EARNING REPORT

Guacolda Energía SpA and Subsidiary

As of December 31, 2024

1. SUMMARY

- **EBITDA** for the 4th Quarter of 2024 (4Q24) reached **US$17.4 million,** below 38%, than the EBITDA of US$27.9 million obtained during the same quarter of the previous year (4Q23). This variation was mainly due by lower gross profit, as a result of: (i) lower contract energy sales results of US$29.5 obtained by lower average contract prices and an non-regulated contract expiration; (ii) revenues from the Spot market increase of US$16.0 million mainly by higher dispatch of Guacolda units; (iii) increase in transmission revenue of US$2.6 million and (iv) increase of fuel consumption primarily by higher coal consumption US$1.6 million. **In accumulated terms**, EBITDA as of December 2024 was **US$77.4 million**, which represents a decrease of 44% compared to the same period of previous year, mainly by lower marginal costs of the system and reduction of generation.

- In terms of **depreciation**, an income of **US$14.2 million** was recorded in 4Q24, compared to the expense of **US$14.9 million** in 4Q23. This effect was caused by a rectification to the asset base made in 4Q24 due to an adjustment on the assets useful lives, based on a more accurate assessment of the assets' durability and performance, considering their current use and the estimated closure dates of the coal-fired generating units, in accordance with the decarbonization plan (Year 2039). **In accumulated terms**, a depreciation expense was recorded as of December 2024 of US$30.0 million, compared to the US$58.9 million recorded as of December 2023, by reasons stated above.

- **Accountable taxes** for 4Q23 **of US$30.4 million** were reversed, compared to the same period of 2024 as a consequence of the actual best estimation of the company's future flows that would not allow the Company to totally use that loss against future taxable process in a defined time horizon. **In accumulated terms**, the company didn´t recognize accountable taxes for reasons mentioned previously.

- Guacolda posted a net income of **US$35.8 million** for the 4Q24, increasing more than 100% compared to **US$21,4 million** of losses recorded in same period of 2023, primarily as a result of the recognition of the impairment of property, plant and equipment assets losses in 2023. **Regarding to year-to-date results**, the company as of December 2024 was US$ 32.8 million, decreasing more than 65% compared to the same period of the previous year, explained by financial income recognition of US$ 115.8 million in 2023.

2. GENERATION, PURCHASES AND SALES

YTD		% Var	ENERGY GWh	Q4		% Var
Dec.-24	Dec.-23	Accum.		Q4 2024	Q4 2023	Quarter
1.361	1.392	-2%	Unregulated	362	319	13%
1.373	1.012	36%	GenCos	183	385	-53%
210	663	-68%	Spot	170	-	-
2.944	**3.067**	**-4%**	**Total Sales**	**715**	**705**	**1%**
371	330	12%	Spot	36	173	-79%
364	265	37%	Other generators	121	87	39%
735	**595**	**23%**	**Purchases**	**157**	**260**	**-40%**
2.209	**2.471**	**-11%**	**Thermal Generation**	**558**	**445**	**25%**

- Thermal generation during 4Q24 reached 558 GWh, increasing 25% compared to 4Q23, mainly due to higher power plants dispatch, as some thermal units were undergoing major maintenance, and others experienced operational failures.
- Contracts sales volume to unregulated customers reached 362 GWh during the 4th quarter 2024, 13% more than 4Q 2023, due to a rise in mining consumptions clients.
- During the 4th quarter of 2024, Guacolda recorded net sales in the spot market of 170 GWh, due to the ending of an energy sales contract in October 2024.
- Energy purchases from the spot market and other generators during 4Q24 reached 157 GWh, decreasing 40% compared to 4Q23, mainly by the beginning of a new backup contract for a PPA in December 2024.

3. STATEMENT OF COMPREHENSIVE INCOME

The following table represents the company's income statement compared year to date, and fourth quarter results, both compared to the equivalent periods of the previous year.

YTD		% Var	INCOME STATEMENTS ThUS$	Q4		% Var
Dec.-24	Dec.-23	Accum.		Q4 2024	Q4 2023	Quarter
378.407	**565.257**	**-33%**	**INCOME FROM ORDINARY ACTIVITIES**	**89.041**	**100.122**	**-11%**
291.014	367.209	-21%	Unregulated customer sales	56.924	86.439	-34%
63.155	174.809	-64%	Spot sales	25.560	9.558	>100%
21.686	21.020	3%	Transmission revenue	6.242	3.667	70%
2.552	2.219	15%	Other operating revenues	315	458	-31%
(317.609)	**(472.453)**	**-33%**	**COSTS OF SALES**	**(53.866)**	**(83.409)**	**-35%**
(31.304)	(62.012)	-50%	Energy and capacity purchases	(6.891)	(9.688)	-29%
(161.711)	(252.397)	-36%	Fuel consumption	(36.355)	(34.706)	5%
(19.867)	(19.848)	0%	Transmission tolls	(4.201)	(3.602)	17%
(74.727)	(79.235)	-6%	Other cost of sales	(20.570)	(20.504)	0%
(30.000)	(58.960)	-49%	Depreciation	14.151	(14.909)	>100%
60.798	**92.804**	**-34%**	**GROSS PROFIT**	**35.175**	**16.713**	**>100%**
77.375	**138.522**	**-44%**	**EBITDA**	**17.439**	**27.971**	**-38%**
(13.829)	(13.923)	-1%	Administrative expenses	(3.592)	(3.650)	-2%
10.391	(58.940)	>100%	Financial Income	10.252	(58.894)	>100%
1.964	115.834	-98%	Financial expenses	335	1.083	-69%
(24.574)	(28.562)	-14%	Exchange differences	(5.362)	(7.122)	-25%
(1.904)	(790)	>100%	Other income (losses)	(1.021)	131	>100%
(27.952)	**13.619**	**>100%**	**NON-OPERATIONAL RESULTS**	**612**	**(68.452)**	**>100%**
32.846	**106.423**	**-69%**	**INCOME (LOSS), BEFORE TAX**	**35.787**	**(51.739)**	**>100%**
-	(12.276)	-	Income tax expenses	-	30.371	-
32.846	**94.147**	**-65%**	**NET INCOME (LOSS) FOR THE PERIOD**	**35.787**	**(21.368)**	**>100%**

3.1 OPERATIONAL RESULTS

- **Incomes** reached **US$89.0 million**, in the 4Q24 compared to the 4Q23 income of US$100.1 million. The main drivers for this decrease were: (i) generation increase related to higher dispatch by system requirements, offset by (ii) decreased income from clients with PPA contracts, explained by the reduction in average PPA prices indexed to fuel. **In accumulated terms**, the negative variation of 33% occurs by the same explanation mentioned previously.

- **Costs of Sales** for 4Q24 decreased 35% compared to 4Q23, mainly due to (i) the adjustment on the assets useful lives in property plants and equipment, based on a more accurate assessment of the assets' durability and performance, and (ii) lower Purchases of energy. **Year-to-date results** recorded a decrease of 33%, majorly based on depreciation adjustment.

3.2 NON-OPERATING RESULTS

- The Company reported incomes of **US$0.6 million** in **non-operating result** for 4Q24 compared to losses of US$68.5 million for the same period of 2023. The main driver for this variance was related to the property, plant and equipment impairment booked in 2023.

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4. STATEMENTS OF FINANCIAL POSITION

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

FINANCIAL STATEMENTS	Dec.-24	Dec.-23	Var.	% Var
Current assets	126.788	170.403	(43.615)	-26%
Non-current assets	361.192	376.588	(15.396)	-4%
TOTAL ASSETS	**487.980**	**546.991**	**(59.011)**	**-11%**
Current liabilities	155.416	77.757	77.659	100%
Non-current liabilities	245.474	405.368	(159.894)	-39%
Equity	87.090	63.866	23.224	36%
TOTAL EQUITY AND LIABILITIES	**487.980**	**546.991**	**(59.011)**	**-11%**

- **Current Assets:** Reached **US$126.8 million** at the end of December 2024, reducing 26% compared to the current assets recorded at the end of December 2023, mainly due to the decrease in cash and equivalents (US$42.3 million).

- **Non-current assets:** Recorded **US$361.2 million** at the end of December 2024, decreasing 4% 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 each period.

- **Current liabilities:** Recorded **US$155.4 million** as of December 2024, growing more than 100% compared to the balance recognition as of December 2023. This variation is explained by the classification of short-term capital of senior bonds maturity due in 2025.

- **Non-current liabilities:** Totaled **US$245.5 million**, at the end of December 2024 regarding the balance of US$405.4 million at the end of December 2023, primarily due to recognition in 2024 of long-term capital of senior bonds maturity due 2025.

- **Equity**: The company reached a Net Equity of **US$87.1 million**, increasing 36% compared to the Net Equity registered as of December 2023, mainly due to the net income of the period, offset by the capital decreases made during the year.

4.1 DEBT OBLIGATIONS (PRINCIPAL)

Guacolda has been carrying out a liability management process to restructure debt and fulfill its financial obligations.

The company accomplish new bond repurchases totaling US$3.1 million at the end of September 2024 of the Notes due in 2025, reducing the debt capital to US$80.3 million.

In addition, in the same period the company prepaid US$19.2 million capital of new bond maturity 2030, resulting in a final debt of US$149.1 million.

The following table details the total debt amortization schedule for the outstanding debt as of December 2024:

					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	80,3	4,56%	Dec 2025	80,3	-	-	-	-	-
Senior Notes due 2030	109,6	10,00%	Dec 2030	24,0	24,0	24,0	24,0	13,4	-
TOTAL (*)	**189,9**			**104,3**	**24,0**	**24,0**	**24,0**	**13,4**	**-**

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

4.2 FINANCIAL RATIOS

The table below is comparative of the financial ratios between December 2024 and December 2023, considering that the balance sheet indicators are calculated as of the date indicated and the income statement indicators consider the accumulated results of the last 12 months.

RATIOS		Unit	Dec.-24	Dec.-23	% Var
Liquidity	Current liquidity	Times	0,82	2,19	-63%
	Acid reason	Times	0,42	1,53	-73%
Debt	Total liabilities / Equity	Times	4,60	7,56	-39%
	Net financial debt / Equity	Times	4,45	6,70	-34%
	Net financial debt / EBITDA	Times	5,01	3,09	62%
	Net financial expense coverage	Times	2,92	0,96	>100%
Liabilities composition	Short term liabilities / Total liabilities	%	38,77	16,09	>100%
	Long term liabilities / Total liabilities	%	61,23	83,91	-27%
	Obligation to the public / Total liabilities	%	47,78	52,74	-9%
Profitability	Profits (losses) / Equity	%	37,71	166,63	-77%
	EBITDA / Total assets	%	15,86	25,32	-37%
	12 months EBITDA	MMUSD	77,38	138,52	-44%

- **Liquidity Ratios:** There was a decrease of 0.82 and 0.42, 63% and 73% respected the same values at the end of December 2023, mainly due to growth in financial liabilities by the recognition of short-term capital of senior bonds maturity due 2025 at the end of September 2024.

- **Debt Ratios:** The decrease in 4Q2024 in financial debt and liabilities ratios related to equity is mostly explained by the increase in equity respect to the same period of 2023. Regarding the net financial expense's coverage, it was 2.92, increasing more than 100% compared to December 2023, due to the increase in profits obtained by the repurchase of bonds made in 2023.

- **Liabilities Ratios** short-term liabilities increase more than 100% as well as the long-term liabilities decrease of 27% to total liabilities, related to the classification from long to short-term of bond maturity due in 2025 and the repurchase and prepaid of debt obligations noted above.

- **Profitability Ratios:** Profits (losses) on equity decrease 77% is mainly due to higher net income before taxes recorded in 2023 related to the profit obtained from repurchase of debt coupons respect to the results of 2024.

5. STATEMENTS OF CASH FLOW

YTD		% Var	CASH FLOW MUSD	Q4		% Var
Dec.-24	Dec.-23	Accum.		Q4 2024	Q4 2023	Quarter
55.169	**91.868**	**-40%**	**BEGINNING CASH AND CASH EQUIVALENTS**	**62.246**	**63.813**	**-2%**
71.775	280.199	-74%	Cash flow from operating activities	11.799	55.781	-79%
(91.855)	(293.693)	-69%	Cash flow from financing activities	(49.457)	(53.547)	-8%
(23.108)	(23.603)	-2%	Cash flow from investments activities	(13.266)	(10.946)	21%
(43.188)	**(37.097)**	16%	**NET INCREASED (DECREASED) IN CASH AND CASH EQUIVALENTS**	**(50.924)**	**(8.712)**	>100%
932	**398**	**>100%**	**Exchange differences in cash and cash equivalents**	**1.590**	**70**	**>100%**
12.913	**55.169**	**-77%**	**CASH AND CASH EQUIVALENTS AT THE END OF PERIOD**	**12.913**	**55.169**	**-77%**

Net cash flow at the end of December 2024 reached US$12.9, with a negative variation of 77% in relation to the flow generated in December 2023. This was explained by:

- **Cash Flow from Operating activities:** During 2024, a positive net flow of US$71.8 million was generated, which is compared to the positive net flow of US$280.2 million in 2023. In 2023 the company received a one-time payment of US$80.5 million from its main customers in connection with the amendment of the PPA. The minor operating cash flow for 2024 is explained by lower generation and average spot prices.

- **Cash Flow from Financing activities:** During 2024, a negative net flow of US$91.9 million was generated, which is compared to the negative net flow of US$293.7 million in 2023. This increase is mainly due to withdrawal capital payments and bond repurchase payments carried out during 2023.

- **Cash Flow from Investments activities:** the negative net flow of US$23.1 million in 2024 were made by lower CAPEX disbursements, compared to US$23.6 million in 2023.

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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 the Region of Arica and Parinacota to the Region of Los Lagos.

During 4Q24, hydro generation increased by 2%, compared to the same period of 2023. Average spot prices in the fourth quarter in Chile have shown a decrease of -8% compared to the same period of 2023, in line with the declining fossil fuel prices globally and large availability of hydric and solar resource.

Total energy demand growth reached 2.22% compared to the same period of 2023, with an average monthly demand of 6,587 GWh per month in 4Q24. These factors led to a -7% decrease in the average marginal costs in the north and a -10% decrease in the central part of the system compared to the same period of 2023.

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

YTD		% Var	CHILE´S NATIONAL ELECTRIC SYSTEM INFORMATION	Q4		% Var
Dec.-24	Dec.-23	Accum.		Q4 2024	Q4 2023	Quarter
2,22%	0,70%	>100%	Demand Growth	0,75%	0,27%	>100%
6.587	6.444	2%	Average monthly consumption	6.495	6.438	1%
49,8	77,0	-35%	Average spot price Northern Chile	42,4	45,6	-7%
48,6	80,3	-40%	Average spot price Central Chile	35,9	39,8	-10%

7. 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 first of these, initiated by a group of parliamentarians from the Chamber of Deputies (Bill 13196-12), sought to prohibit the installation and operation of coal-fired power plants nationwide, starting January 1, 2026. Subsequently, a second project was proposed by the Senate (Bill 14652-08), which promotes renewable energy generation. This second project, and the only one that has progressed to date, prohibits the injection of energy into the National Electric System from the combustion of fossil fuels as a primary energy source, effective from January 1, 2030. Amendments requiring review have been proposed to include evaluation mechanisms to identify emissions reductions and provide greater flexibility in removing units. It is important to highlight that, in 2023, neither of the bills made significant progress.

On June 13, 2022, the Chilean Congress enacted Law No. 21,455 (the "Framework Law on Climate Change"), with the primary objective of transitioning to a development model with low greenhouse gas emissions and other climate forcers, aiming to reach and maintain neutrality by 2050. The law establishes management tools for mitigation and contributes to water resource management through the development of strategic plans, in line with Chile's international commitments under the Paris Agreement to adopt adaptation and mitigation measures.

One of the key strategic pillars to combat climate change is the Coal Withdrawal Plan, led by the Ministry of Energy, along with a public-private commitment to the voluntary closure of coal-fired plants by 2040. The potential closure of the Huasco plant as a result of this withdrawal agreement may have a material adverse impact on the business and its operational results. Additionally, on July 11, 2023, the Government of Chile proposed the Energy Transition Law to the Chilean Congress. The proposed legislation includes a series of measures to incentivize the investments needed for the decarbonization process in Chile. Guacolda is actively participating in the working groups established by the Ministry of Energy to support this energy transition process.

On April 17, 2023, the National Energy Commission (CNE) issued Exempt Resolution No. 149, which revoked the temporary mechanism established by Resolution No. 52, dated January 31, 2018. This mechanism supplemented and modified Resolution No. 659, dated November 17, 2017, and had set technical provisions for the implementation of Article 8 of Law No. 20,780 regarding the necessary technical provisions for the proper implementation of the compensation mechanism. Resolution No. 149 announced the elimination of the "Compensation B," which had ensured that all generating units were remunerated at least for their variable costs to prevent them from operating at a loss. Under this system, the difference between the valuation of the injections made by the generating units at marginal cost and their total unit cost was to be paid by all electricity companies withdrawing energy from the system, proportionally to their withdrawals. This mechanism was grounded in the marginalist system established by Article 149 of the General Law on Electric Services (LGSE), compensating units that inject energy into the system at a variable operating cost higher than the marginal cost. The removal of Compensation B eliminates the largest portion of current compensation, detrimentally affecting the interannual margins of generating companies that are subject to emissions taxes.

On April 28, 2023, the Company filed an Administrative Appeal against Exempt Resolution No. 149 of the National Energy Commission (CNE), requesting that the administrative act be annulled and the validity of Exempt Resolution No. 52 be restored. However, on August 9, 2023, through Exempt Resolution No. 360, the CNE rejected the appeal filed by Guacolda Energía SpA.

Then, on November 19, 2024, Guacolda requested the Comptroller's Office to reconsider Opinion E516615/2024, this time asking for the matter to be reviewed by the legal division before issuing a ruling.