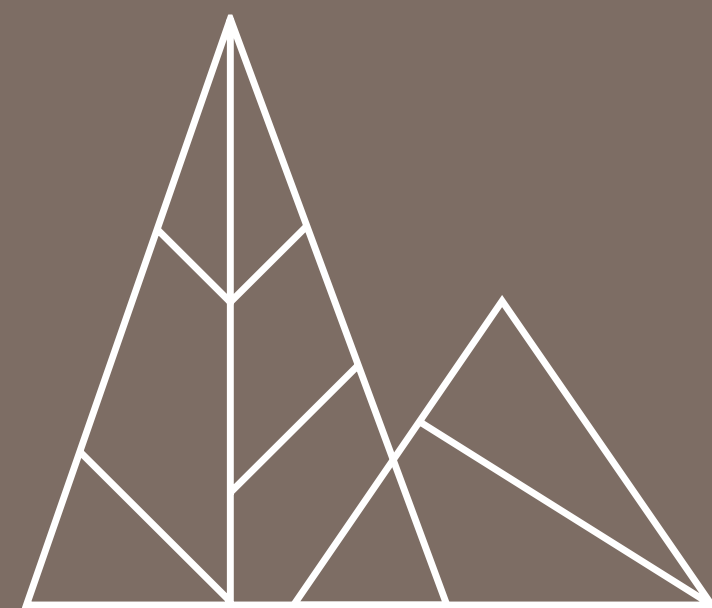


4th QUARTER
2022

Financial Results
Conference Call Presentation
March 9, 2023

Gianfranco Truffello
Chief Financial Officer



Disclaimer

This presentation contains forward-looking statements that are based on the beliefs, assumptions and expectations of the management of the Company based on currently available information.

They involve risks and uncertainties because they relate to future events or expectations 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 Arauco and could cause results to differ materially from those expressed in such forward-looking statements. For further discussion of these risks and uncertainties, investors should refer to quarterly and annual Arauco filings with the Chilean CMF and US SEC. The Company undertakes no obligation to publicly update or revise any forward-looking statements due to new information or future developments.

This presentation contains certain performance measures that do not represent IFRS definitions, as “EBITDA” and “Net financial debt”. These measures cannot be compared with the same previously used by Arauco and the same used by other companies.

HIGHLIGHTS

► Quarterly figures, in US\$ million

Revenues
US\$7,102.1
11.8% YoY
US\$1,594.0
-15.2% QoQ

Net Income
US\$704.2
-31.7% YoY
-US\$177.6
-171.3% QoQ

LTM Adj. EBITDA
US\$2,166.8
-13.1% YoY

MAPA
Ramp-up began
Dec. 2022

Net Debt to EBITDA
2.33x

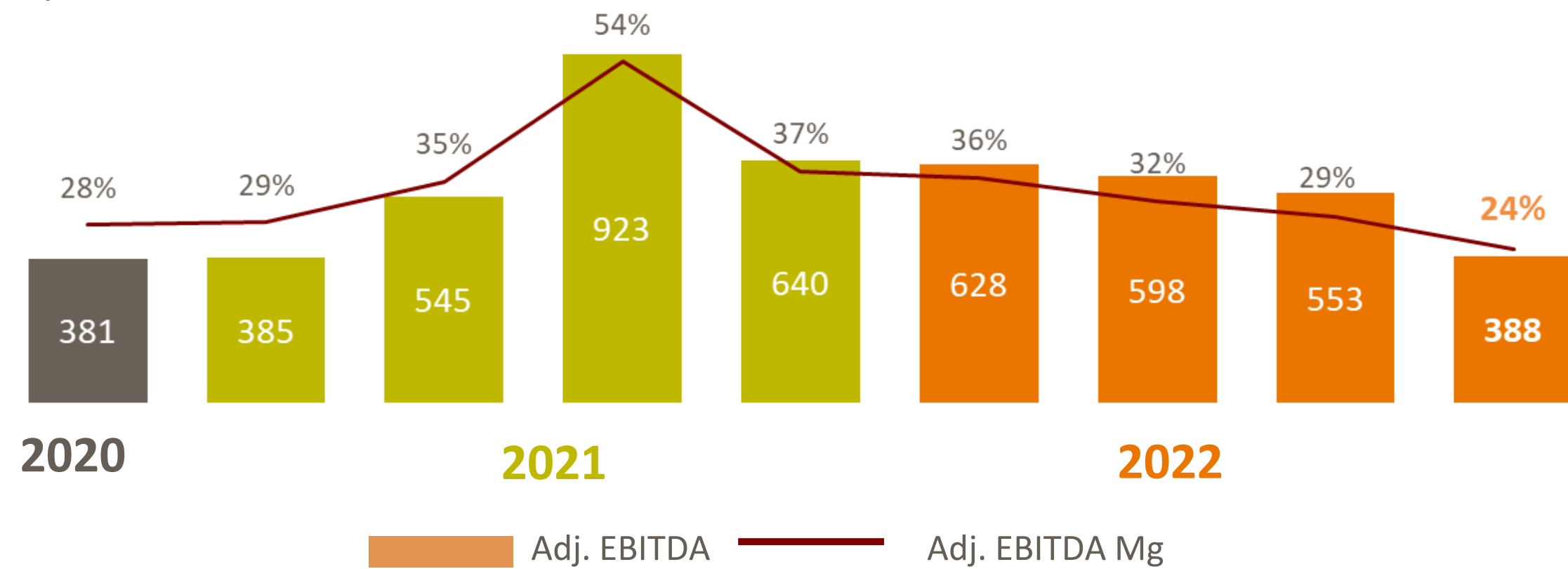
4Q Adj. EBITDA
US\$387.6
-29.9% QoQ



EBITDA & INCOME STATEMENT

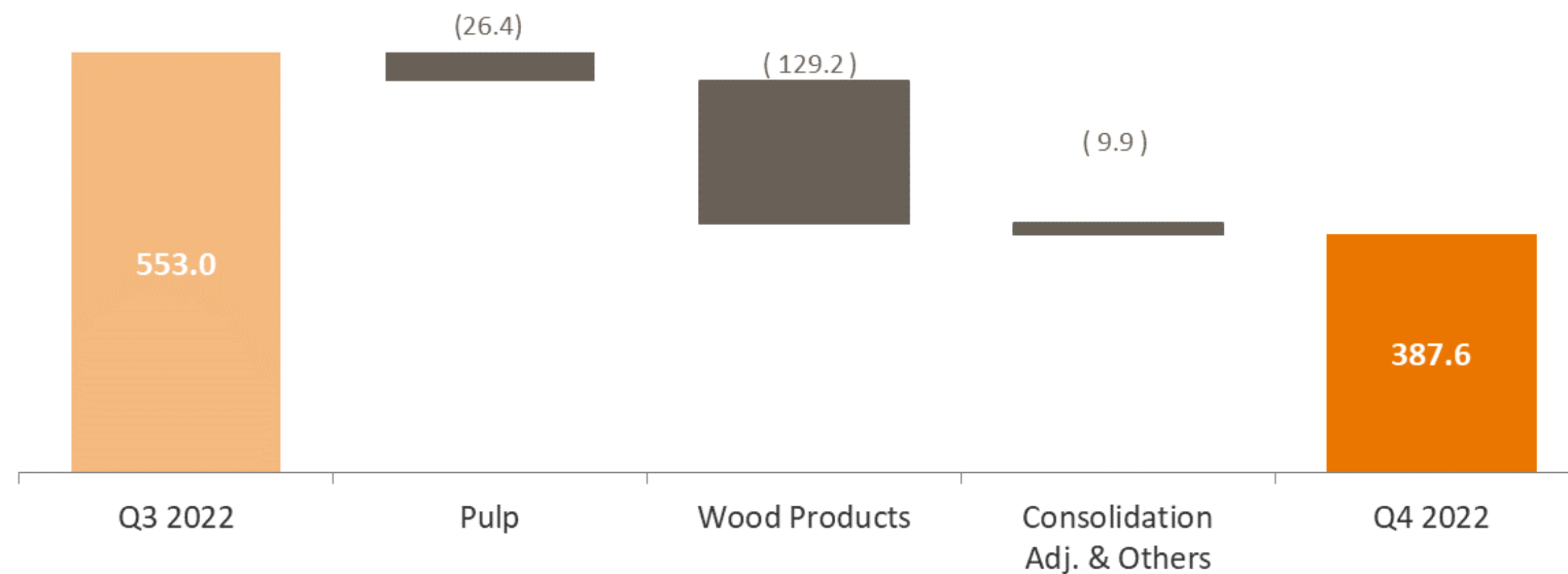
ADJUSTED EBITDA

► In US\$ million



Breakdown by division

Pulp	282
Wood Products	154
Consolidated Adj. & Others	-48



- Adjusted EBITDA during the fourth quarter reached US\$387.6 million.
- Adjusted EBITDA of our wood products business decreased 45.6%, mostly due to a 9.5% decrease in average prices and a 14.3% decrease in sales volume. Adjusted EBITDA of our pulp business segment decreased by 8.6%, mostly due to a decrease in sales volume and average prices.

INCOME STATEMENT

FINANCIAL REVIEW

► In US\$ million

	Q4 2022	Q3 2022	Q4 2021	QoQ	YoY
Revenue	1,594.0	1,879.4	1,742.4	-15.2%	-8.5%
Cost of sales	(1,051.9)	(1,123.6)	(973.2)	-6.4%	8.1%
Gross Profit	542.13	755.71	769.19	-28.3%	-29.5%
Other income	(144.5)	72.8	(26.6)	-298.5%	443.4%
Distribution costs	(192.4)	(240.2)	(196.5)	-19.9%	-2.1%
Administrative expenses	(167.7)	(146.7)	(152.2)	14.3%	10.2%
Other expenses	(208.4)	(78.8)	(68.6)	164.6%	203.7%
Financial income	22.3	21.0	10.9	6.2%	104.9%
Financial costs	(64.5)	(42.7)	(49.5)	51.0%	30.1%
Participation in (loss) profit in associates and JVs*	(7.8)	(2.7)	(0.1)	194.8%	7,731.0%
Exchange rate differences	(36.8)	(18.9)	(2.4)	94.4%	1,416.9%
Income before income tax	(257.7)	319.5	284.1	-180.6%	-190.7%
Income tax	80.1	(70.7)	(67.8)	-213.3%	-218.1%
Net income	(177.6)	248.9	216.3	-171.3%	-182.1%

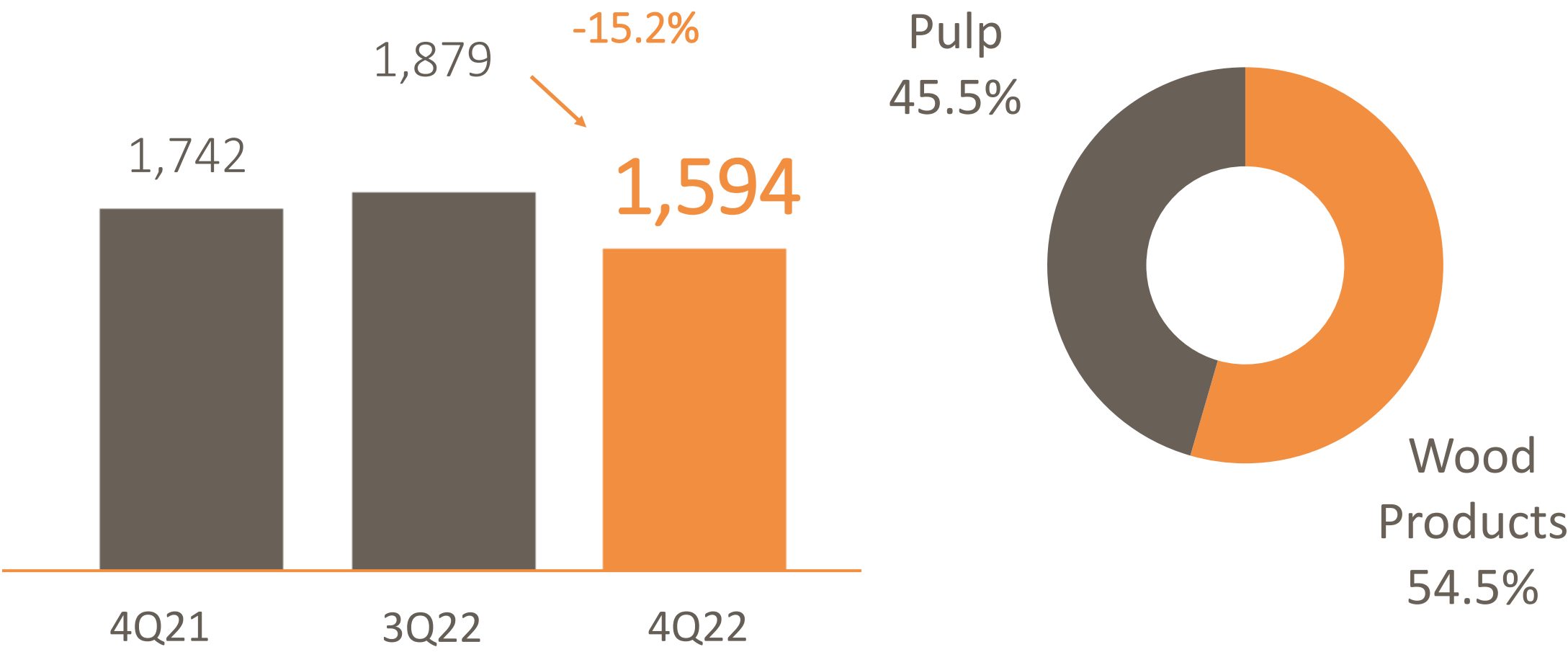
* Accounted using the equity method.

INCOME STATEMENT – REVENUES & COST OF SALES

► In US\$ million

Revenues decreased 15.2% compared to the third quarter of 2022 and 8.5% compared to the fourth quarter of 2021 .

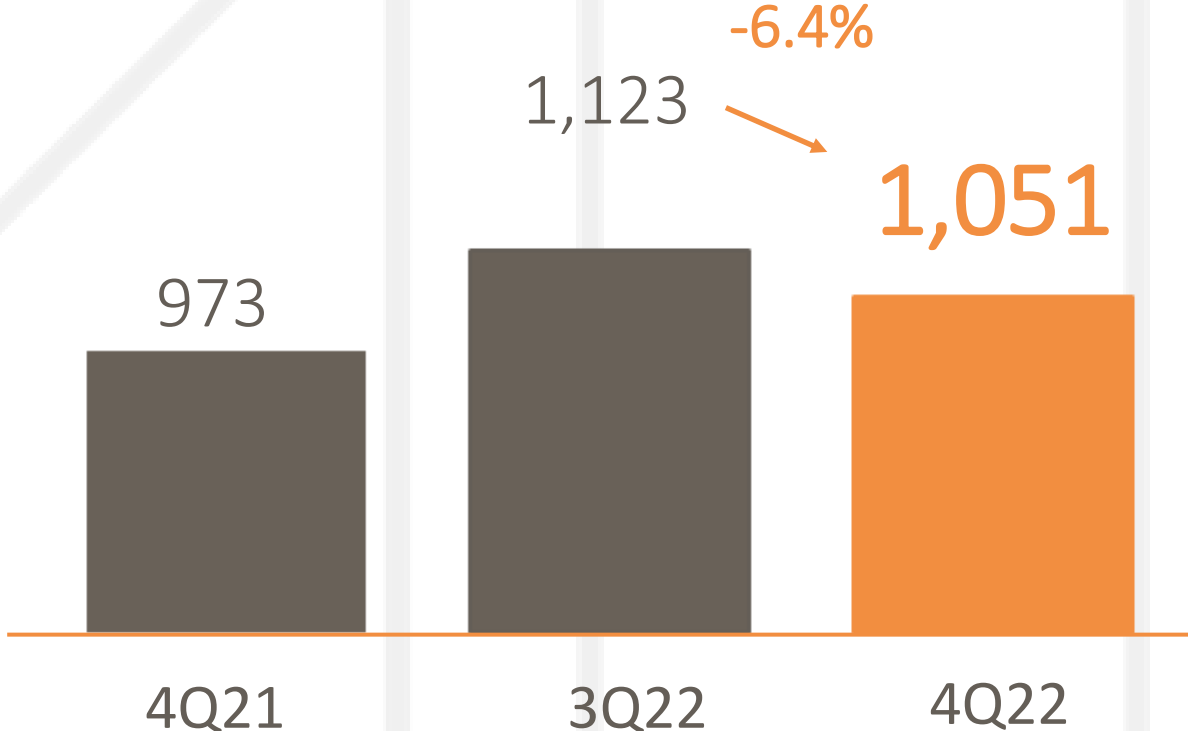
- Pulp revenues decreased by US\$38.3 million or 5.0%, mainly driven by a 3.3% and 2.1% decrease in average prices and sales volumes, respectively.
- Wood products revenues decreased by US\$247.2 million or 22.2%, mainly due to a 9.5% and 14.3% decrease in average prices and sales volume, respectively.



Cost of sales decreased by 6.4% or US\$71.8 million compared to the third quarter mainly due to decreases in *chemical costs, other raw material and indirect costs* and *energy and fuel oil* due to lower sales volume and lower prices related to fuel oil, partially offset by an increase in maintenance costs.

Pulp unitary sale costs QoQ

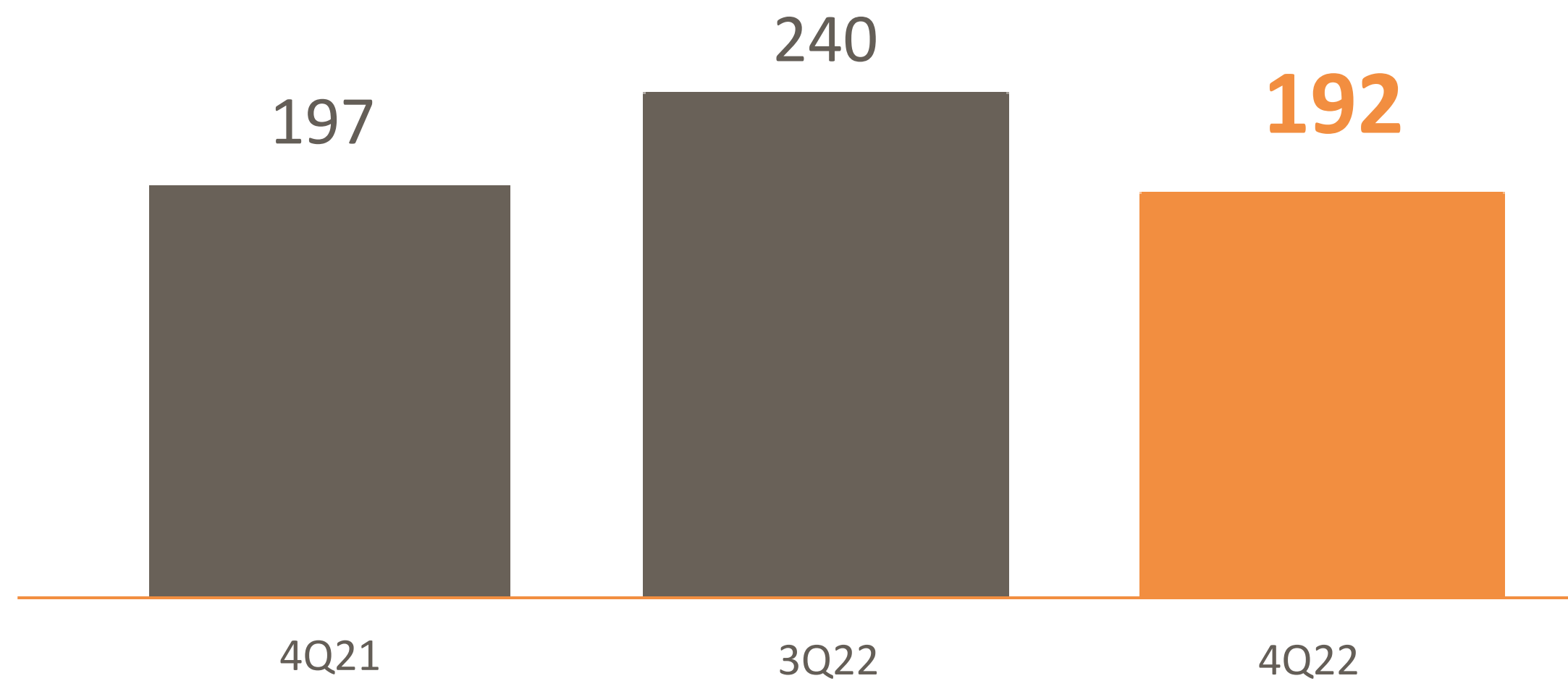
Softwood bleached pulp	▲	3.1%
Hardwood bleached pulp	▼	-2.8%
Unbleached softwood pulp	▲	20.2%
Dissolving pulp	▲	2.2%



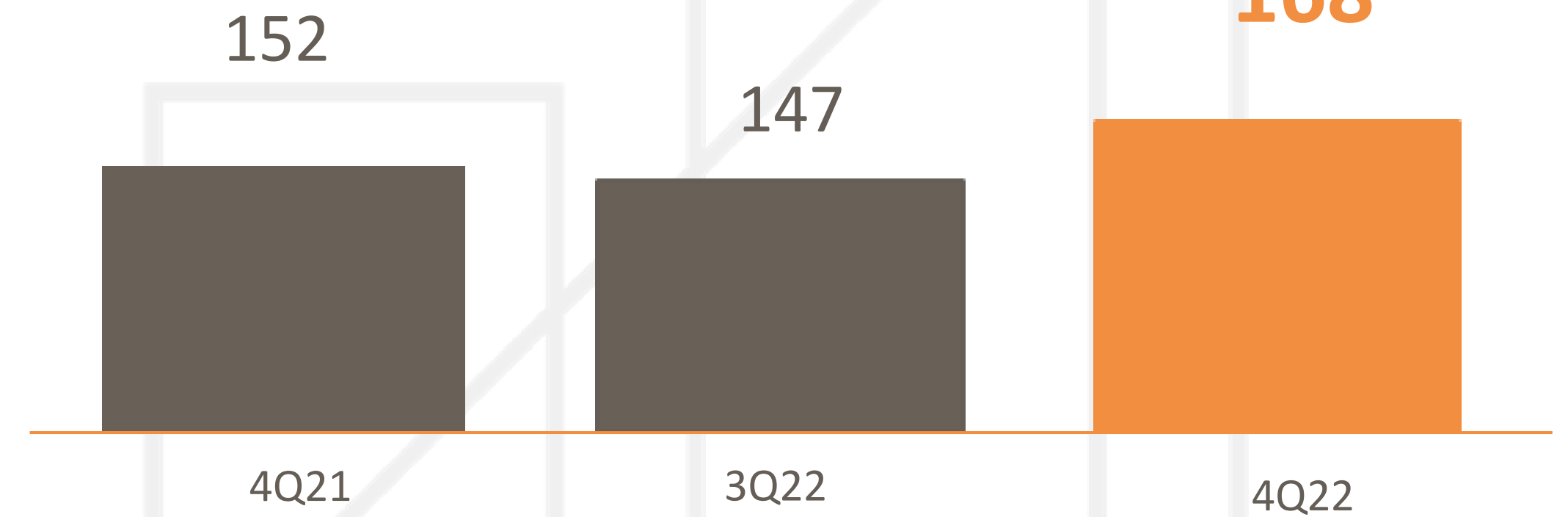
INCOME STATEMENT – DISTRIBUTION COSTS & EXPENSES

► In US\$ million

Distribution costs decreased by US\$47.8 million or 19.9% mostly due to a decrease of US\$44.6 million or 6.6% in *freight* costs. This is mostly due to lower sales volume and rates in our wood products segment.

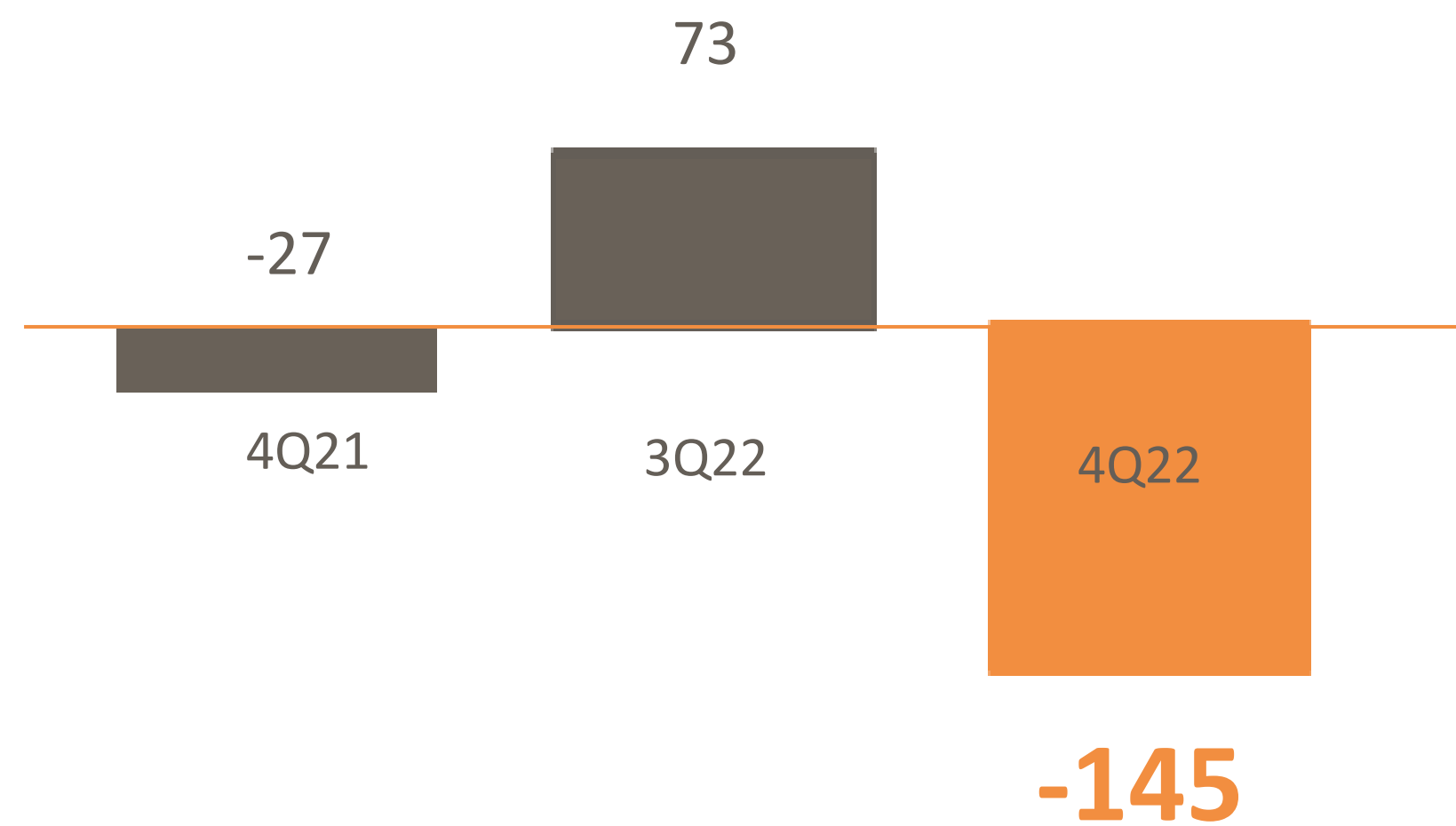


Administrative expenses increased by US\$21.0 million or 14.3%. This is mostly due to an increase of US\$12.8 million or 37.8% in *other administration expenses*, a US\$3.0 million or 31.6% increase in *fees (legal and technical services)*, an increase of US\$2.6 million or 33.7% in *computer services* and an increase of US\$2.4 million or 95.4% in *donations, contributions and scholarships*.

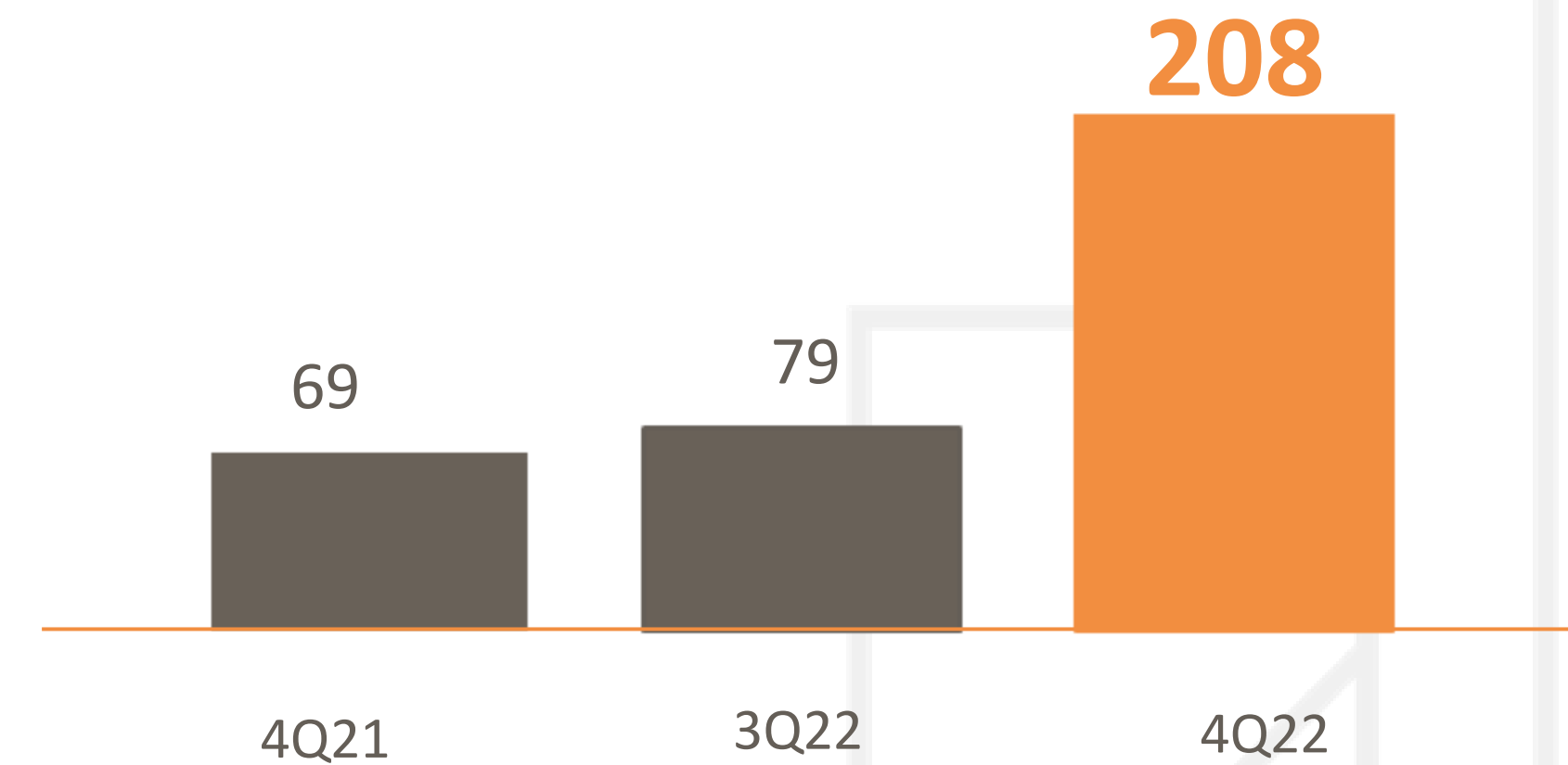


INCOME STATEMENT – OTHER INCOME & EXPENSES

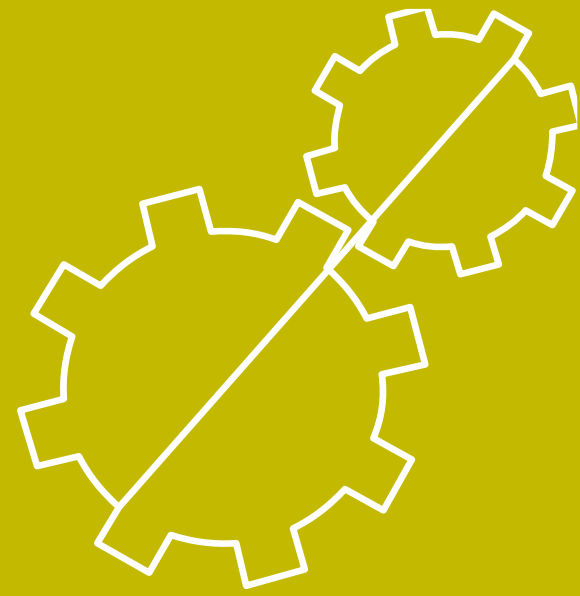
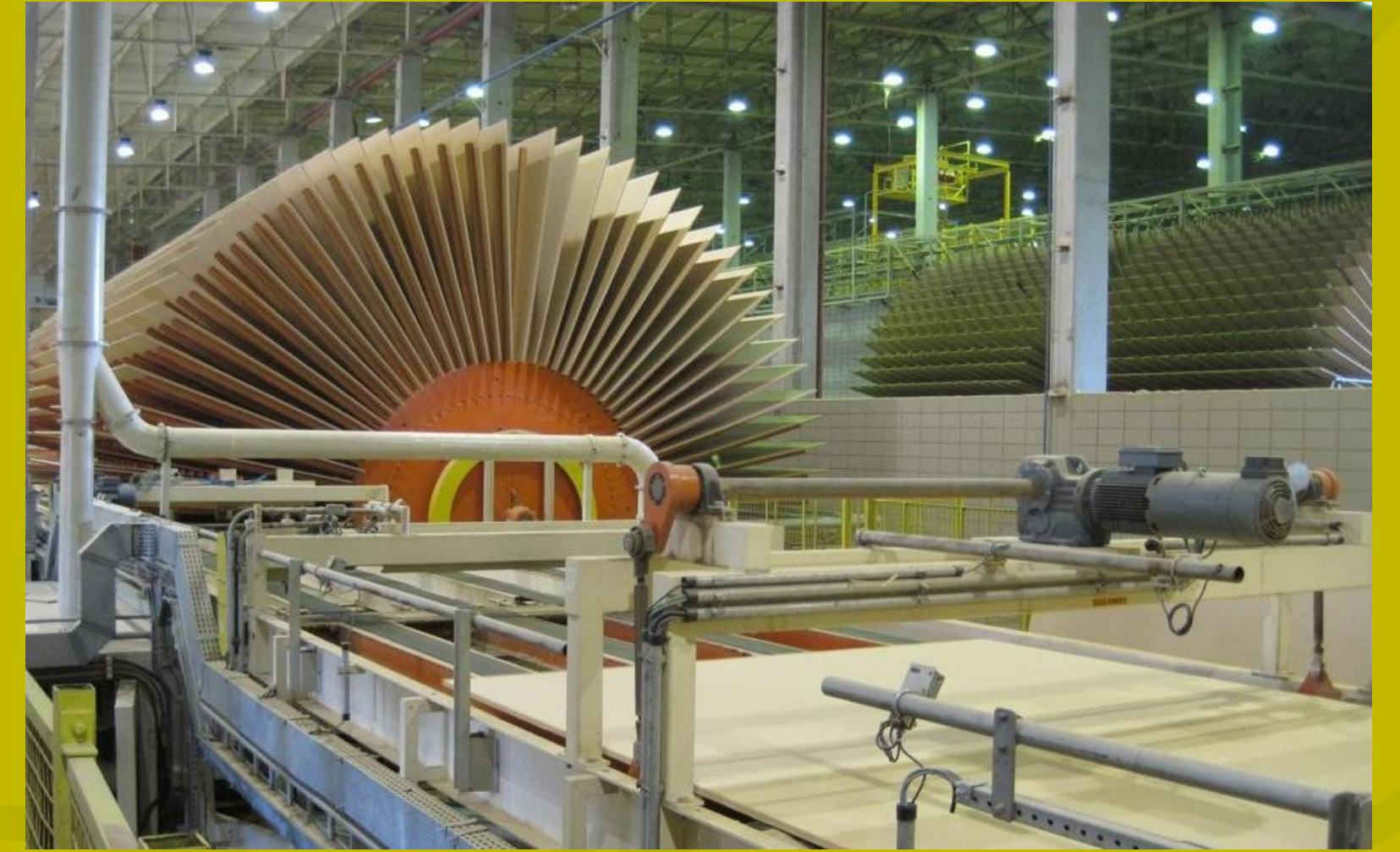
► In US\$ million



Other income decreased by US\$217.3 million or 298.5% mostly due to a decrease of US\$244.4 million on *gains from changes in fair value of biological assets*, mainly by a decrease in the valuation of our Chilean forest related to an increase in discount rate applied, representing 6.8% of the total valuation.

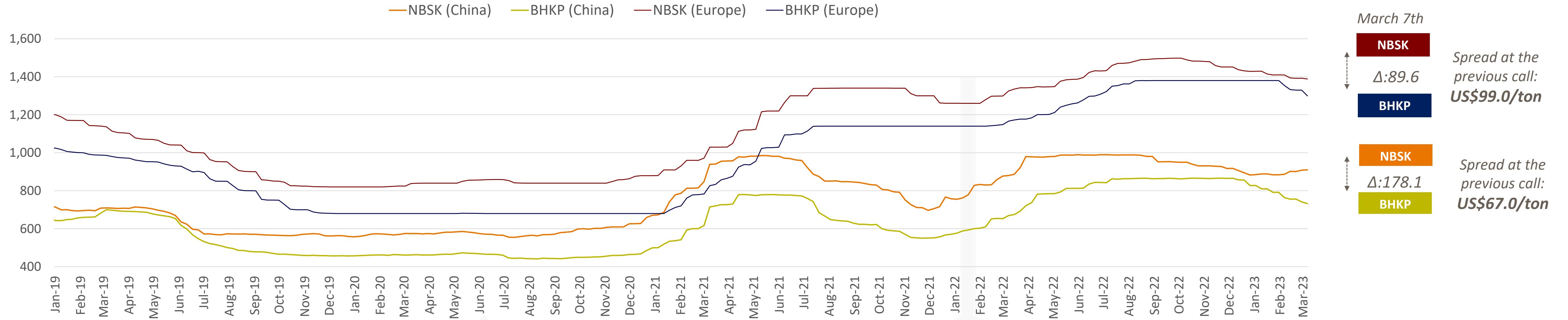


Other expenses increased by US\$129.7 million or 164.6%. This is mostly explained by an increase in *Impairment provision property, plant and equipment and others* mostly due to an impairment provision in our pulp mill in Argentina, for an approximate amount of US\$127.6 million due to changes in discount rate and projections of prices, volumes and capex . This was partially offset by a decrease in *Operating expenses* related to the Valdivia mill stoppage in the third quarter.



REVIEW BY BUSINESS SEGMENT & OUTLOOK

PIX Pulp Indexes (in US\$)



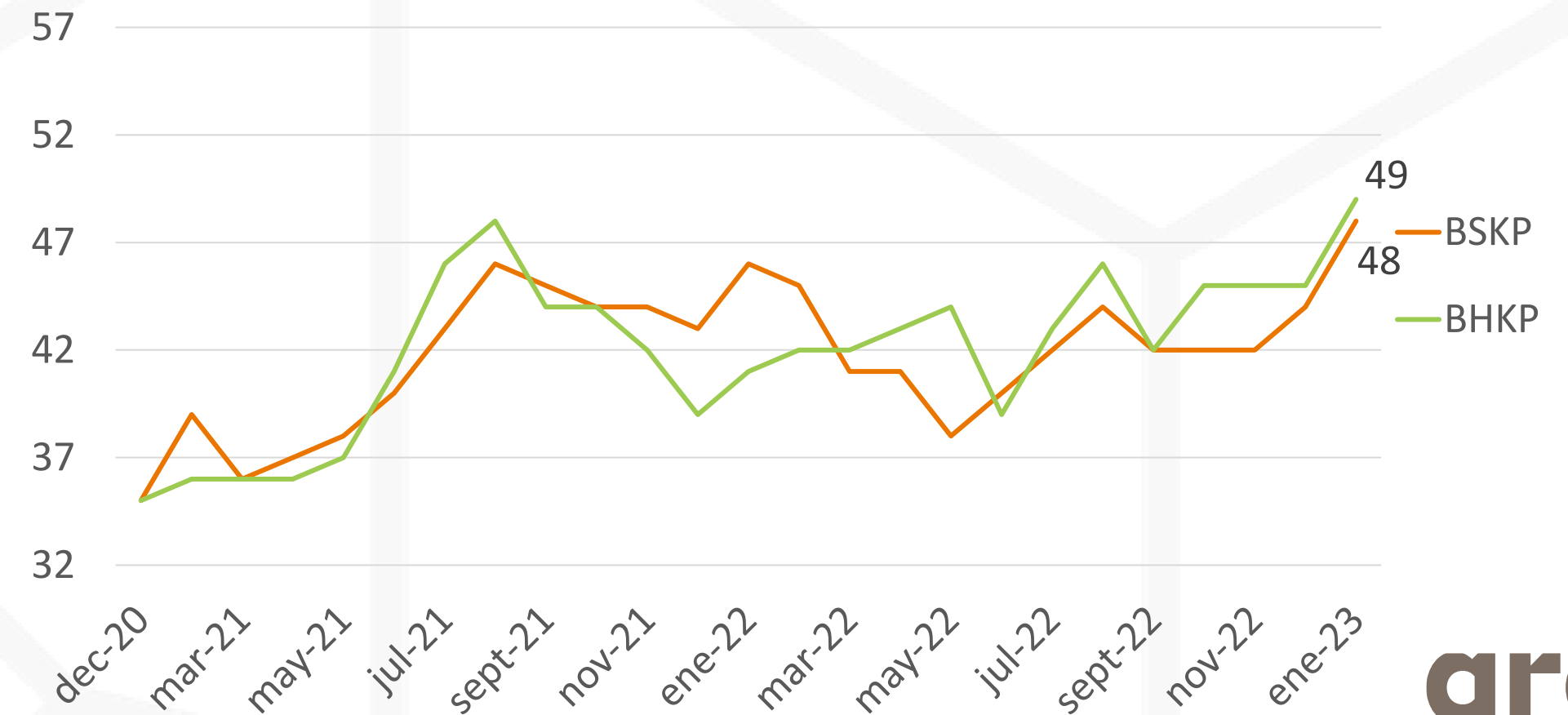
Source: RISI

Global Bleached Chemical Pulp Shipments variation – (1 month 2022 – 2023)

Global BCP Shipments Change (tonnes)			
	2022	2023	%Var.
China	1,525	1,590 ▲	4.3%
Europe	1,430	1,175 ▼	-17.8%
Other Asia	780	775 ▼	-0.6%
USA	565	490 ▼	-13.3%
Rest of the World	365	360 ▼	-1.4%
Total	4,665	4,390 ▼	-5.9%

Source: Hawkins Wright

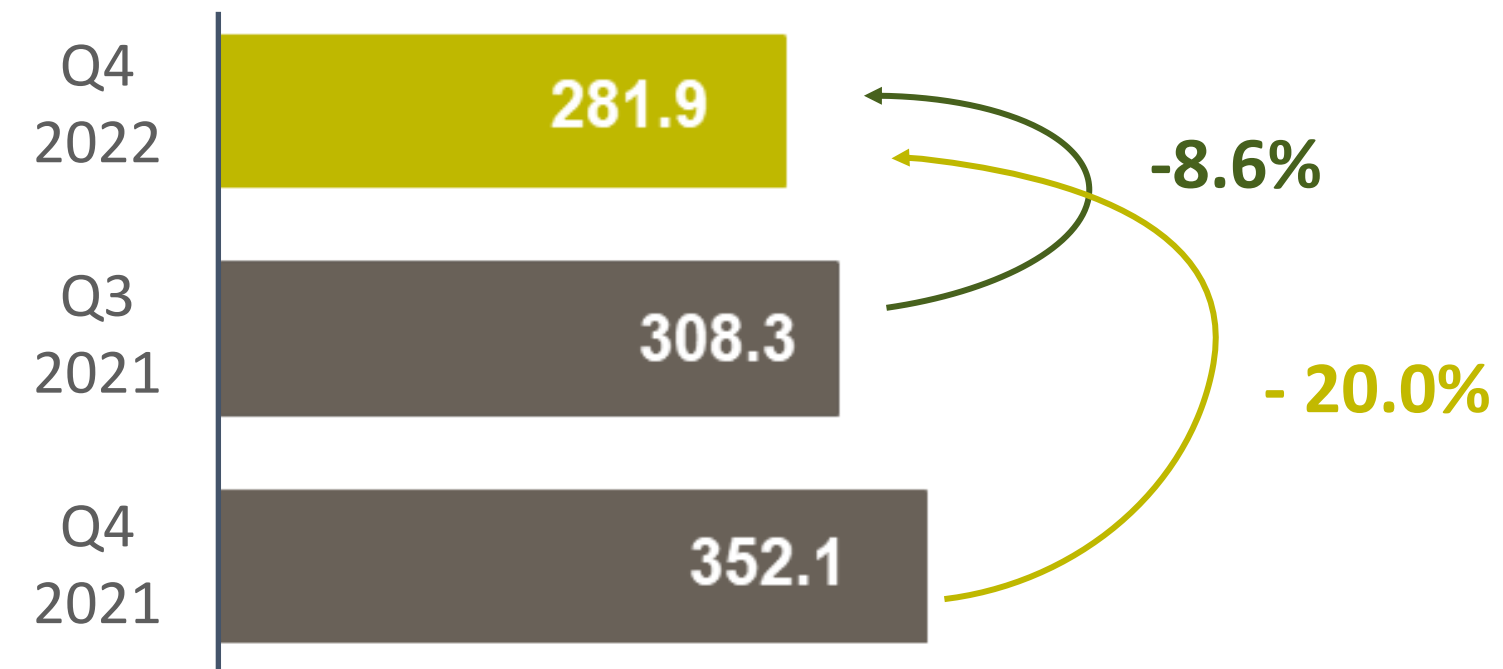
Global BCP Producer Stocks In days of supply



Excludes Russia & Indonesia
 Source: Hawkins Wright

Adjusted EBITDA

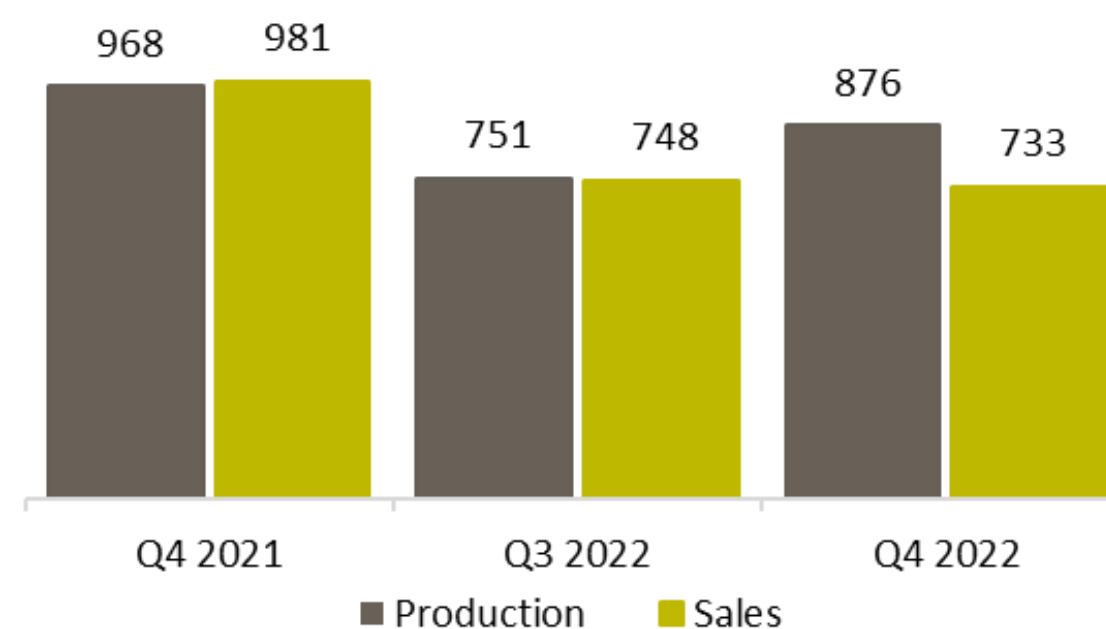
In US\$ million



	Price	Volume	Sales
QoQ	-3.3%	-2.1%	-5.0%
YoY	29.0%	-25.3%	-12.3%

Production and Sales Volume

In thousand tonnes



Q4 2022

- Pulp prices were lower compared to the previous quarter and global stocks continued increasing, mainly due to the normalization of the logistic chain.
- There were still short fiber supply restrictions from Scandinavian producers due to lack of raw material coming from Russia. Consequently, there has been a higher long fiber supply from these producers.
- In **China**, there was sluggish demand, a normalization of inventory levels and logistic delays.
- In **Europe**, paper demand began to drop significantly, especially for packaging and P&W products. Pulp demand remained quite strong but began to decrease towards the end of the year.
 - Prices remained stable, no changes on short fiber but significant decreases in long fiber.
 - In the paper industry, higher paper imports from Asia, due to lower logistics and production costs.
- In **Dissolving Pulp**, market remained weak with prices that continued decreasing during the quarter. The Viscose market remains with low activity, although prices were stabilized due to lower production.
- Production during fourth quarter affected by the non-scheduled stoppage at the Constitución mill.

For the first quarter of 2023,

- In China, during January 2023, with the view of Chinese new year, shipments started to decrease as most producers were preparing for a full week off.
- Export market also started to suffer affecting the demand for packaging material.
- Dissolving Pulp prices drop due to a poor Viscose demand in spite of a reduced supply, several producers switched to paper grade and some producers simply stop production for several months.
- Q1 remains challenging while China is not showing more activity triggering demand.
- In Europe, even paper producers started to put pressure on hardwood prices at the end of Q4, the effect was not materialized.
- We see paper demand deteriorating fast during Q1 2023.

Pulp Mills Days of Stoppages

Mill	2022	2023			
	4Q	1Q	2Q	3Q	4Q
Arauco - Line 2					16
Constitución (*)		19			
Licancel	20				
Nueva Aldea				16	
Valdivia			120		
Esperanza				14	
Montes del Plata			10		

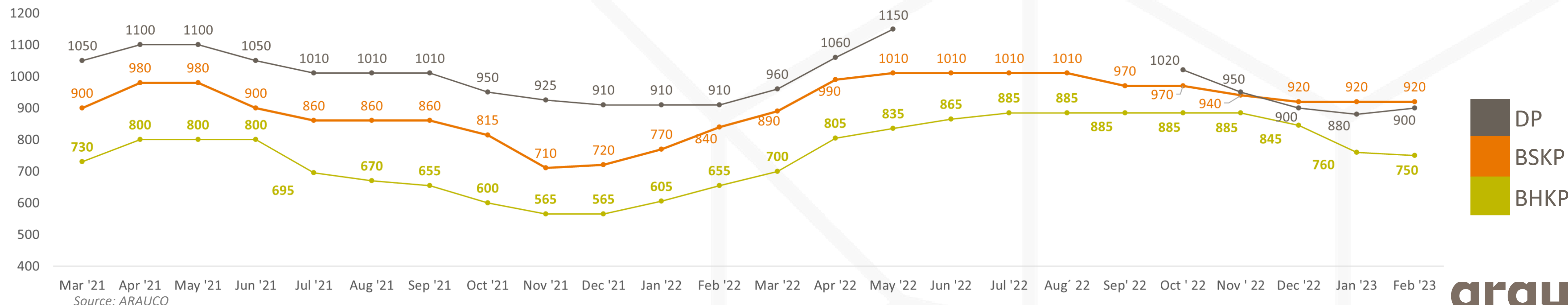
(*) Since mid December 2022, and as of the date of this call, the Constitución mill is not in operation.

Finished

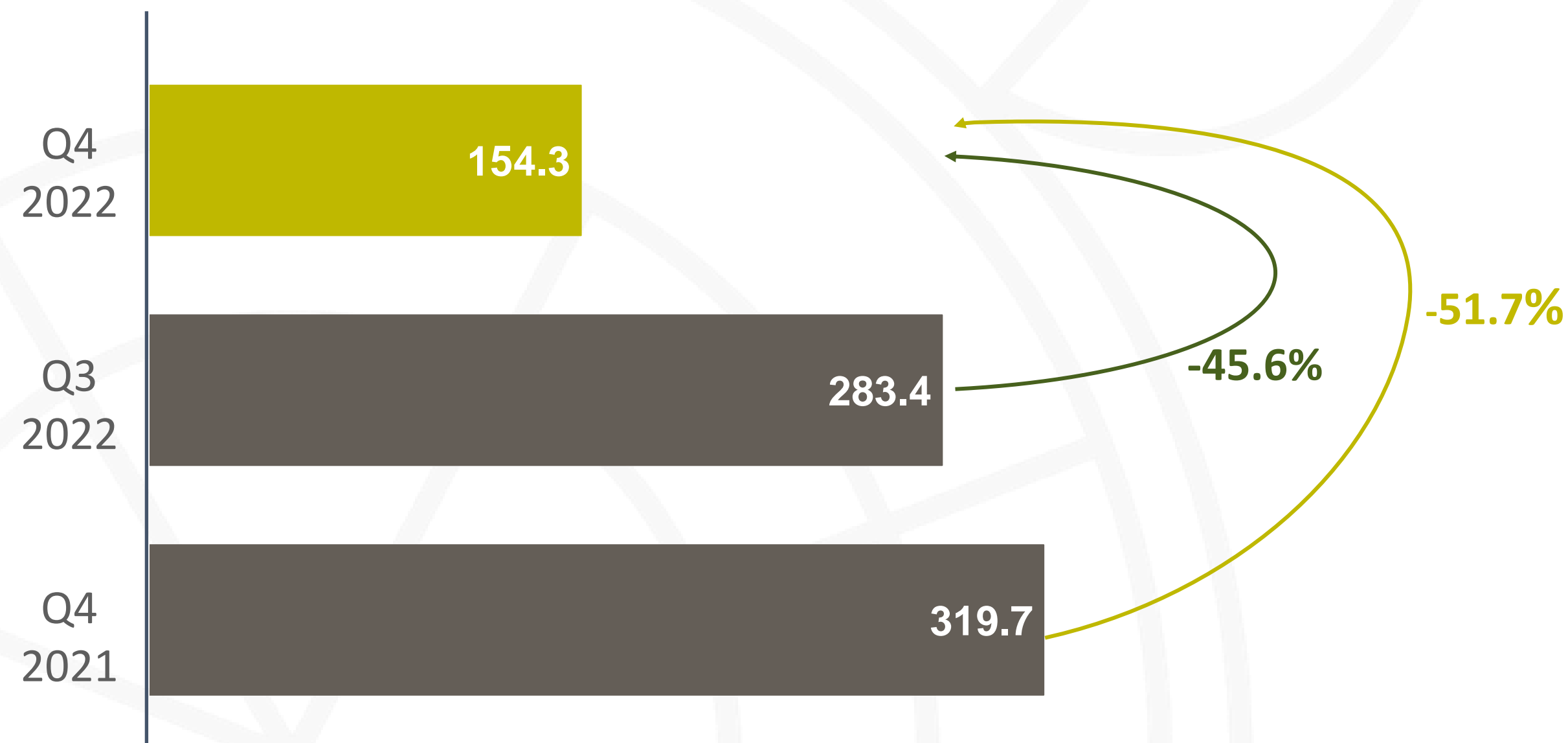
In Progress

Planned

BSKP, BHKP and DP Net Prices - China



Adjusted EBITDA
In US\$ million



Q4 2022

- Adj. EBITDA of our wood products business segment decreased 45.6%, mostly due to a 9.5% decrease in average prices and a 14.3% decrease in sales volume.
- Panels sales volume decreased by 13.5% and average prices decreased by 5.6%.
- Solid Wood average prices decreased by 16.6% and sales volume decreased by 15.9%.
- Plywood sales volume decreased by 20.0% and average prices remained stable.

Wood Products

	Price	Volume
QoQ	-9.5%	-14.3%
YoY	8.3%	-19.3%

Panels*

	Price	Volume
QoQ	-5.6%	-13.5%
YoY	16.1%	-18.3%

Solid Wood**

	Price	Volume
QoQ	-16.6%	-15.9%
YoY	16.1%	-21.3%

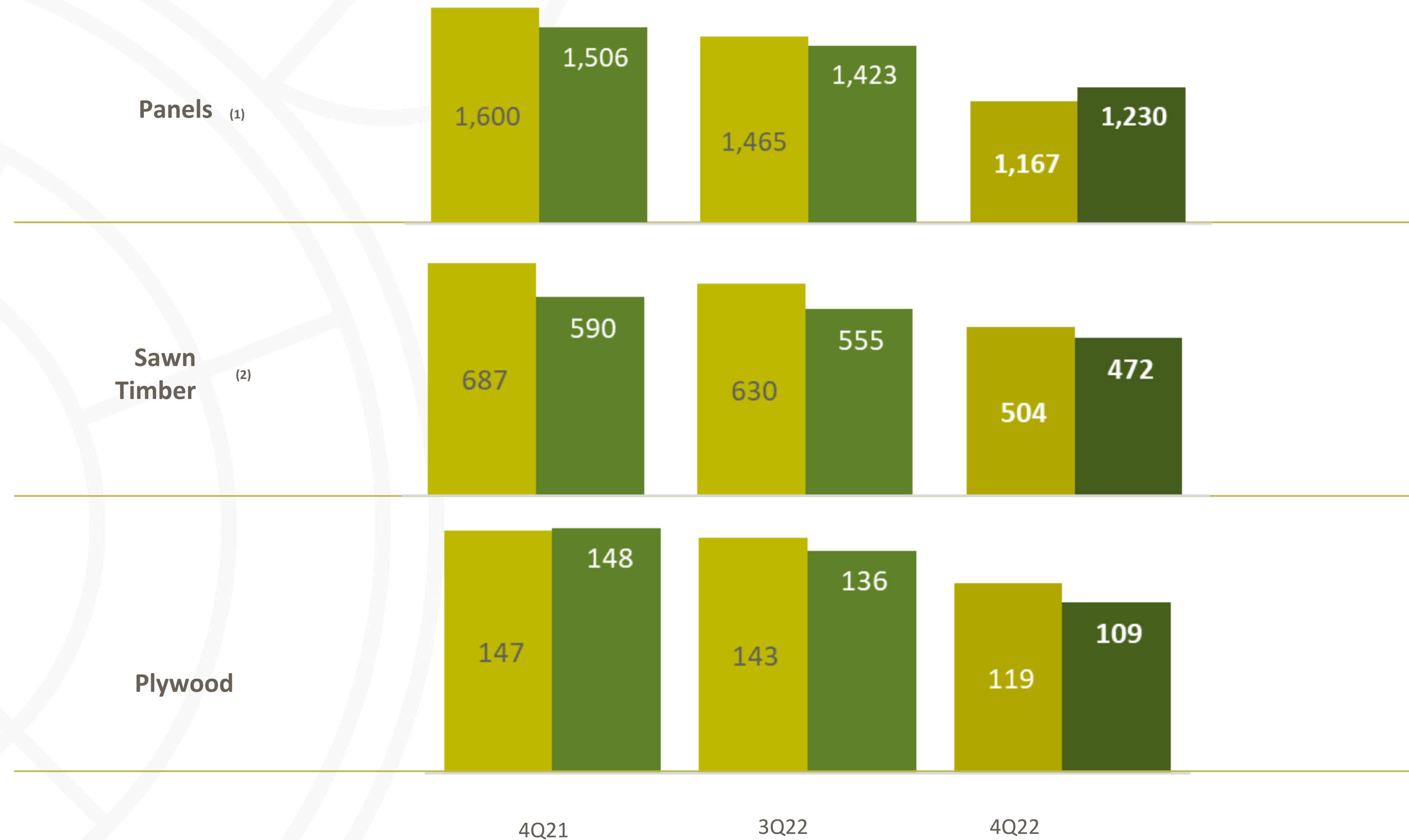
*MDF, PBO, HB

**Sawn Timber, Remanufactured Wood products and Plywood

WOOD PRODUCTS PRODUCTION AND SALES VOLUME

REVIEW BY BUSINESS SEGMENT & OUTLOOK

► In thousand m³



⁽¹⁾ Includes PB, MDF and OSB, Composite Panels and Retail Panels

⁽²⁾ Includes sawn timber, kilned sawn timber, remanufactured wood products, pallets

Note: Sales include trading

● Production ● Sales

54%

**North
America**

MDF:

- Higher supply from Brazil is putting pressure in the market.
- On the demand side, higher interest rates and less construction activity are affecting volumes.

PB:

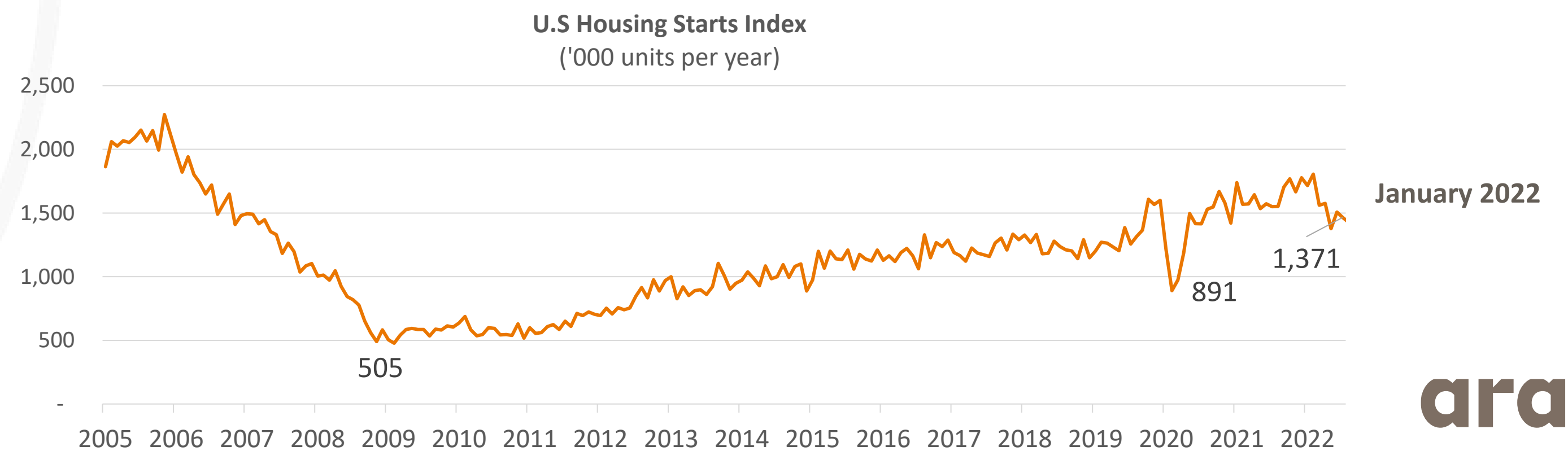
- It continues to have a relatively better situation than MDF mainly due to less competition from other countries.

REMANUFACTURED PRODUCTS:

- Markets remain weak due to over supply and inventories not being corrected completely. However, fundamentals remain in normal levels, expecting a stabilized market in the coming months.

PLYWOOD:

- Positive view for the coming months, after inventories correction, and with the spring season coming up on the Northern Hemisphere



34%
Central and
South America

9%
Asia and Oceania

3%
Europe and
Middle East

BRAZIL:

- The main concern is still domestic market, with more supply coming on MDF.
- More exports going to all the Americas.

CHILE:

- In remanufactured wood products, prices have continued to weaken.
- In panels, more stabilized for the coming months.

ARGENTINA:

- Argentina stable and good for the rest of the year

ASIA:

- In remanufactured wood products, prices have continued to weaken, amid over supply from Asia.

OCEANIA:

- In panels, more positive for the coming months

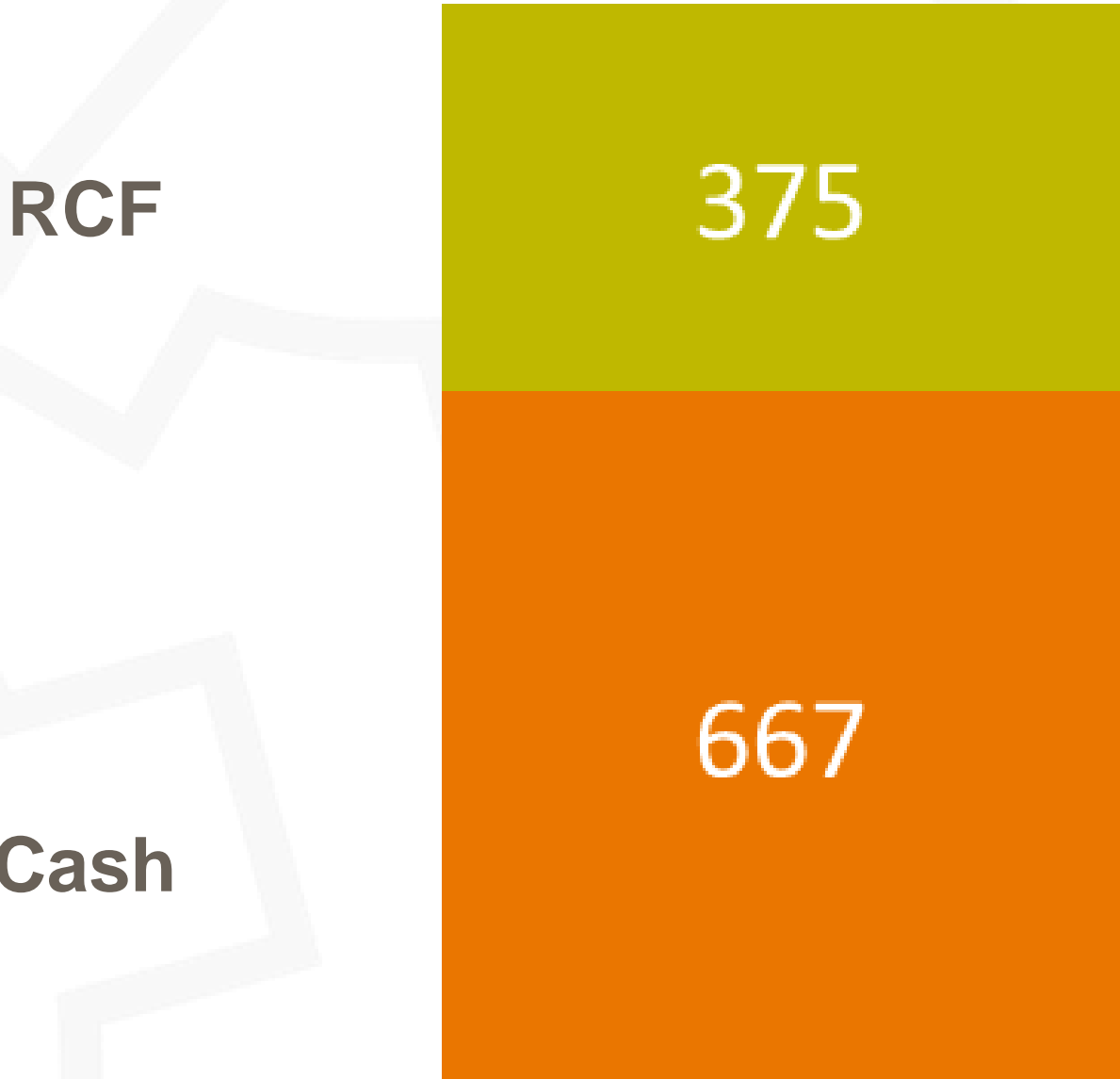
- Disruptions on supply related to fiber cost in Europe, are helping to get the markets in balance.



FINANCIAL REVIEW

CASH AND LIQUIDITY

Our cash position was US\$667.2 million at the end of the fourth quarter of 2022. In addition to our cash position, we have a revolving credit facility (RCF) for a total amount of US\$375 million due in February 2025, which as of the date of this report hasn't been withdrawn.



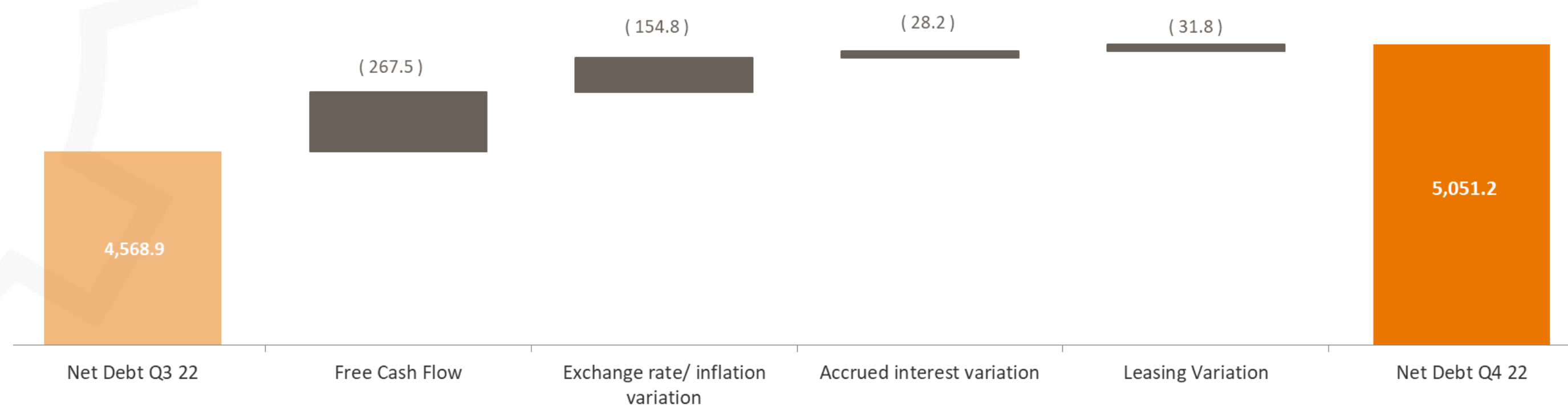
Total: US\$1,042.2 million

FREE CASH FLOW

► In US\$ million

	Q4 2022	Q3 2022
Adjusted EBITDA	387.6	553.0
Working Capital Variation	56.7	(57.8)
Interest paid and received	(54.8)	(21.2)
Income tax received (paid)	(77.3)	(64.8)
Others	8.6	24.7
Cash from Operations	320.8	434.0
Capex (1)	(380.5)	(387.2)
Others	2.9	7.4
Proceeds from investment activities	8.0	3.1
Cash from Investment Activities	(369.6)	(376.8)
Cash from Financing activities (net of debt)	(206.4)	(16.3)
Effect of exchange rate changes on cash	(12.2)	(22.2)
Free Cash Flow	(267.5)	18.7

(1) On a cash basis.



Cash flow from operating activities decreased US\$113.2 million mostly due to *Adjusted EBITDA*.

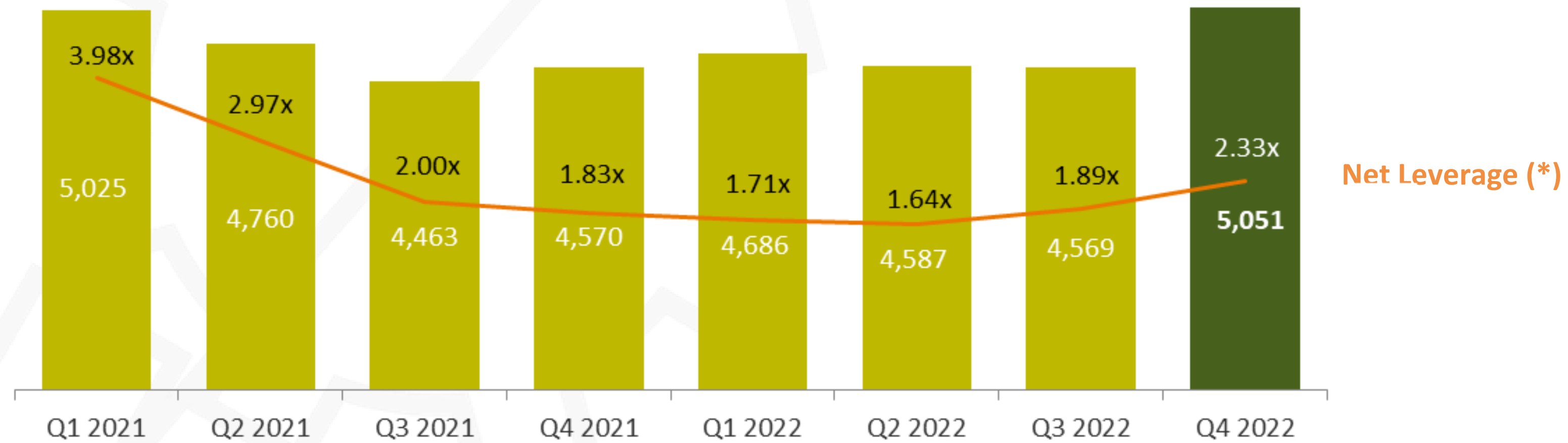
Cash flow from investment activities increased US\$7.2 million, mostly due to a reduction in *CAPEX*.

Cash flow from financing activities decreased by US\$190.1 million mostly due to the payment of dividends in December 2022.

► Net Debt increased by US\$482.2 million or by 10.6%, mostly due to a decrease in *free cash flow*, *exchange rate and accrued interest variation*.

NET FINANCIAL DEBT

► In US\$ million



Cash and cash equivalents decreased by 28.2% or US\$262.4 million.

Total Financial Debt increased by 4.0% or US\$219.8 million.

LTM Adjusted EBITDA was US\$2,166.8 million, 10.4% lower QoQ.

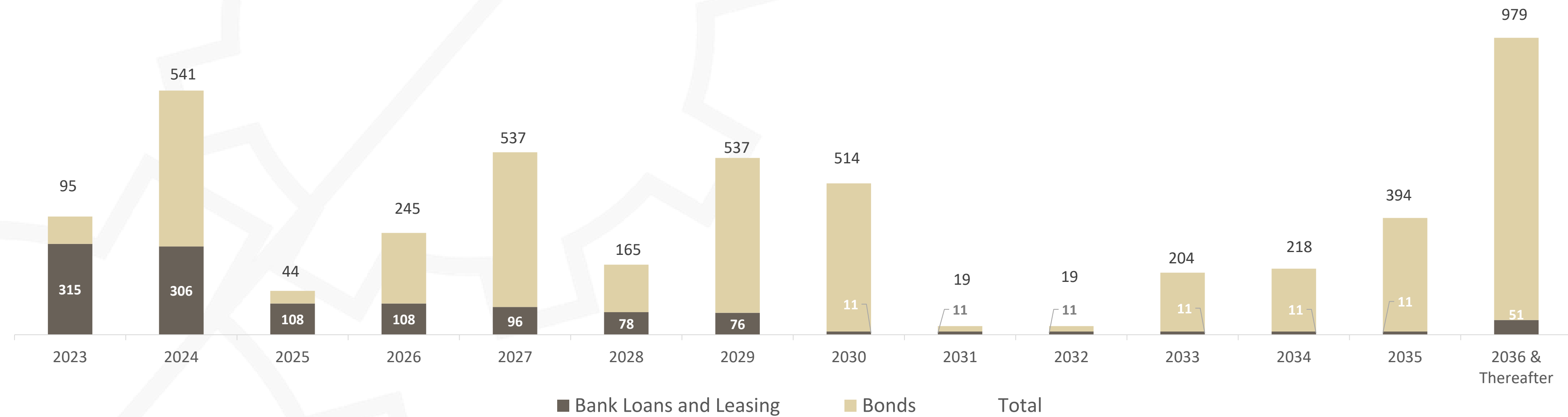
Net Leverage (*) increased from 1.89x to 2.33x.

(*) Net Debt / LTM Adjusted EBITDA

	December 2022	September 2022
Short Term Debt	410	369
Long Term Debt	5,308	5,130
Total Debt	5,718	5,499
Cash	667	930
Net Debt	5,051	4,569

DEBT PROFILE

► In US\$ million
AS OF DECEMBER 2022



BANK OBLIGATIONS FOR 2023 INCLUDE:

- US\$ 278 million in bank loans
- US\$ 37 million in leasing

BOND OBLIGATIONS FOR 2023 INCLUDE:

- US\$ 51 million in local bond obligations.
- US\$ 44 million in USD-denominated bond obligations.



MATERIAL FACTS AND NEWS

As of December 29, 2022, The MAPA Project began its operation phase.

As of December 29, 2022, the Line 3 ramp-up process began by the loading of chips to its digester, starting with the production process. In January 20, the production of the first bale of pulp manufactured entirely in Line 3 was completed, officially beginning its operation phase.

The mill team is focused in the process of safely increasing production, identifying and solving issues that normally appear during the ramp-up.

Once Line 3 reaches its full production capacity, our Arauco mill (Line 2 plus Line 3) will reach a total production capacity of approximately 2.1 million tonnes of pulp per year.



Forest Fires update

Since the beginning of February, multiple forest fires have been affecting various locations in which we operate, such as Maule, Ñuble, Biobío, Araucanía and Los Rios regions. The following table shows us the team and resources we currently have.

	Quantity
Firefighters	> 1,300
Fire Trucks	89
Runways and Helipads	30
Tanker Planes	11
Helicopters	17
Heavy-duty Helicopters	4
Coordination Planes	3
Skidders	18
Bulldozers	2
Detection Towers	130
Detection Centers	3

Arauco has approximately 47,000 hectares of productive forestry plantations potentially affected by the fires in the area where they occurred.

A preliminary estimate of the impact on the Company's financial statements of the fires, based on currently available information, the timber that should be recoverable (based on past experience) and the associated insurance coverage, is approximately USD 50 million as of this date.



Arauco at the COP27 – UN Climate Change Conference in Egypt

Arauco attended the world's most important climate summit for the third consecutive year. ARAUCO is a member of the "Friends of COP" group, which brings together business leaders from Latin America and the Caribbean committed to the challenges of global change. Accordingly, it aims to accelerate private sector commitments to further decarbonize the productive matrix and increase climate resilience across the region. As a company, we announced the measurement of our natural capital with the ambition of being Natural Net Positive. Our approach on this matter is based on three key dimensions:

- Water management
- Biodiversity Conservation
- CO2 atmosphere reduction

Held from November 6 to 18 in Sharm El Sheikh, Egypt, the conference focused on accelerating global emissions reductions, extending adaptation and increasing financing to achieve these climate targets. The agenda included green finance, climate science, future generations, decarbonization, water, energy and biodiversity, which are all key dimensions for sustainable development.

We are Carbon Neutral for Third Year in a Row



Waste Revaluation Goal

In order to move towards a circular economy, our pulp business division is working towards increasing the percentage of waste revaluation of industrial non-hazardous waste, with a goal of achieving **100% revaluation by 2030**. This process is highly relevant, as it contributes to diminish disposal of waste, to increase the lifespan of waste deposits and to benefit from resources present in that waste.

During 2022, we achieved approximately 60% and 47% of waste revaluation in our pulp and wood products division and when compared to the previous year, in our pulp and wood products division, we increased 4% and 17% respectively.



TAKEAWAYS

- **We remained with strong Financial Results** amid market volatility and the current geopolitical environment.
- As of December 29, 2022, **Line 3 (MAPA)**, ramp-up process began. Once this line reaches its full production capacity, our Arauco mill will have a total production capacity of approximately 2.1 million tonnes of pulp per year.
- Waste revaluation goal of **100%** of industrial non-hazardous waste **by 2030**.



**1Q 2023
RESULTS &
CONF CALL**

MID-MAY 2023



Q&A

INVESTOR RELATIONS

A replay of this conference call will be available on the IR section of our web site and through the following numbers until March 30, 2023

Replay for USA	+1-877-344-7529
Replay for other countries	+1-412-317-0088
Replay Access Code	1978364

FOR FURTHER INFORMATION

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