



# CORPORATE PRESENTATION

JPM EM Credit Conference  
March 2023



# CONTENT

●... COMPANY OVERVIEW

●... MARKET CONDITIONS

●... KEY FINANCIAL FIGURES

●... REGULATORY FRAMEWORK

●... PIPELINE OF PROJECTS

●... SUSTAINABILITY

●... APPENDIX



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●... **COMPANY OVERVIEW**

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# COMPANY OVERVIEW / THE COMPANY

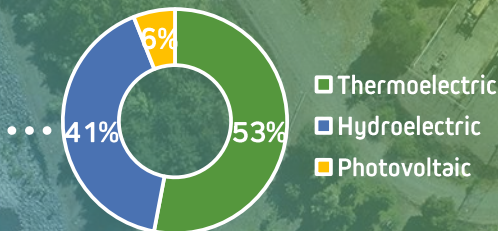
Leading position in Chile & Peru



## INSTALLED CAPACITY

**4,010 MW**

 3,437 MW /  573 MW





## POWER PLANTS

**27**

 26 /  1



## MARKET SHARE<sup>1</sup>

 **16%** /  **8%**



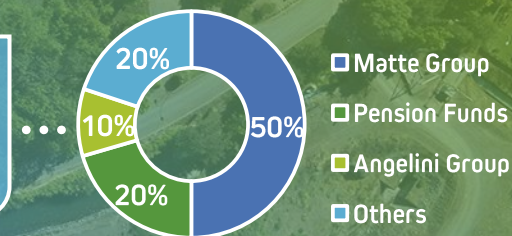
## PIPELINE OF PROJECTS

**2,713 MW**

- 820 MW under construction
- 1,287 MW environmental study secured
- 606 MW feasibility stage



## OWNERSHIP





# COMPANY OVERVIEW / KEY FINANCIALS



*Leading position in Chile & Peru*



EBITDA 2022 F

**US\$763 mm**



US\$658 mm



US\$105 mm



TOTAL ASSETS

**US\$6.6 bn**



NET DEBT / EBITDA

**1.3 x**



INTERNATIONAL RATINGS



S&P	BBB Stable	BBB- Stable
Fitch	BBB+ Stable	BBB- Stable
Moody's	Baa2 Stable	



CASH

**US\$1,154 mm**



# OUR STRATEGY

## Summary



**ENHANCING OUR  
CORE BUSINESS**

**ASSET BASE  
OPTIMIZATION**

**GROWTH IN  
RENEWABLES**

**COMMERCIAL  
STRATEGY**



**EXPANDING OUR  
LIMITS**

**INORGANIC GROWTH**

**STORAGE SYSTEMS**



**POTENTIAL GROWTH  
OPPORTUNITIES**

**DESALINIZATION**

**WASTE TO ENERGY**

**GREEN H<sub>2</sub>**



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# MARKET CONDITIONS

## Markets Update

### LTM GENERATION GWh

### DEMAND GROWTH 12 months average %

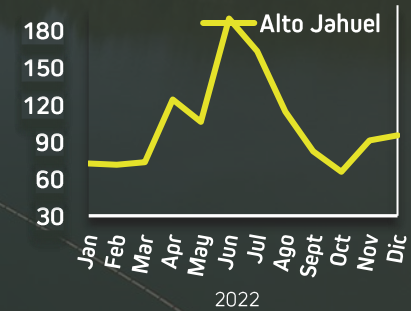
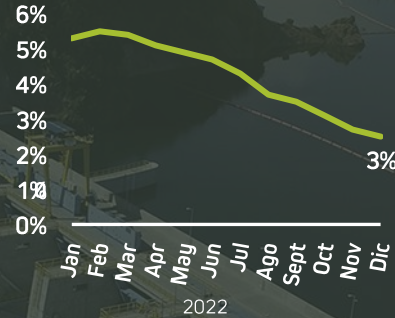
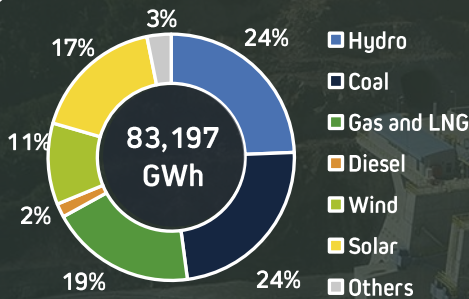
### MARGINAL COST US\$/MWh



SEN

33 GW

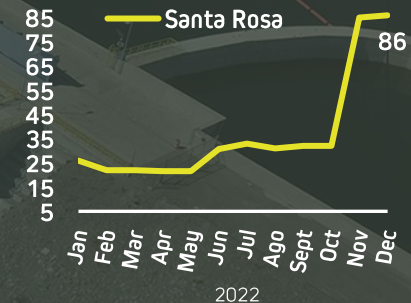
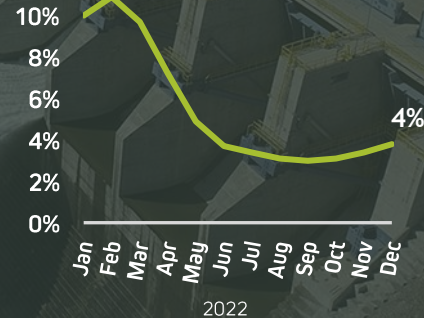
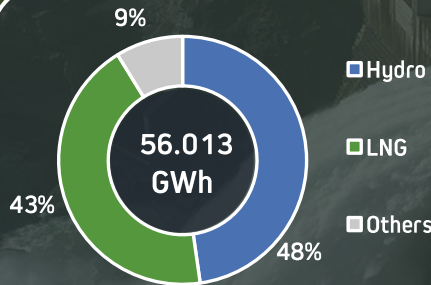
+8.2% y/y



SEIN

13 GW

0% y/y



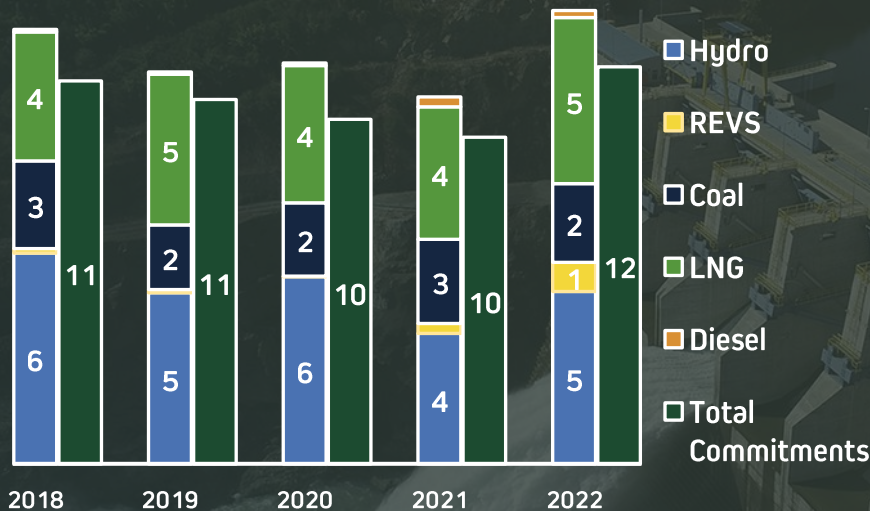


# MARKET CONDITIONS

*Cost efficient & diversified asset base*



## GENERATION & PPAs LEVEL (TWh)



## WHOLE-SALE COMMERCIAL STRATEGY

- 1 Optimize Contracting level
- 2 Cost structure properly reflected in sale prices
- 3 Active risk management  
LNG purchases and commodity hedges.
- 4 Unique portfolio of assets provide support our strategy  
Combine our base load capacity with solar and wind capacity.



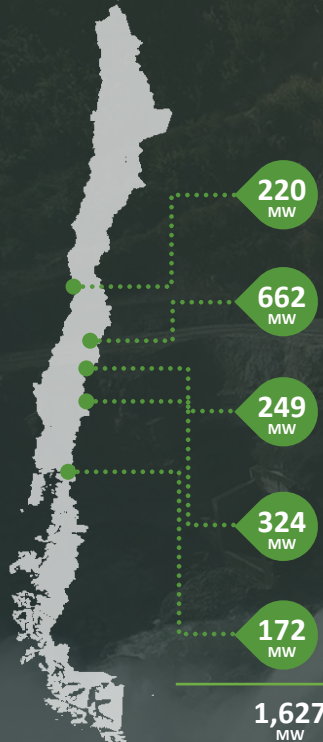
# MARKET CONDITIONS

HIDROLOGICAL COND.



Cost efficient & diversified asset base

## ACCUMULATED RAINFALLS (mm)



As of Dec22 compared to

	2021	Av. year
Aconcagua	+74mm +60%	-198mm -50%
Maule	+965mm +91%	-118mm -5%
Laja	+335mm +25%	+30mm +2%
Bío Bío	+1,040mm +58%	219mm +8%
Chapa	+248mm +10%	-163mm -5%

## LONG-TERM STRATEGY

- 1 Regasification capacity and supply contract with Enap**  
Effective from 2018 onwards, for 13 years.
- 2 LNG spot contracts**  
In case of dry conditions.
- 3 Gas from Argentina**  
Firm contracts since October 2022 to April 2023 for up to two combined cycles.



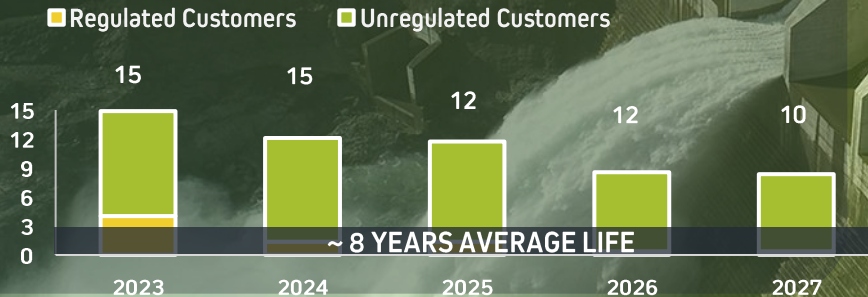
# MARKET CONDITIONS

*Delivery of focused value added services*

We are serving an increasing number of costumers



## PPAs IN CHILE: CONTRACTED POWER SUPPLY (TWh)



Expanded delivery of value-added services by acquiring Efizity



<p>Energy Manager</p>	<p>Energy Audit</p>	<p>Power Consumption Monitoring and Control</p>
<p>Energy Efficiency Advisory</p>	<p>Water Heating Electrification</p>	<p>Photovoltaic Self-Generation</p>
<p>Energy Management System Implementation</p>	<p>Electric Vehicle Charging Station</p>	<p>Utility Bill Management</p>



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●... **KEY FINANCIAL FIGURES**

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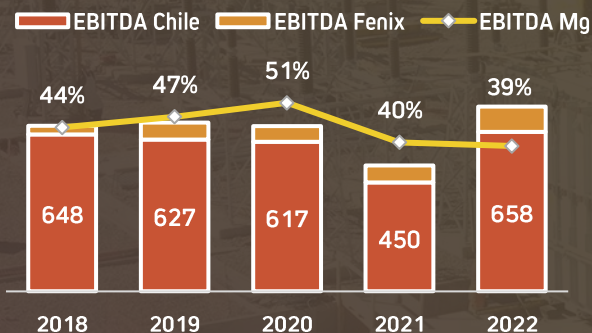
●... SUSTAINABILITY

●... APENDIX

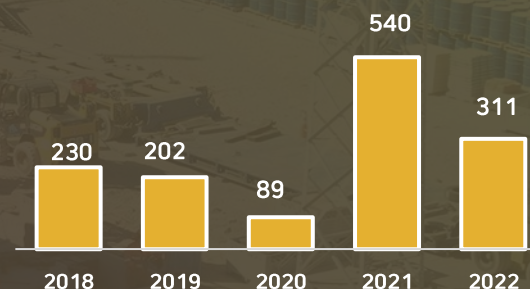


# KEY FINANCIAL FIGURES

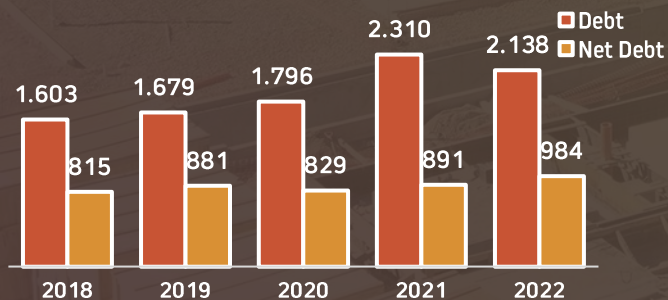
## 1. EBITDA & EBITDA MG. (US\$ million & %)



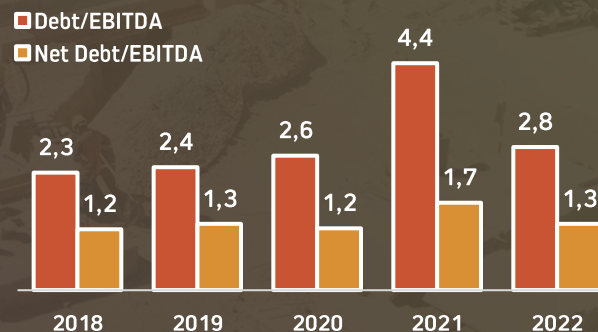
## 2. NET INCOME (US\$ million)



## 3. DEBT & NET DEBT. (US\$ million)\*



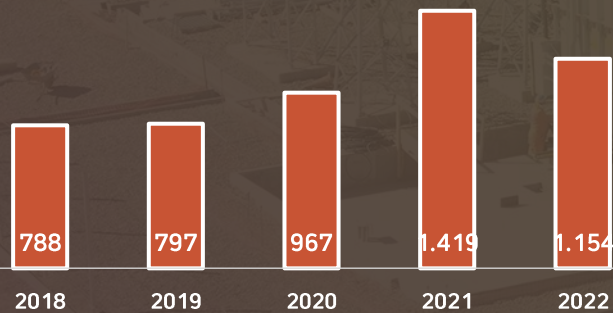
## 4. DEBT/EBITDA & NET DEBT/EBITDA. (x)\*



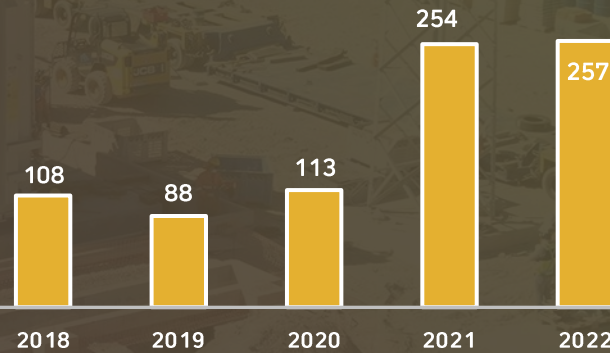


# KEY FINANCIAL FIGURES

## 1. CASH POSITION (US\$ million)



## 2. CAPEX (US\$ million)



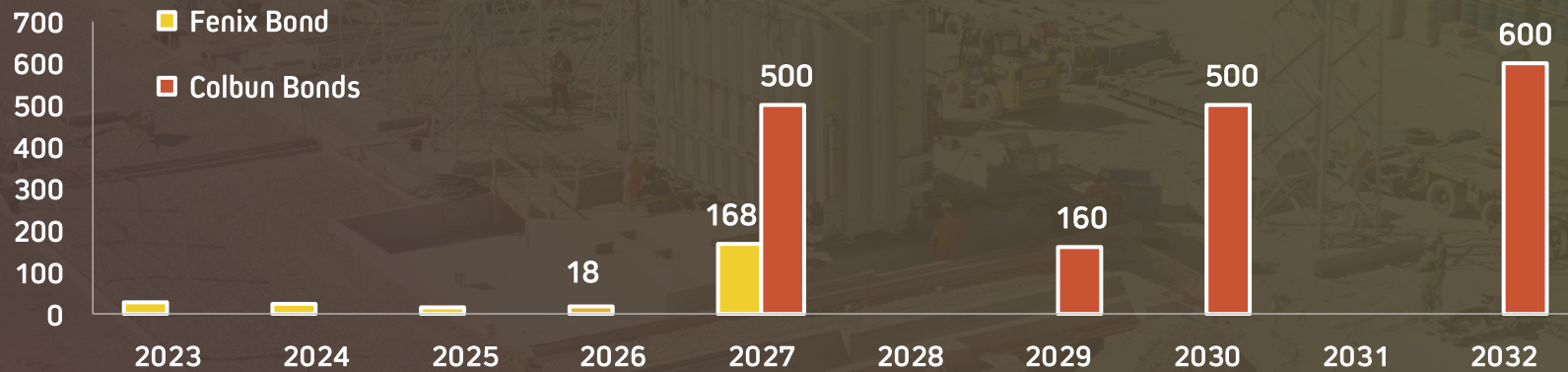


# KEY FINANCIAL FIGURES

*Prudent financial management*



## AMORTIZATION STRUCTURE (US\$ million)



## FINANCIAL DEBT PROFILE

**US\$2,039(\*) mm**

US\$1,760 million

US\$279 million

**4 bonds and 1 bank loan**

100% USD

92% Fixed rate

**3.7%** Interest Rate average

**6.4** years average life



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- ... PIPELINE OF PROJECTS
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# REGULATORY FRAMEWORK\*

Recent developments in Chile

## LATEST CHANGES



1. Price stabilization mechanism for regulated client tariffs



2. Water code reform

## UNDER DISCUSSION



1. Decarbonization process



2. Storage Promotion



3. Green Hydrogen Promotion



4. VRE Promotion



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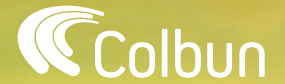
**5** ●... **PIPELINE OF PROJECTS**

●... SUSTAINABILITY



# PIPELINE OF PROJECTS

Attractive portfolio of growth options



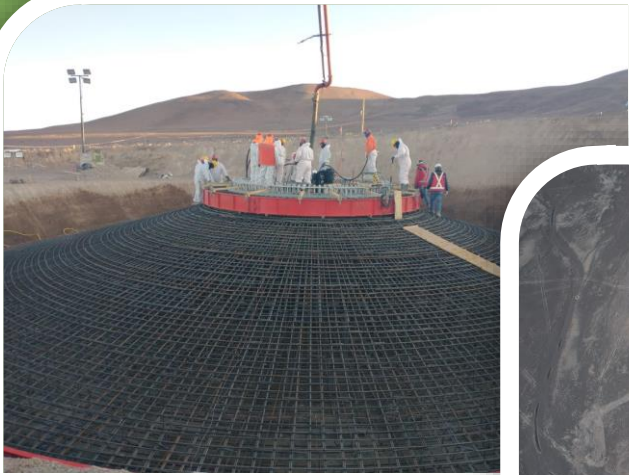
● Under construction   ● Environmentally approved   ● Feasibility





# PIPELINE OF PROJECTS

*Horizonte*





# PIPELINE OF PROJECTS

*Horizonte*





# PIPELINE OF PROJECTS

*Diego de Almagro*





# PIPELINE OF PROJECTS

*Diego de Almagro*





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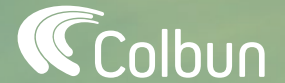
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# SUSTAINABILITY

## Our Pathway



*We must excel in social, environmental and corporate governance performance to create value for our shareholders in the long term*





- This document provides information about Colbún S.A. In no case this document constitutes a comprehensive analysis of the financial, production and sales situation of the company.
- To evaluate whether to purchase or sell securities of the company, the investor must conduct its own independent analysis.
- This presentation may contain forward-looking statements concerning Colbún's future performance and should be considered as good faith estimates by Colbún S.A.
- In compliance with the applicable rules, Colbún S.A. publishes on its Web Site ([www.colbun.cl](http://www.colbun.cl)) and sends the financial statements of the Company and its corresponding notes to the Comisión para el Mercado Financiero, those documents should be read as a complement to this presentation.

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An aerial photograph of a large dam and power plant. The dam is a long, curved concrete structure filled with water, extending from the left towards the right. In the foreground, there is a complex of industrial buildings, including a large central structure with a glass facade and several smaller buildings. To the left, there is a large electrical substation with numerous power lines and towers. The background shows a vast landscape with green fields, a large reservoir, and rolling hills under a clear blue sky.

**APPENDIX**



# REGULATORY FRAMEWORK

## Recent developments in Chile



### Stabilization and Energy Emergency Fund:

Additional charge for all users of the system, unregulated and regulated. It will follow solidarity and proportionally criteria, according to consumption.

The fund accumulate until reaching US\$500million.

Public Service Charge:

< 250 kWh/month: exempt from the charge  
250-500 kWh/month: 0.8 pesos per kWh  
500-1,000 kWh/month: 1.8 pesos per kWh  
1,000-5,000 kWh/month: 2.5 pesos per kWh  
> 5,000 kWh/month: 2.8 pesos per kWh



### Temporary Regulated Customer Protection Mechanism

It seeks to prevent the increase in energy bills during 2022 and 2023

It considers gradual increases in rates according to section. Protecting small consumers.

It may not exceed US\$1,800 million

This new mechanism will not indebt any agent in the power market and will have a state guarantee.

Full payment may not be later than December 31, 2032.



# REGULATORY FRAMEWORK

## *Recent developments in Chile*



### **Water Reform Code:**

It reaffirms the real right character of water rights  
However, new water rights will have temporary limits, up to 30 years.

Subject to extinction due to lack of effective use.

Provides for a prioritization of subsistence uses, human consumption and sanitation with respect to other productive uses.



# REGULATORY FRAMEWORK

Recent developments in Chile

## UNDER DISCUSSION



### VRE Promotion:

Promotes the participation of REVS by forcing Gencos to trade energy that has been injected by means of REVS.

#### Generation Goals:

40% VRE by 2030

30% VRE by 2030 in each temporary block



### Green Hydrogen Promotion:

Seeks to promote a national market and the development of a green hydrogen industry

#### Goals:

Generate local demand for green hydrogen  
Use existing gas infrastructure  
Leverage industry experience



### Storage Promotion:

It seeks to promote technology for a greater participation of renewable energies in the electrical matrix

Enables "pure" storage systems to participate in balances

Currently, they are only paid for the energy injected and for the power supplied to the system



### Decarbonization process:

An agreement was signed with the Government, but initiatives seek to further accelerate the process.