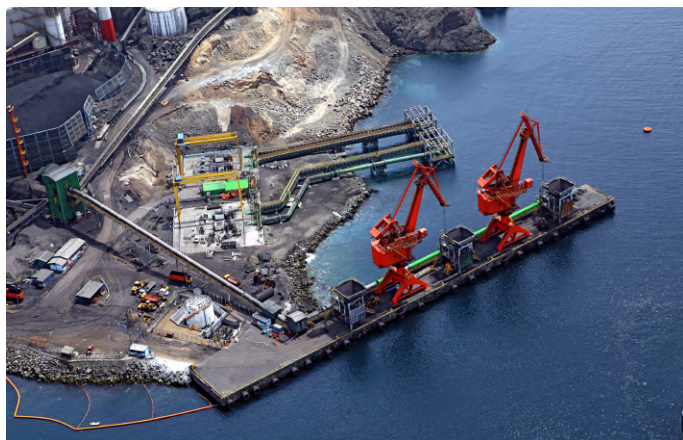


Guacolda

1Q - 2021 Earnings Report



June 16, 2021

GUACOLDA ENERGÍA FIRST QUARTER 2021 RESULTS

- Guacolda Energía S.A. (Guacolda, or the Company) reported a Gross Profit of US\$8 million in the first quarter of 2021, down 74% compared to the US\$31 million in the first quarter of 2020. Lower contract sales as a result of regulated contracts expirations in December 2020 and lower unregulated contract sales volumes, in addition to higher average fuel prices were the main drivers of the decrease in gross profit.
- The Company achieved an EBITDA of US\$22 million in the first quarter of 2021, 50% below the EBITDA in the first quarter of 2020, driven by the decrease in Gross Profit.
- Guacolda posted a US\$2 million Net Loss for the first quarter of 2021, compared to the Net Income of US\$13 million in the same period of 2020. The negative variation is primarily the result of the lower EBITDA, partly offset by lower losses from foreign currency differences.
- As of March 31, 2021, Guacolda had a cash and cash equivalent totaling US\$163 million and total financial debt of US\$500 million, from its 2025 Senior Notes.
- On May 14, 2021, the Chilean financial group Capital Advisors, acquired from WegE SpA the control of El Águila Energy II SpA, current co-owner of Guacolda Energía SpA with 49.9999995% of Guacolda's shares. Concurrently, El Águila Energy II SpA, exercised its preferred acquisition rights over AES Andes's 50.0000005% stake in Guacolda's. Once the operation is completed, Capital Advisors will control 100% of Guacolda through El Águila Energy II SpA. The operation is subject to the approval of the Fiscalía Nacional Económica (FNE) in Chile.

REVIEW OF FIRST QUARTER 2021 RESULTS

Income Statement (ThS\$)	1Q		
	2021	2020	Var (%)
Operating Revenue	101,032	115,367	(12)%
Cost of Sales	(92,841)	(83,957)	11 %
Gross profit	8,191	31,410	(74)%
Administrative Expenses	(1,467)	(1,446)	1 %
Other gains / (losses)	121	—	---
Financial Income	141	170	(17)%
Financial Expense	(6,139)	(6,943)	(12)%
Foreign currency exchange differences	(2,551)	(9,944)	(74)%
Income (loss), before tax	(1,704)	13,247	(113)%
Income tax expenses	(22)	(63)	(65)%
Net Income (Loss)	(1,726)	13,184	(113)%
EBITDA	21,668	42,978	(50)%

Numbers presented in the text of this report are rounded to millions; therefore, differences may arise with the financial statements.

Fourth Quarter Results Review

Gross Profit (ThUS\$)	1Q		Var (%)
	2021	2020	
Regulated customer sales	—	11,458	(100)%
Unregulated customer sales	62,386	91,804	(32)%
Spot sales	28,729	3,698	677 %
Transmission revenue	9,246	6,598	40 %
Other operating revenues	671	1,809	(63)%
Operating Revenues	101,032	115,367	(12)%
Energy and Capacity Purchases	(8,692)	(9,195)	(5)%
Fuel Consumption	(31,701)	(30,352)	4 %
Transmission Tolls	(12,016)	(7,656)	57 %
Other Cost of Sales	(25,488)	(23,740)	7 %
Depreciation & Amortization	(14,944)	(13,014)	15 %
Total Costs of Sales	(92,841)	(83,957)	11 %
Gross profit	8,191	31,410	(74)%
Generation (GWh)	1Q		Var (%)
	2021	2020	
Coal	1,090	1,113	(2)%
Total Net Generation	1,090	1,113	(2)%
Purchases (GWh)	1Q		Var (%)
	2021	2020	
Spot	—	—	---
Other generators	4	1	300 %
Total Purchases	4	1	300 %
Sales (GWh)	1Q		Var (%)
	2021	2020	
Regulated Customers	—	127	(100)%
Unregulated customers	752	931	(19)%
Spot	342	56	---
Total Sales	1,094	1,114	(2)%

Fourth Quarter Results Review

Guacolda generation fell 23 GWh during the first quarter of 2021, a 2% decrease primarily due to limitations in the dispatch of the plant.

Operating revenues fell 12% to US\$101 million mainly driven by a US\$29 million decrease in unregulated contract sales revenues, US\$11 million lower regulated contract sales revenues, partly offset by a US\$25 million increase in spot sales.

Contract sales volumes to regulated customers decreased to zero in the first quarter of 2021 due to the expiration of contracts with distribution companies in December of 2020. Meanwhile, contract sales volumes to unregulated customers decreased by 19% to 752GWh in the first quarter of 2021 which, in turn, resulted in a 32% decrease in unregulated contract sales revenues.

Spot sales increased US\$25 million while Energy and capacity purchase expenses decreased US\$1 million due to higher net spot sales volumes of 286GWh at higher spot prices. Sales and purchase volumes are presented on a net basis for each period. During the first quarter of 2021 Guacolda had net sales on the spot market of 342GWh while during the same period 2020 it presented net sales on the spot market of 56GWh.

Transmission revenues increased US\$3 million, meanwhile, transmission costs were US\$4 million higher. Both variances relates to the indexation to the new transmission toll structure, resulting in higher prices. Transmission costs also increased due to a resettlement from prior years registered in January 2021.

Fuel Cost grew US\$1 million primarily as a result of the 16% increase in average coal prices in the first quarter of 2021 compared to the same period in 2020, despite the 2% decrease in generation.

Depreciation and amortization expenses were US\$2 million higher driven by a review and change in the useful life of the generating units in 2020.

Gross Profit for the first quarter of 2021, reached US\$8 million, down US\$23 million from the first quarter of 2020. Lower contract sales as a result of regulated contracts expirations and lower unregulated contract sales volumes, in addition to higher average fuel prices were the main drivers of this decrease. Similarly, EBITDA declined 50%, reaching US\$22 million in the first quarter of 2021.

SG&A costs remained fairly stable at US\$1 million in the first quarter of 2021 compared to the same period of 2020.

EBITDA

EBITDA (ThUS\$)	1Q		Var (%)
	2021	2020	
Gross Profit	8,191	31,410	(74)%
Depreciation and Amortization (-)	14,944	13,014	15 %
Administrative Expenses	(1,467)	(1,446)	1 %
EBITDA	21,668	42,978	(50)%

Non-Operating Results

Financial Results (ThUS\$)	1Q		Var (%)
	2021	2020	
Other gains / (losses)	121	—	---
Financial Income	141	170	(17)%
Financial Expense	(6,139)	(6,943)	(12)%
Foreign Currency Exchange Differences	(2,551)	(9,944)	---
Total Financial Results	(8,428)	(16,717)	(50)%

Non-Operating results for the first quarter of 2021 totaled US\$-8 million, which positively compares to the US\$-17 million registered in same period in 2020 driven by a positive variance of US\$7 million in foreign exchange differences due to the effect of lower depreciation of the Chilean peso against the US dollar on account receivables. The Chilean peso depreciated 2% in the first quarter of 2021, while it depreciated 14% in the same period of 2020.

Financial Expenses decreased by US\$1 million in the first quarter of 2021, explained by lower interest expense, as a result of amortization of the Company's debt.

Net Income

Guacolda registered an income tax expense of ThUS\$22 in the first quarter of 2021, versus a ThUS\$63 tax expense in the first quarter of 2020. The primary driver of this variation was a the impact on results of deferred taxes.

Guacolda achieved net loss of US\$2 million in the first quarter of 2021, compared to US\$13 million net income in the same period of 2020, primarily as a result of lower EBITDA, partly offset by the positive variation in foreign exchange differences.

Foreign Currency Exchange

	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020
Chilean Peso EOP (CLP/US\$)	722	711	788	821

	March 31, 2020	December 31, 2019	September 30, 2019	Jun. 30, 2019
Chilean Peso EOP (CLP/US\$)	852	749	728	679

Average Exchange Rate for the Period	1Q		Var (%)
	2021	2020	
Chilean Peso (CLP/US\$)	724	803	(10)%

Cash Flow

Cash Flow Statement Summary (US\$ Million)	1Q		
	2021	2020	Var (%)
Net cash from operating activities	41,355	71,168	(42)%
Net cash from investing activities	(1,635)	(3,012)	(46)%
Net cash from financing activities	—	(3,065)	(100)%
Total Net Cash Flow for the Period	39,720	65,091	(39)%
Net Foreign Currency Exchange Differences	(911)	(2,499)	(64)%
Net Cash and Cash Equivalents Increase	38,809	62,592	(38)%
Cash and Cash Equivalents at the Beginning of Period	124,441	27,948	345 %
Total Cash at the End of the Period	163,250	90,540	80 %

Total cash as of March 31, 2021, reached US\$163 million, up 80% from the cash as of the same date in 2020.

Net operating activities registered a negative variation of US\$30 million between the three-month period ended March 31, 2021 and the same period in 2020, mainly associated with an increase coal purchases, partly offset by higher collections from energy and capacity sales primarily due to the proceeds from the last installment, received in January 2021, of the arbitration settlement reached with CMP in the second quarter of 2020.

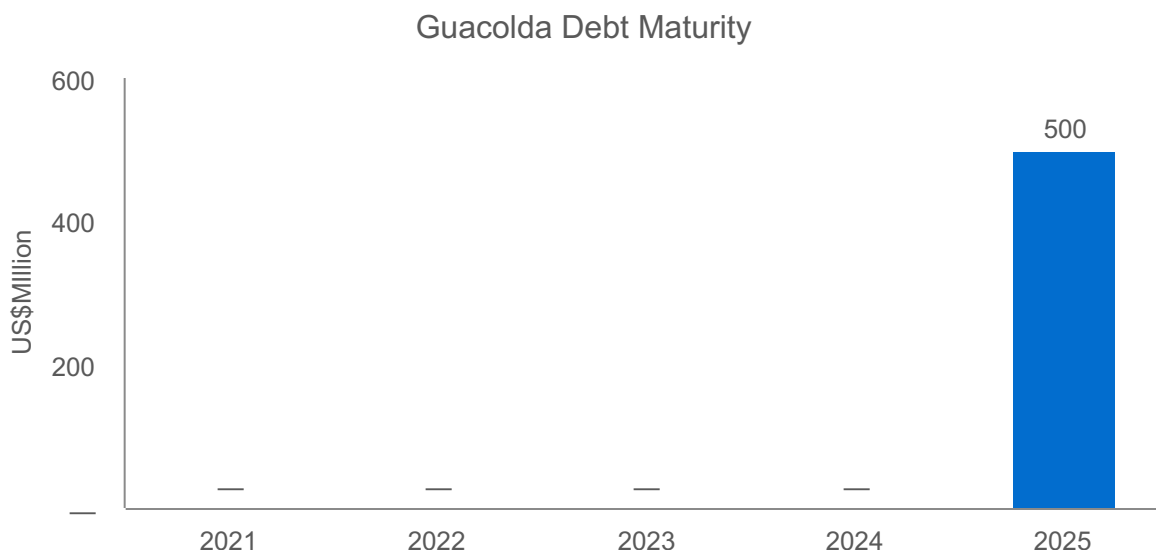
Net cash used in investing activities showed a decrease in cash outflows of US\$1 million during the period ended on March 31, 2021. The variation is mainly explained by lower disbursements for the purchase of Property, plant and equipment as a result of less maintenance activities in 2021 compared to maintenance carried out in 2020.

Net cash used in financing activities showed an decrease in cash outflows of US\$3 million compared to the first quarter of 2020 when Guacolda prepaid bank loans for US\$40 million plus interests and drew down on a credit line of US\$38 million.

Financial Debt

Total debt principal outstanding as of March 31, 2021, reached US\$500 million, comprised of a US\$500 million in senior bonds due in 2025. As of March 31, 2021, 100% of Guacolda's financial debt is at a fixed rate.

The following chart details Guacolda's total debt amortization schedule for the outstanding debt as of March 31, 2021:



**Debt Amortization
(US\$ Million)**

	Total Outstanding	Average Interest Rate	Schedule of Maturities as of				
			March 31, 2021				
			2020	2021	2022	2023	2024
Senior Notes due 2025	500	4.56%	—	—	—	—	500
Total	500		—	—	—	—	500

On July 30, Guacolda prepaid the remaining US\$20 million together with the accumulated interest, of its US\$330 million Syndicated Term Loan Facility. In March 2020, Guacolda disbursed a committed credit facility of UF1.105.000 (equivalent to US\$38 million) from Banco Estado to fortify the Guacolda's cash position amid Covid-19 pandemic. The credit facility, together with the accumulated interest, were fully repaid on August 25, leaving the US\$500 million in 2025 Senior Notes as the only remaining financial debt.

MARKET INFORMATION

Chile's National Electric System or SEN, supplies a wide range of customer types, including Chile's main population centers, in the center and mining operations in the north, with a diverse generation matrix including thermal, hydro and renewables. The SEN runs from the northern part of Region I to Region X. Guacolda owns and operates a 764MW power plant outside the coastal town of Huasco in the Atacama Region.

During the first quarter of 2021, hydro generation on the grid decreased 10% compared to the same period in 2020 in line with the 6% decline in reservoir levels in Chile, although hydrological inflows remained fairly stable. Average spot prices in the first quarter in Chile were impacted by the lack of natural gas availability, in addition to outages from efficient thermal plants in the system.

Total energy demand grew 0.1% compared to the same period of 2020, for an average monthly demand of 6,140GWh per month in the first quarter of 2021. The main reason for this increase is the 1.3% higher demand from unregulated customers in the first three months of 2021 compared to the first quarter in 2020, partly offset by a 1.8% decrease in demand from regulated customers.

These factors led to a 39% increase in the average marginal costs in the north and a 56% increase in the central part of the system compared to the same period of 2020.

Guacolda produced 6.1% of the energy generated on the SEN during the first quarter of 2021.

The table below shows the main SEN variables as of March 31, 2021, and 2020:

		1Q	
		2021	2020
Demand growth	(%)	0.1 %	2.9 %
Average monthly consumption	(GWh)	6,140	6,134
Average spot price Northern Chile	US\$/MWh	68	49
Average spot price Central Chile	US\$/MWh	78	50

RISK ANALYSIS

MARKET AND FINANCIAL RISK

This refers to the risk that the fair value of future cash flows of a financial instrument will fluctuate due to a change in market prices. Market risks include the following three categories: foreign currency risk, interest rate risk and commodity price risk. Financial risk relates to the potential occurrence of events which could have a negative financial impact on the Company and specifically includes credit risk and liquidity risk.

Foreign Currency Risk

The Company's functional currency is the US Dollar given that its revenue, expenses, investments in equipment and debt are mainly denominated in or linked to the US Dollar. Exchange rate risk is associated with any revenue, expenses, investments, and debt denominated in any currency other than US Dollars. As of March 31, 2021, Guacolda maintained several currency forwards with banks to mitigate its exposure to foreign exchange variations associated with collection of energy sales, given that even though most of the Company's energy supply agreements have prices denominated in US Dollars, payments are made in Chilean pesos at an exchange rate that is fixed for a specific period of time.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company manages its interest rate risk by having a significant portion of debt at fixed rates. As of March 31, 2021, all of the Company's debt is at fixed rate

Rate	March 31, 2021	December 31, 2020
Fixed or with Swap	100 %	100 %
Variable	— %	— %

Commodity Price Risk

The fuel used by the Company is primarily coal, which is a commodity with international prices set by market factors outside of the Company's control. Since the units of Guacolda are coal-fired generation facilities, coal costs represent an important part of operating costs. Additionally, the price of fuel is a key factor in plant dispatch and spot prices in Chile.

Currently, most of the Company's power purchase agreements include indexation mechanisms that adjust prices based on the increase and decrease in the price of coal in accordance with the indices and adjustment periods specified in each contract, to mitigate major variations in the fuel cost. Moreover, sales to the spot market allow variations in fuel prices to be transferred to the sale price.

Credit Risk

Credit risk is related to the credit rating of Guacolda's counterparties. The Company is exposed to credit risk primarily from its operating activities related to trade receivables and from its financing activities including deposits with banks and financial institutions and other financial instruments.

Regarding trade receivables, Guacolda has an ample customer base, with counterparties including distribution and mining companies with high solvency. In the case that the Company has an excess of energy; it is sold in the spot market. Per Chilean regulations; the Company's spot sales are required to be with other generators in the SEN grid that have energy deficits according to the economic dispatch performed by the Coordinador Eléctrico Nacional (ISO).

Financial investments by Guacolda such as time deposits and derivatives are executed with local and foreign financial institutions that have national and/or international credit ratings greater than or equal to "A" under the S&P and Fitch scale and "A2" under the Moody's scale. Similarly, derivatives for financial debt are executed with first-class international entities. Cash, investment and treasury policies direct the management of the Company's cash portfolio and minimize credit risk.

Liquidity Risk

Liquidity risk relates to the need for funds to meet payment obligations. The Company's objective is to maintain a balance between fund continuity and financial flexibility through normal operating cash flows, bank loans, public bonds, short-term investments and committed and uncommitted credit lines.

As of March 31, 2021, Guacolda had US\$163 million in available cash and cash equivalents, compared to US\$91 million as of December 31, 2020.

OPERATIONAL RISKS

Operational risks relate to the possibility of future outages or deficiencies that can negatively affect the Company's strategic operational and/or financial objectives.

Operational Failures and Maintenance

Mechanical failures, accidents or planned and unplanned maintenance affecting the availability of the Company's efficient capacity could have a material adverse effect on results.

Although the Company performs regular maintenance and operational enhancements to guarantee the commercial availability of its units and operational insurance policies remain in effect, mechanical failures or accidents could result in periods of commercial unavailability. Significant periods of unavailability of Guacolda units, because of mechanical failure or maintenance (planned or unplanned), would require the Company to meet its contractual obligations by purchasing energy on the spot market, which could result in higher costs that would adversely affect operating results.

Decoupling Risk

Given certain transmission restrictions in Chile due to the concentration of renewable energy plants, there can be a decoupling between injection and withdrawal prices. The effect of the difference in price is assumed by the generation companies and can, in turn, affect their operating margins. Currently, there are contracts in which this risk cannot be passed through; however, clauses to mitigate this risk are being negotiated in new contracts with unregulated customers.

It should be noted that the Cardones-Polpaico transmission line came online at the end of May 2019, allowing for the full interconnection between the Chilean former northern and central grids. This link has contributed significantly to reduce energy prices differentials between both regions while reducing transmission constraints that generated significant variations in prices between different nodes of the system. All this contributes to a significant reduction in the decoupling risk.

Contract Demand

Most of the Company's contracts are with creditworthy customers that require our electricity to produce their products. In the case the demand for energy-related to the variable portion of our contracts decreases, our customers do not comply with their committed obligations or we are unable to renew or replace these contracts, our financial performance could be negatively impacted.

Regulatory Risks

Guacolda is subject to several different aspects of Chilean regulation and modifications to existing legislation could potentially have an adverse effect on the Company's financial results. The Company cannot guarantee that the laws or regulations in Chile will not be modified or interpreted in a manner that could adversely affect the Company or that governmental authorities will effectively grant any approval requested.

Regulated Tariff Stabilization Mechanism

On November 2, 2019, Chilean Law 21,185 was enacted creating an energy price stabilization mechanism affecting regulated contracts with reference in the first half 2019 energy prices. Through this mechanism, future increase in prices will be temporarily borne by generation companies supplying these regulated contracts, financing up to

US\$1,350 million. Energy prices are expected to decrease from 2021 onwards, so the difference between fixed tariff and contract price evolution will be used to repay pending payments to suppliers. On March 5, 2020 through Exempt Resolution N° 72 of the National Energy Commission, the Law's regulation was published, establishing technical dispositions for its implementation. On April 20, 2021, the National Energy Commission updated the estimated balances for December 2021, to an approximate amount of US\$1,125 million, by which the risk that during 2021 the maximum amount is exceeded decreases.

Basic Utilities Law

On March 18, 2020, the Government of Chile declared a constitutional state of emergency amid the COVID-19 pandemic, through the supreme decree N°104. On June 12, 2020, by means of DSN°269, the constitutional state of emergency was extended for an additional 90 days period, due to public calamity, declared in Chilean territory by the aforementioned DS°104. On March 13, 2021, by means of DSN°72, the constitutional state of emergency was extended for fourth time, for an additional 90 days period, due to public calamity, declared in Chilean territory by the aforementioned DS°104, until June 30, 2021.

In this context, on August 8, 2020, Law No. 21,249 was published in the official gazette, which exceptionally provides for measures in favor of end users of electricity, sanitation, and network gas services. The Law prohibits the cut off of electricity supply to residential customers from the publication of the law until May 2021. It also empowers the end user to prorate in 36 installments debts contracted in the period. A new law extends this ban until November 2021 and gives customers the ability to increase the number of installments to 48 to pay its debt.

Both Law No. 21,249 and the project in process do not refer to risks of customers bad debts, keeping the current risk at the distribution companies.

Flexibility Strategy, reform of the power market.

In November 2019, the Chilean Ministry of Energy presented its Flexibility Strategy by which a definition of regulatory work plan is seek for the short and medium term with regards to the operational flexibility of the system. The strategy considers the development of three working axes: i) the improvement of the market for the development of a flexible system, ii) the review of the regulatory framework for storage systems and iii) measures associated with the system's flexible operation. This process will run from January 2020 until May 2022 and it's expected that the current market compensation mechanism will be reviewed, potentially affecting AES Andes' capacity revenues.

In September 2020, the Ministry of Energy has restarted the regulatory process associated with the development of the Flexibility Strategy. Likewise, on October 15, 2020, the discussion began on axis i) Strategy: improvement of the market for the development of a flexible system. The main measure of this axis is a reform of the capacity market. The final presentation of the Ministry of Energy's proposal is expected for June 2021. Then in July 2021, the Ministry of Energy expects to have a new version of the capacity market regulation available for public consultation.

Portability Bill

On September 10, 2020, the Ministry of Energy has presented the Electric Portability Bill to start the legislative process. The bill was referred to the Mining and Energy Commission and the Treasury Commission. The aim of the project is to enable all end users to choose their supplier of electricity, getting lower prices, differentiated and personalized offers, and better quality in customer service. Currently the project is in the first stage of legislative processing, in which the Mining and Energy Commission generally studies the bill inviting different agents of the sector, to acknowledge their view on the Executive's project.

Bill to prohibits the installation and operation of coal-fired thermoelectric plants

On January 9, 2020, a bill that prohibits the installation and operation of coal-fired thermoelectric plants throughout the country was presented by a parliamentary motion. This bill establishes the prohibition of installation and closure of coal-fired plants in Chile no later than December 31, 2025. On October 27, 2020, the project was approved in general by the Chamber of Deputies with indications from parliamentarians. With this, the project will return to the Environment

Commission, for the review and analysis of the indications. On April 14, 2021, the parliamentarian's indications have restarted its discussion and analysis. On May 26, The permanent and transitory article has been approved by the commission. The commission rejected or declared inadmissible indications pending of discussion. The bill will go to a vote in the Chamber of Deputies, after which it must be sent to the Senate for its second stage of processing.

Bill that "Allows to ensure water certainty for the different productive uses of water"

On November 16, 2020, a bill that "Allows to ensure water certainty for the different productive uses of water" (Bulletin No. 13,891-09) was presented, which intends to modify the Water Code and the General Law of Electrical Services. The bill seeks to prioritize the use of consumptive water rights for irrigation and human consumption with respect to non-consumptive water rights, as well as to establish that, the electrical concessionaires of hydroelectric plants must present within the 5 following years from the law's entry into force, a transformation plan of its productive matrix in which they must consider the use of renewable sources, other than water, ensuring the sustainable use of the stopped water reserves. The current wording of the bill would be focused on regulating the conflicts between the reservoir hydroelectric generation plants and the water rights for agricultural and residential use. The bill is currently in its first constitutional process, without urgency, waiting for the first Special Commission on Water Resources, Desertification and Drought report, and it the expectation that the associations of the electricity sector presentations would clarify the real meaning and scope of the provisions of the bill.

Environmental Regulation

Guacolda is subject to environmental regulations, which, among others, require environmental impact studies for project development and regulatory permits previous to modifications of operational procedures that have environmental impacts not yet evaluated or new projects. AES Andes cannot guarantee that governmental authorities will effectively grant any requested environmental approval.

New and increasingly demanding environmental regulations are continuously under development, which may modify operations and or require additional investments to comply with such regulation.

Tax Regulation

The Company is subject to existing tax legislation in Chile. Amendments to laws or modifications in tax rates have a direct effect on earnings.

In April 2021, the Chamber of Deputies approved the discussion of a project that proposes to temporarily increase the corporate tax rate, as well as to eliminate the benefits of non-income established in article 107 of the Income Law. Similarly, the Ministry of Finance has established its intention to modify the exemptions and benefits currently contained in the tax legislation, through a new tax reform project that is expected to be presented in the coming weeks. The preliminary stage of the discussion does not yet allow us to conclude on the potential impact and risks of these potential changes in the Company.

On February 24, 2020, Law 21.210 of "tax modernization" was enacted. This law, simplifies tax records that taxpayers must keep, modernizes the definition of accepted expenditures, to incorporate disbursements during the ordinary course of business that are part of its operation, but not directly associated to the productive activity. Additionally, an amendment to the emissions tax regulation was issued, expanding the taxation base to all establishments whose emitting sources, individually or in aggregate, produce 100 tons or more of particulate matter per year, or 25,000 tons or more of CO₂, not only limiting them to boilers or any particular emission sources as in the previous regulation. Another relevant modification is the opportunity to implement compensation programs, from 2023 onwards, thereby reducing the calculation of emissions on which the tax payment will apply, however the requirements of such programs are pending of publication by the authorities.

In addition to these modifications, the law incorporated a surcharge on real estate contributions, for those taxpayers whose aggregated properties exceed an appraisal of 670 UTA, as of December 31 of the previous year, according to

the following tranches: i) 670 UTA -1,175 UTA: 0.075%; ii) 1,175-1,510: 0.15%; iii) 1,510 UTA or more: 0.275%. Another change incorporated in the new law is a tax for the benefit of a regional fund, equivalent to 1% of the cost for investment projects exceeding US\$10 million, which require environmental impact studies. It is applied to the amount that exceeds the US\$10 million and will be accrued in the first year with operating income, payable over a period of 5 years, for the benefit of the region in which the project will be built. This tax is applicable to projects with environmental assessment processes initiated as of February 24, 2020.

On September 2, 2020, Law 21,256 was enacted, which contained a package of measures aimed at encouraging the reactivation of the Economy in the midst of the World Pandemic generated by COVID-19, among which was the possibility of allocating fiscal resources accrued by the contribution of 1% of article 32 of Law 21,210 that refers to the Contribution for Regional Development, leaving the taxpayers released from this payment whenever the investment project is submitted to environmental impact assessment before December 31, 2021 and the execution of the project begins within a period of 3 years from obtaining a favorable environmental qualification.

During the first quarter of 2021, the Company accrued emission taxes net of pass-through agreements of US\$6.6 million, compared to US\$5.5 million accrued in the same period last year.

GUACOLDA ENERGÍA S.A. BALANCE SHEET

Balance Sheet as of March 31, 2021, and December 31, 2020

International Financial Reporting Standards (IFRS).

Assets (ThUS\$)	March 31, 2021	December 31, 2020
CURRENT ASSETS		
Cash and cash equivalents	163,250	124,441
Other financial assets	1,411	1,824
Other non-financial assets	10,596	39
Trade and other accounts receivable	77,626	91,665
Accounts receivable from related parties	5,861	13,559
Inventory	25,142	28,809
Current tax assets	16	33
Total Current Assets	283,902	260,370
NON-CURRENT ASSETS		
Other non-current financial assets	—	—
Trade and other accounts receivable	7,223	6,794
Related party receivables	—	—
Intangible assets	656	736
Property, plant and equipment	501,504	511,970
Deferred tax assets	99	100
Total Non-Current Assets	509,482	519,600
TOTAL ASSETS	793,384	779,970

GUACOLDA ENERGÍA S.A. BALANCE SHEET

Balance Sheet as of March 31, 2021, and December 31, 2020

International Financial Reporting Standards (IFRS).

Liabilities and Equity (ThUS\$)	March 31, 2021	December 31, 2020
CURRENT LIABILITIES		
Other financial liabilities	9,847	4,042
Trade and other accounts payable	71,731	60,369
Accounts payable to related parties	8,855	11,651
Taxes payable	89	82
Provisions for employee benefits	1,828	2,483
Other non-financial liabilities	3,888	3,657
Total Current liabilities	96,238	82,284
NON-CURRENT LIABILITIES		
Other financial liabilities	497,153	497,153
Other provisions	111,062	110,180
Deferred taxes	—	—
Non-current provisions for employee benefits	276	272
Total Non-Current Liabilities	608,491	607,605
TOTAL LIABILITIES	704,729	689,889
SHAREHOLDERS' EQUITY		
Issued capital	343,170	343,170
Retained earnings (loss)	(404,886)	(403,160)
Other equity interest	149,650	149,650
Other reserves	721	421
Shareholders' Equity attributable to Parent Company's owners	88,655	90,081
Non-Controlling Interest	—	—
Total Shareholders' Equity	88,655	90,081
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	793,384	779,970

GUACOLDA ENERGÍA S.A. INCOME STATEMENT

For the three-month periods ended March 31, 2021, and March 31, 2020

International Financial Reporting Standards (IFRS)

Income Statement (ThUS\$)	1Q	
	2020	2019
Regulated customer sales	0	11,458
Unregulated customer sales	62,386	91,804
Spot sales	28,729	3,698
Transmission revenue	9,246	6,598
Other operating revenues	671	1,809
Operating Revenues	101,032	115,367
Energy and Capacity Purchases	(8,692)	(9,195)
Fuel Consumption	(31,701)	(30,352)
Transmission Tolls	(12,016)	(7,656)
Other Cost of Sales	(25,488)	(23,740)
Depreciation	(14,944)	(13,014)
Total Costs of Sales	(92,841)	(83,957)
Gross Profit	8,191	31,410
Administrative Expenses	(1,467)	(1,446)
Other gains / (losses)	121	—
Financial Income	141	170
Financial Expense	(6,139)	(6,943)
Foreign Currency Exchange Differences	(2,551)	(9,944)
Income (Loss) Before Tax	(1,704)	13,247
Income tax income (expense)	(22)	(63)
Net Income (Loss) Before Tax	(1,726)	13,184
Income Attributable to Shareholders of Parent	(1,726)	13,184
Income Attributable to Non-controlling interest	—	—
Net Income (Loss)	(1,726)	13,184

GUACOLDA ENERGÍA S.A. CASH FLOW STATEMENT

For the three-month periods ended March 31, 2021, and March 31, 2020 (cumulative results)

International Financial Reporting Standards (IFRS)

	March 31, 2021	March 31, 2020
Cash flows from (used in) operating activities		
Classes of collections from operating activities		
Collections from sale of goods and provision of services	140,909	131,510
Classes of payment		
Payments to suppliers for the supply of goods and services	(96,917)	(58,340)
Other payments for operating activities	—	—
Payments to and by employees	(3,401)	(2,910)
Interest received	12	114
Other cash inflows (outflows)	752	794
Net cash flows from (used in) operating activities	41,355	71,168
Cash flows from (used in) investing activities		
Purchase of property, plant and equipment	(1,635)	(3,012)
Net cash flows from (used in) investment activities	(1,635)	(3,012)
Net cash flows from (used in) financing activities		
Loans received	—	37,773
Payment of loans	—	(40,000)
Interest payment	—	(838)
Dividends paid	—	—
Net cash flows from (used in) financing activities	—	(3,065)
Net increase (Decrease) in cash and cash equivalents, before effects of exchange differences	39,720	65,091
Effect of exchange differences on cash and cash equivalents	(911)	(2,499)
Net increase (decrease) in cash and cash equivalents	38,809	62,592
Cash and cash equivalents at the beginning of the period	124,441	27,948
Cash and cash equivalents at the end of the period	163,250	90,540

ABOUT GUACOLDA

Guacolda Energía S.A. is located in Huasco, in the Northern part of Central Chile, and sells electricity on the National Electrical Grid of Chile (SEN). The company owns and operates a coal-fired a thermoelectric generation facility, with a gross installed capacity of 764 MW. Unit 1 and Unit 2 have been fully operational since 1995 and 1996, respectively. Unit 3 and Unit 4 came online in 2009 and 2010, respectively. Additionally, the Company completed Unit 5 which started operations at the end of 2015. AES Gener owns 50% plus one share of Guacolda, while WEG, through its subsidiary El Águila Energy SpA, owns 50% less one share of the Company. On May 14, 2021, El Águila Energy II SpA, current co-owner of Guacolda Energía SpA, exercised its preferred acquisition rights over AES Andes's stake in the Company, representing 50.0000005% of Guacolda's shares. Concurrently, the Chilean financial group Capital Advisors, acquired from WegE SpA the control of El Águila Energy II SpA, currently representing 49.9999995% of Guacolda's shares. Once the operation is completed Capital Advisors through El Águila Energy II SpA will control 100% of Guacolda. The operation is subject to the approval of the Fiscalía Nacional Económica (FNE) in Chile.

ABOUT AES GENER

AES Gener generates and sells electricity in Chile, Colombia, and Argentina with the mission of improving lives by accelerating a more secure and sustainable energy future. The Company operates a total installed operating capacity of 5,196MW in the region along with an extensive portfolio of renewable energy projects under development. The Company is the second-largest generator in Chile, with a diversified portfolio including hydro, wind, solar, energy storage, biomass, gas and coal-fired power plants.

In Chile, AES Gener owns 3,512MW, comprised of 2,959MW of thermoelectric, 267MW of hydroelectric, 110MW of wind, 102MW of solar photovoltaic and 13MW of biomass capacity, in addition to 62MW of battery energy storage systems, seawater desalination plants, transmission lines and gas pipelines in Chile. AES Gener also owns hydroelectric and solar plants in Colombia with a total capacity of 1,041 MW and a natural gas combined cycle plant in Argentina with an installed capacity of 643 MW. AES Gener is 67.0% owned by The AES Corporation.

To learn more about AES Gener, please visit www.aesandes.com/en/investors