

CORPORATE PRESENTATION

SEPTEMBER 2018



Fenix

OPERADA POR COLBUN

AGENDA

1. **Company Overview**

2. Market Overview

3. Operations

4. Financial Review



Company Overview

Fenix Power: a relevant & efficient CCGT in Peru



Most efficient CCGT in Peru

Based on Heat Rate



40 miles south of Lima

Capital of Peru and largest city of the country



565 MW

Gross effective capacity



3.5 TWh

Net annual generation



3 TWh / year

Long term contracts (~75% capacity)

SHAREHOLDERS

- 51% Colbún
- 36% ADIA
- 13% Sigma

KEY FIGURES



LTM EBITDA
US\$ **54** mm



Cash
US\$ **52** mm

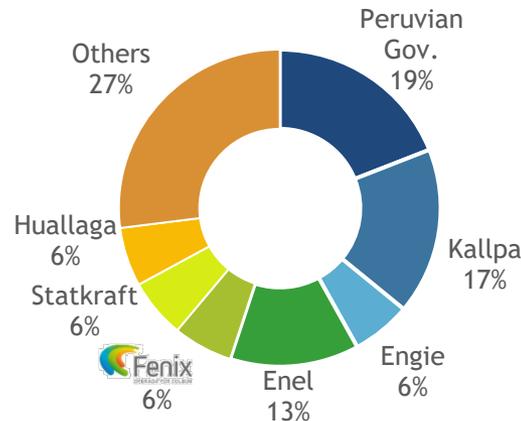
Internacional
Ratings



Baa3 Stable
Moody's

BBB- Stable
S&P/Fitch

MARKET SHARE¹



Note: All figures as of Jun18

¹ In terms of generation

Company Overview

Highly experienced shareholders



- **Chilean** power generation company
- 3rd largest player in the SEN (Chile's main grid), with **17% of market share**¹ in terms of generation
- **3.328 MW** of installed capacity, 49% hydro and 51% thermal
- **Matte Group** as Controlling shareholder

MAIN FIGURES

- Mkt. Cap: **US\$3.9 bn**
- Total assets: **US\$6.7 bn**



- One of the largest investment funds managers in Peru
- Mainly dedicated to investments in infrastructure projects
- Total AUM: **-US\$640 Mn**
- **Key investors: 3 private pension funds, a state pension fund and COFIDE**

- **Established by the Government of the Emirate of Abu Dhabi (Aa2/AA/AA)**
- One of the largest global sovereign wealth funds
- **Globally diversified investment portfolio**
- Relevant experience as a partner and financial investor

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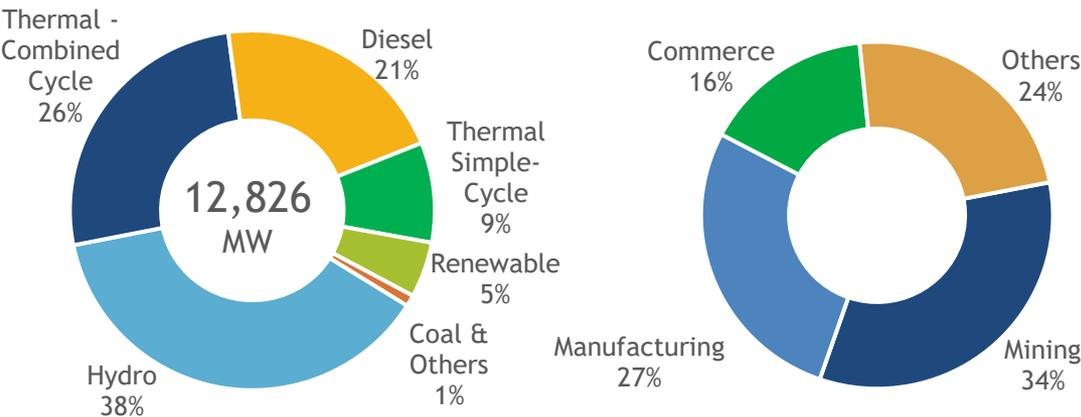
4. Financial Review



Market Overview

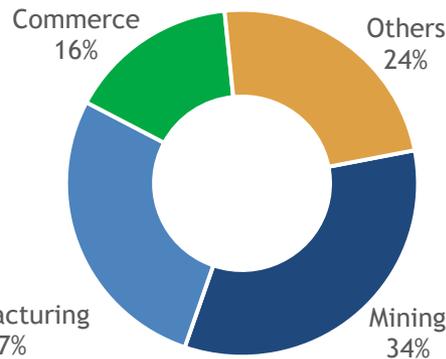
Power industry dynamics in Peru

1 INSTALLED CAPACITY BY TECHNOLOGY. (%)

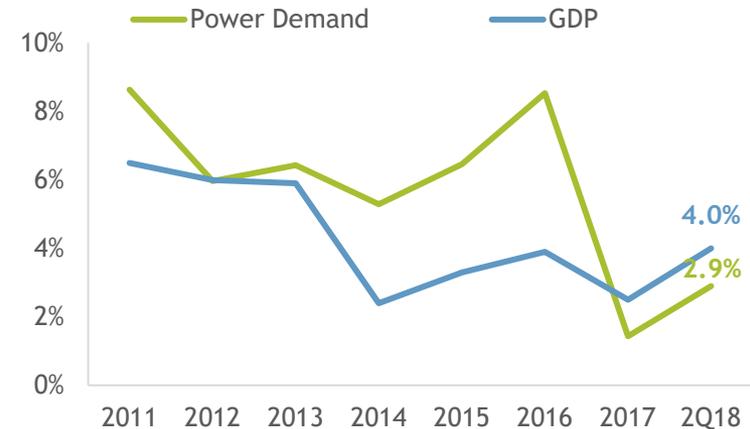


- Stable regulatory framework.
- US\$ currency denominated market.
- Investment grade country.

2 LARGE CUSTOMERS BREAKDOWN. (%)



3 SEIN DEMAND GROWTH & GDP. (%)

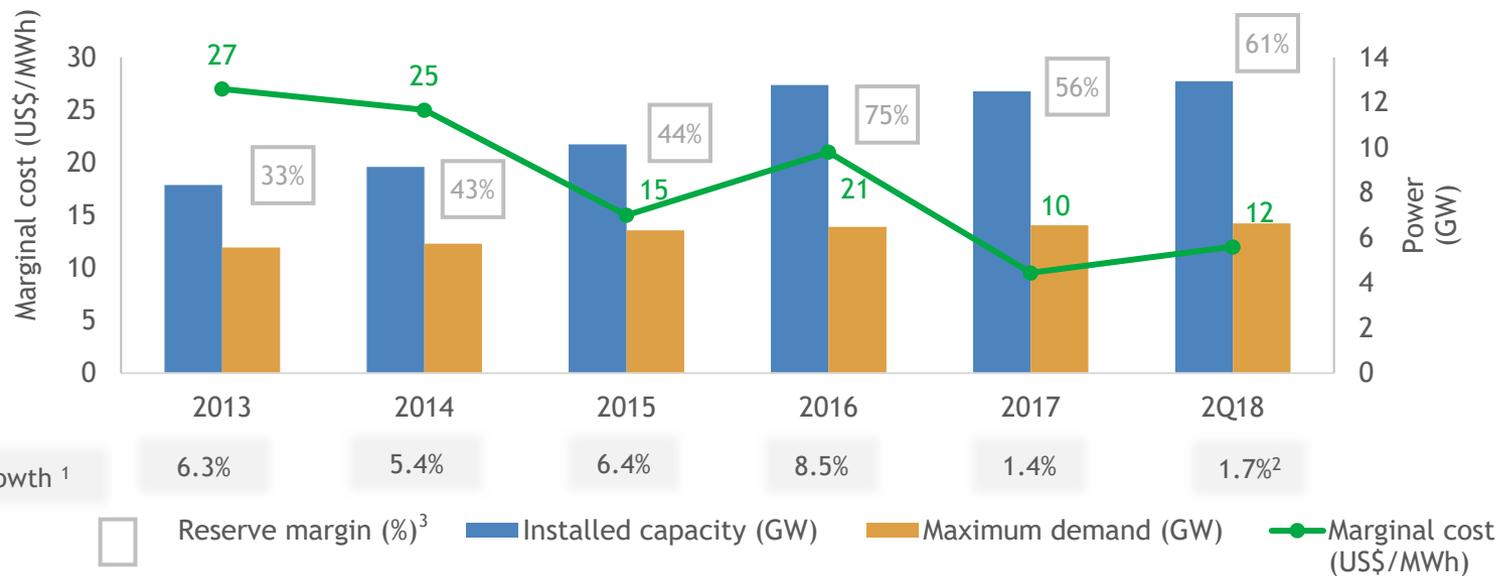


- Power demand highly correlated with Peru's GDP.
- High growth potential: per capita energy consumption in Peru is 1.3 MWh; while the average for OECD countries is 8.0 MWh. ¹

Market overview

Marginal costs & demand in Peru

- Currently in a situation of **oversupply and low prices**.
 - Spot prices affected by take or pay scheme of gas contracts and by price declaration strategies.



Source: COES

¹ In GWh. ² According to the latest monthly report of COES - March 2018. ³ Considers firm capacity, according to Coes methodology.

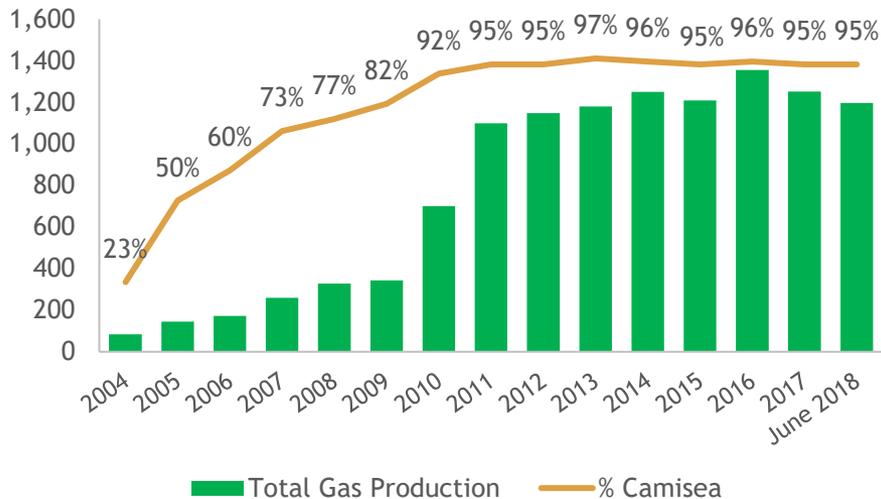
Market Overview

Positive gas industry trends in Peru

1 GAS RESERVES.

- Current proven reserves of 15 trillion cubic feet (“TCF”)
- Expected possible gas potential of 27 TCF
- Camisea represents ~95.0% of total natural gas reserves in Peru

2 GAS PRODUCTION. (MMCFD)



3 REGULATED GAS SUPPLY TARIFFS: OVERVIEW

- **Camisea Consortium** is a joint venture of six companies that produce and process natural gas at the Malvinas and Pisco facilities



4 REGULATED GAS SUPPLY TARIFFS: OVERVIEW



- Well gas price applied to electricity generation and adjusted through O&G indexes
- **Regulated** gas distribution and transportation segments
 - Rates adjusted every two and four years for transport and distribution, respectively
- PPAs energy contracts indexed to variations in natural gas prices

AGENDA

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3. **Commercial Strategy**

4. Financial Review



Commercial Strategy

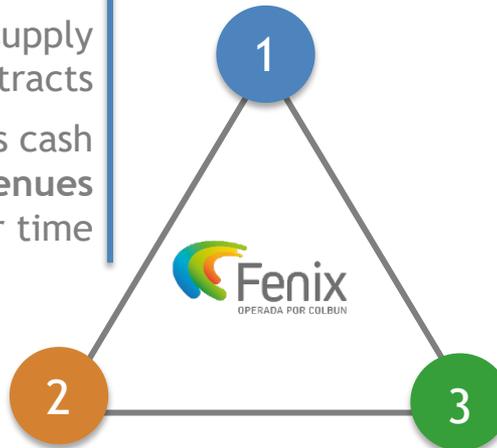
Commercial policy that aims to provide competitive, secure and sustainable energy

Contracting a relevant portion of capacity

- Fenix maintains **long-term** power supply contracts
- Significant base of PPAs that reduces cash flow volatility, ensuring **stable revenues** over time

Solid customers base

- **Creditworthy counterparties**
- Most of Fenix PPAs are signed with the main distribution companies of Peru

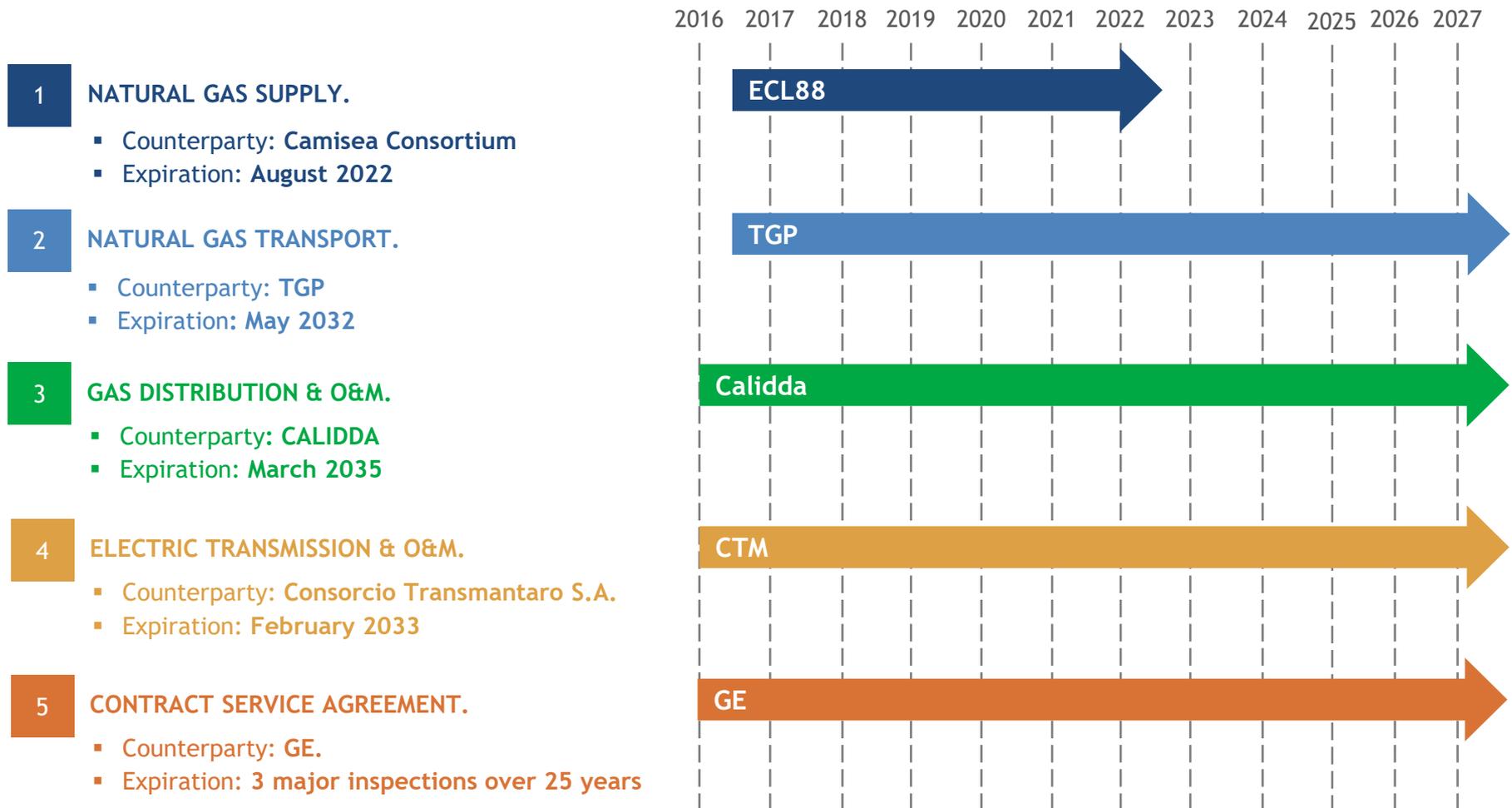


Indexation formulas

- **PPAs indexed to dollar**, in order to mitigate its foreign Exchange risk
- Additionally, the Company indexes the prices of its contracts to fuel prices, in order to reduce the volatility of its cash flows

Commercial Strategy

Operational long-term contracts



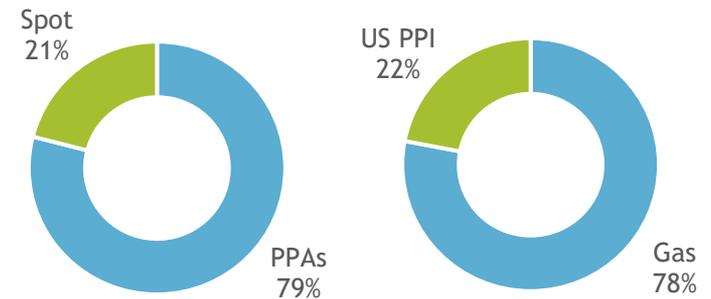
Company Overview

Stable cash flow profile supported by long-term PPAs

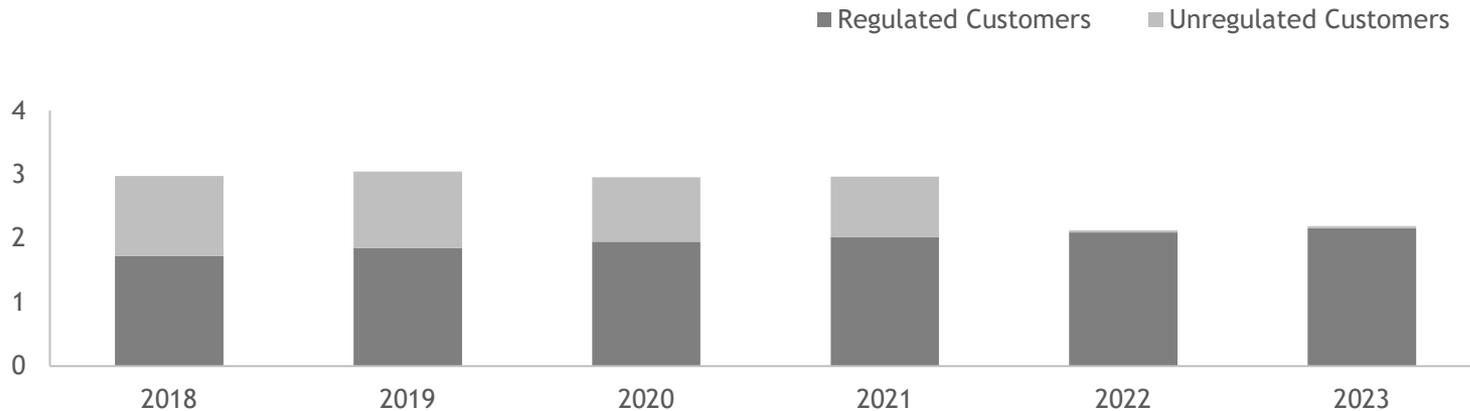
1 PPA PROFILE.

- Average life of long-term PPAs of ~6 years.
- US\$ FX adjusted and US\$ denominated capacity payments.
- ~75% contracted through 2023.
- Strong AAA locally-rated off takers.

2 ENERGY SALES & INDEXATION. (%)



3 PPA PORTFOLIO. (TWh)



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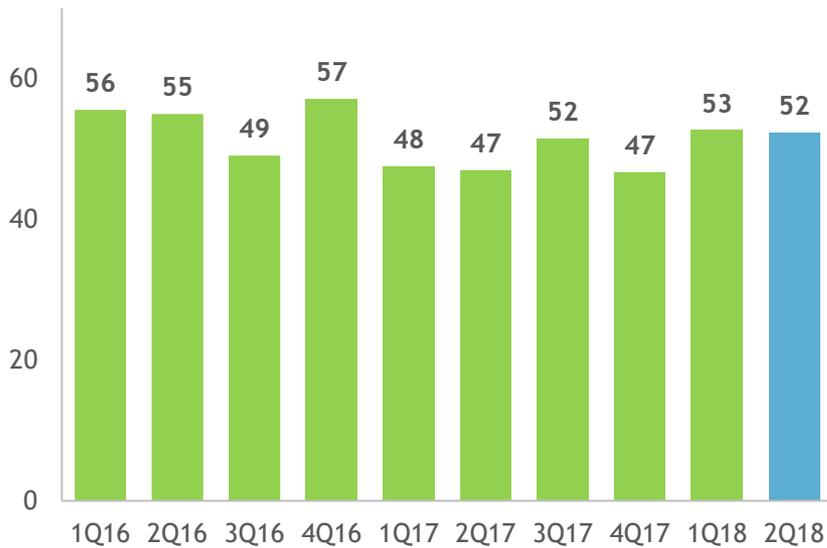
4. Financial Review



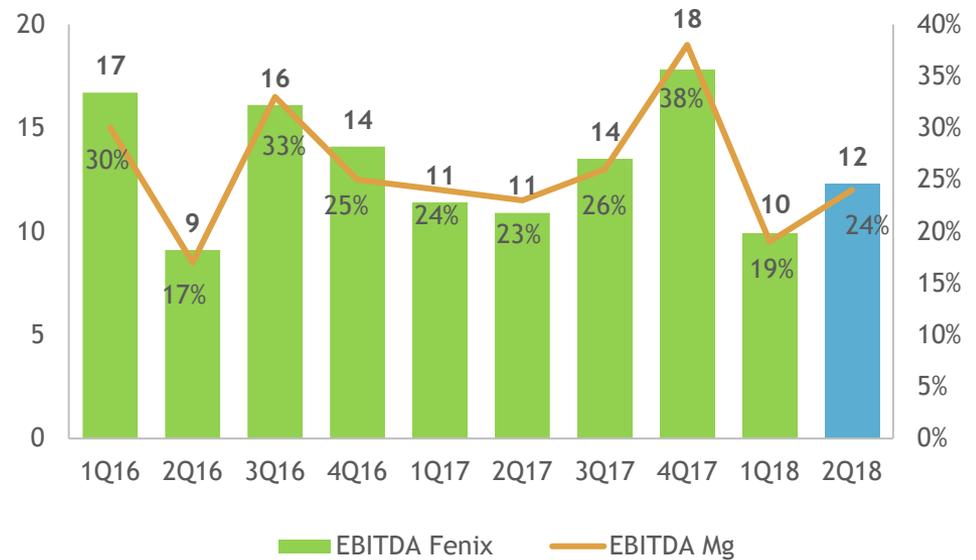
Financial Review

Financial results

1 OPERATING REVENUES. (US\$ million)



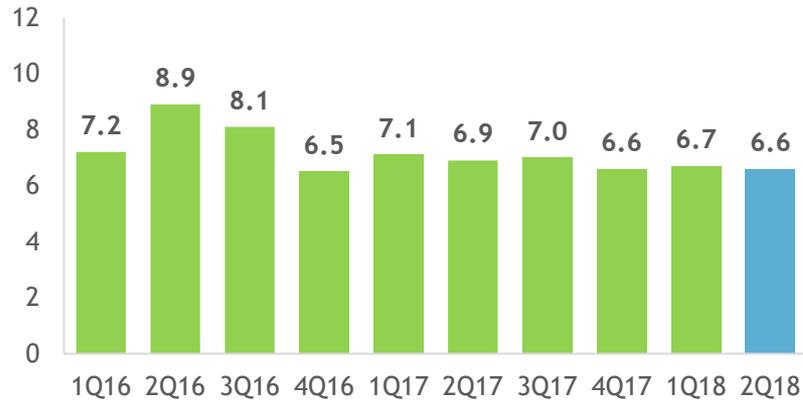
2 EBITDA & EBITDA MG. (US\$ million & %)



Financial Review

Financial results

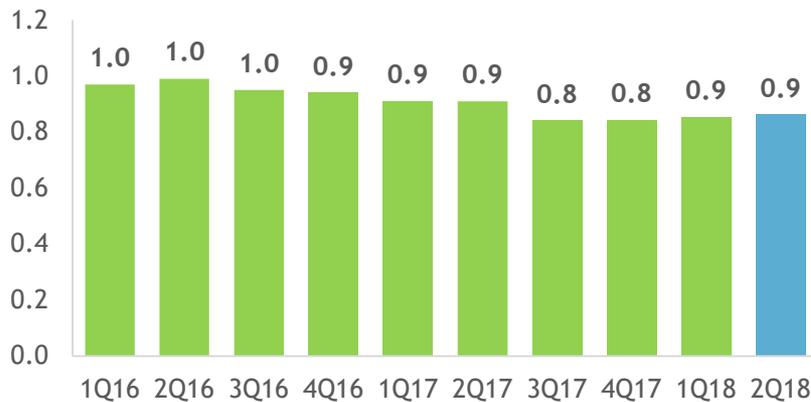
1 GROSS DEBT/EBITDA LTM. (X)



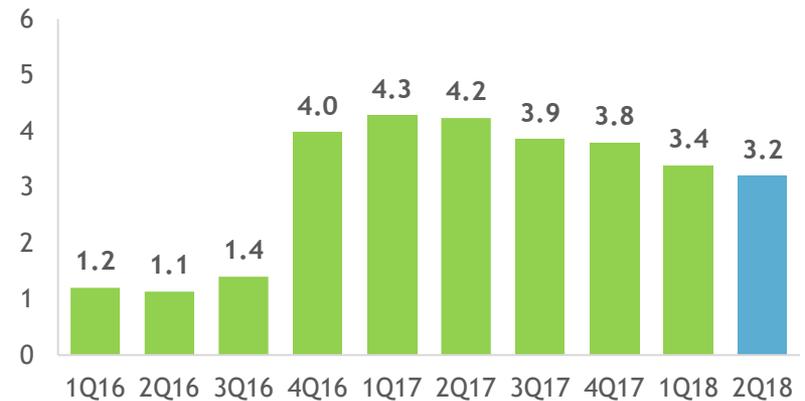
2 NET DEBT/EBITDA LTM. (X)



3 LIABILITIES / EQUITY. (X)



4 INTEREST COVERAGE. (x)



Note: as of Jun18

Financial Review

Debt profile

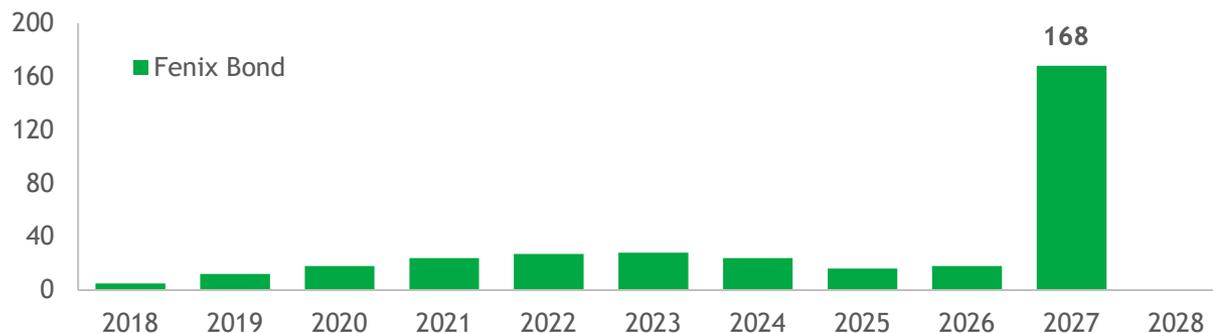
1 DEBT PROFILE.



2 FENIX BOND ISSUANCE.

- Amount: US\$340 mm
- Term: 10 years
- Coupon: 4.317%
- Date of issuance: 09-20-2017
- Format: 144A/Reg S
- Ratings (Moody's/S&P/Fitch): Baa3 / BBB- / BBB-
- Repayment profile: Amortizing, Bullet 44%
- Use of proceeds: Bank debt prepayment
- Oversubscription: 4 x

3 AMORTIZATION STRUCTURE. (US\$ million)



KEY TAKEAWAYS

1

Attractive Long-term Growth Prospects

- Peru's power generation industry currently affected by short-term transitory factors, but continues to exhibit high growth potential in the medium / long term

2

Highly Efficient CCGT

- State-of-the-art combined-cycle dual-fueled power plant with 565 MW of effective capacity
- Strategically located asset, close to demand hubs and to the SEIN substation (Chilca)
- Highly efficient plant with low and flexible variable costs

3

Relevant Asset for Peru

- Fenix is the 4th largest power generator of Peru
- Critical power plant for the country
- Strategic for its shareholders

4

Strategic investment for shareholders

- Strong sponsorship from highly experienced shareholders, including a key power generation player in Chile and leading asset managers (Peru and internationally), over all long-term investors

5

Highly-Experienced Management

- Management with vast knowledge in the power industry

6

Stable Revenues from Long-Term PPAs & Operational Contracts

- Attractive long-term PPA contracts with creditworthy counterparties providing stable cash flow generation; weighted average remaining life of our long-term PPAs is 7.2 years



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