

2Q2023 Results

August 2023



Executive Summary

- Transelec has stable and mainly regulated revenues coming from the transmission of energy and a constantly reviewed costs structure that allow to maintain an important EBITDA margin (85% on a LTM basis in June).
- On April 19, 2023, Transelec S.A. issued local corporate bonds Series “V” and Series “X” for a total of UF 7,000,000. Series “X” matures on March 1, 2034, bullet with a 3.2% coupon rate and Series “V” matures on March 1, 2048, bullet and a 3.3% coupon rate.
- On April 26, 2023, the Company made the pre-payment of the Senior Bond issued in 2013 for US\$300 million maturing on July 26, 2023.
- Due to the prepayment of the Senior Bond in April, the company had to adjust its hedge:
 - During April, the Company settled two Cross Currency Swaps (CCS) held with Banco Santander and Goldman Sachs for a total notional amount of US\$300 million,
 - In June, a partial unwind of a Golman Sachs CCS, leaving the notional at MUS\$23.5.The monetizing of the market value of said instruments generated a gain of CLP70 billion.
- By LTM June 2023, Transelec recorded a net income of CLP167 billion (~USD 208 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 determined the tariff reassessments that the companies had to pay or receive.
 - Transelec has paid the reassessment in June.
- On April 28, 2023, the Ordinary Shareholder's Meeting agreed to distribute a definitive dividend for the results of the 2022 period for an amount of MCh\$32,337, which was paid in May 2023.
- Current ratings of the Company are the following:



- The Company commissioned one National upgrade, three Zonal upgrades, one Zonal expansion and a Dedicated project amounting a total of USD311 million until June.
 - 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 semester.
- Subsequent events:
On July 10, 2023, the Extraordinary Shareholder's Meeting agreed to distribute retained earnings for an amount of MCh\$201,630, which was paid in August 2023.

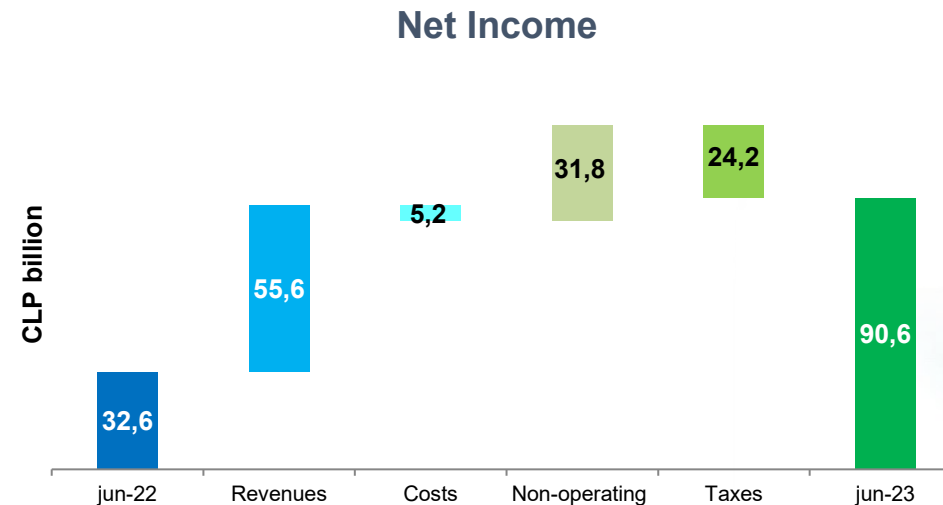
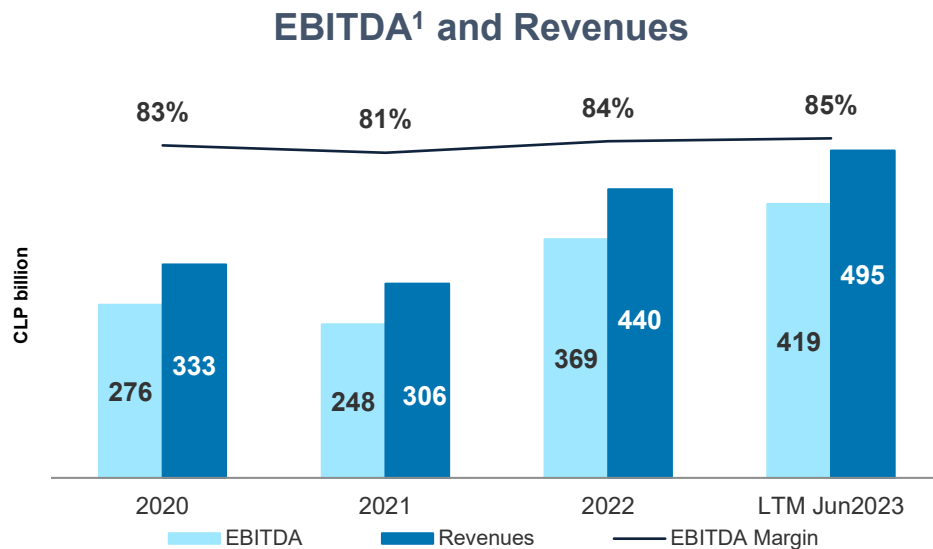
Financial Results

- As of June 31, 2023, revenues increased 31% when compared with same period of previous year, reaching CLP 235 billion (~USD 293 million).
 - For June 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 33% 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 41%, reaching CLP -46 billion, mainly because of financial income and Income by indexed units.

CLP billion	jun-23	jun-22	Var.
Revenues	235	179	31%
Ebitda	201	151	33%
Operating Income	173	123	41%
Non-Operating Income	-46	-78	-41%
Tax	-37	-13	192%
Net Income	91	33	178%
Gross Debt	-1.834	-1.881	-3%
Net Debt	-1.453	-1.571	-8%
FFO (LTM)	421	240	75%

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 June 30, 2023, Transelec recorded a net income higher than in same period in 2022 mainly due to higher revenues (including a one-time effect) and lower Loss by indexed units, partially compensated by higher taxes.

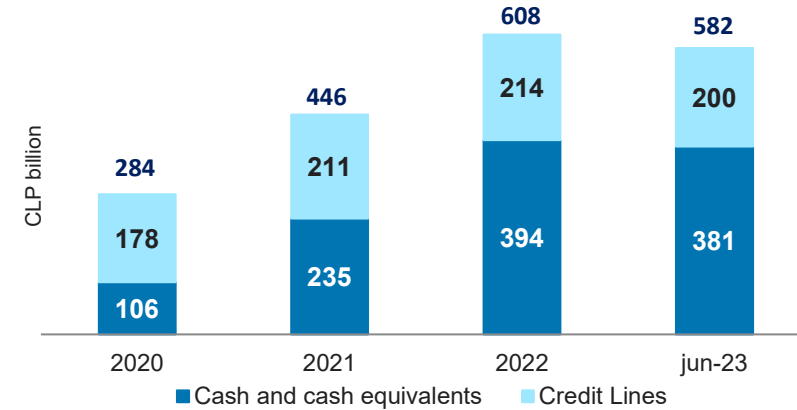


¹ EBITDA: Earnings before taxes, interest, depreciation, amortization, price-level restatement, net and foreign currency translation, net, plus income from leasing

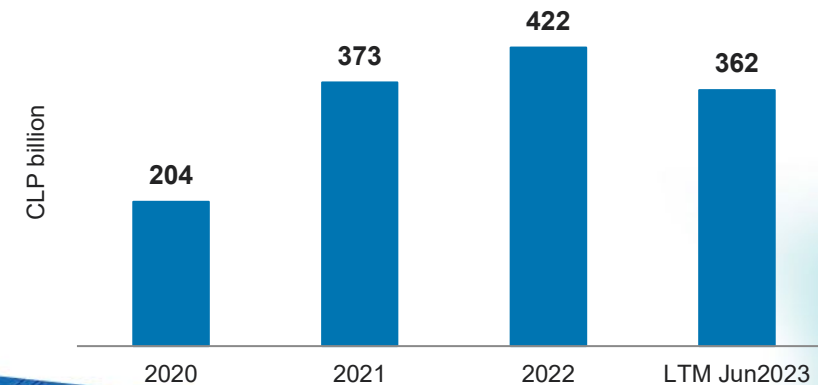
Solid Liquidity Position

- In June 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 June 2023, the Company has an important level of cash on hands.
 - Own cash generation
 - Deferred dividends
 - CCS settlement gain (2Q2023)
 - Higher cash received when compared with 2020-2023 tariffs (DS7T). The Company has paid a cash settlement in June 2023 for USD134 million for the tariff reassessment.

Liquidity

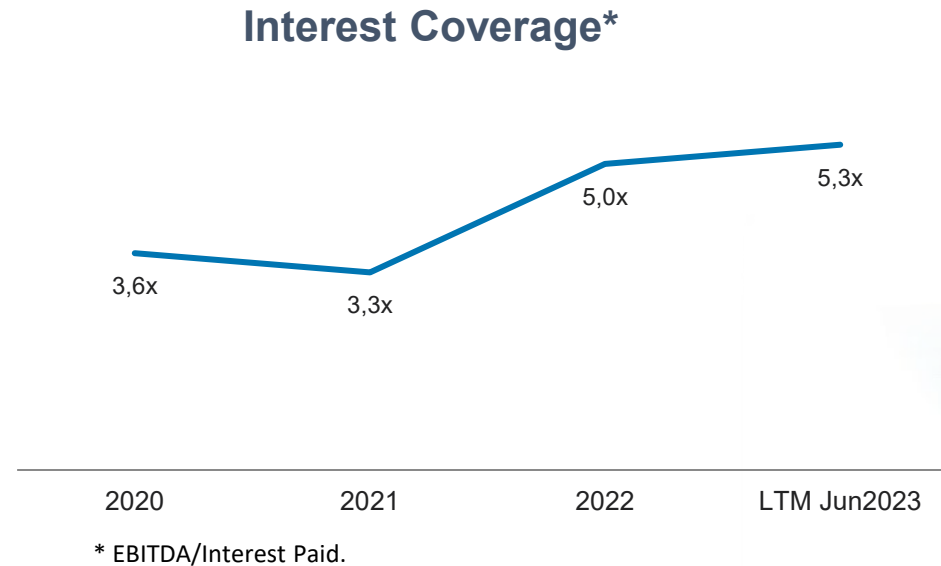
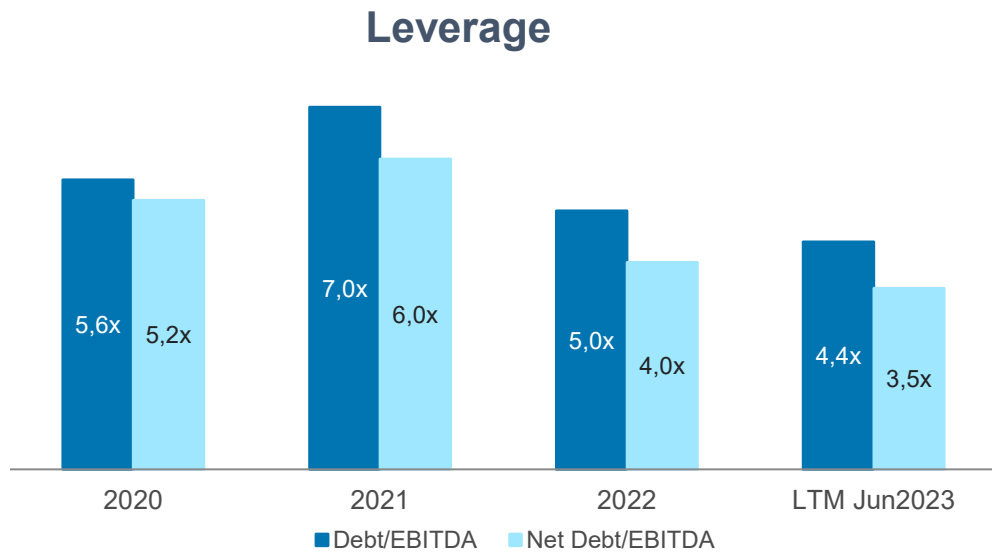


Cashflow From Operations



Strong Coverage Ratios

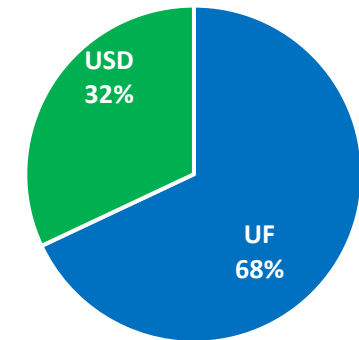
- Transelec's strong coverage metrics are supported by low cost of debt and growing cash flows.
- Net Debt to EBITDA ratio is in 3.5x. We have seen some decreases due to the adjustments to provisions in 4Q2022 and the accounting effect of the leasing contract registered in 1Q2023, impacting EBITDA.
- Interest Expense coverage has remained above 3.0x (5.4x in LTM March 2023) affected by EBITDA as explained above.



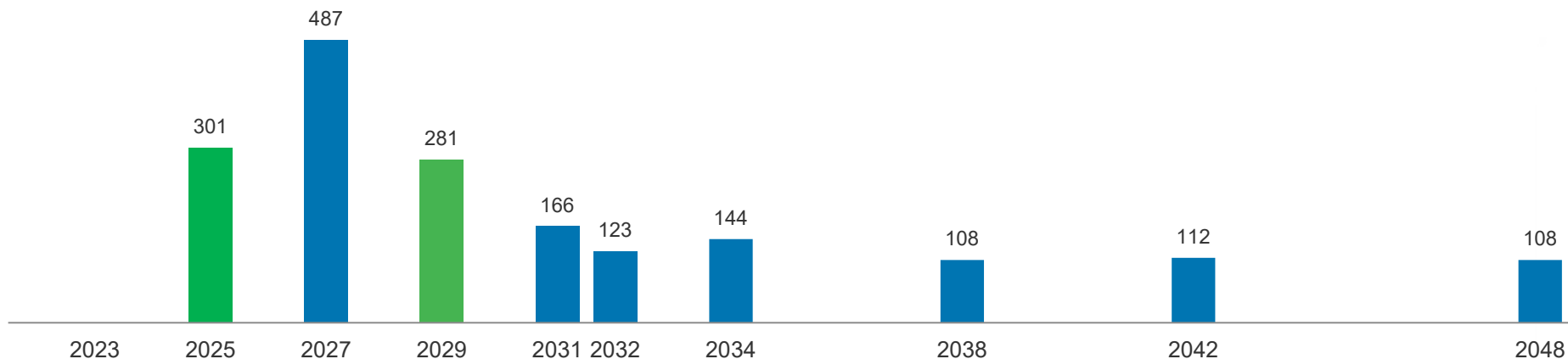
Public Debt Profile

- Transelec maintains a very manageable public debt maturity profile.
 - 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 currency



Public debt maturity profile (CLP billion)



Covenants

- As of June 30, 2023, the Company is in full compliance with all debt covenants present in our local bonds.

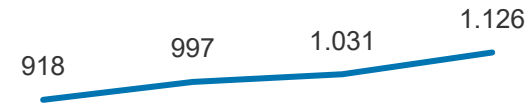
Minimum Equity > UF15 million ⁽¹⁾



2020 2021 2022 jun-23

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

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



2020 2021 2022 jun-23

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

(3) This metric replaced 'UF' Minimum Equity in series Q, V & X bonds.

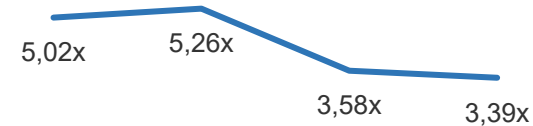
Debt / Capital < 0.70x ⁽⁴⁾



2020 2021 2022 jun-23

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

Net Debt / Ebitda < 7,0x



2020 2021 2022 jun-23

(5) Total Other financial liabilities – Rights of use – (Cash & cash equivalent + Total Other financial assets – Total Finance leases receivable)

Contact Information

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You can find additional information in our web page:

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

