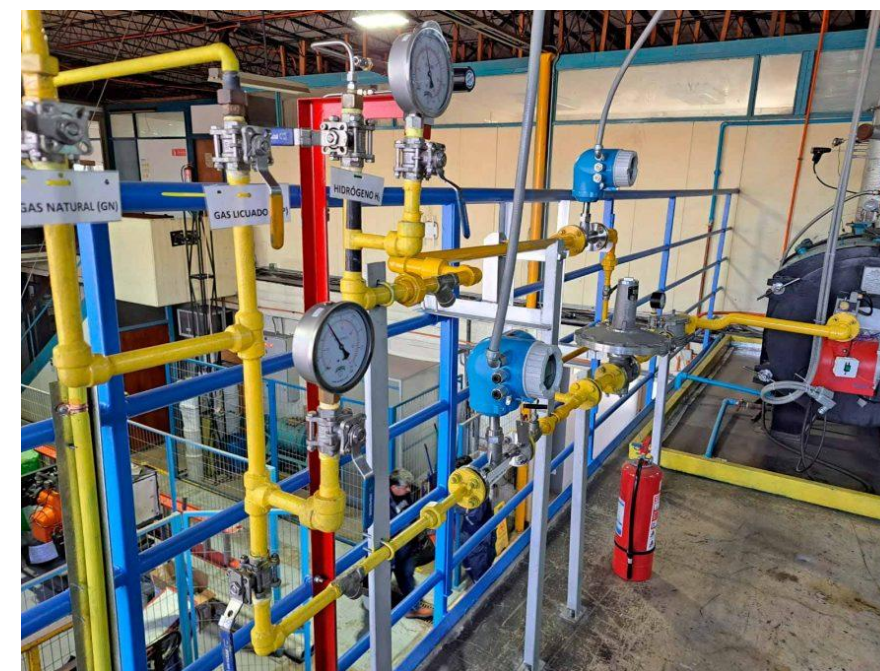
Abril 2024 | Junio 2024

Terpel sold subsidiary in Ecuador and assets in Peru, corresponding to the operation of service stations





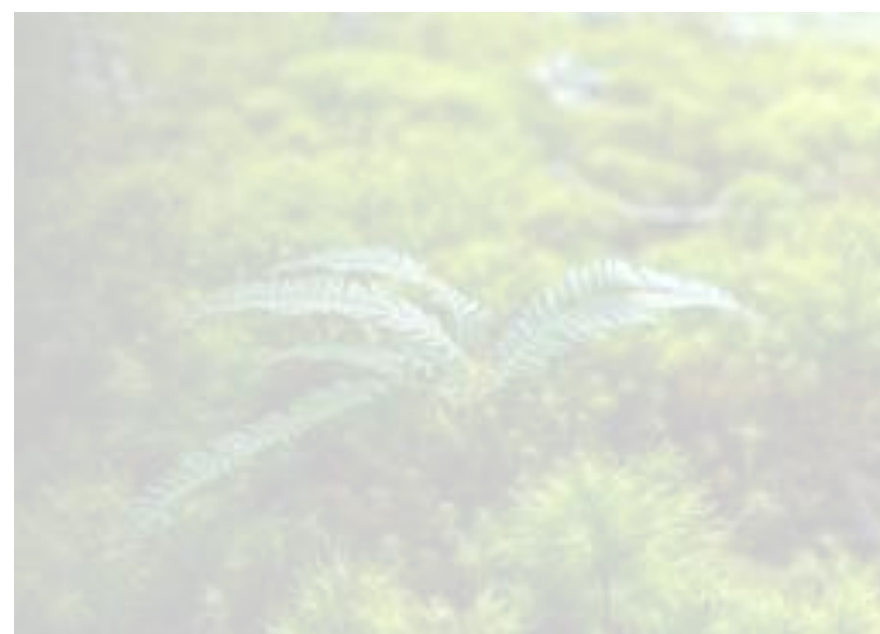
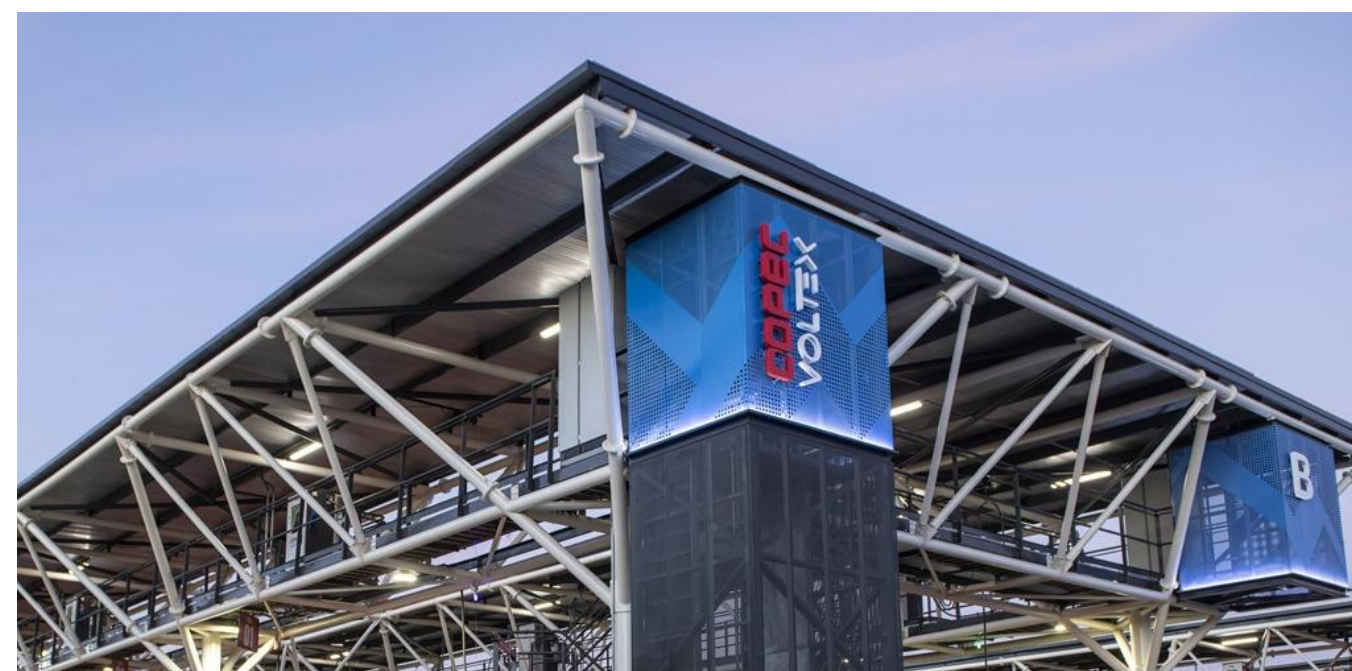
ESG HIGHLIGHTS





Copec signs
agreement with
Transelec for 420
MWh storage
project



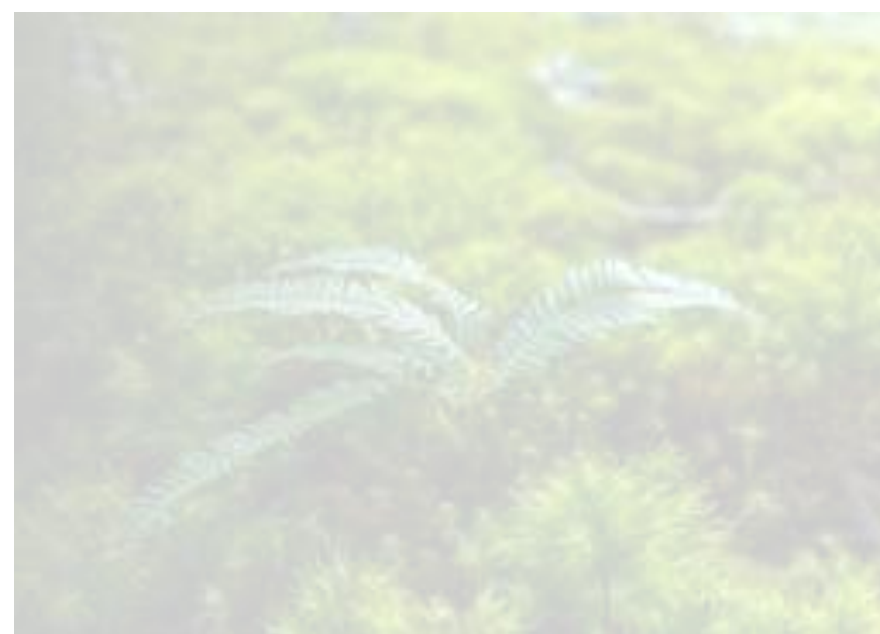


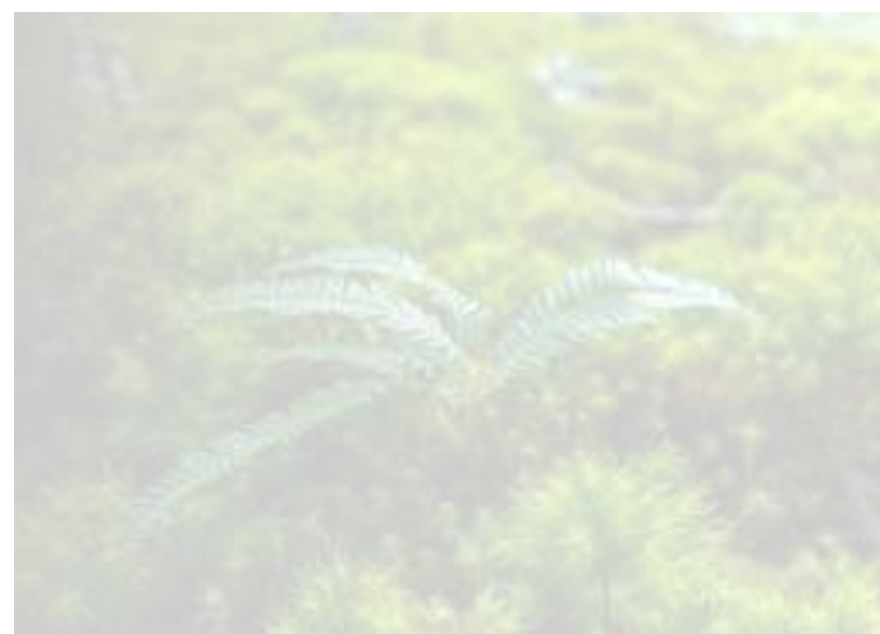
Copec Voltex to build and
operate electro-terminal for
RED standard buses in Biobio
Region, Chile





Abastible signed
agreement to
develop green
hydrogen project





Arauco's FSC
Forest
Management Audit
successfully
completed

Arauco reported
the fulfillment of
projects associated
with its sustainable
bond issuances



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





Empresas Copec

For future generations

