EARNING REPORT

Guacolda Energía SpA and Subsidiary

As of March 31, 2024

1. SUMMARY

- **EBITDA** for the 1st Quarter of 2024 (1Q24) reached **US$16.6 million,** which represents a decrease of 55%, US$20.5 million less than the EBITDA of US$37.1 million obtained during the same quarter of the previous year (1Q23). This variation is explained by lower operating margin, mainly due to fewer revenues in both Spot and unregulated customer sales market (-US$61.8 million) as a result of lower average spot prices, 40GWh decrease in generation and lower customer withdrawals. On the other hand, the decrease in fuel prices (+US$36.4 million) which had a significant positive effect during the previous quarters, and less energy and capacity purchases (+US$9.3), were not able to compensate said income variation.

- In terms of **depreciation,** an expense of **US$14.9** million was recorded in 1Q24, compared to the expense of US$15.6 million in 1Q23.

- **Non-operating result** of 1Q24 presented a loss of **US$10.9** million, which is compared to the profit of US$22.9 million obtained in 1Q23.The lower result obtained in 2024 is mainly due to the extraordinary effects that occurred during 2023 for the recognition of an income (+US$30.3 million) resulting from the repurchase of debt**.**

- Regarding the 1Q24 **accountable taxes**, no recognition has been made, according to the actual best estimation of the company's future flows that wouldn’t allow the Company to totally use that loss against future tax process in a defined time horizon. During 1Q23 the company recorded an expense of US$12.9 million, related to the profit of the period.

- As of March 31, 2024, Guacolda recognized an accumulated loss of **US$6.0** million, compared to the profit of US$35.1 million recorded by the Company in 1Q23.

2. GENERATION, PURCHASES AND SALES

ENERGY GWh	Q1		% Var
	Q1 2024	Q1 2023	Quarter
Unregulated	312	392	-20%
GenCos	288	36	>100%
Spot	40	127	-68%
Total Sales	**640**	**555**	**15%**
Spot	144	11	>100%
Other generators	96	82	16%
Purchases	**239**	**93**	**>100%**
Thermal Generation	**401**	**462**	**-13%**

- Thermal generation during 1Q24 reached 401 GWh, decreasing 13% compared to 1Q23, mainly explained by lower dispatch levels due to the increase in Non-Conventional Renewable Energy ("NCRE") generation during sunny hours.
- Physical sales during 1Q24 reached 640 GWh, increasing 15% compared to 1Q23, due to the increase in sales volume to other generators.
- Energy purchases from the spot market and other generators during 1Q24 reached 144 GWh, compared to 11GWh from 1Q23, mainly due to the activation of a surplus contract.

3. STATEMENT OF COMPREHENSIVE INCOME

The following table represents the company's income statement comparing year to date, compared to the equivalent period of the previous year.

INCOME STATEMENTS ThUS$	Q1		% Var
	Q1 2024	Q1 2023	Quarter
INCOME FROM ORDINARY ACTIVITIES	**87.109**	**151.703**	**-43%**
Unregulated customer sales	72.702	95.678	-24%
Spot sales	9.475	48.318	-80%
Transmission revenue	4.264	7.261	-41%
Other operating revenues	668	446	50%
COSTS OF SALES	**(82.166)**	**(126.604)**	**-35%**
Energy and capacity purchases	(8.623)	(17.945)	-52%
Fuel consumption	(34.571)	(70.968)	-51%
Transmission tolls	(3.655)	(6.441)	-43%
Other cost of sales	(20.368)	(15.678)	30%
Depreciation	(14.949)	(15.572)	-4%
GROSS PROFIT	**4.943**	**25.099**	**-80%**
EBITDA	**16.645**	**37.165**	**-55%**
Administrative expenses	(3.247)	(3.506)	-7%
Financial Income	548	30.358	-98%
Financial expenses	(6.470)	(3.746)	73%
Exchange differences	(1.801)	360	>100%
Other income (losses)	22	(542)	>100%
NON-OPERATIONAL RESULTS	**(10.948)**	**22.924**	**>100%**
INCOME (LOSS), BEFORE TAX	**(6.005)**	**48.023**	**>100%**
Income tax expenses	-	(12.902)	-
NET INCOME (LOSS) FOR THE PERIOD	**(6.005)**	**35.121**	**>100%**

3.1 OPERATIONAL RESULTS

- **Revenues** of **US$87.1** million in the 1Q24 compares negatively to the 1Q23 income of US$151.7 million recorded in 1Q23. This quarterly result is explained by (i) lower injection prices associated with non-conventional renewable energy (mainly water sources), (ii) income from clients with PPA contracts, that reduced withdrawals by volumes and costs.

- **Operational costs** for 1Q24 decreased 35% compared to 1Q23, equivalent to a positive variation of US$44.4 million, primarily due to (i) lower fuel cost consumption related to the decrease in fossil fuel prices, (ii) lower Purchases of energy and capacity and (iii) lower transmission cost.

3.2 NON-OPERATING RESULTS

- The Company reported losses of **US$10.9** million in **Non-operating result** for 1Q24, compared to profit of US$22.9 million obtained during the same period of 2023. The main driver for this negative variance is related to the profit obtained from the repurchase of debt coupons in 2023 as previously mentioned.

4. STATEMENTS OF FINANCIAL POSITION

The following table represents the company's Consolidated Statements of Financial Position as of March 31, 2024 and December 31, 2023.

FINANCIAL STATEMENTS	Mar.-24	Dec.-23	Var.	% Var
Current assets	168.798	170.403	(1.605)	-1%
Non-current assets	363.698	376.588	(12.890)	-3%
TOTAL ASSETS	**532.496**	**546.991**	**(14.495)**	**-3%**
Current liabilities	73.134	77.757	(4.623)	-6%
Non-current liabilities	406.601	405.368	1.233	0%
Equity	52.761	63.866	(11.105)	-17%
TOTAL EQUITY AND LIABILITIES	**532.496**	**546.991**	**(14.495)**	**-3%**

- **Current Assets:** Reached **US$168.8** million, decreasing 1% compared to the current assets recorded at the end of December 2023, mainly due to (i) decrease in cash and equivalents during the quarter (-US$22.1 million), (ii) increased of other non-financial assets related to prepaid expenses (+US$8.0 million), (iii) increased in accounts receivable (+US$7.6 million) and (iv) increased in coal stock (+US$4.3 million).

- **Non-current assets:** Recorded **US$363.7** million, decreasing 3% compared to the non-current assets at the end of December 2023. This difference is mainly explained by a decrease in property, plants and equipment due to the recognition of the depreciation of the period.

- **Current liabilities:** Recorded **US$73.1** million as of March 2024, 6% less, compared to the balance recorded as of December 2023. This variation is explained by a decrease of account payables related to coal purchases.

- **Non-current liabilities:** Totaled **US$406.7** million at the end of March 2024 compared to the balance of US$405.4 million at the end of December 2023, primarily due to an update of the asset retirement obligation (ARO) according to the Guacolda Environmental Impact Assessment, (the Company has the obligation to carry out the dismantling on the period defined).

- **Equity**: The company recorded a Net Equity of **US$52.8** million, decreasing 17% compared to the Net Equity registered as of December 2023, mainly due to a capital withdrawal carried out during the period and accumulated losses of the trimester.

GUACOLDA energía

4.1 DEBT OBLIGATIONS (PRINCIPAL)

Other financial issues: From 2022 Guacolda has been carrying a process of liability management to restructure an original bond of US$500 million whose initial maturity corresponded to April 2025, by means of: i) Open Market Repurchases for US$248.3 million; ii) issuance of a new bond, as a result of an exchange process for US$168.29, with a quarterly amortization structure and final maturity in December 2030. Because of said liability management, the bond maturing in April 2025 reduced its capital to US$83.38 million.

					Non-current principal				
Debt Amortization (US$ million)	Total Outstanding	Annual nominal rate	Final Deadline	Current principal	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Senior Notes due 2025	83,38	4,56%	Dec 2025	-	83,40	-	-	-	-
Senior Notes due 2030	168,29	10,00%	Dec 2030	18,03	24,04	24,04	24,04	24,04	54,10
TOTAL (*)	**251,67**			**18,03**	**107,44**	**24,04**	**24,04**	**24,04**	**54,10**

* *Does not include interest or amortization of the debt placement expenses*

4.2 FINANCIAL RATIOS

The following table compares financial ratios between 1Q24 and full year 2023. Balance sheets' indicators are calculated as of the date indicated while income statement indicators consider the accumulated results of last 12 months.

RATIOS		Unit	Mar.-24	Dec.-23	% Var
Liquidity	Current liquidity	Times	2,31	2,19	5%
	Acid reason	Times	1,55	1,53	1%
Debt	Total liabilities / Equity	Times	9,09	7,56	20%
	Net financial debt / Equity	Times	8,47	6,70	26%
	Net financial debt / EBITDA	Times	3,79	3,09	23%
	Net financial expense coverage	Times	1,02	0,96	6%
Liabiliies composition	Short term liabilities / Total liabilities	%	15,24	16,09	-5%
	Long term liabilities / Total liabilities	%	84,76	83,91	1%
	Obligation to the public / Total liabilities	%	53,31	52,74	1%
Profitability	Profits (losses) / Equity	%	99,31	166,63	-40%
	EBITDA / Total assets	%	22,13	25,32	-13%
	12 months EBITDA	MMUSD	117,82	138,52	-15%

- **Liquidity Ratios:** There was an increase in liquidity indicators mainly due to a decrease in current liabilities due to the lower coal prices.

- **Debt Ratios:** An increase in the first three indicators is observed, mainly due to the lower net equity due to capital withdrawals. Regarding the net financial expenses' coverage, it increased by 6% compared to Dec.23, mainly due to the profits obtained by the repurchase of bonds made in the year 2023 recognized as financial incomes.

- **Liabilities Ratios** there was a decrease in the proportion of short-term over total debt due to a decrease of the and long-term liabilities to total liabilities, mainly due to the lower volume of trade accounts payable. On the other hand, the ratio long-term over total liabilities keeps almost stable regarding to Dec.23 ratio.

- **Profitability Ratios:** the 12 months profit (loss) over equity decreases mainly due to the lower results obtained as of March 2024 compared to December 2023.

5. STATEMENTS OF CASH FLOW

ESTADO DE RESULTADOS MUSD	Q1		% Var
	Q1 2024	Q1 2023	Quarter
BEGINNING CASH AND CASH EQUIVALENTS	**55.169**	**91.815**	**-40%**
Cash flow from operating activities	(7.843)	31.544	>100%
Cash flow from financing activities	(9.972)	811	>100%
Cash flow from investments activities	(3.382)	(5.398)	-37%
NET INCREASED (DECREASED) IN CASH AND CASH EQUIVALENTS	**(21.197)**	**26.958**	>100%
Exchange differences in cash and cash equivalents	**(908)**	**1.401**	**>100%**
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	**33.064**	**120.172**	**-72%**

Net cash flow for the 1Q24 reached US$33.1, with a negative variation of -72% in relation to the cash flow generated during 1Q23. This was explained by:

- **Cash Flow from Operating activities:** During 1Q24, a negative net cash flow of US$7.8 million was generated, that is compared to the positive net flow of US$31.5 million as of March 2023, mainly explained by lower generation and revenues.

- **Cash Flow from Financing activities:** During 1Q24, a negative net flow of US$10.0 million was generated, that is compared to the positive net cash flow of US$0.8 million as of 1Q23. This decrease is generated because of interests' bond payments and a capital withdrawal during the period.

- **Cash Flow from Investments activities:** the negative net cash flow in 1Q24 is explained by lower CAPEX disbursements, compared to US$5.4 million in 1Q23.

6. MARKET INFORMATION

Chile’s National Electric System or SEN, supplies a wide range of customer types, including Chile’s main population hubs in the center, and mining operations in the north, with a diverse generation matrix including thermal, hydro, and other renewables. The SEN runs from the northern part of Region of Arica and Parinacota to Region of Los Lagos.

During the first quarter of 2024, hydro generation increased by 44%, compared to the same period of 2023, while reservoir levels rose substantially by 141%, mainly due to the increase in rainfall due to the El Niño phenomenon.

During 1Q24 spot prices in the zone were Guacolda generates, presented a significant variation, decreasing 54% due to the fall of the price of fossil fuels worldwide and greater availability of water generation sources that displaced Guacolda's order of merit for electricity generation.

Total energy demand growth reached 3.9% compared to the same period of 2023, with an average monthly demand of 6,680 GWh per month.

These factors led to a 54% decrease in the average marginal costs in the north of Chile and a 58% decrease in the central part of the system compared to 1Q23.

The table below shows the main SEN variables as of March 31,2024, and March 31, 2023:

CHILE´S NATIONAL ELECTRIC SYSTEM INFORMATION	Q1		% Var
	Q1 2024	Q1 2023	Quarter
Demand Growth	3,91%	0,70%	>100%
Average monthly consumption	6.680	6.428	4%
Average spot price Northern Chile	48,5	105,0	-54%
Average spot price Central Chile	46,8	111,2	-58%

REGULATORY RISKS

Electric Power Generation industry in Chile is heavily regulated, and subject to the effects of changes in Chilean regulation, including changes aimed at countering the effects of climate change and promote the protection of the environment, modifications to existing legislation that 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. Guacolda, actively participates in the development of the regulatory framework, submitting comments and proposals to the proposed regulations presented by authorities.

In 2020 and 2021, two bills were promoted that sought to advance the closure of coal-fired plants. The second of them, promoted by the Senate Mining and Energy Commission (bulletin 13196-12), sought to prohibit the installation and operation of coal-fired power plants throughout the country as of January 1, 2026. Subsequently, a second project was promoted by the same Commission (bulletin 14652-08), which promotes the generation of renewable energy. This second project, and the only one that has made progress to date, prohibits the injection into the National Electric System of energy from the combustion of fossil substances as of January 1, 2030. Indications have been presented that require revision, with the purpose to have evaluation mechanisms that allow emission reductions to be identified and give more flexibility to the removal of units. It is important to highlight that during the year 2023 none of the bulletins presented movements.

On March 18, 2023, the National Energy Commission issued Exempt Resolution N°149, by which it rescinded temporary mechanism temporary mechanism Resolution N°52, dated January 31, 2018, which in turn complements and modifies Resolution N°659 of 2017, that sets forth technical provisions for the implementation of Article 8° of the 2014 Tax Reform, as a measure contained in the "Initial Agenda for a Second Half of the Energy Transition" of the Ministry of Energy. This resolution announced the elimination of the compensation called "Compensation B", which determines the hourly compensation in those hours in which by instruction of the CEN the generating units have injected energy to the system at a variable operating cost higher than the marginal cost, thus eliminating the largest proportion of current compensation, to the detriment of the interannual margin of the generating companies that must pay taxes on emissions. In April 2023, the Company filed an Administrative Reinstatement against the decision of the National Energy Commission ("CNE"), to reinstate the regulatory provisions that allow the proper implementation of the green tax compensation established in the final paragraph of Article 8 of the 2014 Tax Reform, which was rejected by the CNE by means of the Exempt Resolution N° 360 dated August 9th, 2023.