GUACOLDA ENERGÍA SPA

Financial statements for the years
ended December 31, 2024 and 2023
and independent auditor's report

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of
Guacolda Energía SpA.

Opinion

We have audited the financial statements of Guacolda Energía SpA. (the “Company´s”), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of comprehensive income, changes in equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company’s as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conduct our audits in accordance with auditing standards generally accepted in Chile. Our responsibilities under those standards are further described in the paragraphs of the "Auditor's Responsibilities for the Audit of the Financial Statements" section of this report. We are required to be independent of the Company’s, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to assess whether there are conditions or events that, considered in the aggregate, give raise to substantial doubt about the ability of the Company’s and its subsidiaries to continue as a going concern for at least, but not limited to, twelve months from the end of the reporting period.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Chile will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, concealment, misrepresentations, or management override of controls. Misstatements are considered material if, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.
In performing an audit in accordance with auditing standards generally accepted in Chile, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to an audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the appropriateness of the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events that, considered in the aggregate, raise substantial doubt about the Company’s ability to continue as a going concern for at least, but not limited to, twelve months from the end of the reporting period.

We are required to communicate to those charged with governance, among other matters, the planned scope and timing of the audit, and the significant audit findings, including any significant deficiency and material weakness in internal control that we identified during the audit.

Deloitte.

March 27, 2025
Santiago, Chile

Firmado por:

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Pablo Vásquez Urrutia
Partner

FINANCIAL STATEMENTS
Guacolda Energía SpA

For the years ended December 31, 2024 and 2023

This document includes the following sections:

Content

Guacolda Energía SpA
Classified Statements of Financial Position
As of December 31, 2024 and 2023
(amounts are expressed in thousands of United States dollars, unless otherwise stated)

	Note	December 31, 2024 ThUS$	December 31, 2023 ThUS$
CURRENT ASSETS			
Cash and cash equivalents	8	12,913	55,169
Other non-financial assets, current		219	164
Trade receivables and other accounts receivable, current	11	51,594	63,771
Inventories	12	62,042	51,210
Current tax assets	13	20	89
TOTAL CURRENT ASSETS		**126,788**	**170,403**
NON-CURRENT ASSETS			
Trade receivables and other accounts receivable, non-current	11	-	587
Intangible assets other than goodwill	14	1,149	1,176
Property, plant and equipment	15	358,715	372,969
Right-of-use assets	16	1,319	1,848
Other non financial assets, non current		9	8
TOTAL NON-CURRENT ASSETS		**361,192**	**376,588**
TOTAL ASSETS		**487,980**	**546,991**

The accompanying notes are an integral part of these financial statements.

GUACOLDA energía

Guacolda Energía SpA
Classified Statements of Financial Position
As of December 31, 2024 and 2023
(amounts are expressed in thousands of United States dollars, unless otherwise stated)

	Note	December 31, 2024 ThUS$	December 31, 2023 ThUS$
CURRENT LIABILITIES			
Other financial liabilities, current	17	107,792	22,812
Trade accounts payable and other accounts payable	18	44,014	51,148
Employee benefits provisions, current	20	3,431	3,625
Other non-financial liabilities, current	21	179	172
TOTAL CURRENT LIABILITIES		**155,416**	**77,757**
NON-CURRENT LAIBILITIES			
Other financial liabilities, non-current	17	83,761	232,011
Other provisions, non-current	19	80,015	91,609
Employee benefits provisions, non-current	20	1,198	1,248
Other non financial liabilities non current	21	80,500	80,500
TOTAL NON-CURRENT LIABILITIES		**245,474**	**405,368**
TOTAL LIABILITIES		**400,890**	**483,125**
EQUITY			
Issued capital	22	669,218	678,840
Accumulated losses	22	(24,009)	(56,854)
Other reserves	22	(558,119)	(558,120)
TOTAL EQUITY		**87,090**	**63,866**
TOTAL EQUITY AND LIABILITIES		**487,980**	**546,991**

The accompanying notes are an integral part of these financial statements.

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Guacolda Energía SpA
Statements of Comprehensive Income Classified by Function
For the years ended December 31, 2024 and 2023
(amounts are expressed in thousands of United States dollars, unless otherwise stated)

	Note	December 31, 2024 ThUS$	December 31, 2023 ThUS$
PROFIT (LOSS)			
Income from ordinary activities	23	378,407	565,257
Cost of sales	24	(317,609)	(472,453)
GROSS PROFIT		**60,798**	**92,804**
Administrative expenses	24	(13,829)	(13,923)
Other income (losses)	25	10,390	(58,940)
Financial income	26	1,964	115,834
Financial costs	26	(24,574)	(28,562)
Exchange differences	26	(1,904)	(790)
INCOME, BEFORE TAX		**32,845**	**106,423**
Income tax expenses	13	-	(12,276)
NET INCOME FOR THE YEAR		**32,845**	**94,147**

The accompanying notes are an integral part of these financial statements.

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Guacolda Energía SpA
Statements of Integral Income
For the years ended December 31, 2024, and 2023
(amounts are expressed in thousands of United States dollars, unless otherwise stated)

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
INCOME	**32,845**	94,147
Other comprehensive income items that will be reclassified to profit or loss for the period, before taxes		
Unrealized gains (losses) on cash flow hedges	-	-
Total other comprehensive income before tax	**-**	**-**
Other comprehensive income items that will not be reclassified to profit or loss in subsequent period	-	-
Remeasurement gain/ on defined benefit plans	1	50
	1	**50**
Income tax relating to other comprehensive income items that will be reclassified to profit or loss for the period	-	-
Income Tax related to Cash Flow Hedges	-	-
Total of income tax relating to other comprehensive income items	**-**	**-**
Total Other Comprehensive Income	**1**	**50**
TOTAL COMPREHENSIVE INCOME	**32,846**	**94,197**

The accompanying notes are an integral part of these financial statements.

Guacolda Energía SpA
Statements of Changes in Equity
For the years ended December 31, 2024 and 2023
(amounts are expressed in thousands of United States dollars, unless otherwise stated)

STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY	Issued capital ThUS$	Other miscella-neous reserves ThUS$	Reserve for defined Benefit Plants ThUS$	Total Other reserves ThUS$	Retained earnings (loss) ThUS$	Equity attributable to Parent ThUS$	Total Equity ThUS$
Balance as of January 1, 2024	678,840	(558,170)	50	(558,120)	(56,854)	63,866	63,866
Income	-	-	-	-	32,845	32,845	32,845
Other comprehensive income	-	-	1	1	-	1	1
Comprehensive income	**-**	**-**	**1**	**1**	**32,845**	**32,846**	**32,846**
Reduction social capital (See note 22.2)	(9,622)	-	-	-	-	(9,622)	(9,622)
Decrease through transfers	(9,622)	-	1	1	32,845	23,224	23,224
Total changes in Equity	**(9,622)**	**-**	**1**	**1**	**32,845**	**23,224**	**23,224**
BALANCE AS OF DECEMBER 31, 2024	**669,218**	**(558,170)**	**51**	**(558,119)**	**(24,009)**	**87,090**	**87,090**

STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY	Issued capital ThUS$	Other miscella-neous reserves ThUS$	Reserve for defined Benefit Plants ThUS$	Total Other reserves ThUS$	Retained earnings (loss) ThUS$	Equity attributable to Parent ThUS$	Total Equity ThUS$
Balance as of January 1, 2023	882,340	(558,170)	-	(558,170)	(151,001)	173,169	173,169
Income	-	-	-	-	94,147	94,147	94,147
Other comprehensive income	-	-	50	50	-	50	50
Comprehensive income	**-**	**-**	**50**	**50**	**94,147**	**94,197**	**94,197**
Reduction social capital (See note 22.2)	(203,500)	-	-	-	-	(203,500)	(203,500)
Decrease through transfers	(203,500)	-	50	50	94,147	(109,303)	(109,303)
Total changes in Equity	**(203,500)**	**-**	**50**	**50**	**94,147**	**(109,303)**	**(109,303)**
BALANCE AS OF DECEMBER 31, 2023	**678,840**	**(558,170)**	**50**	**(558,120)**	**(56,854)**	**63,866**	**63,866**

The accompanying notes are an integral part of these financial statements.

GUACOLDA energía

Guacolda Energía SpA
Statements of Cash Flows

For the years ended December 31, 2024 and 2023
(amounts are expressed in thousands of United States dollars, unless otherwise stated)

	Note	December 31, 2024 ThUS$	December 31, 2023 ThUS$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES			
Classes of collections from operating activities			
Collections from sale of goods and provision of services		459,270	742,200
Classes of payment			
Payments to suppliers for the supply of goods and services		(360,326)	(435,679)
Payments to and by employees		(13,293)	(13,822)
Other payments for operating activities		(15,465)	(17,912)
Interest received		1,589	5,412
NET CASH FLOWS FROM OPERATING ACTIVITIES		**71,775**	**280,199**
CASH FLOWS USED IN INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(23,108)	(23,603)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		**(23,108)**	**(23,603)**
CASH FLOWS USED IN FINANCING ACTIVITIES			
Payment of loans	17.3	(61,513)	(74,364)
Shareholders payment		(9,622)	(203,500)
Interest net payment	17.3	(20,051)	(15,166)
Lease payment	17.3	(669)	(663)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		**(91,855)**	**(293,693)**
Net Decrease in cash and cash equivalents, before effects of effect of exchange differences		(43,188)	(37,097)
Effect of exchange differences on cash and cash equivalents		932	398
NET DECREASE IN CASH AND CASH EQUIVALENTS		(42,256)	(36,699)
Cash and cash equivalents at the beginning of the period	8	55,169	91,868
CASH AND CASH EQUIVALENT AT THE END OF THE PERIOD	8	**12,913**	**55,169**

The accompanying notes are an integral part of these financial statements.

NOTE 1 - OVERVIEW

Guacolda Energía SpA. (Hereinafter the "Company" or "Guacolda"), a corporation by shares, was created under the name of Guacolda Energía S.A., by means of public deed on December 12, 2014, granted at the Santiago Notary Public Eduardo Javier Diez Morello. An excerpt of the public deed was registered in page 95,308, number 58,237, in the Registry of Commerce of the Real Estate Register of Santiago, in the year 2014 and published in the Official Gazette on December 18 of the same year. At that time, 50% participation, respectively, was held by AES Gener S.A. and El Águila Energy II SpA.

In December 2015, Guacolda Energía S.A. merged with its related company Empresa Eléctrica Guacolda S.A., by acquiring the latter. By virtue of that merger, Guacolda became the owner and holder of all the assets, including among others, the generation power plant of Huasco ("Central Huasco"), liabilities, rights, and obligations of Empresa Eléctrica Guacolda S.A.

On December 16, 2020, in an Extraordinary Shareholders meeting of Guacolda, it was agreed to change the nature of the company by transforming it into Guacolda Energía SpA, a share corporation (by its acronym in Spanish "Sociedad por Acciones").

As of June 20, 2021, AES sold and transferred all its shares in Guacolda, representing 50.0000005% of the shares of the Company, to El Aguila Energy II SpA, who already controlled 49.9999995% of the shares of Guacolda Energía SpA. As a result, El Aguila Energy II SpA holds 100% of the shares of the Company.

On October 30, 2024 Guacolda purchased its interest in Compañía Transmisora del Norte Chico S.A. (CTNC) from the parent Company El Aguila Energy II SpA paying US$1,0 for 0.0005% of its interest. An excerpt of the public deed was registered on page 101,505, number 40,710, in the Registry of Commerce of the Real Estate Register of Santiago, in the year 2024 and published in the Official Gazette on December 02 of the same year. At that time, Guacolda Energía SpA became the sole shareholder of CTNC.

Guacolda's main businesses are the generation, sale and purchase of electric energy and the provision of port services. The registered and main office of Guacolda Energía SpA is located at Apoquindo 3472, office 701, Las Condes, Santiago, Chile.
These financial statements have been approved by Guacolda's Board of Directors held on March 27, 2025.

NOTE 2 - BASIS OF PREPARATION

2.1. Basis of Preparation of Financial Statements

The Company prepares its financial statements according to International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

These financial statements of Guacolda Energía SpA. include classified statements of financial position as of December 31, 2024 and 2023, classified statements of comprehensive income by function for the years ended December 31, 2024 and 2023, statements of changes in equity and cash flows presented using the direct method for the years ended December 31, 2024 and 2023, and their accompanying notes.

Assets and liabilities are presented at historic cost unless otherwise required to be presented at fair value under IFRS.
Preparation of these financial statements requires the use of certain critical accounting estimations. It also requires

management to exercise its judgment in the process of applying the Company's accounting policies. Note 7 discloses areas that imply a greater degree of judgment or complexity or the areas where hypotheses and estimates are significant for the financial statements.

An asset or liability is considered to be current when it is expected to be realized, sold or consumed in the normal course of the entity's operating cycle, is held primarily for trading purposes, or is expected to be realized within 12 months after the date of the reporting period.

The information contained in these financial statements is the responsibility of Guacolda management.

2.2. Going concern basis of accounting

As of December 31, 2024, the Company reported accumulated losses of US$24 million and a working capital deficit of US$28.6 million. The financial statements are prepared on a going concern basis; as Management, we are convinced that the Company has the necessary resources to continue operating for the foreseeable future. In making this assessment, the Shareholders considered a capital increase in April 2025, cash generation from the Company's operating activities related to the normal course of business, and the use of the existing approved credit facility to meet its current obligations.

2.3. New Accounting Pronouncements

i. Amendments that became effective on January 1, 2024

A number of new standards, amendments to standards, and interpretations are effective for annual periods beginning on or after January 1, 2024.

Amendments to IFRS		Mandatory Effective Date
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.	Annual periods beginning on or after January 1, 2024.
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognize a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date. The amendments do not affect the gain or loss recognized by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognized a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate.	Annual periods beginning on or after January 1, 2024.

	As part of the amendments, the IASB amended an Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also clarify that the liability, that arises from a sale and leaseback transaction that qualifies as a sale applying IFRS 15, is a lease liability.	
Non-current Liabilities with Covenants (Amendments to IAS 1)	The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date). The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.	Annual periods beginning on or after January 1, 2024.
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk. The term 'supplier finance arrangements' is not defined. Instead, the amendments describe the characteristics of an arrangement for which an entity would be required to provide the information. To meet the disclosure objective, an entity will be required to disclose in aggregate for its supplier finance arrangements: (i) the terms and conditions of supplier financing arrangements; (ii) the carrying amount, and associated line items presented in the entity's statement of financial position, of the liabilities that are part of the arrangements; (iii) the carrying amount, and associated line items for which the suppliers have already received payment from the finance providers; (iv) the ranges of due dates; and (iv) information on liquidity risk.	Annual periods beginning on or after January 1, 2024.

The application of these amendments has not had effects on the amounts reported in these financial statements however, they could affect the accounting for future transactions or agreements.

ii. **Standards and Amendments to IFRS thar have been issued but their application date is not yet effective**

New IFRS		Mandatory Effective Date
IFRS 18, Presentation and Disclosure in Financial Statements	On April 9, 2024, the IASB has published its new standard IFRS 18 'Presentation and Disclosures in Financial Statements' that will replace IAS 1 'Presentation of Financial Statements'. IFRS 18 applies to all financial statements that are prepared and presented in accordance with IFRS Accounting Standards. The main changes in the new standard compared with the previous requirements in IAS 1 comprise: • The introduction of categories and defined subtotals in the statement of profit or loss that aim at additional relevant information and provide a structure for the statement of profit or loss that is more comparable between entities. • The introduction of requirements to improve aggregation and disaggregation that aim at additional relevant information and ensure that material information is not obscured. • The introduction of disclosures on Management-defined Performance Measures (MPMs) in the notes to the financial statements that aim at transparency and discipline in the use of such measures and disclosures in a single location. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. The standard is applied retrospectively, with specific transition provisions, and earlier application is permitted.	Annual periods beginning on or after January 1, 2027.
IFRS 19, Subsidiaries without Public Accountability: Disclosures	In May 2024, the IASB issued IFRS 19 which permits an eligible subsidiary to provide reduced disclosures when applying IFRS in its financial statements. A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS. IFRS 19 is optional for subsidiaries that are eligible, and such subsidiaries can apply IFRS 19 in their consolidated, separate or individual financial statements. The new standard is effective for reporting periods beginning on or after January 1, 2027 with earlier application permitted.	Annual periods beginning on or after January 1, 2027.

Amendments to IFRS		Mandatory Effective Date
Lack of Exchangeability (Amendments to IAS 21)	In August 2023, the IASB has published amendments to IAS 21 that specify how to assess whether a currency is exchangeable and how to determine the exchange rate when it is not. Applying the amendments, a currency is exchangeable when an entity is able to exchange that currency for the other currency through market or exchange mechanisms that create enforceable rights and obligations without undue delay at the measurement date and for a specified purpose. However, a currency is not exchangeable into the other currency if an entity can only obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose. When a currency is not exchangeable at the measurement date, an entity is required to estimate the spot exchange rate as the rate that would have applied to an orderly exchange transaction at the measurement date between market participants under prevailing economic conditions. In that case, an entity is required to disclose information that enables users of its financial statements to evaluate how the currency's lack of exchangeability affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments are applied prospectively for annual periods beginning on or after January 1, 2025. Earlier application is permitted.	Annual periods beginning on or after January 1, 2025.

Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognize a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date. The amendments do not affect the gain or loss recognized by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognized a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate. As part of the amendments, the IASB amended an Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also clarify that the liability, that arises from a sale and leaseback transaction that qualifies as a sale applying IFRS 15, is a lease liability.	Annual periods beginning on or after January 1, 2024.
Amendments to the SASB standards to enhance their international applicability	On December 19, 2023, the International Sustainability Standards Board (ISSB) issued amendments to the Sustainability Accounting Standards Board (SASB) standards to enhance their international applicability. When the ISSB inherited the SASB standards, it found that a small subset of the standards incorporated references to specific jurisdictional laws and regulations that may be globally inapplicable, introduce regional bias, increase application costs, and decrease the comparability and decision-usefulness of the resulting disclosures. The ISSB has therefore developed a methodology for enhancing the international applicability of the SASB standards and SASB standards taxonomy updates without substantially altering the standards' structure or intent. This methodology has been applied to the relevant SASB standards. With the amendments published, the ISSB intends to make the SASB standards more internationally applicable and GAAP-agnostic. The amendments remove and replace jurisdiction-specific references and definitions, without substantially altering industries, topics or metrics. The amendments are effective for annual periods beginning on or after January 1, 2025. Earlier application is permitted.	Annual periods beginning on or after January 1, 2025.
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments which amend IFRS 9 and IFRS 7 and address the following topics: • **Derecognition of a financial liability settled through electronic transfer.** It has been clarified the dates when a financial liability is derecognized when is settled through electronic transfer. The alternative permit to deem a financial liability (or part of it) that will be settled in cash using an electronic payment system to be discharged before the settlement date if, and only if, the entity has initiated a payment instruction that: (i) has no practical ability to stop or cancel; (ii) has no practical ability to access the cash used for the payment; and (iii) the settlement risk associated with the electronic payment is insignificant. • **Classification of financial assets – contractual terms that are consistent with a basic lending arrangement**. It has been clarified the requirements to assess if the contractual cash flows in a financial asset are consistent with a basic lending arrangement. The amendments clarify that contractual cash flows are inconsistent with a basic lending arrangement if they are indexed to a variable that is not a basic lending risk or cost or if they represent a share of the debtor's revenue or profit. • **Classification of financial assets with non-recourse features.** It is clarified the term "non-recourse". A financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specific assets. • **Classification of financial assets contractually linked.** The characteristics of these instruments that distinguish them from other transactions are clarified. It is an instrument composed of two or more financial instruments that are contractually linked in such a way that the value, risk, and cash flows of one affects the other. Likewise, these modifications introduce additional disclosure requirements within IFRS 7.:	Annual periods beginning on or after January 1, 2026

	• **Investments in equity instruments designated a fair value though other comprehensive income**. It shall be required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss that relates to investments derecognized in the period and the fair value gain or loss that relates to investments held at the end of the period, as well as, to disclose any transfers of the cumulative gain or loss within equity during the reporting period related to the investments derecognized during that reporting period. • **Contractual terms that could change the timing or amount of contractual cash flows**. The disclosures include a qualitative description of the nature of the contingent event, quantitative information about the possible changes to contractual cash flows as well as the gross carrying amount of financial assets and the amortized cost of financial liabilities subject to those contractual terms. The amendments are effective for annual periods beginning on or after January 1, 2026. Earlier application is permitted.	
Annual Improvements to IFRS Accounting Standards — Volume 11 (amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	The annual improvements include amendments to five Standards: IFRS 1 *First-time Adoption of IFRS* **Hedge accounting by a first-time adopter.** The amendment addresses a potential confusion arising from an inconsistency in wording between paragraph B6 of IFRS 1 and requirements for hedge accounting in IFRS 9 *Financial Instruments*. IFRS 7 *Financial Instruments: Disclosures* **Gain or loss on derecognition.** The amendment addresses a potential confusion in paragraph B38 of IFRS 7 arising from an obsolete reference to a paragraph that was deleted from the standard when IFRS 13 *Fair Value Measurement* was issued. **Disclosure of deferred difference between fair value and transaction price.** The amendment addresses an inconsistency between paragraph 28 of IFRS 7 and its accompanying implementation guidance that arose when a consequential amendment resulting from the issuance of IFRS 13 was made to paragraph 28, but not to the corresponding paragraph in the implementation guidance. **Introduction and credit risk disclosures.** The amendment addresses a potential confusion by clarifying in paragraph IG1 that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7 and by simplifying some explanations. IFRS 9 *Financial Instruments* **Lessee derecognition of lease liabilities.** The amendment addresses a potential lack of clarity in the application of the requirements in IFRS 9 to account for an extinguishment of a lessee's lease liability that arises because paragraph 2.1(b)(ii) of IFRS 9 includes a cross-reference to paragraph 3.3.1, but not also to paragraph 3.3.3 of IFRS 9. **Transaction price.** The amendment addresses a potential confusion arising from a reference in Appendix A to IFRS 9 to the definition of 'transaction price' in IFRS 15 *Revenue from Contracts with Customers* while term 'transaction price' is used in particular paragraphs of IFRS 9 with a meaning that is not necessarily consistent with the definition of that term in IFRS 15. NIIF 10 Consolidated Financial Statements **Determination of a 'de facto agent'.** The amendment addresses a potential confusion arising from an inconsistency between paragraphs B73 and B74 of IFRS 10 related to an investor determining whether another party is acting on its behalf by aligning the language in both paragraphs. NIC 7 Estado de Flujo de Efectivo **Cost method.** The amendment addresses a potential confusion in applying paragraph 37 of IAS 7 that arises from the use of the term 'cost method' that is no longer defined in IFRS Accounting Standards. All amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted.	Annual periods beginning on or after January 1, 2026

Management has not had the opportunity to consider potential impacts of the adoption of amendment to the new standards and amendments to the standards.

NOTE 3 - BASIS OF CONSOLIDATION

These financial statements include (i) the statements of financial position of Guacolda Energía SpA. as of December 31, 2024, (ii) statements of classified comprehensive income by function and (iii) the statements of changes in shareholder´s equity and cash flows for the years ended December 31, 2024.
For the year ended as of December 31, 2023 the Company presents consolidated financial statements include (i) the statements of financial position of Guacolda Energía SpA. and its subsidiary as of December 31, 2023 (ii) consolidated statements of classified comprehensive income by function and (iii) the statements of changes in shareholder´s equity and cash flows presented using the direct method for the years ended December 31, 2023.

Changes during fiscal year 2024

As of October 30, 2024 CTNC was wholly owned by Guacolda as described in Note 1.

3.1. Subsidiaries

According to IFRS 10, subsidiaries are all those entities controlled by Guacolda. An investor controls an investee if the investor:

1. has power over the investee,
2. is exposed, or has rights, to variable returns from its involvement with the investee, and
3. the ability to affect those returns through its power over the investee.

It is considered that an investor has power over an investee when the investor has existing rights that give it the ability to direct the relevant activities, i.e., the activities that significantly affect the investee's returns. In the case of the Company, in general, the power over its subsidiary is derived from the ownership of a majority of voting rights granted by shares of the subsidiary.

The investor shall reassess whether it controls an investee if facts and circumstances indicate that there have been changes to one or more of the three elements of control listed above. Consolidation of a subsidiary shall begin from the date the investor obtains control of the investee and shall cease when the investor loses control of the investee. Specifically, the income and expenditure of a subsidiary acquired or sold during the year are included in the income statement since the date on which the Company obtains control until the date on which the Company ceases to control the subsidiary.

The acquisition method is used to recognize the acquisition of subsidiary. The acquisition cost is the fair value of the assets acquired and the liabilities assumed on the date of exchange. Identifiable assets and liabilities acquired, and identifiable contingencies assumed in a business combination are initially recognized at fair value on the acquisition date, irrespective of the extent of non-controlling interest. The excess of the acquisition cost over the fair value of the interest of Guacolda in the net assets acquired, is recognized as goodwill.

The chart shown below, shows the subsidiary included in the consolidation:

Taxpayer id (R.U.T.) Number	Neme of the copany	Country	Functional Currency	Percentage of Interest December 31, 2024		
				DIRECT	INDIRECT	TOTAL
99.588.230-2	CIA TRANSMISORA DEL NORTE CHICO S.A	CHILE	US$	0.0000%	0.000%	0.0000%

Taxpayer id (R.U.T.) Number	Neme of the copany	Country	Functional Currency	Percentage of Interest December 31, 2023		
				DIRECT	INDIRECT	TOTAL
99.588.230-2	CIA TRANSMISORA DEL NORTE CHICO S.A	CHILE	US$	99.9950%	0.005%	99.9950%

3.2. Non-Controlling Interest

Non-controlling interests represent the portion of profits or losses and net assets of the subsidiaries that are not wholly owned by Guacolda. Non-controlling interests are presented separately in the income statement and in the consolidated statement of financial position within equity, separately from the equity of the parent. Guacolda applies the policy of considering transactions with non-controlling investors as equity transactions. The disposal or acquisition of non-controlling interests not resulting in a change of control, involves an equity transaction with no recognition of profits and/or losses in the income statement. Any difference between the price paid and the relevant proportion of the carrying amount of the subsidiary's net assets is recognized as equity distribution or contribution.

The summary financial information as of December 31, 2024 and 2023 is detailed as follows:

	Financial information as of Dec 31, 2024						
	% Interest ThUS$	Current Assets ThUS$	Non-current Assets ThUS$	Current liabilities ThUS$	Non-Current liabilities ThUS$	Ordinary Income ThUS$	Net income ThUS$
CIA TRANSMISORA DEL NORTE CHICO S.A.	0.000%	-	-	-	-	-	-

	Finantial information as of December 31, 2023						
	% Interest	Current Assets ThUS$	Non-current Assests ThUS$	Current liabilities ThUS$	Non-current liabilities ThUS$	Ordinary Income ThUS$	Net income ThUS$
CIA TRANSMISORA DEL NORTE CHICO S.A.	0.005%	465	55	530	55	(343)	(343)

As indicated in Note 1 on October 30, 2024, the subsidiary Compañía Transmisora del Norte Chico S.A. was acquired 100% by the parent company, generating a merger by absorption.

NOTE 4 - SUMMARY OF MAIN ACCOUNTING POLICIES

4.1. Foreign currency transactions

4.1.1 Presentation and functional currency

The items included in the financial statements of each of the entities of the Company are measured using the currency of the principal economic environment in which the entity operates (functional currency). Consolidated financial statements of Guacolda are expressed in United States dollars, which is the functional and reporting currency of the Company and its subsidiary.

4.1.2 Transactions and balances

Transactions in foreign currencies other than the functional currency are translated into functional currency using the exchange rates at the date of the transactions. Exchange differences arising from the settlement of these transactions or the translation using the closing exchange rates of the monetary assets and liabilities in foreign currency, are recognized in profit or loss, except if they are related to transactions recorded in other comprehensive income or shareholders' equity, such as cash flow hedges.

Non-monetary items in a currency other than functional currency carried at historical cost are translated into the functional currency using the exchange rates at the date of each initial transaction. Non-monetary items in a currency other than functional currency carried at fair value are translated into the functional currency using the exchange rate of the date when the fair value was determined.

4.1.3 Translation basis

Assets and liabilities in a currency other than the functional currency and those denominated in Unidad de Fomento (UF) are presented using the following exchange rates and closing values per US$1, respectively:

	Symbol	December 31, 2024	December 31, 2023
Chilean pesos (CLP)	$	996.46	877.12
Unidad de Fomento	UF	0.03	0.02

Unidades de Fomento are inflation-indexed monetary units denominated in Chilean pesos. The UF rate is set daily in advance, based on the change in the consumer price index of the previous month.

4.2. Property, plant and equipment

Land of Guacolda is carried at historic cost, discounting accumulated impairment losses (if applicable).

Plants, buildings, equipment, and transmission systems held for electricity generation and other items of property, plant and equipment are recognized at historical cost less accumulated depreciation and impairment losses.

The cost of an asset includes its purchase price, all costs directly attributable to bringing the asset to the location and condition necessary for it to be operational, as expected by Management, and the initial estimated costs of dismantling and removing the asset, either in whole or in part, and restoring the site where it is located (if applicable). This may be an obligation assumed by the Company at the time of purchasing the asset or as a consequence of using the asset during a certain period.

Subsequent costs are included in the initial asset value or recognized as a separate asset, only when, according to the recognition criteria of IAS 16 Property, Plant and Equipment, it is probable that the future economic benefits associated with the fixed asset will flow to the Company and the cost of the item can be measured reliably. The value of any qualifying replaced component is derecognized. Other repairs and maintenance are charged to income for the period as incurred.

The works in progress include, among other items, the following capitalized expenses during the construction period only:

1. Financial expenses relating to external financing that are directly attributable to construction, both specific and generic in nature. In terms of generic financing, capitalized finance expenses are obtained by applying the weighted average cost of long-term financing to the average accumulated qualifying asset balances eligible for capitalization.

2. Directly related staff and other operating costs attributable to the construction.

Works in progress are transferred to Property, Plant and Equipment once the testing period is completed and they are available for use, at which time depreciation shall begin.

Depreciation of Property, Plant and Equipment is calculated using the straight-line method and considering the cost less the residual value over their estimated economic useful lives. The estimated useful lives for the main and most relevant asset classes are detailed in Note 15.

Residual value and useful life of these assets are reviewed periodically and at least at each year-end and, where necessary, they are adjusted so that their remaining useful life is consistent with the expected useful life of the assets.

When the value of an asset exceeds its estimated recoverable amount, it is immediately reduced up to the recoverable amount through the recognition of impairment losses (See Note 4.4).

An impairment loss recognised in prior periods for an asset shall be reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If this is the case, the carrying amount of the asset shall. That increase is a reversal of an impairment loss.

Gains and losses on sales of Property, Plant and Equipment are calculated by comparing the proceeds from the sale with their carrying amounts and are included in Other income/(losses).

Derecognition of Property, plant and equipment is equivalent to the gross carrying amount less accumulated depreciation at the time of such derecognition.

4.3. Intangible assets

4.3.1 Computer programs

Licenses for purchased software are capitalized based on costs incurred to purchase and prepare programs for its use. These costs are amortized over their estimated useful lives using the straight-line method (See Note 14).

Expenses related to software development or maintenance are expensed as incurred. Costs directly related to production of unique and identifiable software programs controlled by Guacolda, and which are likely to generate economic benefits greater than their costs for more than one year, are recognized as intangible assets.

4.3.2 Easements

When the exploitation period of these rights has no limit, they are considered as assets with an indefinite useful life and are therefore not subject to amortization. Nevertheless, the indefinite nature of a useful life is reviewed at each reporting period to determine whether it should still be regarded as such and they are tested annually for impairment. When a useful life of the easement is an underlying agreement limiting the useful life of the easement, it is subject to amortization over the period of such agreement (See Note 14).

4.3.3 Concessions

Concessions acquired, all of them basically as part of the business, have no legal or any other type of limit. Consequently, since they are intangible assets with an indefinite life, they are not amortized, although their possible deterioration is analyzed.

4.4. Impairment of non-financial assets

Assets subject to amortization and depreciation are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If there is an indicator of impairment, the recoverable amount shall be estimated for the asset on an individual basis. If the recoverable amount cannot be determined for individual assets, the entity shall determine the lowest level for which there are separately identifiable cash flows ("cash generating units") and shall estimate the recoverable amount of the cash generating unit to which the asset belongs.

An impairment loss is recognized to the extent the carrying amount of the asset or cash-generating unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less costs to sell or the value in use. The estimation of the value in use is based on the present value of the future expected cash flows at a pre-tax discount rate that reflects the current market assessments and the risks associated with the asset or cash generating unit. The best determination of the fair value less costs to sell includes prices of similar transactions. If the transactions cannot be identified in the market, a valuation model will be used.

Non-financial assets, other than goodwill, which might have suffered an impairment loss are assessed at every year-end to check for any events that would justify a reversal of the impairment loss. The reversal of an impairment loss shall not exceed the carrying amount that would have been obtained, net of amortization and depreciation, if no impairment loss would have been recognized for that asset in prior periods.

4.5. Financial assets

4.5.1 Initial classification

Guacolda classifies its financial assets in the following categories: fair value through profit or loss, amortized cost, and fair value through Other Comprehensive Income. The classification is based on the business model within which they are held and their cash flow contractual characteristics. Management determines the classification of its financial assets on initial recognition.

1. **Financial Assets at fair value through profit or loss (FVTPL)**

These instruments are initially measured at fair value. Net income and losses, including any income from interest or dividends, are recognized in profit or loss for the year. The financial assets are classified in the category of financial assets at fair value through profit or loss when they are held for trading purposes or designated in their initial recognition at fair value through profit or loss. A financial asset is classified in this category if it is acquired mainly with the purpose of being sold in the short term. Income and losses from assets held for trading are recognized as profit or loss and the associated interest is recognized separately in financial income. Derivatives are also classified as acquired for trading purposes unless they are designated as hedges.

2. **Assets carried at amortized cost**

They are initially carried at the fair value of the transaction, plus the transaction costs that are directly attributable to the acquisition or issuance of the financial asset. They are held to collect contractual cash flows that meet the "Solely Payments of Principal and Interest" (SPPI) criterion. This category includes trade and other accounts receivable.

3. **Financial Assets at fair value through other comprehensive income (FVTOCI)**

These instruments are initially carried at fair value, with unrealized gains or losses reclassified to profit or loss for the period upon derecognition. The financial instruments in this category meet the SPPI criterion and are kept within the business model of the Company, both to collect and sell the cash flows.

The business model of Guacolda for the management of financial assets refers to how it manages financial assets to generate cash flows. A business model establishes whether the cash flows will result from collecting contractual cash flows or selling financial assets, or both.

The accounting policy used to determine the fair value is detailed in Note 4.17.

4.5.2 Subsequent Valuation

The financial instruments are afterwards measured at FVTPL, amortized cost, or FVTOCI. The classification is based on two criteria: (i) the business model within which the financial instruments are held, and ii) whether the contractual cash flows of the financial instruments are "Solely Payments of Principal and Interest."

4.5.2.1 Impairment

As of each year-end, Guacolda assesses whether there is indicative evidence that a financial asset or a set of financial assets may be impaired.

The Company uses a simplified approach with the practical record of IFRS 9 in the stratification of portfolio maturities.

The Company makes estimates based on IFRS 9, according to the expected loss model. Impairment losses related to doubtful financial assets, such as trade receivables and other accounts receivable, would be recorded in Comprehensive Income within the Administrative Expenses caption. Though as of December 31, 2024 and 2023, no impairment was neither found nor registered.

4.6. Financial liabilities

Guacolda classifies its financial liabilities in the following categories: fair value through profit or loss, and amortized cost. Management determines the classification of its financial liabilities on initial recognition.

Financial liabilities are derecognized when the obligation is paid, settled or expires. When an existing financial liability is replaced by another liability from the same lender under substantially different terms, or if the terms of the existing liabilities are substantially modified, such exchange or modification shall be treated as a derecognition of the original liability and a recognition of a new liability, and the difference in the respective carrying amounts is recognized in the income statement.

Financial liabilities are initially recognized at fair value, and in the case of debt, they include costs directly attributable to the transaction. Subsequent measurement of financial liabilities depends on their classification, as explained below.

When the Company has the right to offset obligations with financial rights, the net amount shall not be reported in accordance with paragraph 42 of IAS 32 “Financial Instruments: Presentation”, unless the Company intends to pay and collect those items independently. IFRS 7 “Financial Instruments: Disclosures” also applies to derivative contracts which are subject to an enforceable netting arrangement or similar agreements.

4.6.1. Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities are classified in the category of financial liabilities at fair value through profit or loss when they are held for trading, or they are designated on initial recognition at fair value through profit or loss. Income and loss for held-for-trading liabilities are accounted for as profit or loss.

4.6.2. Financial liabilities at amortized cost

Other financial liabilities are subsequently carried at amortized cost using the effective interest rate method. The amortized cost is calculated by considering any premium or discount from the acquisition and includes costs of transactions which are an integral part of the effective interest rate. This category includes Trade and other accounts payable, and loans included in Other current and non-current financial liabilities.

4.7. Derivative financial instruments and hedging

Guacolda uses derivative financial instruments such as coal hedges. Derivatives are initially recognized at fair value at the date on which the derivative agreement has been entered into and they are subsequently remeasured under the same criteria. The method to recognize the gain or loss resulting from the change in fair value depends on whether the derivative has been designated as a hedging instrument, and, if so, on the nature of the item that it is hedging. Guacolda designates certain derivatives as:

1. fair value hedges;
2. cash flow hedges.

At the beginning of the transaction, Guacolda documents the relation existing between hedging instruments and hedged items, as well as their objectives for risk management.

4.7.1. Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognized in the income statement, together with any changes in the fair value of the hedged asset or liability that is attributable to the hedged risk.

Guacolda has not used fair value hedges in the reporting periods.

4.7.2. Cash flow hedge

The effective portion of changes in the fair value of derivatives, that are designated and qualify as cash flow hedges are recognized in Other Reserves. Any loss or gain related to the ineffective portion is recognized immediately in the income statement within financial costs or exchange differences, according to their nature.

The amounts accumulated in Other reserves are recorded in the income statement during the periods in which the hedged item affects the results.

When a hedging instrument expires or is sold or when the requirements established for hedge accounting are not met, any profit or loss accumulated in Other reserves until that time shall remain in equity and shall be recognized when the expected transaction is recognized in the income statement. When it is expected that the transaction is not likely to occur, the cumulative gain or loss in shareholders’ equity is immediately charged to the income statement under financial cost or exchange differences, according to its nature.

4.7.3. Derivatives not recorded under hedge accounting

Certain derivatives are not recorded under hedge accounting and are recognized as instruments at fair value through profit or loss. Changes in the fair value of any derivative instrument so recorded are recognized immediately in the income statement.

4.7.4. Embedded Derivatives

The Company assesses the existence of embedded derivatives in financial and non-financial instrument agreements to establish whether their characteristics and risks are closely related to the host contract, provided that the whole set is not classified as an asset or liability at fair value through profit or loss. If they are not closely related, embedded derivatives are accounted for separately from the host contract and recognized at fair value with variations immediately recognized in the income statement.

4.8. Inventory

Inventories are carried at the lowest of cost or net realizable value. The cost is calculated using the acquisition cost method. The net realizable value is the estimated selling price in the ordinary course of business, minus applicable variable selling costs.

4.9. Cash and cash equivalents

Cash and cash equivalents include cash balances; time deposits and other highly-liquid short-term investments with original maturity of three months or less. In the statement of financial position, bank overdrafts are classified within Other current financial liabilities.

4.10. Issued capital

Capital stock is represented by shares of a single class, with no par value, and entitled to one vote per share.

Incremental costs directly attributable to issuance of new shares or options are recognized in shareholders’ equity as a deduction, net of taxes, of the amounts obtained from the issuance of new shares.

4.11. Taxes

4.11.1 Income Taxes

The Company and its subsidiary determine their current income tax based on the taxable net income determined according to the current legal provisions for each fiscal year. The tax rates and laws used in the calculation of the income tax are those published as of the date of presentation of the financial statements or those substantially enacted.

The income tax expense (benefit) for the year is determined as the sum of the current tax of the Company and its respective subsidiary, and it results from the application of the tax on the taxable income for the year, which considers taxable income and tax-deductible expenses, plus the swing in the balances of deferred tax assets and liabilities.

4.11.2. Deferred Taxes

Deferred taxes arising from temporary differences and other events that create differences between the tax bases of assets and liabilities and their carrying amounts are recognized according to current standards set out in IAS 12, "*Income Taxes*."

The differences between the carrying amounts of assets and liabilities and their tax bases generate (with a possible exception of investments in subsidiaries, associates, or interest in joint ventures, as stated below) deferred tax assets and liabilities, which are calculated using the tax rates that are expected to apply to the period when the assets and liabilities are realized. Deferred tax liabilities are recognized by all the taxable temporary differences associated with investments in subsidiaries, associates, and interests in joint arrangements, except if the following conditions are met:

1. the parent company, investor or participant of a joint venture can control the timing for temporary difference reversals and
2. it is unlikely that the temporary difference will reverse in the foreseeable future.

A deferred tax asset is recognized by all deductible temporary differences originating from investments in subsidiaries, associates, or interests in joint businesses, only to the extent it is likely that:

1. the temporary differences will reverse in the foreseeable future; and
2. liquid taxable income is available against which temporary differences can be applied.

Current tax and changes in deferred taxes arising other than from business combinations, are recognized in profit or loss or in equity, based on how the income or loss originating them have been recognized.

Deferred tax assets are recognized to the extent that it is probable that sufficient future taxable profits will be available to recover deductible temporary differences.

4.12. Employee benefits

4.12.1. Short-term Employee Benefits

The Company recognizes all short-term benefits to employees, such as salary, vacation, bonuses, and others, on an accrual basis, and considers the benefits arising as an obligation from the collective bargaining agreements.

4.12.2. Indemnities for years of service

An actuarial provision for the Company's obligation that represent the expected commitments, is estimated using the Projected Credit Unit Method, and therefore considering individual characteristics of the beneficiaries and the economic, financial and demographic hypotheses assumed by the Company to determine said calculation. The obligation is calculated based on indicators like the discount rate of Chilean government bonds at the valuation date, long-term inflation rate, reported by the Chilean Central Bank on the valuation date, and an annual Salary Increase Rate defined by an internal study of the Company.

4.13. Provisions

Existing obligations at the closing date of the consolidated financial statements, resulting from past events that may give rise to obligations which amount, and time of cancellation are indeterminate, are recorded as provisions for the present value of the most probable amount that the Company will owe disburse to settle the obligation.

Particularly, provisions for environmental restoration, site restoration and asset removal, restructuring and litigation expenses are recognized when:

1. Guacolda has a present obligation, whether legal or constructive, as a result of past events;
2. it is likely that an outflow of resources will be needed to settle the obligation; and
3. the amount has been reliably estimated.

These provisions are measured at present value of the expenditure expected to be required to settle the obligation using a discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. Increases in provisions due to the passage of time would be recognized as an interest expense.

4.14. Revenue recognition

Revenues of the Company mainly come from the generation and sale of energy and power. Revenues are recognized when the control of the assets and services is transferred to the customers and are recognized net of any tax collected that must be paid.

4.14.1. Revenues from sale of goods and services

Provision of Services

The Company provides energy and power supply services to non-regulated customers and spot market customers through the SEN - *Sistema Eléctrico Nacional*. Revenues from these services are recognized based on the physical delivery of energy and power. The services are provided over time since the customers simultaneously receives and uses energy. As a result, the Company recognizes revenue over time instead of at a point in time.

Company’s main revenue recognition policies for each type of customer are described below:

1. Non-regulated Customers: The revenues from electric power sales for these customers are recognized based on the physical delivery of energy and power at the rates specified in the corresponding contracts.

2. Spot Market Customers: The revenues from electric power sales for these customers are recognized based on the physical delivery of energy and power to other generating companies or the grid coordinator at the marginal cost of energy and power. The spot market, pursuant to the law, is organized through a dispatch center (CEN for the acronym *Coordinador Eléctrico Nacional*), where electric energy and power surpluses and deficits are traded. The surpluses of energy and power are recorded as income, and the deficits are recorded as expenditure under the statement of comprehensive income. A deficit occurs when dispatched energy is not sufficient to provide the contracted volume to non-regulated customers, and the Company must purchase that deficit energy.

For those agreements where multiple services are involved, revenues are allocated to each performance obligation based on independent sales prices using a market or expected cost plus a margin approach.

If applicable, Guacolda identifies the existence of significant financing components in its contracts, like interest rates, adjusting the value of the consideration, to reflect the effects of the time value of money.

Revenues from generation agreements are recognized using the output or transferred generation method considering that the transferred quantities of energy and power better represent the transfer of goods and services to the customers. The other performance obligation in the contracts, including energy and ancillary services (such as operation, maintenance, and dispatch costs) are usually measured based on MWh delivered. Performance obligations associated with power are measured based on availability of generation plants.

When energy and power are sold or purchased in spot markets or to the regulator, the Company evaluates the facts and circumstances to establish the gross or net presentation of purchases and sales in the spot market. Generally, the nature of the consideration includes the sale of excess energy and power over the contractual commitments or the purchase of energy and power to overcome deficits in generation.

3. Assets and Liabilities under Contracts

The timing for revenue recognition, and its billing results in accounts receivable. Accounts receivable represent an unconditional right and consist of billed and unbilled amounts, the latter typically resulting from long-term contracts when the recognized revenues exceed the amounts billed to the customers.

The Company has not recognized assets or liabilities associated with contracts with customers, since it uses the "right of billing" method for revenue recognition. There are no amounts associated with transferred goods or services that have not been billed as of the year-end date.

4. Transaction Price of Remaining Performance Obligations

The transaction price allocated to remaining performance obligations represents amounts related to unsatisfied (or partially satisfied) performance obligations as of the end of the reporting period. As of December 31, 2024, the Company has no performed obligations.

4.15. Subscribed and paid-in capital

Capital returns, once approved by the Shareholders' Meeting of the Company are recognized immediately as a decrease in equity.

4.16. Leases

Contracts signed by the Company are initially evaluated to identify if they are, or contain, a lease. A contract is, or contains, a lease if it is associated with the right to control the use of an identified asset for a period of time, in exchange for compensation. To carry out this evaluation, the Company evaluates whether, during the period of use of the asset, the user has:

- The right to obtain substantially all of the economic benefits derived from the use of the asset identified (directly or indirectly);
- The right to decide the use of the identified asset.

4.16.1. When the Company is the Lessee

The Company from the point of view of the lessee, on the commencement date of a lease, recognizes an asset that represents the right to use the underlying asset during the term of the lease (the right-of-use asset) and a liability for lease payments (the liability for lease). Leases of a period less than 12 months without renewal, may be excluded, and those leases where the underlying asset is less than ThUS$5.0. The Company separately recognizes interest expense on the lease liability and amortization expense on the right-of-use asset.

4.16.2. When the Company is the Lessor

The lessor's accounting under IFRS 16 is substantially the same as the lessor's accounting under IAS 17. Lessors will continue to classify at the inception of the arrangement if the lease is operational or financial, based on the essence of the transaction. The leases in which they are transferred substantially all the risks and rewards incidental to ownership of the underlying asset are classified as finance leases. The rest of the leases are classified as operating leases.

Operating lease payments are recognized as an expense on a straight-line basis over the term of the lease unless another systematic distribution base is more representative.

The Company does not hold assets under this classification.

4.17. Fair value

Fair value is defined as the price that the Company would have received if it had sold an asset, or that it would have paid if it had transferred a liability, in an orderly transaction entered between market participants at the measurement date (namely, the disposal price). The definition of fair value emphasizes that fair value is a market-based, rather than an entity-specific measurement. When measuring fair value, management uses the assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk, and other elements. As a result, the intention of the Company to hold an asset or to settle or otherwise fulfill a liability is not relevant when measuring fair value.

A fair value measurement requires an entity to determine the following:

1. the particular asset or liability being measured;
2. for a non-financial asset, the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis;
3. the main or most advantageous market in which an orderly transaction would take place for the asset or liability; and
4. the appropriate assessment techniques to be used upon measuring the fair value. The valuation techniques implemented should maximize the use of relevant observable inputs and minimize unobservable inputs. Those inputs should be consistent with the inputs a market participant would use when pricing the asset or liability.

A fair value measurement assumes that a financial or non-financial liability or an own equity instrument of the Company (e.g. equity interests issued as consideration in a business combination) is transferred to a market participant at the measurement date. The transfer of a liability or an own equity instrument of the Company assumes the following:

1. A liability would remain outstanding, and the market participant transferee would be required to fulfill the obligation. The liability would not be settled with the counterparty or otherwise extinguished on the measurement date.
2. An entity’s own equity instrument would remain outstanding, and the market participant transferee would take on the rights and responsibilities associated with the instrument. The instrument would not be cancelled or otherwise terminated on the measurement date.

The fair value hierarchy categorizes into three levels the inputs to the valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets and liabilities (Level 1 inputs) and lowest priority to unobservable inputs (Level 3 inputs). If the fair value uses some unobservable inputs, it is classified as Level 2, as long as the amount resulting from unobservable inputs is not significant.

Transfers between hierarchy levels are recognized as of the date of the event or change in circumstances that gave rise to the transfer.

4.18. Adjustments and reclassifications

As of December 31,2024 and 2023 there are no adjustments and reclassifications.

NOTE 5 - FINANCIAL RISK MANAGEMENT

5.1. Risk Management Policy

Risk management strategy is designed to safeguard the stability and sustainability of Guacolda in relation to all relevant components of financial, commercial, and operational uncertainty, both in normal circumstances or when a level of risk has been identified.

Events of “financial risk” refer to situations in which the entity is exposed to conditions of financial uncertainty and are determined according to the sources of the risk and how that risk can spread over. For this reason, management strategy aims to identify, evaluate, control, and operate with responsibility and effectiveness, all the components of the detected uncertainty related to the operation of the Company.

Relevant aspects include, without limitation:

1. To provide transparency by establishing risk tolerances and determining guides that will make possible developing strategies to mitigate significant exposure to the relevant risk.
2. To provide a formal discipline and process for assessing risks and implementing the commercial aspects of our businesses and industries.

The responsibility of the ongoing assessment and controlling of financial risks falls on the administration.

5.2. Market and financial risks

Guacolda´s activities are exposed to market and financial risks, that may trigger negative economic implications or affect its assets in terms of present and/or future value due to changes in market or macroeconomic conditions.

The Company maintains insurance policies that cover risks on its assets, its correspondent business interruption in case of failures, in addition to having civil liability insurances.

5.2.1. Market Risks

I. Fuel price risk

The Company uses primarily coal as fuel, a raw material with international prices fixed by market factors, beyond the control of the Company. Since Guacolda's units are coal generating plants, the cost of coal represents an important portion of their operating costs. In addition, fuel price is a key factor for the dispatch of plants and spot prices in Chile.

Today, a portion of the power purchase agreements of the Company include indexation mechanisms that adjust the prices according to coal price variations, as per the indexes and adjustment periods established in each contract, to mitigate significant deviations in the cost of fuel. On the other hand, sales in the spot market are remunerated according to the marginal cost of the system. The Company's marginal cost is determined by a series of variables where the most relevant is the price of coal, therefore, if the plant is dispatched, the income it receives reflects the variations in the price of fuel.

II. 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 2024 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.

On November 20, 2024, Guacolda submitted a request for reconsideration to the Office of the Comptroller General of the Republic (CGR) regarding Opinion E516615/2024. This request also included a petition for the review of the background information to be conducted by the Legal Division rather than the Infrastructure and Regulation Division. Before issuing a decision, the CGR ordered the Ministry of Energy and the National Energy Commission (CNE) to provide a report in response to the content of said request.

5.2.2. Financial Risks

I. Foreign exchange risk

The functional currency of the Company is the US dollar, given that it is the currency in which cash is generated and used. Prices of energy are determined in US dollar since the main costs (coal) and investments in equipment are mainly determined based on the US dollar rate. In addition, financial requirements like debt instruments and/or equity issued are also nominated in US dollars. Moreover, in Chile, the Company is authorized to file income tax returns and pay income taxes in US dollars.

Foreign exchange risk for Guacolda, is associated with any revenue, cost, capital expenditure (capex) and/or financial debt denominated in any currency other than US dollars. The main items denominated in Chilean pesos are the accounts receivable and payable from sale of electricity, which is not considered a material risk because the prices that defined said invoices were determined in US dollars, added to the fact that the weighted collection term is generally less than 20 days.

Exposure to balance sheet requirements in a distinct foreign currency than USD dollars, is mitigated through the application of a policy that indicates that cash must be maintained in its functional currency. Then, the proportion of cash held in currencies other than US dollar is minimum.

As of December 31, 2024, given the net asset position of the Company in US dollars, the impact of a 10% devaluation in the Chilean peso to US dollar exchange rate would have resulted in a realized variation of approximately +/- ThUS$43,288 in Guacolda’s income.

II. Interest rate risk

Interest rate risk corresponds to fluctuations in the fair value or future cash flows of financial instruments, due to changes in market interest rates. The Company’s possible exposure to the risk of changes in market interest rates would be primarily on its debt obligations. However, at the date of closure of the present financial statements, 100% of the corporate indebtedness is at a fixed rate, so there is no impact of the mentioned risk.

The following table shows the debt composition as per type of rate as of December 31, 2024 and 2023:

Rate	December 31, 2024	December 31, 2023
Fixed rate	100%	100%
Variable rate	0%	0%

III. Credit Risk

Credit risk is associated with the credit quality of trade receivables and financial assets, including bank or other financial institutions' deposits and, other financial instruments.

Financial investments made by Guacolda, such as repurchase agreements and term deposits, including derivatives, are trade into with local and foreign financial entities with national and/or international risk rating greater than or equal to "A" according to Standard & Poor's and Fitch and "A2" according to Moody's. In addition, derivatives executed for the financial debt are entered into with first-level local and international entities. There are cash, investment, and treasury policies that define the cash management of the Company in order to minimize the credit risk.

Concerning trade receivables, Guacolda's customers are electricity distributing or generating companies, and mainly mining, and industrial customers. Sales of Guacolda in the spot market are compulsorily made to members of the Coordinador Eléctrico Nacional or "CEN", according to the economic dispatch made by this entity. Each entity has the obligation to maintain a guarantee to protect the risk of non-payment, and the related amounts are defined by the CEN itself.

IV. Liquidity risk

Liquidity risk is related to the obligation of ensuring the necessary funds to meet payment obligations. The Company's goal is to maintain the necessary liquidity and financial flexibility through normal operating flows, bank loans, public bonds, short term investments, committed and non-committed credit lines.

As of December 31, 2024, Guacolda has a balance in liquid available funds of ThUS$12,913 recognized in cash and cash equivalents (ThUS$55,169 as of December 31, 2023).

For details regarding contractual restrictions to the usage of funds, see Note 7 of the Financial Statements, Cash and cash equivalents.

Table below shows the maturity schedule, based on capital and interests' obligations, in United States dollars (millions) as of December 31, 2024 and 2023:

Fixed rate	Average Interest rate	Principal and interest maturities as of December 31,2024				Milions Total
		2025	2026	2027	2028+	
Bonds	7.95%	116.18	31.69	29.29	40.77	218.03

5.3. Risk Measurement

The Company has methods to measure the effectiveness and efficiency of risk strategies both prospectively and retrospectively.

The administration is continuously analyzing current available data including, projections of commodity values, dynamic data models to estimate future income, and macroeconomic projections using information from the Central Bank of Chile and other financial institutions; all to adjust risk and define mitigation strategies to anticipate those impacts.

NOTE 6 - CHANGE IN ACCOUNTING ESTIMATES

During the current fiscal year, the Company has reviewed and adjusted the estimated useful lives of certain property, plant, and equipment assets. The change in useful lives was based on a more accurate assessment of the assets' durability and performance, taking into account their current use and the estimated closure dates of the coal-fired generating units, in accordance with the decarbonization plan (Year 2039).
The assets affected by this change are mainly Buildings and Plant and Equipment. The effect of this change in useful lives has resulted in a decrease in depreciation for the period of ThUS$29,081.

This change has been reflected prospectively as of January 1, 2024.

NOTE 7 - USE OF ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

Management must make judgments and estimates of issues that might have a significant effect on the figures presented in the financial statements. Changes in these assumptions and estimates may have an impact on the financial statements:

Estimations ad Critical Judgements		Note
a)	Calculation of the fair value of financial instruments, including credit risk	9
b)	Useful lives and residual values of intangible assets and property, plant, and equipment	15 and 16
c)	Determination of recoverable value in tests for impairment	15
d)	Asset retirement obligations	15
e)	Future disbursements due to dismantling and asset removal obligations, including the discount rate	19
f)	Actuarial calculation of- obligations with employees, including the discount rate	20
g)	The probability of occurrence and liabilities amount of uncertain amount or contingent liabilities	27

Even though these estimates have been made based on the best information available at the date of issuance of these financial statements, it is possible that current information or events that may take place in the future may lead to modifications (either upwards or downwards) in the next years. In such event, any changes would be made prospectively by recognizing the effects of those modifications in the corresponding future financial statements, according to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

NOTE 8 - CASH AND CASH EQUIVALENTS

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Bank balance	654	4,275
Short-term deposits	12,259	50,894
TOTAL CASH AND CASH EQUIVALENTENTS	**12,913**	**55,169**

Short-term deposits expire in a period shorter than three months from the date of acquisition and accrue interest at market rates for this type of short-term investments.

Balances of cash and cash equivalents included in the statements of financial position are consistent with the statement of cash flows.

This account as per types of currencies as of December 31, 2024 and 2023, is detailed as follows:

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
CLP	7,220	54,721
USD	5,693	448
TOTAL CASH AND CASH EQUIVALENTS	**12,913**	**55,169**

As of December 31, 2024 and 2023, there are no restrictions to the use of funds by the Company.

NOTE 9 - FINANCIAL INSTRUMENTS

9.1. Financial Instruments by Category

The classification of financial assets to the categories described in Note 4.5 is detailed as follows:

December 31, 2024	Cash and cash equivalents ThUS$	Financial assets at amortized cost ThUS$	Total ThUS$
Cash and cash equivalents	12,913	-	12,913
Trade receivables and other accounts receivable, current	-	51,594	51,594
TOTAL	**12,913**	**51,594**	**64,507**

December 31, 2023	Cash and cash equivalents ThUS$	Financial assets at amortized cost ThUS$	Total ThUS$
Cash and cash equivalents	55,169	-	55,169
Trade receivables and other accounts receivable, current	-	63,771	63,771
Trade receivables and other accounts receivable, non-current	-	587	587
TOTAL	**55,169**	**64,358**	**119,527**

Book value of financial assets such as Cash and cash equivalents and the current portion of Accounts receivable represent an approximation of their fair values, due to the short-term nature of their maturities.

The classification of financial liabilities in respect to the categories describe in note 4.6 is detailed as follows:

December 31, 2024	Financial Liabilities at Fair Value through Profit or Loss ThUS$	Financial liabilities at amortized cost ThUS$	Total ThUS$
Other financial liabilities, current	-	107,792	107,792
Trade accounts payable and other accounts payable	-	44,014	44,014
Other financial liabilities, non-current	-	83,761	83,761
TOTAL	**-**	**235,567**	**235,567**

December 31, 2023	Financial Liabilities at Fair Value through Profit or Loss ThUS$	Financial liabilities at amortized cost ThUS$	Total ThUS$
Other financial liabilities, current	-	22,812	22,812
Trade accounts payable and other accounts payable	-	51,148	51,148
Other financial liabilities, non-current	-	232,011	232,011
TOTAL	**-**	**305,971**	**305,971**

Book value of the current portion of accounts payable to related entities and trade receivables approximate their fair values given the short-term nature of their maturities.

NOTE 10 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES

There are no transactions with related parties.

10.1. Key staff

Key Staff considers people with the authority and responsibility to plan, manage and control the activities of the Company, whether directly or indirectly.

I. Board

As of December 31, 2024, the Board of Directors is constituted by 5 members, appointed at the Ordinary Shareholders' meeting in April 2024 until the Ordinary Shareholders' meeting that will be held in April 2025, when a new Board of Directors will be designated for a period of one year.

Name	Title
Jorge Rodríguez Grossi	President
Juan Alberto Fernández Dávila	Director
Alejandro Ferreiro Yazigi	Director
Fernán Gazmuri Arrieta	Director
Francisco Ignacio Ossa Guzmán	Director

II. Officers

As of December 31, 2024 and 2023, there are no guarantees in favor of the executive officers.

NOTE 11 - TRADE AND OTHER ACCOUNTS RECEIVABLE

The balances of trade and other accounts receivable involve operations in the ordinary course of business of the Company, mainly operations for sale of energy, power, and transmission.

The balances of other accounts receivable relate primarily to advance payments to suppliers and accounts receivable associated with the staff, among others.

Items of these accounts as of December 31, 2024 and 2023, are detailed as follows:

	Current		Non-current	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Trade receivables, gross (*)	50,054	62,543	-	587
Bad debt allowance	(31)	(54)	-	-
Advance payments to suppliers	195	716	-	-
TRADE RECEIVABLE, NET	**50,218**	**63,205**	**-**	**587**
Other receivables, gross	1,376	566	-	-
TOTAL TRADE AND OTHER ACCOUNT RECEIVABLE	**51,594**	**63,771**	**-**	**587**

(*) Fair values of trade and other accounts receivable are not significantly different from their book values.

Past due unpaid, and not impaired financial assets are detailed as follows:

December 31, 2024	Non-regulated costumers		Total bad debts allowance ThUS$	Net portfolio ThUS$
	N° Costumers	Gross portofolio ThUS$		
Current				
1-30 days	580	49,558	-	49,558
31-60 days	295	195	-	195
61-90 days	23	3	-	3
91-120 days	99	237	-	237
121-150 days	18	8	-	8
151-180 days	8	-	-	-
181-210 days	7	1	-	1
211- 250 days	40	-	-	-
> 250 days	99	52	(31)	21
TRADE RECEIVABLES	**1,169**	**50,054**	**(31)**	**50,023**

December 31, 2023	Non-regulated costumers		Total bad debts allowance ThUS$	Net portfolio ThUS$
	N° Costumers	Gross portofolio ThUS$		
Current				
1-30 days	546	62,224	-	62,224
31-60 days (*)	54	169	(1)	168
61-90 days	13	42	-	42
91-120 days (*)	139	24	(3)	21
121-150 days	39	39	-	39
151-180 days	3	(9)	-	(9)
181-210 days	6	18	(17)	1
211- 250 days	2	-	-	-
> 250 days	75	36	(33)	3
TRADE RECEIVABLES	**877**	**62,543**	**(54)**	**62,489**

(*) Negative amounts correspond to unpaid credits notes.

The amounts for provisions and other accounts receivable are detailed as follows:

	Current balance ThUS$
Balance as of January 1, 2023	**36**
Increase (decrease) for the period	18
Balance as of December 31, 2023	**54**
Increase (decrease) for the period	(23)
Balance as of December 31, 2024	**31**

NOTE 12 - INVENTORIES

Inventories have been valued according to the provisions of Note 4.8 and are detailed as follows:

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Coal	42,181	35,826
Oil	349	397
Materials	19,241	14,562
Other Inventory	271	425
TOTAL INVENTORIES	**62,042**	**51,210**

Costs of sales recognized as expenses in the years ended December 31, 2024, and 2023, are detailed as follows:

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Coal	153,497	249,318
Oil	2,871	2,861
Other	5,343	218
TOTAL INVENTORIES COSTS	**161,711**	**252,397**

NOTE 13 - TAXES

13.1 Current tax

Current tax assets as of December 31, 2024 and 2023 are detailed as follows:

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Current tax assets	20	89
Current tax liabilities	-	-
NET CURRENT TAX	**20**	**89**

13.2 Income taxes

Taxes charged to income for the periods ended December 31, 2024 and 2023, are detailed as follows:

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Current tax expense	-	-
CURRENT TAX EXPENSE, NET	**-**	**-**
Deferred expense (benefit) due to:		
Adjustment of deferred assets of previous year	-	12,276
DEFERRED TAX EXPENSE, NET	**-**	**12,276**
INCOME TAX BENEFIT	**-**	**12,276**

Reconciliation between the income tax that would result from applying the effective rate and the statutory tax rate in Chile for the years ended December 31, 2024 and 2023, are detailed as follows:

	December 31, 2024		December 31, 2023	
	ThUS$	%	ThUS$	%
Income before tax	32,845		106,423	
CURRENT TAX RATE	8,868	**27%**	**28,734**	**27%**
Tax effect of:				
Deferred tax effect	(5,824)	-17.7%	(16,458)	-15.5%
Other	(3,044)	-9%		
EXPENSE (BENEFIT) FOR TAXES AS THE EFFECTIVE RATE	-	**0.0%**	**12,276**	**11.5%**

13.3 Deferred taxes

Balances of deferred taxes assets and liabilities as of December 31, 2024 and 2023 are detailed as follows:

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Provisions	20,599	18,239
Tax losses	79,483	79,553
Valuation	(92,714)	(86,890)
Debts	1,864	1,752
Others	22,242	24,400
DEFERRED TAX ASSETS	**31,474**	**37,054**
Depreciations	(28,068)	(34,493)
Provisions	(2,515)	(2,515)
Others	(891)	(46)
DEFERRED TAX LIABILITIES	**(31,474)**	**(37,054)**
NET BALANCE OF DEFERRED TAX ASSETS AND (LIABILITIES)	-	-

As of December 31, 2024 and 2023, the Company has not recognized deferred tax assets, in compliance with IAS 12, because, according to an analysis of the probability of recovery of its deferred taxes, it does not have a time horizon defined on which it is expected that future taxable profit will be available against which tax losses can be totally utilized.

Reconciliation between balances of the statement of financial position and deferred tax tables are detailed as follows:

STATEMENT OF FINANCIAL POSITION	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Deferred tax assets	31,474	37,054
Deferred tax liabilities	(31,474)	(37,054)
NET BALANCE OF DEFERRED TAX ASSETS AND (LIABILITIES)	**-**	**-**

NOTE 14 - INTANGIBLE ASSETS

14.1. Detail of Intangible Assets

Details and changes in the main classes of intangible assets, which were measured according to provisions of Note 4.3, are detailed as follows:

Intangible Assets	December 31, 2024		
	Gross value ThUS$	Accumulated Amortization ThUS$	Net value ThUS$
Finite lived intangible assets	2,859	(2,781)	78
Indefinite lived intangible assets	1,071	-	1,071
TOTAL INTANGIBLE ASSETS	**3,930**	**(2,781)**	**1,149**
Computer programs	2,859	(2,781)	78
Easements	451	-	451
Concessions	620	-	620
IDENTIFIABLE INTANGIBLE ASSETS	**3,930**	**(2,781)**	**1,149**

Intangible Assets	December 31, 2023		
	Gross value ThUS$	Accumulated Amortization ThUS$	Net value ThUS$
Finite lived intangible assets	2,859	(2,754)	105
Indefinite lived intangible assets	1,071	-	1,071
TOTAL INTANGIBLE ASSETS	**3,930**	**(2,754)**	**1,176**
Computer programs	2,859	(2,754)	105
Easements	451	-	451
Concessions	620	-	620
IDENTIFIABLE INTANGIBLE ASSETS	**3,930**	**(2,754)**	**1,176**

Balances and changes in Intangible Assets as of December 31, 2024 and 2023, respectively, are detailed as follows:

	December 31, 2024			
	Computer programs ThUS$	Easements ThUS$	Concessions ThUS$	Total ThUS$
Balance as of January 1, 2024	106	450	620	1,176
Amortization	(27)	-	-	(27)
Total changes	(27)	-	-	(27)
Ending Balance of Identifiable Intangible Assets as of December 31, 2024	**79**	**450**	**620**	**1,149**

	December 31, 2023			
	Computer programs ThUS$	Easements ThUS$	Concessions ThUS$	Total ThUS$
Balance as of January 1, 2023	135	450	-	585
Additions	-	-	620	620
Amortization	(29)	-	-	(29)
Total changes	(29)	-	620	591
Ending Balance of Identifiable Intangible Assets as of December 31, 2023	**106**	**450**	**620**	**1,176**

Useful lives used for the most relevant assets of the Company are detailed as follows:

Estimated Useful Lives or Amortization Rates used	Unit of measurement	Maximum Useful Life or Rate	Minimum Useful Life or Rate
Computer programs	Years	20	3

14.2. Impairment of Indefinite-life Intangible Assets

As of December 31, 2024 and 2023, there are no impairment losses recorded in intangible assets.

NOTE 15 - PROPERTY, PLANT AND EQUIPMENT

Detail of the balances of the different categories of fixed assets as of December 31, 2024 and 2023, are shown in the following table:

Class	December 31, 2024		
	Gross value	Accumulated depreciation	Net value
Construction in Progress	18,159	-	18,159
Land	9,506	-	9,506
Buildings	11,935	(2,627)	9,308
Plant and Equipment	1,208,255	(932,136)	276,119
IT Equipment	6,564	(6,100)	464
Fixed facilities and accesories	2,226	(1,938)	288
Motor Vehicles	66	(59)	7
Asset Retirement Obligation	42,585	(20,593)	21,992
Other Property, Plant and Equipment	22,872	-	22,872
TOTAL PROPERTY PLANT & EQUIPMENT	**1,322,168**	**(963,453)**	**358,715**

Class	December 31, 2023		
	Gross value	Accumulated depreciation	Net value
Construction in Progress	6,229	-	6,229
Land	9,293	-	9,293
Buildings	10,225	(2,019)	8,206
Plant and Equipment	1,201,737	(912,890)	288,847
IT Equipment	6,485	(6,037)	448
Fixed facilities and accesories	2,226	(1,821)	405
Motor Vehicles	66	(55)	11
Asset Retirement Obligation	58,674	(18,945)	39,729
Other Property, Plant and Equipment	19,801	-	19,801
TOTAL PROPERTY PLANT & EQUIPMENT	**1,314,736**	**(941,767)**	**372,969**

1. Construction in progress consists mainly of undergoing operational projects. Once the trial period of the project ends and is available for use, it is transferred to the category of operating assets. From that moment its depreciation begins.

2. According to Financial Statements issued and published by the Company between 2018 and 2021, during each of the mentioned exercises, a calculation of the fair value of the fix assets of Guacolda was made, mainly due to the fact that it was expected that the then-present value of cash flows would be lower than the carrying amount of the asset, considering the prices revised downwards for future PPAs contracts. Additionally, it was considered that in June 2019, the main generators of the SEN system signed a Decarbonization Agreement with the Government to withdraw part of their coal generation facilities in advance, that did not include the Guacolda Units. Regardless of the above statement, current management believed that if the regulation was enacted as documented in that agreement, it was likely that Guacolda's expected future cash flows would be adversely affected. Therefore, a calculation of the recoverable amount was required, through the estimation of the present value of the expected future cash flows derived from the value in use of the assets, to evaluate if there was a loss in the carrying amount of the Property, plant and equipment.

On the estimation of the recoverable value on the assets classified in Plants and equipment, the Company recognized as of December 31, 2021 an accumulated impairment of ThUS$877,131. For further details please see the revealed Financial Statements. As of December 31, 2022 the impairment test over the fix assets was run, not presenting significant variations with respect to the last test carried out.

As of December 31, 2023, indications of impairment of the present value of the assets were verified, mainly due to changes in the conditions of the valuation model, such as: i) the change in price conditions in one of the PPA contracts between Guacolda and an unregulated customer, ii) change in the discount rate as a result of the change in macroeconomic parameters, iii) improvement in the prospects of Guacolda's generation business, which offsets the previous impacts. Therefore, the Company recognized an impairment of ThUS$60,845 as of December 2023.

As of December 31, 2024, signs of impairment were verified due to, i) change of the units dispatch given by an improvement of the prospects of Guacolda's generation, ii) change in the discount rate as a result of the change in macroeconomic parameters. As a result of this test, the Company recognized an impairment reversal of ThUS$7,792, since the assets' value in use was higher than their carrying value.

The main assumptions are :

Date of valuation	December 31, 2024	December 31, 2023
Currency	USD	USD
Projection horizon	15 Years	U1 a U2: 6 Years U3 a U5:16 Years
Tax Rate	After-Tax Flow	After-Tax Flow
Discount Rate (WACC)	7.83 % Nominal	7.77%

3. Asset Retirement Obligation (“ARO”) is related to the obligation of removal and disposition of facilities. The obligation according to the Guacolda Environmental Impact Assessment, is that the Company has the obligation to carry out the dismantling at the period defined. That obligation is associated with the five operational units of Guacolda, which also recognizes an underlying asset to the required condition by the terms and conditions of the obligation. Please see note 19 for further details.

4. “Other property, plant and equipment” includes mainly inventories of fixed assets spare parts and prepaid expenses.

Useful lives of the most relevant assets of the Company are shown below:

	Rate explanation	Minimum Life	Maximum Life
Buildings	Years	5	15
Plant and Equipment	Years	1	15
IT Equipment	Years	3	15
Fixed facilities and accesories	Years	1	15
Motor Vehicles	Years	8	15

According to Note 6, the Company has reviewed and adjusted the estimated useful lives of certain property, plant, and equipment assets. The change in useful lives was 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).

Property, plant, and equipment transactions during the years ended December 31, 2024 and 2023, are detailed as follows:

	Construction in Progress	Land	Buildings	Plant and Equipment	IT Equipment	Furniture	Motor Vehicles	Asset Retirement Obligation	Other Property, Plant and Equipment	Property, Plant and Equipment, Net
Balance as of January 1, 2024	**6,229**	**9,293**	**8,206**	**288,847**	**448**	**405**	**11**	**39,729**	**19,801**	**372,969**
Additions	19,792	213	686	2,656	142	13	-	-	-	23,502
Withdrawals	-	-	(219)	(2,460)	-	-	-	-	1,076	(1,603)
Depreciation	-	-	(628)	(27,315)	(126)	(130)	(4)	(1,648)	-	(29,851)
Impairment (See Note 15.1.2)	-	-	-	7,792	-	-	-	-	-	7,792
Other Changes (See note 15.1.3)	-	-	-	-	-	-	-	(16,089)	1,995	(14,094)
Completed works	(7,862)	-	1,263	6,599	-	-	-	-	-	-
Total Changes	11,930	213	1,102	(12,728)	16	(117)	(4)	(17,737)	3,071	(14,254)
Balance as of December 31, 2024	**18,159**	**9,506**	**9,308**	**276,119**	**464**	**288**	**7**	**21,992**	**22,872**	**358,715**

	Construction in Progress	Land	Buildings	Plant and Equipment	IT Equipment	Furniture	Motor Vehicles	Asset Retirement Obligation	Other Property, Plant and Equipment	Property, Plant and Equipment, Net
Balance as of January 1, 2023	**10,012**	**5,193**	**8,547**	**391,450**	**440**	**542**	**15**	**52,958**	**11,950**	**481,106**
Additions	8,957	4,100	-	1,686	128	-	-	5,856	3,982	24,709
Withdrawals	-	-	-	-	-	-	-	-	(1,076)	(1,076)
Depreciation	-	-	(341)	(56,184)	(120)	(137)	(4)	(2,147)	-	(58,933)
Impairment (See Note 15.1.2)	-	-	-	(60,845)	-	-	-	-	-	(60,845)
Other Changes (See note 15.1.3)	-	-	-	-	-	-	-	(16,938)	4,945	(11,993)
Completed works	(12,740)	-	-	12,740	-	-	-	-	-	-
Total Changes	(3,783)	4,100	(341)	(102,603)	8	(137)	(4)	(13,229)	7,851	(108,140)
Balance as of December 31, 2023	**6,229**	**9,293**	**8,206**	**288,847**	**448**	**405**	**11**	**39,729**	**19,801**	**372,966**

During 2024 and 2023 no interest has been capitalized.

NOTE 16 - RIGHT OF USE ASSETS

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Balance as of January 1, 2024	1,848	2,378
Amortization	(529)	(530)
Total changes	**(529)**	**(530)**
Ending Balance of Right of use Assets	**1,319**	**1,848**

NOTE 17 - OTHER FINANCIAL LIABILITIES

Interest-bearing Loans

As of December 31, 2024 and 2023, other financial liabilities are detailed as follows:

	Current		Non-current	
	December 31, 2024 ThUS$	December 31, 2023 ThUS$	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Interest-Bearing loans	107,189	22,171	85,517	233,639
Borrowing Cost	-	-	(2,411)	(2,827)
Lease liabilities	603	641	655	1,199
TOTAL	**107,792**	**22,812**	**83,761**	**232,011**

17.1. Bank Loans

As of December 31, 2024 and 2023 the Company does not present bank loans.

17.2. Obligations with the Public

Obligations with the public by debtor company, series, currency, cover rate, and maturity dates as of December 31, 2024 and 2023, are detailed as follows:

As of December 31, 2024

December 31, 2024 Instrument Registration and Identification	Currency	Interest Payment	Annual effective rate	Annual nominal rate	Final deadline	Current ThUS$			Non- current (Nominal Value) ThUS$					Total ThUS$
						Less than 90 days	More than 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	
Bond	US$	Biannual	4.56%	4.56%	Apr-2025	610	80,256	**80,866**	-	-	-	-	-	-
Bond	US$	Quarterly	10.7%	10.7%	Dec-2030	2,282	24,041	**26,323**	24,041	24,041	24,041	13,394	-	**85,517**
TOTAL								**107,189**	24,041	24,041	24,041	13,394	-	**85,517**

As of December 31, 2023

December 31, 2023 Instrument Registration and Identification	Currency	Interest Payment	Annual effective rate	Annual nominal rate	Final deadline	Current ThUS$			Non- current (Nominal Value) ThUS$					Total ThUS$
						Less than 90 days	More than 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	
Bond	US$	Biannual	4.56%	4.56%	Apr-2025	-	634	**634**	-	83,380	-	-	-	**83,380**
Bond	US$	Quarterly	10.7%	10.7%	Dec-2030	3,506	18,031	**21,537**	24,041	24,041	24,041	24,041	54,095	**150,259**
TOTAL								**22,171**	24,041	107,420	24,041	24,041	54,095	**233,639**

During 2023 Guacolda completed the registration of the total notes of the Bond 144A/RegS issued in April 2015, repurchased in 2023 equivalent to 18,57% of the total obligation. Additionally, it made new purchases by means of two tender offers, reaching a total of 49.6% of the issuance. In parallel, Guacolda offered to bondholders an exchange of the current notes in order to extend the maturity period until December 2030, a process that resulted in the postponement of ThUS$168,290. As a result of those operations, the outstanding nominal debt reached ThUS$83,380 that expire in April 2025. Finally, after the liability management process, the company´s debt reached ThUS$251,670.

In 2024, the company repurchased ThUS$3,125 equivalent to 3,7%, reducing the debt capital to ThUS$80,255 for the Bond 144A/RegS issued in April 2015.

17.3.- Changes in liabilities from financing activities

The variations of financial obligations of the Company, and the changes related to financing activities as of December 31, 2024 and 2023, are detailed as follows:

	Balance as of January 1, 2024	Changes in cash			Changes in other than cash				Balance as of December 31, 2024
		Borrowing cost	Payments	Interest payments	Accrued interest	Other	Gain nominal value	Amort. Of deferred costs	
Obligations with the public	252,983	-	(61,513)	(20,051)	18,805	-	(344)	415	190,295
Lease liabilities	1,840	-	(669)	-	87	-	-	-	1,258
TOTAL	**254,823**	**-**	**(62,182)**	**(20,051)**	**18,892**	**-**	**(344)**	**415**	**191,553**

	Balance as of January 1, 2023	Changes in cash			Changes in other than cash				Balance as of December 31, 2023
		New obligation	Payments	Interest payments	Accrued interest	Other	Gain nominal value	Amort. Of deferred costs	
Obligations with the public	454,193	(3,027)	(74,364)	(15,166)	15,866	(15,960)	(110,152)	1,593	252,983
Lease liabilities	2,378	-	(663)	-	125		-	-	1,840
TOTAL	**456,571**	**(3,027)**	**(75,027)**	**(15,166)**	**15,991**	**(15,960)**	**(110,152)**	**1,593**	**254,823**

NOTE 18 - TRADE ACCOUNTS PAYABLES AND OTHER ACCOUNTS PAYABLE

As of December 31, 2024 and 2023, trade and other accounts payable are detailed as follows:

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Trade payables	4,768	9,377
Unbilled trade payables	26,044	23,261
Income tax on emissions	12,899	15,364
Other accounts payables (*)	303	3,146
TOTAL TRADE AND OTHER ACCOUNT PAYABLE	**44,014**	**51,148**

(*) As of December 31, 2024 and 2023, it includes mainly sales and additional taxes, plus liabilities with third parties associated with workers.

Suppliers with no past due balances:

	Until 30 days ThUS$	31-60 days ThUS$	61-90 days ThUS$	91-120 days ThUS$	121-365 days ThUS$	366 and more ThUS$	Total ThUS$	Average payment days
Balance as of December 31, 2024	4,713	-	-	-	-	-	4,713	27
Balance as of December 31, 2023	7,882	65	-	-	-	-	7,947	29

Suppliers with past due balances:

	Until 30 days ThUS$	31-60 days ThUS$	61-90 days ThUS$	91-120 days ThUS$	121-365 days ThUS$	366 and more ThUS$	Total ThUS$
Balance as of December 31, 2024	40	10	-	5	-	-	55
Balance as of December 31, 2023	1,352	66	12	-	-	-	1,430

NOTE 19 - OTHER PROVISIONS

As of December 31, 2024 and 2023, the balances for provisions are detailed as follows:

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Asset Retirement Obligation and restructuring costs	80,015	91,609
TOTAL TRADE AND OTHER ACCOUNT PAYABLE	**80,015**	**91,609**

Decommissioning and restructuring costs

Asset Retirement Obligation ("ARO") is related to the obligation of removal and disposition of facilities. The obligation according to the Guacolda Environmental Impact Assessment, is that the Company has the obligation to carry out the dismantling at the period defined. That obligation is associated with the five operational units of Guacolda, which also recognizes an underlying asset to the required condition by the terms and conditions of the obligation. As of December 31, 2024, the estimation of the ARO obligation, generated an adjustment of -ThUS$16,089, which was accounted by means of a decrease in both asset and obligation due to variations in market conditions that modified the discount rate of the model. As of December 31, 2023, the estimation of the ARO obligation, generated an adjustment of ThUS$11,081, which was accounted by means of a decrease in both asset and obligation due to i) variations in market conditions that modified both the expected inflation rate and the discount rate of the model (-ThUS$16,937) and, ii) the incorporation of a new ARO obligation related to the purchase of a generation plant of 66 MW located in Huasco (+ThUS$5,856).

19.1 Variations in provisions

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Opening Balance	91,609	97,494
Cost of interest on obligation	4,495	5,196
Additions	-	5,856
Remeasurement discount rate	(16,089)	(16,937)
Ending Balance	**80,015**	**91,609**

NOTE 20 - EMPLOYEE BENEFITS PROVISIONS

Employee benefits are assessed and recorded in the financial statements in accordance with the criteria described in Note 4.12.

As of December 31, 2024 and 2023, the balance of employment opportunities is detailed as follows:

	Current		Non-current	
	December 31, 2024 ThUS$	December 31, 2023 ThUS$	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Post-employment obligations (20.1)	228	205	1,198	1,248
Vacation provision	1,023	1,025	-	-
Share in profits and bonds	2,180	2,395	-	-
TOTAL EMPLOYEE BENEFITS	**3,431**	**3,625**	**1,198**	**1,248**

20.1. Present value of post employment obligations

The variations in post-employment obligations for defined benefits in the years ended December 31, 2024 and 2023, are detailed as follows:

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Opening balance	1,453	1,696
Cost of interest on obligation	70	79
Increase (decrease) in P&L	(95)	(272)
Remeasurement gain/losses In OCI	(2)	(50)
Ending Balance	**1,426**	**1,453**

20.2. Costs recognized as profit or loss

The amounts recognized in profit or loss and included in Sales cost and Administrative expenses in the statement of comprehensive income for the periods ended December 31, 2024 and 2023, are detailed as follows:

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Cost for interest on defined benefit plan	70	79
Increase (decrease) in P&L	(95)	(272)
Total impact in profit or loss	**(25)**	**(193)**

20.3. Other disclosures

1. Actuarial assumptions:

The assumptions used in the actuarial calculation are detailed as follows:

	December 31, 2024	December 31, 2023
Nominal discount rate used	5.39%	5.53%
Average job turnover rate	9.30%	9.20%
Expected rate of salary increases	4.65%	4.65%

2. Sensitivity:

As of December 31, 2024, the sensitivity of the total value of employment obligations in the events of variations in discount rate and salary increase rate, generates the following effects:

	Sensitivity rate	Reduction ThUS$	Increase ThUS$
Discount rate sensitivity	1%	83	(187)
Salary increases sensitivity	1%	(189)	82

NOTE 21 - OTHER NON-FINANCIAL LIABILITIES

21.1 Current

As of December 31, 2024 and 2023, the balances of Other non-financial liabilities are detailed as follows:

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Withholding tax	179	172
TOTAL OTHER NON-FINANCIAL LIABILITIES	**179**	**172**

(*) Other liabilities consider tax obligations

21.2 Non-Current

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Deferred income	80,500	80,500
TOTAL TOTAL OTHER NON-FINANCIAL LIABILITIES NON CURRENT	**80,500**	**80,500**

In May 2023, a one-time payment of ThUS$80,500 was received from one of Guacolda´s main customers in connection with the amendment of the PPA with such customer (that expires in 2027), in exchange for allowing such customer to purchase energy from third parties and reflecting a lower energy sales price from Guacolda for the years 2026 and 2027. As a result of this amendment future revenues related to the contract under this PPA could reduce over time compared to historical revenues from such customer. Deferred income will be recognized in those periods that would be affected by the new conditions of the contract.

NOTE 22 - SHAREHOLDERS' EQUITY

22.1. Capital management

Shareholders' equity includes issued capital, other reserves, and retained earnings (losses).

The main purpose of the capital management of the Company is to ensure liquidity and compliance with obligation, in addition to maximize the value to the shareholders.

The Company manages its capital structure and proposes adjustments based on changes in economic conditions. To maintain or adjust its capital structure, the Company may adjust dividend payments (if apply) and/or capital returns to shareholders.

Except as indicated in the next paragraph, no other changes have been made to the objectives, policies or procedures related to capital during the years ended December 31, 2024 and 2023.

22.2. Subscribed and paid-in capital

The Company was established with an initial capital amounting to ThUS$882, divided into 217,691,230 registered shares of a single series of equal value and without par value.

By public deed dated October 7, 2024 under repertoire 17229-2024, El Águila Energy II SpA as the only shareholder of the Company, performed a capital decrease of ThUS$3,722 (paid in cash), that is, from the amount of 672,939,681 dollars of the United States of America, divided into 217,691,230 registered shares, of a single series, of equal value and no par value, fully subscribed and paid, to the amount of 669,217,652 United States dollars of America, divided into the same 217,691,230 registered shares, of a single series, of equal value and no par value.

By public deed dated April 16, 2024 under repertoire 6310-2024, El Águila Energy II SpA as the only shareholder of the Company, performed a capital decrease of ThUS$800 (paid in cash), that is, from the amount of 673,740,017 dollars of the United States of America, divided into 217,691,230 registered shares, of a single series, of equal value and no par value, fully subscribed and paid, to the amount of 672,939,681 United States dollars of America, divided into the same 217,691,230 registered shares, of a single series, of equal value and no par value.

By public deed dated January 5, 2024 under repertoire 290-2024, El Águila Energy II SpA as the only shareholder of the Company, performed a capital decrease of ThUS$5,100 (paid in cash), that is, from the amount of 678,840,017 dollars of the United States of America, divided into 217,691,230 registered shares, of a single series, of equal value and no par value, fully subscribed and paid, to the amount of 673,740,017 United States dollars of America, divided into the same 217,691,230 registered shares, of a single series, of equal value and no par value.

By public deed dated December 18, 2023 under repertoire 21.462-2023, El Águila Energy II SpA as the only shareholder of the Company, performed a capital decrease of ThUS$53,500 (paid in cash), that is, from the amount of 732,340,017 dollars of the United States of America, divided into 217,691,230 registered shares, of a single series, of equal value and no par value, fully subscribed and paid, to the amount of 678,840,017 United States dollars of America, divided into the same 217,691,230 registered shares, of a single series, of equal value and no par value.

By public deed dated September 1, 2023 under repertoire 14.978-2024, El Águila Energy II SpA as the only shareholder of the Company, performed a capital decrease of ThUS$140,000 (paid in cash), that is, from the amount of 872,340,017 dollars of the United States of America, divided into 217,691,230 registered shares, of a single series, of equal value and no par value, fully subscribed and paid, to the amount of 732,340,017 United States dollars of America, divided into the same 217,691,230 registered shares, of a single series, of equal value and no par value.

By public deed dated June 13, 2023 under repertoire 9.946-2023, El Águila Energy II SpA as the only shareholder of the Company, performed a capital decrease of ThUS$10,000 (paid in cash), that is, from the amount of 882,340,017 dollars of the United States of America, divided into 217,691,230 registered shares, of a single series, of equal value and no par value, fully subscribed and paid, to the amount of 872,340,017 United States dollars of America, divided into the same 217,691,230 registered shares, of a single series, of equal value and no par value.

22.3. Dividend policy

No dividends were declared or paid during 2024 and 2023.

22.4. Accumulated deficit

Accumulated deficit for each year are detailed as follows:

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Opening balance	(56,854)	(151,001)
Result for the period	32,845	94,147
ENDING BALANCE	**(24,009)**	**(56,854)**

22.5. Other Reserves

Other reserves as of December 31, 2024 and 2023, are detailed as follows:

STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY	Other miscellaneous reserves ThUS$	Reserve for defined Benefit Plants ThUS$	Total ThUS$
Balance as of January 1, 2023	(558,170)	50	(558,120)
Balance as of December 31, 2023	(558,170)	50	(558,120)
Other variations	-	1	1
Balance as of December 31, 2024	**(558,170)**	**51**	**(558,119)**

NOTE 23 - INCOME FROM ORDINARY ACTIVITIES

Income from ordinary activities for the years ended December 31, 2024 and 2023 is detailed as follows:

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Sale of energy under non-regulated contracts	291,014	367,209
Spot sales of energy and capacity	63,155	174,809
Transmission income	21,686	21,020
Other ordinary revenue	2,552	2,219
TOTAL REVENUES	**378,407**	**565,257**

NOTE 24 - COMPOSITION OF RELEVANT RESULTS

24.1. Sale Cost and administrative expenses

The details of sales cost and administrative expenses as of December 31, 2024 and 2023 are as follows:

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Purchase of energy and capacity	31,304	62,012
Fuel consumption	161,711	252,397
Transmission cost	19,867	19,848
Production and other sales costs	59,504	64,442
Productive staff costs (See Note 24.2)	15,223	14,792
Depreciation	29,851	58,933
Amortization	149	29
SALES COSTS	**317,609**	**472,453**
Insurance expenses	10,095	10,501
Other administrative expenses	3,734	3,422
ADMINISTRATIVE EXPENSES	**13,829**	**13,923**
TOTAL	**331,438**	**486,376**

24.2. Productive Staff costs

Staff costs for the years ended December 31, 2024 and 2023, are detailed as follows:

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Wages and salaries	13,927	13,982
Short-term employee benefits	715	677
Employment termination benefits	82	37
Other staff costs	499	96
TOTAL STAFF COSTS	**15,223**	**14,792**

NOTE 25 - OTHER INCOME (LOSSES)

Other income (loss) for the years ended December 31, 2024 and 2023, is detailed as follows:

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Other income	2,598	1,905
Impairment (*)	7,792	(60,845)
TOTAL OTHER INCOME (LOSSES)	**10,390**	**(58,940)**

(*) During the year ended December 31, 2024 an impairment reversal of ThUS$7,792 was registered for Property, plant and equipment, and as of December 31, 2023 an impairment of ThUS$60,845, was registered for Property, plant and equipment (See Note 15.2).

NOTE 26 - FINANCIAL RESULT

Results for the years ended December 31, 2024 and 2023, are detailed as follows:

	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Income from financial assets	1,619	5,682
Financial income (*)	345	110,152
Total financial income	**1,964**	**115,834**
Interest on bank loans	(24,574)	(27,662)
Other expenses	-	(900)
Total financial expenses	**(24,574)**	**(28,562)**
Loss for exchange differences	**(1,904)**	**(790)**
Total financial (loss)	**(24,514)**	**86,482**

(*) Income resulting from the repurchase of the coupons of the debt (See note 17.2). The purchase releases the debtor from its primary liability to the creditor.

NOTE 27 - GUARANTEES

Guarantees Delivered

Beneficiary	Type	Description	ThU$	Initial date	Due date
BANCO CONSORCIO	Real	Coal Warrant issued by Tattersall Warrants	20.000	27-nov-24	30-nov-25

Guarantees Received

Beneficiary	Relationship	ThUS$
JERALDO SANTANDER PATRICIO ALEJANDRO	Vendor/contractor	7,073
SERVICIOS INDUSTRIALES LIMITADA	Vendor/contractor	661
EQUANS INDUSTRIAL SPA	Vendor/contractor	234
B BOSCH S.A	Vendor/contractor	90
SECURITAS S.A	Vendor/contractor	81
NEWREST MERY Y MERY SERVICIOS DE ALIMENTACION LIMITADA	Vendor/contractor	78
ATLAS COPCO CHILE SPA	Vendor/contractor	61
EQUANS INDUSTRIAL SPA	Vendor/contractor	55
EQUANS INDUSTRIAL SPA	Vendor/contractor	50
KONECRANES CHILE SPA	Vendor/contractor	50
INSPIRE SPA	Vendor/contractor	32
EBARA BOMBAS AMERICA DO SOUL LTDA.	Vendor/contractor	29
ORLANDO DEL CARMEN CHELME ARAYA	Vendor/contractor	27
PARSOSY VALLENAR 1 SPA	Vendor/contractor	26
INERCO TECNOLOGIA CHILE SPA	Vendor/contractor	24
PROTERM S.A	Vendor/contractor	24
FLEX SERVICIO Y LOGISTICAS SPA	Vendor/contractor	22
AGQ CHILE SA	Vendor/contractor	20
NEWREST MERY Y MERY SERVICIOS DE ALIMENTACION LIMITADA	Vendor/contractor	15
ENLASA ENERGIA S.A	Vendor/contractor	15
FLEX SERVICIO Y LOGISTICA LIMITADA	Vendor/contractor	15
GESTIONA CONSULTORES SPA	Vendor/contractor	13
SOCIEDAD DE INVERSIONAS LAS VEGAS LTDA	Vendor/contractor	8
PROYECTOS Y SERVICIOS AMBIENTALES SPA	Vendor/contractor	8
ARRIMAS SPA	Vendor/contractor	8
ECOTECNOS SOCIEDAD ANONIMA	Vendor/contractor	7
SERVICIOS INDUSTRIALES LIMITADA	Vendor/contractor	5
PRODUCCION EIRL GUIDO BRAVO TORO INGENIERIA INTEGRAL	Vendor/contractor	4
ENLASA ENERGIA S.A	Vendor/contractor	3
R-9 INGENIERIA SPA	Vendor/contractor	3
RENTOKIL INITIAL CHILE	Vendor/contractor	3
SOC DE INV LAS VEGAS LTDA	Vendor/contractor	1
TOTAL		**8,746**

NOTE 28 - ASSETS AND LIABILITIES IN FOREIGN CURRENCY

CURRENT ASSETS	Foreign currency	December 31, 2024	December 31, 2023
		Up to 90 days	Up to 90 days
Cash and cash equivalents	CLP	7,220	432
	USD	5,693	54,737
Total Cash and cash equivalents		**12,913**	**55,169**
Other non-financial assets	CLP	-	164
	USD	219	
Total Other non-financial assets		**219**	**164**
Trade and other accounts receivable	CLP	20,898	62,720
	EUR	25	18
	UF	-	1,033
	USD	30,671	-
Total Trade and other accounts receivable		**51,594**	**63,771**
Inventory	EUR	-	1,855
	GBP	-	5
	JPY	-	623
	UF	-	48
	USD	62,042	48,679
Total Inventory		**62,042**	**51,210**
Current tax assets	CLP	20	89
Total Current tax assets		**20**	**89**
TOTAL		**126,788**	**170,403**

NON-CURRENT ASSETS	Foreign currency	December 31, 2024 ThUS$	December 31, 2023 ThUS$
Trade and other accounts receivable, non-current	CLP	21	587
	USD	(21)	-
Total Trade and other accounts receivable, non-current		**-**	**587**
Intangible assets other than goodwill	CLP	-	305
	USD	1,149	871
Total Intangible assets other than goodwill		**1,149**	**1,176**
Property, plant and equipment	CLP	-	
	EUR	24	2,656
	UF	-	7
	JPY	-	132
	USD	358,691	370,174
Total Property, plant and equipment		**358,715**	**372,969**
Right-of-use assets	USD	1,319	1,848
Total Right-of-use assets		**1,319**	**1,848**
Other non financial assets, non current	CLP	9	8
Total Other non financial assets, non current		**9**	**8**
TOTAL		**361,192**	**376,588**

CURRENT LIABILITIES	Foreign currency	December 31, 2024		December 31, 2023	
		Up to 90 days	From 91 days to 1 year	Up to 90 days	From 91 days to 1 year
Other Financial Liabilities	USD	3,495	104,297	4,147	18,665
Total Other Financial Liabilities		**3,495**	**104,297**	**4,147**	**18,665**
Trade and other accounts payable	CLP	6,569	-	4,282	-
	CLF	-	-	-	-
	GBP	-	-	4	-
	JPY	6	-	13	-
	UF	1,828	-	782	-
	EUR	160	-	64	-
	USD	35,451	-	46,003	-
Total Trade and other accounts payable		**44,014**	-	**51,148**	-
Current tax liabilities	CLP	-	-	-	-
Total Current tax liabilities		-	-	-	-
Provisions for employee benefits	CLP	3,431	-	3,625	-
	USD	-	-	-	-
Total Provisions for employee benefits		**3,431**	-	**3,625**	-
Other non-financial liabilities	CLP	78	-	172	-
	EUR	-	-	-	-
	JPY	-	-	-	-
	USD	101	-	-	-
Total Other non-financial liabilities		**179**	-	**172**	-
TOTAL		**51,119**	**104,297**	**59,092**	**18,665**

NON-CURRENT LIABILITIES	Foreign currency	December 31, 2024		December 31, 2023	
		More than 1 year	More than 3 years	More than 1 year	More than 3 years
Other Financial Liabilities	USD	46,326	37,435	129,834	102,177
Other provisions	USD	80,015	-	91,609	-
Non-current provisions for employee benefits	CLP	1,198	-	1,248	-
Other non financial liabilities, non current	USD	80,500	-	80,500	-
TOTAL		**208,039**	**37,435**	**303,191**	**102,177**

NOTE 29 - LITIGATION AND CONTINGENCIES

29.1.- Litigation and/or Administrative Procedures

- There is an ongoing sanctioning process initiated by the Environmental Superintendence (SMA) *ROL 032-2023, which formulated 8 charges for potential infractions against Guacolda Energía SpA. Guacolda Energía submitted a Compliance Program.
  On January 26, 2024, through Res. Ex N°3 of the SMA, observations were incorporated into the Compliance Program. Guacolda submitted an update to the Compliance Program within the required timeframe, and it was not deemed necessary to adjust provisions from a financial perspective, as no significant impact was expected. As of now, all committed actions have been executed. Currently, Guacolda is still awaiting the SMA's resolution regarding the proposed Consolidated Compliance Program submitted in February 2024. Notwithstanding the foregoing, urgent and temporary measures have been maintained based on their merit and necessity.

- On November 28, 2023, Guacolda filed a request for arbitration before the CAM Santiago against Indura (ROL 6032-2023) due to a dispute over the interpretation of their Addendum regarding the validity of the Supply Contract. Guacolda's position is that the Contract's End Date was March 31, 2024, and it did not provide for the possibility of Indura requesting a renewal until 2027 at its sole discretion. Should the arbitration resolve in favor of Indura, a financial difference would arise against Guacolda starting April 1, 2024. Currently, Guacolda continues to supply energy to Indura, although, if the arbitration interpretation is favorable to Guacolda, Indura would need to compensate for the incurred costs and damages retroactively from April 1, 2024, onwards. In December 2024, the respective closing arguments were made. On March 3, 2025, an arbitral award was issued, which dismissed in its entirety the main claim filed by Guacolda and upheld the counterclaim filed by Indura. The ruling determined that the electricity supply contract between the Parties will remain in force until March 31, 2025, with the possibility of being extended for two additional one-year periods should Indura exercise its renewal right. No procedural costs were awarded against Guacolda.
  Guacolda has filed a Complaint Appeal. The appeal was filed within the established deadline, and we are now awaiting the Court of Appeals' ruling on the matter.

- In January 2023, KfW IPEX-Bank GmbH requested the forced liquidation of María Elena Solar S.A. before the 23rd Civil Court of Santiago, case number Rol C-497-2023. Guacolda participates in the case as a creditor, having verified claims for a total amount of ThUS$50.0, with payments received to date totaling ThUS$20.0. No new distributions are expected in the short term.

- On April 17, 2023, the National Energy Commission issued Exempt Resolution N°149 (“RE N°149”), which annulled Resolution N°52 of January 31, 2018, which in turn complemented and modified Resolution N°659 of November 17, 2017, in order to comply with the mandate of Article 8 of Law N°20.780, establishing the necessary technical provisions for the proper implementation of the compensation mechanism. Resolution N°149 announced the elimination of the compensation known as "Compensation B," which ensured that all generating units were remunerated at least for their variable costs to avoid operating at a loss. The difference between the valuation of energy injections by the generating units at marginal cost and the total unit cost had to be paid by all electricity companies withdrawing energy from the system, in proportion to their withdrawals. This provision was based on the marginalist system established in Article 149 of the General Law on Electric Services ("LGSE"), compensating those units that inject energy into the system at an operation cost higher than the marginal cost. The elimination of Compensation B removes the largest portion of the current compensation, negatively impacting the annual margin of generating companies that must pay taxes on emissions.

  On April 28, 2023, the company filed an Administrative Appeal against Exempt Resolution N°149 of the National Energy Commission ("CNE"), requesting the annulment of this administrative act and the reinstatement of the validity of Exempt Resolution N°52. However, on August 9, 2023, by Exempt Resolution N°360, the CNE rejected Guacolda Energía SpA’s Appeal.

Later, on November 20, 2024, Guacolda submitted a reconsideration request to the Comptroller General's Office regarding Report E516615/2024, asking for the study of the background by the legal division before issuing its opinion.

On December 2024, the Comptroller General's Office instructed the CNE and the Ministry of Energy to report on Guacolda's submission.

On January 2025, the Comptroller General's Office accepted our reconsideration (still unresolved). The report from the CNE has been received, but not that of the Ministry of Energy. Therefore, a warning will be issued as per RE N°2289. The Comptroller General’s Office should then issue the corresponding resolution.

NOTE 30 - SUBSEQUENT EVENTS

On February 12, 2025, through Memorandum 001, the regional SMA communicated to the SMA the investigative process initiated following the environmental incident report submitted by Guacolda regarding the discovery of a deceased chungungo (Lontra felina) in the intake channel of Unit 4 at the Guacolda Power Plant.

Through RE No. 256 SMA, dated February 18, 2025, the SMA resolved to order Guacolda to adopt Urgent and Temporary Measures (UTMs) with deadlines of 7, 20, 30, and 90 days, respectively. The SMA granted an extension of the respective deadlines and filed a Repositioning Appeal, which remains unresolved, arguing that neither the Challenged Resolution nor the necropsy report from National Fisheries Services (Sernapesca) meet the necessary standards of motivation. The appeal requests the annulment of the urgent and temporary measures ordered.

On March 11, 2025, we were notified of Exempt Resolution No. 5, which acknowledges the submission of a Consolidated Compliance Program, making observations that Guacolda must consider in a new Consolidated Compliance Program.

On March 14, 2025, Guacolda Energía SpA signed a PPA contract with GM Developments SpA. The contract begins in January 2026 and expires in December 2027. The minimum contracted amount of energy per year is 437GWh.

As of the date of issuance of these consolidated financial statements, there are no other relevant facts that could significantly affect their presentation.