

EMPRESAS LIPIGAS

AUGUST 2020



Company Description

Empresas Lipigas

Empresas Lipigas is dedicated to commercializing liquefied petroleum gas (LPG) in Chile, Peru and Colombia. The company also participates in the natural gas (NG) and liquefied natural gas (LNG) markets. Since 2018, it commercializes electric energy and electric energy solutions for medium-consumption customers.

Last 12 months (LTM)*

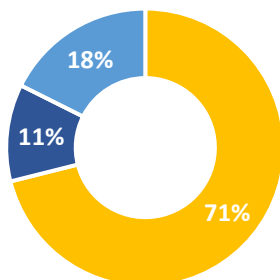
Revenues USD 598 million

EBITDA USD 123 million

Net Income USD 44 million

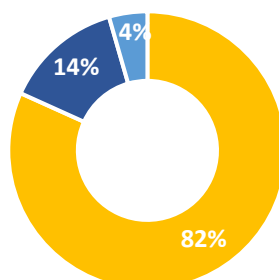
Revenues and EBITDA by country (% , LTM June 2020)

Revenues



■ Chile ■ Colombia ■ Peru

EBITDA



■ Chile ■ Colombia ■ Peru

Strong position in Chile, Colombia and Peru

LTM June 2020



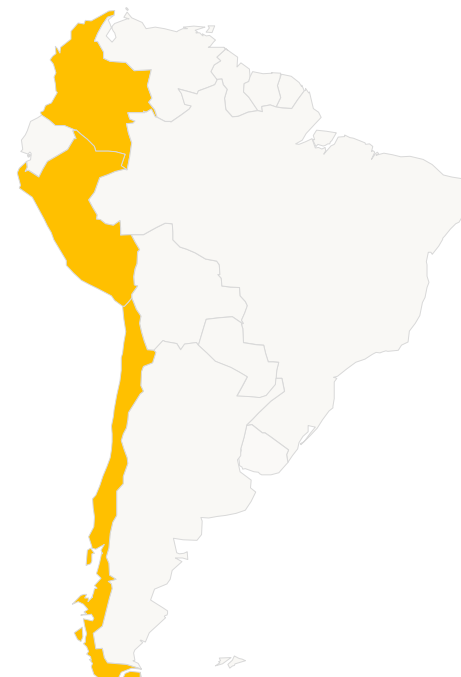
- 92,960 tons LPG
- 14.4% market share



- 128,765 tons LPG
- 7.3% market share



- 456,375 tons LPG
- 35.6% market share



AA Stable
(Humphreys)

AA- Stable
(Feller)

USD 670 million

Market cap as of June 30, 2020

70 years of successful track-record

Group of regional LPG distributors

Consolidation period in Chile

1950



1950
Lipigas is born, LPG distribution company in Valparaíso

1959

Codigas is established as an LPG distribution company in Santiago



1961

Agrícola O'Higgins, created in 1953, begins its supply service in the province of O'Higgins

1977

Agrícola O'Higgins becomes Agrogas

Consolidation period in Chile

1985

The Yaconi, Santa Cruz, Noguera, Vinagre and Ardizzoni families conclude the acquisition period of LPG distributors, holding an ownership interest in Lipigas, Codigas, Agrogas and Enagas



2000:

Group of owner families sells 45% of the shares of the group of companies to



2000-2004

The four brands are grouped under Empresas Lipigas S.A., seeking consolidation in terms of service quality, centralized management and operating efficiency.

2003



70 years of successful track-record

International Expansion



2010

Lipigas acquires 70% (in 2013 it acquires the remaining 30%)



2012

Repsol sells its 45% ownership interest to LV Expansión, an investors group.



2012

Lipigas acquires



2013

Lipigas acquires



2014

Lipigas acquires



2016

Lipigas acquires



2017

Lipigas acquires



2018

Lipigas acquires



Diversification / Consolidation



2014

LNG ground (truck) distribution begins



2015

First bond issuance:
UF 3.5 million (USD 140 million)



2015

The Quintero maritime terminal begins operating allowing direct LPG imports



2016

Empresas Lipigas is listed on the stock exchange



2017

Small power plant operation begins (6 MW)



2018

Sale of electric solutions to industrial customers begins



2020

Second bond issuance:
UF 2.5 million (USD 93 million)

Products and Formats Distributed

Liquefied Petroleum Gas (LPG)

- Deregulated tariff¹
- Residential and commercial customers
- Distribution in light trucks
- Direct distribution / sub-distribution
- Spot sales

Bottled

61%²

Sales June 2020 LTM



281 thousand tons

61 thousand tons

74 thousand tons



Bulk

39%²

Sales June 2020 LTM



175 thousand tons

32 thousand tons

55 thousand tons



Liquefied Natural Gas (LNG)

- Deregulated tariff
- 100% industrial customers
- Distribution in bulk trucks
- Direct distribution
- Contract sales

Sales June 2020 LTM



38 million m³
(29,631 LPG eq. tons)

16 million m³
(12,278 LPG eq. tons)



Natural Gas (NG)

- Regulated, maximum profitability
- Commercial and residential customers
- Distribution through networks
- 6,700 clients in Chile and 52,561 in Colombia

Sales June 2020 LTM



5.4 million m³
(4,191 LPG eq. Tons)

8.0 million m³
(6,205 LPG eq. Tons.)



Compressed Natural Gas (CNG)

- Direct distribution
- Spot sales and contract sales

Sales June 2020 LTM



53 million m³
(40,798 LPG eq. tons)



Commitment to Sustainable Development

- Excellence in customer experience through the implementation of big data in bottled logistics, data science applied to bulk gas logistics
- LipiApp



- Welfare and Quality of Life Program for workers and associated actions.
- Sponsorship of the Competitive Fund "Women for Equity" by Community woman
- Substitution of firewood use to reduce deaths per year due to intra-household combustion in Colombia



- Participation in the "New Air" campaign for the decontamination of the cities of southern Chile.
- Campaign "Warm Winter, Lipigas Winter" to promote decontamination and the use of clean energy to replace firewood in southern Chile



First Place Gas Sector
First National Place
(2018 and 2019)



10th in the ranking of the best
companies to work in Chile



First place in the home
services sector
(2014-2018)



First Place Gas Meter Sector



14th in the ranking of the best
companies for young
professionals



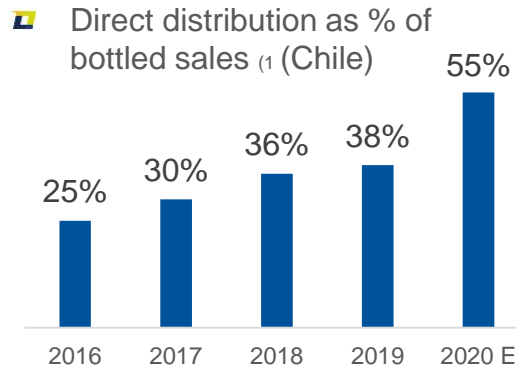
Among the best
companies in the energy
and distribution sector

Strategic Plan: 3 pillars that leverage our strategic assets

Generation of stability and growth in the flows of the LPG and NG distribution business, optimizing operations.

Use of **digital tools** in the relationship with end customers and in the optimization of operations

Evolution of Lipigas towards the concept of **multi-energy** commercializer



Leveraged on our strategic assets:

- > Coverage and capillarity
- > Relationship with end customer
- > Energy marketing experience
- > Logistical capabilities
- > Information and data from extensive customer database
- > Brand

Empresas Lipigas Highlights



1) Consolidated industry

2) Direct contact with the end customer. Extensive customer database

3) Positioning in the Andean region

4) Financial strength

5) Top-level management team

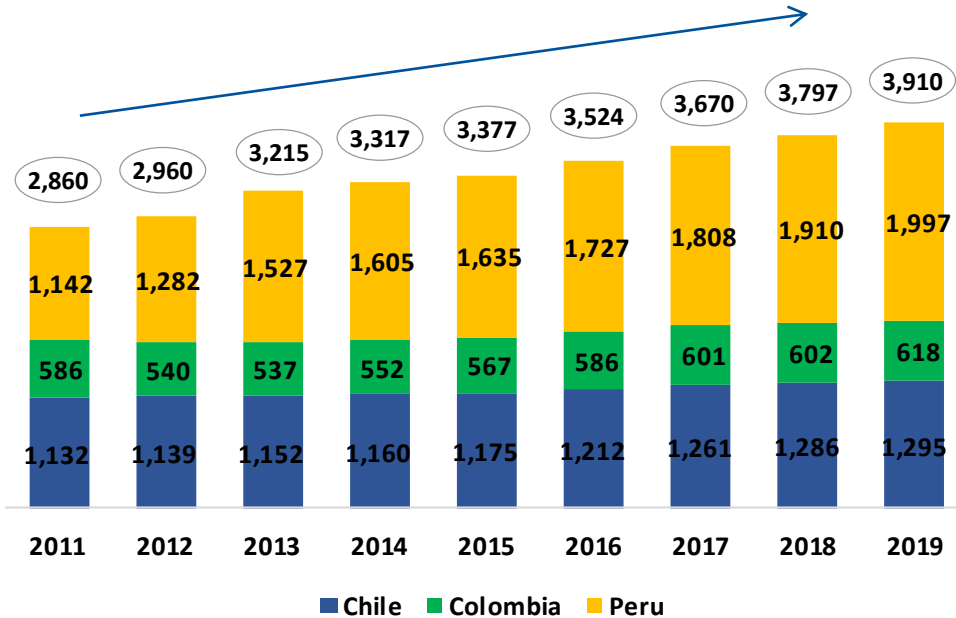
Consolidated Industry

- The consumption of LPG maintains positive growth.
- Consumption for domestic use continues to dominate the demand for LPG.
- The irruption of shale gas has increased the availability of LPG in Latin America at lower prices.
- New opportunities for LPG as a replacement for other fuels

LPG consumption in the Region

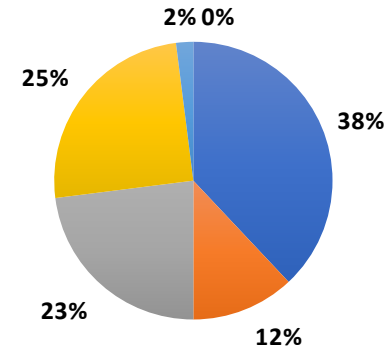
Thousands of tons

CAGR: 4.0% annual



Firewood replacement

Residential energy matrix in Chile, 2018



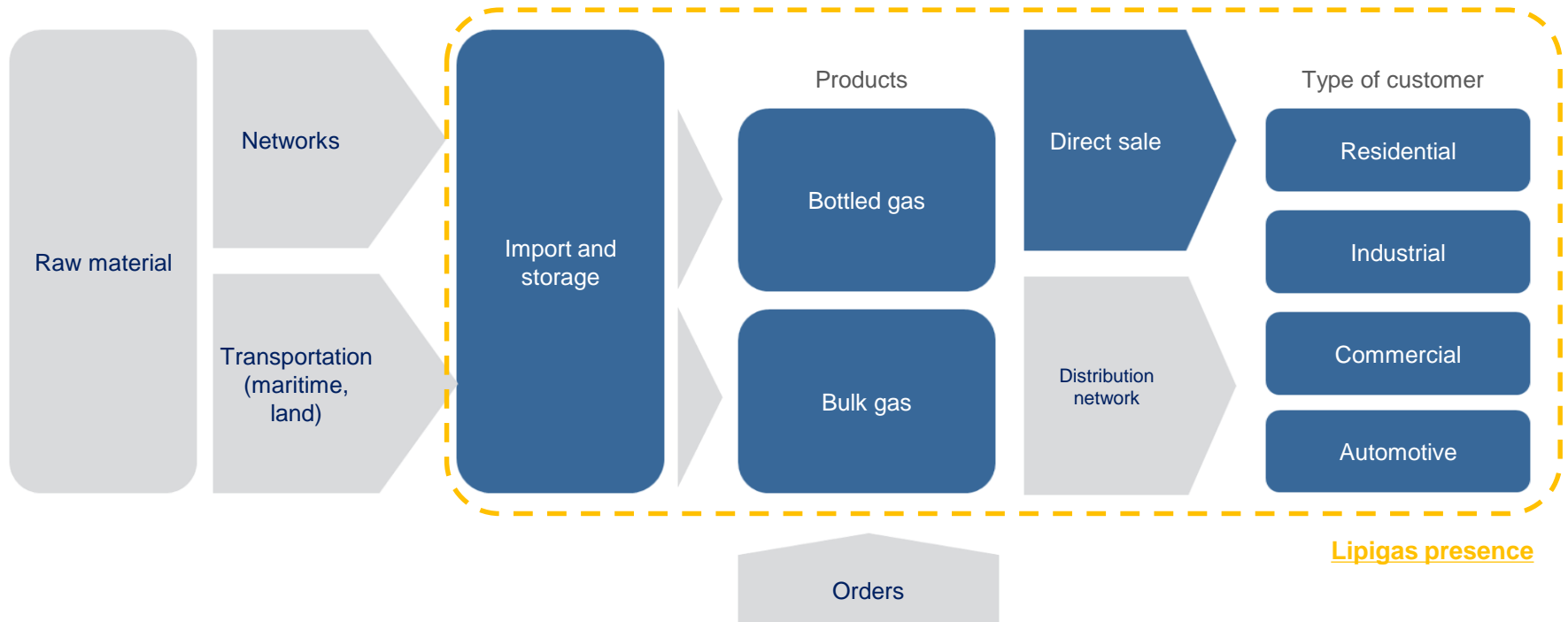
■ Biomass ■ Natural Gas ■ LPG ■ Electricity ■ Kerosene ■ Others

New uses for LPG

- Substitution of more polluting fuels
- Transportation (automotive, boats)
- Electric power generation: backup, isolated systems, complement to generation of other renewable energies

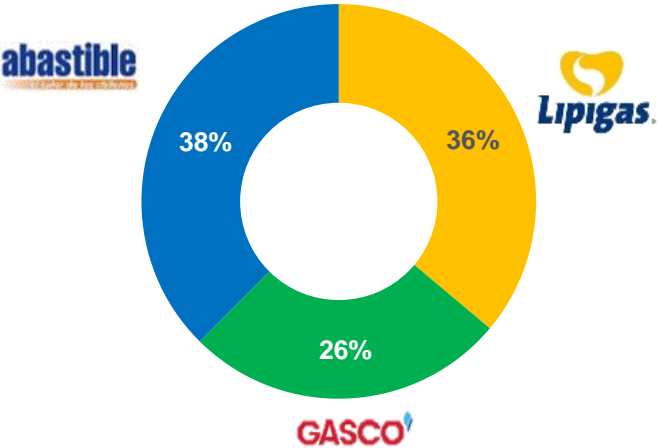
Direct contact with the end customer. Extensive customer database

... from import to distribution to the end customer



Direct contact with the end customer. Extensive customer database

Market Share Chile ⁽¹⁾

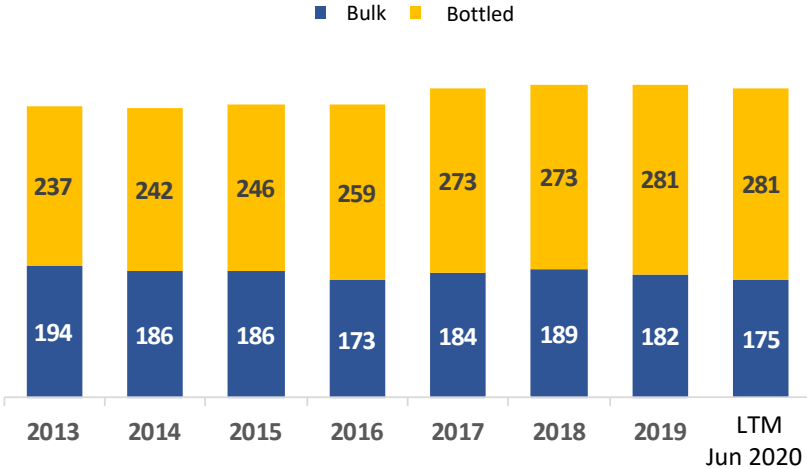


Distribution from Arica to Punta Arenas

36% market share

From import to distribution to the end customer

Sales by format in Chile (ton m)

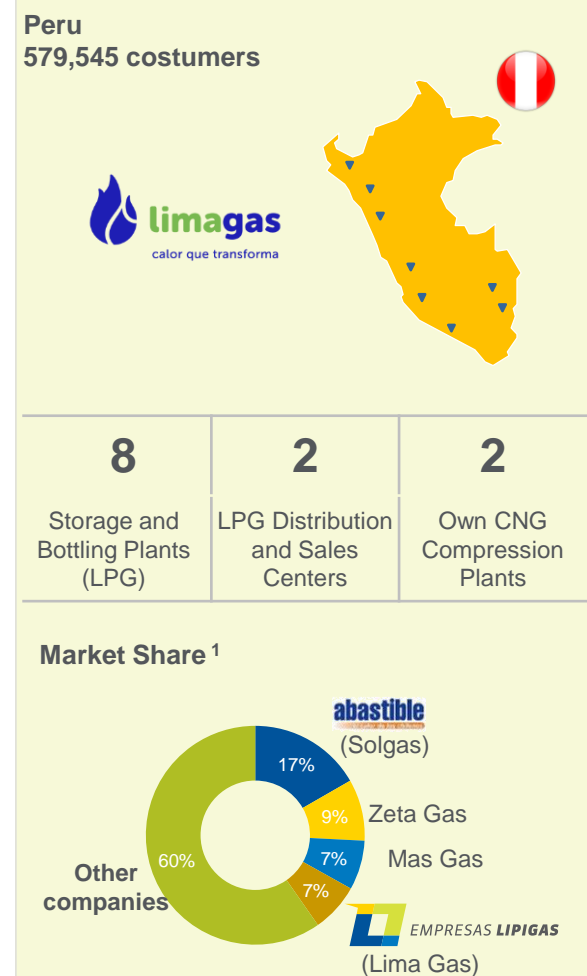
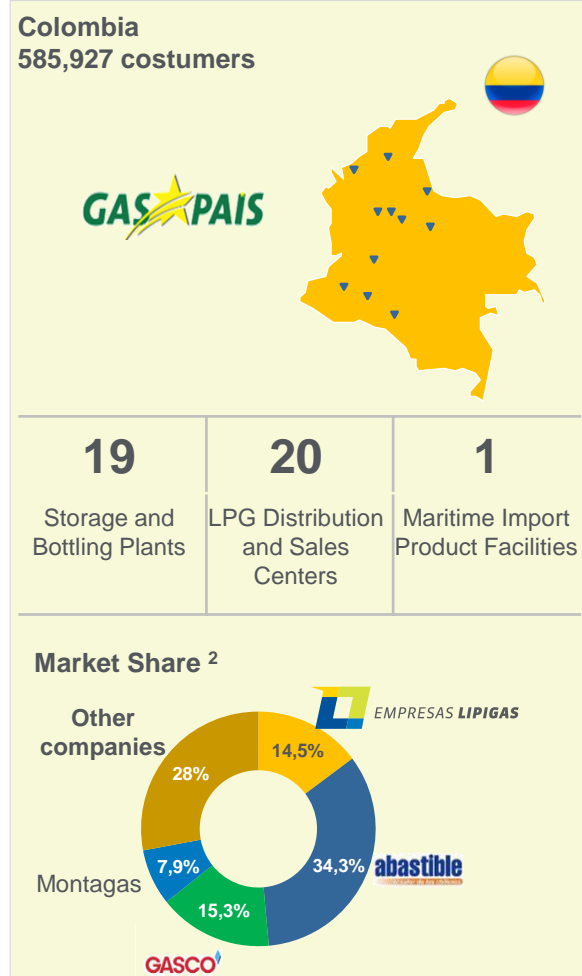
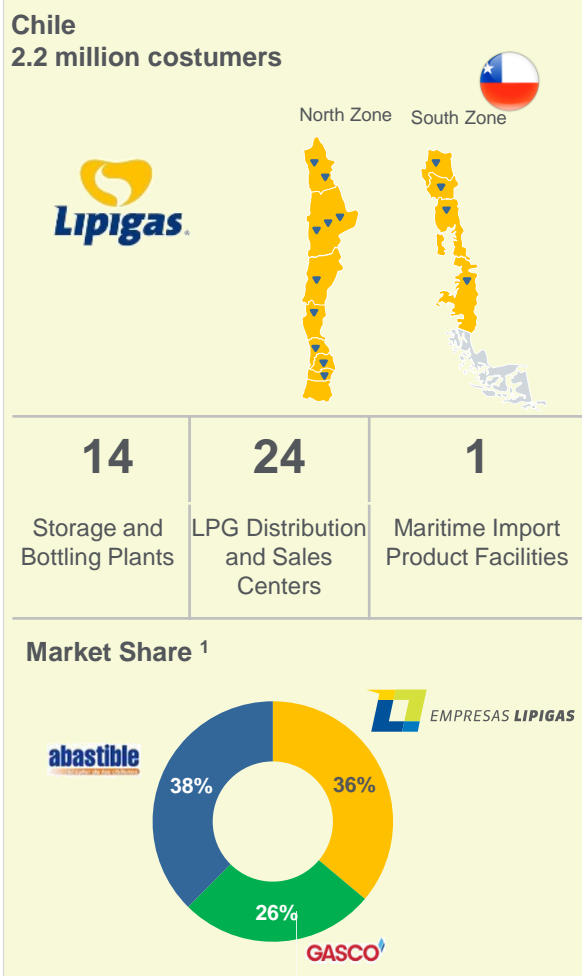


Bottled	1.9 million direct customers
Industrial Bulk	3,182 customers Large industries
Commercial Bulk	12,626 customers Casinos, bakeries, supermarkets, hotels
Residential Bulk	18,101 customers Single family homes with tank
Meter	193,000 LPG customers 6,500 NG customers

(1) Based on accumulated tons sold as of June 2020

Positioning in the Andean Region

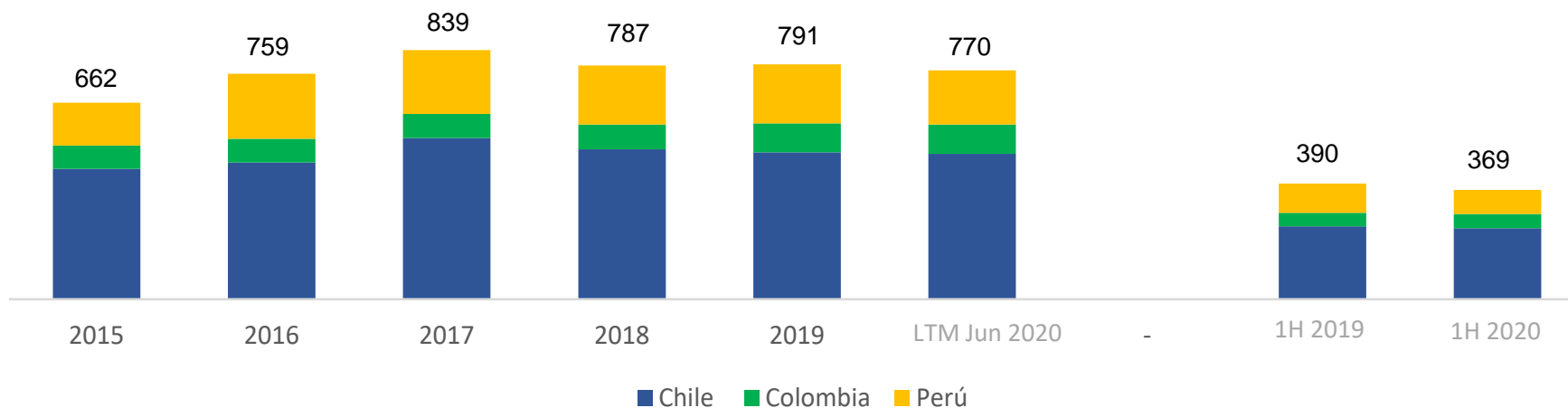
Lipigas has heavily invested in generating an LPG network with a presence in Chile, Colombia and Peru



Solid Results

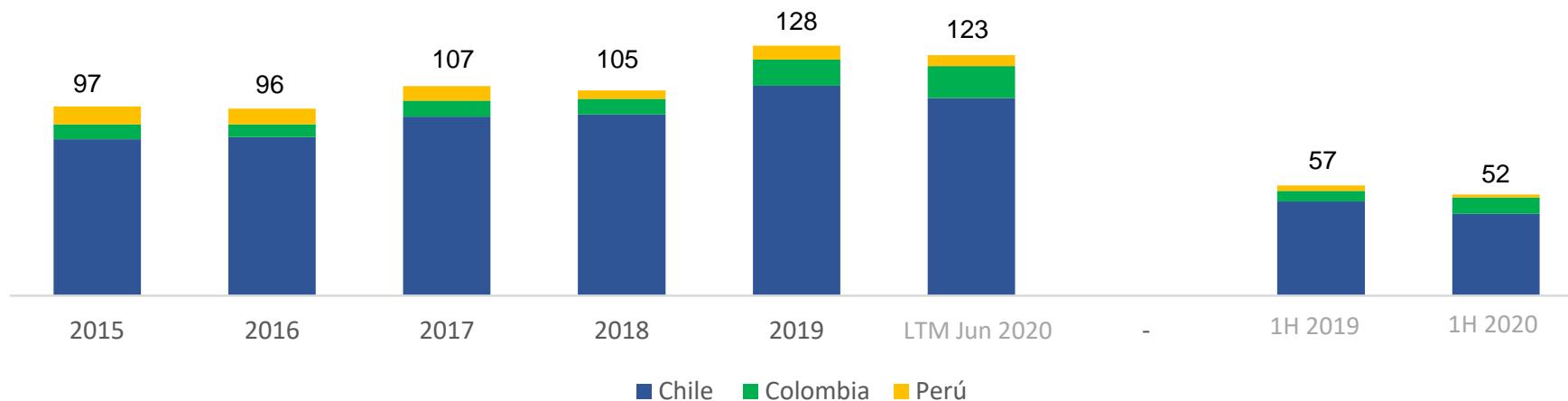
Sales volume

LPG equivalent tons ('000s)



EBITDA

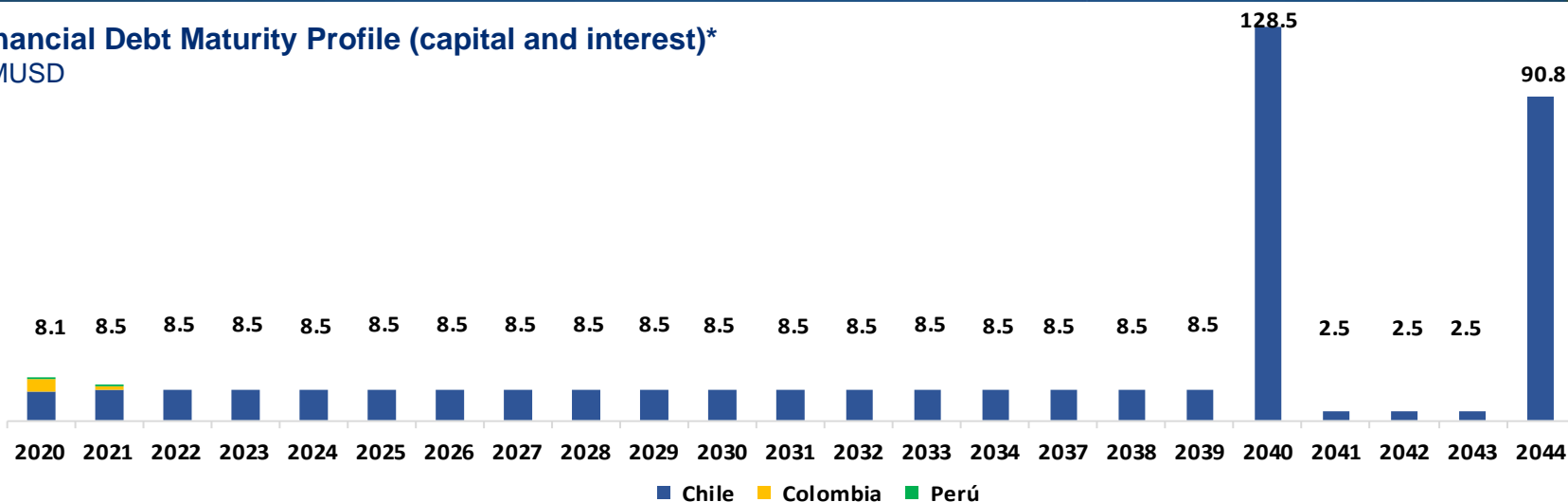
MMUSD



Financial Debt

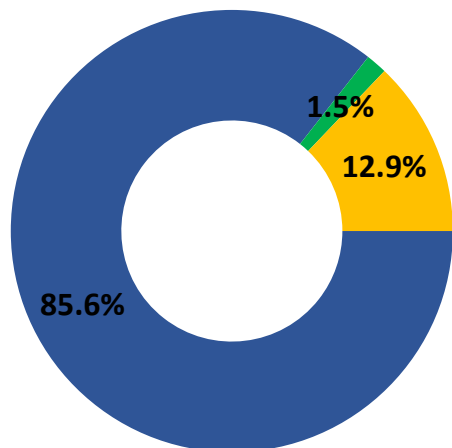
Financial Debt Maturity Profile (capital and interest)*

MMUSD



Financial Debt June-2020

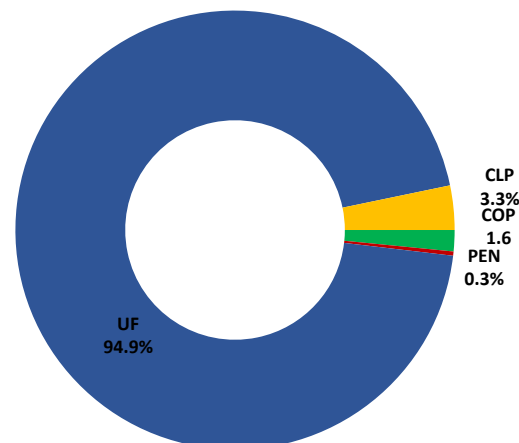
By product type



■ Bonds ■ Bank debt ■ Financial leases

Financial Debt June-2020

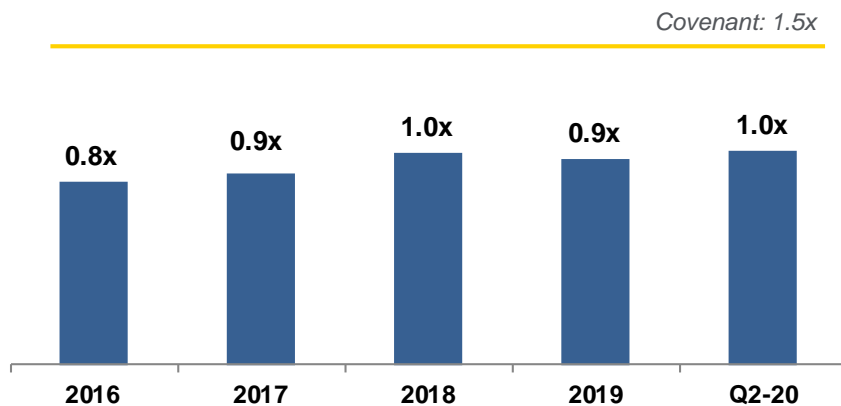
By type of currency



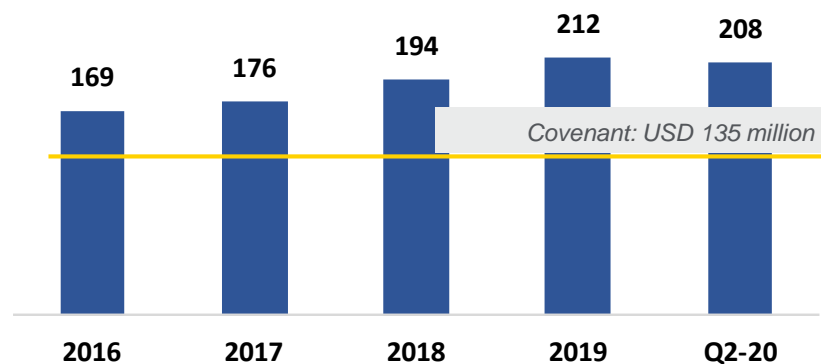
USD 264 million
Financial debt as of June 2020

Financial Ratios

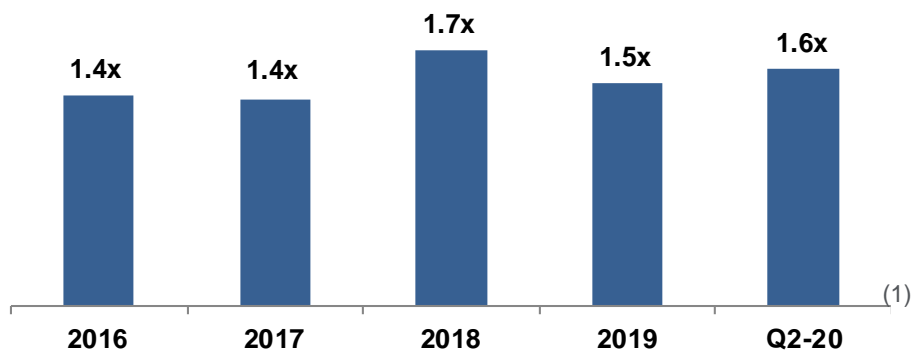
Net financial debt/ Equity(Times)



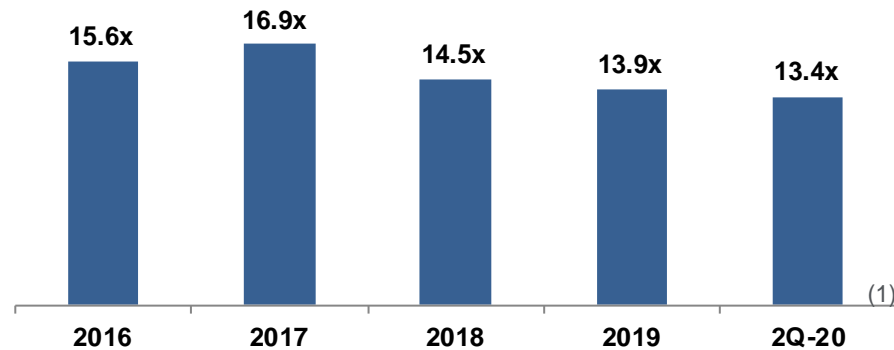
Minimum equity (MMUSD) ⁽²⁾



Net financial debt/ EBITDA (Times)

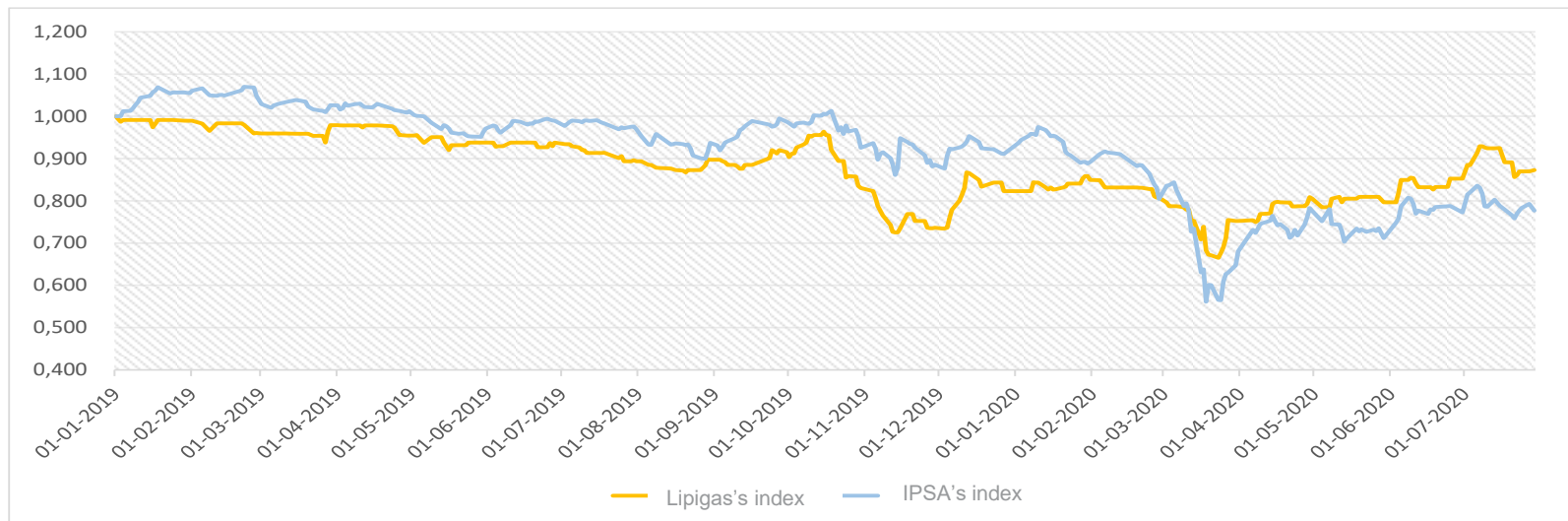


EBITDA / Net financial expense

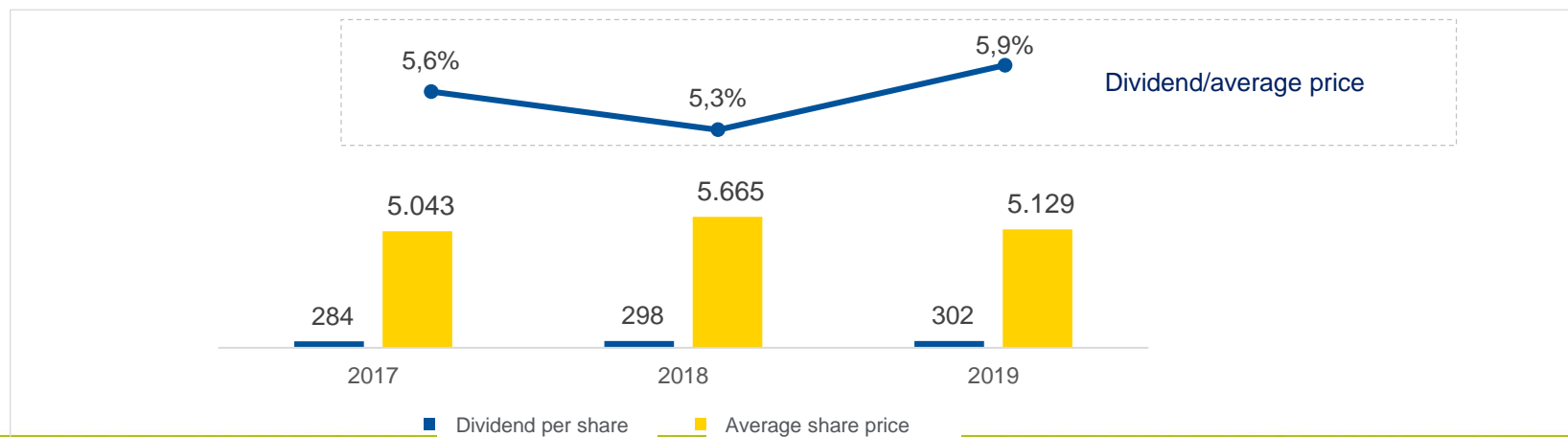


Stock Performance

Lipigas's stock index vs IPSA (starting base 2019)



Dividend and price per share (clp/share)



Top-Level Management Team



Ángel Mafucci
General Manager
34 years

Independent management team with an average of over 15 years' experience in the industry.



Osvaldo Rosa
Finance and
Administration
Manager
25 years



**José Miguel
Bambach**
Legal Manager
9 years



Luis Felipe Silva
Procurement
Manager
24 years



Mylene Iribarne
People Manager
18 years



Morris Pessó
Business Transformation
Manager
6 years



María Josefa Ayarza
Digital Factory Manager
33 years



Jesus Rodriguez
Logistics and
Operations Manager
*Extensive experience
production and logistics*



Alberto Orlandi
Commercial
Manager
6 years



Esteban Rodríguez
Large Clients
Manager
24 years



Valerie Barnicsh
Electric Business
Manager
*Extensive experience
electric companies*



Jorge Avilán
General Manager
Chilco Colombia
3 years



Patricio Mura
General Manager Lima
Gas Peru
15 year

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