

1Q2023 Results

May 2023

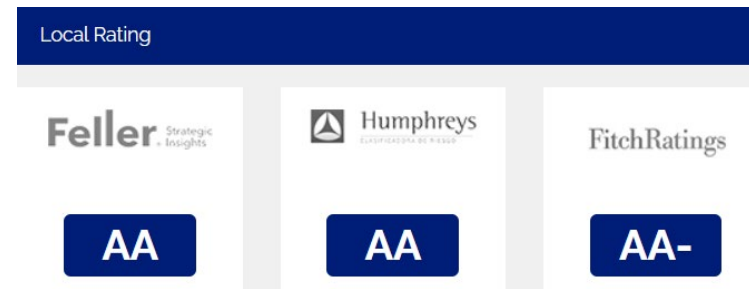
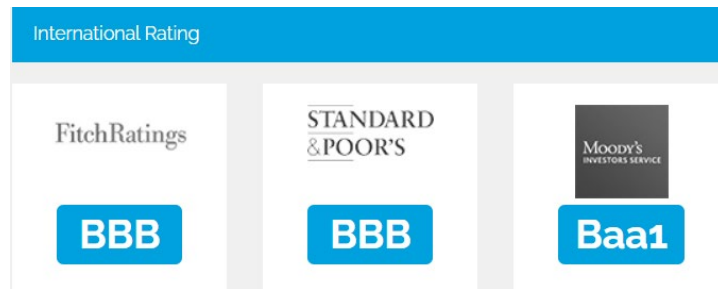


Executive Summary

- Transelec has stable, predictable and mainly regulated revenues and a prudent costs control that allow to maintain an important EBITDA margin (85% on a LTM basis in March).
- The Company had been recording a provision for lower revenues since 2020 until 2022, corresponding to an estimation of the 2020-2023 regulated tariffs (currently being determined). But, since Supreme Decree 7T (DS7T) was published on February 16 of this year, which contains 2020-2023 regulated tariffs, the Company is recording income in accordance with the DS7T at the closing of these Financial Statements.
- In March 2023, the Company has a strong liquidity considering its cash balances of CLP 451 million (~USD 570 million) along with a USD 250 million undrawn revolving credit facility.
- By LTM March 2023, Transelec recorded a net income of CLP143 billion (~USD 181 million).

Business Update

- 2020-2023 tariffs have been published in Supreme Decree 7T (DS7T) on February 16. The application of the DS7T considers the Company's revenues retroactively since January 1, 2020.
 - At the closing of these Financial Statements, the Company is recording income in accordance with the DS7T (as well as in Dec2022 Financial Statements)
 - In the same period of 2022 it recognized and received revenues according to the previous tariff studies (DS23T and DS6T), so a provision of lower income was included according to the information available at that time of what would be the final tariffs for the 2020-2023 period.
- Since DS7T is published, the Coordinator will determine the tariff reassessments that the companies will have pay or receive.
- Current ratings of the Company are the following:



- The Company commissioned one National upgrade, two Zonal upgrades and a Dedicated project amounting a total of USD283 million until March.
 - The Dedicated project is the transmission line for Quebrada Blanca 2 project, a sizable long term contract, that is accounted as a leasing, including a one-time accounting effect in revenues during this quarter.

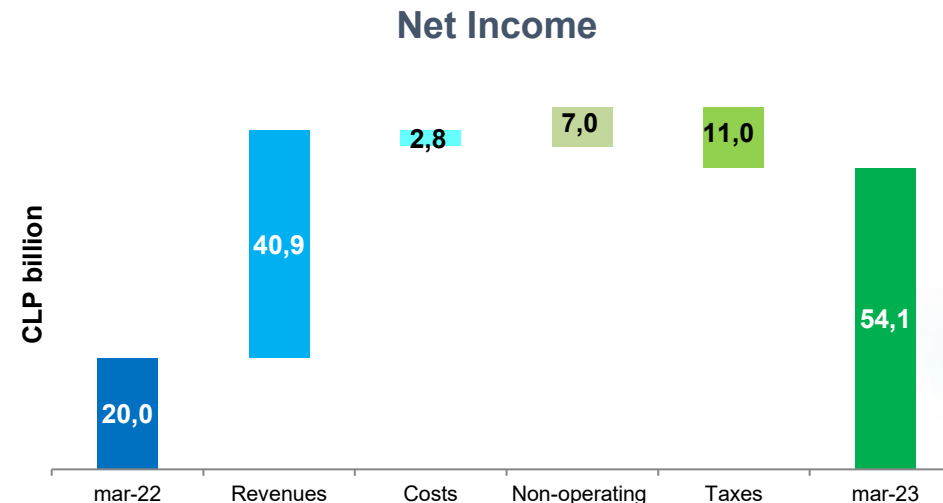
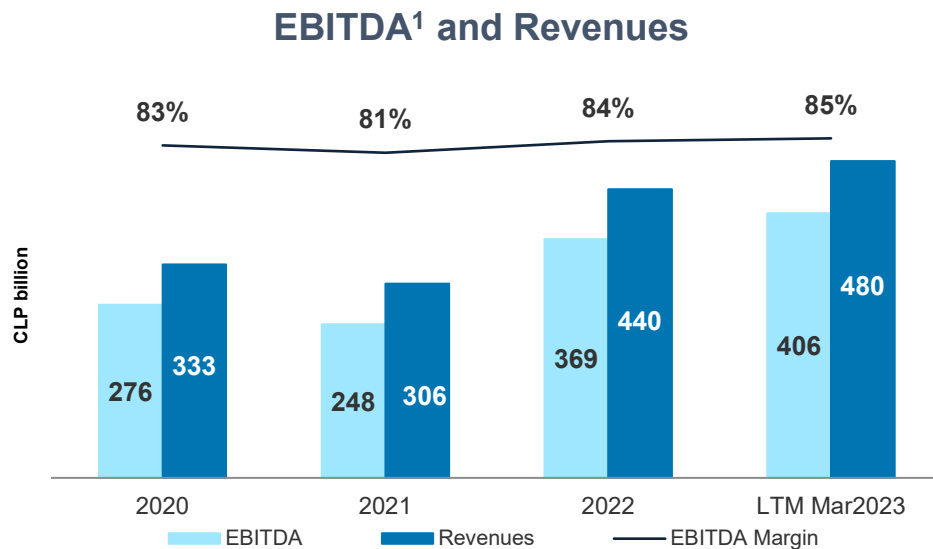
Financial Results

- As of March 31, 2023, revenues increased 47% when compared with same period of previous year, reaching CLP 128 billion (~USD 162 million).
 - For March 2023 Financial Statements, revenues are determined in accordance with DS7T published on February 16, 2023.
 - The increase in revenues is mainly due to:
 - An accounting effect related to the record, under IFRS 16 criteria, of a leasing contract for a dedicated project commissioned (one-time effect, which will not be kept over time),
 - Macroeconomic effects,
 - The higher provision for lower revenues made in 2022, and
 - Commissioning of new projects.
- EBITDA increased 51% compared with the same period of last year. The increase was mainly due to higher revenues. The EBITDA margin is ~85% for a 12 months period, affected by accounting effect of the leasing contract registered.
- Non-Operating Income increased 22%, reaching CLP -25 billion, mainly because of financial income, partially offset by financial costs.

CLP billion	mar-23	mar-22	Var.
Revenues	128	87	47%
Ebitda	112	74	51%
Operating Income	99	61	63%
Non-Operating Income	-25	-32	-22%
Tax	-20	-9	128%
Net Income	54	20	170%
Gross Debt	-1.799	-1.688	7%
Net Debt	-1.348	-1.415	-5%
FFO (LTM)	363	205	77%

Revenue and Profitability

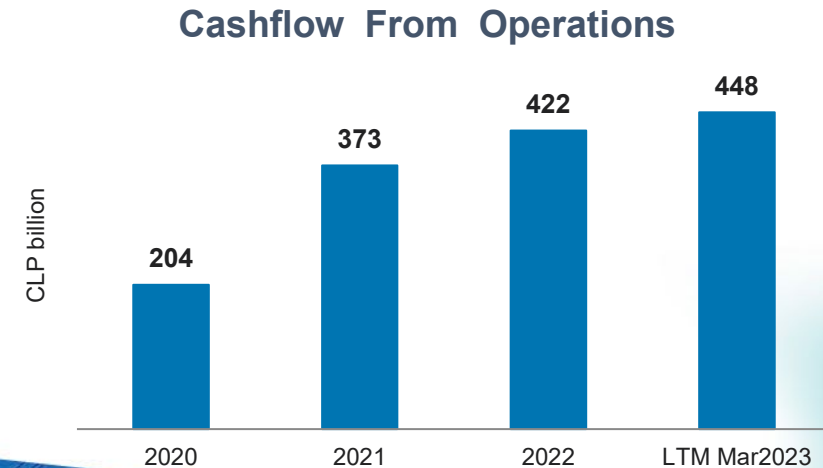
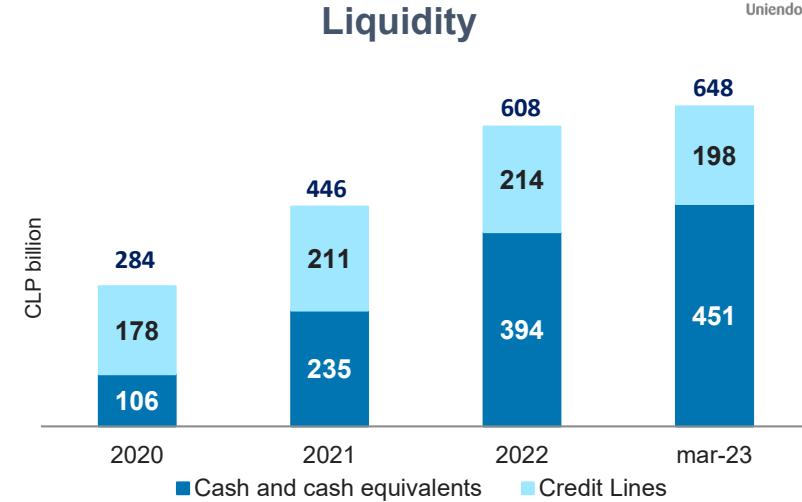
- Transelec's revenues and EBITDA :
 - In 2023, the Company is registering new tariffs for 2020-2023 according to DS7T.
 - Nevertheless, since 2020 until 2022 the Company registered a provision for lower revenues (adjusted in 4Q2022).
 - Nonetheless, Ebitda margin continues around and over 80%.
- As of March 31, 2023, Transelec recorded a net income higher than in same period in 2022 mainly due to higher revenues (including a one-time effect), partially compensated by higher taxes.



¹ EBITDA: Earnings before taxes, interest, depreciation, amortization, price-level restatement, net and foreign currency translation, net, plus income from leasing

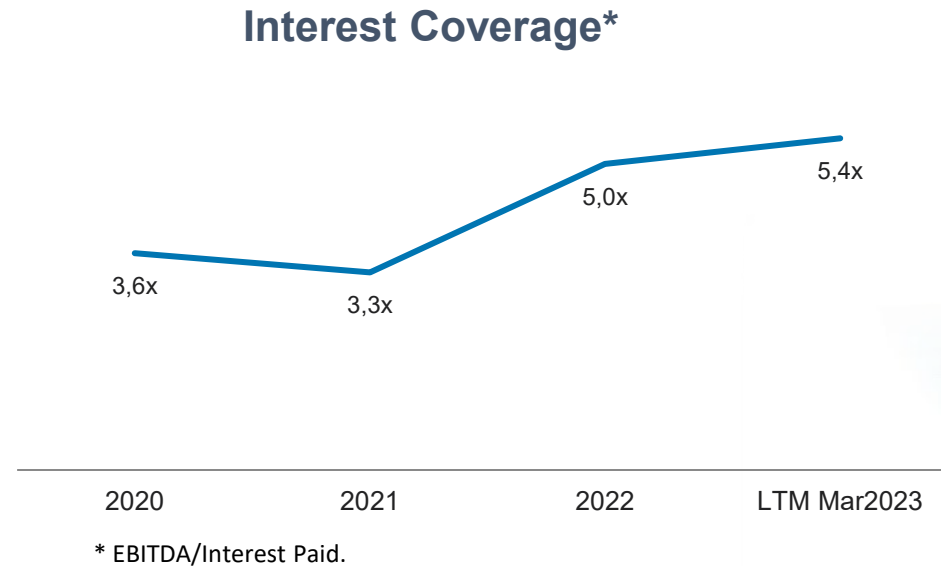
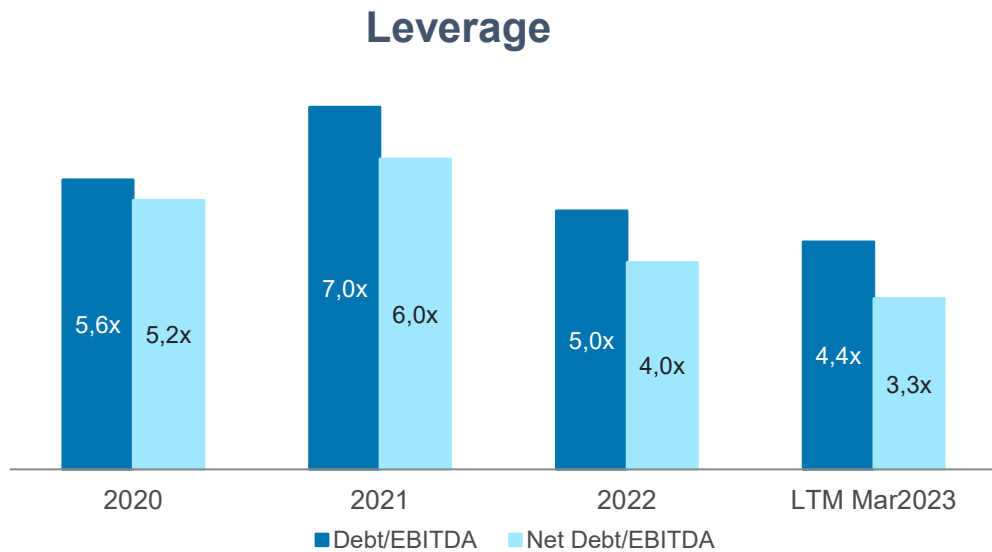
Solid Liquidity Position

- In March 2023, Transelec's liquidity reached CLP648 billion (USD820 million).
 - The revolving credit facility (RCF) is totally available for USD 250 million and matures in 2024.
 - Furthermore, the Company's bonds have a 6-months DSRA.
- By the end of March 2023, the Company has an important level of cash on hands.
 - Own cash generation
 - Deferred dividends
 - Higher cash received when compared with 2020-2023 tariffs (DS7T) (amount to be settled in the next couple of months)



Strong Coverage Ratios

- Transelec's strong coverage metrics are supported by low cost of debt and growing cash flows.
- Net Debt to EBITDA ratio is in 3.3x. We have seen some decreases due to the adjustments to provisions in 4Q2022 and the accounting effect of the leasing contract registered in 1Q2023, impacting EBITDA.
- Interest Expense coverage has remained above 3.0x (5.4x in LTM March 2023) affected by EBITDA as explained above.



* EBITDA/Interest Paid.

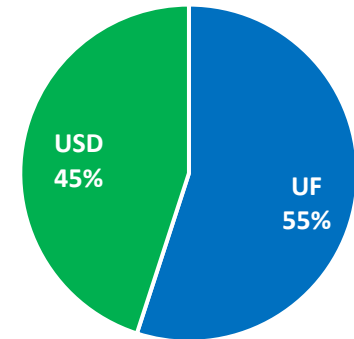
Public Debt Profile (as of March 31, 2023)

- Transelec maintains a very manageable public debt maturity profile.

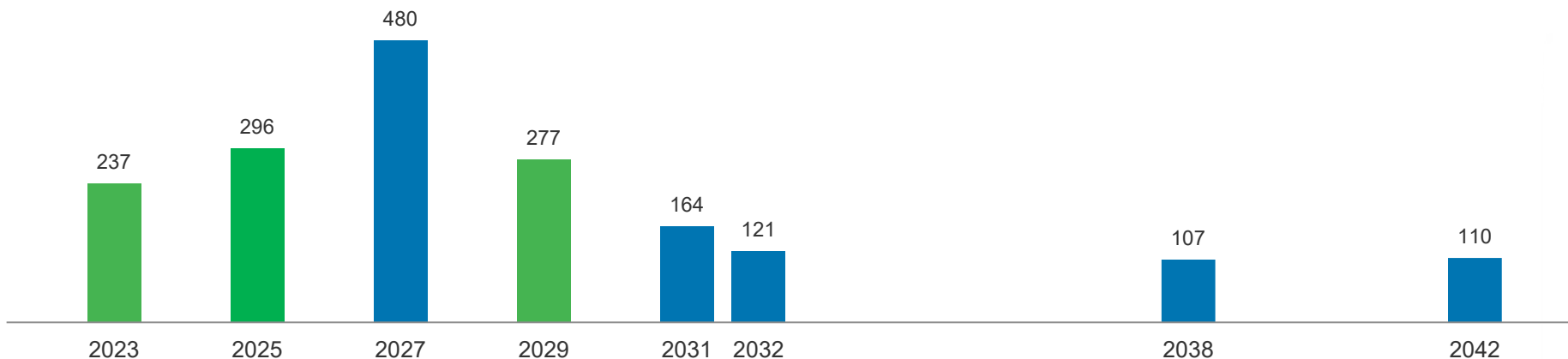
Subsequent events

- On April 19, 2023, Transelec S.A. issued local corporate bonds Series “V” and Series “X” for a total of UF 7,000,000.
 - On April 27, 2023, the Company made the pre-payment of the Senior Bond issued in 2013 for US\$300 million maturing on July 26, 2023.
- The Company has been able to obtain flexibility and a variety of sources for funding.
 - All public debt has fixed rates.
 - Transelec balance sheet is fully hedged.

Public Debt breakdown by type



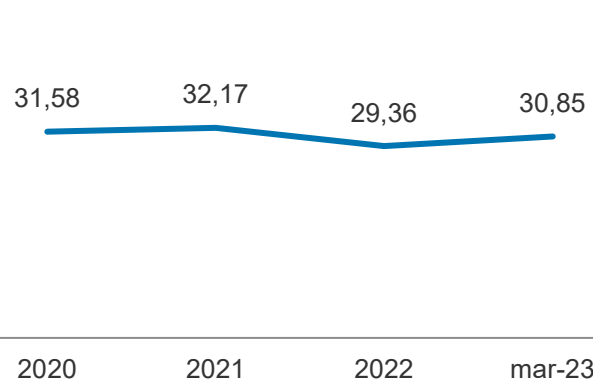
Public debt maturity profile (CLP billion)



Covenants

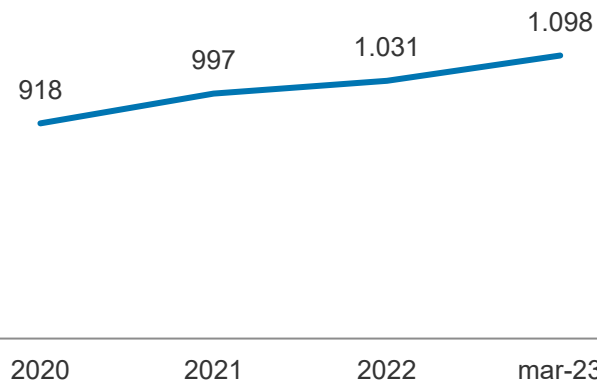
- As of March 31, 2023, the Company is in full compliance with all debt covenants present in our local bonds.

Minimum Equity > UF15 million ⁽¹⁾



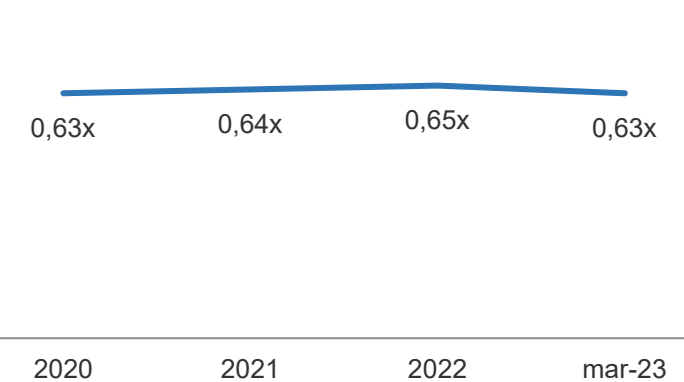
(1) Equity attributable to the owners + Accumulated amortization of goodwill

Minimum Equity > CLP 350 billion ⁽²⁾⁽³⁾



(2) Equity attributable to the owners + Accumulated amortization of goodwill
 (3) This metric replaced 'UF' Minimum Equity in series Q bonds (last local issuance).

Debt / Capital < 0.70x ⁽⁴⁾



(4) Total Debt / (Total Debt + Minority Interest + Shareholder's Equity + Accumulated amortization of goodwill)

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You can find additional information in our web page:

<https://www.transelec.cl/home-en/>

