transelec

3Q2024 Earnings

November 2024

Executive Summary

Transelec is the largest electrical transmission company in Chile and the main supplier of high voltage systems in the country with more than 10,000 kilometers of transmission lines.

- **Financial results reflect the strength of Transelec's revenue streams**
  - Generated EBITDA of CLP 390 billion (~USD435 million) in the LTM of September.
  - Maintains an EBITDA margin around 80% (83% on a LTM basis in September).
- **In September 2024, the Company has a strong liquidity with its cash balances of CLP 301 million (~USD 336 million), in addition to a USD 250 million undrawn revolving credit facility.**
- **In the LTM September 2024, Transelec recorded a net income of CLP160 billion (~USD 178 million).**

(USD figures have been translated with the FX of the end of September 2024 ($897.68), for referential purposes only).

Business Update

- **During 2024, the Company was successfully awarded with the following important projects:**

Wisin (BESS Copec)

Supply, construction and operation of a BESS (Battery Energy Storage System) system to complement the Solar Plant (La Granja Solar), owned by Copec.

Synchronous Condensers

Construction and operation of synchronous condensers to incorporate short-circuit energy (for stability of the transmission system) in two substations that are already owned by Transelec: Ana María and Monte Mina (Likanantai).

- **During the first nine months of 2024, the Company incorporated the equivalent of ~US$60 million of facilities, which corresponds to upgrades in the Zonal and National systems, one expansion in the Dedicated system and two acquisitions.**
- **In June 2024, the Company distributed as dividend 30% of 2023 Net Income.**
- **Current ratings of the Company are the following:**

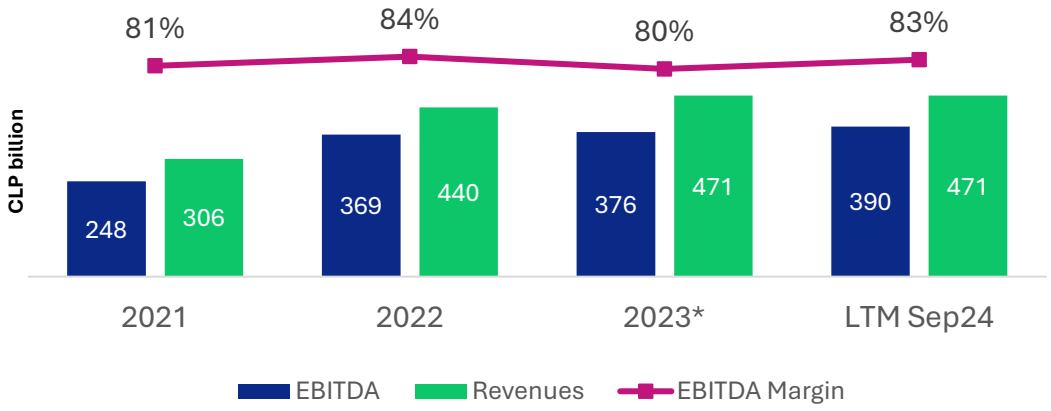
International Rating			Local Rating		
FitchRatings	STANDARD &POOR'S	Moody's Investors Service	Feller Strategic Insights	Humphreys	FitchRatings
BBB	BBB	Baa1	AA	AA	AA

Revenue and Profitability

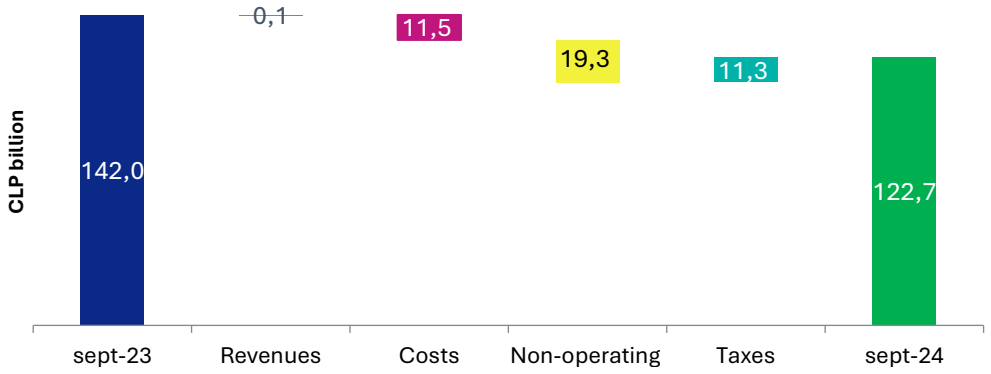
- **The low risk profile stands out, derived from the generation of stable and predictable cash flow, where 100% of the transmission revenues is not exposed to volume risk.**

- **Transelec's revenues and EBITDA :**
  - As of LTM September 2024, revenues are in line with previous year. Revenues are mainly affected by macroeconomic effects, regulatory effect on assets not included in the 2020-2023 tariff process and the commissioning of new projects.
  - EBITDA margin continues around 80%.

EBITDA[1] and Revenues



Net Income

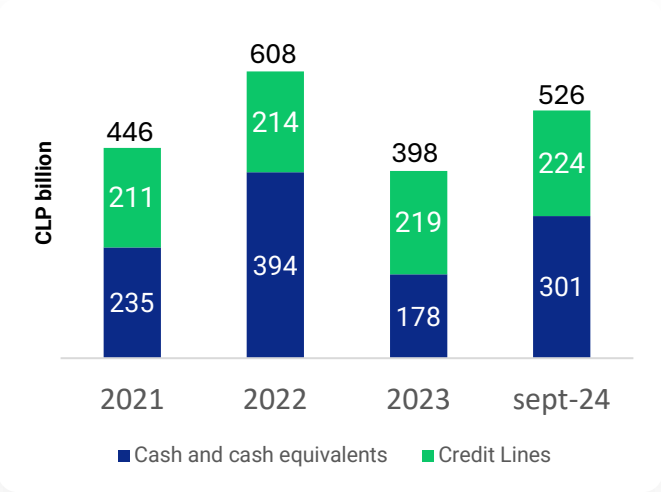


[1] EBITDA: Revenues – costs– adm.expenses + depreciation, amortization+ other income+ income from leasing
* Ebitda for 2023 is CLP 398 billion, but for comparison purposes we are showing in the graph an Adjusted EBITDA for 2023 of CLP 376 billion, which does not include a one-time effect on revenues from Quebrada Blanca 2 leasing accounting recognition.

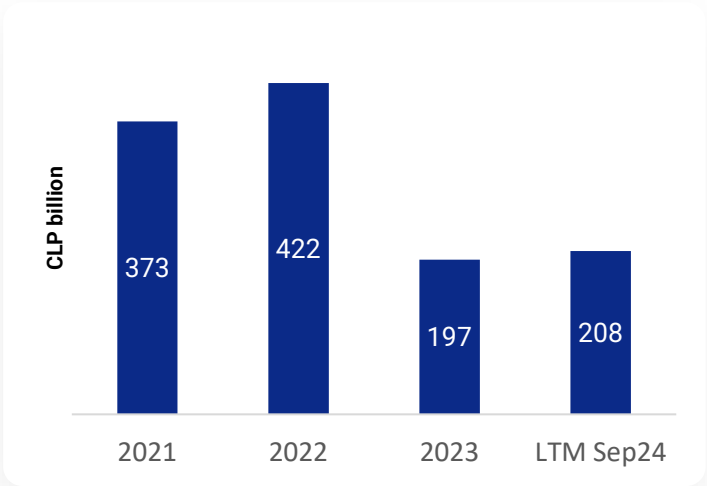
Solid Liquidity Position

- **In September 2024, Transelec's liquidity reached CLP526billion (USD453 million).**
  - This cash is expected to be used for project development and the 2025 bond refinancing in the short-term.
  - The revolving credit facility (RCF) is totally available for USD 250 million. It has been recently renegotiated (Feb2024) and matures in 2027.
  - Furthermore, the Company's bonds have a 6-months DSRA.
- **In September 2024, cash in hands increased mainly due to the successful local bonds' issuance (UF5 million).**

Liquidity



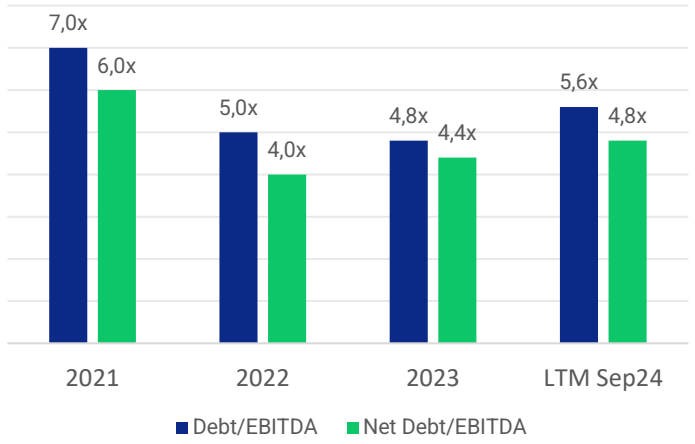
Cashflow From Operations



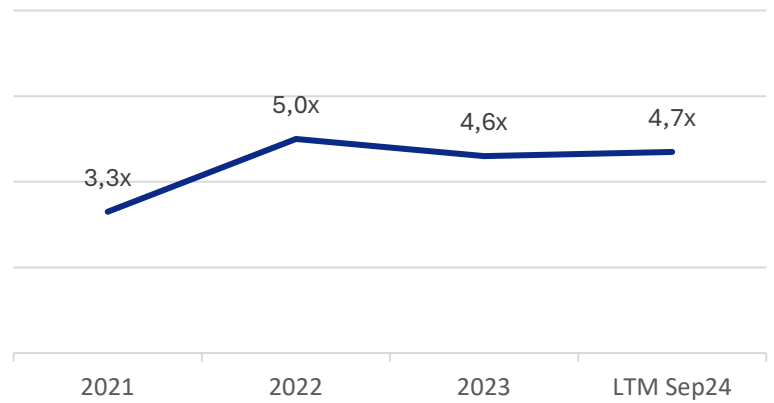
Strong Coverage Ratios

- Transelec' s strong coverage metrics are supported by low cost of debt and growing cash flows.
- Net Debt to EBITDA ratio is in 4.8x. Since the DS7T has been published, this ratio has been affected only by the lower level of cash in the company and the local bonds' issuance.
- Interest Expense coverage has remained above 3.0x (4.7x in the LTM).

Leverage



Interest Coverage*

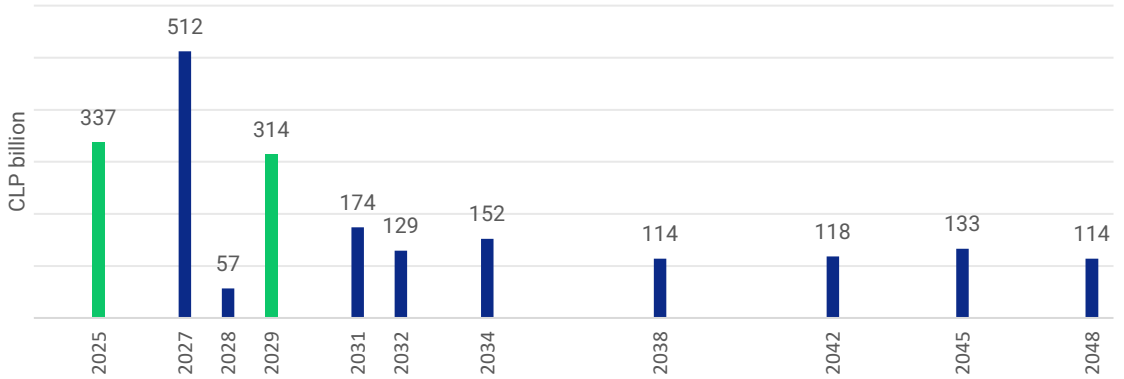


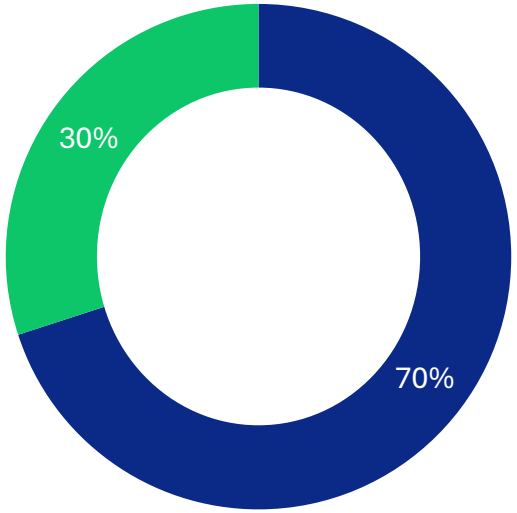
- EBITDA/Interest Paid

Public Debt Profile

On September 5th, Transelec carried out a successful issuance of bonds in the local market.

- **BNTRA-Y, for UF 1.5m, 4-year bullet, was placed at a rate of UF + 2.99% with a total demand of 3.0x, and**
- **BNTRA-AB, for UF 3.5m, 21-year bullet, was placed at a rate of UF + 3.20% with a total demand of 1.9x.**





Transelec maintains a very manageable public debt maturity profile.

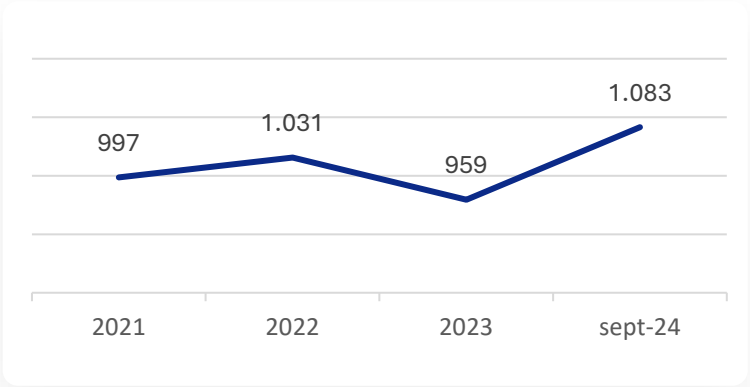
The Company has been able to obtain flexibility and a variety of sources for funding. Next maturity is the Senior Bond issued in 2014 for US$375 million.

All public debt has fixed rates.

Transelec balance sheet is fully hedged.

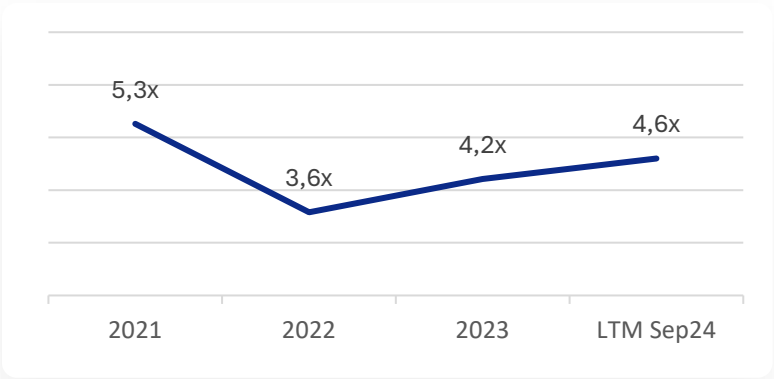
Full Compliance with Debt Covenants

Minimum Equity > CLP 350 billion (1)(2)



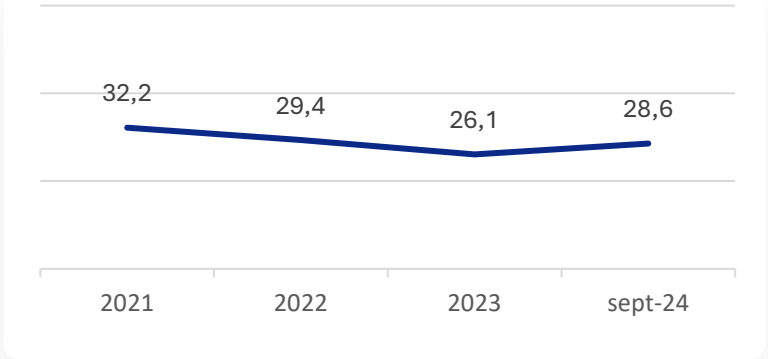
1) Equity attributable to the owners + Accumulated amortization of goodwill
2) This metric replaced 'UF' Minimum Equity in series Q, V & X bonds.

Net Debt / Ebitda < 7.0x (3)(4)



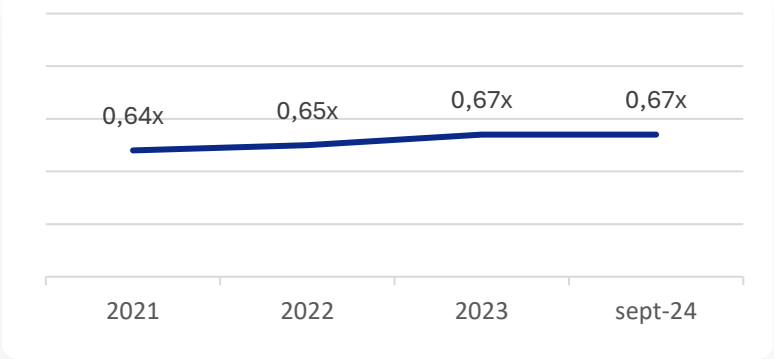
3) Total Other financial liabilities – Rights of use – (Cash & cash equivalent + Total Other financial assets – Total Finance leases receivable)
4) EBITDA: Revenues – costs – adm.expenses + depreciation, amortization+ other income+ income from leasing

Minimum Equity > UF15 million (5)



5) Equity attributable to the owners + Accumulated amortization of goodwill

Debt / Capital < 0.70x (6)



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

Contact Information

For additional information, please contact:

Martha Peredo

Head of Investor Relations

mperedo@transelec.cl

Javier Sauvageot

Gerente de Finanzas

jsauvageot@transelec.cl

You can find additional information in our web page:
https://www.transelec.cl/investors/

transelec

Thank you