Management Discussion and Analysis (MD&A) of the Consolidated Financial Statements

TRANSELEC S.A. AND SUBSIDIARIES

Santiago, Chile
December31, 2025 & 2024

SUMMARY

The company faced the maturity of international debt in January of this year for US$375 million with part of the available cash on hand, with this, Transelec reduced its debt level in the capital markets compared to December 2024.

The company's revenue has remained stable over time, exceeding $400,000 million in recent years. By the end of 2025, Revenues reached M$440,257, lower than the same period in 2024, when M$445,475 were recorded. While the company's base revenue continues its long-term trend, specific provisions in 2024 and 2025 with retroactive effect, affect total revenues of the period. As of the end of December of the previous year, revenues included a provision for higher income, associated with the publication of the Final Technical Report on the Valuation of Transmission System Facilities, which incorporated assets that had not previously been considered for regulated remuneration purposes, as well as definitive values for projects that had been recognized with a provisional value, granting the right to receive additional income for certain facilities, as explained in the income analysis section. The revenues for 2024 also included operational provisions that reduced revenues.
On the other hand, the accumulated revenues as of December2025 include a provision for lower income resulting from a review of the Company's regulated operational asset base, which is used to determine revenues. As reported in the material fact dated October 24, 2025, the authority determined that the retroactive amount received in excess associated with this review, corresponding to the period between January 2020 and August 2025, amounts to MM$130.809. The Company has recorded various operational provisions related to lower revenues between the third quarter of 2024 and the second quarter of 2025 - including those associated with this adjustment - totaling MM$139,635, which will be primarily used to cover the retroactive effect determined by the authority. This demonstrates the financial prudence with which Transelec operates, allowing the upcoming Financial Statements to no longer reflect retroactive effects associated with the aforementioned review. A percentage of MM$130.809 was returned by the Company through a payment in the fourth quarter of 2025 related to a redistribution of revenues among transmission companies, and the rest will be returned through lower collections for this item during the first half of 2026, thus completing the total amount.

As of December31, 2025, Transelec obtained an EBITDA[1] of MCL$367,073, higher than the one obtained in the same period of 2024 (MCL$366,180), mainly due to the revenue effects mentioned above and for the income provided by its new subsidiary CyT Operaciones SpA. An EBITDA Margin[2] of 83,4% was recorded.

The loss in Non-Operating Income as of December 2025 was MCL$103,522, while in 2024 it was MCL$122,989. This result is mostly explained by lower financial costs.

Net Income recorded by the Company as of December31, 2025, was MCL$131,685, and MCL$132,234 in 2024.

The company continues to demonstrate its ability to commission major projects. During the first nine months of 2025, the Company incorporated the equivalent of ~US$205 million of facilities, which corresponds to the commissioning of upgrades in the Zonal (3) and National systems (4), expansions in the National (2), Zonal (1) and Dedicated systems (1).

[1] EBITDA= Operating Revenues + Operating Costs + Administrative Expenses + Other Income (Losses) + Finance Leases Amortization. Operating Costs and Administrative Expenses do not include Depreciation and Amortization.

[2] EBITDA Margin= EBITDA/Revenues

Relevant events of the period:

- On January 14, 2025, the Company made the payment of the principal of "Senior Notes – Maturity 2025" Bond for a total of ThCh$378,450,000 (MUS$375,000) together with the last installment of interest.

- On January 13, 2025, the Company unwound the Cross Currency Swap maintained with Goldman Sachs for a notional amount of MUS$23,500, associated with the bond maturing in the same month, monetizing the market value of said instrument.

  On February 25, 2025, a power supply interruption occurred affecting the national territory from the Arica-Parinacota to the Los Lagos regions. The regulatory authorities requested an audit that was published in October, proposing the inclusion of certain best practices and identifying areas for improvement. The Company responded to the audit and has already implemented corrective measures.

- On April 28, 2025, at an Extraordinary Shareholders' Meeting, a capital increase of $1,552,710,096 was approved via the issuance of 2,000 ordinary shares with no nominal value. This raised the capital from $776,355,047,865 to $777,907,757,961, totaling 1,002,000 shares. The new shares were financed by: (i) social rights in Inversiones CyT Limitada valued at $1,405,110,000; and (ii) $147,600,096 in cash. Rentas Eléctricas I Limitada obtained 1,999 shares through a 99.99% contribution of Inversiones CyT's social rights and $146,964,252 in cash. Transelec Holdings Rentas Limitada subscribed to one share with 0.01% of the social rights and $635,844 in cash.
  Inversiones CyT Limitada, which owns 100% of CyT Operaciones SpA and its electrical transmission system for the Caserones mine. On the same date, Inversiones CyT Limitada was dissolved, resulting in Transelec S.A. gaining direct control over CyT Operaciones SpA. The subsidiary has been included in the Consolidated Financial Statements effective September 30, 2025.

- On May 9, 2025, CyT Operations SpA (subsidiary of Transelec S.A.) paid its project finance for US$89 million.

- On October 24, 2025, through a Material Fact, the Company reported that the Ministry of Energy and the National Energy Commission established the amount to be refunded to end customers of M$130.809 million, due to unintentional inconsistencies detected in the asset base. This amount was determined following a review process voluntarily submitted by Transelec S.A.
  Since the current regulations do not include specific mechanisms for this type of situation, the authority defined a protocol upon to manage the refunds to customers. This tariff reduction does not generate additional impacts on the P&L, as the effects were fully provisioned at the close of the Interim Consolidated Financial Statements.

Credit Ratings:

- Feller Rate and Humphreys: In its annual review, they affirmed Transelec S.A.'s existing local credit rating of AA, with a stable outlook.
- Moody's: Affirmed Transelec' s international rating of Baa1, with a stable outlook. The agency highlighted its low business risk profile and the support of a regulatory framework that underpins predictable returns. In addition, the company maintains adequate liquidity levels, thereby reinforcing its financial strength.
- Fitch Ratings: In its annual review, Fitch affirmed Transelec S.A.'s local and international ratings of AA and BBB, respectively, but revised the outlook from stable to negative due to regulatory uncertainties and a change in its methodology.
- S&P (International Rating Agency): Downgraded Transelec' s international credit rating from BBB to BBB-, citing a deterioration in the business profile driven by a less stable regulatory framework compared to previous years, as well as recent blackout incidents and database issues. In addition, S&P assigned a negative outlook.

1. INCOME STATEMENT ANALYSIS

ITEMS	December 2025 MCL$	December 2024 MCL$	Variation 2025/2024 MCL$	Variation 2025/2024 %
Revenues	**440,257**	**445,475**	**-5,218**	**-1.2%**
Sales	423,685	432,278	-8,593	-2.0%
Services	16,572	13,198	3,374	25.6%
Operation Costs and Expenses	-154,817	-142,014	-12,803	**-9.0%**
Sales Costs	-49,539	-44,992	-4,547	-10.1%
Administrative Expenses	-33,892	-36,374	2,482	6.8%
Depreciation and Amortization	-71,386	-60,648	-10,738	-17.7%
Operating Income	285,440	303,461	-18,021	**-5.9%**
Financial Income	15,816	19,610	-3,794	-19.3%
Financial Costs	-75,329	-95,066	19,737	20.8%
Foreign exchange differences	1,775	335	1,440	429.7%
Gain (loss) for indexed assets and liabilities	-47,072	-48,282	1,210	2.5%
Other gains (losses)	1,288	413	875	211.6%
Non-Operating Income	-103,522	-122,989	19,467	**15.8%**
Income before Taxes	181,918	180,472	1,446	**0.8%**
Income Tax	-50,233	-48,238	-1,995	-4.1%
Net Income	131,685	132,234	-549	-0.4%
EBITDA[1]	**367,073**	**366,180**	**893**	**0.2%**
EBITDA Margin[2]	**83.4%**	**82.2%**	**1.2%**	

[1] EBITDA= Operating Revenues + Operating Costs + Administrative Expenses + Other Income (Losses) + Finance Leases Amortization. Operating Costs and Administrative Expenses do not include Depreciation and Amortization.

[2] EBITDA Margin= EBITDA/(Revenues)

a) Operating Income

During 2025, Revenues reached M$440,257, practically in line with the same period in 2024, when M$445,475 were recorded. While the company's base revenue continues its long-term trend, specific provisions in 2024 and 2025 with retroactive effect, affect total revenues of the period. As of December, of the previous year, revenues included provisions related to lower revenues and a provision for higher income associated with the publication of the Final Technical Report on the Valuation of Transmission System Facilities, in accordance with Article 52 of the Regulation on the Qualification, Valuation, Tariff Setting, and Remuneration of Transmission Facilities (Interperiod). This report incorporated assets that had not previously been considered for regulated remuneration purposes, granting the right to receive additional revenues for certain facilities, with retroactive application from 2020. Consequently, in 2024 the Company recorded a provision for higher income amounting associated to a valorization of MM$6.356. For its part, and unrelated to what was recorded in 2024, the accumulated revenues as of December 2025 include a provision for lower income resulting from a review of the Company's regulated operational asset base, which is used to determine revenues. As reported in the material fact dated October 24, 2025, the authority determined that the retroactive amount received in excess associated with this review, corresponding to the period between January 2020 and August 2025, amounts to MM$130.809.The Company has recorded various operational provisions between the third quarter of 2024 and the second quarter of 2025 —including those associated with this adjustment— totaling MM$139,635, which will be primarily used to cover the retroactive effect determined by the authority. The amount of MM$130,809 was returned by the Company through a payment in the fourth quarter of 2025 related to a redistribution of revenues among transmission companies, and the remaining amount will be

returned through lower collections for this item until the first half of 2026, thus completing the total amount.

It should be noted that the financial statements as of December 31, 2025, consider as base revenues, the regulated income in accordance with the Supreme Decree (DS7T), published on February 16, 2023.

Total Transelec Operational Costs and Expenses as of December 31, 2025, were MCL$154,816, a 9% higher than the same period in 2024 that reached MCL$142,014. Total Costs and Expenses are composed of the following main items.

Sales Costs during the analysis period amounted to MCL$49,453, higher than the same period of 2024 (MCL$44,992). The decrease is explained by higher advisory service costs and maintenance costs.

Administrative Expenses amounted to MCL$33,892 in december2025, 6.8% lower than those in the same period in 2024 (MCL$36,374) The decrease is mainly explained by lower personnel costs and project write-off cost; however, this difference was practically offset by an increase in information technology services.

Total Depreciation and Amortization as of December 31, 2025, reached MCL$71,386, a 17.7% higher than the same period in 2024 (MCL$60,648). The increase is mainly explained by Depreciation of Building and Works, along with losses on Fixed Asset Retirement.

b) Non-Operating Income

The Non-Operating Income at the end of December2025, was a loss of MCL$103,522, while in 2024 it was MCL$122,989. This is mainly explained by lower financial costs.

The Financial Income registered until December2025 amounted to MCL$15,816. The amount registered in the same period of 2024 was MCL$19,610. This decrease is mainly due to lower bank interest earned in 2025 in local currency, explained by lower cash balances and a decrease in interest rates.

Financial Costs registered as of December 2025 reached MCL$75,329, decreasing by 20.8% compared to the same period of 2024 (MCL$95,066). The decrease is mainly due to lower interest costs, resulting from a reduced debt balance.

The Exchange Differences as of December2025 resulted in a profit of MCL$1,775, while during the same period of 2024, the balance was a profit of MCL$335. The Exchange Differences remain limited, associated with the foreign currency hedging policy.

The loss for Indexed Assets and Liabilities was MCL$47,072 as of December 31, 2025. This is due to a 3.14% variation in the value of UF in 2025, which primarily impacts our UF-denominated bonds, along with a higher stock of UF debt. In the same period of 2024, the loss was MCL$48,282, associated with a 4,42% variation in UF value.

Other Income, as of December 2025, were a profit of MCL$1,288, while in December2024 were MCL$413. This difference is mainly due to refunds of real estate tax.

c) Income tax

Income Tax as of Deceber31, 2025, was MCL$50,233, while in the same period of 2024 was MCL$48,238.

2. BALANCE SHEET ANALYSIS

ITEMS	December 2025 MCL$	December 2024 MCL$	Variation 2025/2024 MCL$	Variation 2025/2024 %
Current assets	281,532	567,092	-285,560	-50%
Non-current assets	3,741,642	3,369,447	372,195	11%
Total Assets	**4,023,174**	**3,936,540**	**86,634**	**2%**
Current liabilities	441,422	620,371	-178,949	-29%
Non current liabilities	2,338,168	2,242,117	96,051	4%
Equity	1,243,584	1,074,052	169,532	16%
Total Liabilities & Equity	**4,023,174**	**3,936,540**	**86,634**	**2%**

The increase in Assets between December 2025 and December 2024 is mainly explained by a higher amount in PP&E (due to higher development and project commissioning); however, it was partially offset by lower cash and equivalents.

The increase in Liabilities and Equity is mainly due to a higher balance of retained earnings and accounts payables to related parties; however, the increase is mainly offset by the MMUS$ 375 senior bonds maturity in January 2025 in the international market, decreasing the amount of debt.

Value of the Main PP&E in Operation

ASSETS	December 2025 MCL$	December 2024 MCL$	Variation 2025/2024 MCL$	Variation 2025/2024 %
Land	21,769	21,769	0	0%
Building and Infraestucture	1,614,844	1,384,866	229,978	16.6%
Work in progress	526,910	574,274	-47,364	-8.2%
Machinery and equipment	1,079,687	962,237	117,450	12.2%
Other fixed assets	7,270	6,399	871	13.6%
Right of use	21,596	21,596	0	0.0%
Depreciation (less)	-869,697	-813,516	-56,181	-6.9%
Total	**2,402,380**	**2,157,625**	**244,755**	**11.3%**

Current Debt

Debt	Currency or index	Interest rate	Type of rate	Maturity Date	Amount in original currency (million) (unpaid capital) December 2025	Amount in original currency (million) (unpaid capital) December 2024
Series D bond	UF	4.25%	Fixed	15-Dec-27	13.50	13.50
Series H bond	UF	4.80%	Fixed	01-Aug-31	3.00	3.00
Series K bond	UF	4.60%	Fixed	01-Sep-31	1.60	1.60
Series M bond	UF	4.05%	Fixed	15-Jun-32	3.40	3.40
Series N bond	UF	3.95%	Fixed	15-Dec-38	3.00	3.00
Series Q bond	UF	3.95%	Fixed	15-Oct-42	3.10	3.10
Series V bond	UF	3.30%	Fixed	01-Mar-48	3.00	3.00
Series X bond	UF	3.20%	Fixed	01-Mar-34	4.00	4.00
Series Y bond	UF	3.80%	Fixed	01-Aug-28	1.50	1.50
Series AB bond	UF	3.90%	Fixed	01-Aug-45	3.50	3.50
Series Senior Notes bond @2025	USD	4.25%	Fixed	14-Jan-25	0.00	375.00
Series Senior Notes bond @2029	USD	3.88%	Fixed	12-Jan-29	350.00	350.00
Revolving Credit Facility[1]	USD	SOFR	Floating	08-Feb-27	-	-

[1] Revolving Credit Facility of US$250 million: The floating rate breaks down in SOFR plus a margin. As of December 31, 2025, the Company maintains this line fully available. This facility was renegotiated for three additional years in February 2024.

Although increases in inflation may have an impact on the costs of debt denominated in UF and therefore on the Company's financial expenses, these impacts are partially offset by inflation-indexed revenues.

3. CASH FLOW ANALYSIS

ITEMS	December 2025 MCL$	December 2024 MCL$	Variation 2025/2024 MCL$	Variation 2025/2024 %
Cash flows provided by (used in) operating activities	296,498	257,516	38,982	15.1%
Cash flows provided by (used in) investing activities	-322,578	-268,410	-54,168	-20.2%
Cash flows provided by (used in) financing activities	-239,692	183,177	-422,869	N/A
Net increase (decrease) of cash and cash equivalent	**-265,772**	**172,283**	**-438,055**	**N/A**
Effect of changes in the exchanges rate	1,949	2,105	-156	0
Net increase (decrease) of cash and cash equivalent	**-263,823**	**174,388**	**-438,211**	**N/A**
Cash and cash equivalent at the begining of the period	352,725	178,336	174,389	97.8%
Cash and cash equivalent at the end of the period	**88,902**	**352,725**	**-263,823**	**-74.8%**

As of December 31, 2025, cash flow from activities of the operation reached MCL$296,498, which increased by 15.1% compared to the same period of 2024 (MCL$257,516). The increase is mainly due to higher revenue from the sale of goods and the provision of services; it is partially offset by other operating payments.

During the same period of 2025, cash flow used in investment activities was MCL$-322,578. As of December 31, 2024, the cash flow used in investment activities was MCL$-268,410. The variation is mainly due higher purchases of property, plant and equipment and intangibles and payments made to related parties.

As of December2025, the cash flow from financing activities was MCL$-239,692, while as of December 2024 it was MCL$183,177. The difference is mainly explained by the bond payment in the international market in January 2025 and the amount from the bond issuance received in 2024.

It should also be noted that, to ensure the immediate availability of funds to cover working capital needs, as of December 31, 2025, the company has the following revolving credit facility for an amount of US$ 250 million (this revolving credit facility was renegotiated and extended during February 2024 for three additional years).

Bank	Amount (up to)	Maturity	Type of Credit
The Bank of Nova Scotia, MUFG Bank Ltd, Bank of China Ltd, Banco Bilbao Vizcaya Argentaria S.A., Bank of America	US$250,000,000	08-Feb-27	Working Capital

4. INDICATORS

Financial restrictions contained in the company debt agreements are presented in the next table:

Covenants	Debt Contract	Limit	December 2025	December 2024
Capitalization Ratio[1]	D, H, K, M ,N & Q local Bonds	< 0.70	0.63	0.68
Shareholder's Equity[1] MMUF	D, H, K, M & N local Bonds	> 15.00	31.93	28.61
Shareholder's Equity1 MM$	Q, V, X, Y & AB local Bonds and Revolving Credit Facility	> 350,000	1,268,554	1,099,021
Net Debt/Ebitda*	V,X, Y & AB local Bonds Revolving Credit Facility	< 7.0x < 8.0x	4.84	5.07

Test	Bonds	Limit	December 2025	December 2024
Distribution Test[2] FNO[3]/Financial Expenses	D, H, K, M and N local Series	> 1.50	5.60	4.22

[1]Equity= Total equity attributable to owners of the parent plus accumulated amortization of Goodwill. The accumulated amortization of Goodwill between September 30, 2006, and December 31, 2025, amounted to MCL$24.970.

[2]Test to distribute restricted payments such as dividends.

[3]FNO= Cash flow from operating activities plus the absolute value of finance costs, plus the absolute value of the expenditure on Income Taxes.

*EBITDA= Operating Revenues + Operating Costs + Administrative Expenses + Other Income (Losses) + Finance Leases Amortization. Operating Costs and Administrative Expenses do not include Depreciation and Amortization.

Rates of profitability, liquidity and indebtedness of the company are presented in the next table:

RATIOS		December 2025	December 2024	Variation 2025/2024
Profitability[1]				
Shareholders' Equity profitability[2]	(%)	10.6%	20.3%	-970 pbs
Assets profitability[3]	(%)	3.3%	5.5%	-220 pbs
Operating assets profitability[4]	(%)	5.5%	10.1%	-460 pbs
Earnings per share[5]	($)	131,685	218,177	-39.6%
Liquidity & Indebtedness				
Current Ratio	(times)	0.64	0.91	-29.7%
Acid-Test Ratio	(times)	0.64	0.91	-29.7%
Debt to Equity	(times)	2.24	2.67	-16.1%
Short term debt/Total debt	(%)	15.9%	21.7%	-580 pbs
Log term debt/Total debt	(%)	31.0%	27.0%	400 pbs
Financial expenses coverage	(times)	4.87	3.85	26.5%

[1] Profitability ratios are presented under last twelve months' criteria.

[2] Shareholders' Equity profitability is calculated as Net Income over Equity.

[3] Assets' profitability is calculated as Net Income over Total Assets.

[4] Operating assets profitability is calculated as Net Income over total value of the Main PP&E.

[5] Earnings per share are calculated as Net Income over total shares.

5. THE TRANSMISSION MARKET

5.1. The transmission activity and its regulation

Transelec develops its activities in Chile in the electricity market, which has been divided into three sectors: generation, transmission, and distribution. The generation sector includes companies that are dedicated to producing electricity that will subsequently be used throughout the country by end users. In the other hand, the primary goal of the transmission sector (the only sector in which it participates Transelec) is to transport the generated electricity from where it is produced (electrical power plants) to the 'points of entry' of the distribution companies' networks or of the large end users. Finally, the purpose of the distribution sector is to carry electricity to the physical location where each end user will use this electricity.

The transmission system of Transelec which stretches between 'Arica y Parinacota' Regions to 'Los Lagos' Region, encompasses most of the transmission lines and substations in the National Electrical System. This transmission system transports the electricity that supplies approximately 98.5% of Chile's population. The Company owns 28% of all the 500 kV electricity transport lines, 40% of the 220 kV lines, 90% of the 154 kV lines and 10% of the 110kV and 66kV lines.

The legal framework that governs the electrical transmission business in Chile is contained in DFL No. 4/2006, which establishes the modified, coordinated, and systemized text of Decree with Force of Law No. 1 from the Ministry of Mining, issued in 1982, and the General Electricity Services Law. (DFL No. 1/82), hereafter LGSE, and its subsequent modifications, including Law 19,940 ('Ley Corta I') published on March 13, 2004, and the Law 20.936 issued on July 20, 2016, which stablishes a new electric transmission system and creates an independent coordinator of the National Electric System "The Transmission Law". Additionally, those who explodes and operates transmission facilities must comply at every time with the provisions of the Regulations of Law N°20.936, and in its Technical Standards, highlighting the Current Technical Standard for Safety and Service Quality, as well as their respective Technical Annexes.

The last reform to the LGSE for the Transmission segment was the enactment of Law N°20.936 / 2016, which introduced relevant modifications such as; i) A single Coordinator of the National Electric System independent of the market players, replacing the Economic Load Dispatch Centers, CDEC-SIC and CDEC- SING, ii) The redefinition of the transmission systems qualifying them as the National Transmission System (formerly trunk), the Zonal Transmission Systems (formerly sub-transmission), the Dedicated Systems (formerly additional), and will incorporate two new segments: Transmission Systems for Development Poles and International Interconnection Systems, and iii) Universal open access to regulated Transmission Systems and dedicated Transmission Systems when technical capacity is available.

The last significant reform to the General Electricity Services Law (LGSE) was enacted on March 27, 2024, with the publication of the Energy Transition Law. This reform introduces changes impacting transmission, such as the incorporation of projects mandated by the authorities and the reinstatement of expansion project tenders to asset owners, among others.

Additionally, to date, various regulations associated with Act No. 20.936 have been published, stablishing the necessary provisions for the regulation of issues related to: (i) The National Electrical Coordinator, (ii) Panel of Experts, (iii) energy planning, (iv) preliminary strips, (v) international exchanges, (vi)compensation for supply unavailability, (vii) the issuance of Technical Standards (viii) Coordination and Operation of the National Electrical System; (ix) Qualification, Valuation, Tariff and Remuneration of transmission facilities, (x) Transmission and Transmission Planning Systems; (xi) Facilities safety; (xii) Complementary services; (xiii) Distributed generation for self-consumption; (xiv) small-scale generating facilities.

Regarding Transelec' s business, it is focused on the economic retribution for the transport service delivered by its facilities, aligned to the security and quality service standards previously established

by the regulations in force. Transelec has the right to annually receive the annual transmission value (VATT) for its facilities belonging to the National and Zonal Transmission Systems, defined in the tariff processes or in the Decree for the award of expansion works, as the case may be. In the case of the installations of the Dedicated Transmission System, Transelec agrees private transport contracts with the respective users, to define the payment for the use of this type of facilities.

5.2. Valuation and pricing of facilities

Revenues associated with transmission activity are determined by the Commission every four years by conducting internationally tendered studies for transmission assets valuation, and processes that include the participation of companies, users and interested institutions and the Panel of Experts in the event of any discrepancies.

The owners of regulated transmission facilities must receive the Annual Value of Transmission per Section (VATT), made up of the sum of the real tariff income and the single charge associated with the section, which will depend on the transmission segment to which the installation belongs, the latter applied directly to the corresponding end users.

VATT of the existing facilities is calculated on an Annuity of the Value of Investment (AVI) that recognizes the efficient acquisition and installation costs according to market values (except land-use rights, expenses and compensation, which recognize what has actually been paid), which are annualized considering the assets life determined every three tariff periods and whit a variable discount rate, which will not be less than 7% or higher than 10%, plus the Costs of Operation, Maintenance and Administration (COMA), adjusted by income taxes.

Currently, tariffs are governed by Decree 7T of the Ministry of Energy, published on February 16, 2023.

The 2024–2027 tariff valuation process is more than two years behind schedule. As part of this process, the Facility Qualification Report was published through Exempt Resolution No. 461, issued by the CNE on August 30, 2024. Subsequently, the Supervisory Committee for the process was formed, in which Transelec participates as the primary representative for the National Transmission segment. Consultants for the National and Zonal studies have already been awarded. The Zonal study began in March 2024, with its First Progress Report issued and reviewed by companies in February 2025.

6. MARKET RISK FACTORS

Due to the characteristics of the Chilean electricity market and strict standards regulating the sector, Transelec S.A. is not exposed to substantial risk while operating its main line of business.

Transelec manages its risks through a corporate program, including the vision and information from the board of directors and employees in direct contact with the risks, with in the company strategy, workshops are utilized to analyze past and potential risks. Conducting concrete actions to prevent and / or mitigate them, to lower their probability of occurrence or its impact.

At project level, the company develop the process of Stages and Decisions, which ensures that projects are guided by stablished protocols from develop of a business idea, going through the proposal presentation, adjudication and later construction or acquisition, even its launch, to ensure

that the decision makers have the necessary information available and mitigate the risks in the different parts of the projects.

The main risks of the company are presented and discussed quarterly by the Board of Directors. However, the following risk factors should be mentioned and taken into consideration:

6.1. Regulatory Framework

Power transmission tariffs are established by law for 4-year periods and include an indexation to guarantee actual annual profitability for operators. The nature of this industry means that power transmission company revenue is stable over the long term. This revenue is complemented by revenue from private contracts with large customers.

However, the fact that these tariffs are revised once every four years in the National and Zonal Power Transmission Studies could mean new tariffs that could be less attractive for the Company in terms of investment made. There is no guarantee that the previous tariff level will be maintained in subsequent tariff cycles. Tariffs are based on each company's asset inventory and the updated prices of those assets. Therefore, errors in these databases or in the determined prices could result in incorrect tariffs, potentially requiring retroactive adjustments.

6.2. Operating Risks

Although the Company's management believes it has adequate risk coverage, in line with industry practices, including a full annual exercise of Enterprise Risk Management, it is not possible to ensure that the preventive actions and mitigations implemented (asset management, safety fringe management, insurance policies, etc.) will be sufficient to cover certain operating risks, including forces of nature, fires, damages to transmission facilities, on-the-job accidents, equipment and telecommunication failures, and failures in monitoring and control systems (SCADA).

6.3. Environmental Institutionalism and the Application of Environmental Standards and/or Policies

Transelec projects are subject to Law N° 19,300/1994 on General Environmental Guidelines ("Environmental Law") and its subsequent amendments. Transelec may run the risk of environmental permit lobbying taking longer than expected, which would delay project construction and open the possibility of fines being applied.
Preventive and mitigative measures have been identified and defined for all risks related to the environment and communities surrounding the company's facilities.

6.4. Construction Delays for New Transmission Facilities

Success of the upgrades and expansion program for the power transmission network will depend on several factors, including the cost and availability of financing. Although Transelec has experience with large-scale construction projects, the construction of new facilities could be hampered by factors commonly associated with projects, including delays for the approval of regulatory authorizations such as power concessions, lack of equipment, materials or labor, or price variation, adverse weather conditions, natural disasters or unforeseen circumstances or difficulties when it comes to taking out loans under favorable conditions and at reasonable rates. Any of the aforementioned factors could

lead to delays in the partial or total completion of the capital investment program, while increasing the cost of the projects considered in this program.

6.5. Technological Changes

Transelec is compensated for investments that are made in electrical transmission facilities through an annual valuation of the existing facilities (AVI), which is performed every four years using current market prices and periodically recalculated according to the process established in the current regulation. Any significant technological advance in the equipment that are part of Transelec' facilities could lower this valuation, which would prevent partial recovery of the investments made.

6.6. Foreign Exchange Risk

Transelec has Chilean peso as its functional currency, therefore the following factors expose Transelec to foreign exchange risk:

- Transactions in U.S. dollars (construction contracts, import purchases, etc.).
- Leasing contracts that generate income indexed to US dollars.
- Accounts payables in US dollars associated to debt issued in U.S. America.
- Accounts receivable in US dollars associated to intercompany loans.
- Cross Currency Swap contracts that compensate for the risks of exchange rates on international issuances.

Exchange rate exposure is managed using a policy that involves fully hedging the Company's net balance sheet exposure using diverse instruments such as foreign exchange, forward contracts, and cross-currency swaps.

The following table details the amounts of monetary assets and liabilities denominated into dollar and Chilean pesos in the periods indicated below:

	December 2025		December 2024	
In million pesos	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Dollar (amounts associated with balance sheet items)	606,161	432,074	737,273	736,655
Chilean peso	3,212,855	3,386,942	3,199,267	3,199,885

Below are the exchange rates (Observed Dollar) in Chilean pesos to the United States dollar; in the periods indicated.

MONTH	Average 2025 ($)	Last Day 2025 ($)	Average 2024 ($)	Last Day 2024 ($)
January	1000,76	988,10	907,99	932,66
February	956,62	951,21	963,44	980,19
March	932,55	946,10	967,93	982,38
April	961,96	945,42	960,14	943,62
May	941,01	937,37	917,88	917,98
June	938,04	935,74	926,08	951,02
July	951,55	978,07	937,56	956,58
August	966,30	967,48	929,90	917,38
September	960,37	961,24	926,21	896,25
October	953,97	940,57	933,81	950,89
November	935,70	929,14	971,60	977,32
December	916,16	911,18	981,84	992,12
Average of the period	**951,25**	**949,30**	**943,70**	**949,87**

The income that Transelec is entitled to receive for its facilities belonging to the national and zonal transmission systems (VATT) and for the installations of the dedicated systems (toll contracts), are indexed to maintain their real value during the period of validity of these rates or tolls. These revenues are expressed in accordance with their base value, in dollars, and are updated according to components whose cost variation over time correlates with national or international economic indicators, considering the availability and stability of the source that issues it.

However, it cannot be ensured that Transelec will be fully protected by maintaining hedging contracts for the exchange rate. In addition, cross currency swaps and forwards contain counterparty credit risk, cash requirements on maturity dates or recouponing clauses (if any) and other associated risks.

6.7. Credit Risk

Regarding the credit risk associated with accounts receivable from the electricity transmission business, this risk is systematically incredibly low given the limited number of customers, their risk classification, and the short collection period.

However, revenues are highly concentrated on few customers that make up a large part of Transelec' s future cash flow. A substantial change to the assets, financial condition and/or operating results of these companies could adversely affect the Company.

The following table shows the top customers and their comparison with the previous year:

REVENUES	December 2025 MCL$	December 2025 %	December 2024 MCL$	December 2024 %
Enel Group	113,479	25.8%	129,794	29.1%
CGE Group	45,955	10.4%	52,522	11.8%
Colbún Group	40,435	9.2%	38,902	8.7%
AES Group	36,844	8.4%	35,498	8.0%
Engie Group	29,918	6.8%	32,228	7.2%
Quebrada Blanca TECK	25,851	5.9%	24,925	5.6%
Lumina Cooper	10,640	2.4%	0	0.0%
SAESA Group	12,469	2.8%	14,393	3.2%
Others	124,667	28.3%	117,213	26.3%
Total	**440,257**		**445,475**	
% Concentration	**71.7%**		**71.9%**	

The toll agreements signed with these clients, including their subsidiaries, will generate a large part of the Company's future cash flow and, therefore, a substantial change in their assets, financial condition and/or operating income could negatively affect the Company. This risk is compensated by the excellent credit level of these clients, together with the "take or pay" type of payment of the Transelec transmission income.

In terms of the Company's credit risk associated with financial assets (time deposits, fixed-return mutual funds, and sell-back agreements), its treasury regulations establish limits on a particular institution's exposure.

6.8. Liquidity Risk

Liquidity risk is the risk of the Company not satisfying a need for cash or debt payment upon maturity. Liquidity risk also includes the risk of not being able to liquidate assets in a timely manner at a reasonable price.

To guarantee that Transelec can quickly react financially to investment opportunities and pay its obligations by their maturity dates, the company has a stable and predictable remuneration over time, associated with the "take or pay" income, i.e., the company has income associated with its installed capacity of assets, and not with the volume transported. in addition, it has short-term receivables and a committed line of credit for working capital of US$250 million. This committed line of credit was first contracted on July 9, 2012, being renegotiated, and extended in 2014, 2017, 2020, 2021 and 2024. This line does not include any material clause of adverse change.

The Company is exposed to risks associated with its indebtedness, including refinancing risk when its debt matures. These risks are mitigated by using long-term debt and appropriately structuring maturities over time.

The following table presents the capital amortizations and interests corresponding to the Company's financial liabilities, according to their maturity date, as of December 31, 2025, and December 30, 2024.

Debt Maturity (capital and interests) MCL$	0 to 1 year	1 to 3 years	3 to 5 years	5 to 10 years	More than 10 years	Total
December 31, 2025	75,006	723,375	399,411	567,382	722,072	2,487,247
December 31, 2024	455,761	666,922	502,111	565,959	717,568	2,908,321

6.9. Interest Rate Risk

Significant changes in fair values and future cash flows of financial instruments that can be directly attributable to interest rate risks include changes in the net proceeds from financial instruments whose cash flows are determined in reference to floating interest rates and changes in the value of financial instruments with fixed cash flows.

The Company's assets are primarily fixed and long-lived intangible assets. Consequently, financial liabilities used to finance such assets consist primarily of long-term liabilities at fixed rates. This debt is recorded in the balance sheet at amortized cost.

The objective of interest rate risk management is to achieve a balanced debt structure, decrease the impact on costs due to interest rate variations and reduce volatility in the income statement.

All the debt as of December 31, 2025, and as of December 31, 2024, was at a fixed rate. However, in the case of UF indexed debt, variations in inflation rates could potentially affect the Company's financial expenses.

UF Values

MONTH	Average 2025 ($)	Last Day 2025 ($)	Average 2024 ($)	Last Day 2024 ($)
January	38.415,85	38.384,41	36.805,73	36.733,04
February	38.467,25	38.647,94	36.750,98	36.856,50
March	38.807,30	38.894,11	36.984,32	37.093,52
April	38.983,11	39.075,41	37.187,51	37.261,98
May	39.146,96	39.189,45	37.349,91	37.438,91
June	39.229,28	39.267,07	37.514,77	37.571,86
July	39.246,15	39.179,01	37.591,38	37.578,95
August	39.231,84	39.383,07	37.638,55	37.754,47
September	39.471,97	39.485,65	37.849,91	37.910,42
October	39.527,19	39.597,67	37.950,09	37.971,42
November	39.527,19	39.643,59	38.078,21	38.247,92
December	39.674,88	39.727,96	38.367,69	38.416,69
Average of the period	**39.144,08**	**39.206,28**	**37.505,75**	**37.569,64**

6.10. Risk of Committing Offenses

Companies are exposed to the risk of committing offenses. Transelec has a risk matrix that outlines risk factors and preventive actions, along with ongoing training for its employees. With the enactment of the Economic Crimes Law, these prevention measures have been further strengthened.

6.11. Other Risks

In addition to the previously mentioned, the company faces other risks, such as operational risks (fires and vandalism), cybersecurity, climate change, taxes, environmental and related permitting, and reputational risks.

7. SUBSEQUENT EVENTS

On January 13, 2026, the company paid the interest related to the bond "Senior Notes" with maturity in 2029, for a total amount of M$ 6.082.035 (MUS$ 6.871).

On February 6, 2026, the National Energy Commission (CNE) issued Exempt Resolution N° 65, where it ratified the Final Technical Report on the Valuation of Transmission System Facilities for the 2020 – 2023 regulatory period and approved the consolidated text including annexes and data base corrections.

On February 20, 2026, the Superintendence of Electricity and Fuels imposed a sanction on the company through Electronic Exempt Resolution No. 347764 with an amount of 80 thousand UTM, for violations of electrical regulations in connection with the outage that occurred on February 25, 2025, which affected the electrical system from Arica-Parinacota to Los Lagos.

On February 23, 2026, the Chilean Internal Revenue Service (SII) resolved the administrative reconsideration filed by the Company, confirming the tax assessment solely with respect to fiscal year 2022. Management continues to pursue its line of argument, analysis, and appeal strategy before the highest authority of the SII and will present the corresponding judicial actions if the discrepancy with the tax authority's interpretation persists.

Between December 31, 2025, the closing date of these consolidated financial statements and their issuance date, there have been no other significant financial and accounting events that may affect the equity of the Company or the interpretation of these consolidated financial statements.