



**Interim Consolidated Financial Statements**  
for the period ended March 31, 2022

**COLBÚN S.A. AND SUBSIDIARIES**  
Thousand of U.S. dollars

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This report contains the following:

- Interim Consolidated Financial Statements
- Notes to the Interim Consolidated Financial Statement

## Colbún S.A. and Subsidiaries

Interim Consolidated Classified Statements of Financial Position  
as of March 31, 2022 (unaudited) and December 31, 2021  
(In thousands of U.S. dollars)

(Translation of the report originally issued in Spanish - See note 2)

ASSETS	Note N°	March 31, 2022 ThUS\$	December 31, 2021 ThUS\$
<b>Current assets</b>			
Cash and cash equivalents	8	222,785	392,418
Other financial assets, current	9	900,584	931,663
Other non-financial assets, current	21	55,750	57,478
Trade and other receivables, current	10	393,229	307,190
Receivables due from related parties, current	12.b	64	48
Inventories, current	13	74,289	70,598
Current tax assets	20.a	6,131	7,041
<b>Total current assets</b>		<b>1,652,832</b>	<b>1,766,436</b>
<b>Non-current assets</b>			
Other financial assets, non-current	9	100,121	99,931
Other non-financial assets, non-current	21	42,979	43,222
Trade and other receivables, non-current	10	39	3,356
Equity-accounted investees	16.a	16,810	14,195
Intangible assets other than goodwill	17	67,134	68,152
Goodwill	6	5,573	5,573
Property, plant and equipment	18	4,414,039	4,421,566
Right-of-use assets	19	110,219	113,387
Deferred tax assets	22.b	78,779	66,690
<b>Total non-current assets</b>		<b>4,835,693</b>	<b>4,836,072</b>
<b>TOTAL ASSETS</b>		<b>6,488,525</b>	<b>6,602,508</b>

The accompanying notes are integral part of these interim consolidated financial statements

## Colbún S.A. and Subsidiaries

Interim Consolidated Classified Statements of Financial Position  
as of March 31, 2022 (unaudited) and December 31, 2021  
(In thousands of U.S. dollars)

(Translation of the report originally issued in Spanish - See note 2)

LIABILITIES AND EQUITY	Note N°	March 31, 2022 ThUS\$	December 31, 2021 ThUS\$
<b>Current liabilities</b>			
Other financial liabilities, current	23.a	80,034	279,118
Short-term lease liabilities	24	9,499	9,746
Trade and other payables	25	207,535	205,706
Payables due to related parties, current	12.b	11,838	12,574
Other current provisions	26	52,346	43,344
Current tax liabilities	20.b	91,030	89,232
Current provisions for employee benefits	27	15,806	23,426
Other non-financial liabilities, current	28	22,286	15,858
<b>Total current liabilities</b>		<b>490,374</b>	<b>679,004</b>
<b>Non-current liabilities</b>			
Other financial liabilities, non-current	23.a	1,932,361	1,944,259
Long-term lease liabilities	24	114,043	116,572
Trade and other payables, non-current	25	9,149	9,475
Other provisions, non-current	26	57,148	56,858
Deferred tax liabilities	22.b	927,356	922,647
Provisions for employee benefits, non-current	27	29,551	25,941
Other non-financial liabilities, non-current	28	6,326	6,326
<b>Total non-current liabilities</b>		<b>3,075,934</b>	<b>3,082,078</b>
<b>Total liabilities</b>		<b>3,566,308</b>	<b>3,761,082</b>
<b>Equity</b>			
Share capital	29.a	1,282,793	1,282,793
Retained earnings	29.f	888,743	833,180
Share premium	29.c	52,595	52,595
Other reserves	29.e	569,036	552,059
<b>Equity attributable to the shareholders of the Parent</b>		<b>2,793,167</b>	<b>2,720,627</b>
Non-controlling interests	-	129,050	120,799
<b>Total equity</b>		<b>2,922,217</b>	<b>2,841,426</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>6,488,525</b>	<b>6,602,508</b>

The accompanying notes are integral part of these interim consolidated financial statements

## Colbún S.A. and Subsidiaries

Interim Consolidated Statements of Income for the Period and Other Comprehensive Income for the periods ended March 31, 2022 and 2021 (unaudited)

(In thousands of U.S. dollars)

(Translation of the report originally issued in Spanish - See note 2)

STATEMENTS OF COMPREHENSIVE INCOME BY NATURE	Note N°	January - March	
		2022 ThUS\$	2021 ThUS\$
Revenue	7 y 30	416,831	335,585
Raw materials and consumables	31	(237,668)	(163,248)
Employee benefit expenses	32	(20,242)	(21,268)
Depreciation and amortization expenses	33	(52,821)	(55,426)
Other expenses, by nature	-	(13,331)	(13,715)
Other gains (losses)	37	(16,216)	(21,538)
<b>Income from operations</b>	-	<b>76,553</b>	<b>60,390</b>
Finance income	34	2,525	1,291
Finance costs	34	(20,906)	(22,189)
Share of profit of equity-accounted investees and joint ventures	16 and 36	2,615	1,371
Foreign currency translation differences	35	1,488	(2,801)
<b>Profit before income taxes</b>	-	<b>62,275</b>	<b>38,062</b>
Tax expense (benefit) from continuing operations	22.a	(6,389)	(79,278)
<b>Profit (loss) from continuing operations</b>		<b>55,886</b>	<b>(41,216)</b>
<b>PROFIT (LOSS)</b>		<b>55,886</b>	<b>(41,216)</b>
<b>Net profit attributable to</b>			
Shareholders of the Parent	29.h	47,635	(38,892)
Non-controlling interests	-	8,251	(2,324)
<b>PROFIT (LOSS)</b>		<b>55,886</b>	<b>(41,216)</b>
<b>Earnings per share</b>			
Basic earnings per share - Continuing operations US\$/share	29.h	0.00272	0.00222
<b>Basic earnings per share</b>		<b>0.00272</b>	<b>0.00222</b>
Diluted earnings per share - Continuing operations US\$/ share	29.h	0.00272	0.00222
<b>Diluted earnings per share</b>		<b>0.00272</b>	<b>0.00222</b>

The accompanying notes are integral part of these interim consolidated financial statements

## Colbún S.A. and Subsidiaries

Consolidated Statements of Income for the Period and Other Comprehensive Income (continued)  
for the periods ended March 31, 2022 and 2021 (unaudited)

(In thousands of U.S. dollars)

(Translation of the report originally issued in Spanish - See note 2)

STATEMENTS OF OTHER COMPREHENSIVE INCOME	Note	January - March	
	N°	2022 ThUS\$	2021 ThUS\$
<b>Net profit</b>		<b>55,886</b>	<b>(41,216)</b>

### Components of other comprehensive income that will not be reclassified to profit or loss for the period, before taxes

Profit (loss) for new measurements of defined benefit plans	-	844	6,912
<b>Total other comprehensive (loss) income that will not be reclassified to profit or loss for the period, before taxes</b>	-	<b>844</b>	<b>6,912</b>

### Components of other comprehensive income (loss) that will be reclassified to profit or loss for the period, before taxes

Gain (loss) for foreign currency translation differences	-	53	(189)
Gain (loss) from cash flow hedges	-	33,199	(4,115)
Share of comprehensive income (loss) on associates and joint ventures using the equity	-	-	144
<b>Total other comprehensive income (loss) that will be reclassified to profit or loss for the period, before taxes</b>		<b>33,252</b>	<b>(4,160)</b>
<b>Other components of other comprehensive income (loss), before taxes</b>		<b>34,096</b>	<b>2,752</b>

### Income tax related to components of other comprehensive income that will not be reclassified to profit or loss for the period

Income tax related to new measurements of defined benefit plans	22.c	(228)	(1,866)
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### Income tax related to components of other comprehensive income that will be reclassified to profit or loss for the period

Income tax related to share of other comprehensive income (loss) on associates and joint ventures using the equity method	22.c	-	(39)
Income tax related to cash flow hedges	22.c	(8,963)	1,111

<b>Income tax related to components of other comprehensive income (loss)</b>		<b>(9,191)</b>	<b>(794)</b>
<b>Total other comprehensive income (loss)</b>		<b>24,905</b>	<b>1,958</b>
<b>Total comprehensive income (loss)</b>		<b>80,791</b>	<b>(39,258)</b>
<b>Comprehensive income (loss) attributable to:</b>			
Shareholders of the Parent		72,540	(36,934)
Non-controlling interests		8,251	(2,324)
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>80,791</b>	<b>(39,258)</b>

The accompanying notes are integral part of these interim consolidated financial statements

**Colbún S.A. and Subsidiaries**  
**Consolidated Statements of Cash Flows - Direct Method**  
**for the periods ended March 31, 2022 and 2021 (unaudited)**  
**(In thousands of U.S. dollars)**  
**(Translation of the report originally issued in Spanish - See note 2)**

STATEMENTS OF CASH FLOWS - DIRECT METHOD	Note N°	March 31, 2022 MUS\$	March 31, 2021 MUS\$
<b>Cash flows from (used in) operating activities</b>			
<b>Cash receipts from operating activities</b>			
Cash receipts from sale of goods and rendering of services	-	421,070	397,569
Other cash receipts from operating activities	-	292	51
<b>Cash payments for operating activities</b>			
Cash payments to suppliers for goods and services	-	(285,814)	(203,398)
Cash payments to and on behalf of employees	-	(23,210)	(24,403)
Cash payments for premiums and services, annuities and other benefits of subscribed policies	-	(16,918)	(30)
Other cash payments for operating activities	-	(16,578)	(36,293)
<b>Cash generated from operating activities</b>	-	<b>78,842</b>	<b>133,496</b>
Interest received	-	3,555	1,187
Income taxes refunded (payments)	-	(20,050)	(22,757)
Other cash receipts (payments)	-	(6,072)	-
<b>Net cash flows from operating activities</b>		<b>56,275</b>	<b>111,926</b>
<b>Cash flows from (used in) investing activities</b>			
Proceeds from the sale of other long-term assets, classified as investing activities	-	5,237	-
Acquisition of property, plant and equipment	-	(48,731)	(11,373)
Other cash receipts (payments)	-	51,088	198,542
<b>Net cash flows from (used in) investing activities</b>		<b>7,594</b>	<b>187,169</b>
<b>Cash flows from (used in) financing activities</b>			
Payment of lease liabilities	-	(2,715)	(2,580)
Payment of loans	-	(194,595)	(12,033)
Dividends paid	-	-	(2,258)
Interest paid	-	(21,258)	(20,700)
Other cash (payments) receipts	-	(18,468)	56
<b>Net cash used in financing activities</b>	8.c	<b>(237,036)</b>	<b>(37,515)</b>
<b>Net increase (decrease) in cash and cash equivalents before the effect of movements in exchange rates on cash held</b>		<b>(173,167)</b>	<b>261,580</b>
<b>Effects of movements in exchange rates on cash and cash equivalents</b>			
Effects of movements in exchange rates on cash and cash equivalents		3,534	(2,079)
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(169,633)</b>	<b>259,501</b>
Cash and cash equivalents as of January 1		392,418	254,107
<b>Cash and cash equivalents as of March 31</b>	8	<b>222,785</b>	<b>513,608</b>

*The accompanying notes are integral part of these interim consolidated financial statements*

**Colbún S.A. and Subsidiaries**  
**Statements of Changes in Equity**  
**for the periods ended March 31, 2022 and 2021 (unaudited)**  
**(In thousands of U.S. dollars)**  
**(Translation of the report originally issued in Spanish - See note 2)**

Statement of Changes in Equity	Note	Equity attributable to shareholders of the Parent										Non-controlling interests	Equity
		Share capital	Share premium	Changes in other reserves						Retained earnings (accumulated deficit)	Equity attributable to shareholders of the Parent		
				Translation difference reserve	Hedging reserve	Actuarial profit or loss reserve of defined benefit plans	Accumulated other comprehensive income	Other reserves	Total other reserves				
		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Balance as of January 1, 2022		1,282,793	52,595	(253,174)	(14,524)	-	(267,698)	819,757	552,059	833,180	2,720,627	120,799	2,841,426
Increase (decrease) of equity due an error		-	-	-	-	-	-	-	-	-	-	-	-
Balance as of January 1, 2022, adjusted		1,282,793	52,595	(253,174)	(14,524)	-	(267,698)	819,757	552,059	833,180	2,720,627	120,799	2,841,426
<b>Changes in equity</b>													
<b>Comprehensive income</b>													
Profit (loss) for the period										47,635	47,635	8,251	55,886
Other comprehensive income				53	24,236	616	24,905	-	24,905	-	24,905	-	24,905
Dividends										-	-	-	-
Increase (decrease) from other changes		-	-	-	-	(616)	(616)	(7,312)	(7,928)	7,928	-	-	-
Total changes in equity		-	-	53	24,236	-	24,289	(7,312)	16,977	55,563	72,540	8,251	80,791
<b>Equity as of March 31, 2022</b>	<b>29</b>	<b>1,282,793</b>	<b>52,595</b>	<b>(253,121)</b>	<b>9,712</b>	<b>-</b>	<b>(243,409)</b>	<b>812,445</b>	<b>569,036</b>	<b>888,743</b>	<b>2,793,167</b>	<b>129,050</b>	<b>2,922,217</b>

  

Statement of Changes in Equity	Note	Equity attributable to shareholders of the Parent										Non-controlling interests	Equity
		Share capital	Share premium	Changes in other reserves						Retained earnings (accumulated deficit)	Equity attributable to shareholders of the Parent		
				Translation difference reserve	Hedging reserve	Actuarial profit or loss reserve of defined benefit plans	Accumulated other comprehensive income	Other reserves	Total other reserves				
		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Balance as of January 1, 2021		1,282,793	52,595	(256,115)	8,953	-	(247,162)	956,941	709,779	1,414,284	3,459,451	125,917	3,585,368
Increase (decrease) of equity due an error		-	-	-	-	-	-	-	-	-	-	-	-
Balance as of January 1, 2021, adjusted		1,282,793	52,595	(256,115)	8,953	-	(247,162)	956,941	709,779	1,414,284	3,459,451	125,917	3,585,368
<b>Changes in equity</b>													
<b>Comprehensive income</b>													
Profit (loss) for the period										(38,892)	(38,892)	(2,324)	(41,216)
Other comprehensive income				(189)	(2,899)	5,046	1,958	-	1,958	-	1,958	-	1,958
Dividends										-	-	-	-
Increase (decrease) from other changes		-	-	-	-	(5,046)	(5,046)	(7,599)	(12,645)	12,645	-	-	-
Total changes in equity		-	-	(189)	(2,899)	-	(3,088)	(7,599)	(10,687)	(26,247)	(36,934)	(2,324)	(39,258)
<b>Equity as of March 31, 2021</b>	<b>29</b>	<b>1,282,793</b>	<b>52,595</b>	<b>(256,304)</b>	<b>6,054</b>	<b>-</b>	<b>(250,250)</b>	<b>949,342</b>	<b>699,092</b>	<b>1,388,037</b>	<b>3,422,517</b>	<b>123,593</b>	<b>3,546,110</b>

The accompanying notes are integral part of these interim consolidated financial statements

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**COLBÚN S.A. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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**COLBÚN S.A. AND SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
(In thousands of U.S. dollars)  
(Translation of the report originally issued in Spanish - See note 2)

**1. General information**

Colbún S.A. was incorporated via public deed on April 30, 1986, witnessed by the Public Notary Mr. Mario Baros G. and registered at sheet 86 with the Trade Register of the Real Estate Registry of Talca on May 30, 1986. The Company's Tax Identification Number is 96.505.760-9.

The Company is registered as a publicly held shareholders' corporation in the Securities Registry under number 0295 on September 1, 1986, and subject to the inspection by the Financial Market Commission. The Company's shares are traded on the Santiago Stock Exchange and Santiago Electronic Stock Exchange.

As of March 31, 2022, Colbún is a power generation company and the Parent of the Group (hereinafter, the Company, the Entity or Colbún), which is composed of ten entities: Colbún S.A. and nine Subsidiaries.

The Company's registered address is located at Avenida Apoquindo 4775, 11th floor, Las Condes, Santiago.

The Company's line of business is the generation, transportation and distribution of energy, as explained in Note 2.

The control of the Company is performed in accordance with a control and joint venture agreement entered into by Forestal O'Higgins S.A. and other companies. It is hereby expressly established that the aforementioned joined control and operation agreement considers limitations to the free disposal of shares. The Parent is controlled by the members of the Larraín Matte, Matte Capdevila and Matte Izquierdo families, in the form and proportional interests indicated below.

- Patricia Matte Larraín, Taxpayer ID 4.333.299-6 (6.49%) and his children María Patricia Larraín Matte, Taxpayer ID 9.000.338-0 (2.56%); María Magdalena Larraín Matte, Taxpayer ID 6.376.977-0 (2.56%); Jorge Bernardo Larraín Matte, Taxpayer ID 7.025.583-9 (2.56%), and Jorge Gabriel Larraín Matte, Taxpayer ID 10.031.620-K (2.56%).
- Eliodoro Matte Larraín, Taxpayer ID 4.336.502-2 (7.22%) and his children Eliodoro Matte Capdevila, Taxpayer ID 13.921.597-4 (3.26%); Jorge Matte Capdevila, Taxpayer ID 14.169.037-K (3.26%), and María del Pilar Matte Capdevila, Taxpayer ID 15.959.356-8 (3.26%).
- Bernardo Matte Larraín, Taxpayer ID 6.598.728-7 (8.05%) and his children Bernardo Matte Izquierdo, Taxpayer ID 15.637.711-2 (3.35%); Sofía Matte Izquierdo, Taxpayer ID 16.095.796-4 (3.35%), and Francisco Matte Izquierdo, Taxpayer ID 16.612.252-K (3.35%).

Natural persons indicated above are part of the same corporate group due to family relationship.

As of March 31, 2022, in accordance with Title XV of Law No. 18,045, shareholders representing 49.96% of the voting right shares are detailed as follows:

Controlling Group	No of shares	Ownership %
Minera Valparaíso S.A.	6,166,879,733	35.17
Forestal Cominco S.A.	2,454,688,263	14.00
Forestal Bureo S.A.	49,078,961	0.28
Forestal Constructora y Comercial del Pacífico Sur S.A.	34,126,083	0.19
Forestal Cañada S.A.	22,308,320	0.13
Inversiones Orinoco S.A.	17,846,000	0.10
Inversiones Coillanca Ltda.	16,473,762	0.09
Inmobiliaria Bureo S.A.	38,224	0.00
<b>Total ownership interest</b>	<b>8,761,439,346</b>	<b>49.96</b>

## 2. Business description

### Corporate purpose of the Company

The Company's line of business is the production, transportation, distribution, and supply of energy and capacity, for which it may acquire and exploit concessions and grants or use rights obtained. Likewise, it is empowered to transport, distribute, supply and commercialize natural gas for sale to industrial or generating processes. It can provide advisories in the field of engineering both domestically and abroad.

For the convenience of the reader, the financial statements and their accompanying notes have been translated from Spanish to English.

### Description of business in Chile

#### Main assets

The power generation matrix is composed of hydroelectric power plants (reservoir and run-of-the-river) and coal-fired, diesel and gas power plants (combined and conventional cycles), and renewable energies from variable sources, which in total provide an installed capacity of 3,237 MW to the National Power System ("SEN" for its Spanish acronym).

Hydroelectric power plants have an installed capacity of 1,627 MW distributed among 17 plants: Colbún, Machicura, San Ignacio, Chiburgo, San Clemente and La Mina, located in the Maule Region; Rucúe, Quilleco and Angostura, located in the Biobío Region; Carena, in the Metropolitan Region; Los Quilos, Blanco, Juncal, Juncalito, Chacabuquito and Hornitos, in the Valparaíso Region; and Canutillar, in Los Lagos Region. Colbún, Machicura, Canutillar and Angostura power plants have their own reservoirs, whereas the remaining hydroelectric power plants are run-of-the-river.

Thermal power plants have an installed capacity of 1,601 MW and are distributed in the Nehuenco located in the Valparaíso Region; Candelaria power plant in the O'Higgins Region; and Los Pinos and Santa María power plants, located in the Biobío Region.

Regarding our solar power plants, during 2018, the photovoltaic power plant Ovejería (9 MW) entered into commercial operation located in the district of Tiltil, Metropolitan Region.

Additionally, the photovoltaic projects Diego de Almagro Sur (230 MW), located in the district of Diego de Almagro in the Atacama Region, and Machicura Solar (9 MW), a power plant located in the district of Colbún in the Maule Region, are in the commissioning stage for a next entry into commercial operation.

## Business policy

The Company's commercial policy is to achieve a proper balance between commitments to sell power and its own efficient generation capacity with the objective of increasing and stabilizing operation margins, with acceptable levels of risk in the events of droughts.

As a result of this policy, the Company intends to maintain sales or purchases in the spot market from reaching significant volumes, since prices in this market experience significant variations depending on weather conditions (hydrology, wind, radiation, etc.), fuel prices, lack of transmission capacity, unavailability of relevant power plants, among others.

## Main customers

Customer's portfolio is composed of regulated and unregulated customers:

The regulated customers supplied during 2022 are: CGE Distribución S.A. and Enel Distribución Chile S.A.

The main unregulated customers supplied during 2021 are: Codelco for its divisions Salvador, Andina, Ventanas and El Teniente, Minera Escondida Ltda., Minera Spence S.A., Compañía Minera Zaldivar SpA, CMPC Group (CMPC Pulp S.A., Cartulinas CMPC.S.A., CMPC Maderas S.A., Forestal Mininco S.A. y Forsac S.A.), Walmart Group (Abarrotes Económicos S.A., Administradora de Supermercados Express Ltda., Administradora de Supermercados Hiper Ltda., Logística, Transporte y Servicios LTS Ltda., Sermob Ltda, Walmart Chile Alimentos y Servicios Ltda., Walmart Chile Mayorista Ltda. y Walmart Chile S.A.) Cementos Polpaico Group (Cementos Polpaico S.A., Cementos Bicentenario S.A., Áridos Aconcagua S.A., Sociedad Pétreos S.A.), Minera Meridian Ltda, Bio-Bío Cementos S.A., Inacal S.A., Cementos Bio Bio del Sur S.A., Magotteaux Andino S.A., S.C.M. Atacama Kozan, Molibdenos y Metales S.A., Comercial ECCSA S.A (Ripley Store), Sonda S.A., Concha y Toro S.A., Sociedad Contractual Minera Franke and Camanchaca Group (Camanchaca Cultivos Sur S.A., Camanchaca Pesca Sur S.A., Compañía Pesquera Camanchaca S.A. y Salmones Camanchaca S.A.).

## The Power Market

The Chilean power sector has a regulatory framework of almost four decades of operations. Such framework allowed developing a highly dynamic industry with significant private equity interest. This sector has been able to comply with the increasing power demand, which in 2021, had a growth in demand of 4.6% compared to the previous year, mainly driven by the opening and relaxation of COVID-19 measures in the country.

Chile has three interconnected systems and Colbún operates in the largest, the National Power System (SEN), which comprises Arica in the north and Isla Grande de Chiloé in the south. The consumption in this zone represents 99% of total power demand in Chile. Colbún has a market share of approximately 13% in power generation.

The pricing system identifies different mechanisms for the short and long-term. For short-term pricing, the sector is based on a marginal cost scheme, including security and efficiency criteria in distributing resources. Power marginal costs result from the actual operation of the electric system in accordance with the financial merit programming conducted by the National Electrical Coordinator (CEN, for its Spanish acronym) and relate to the variable cost of production of the most expensive unit under operation at all times. Capacity payments are calculated based on the sufficiency power of plants, i.e., the reliable level of capacity that could be provided to supply the system at the point of high demand, considering the uncertainty associated with the availability of supplies, forced and programmed unavailabilities, and unavailability of the facility which connects the unit to the Transmission and Distribution System. The Power capacity price is determined as an economic indicator, which represents the investment in most efficient units to address power demand during high demand hours.

For long-term pricing, power generation companies may have two types of customers: regulated and unregulated.

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As a result of Law No. 20,018 passed on January 1, 2010, in the market of regulated customers, composed of distribution companies, generation companies' sale power at the price resulting from competitive and public tenders.

Unregulated customers comprise those with a connection power exceeding 5,000 kW, and they freely negotiate their prices with suppliers.

Note that the regulation allows users with connection power between 500 kW and 5,000 kW to select between systems of regulated or unregulated prices, with a minimum of four years in each system.

Spot market is where power generation companies trade at marginal cost energy and capacity (on an hourly basis) surplus or deficit resulting from their commercial position, net of production capacity, since dispatch orders relate to financial merit and are exogenous to each power generation company.

To inject energy into the system and supply energy and capacity to its customers, Colbun uses transmission facilities as per the rights granted by the power legislation.

In this context, on July 20, 2016, a law was published in the Official Journal that establishes a new Power Transmission System and also creates a coordinating agency independent to the National Power System. The principal amendments included in this law indicate that the transmission remuneration will be charged fully in connection with power demand. Additionally, a new Coordinator with its own legal personality is established to operate the National Electric System, which began to exercise its functions as of January 1, 2017.

## **Description of business in Peru**

### **Main assets**

Combined cycle gas-fired thermoelectric power plant of 573 MW located in Las Salinas, Chilca district, 64 kilometers south of Lima, owned by the subsidiary Fenix Power Peru. Its location is considered strategic, since it is near the Camisea gas pipeline and Chilca power substation, allowing power generation at an efficient cost.

This power plant begun its commercial operation in December 2014 and is composed of two General Electric dual (gas or diesel) turbines generating 60% of its power, and a General Electric steam turbine generating the remaining 40%. This plant is considered a strategic asset in the Peruvian power market since it is one of the most efficient in the country and the third largest at domestic level.

Fenix has capacity of 573 MW, which results in a market share of approximately 6% in the SEIN in energy production.

### **Main customers**

Regulated customers with long-term contracts: Grupo Distriluz, formed by Electro Norte S.A., Electro Noreste S.A. and Electrocentro S.A. e Hidrandina, COELVISAC, Enel Distribución S.A.A., Electricidad del Oriente S.A., Electro Dunas S.A.A. and Luz del Sur S.A.A.

Customers with short-term contracts: Celepsa S.A., Enel Distribución S.A.A, SEAL Distribución S.A, Grupo Distriluz S.A.A., COELVISAC and Adinelsa.

Unregulated customers: Pamolsa, Minera Luren, B Braun, Garment, Del Ande, Patio Group, UTP, Chavimochic, Fabricaciones Rema, Logística AQP, Laboratorio Portugal, Modipsa, Idat, Fibraforte, Océano Seafood, Cetus y Pesquera Altair, Induamerica Chiclayo, Cerámicos Lambayeque, Tejidos San Jacinto, Koplast, Minera Huinac, Procesadora Comercializadora Montenegro, Patio Oficinas Group, Medic Ser, Onconcenter Perú, Promotora Asistencial Clínicas Auna, and Empresa Metal Mecánica, Agro Industrial Paramonga and Unión de Negocios Corporativos.

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## The Power Market

Peru restructured the power market in 1992 (The Electricity Act No. 25,844: Energy Concessions Act), and during the last 4 years significant reforms have been made to the sector's regulatory framework.

As of March 31, 2022, the Peruvian power market has an installed capacity, at a domestic level, of approximately 15.6 GW, of which 13.5 GW corresponds to the capacity installed in the National Interconnected Power System (SEIN); out of this amount, nearly 56% relates to thermal power, 39% to hydro power, and the remaining 5% to renewable energies. Accordingly, natural gas is critical at the domestic thermal power generation level, because of its significant reserves and exploration wells, being Camisea the main deposit with approximately 10.1 trillion cubic feet.

The pricing system identifies two types of customers: regulated users that consume less than 200 kW and unregulated customers (large private users that consume more than 2,500 kW). Customers with a demand between 200 kW and 2,500 kW have the option to be considered as regulated or unregulated.

The National Interconnected Power System (SEIN for its Spanish acronym) is managed by a System Economic Operation Committee (COES for its Spanish acronym), incorporated as a nonprofit private entity and as a legal personality under public law. The COES is composed of other SEIN agents (Power Generation Companies, Transmitters, Distribution Companies and Unregulated Customers) and their decisions are mandatory for all agents. Its objective is to coordinate SEIN's short, medium, and long-term operations, ensuring system security, use of power resources, as well as planning the development of SEIN transmission and managing the Short-Term Market, the latter based on marginal costs.

In terms of energy consumption, the annual energy demand until the first quarter of 2022 was approximately 14 TWh, concentrated in the mining and residential sectors. In 2021, the system's demand was 54.0 TWh.

### 3. Significant Accounting policies

#### 3.1 Accounting policies

These Interim Consolidated Financial Statements of Colbún S.A. and subsidiaries as of March 31, 2022, have been prepared in accordance with International Financial Standards (IFRS) as issued by International Accounting Standards Board (IASB).

These Interim Consolidated Financial Statements have been prepared assuming that the company will continue as a going concern and were approved by the Board of Directors for issue at their Meeting held on April 26, 2022.

The accounting policies set out below have been used in the preparation of these Consolidated Financial Statements.

**a. Basis of preparation and period** - These Interim Consolidated Financial Statements of Colbún S.A. and subsidiaries comprise the following:

- Statements of Financial Position as of March 31, 2022 and December 31, 2021.
- Statement of Comprehensive Income for three-month periods ended March 31, 2022 and 2021.
- Statement of Cash Flows for three-month periods ended March 31, 2022 and 2021.
- Statements of Changes in Equity for three-month periods ended March 31, 2022 and 2021.
- Notes to the Financial Statements.

The information contained in these Interim Consolidated Financial Statements is the responsibility of the Company.

These Interim Consolidated Financial Statements have been prepared under the historical cost basis, except for those assets and liabilities recognized at fair value (note 3 h. and 3 i).

**a.1 Functional currency** - The Company's functional currency is the United States dollar, which is the currency that mainly impacts sale prices of goods and services in the markets in which the Company operates. All financial information in these Interim Consolidated Financial Statements has been rounded in Thousands of United States dollar (ThUS\$) to the nearest number, except otherwise indicated.

**b. Consolidation basis** - The Interim Consolidated Financial Statements include the financial statements of the Parent and controlled companies.

Control is established as the base for determining which entities are consolidated in the Consolidated Financial Statements.

Subsidiaries are those in which Colbún S.A. is exposed to, or has rights to, variable returns from its interests in those entities and has the ability to affect those returns through its power over the entities. In general, the Company's power over its subsidiary arises from holding the majority of the voting rights provided by the subsidiary's equity instruments.

The detail of subsidiaries is as follows:

Consolidated company	Country	Funcional currency	Tax ID No.	Ownership % as of				
				03.31.2022			03.31.2021	12.31.2021
				Direct	Indirect	Total	Total	Total
Colbún Transmisión S.A. <sup>(1)</sup>	Chile	US\$	76.218.856-2	-	-	-	100	-
Colbún Desarrollo SpA	Chile	US\$	76.442.095-0	100	-	100	100	100
Santa Sofía SpA	Chile	US\$	76.487.616-4	100	-	100	100	100
Colbún Perú S.A.	Perú	US\$	0-E	100	-	100	100	100
Inversiones de Las Canteras S.A.	Perú	US\$	0-E	-	51	51	51	51
Fenix Power Perú S.A.	Perú	US\$	0-E	-	51	51	51	51
Desaladora del Sur S.A.	Perú	PEN	0-E	-	51	51	51	51
Efizity Ingeniería SpA.	Chile	Ch\$	76.362.527-3	100	-	100	100	100
Efizity SpA	Chile	Ch\$	76.236.821-8	-	100	100	100	100
Efizity S.A.C.	Perú	PEN	0-E	-	100	100	100	100

### Variations in the consolidation perimeter

During the 2022 period, no changes in the consolidation perimeter has been made.

During the 2021 period, we can see the following variations in the consolidation perimeter:

<sup>(1)</sup> On September 30, 2021, the sale of all Colbún Transmisión S.A. shares to Alfa Desarrollo SpA was completed, with which a purchase agreement was signed on March 30, 2021 and the Chilean National Economic Office granted the approval through resolution to carry out the sale on August 3, 2021.

All intercompany transactions and balances have been eliminated in consolidation, as well as non-controlling interest have been recognized which relates to the ownership interest percentage of third parties in subsidiaries, which is included separately in Colbún's consolidated equity.

**b.1 Business combinations and goodwill** - Business combinations are recognized using the acquisition method. The acquisition cost is the sum of the consideration transferred, measured at fair value at the acquisition date, and the amount of the acquire non-controlling interest, if any. For each business combination, the Company determines whether the non-controlling interest of the acquire is measured at fair value or proportional to the net identifiable assets of the acquire. Related acquisition costs are accounted for as incurred in other expenses.

When the Company acquires a business, it assesses the financial assets and financial liabilities acquired for their appropriate classification based on contractual terms, economic conditions and other related conditions at the acquisition date. This includes separating the embedded derivatives of the acquired business' main contracts.

If the business combination is conducted by stages, ownership interests previously maintained in the acquired equity are measured at fair value at the acquisition date, and gains or losses are recognized in the income statement.

Any contingent consideration transferable by the acquired is recognized at fair value at the acquisition date. Contingent considerations which are classified as financial assets or financial liabilities in accordance with IFRS 9 Financial Instruments are measured at fair value, accounting for changes in fair value as gain or loss or through comprehensive income. In the events contingent considerations are not within the scope of IFRS 9, these are measured in accordance with the related IFRS. If the contingent consideration classified as equity, this is not revalued, and any subsequent settlement is recorded in net equity.

Goodwill is the excess of the sum of the consideration transferred recognized on the net value of assets acquired and liabilities assumed. If the fair value of net assets acquired exceeds the amount of the transferred consideration, the Company conducts a new assessment to ensure that all assets acquired and liabilities assumed have been appropriately identified, and reviews all procedures applied to conduct the measurement of the amount recognized at the acquisition date. If the new assessment results in an excess of fair value of net assets acquired on the aggregate amount of the consideration transferred, the difference is recognized as profit in the income statement.

Subsequent to initial recognition, goodwill is recognized at cost less any accumulated impairment losses. For impairment testing, goodwill acquired in a business combination is allocated, at the acquisition date, to each Company's cash-generating unit which is expected to receive benefits, regardless if there are other assets or liabilities of the acquire allocated to those units. Once the business combination is completed (concludes the measurement process) goodwill is not amortized and the Company reviews on a regular basis it's carrying amounts to recognize any impairment losses.

When goodwill is part of the cash-generating unit and a portion of such unit is derecognized, goodwill related to such disposed operations is included in the carrying amount of the operations when determining gains or losses obtained at disposal. Goodwill derecognized is measured based on the relative value of the disposed operation and the portion of the cash-generating unit maintained.

**b.2 Non-controlling interest** - The value of non-controlling interest in subsidiaries' equity and comprehensive income is presented under captions "Total Equity: Non-controlling interest" of the interim consolidated statement of financial position and "Net profit attributable to non-controlling interests" and "Comprehensive income attributable to non-controlling interest" in the statement of comprehensive income.

**b.3 Interest in unconsolidated structured entities** - On May 17, 2010, as per the D.E. N° .3,024, the Ministry of Justice grants legal personality and approves the Colbún Foundation's bylaws (hereinafter the "Foundation"). Main objectives of the Foundation address the following:

The promotion, encouragement and support of all type of projects and activities that aim to improve living conditions in the neediest sectors.

Research, development and dissemination of culture and arts. The Foundation will be able to participate in the formation, organization, management and support of all entities, institutions, associations, groups and organizations, either public or private, which have the same goals.

The Foundation will support all entities mainly involved in the dissemination, research, encouragement and development of culture and arts.

The Foundation may finance the acquisition of real estate, equipment, furniture, laboratories, classrooms, museums and libraries, and finance the collection of infrastructures to support professional enhancement.



Additionally, the Foundation may finance research and development, prepare and implement training programs, provide training for development and finance the publishing and distribution of books, brochures and any types of publications.

This legal entity is not considered in the consolidation process, as being a non-profit entity, the Company expects no economic benefit from it.

**c. Equity-accounted investees** - Correspond to interests in entities where Colbún has joint control with other company or in which it exercises significant influence.

The equity method comprises recognizing initially at acquisition cost and subsequently adjusted for the changes in net assets of the acquire.

If the amount is negative the interest is zero unless there is a commitment by the Company to restore the entity's equity, which then records the related provision for risks and expenses.

Dividends received by these companies are recognized by reducing the interest value, and profit or loss obtained by these entities, which corresponds to Colbún as per its interest, are included net of tax effects in the profit or loss account "Interest in gains (losses) of associates and joint ventures accounted for using the equity method."

The detail of companies accounted for using the equity method is as follows:

Relationship	Company	Country	Funcional currency	Tax ID N°	Ownership % as of		
					03.31.2022	03.31.2021	12.31.2021
					Direct	Direct	Direct
Associate	Electrogas S.A.	Chile	US\$	96.806.130-5	42.5	42.5	42.5
Joint Venture	Transmisora Eléctrica de Quillota Ltda. <sup>(1)</sup>	Chile	Ch\$	77.017.930-0	-	50.0	-

<sup>(1)</sup> On December 30, 2021, the sale of the entire participation in the Joint Venture of Transmisora Eléctrica de Quillota Ltda. (equivalent to 50% of the social rights) was materialized, to the companies APG Energy & Infra Investments Chile Expansion SpA, and CELEO Redes Chile Expansion SpA.

**c.1 Investment in associates** - Associates are those entities in which the Company has significant influence, but not control or joint control, over their financial and operating policies. Overall, significant influence exists when the Company has between 20% and 50% of voting rights of other company.

**c.2 Investments in joint ventures** - Relate to entities in which the Company has joint control over its activities, as established by contractual terms and which requires unanimous consent to make relevant decisions by all venturers.

**d. Effect of foreign exchange rate fluctuations** - Transactions in foreign and domestic currency, other than functional currency, are translated to the functional currency using the exchange rates prevailing at the transaction dates.

Profits and losses in foreign currency that result from the settlement of these transactions and from conversion at the closing exchange rates for monetary assets and liabilities denominated in currencies other than the functional currency, are recognized in the statement of comprehensive income, unless they have to be recognized in other retained earnings, as in the case of cash flow hedges and net investment hedges. In addition, the translation of balances receivable and payable at each reporting date in currency other than functional currency of the financial statements which are part of the consolidation perimeter, is conducted at closing exchange rates. Differences in measurement are recognized as finance income and finance costs under foreign currency translation differences.

**e. Translation Basis** - Assets and liabilities denominated in Chilean pesos, Euros, Peruvian soles and inflation adjusted units have been translated into United States dollars at the exchange rates at the reporting date, as per the following:

Exchange rate	03.31.2022	03.31.2021	12.31.2021
Chilean pesos	787.98	721,82	844.69
Euros	0.9019	0,8516	0.8839
Peruvian soles	3.7010	3.7580	3.9980
Inflation adjusted units	0.0248	0,0246	0.0273

**f. Property, plant and equipment** - Property, plant and equipment held for the generation of power services or administrative purposes, are presented at cost less subsequent depreciation and impairment losses, if applicable. This cost value includes, separate from the acquisition price of assets, the following concepts as permitted by IFRS:

- Finance cost of loans intended to finance assets under construction is capitalized during the construction period.
- Personnel expenses directly related to assets under construction.
- Costs of extensions, modernization or improvements representing an increase in the productivity, capacity or efficiency or lengthening of the useful lives of assets, are capitalized as higher cost of the related assets.
- Substitutions or renovations of assets that increase their useful lives, or their economic capacity, are recorded as the higher value of the respective assets, with the consequent accounting derecognition of the substituted or renovated assets.
- Dismantling, removal and restoration costs of property, plant and equipment are recognized based on the legal obligation of each project (note 3.n.2).

Assets under construction will be transferred to property, plant and equipment in operation after the end of the test period, from which date their depreciation commences.

Periodic maintenance, conservation and repair expenses are recorded directly in profit or loss as costs for the period in which they are incurred.

Items of property, plant and equipment, net of their residual value is depreciated by allocating, on a straight-line basis, the cost of different items comprising over their estimated useful life (note 5 a. (i)).

The residual values and useful lives of items of property, plant and equipment are reviewed at each reporting date and adjusted if required.

**g. Intangible assets other than goodwill** - Intangible assets acquired individually are measured initially at cost. The cost of intangible assets acquired in business combinations is their fair value at the date of acquisition. Subsequent to initial recognition, are measured at cost less accumulated amortization and impairment losses.

The Company assesses at initial recognition if the useful life of intangible assets is definite or indefinite.

Assets with finite useful life are amortized throughout their remaining economic useful life and assessed for impairment when such indicators exist. The amortization period and amortization of intangible assets with definite useful life are reviewed at least at each reporting date. The criteria used for the recognition of impairment losses of these assets and their recoveries are recorded in note 5 b.

Changes in expected useful life or consumption pattern of future economic benefits materialized in the asset are considered to change the period or amortization method, if applicable, and treated as a change in the accounting estimate. Amortization expenses of intangible assets with definite useful life are recognized in the statement of comprehensive income.

## **h. Financial instruments**

**h.1 Financial assets** - Financial assets are classified at initial recognition in three measurement categories:

- a) At amortized cost
- b) Fair value through other comprehensive income (equity)
- c) Fair value through profit or loss

**h.1.1 Amortized cost** - It is intended to maintain a financial asset until obtaining contractual cash flows on an established date. Expected cash flows relate mainly to payments of principal and interest on the principal amount outstanding.

**h.1.2 Fair value through other comprehensive income (equity)** - To classify an asset at fair value through other comprehensive income as principle it has to comply with the requirement of the sale of financial assets for which the principal owed amount is expected to be recovered in a given term in addition to interests, if applicable.

**h.1.3 Fair value through profit or loss** - The last classification provided as an option by IFRS 9 is financial assets at fair value through profit or loss for the year.

Based on its business model, the Company holds financial assets at amortized costs as the main financial asset as it aims to recover its future cash flows on a given date seeking the collection of principals owed plus interests on the principal, if applicable. Loans and receivables are the main financial assets non-derivative from the Group, with fixed or determinable payments that are not quoted in an active market. Loans and receivables are included in the caption Trade and other receivables in the Statement of Financial Position. They must initially be recognized at fair value and subsequently at amortized cost in accordance with the effective interest method less the allowance account for impairment losses.

**h.1.4 Derecognition of financial assets** - The Company derecognizes financial assets only when the rights to receive the cash flows have been canceled, voided, expired or have been transferred.

**h.1.5 Impairment of non-derivative financial assets** - The Company applies a simplified approach and records expected credit losses in all its debt securities, loans and trade receivables, whether for a 12-month period or for lifetime, as established by IFRS 9.

Objective evidence of impairment includes significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or arrears in the payment, are considered indicators that the trade receivable is impaired. Impairment is the difference between the carrying amount of the asset and the real value of estimated future cash flows discounted at the effective interest rate. Losses are recognized in the statement of comprehensive income and reflected in a provision account.

When a receivable is classified as a doubtful account, after all reasonable mechanisms of collection, either judicial or pre-judicial, have been exhausted as per the related legal report; and its related write-off applies, this is recorded against the impaired trade receivables account.

When the fair value of an asset is lower than the acquisition cost, if objective evidence exists that the asset is impaired and such impairment is not temporal, the difference is recorded directly in losses for the year.

Financial assets at fair value through profit or loss are not subject to impairment tests.

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## **h.2. Financial liabilities**

**h.2.1 Classification as debt or equity** - Debt instruments and equity instruments are classified as either financial liabilities or equity, as per their contractual terms.

**h.2.2 Equity instruments** - Correspond to any agreement representing a residual interest in the net assets of an entity after all its liabilities are deducted. Equity instruments issued by Colbún S.A. are recognized at the amount of the consideration received, net of direct costs of issuance. Currently, the Company only issues single series shares.

**h.2.3 Financial liabilities** - Financial liabilities are classified as financial liability at "fair value through profit or loss" or "other financial liabilities".

**h.2.4 Financial liabilities at fair value through profit or loss** - Financial liabilities are classified at fair value through profit or loss when the financial liability is either held for trading or it is designated at fair value through profit or loss. These are measured at fair value and changes therein, including any interest expenses, are recognized in profit or loss.

**h.2.5 Other financial liabilities** - Other financial liabilities, including bank borrowings and bonds payable and promissory notes, are measured initially at the amount of cash received, net of transaction costs. Other financial liabilities are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method for calculating the amortized cost of a financial liability and allocating interest expense throughout the relevant period. The effective interest rate corresponds to the rate that discounts estimated future cash flows payable throughout the expected life of the financial liability or, if appropriate, a shorter period when the associated liability has a prepayment option to be applied.

**h.2.6 Derecognition of financial liabilities** - The Company derecognizes financial liabilities only when obligations are canceled, voided or expired.

**i. Derivatives** - The Company entered into derivative instruments to mitigate its exposure to interest rate fluctuation related to exchange rates and fuel prices.

Changes in fair value of these instruments at the reporting date are recognized in the consolidated statement of comprehensive income unless these are designated as hedge accounting and meet the conditions established in IAS 39 to apply such criterion. For hedge accounting purposes, the Company continues to apply the criteria established in IAS 39.

Hedges are classified as follows:

- **Fair value hedges:** correspond to a hedge of the exposure to changes in fair value of a recognized asset or liability or an unrecognized firm commitment attributable to a particular risk. For this hedge, both the hedge instrument value and the hedged item are recognized in the statement of comprehensive income, offsetting both effects in the same caption.
- **Cash flow hedges:** correspond to a hedge of the exposure to the fluctuation in cash flows attributable to a particular risk associated with a recognized asset or liability, or a highly probable forecasted transaction. Changes in the fair value of derivatives are recognized, with respect to the effective portion of the hedges, in equity reserve under "Cash flow hedges." Retained earnings or an accumulated deficit in such caption are transferred to the statement of comprehensive income to the extent that the underlying portion has an impact on the statement of comprehensive income for the hedged risk, netting such effect in the same heading in the statement of comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the statement of comprehensive income.

A hedge is considered to be highly effective when changes in fair value or in cash flows of the underlying asset directly attributable to the hedged risk are offset by the changes in the fair value or cash flows of the hedged instrument with an effectiveness within a range between 80% and 125%. For the period covered by these Consolidated Financial Statements, the Company designated certain derivatives as hedging instruments of highly probable forecasted transactions or hedging instruments related to foreign currency risks of a firm commitment (cash flow hedging instruments).

The Company has designated all its derivatives as hedge accounting instruments.

**j. Inventory** - This caption includes gas, oil and coal stock, and warehouse inventory (spare parts and materials), which are valued at cost, net of possible obsolescence determined in each period. Cost is determined using their weighted average purchase price.

**j.1 Impairment of spare parts (obsolescence) basis** - The impairment of spare parts estimate (obsolescence) is established based on an individual and general assessment performed by specialists of the Company, who assess turnover and technological obsolescence criteria on the stock held in warehouses of each Power plant.

**k. Statement of cash flows** - For the preparation of the statement of cash flows, the Company uses the following definitions:

Cash and cash equivalents comprise cash on hand, term deposits in credit institutions and other highly liquid short-term investment with original maturities up to three months and subject to an insignificant risk of changes in their valuation. Bank overdrafts are classified as current liabilities in the statement of financial position.

Operating activities: are the principal revenue-producing activities usually conducted by the Company and other activities that are not investing or financing activities.

Investing activities: Correspond to acquisition, disposal or sale activities by other means of long-term assets and other investments not included in cash and cash equivalents.

Financing activities: Activities that generate changes in the size and composition of net equity and financial liabilities.

**l. Income tax** - The Company determines the taxable basis and calculates income tax in accordance with current tax legislation in each period.

Deferred taxes arising from temporary differences and other events generating differences between the accounting and tax basis of assets and liabilities are recorded in accordance with IAS 12 "Income Taxes."

Current income tax is recognized in the statement of income or in the statement of other comprehensive income based on where the profit or loss from which they arose are recorded. Differences between the carrying amount of the assets and liabilities and their tax base generate the basis on which deferred taxes are calculated using the tax rates that are expected to be in force when the assets are realized, and liabilities are settled.

Changes in deferred tax assets or liabilities generated are recorded in profit or loss in the consolidated statement of comprehensive income or in total equity captions under the statement of financial position, based on where the profit or loss from which they arose are recorded.

A deferred tax asset is recognized only to the extent that is probable that future taxable profits will be available against which the temporary difference can be utilized to recover temporary difference deductions and use the tax losses.

At each reporting date, the Company reviews the deferred tax assets and liabilities recorded to verify that they remain effective and adjusted on a timely basis based on the results of such analysis.

For the interim consolidated financial statement balances, the Company and its subsidiaries offset deferred tax assets and liabilities if, and only if, they relate to the income tax, which corresponds to that same tax administration, only to the extent that the Company is legally entitled to offset current tax assets with current tax liabilities.

**m. Severance indemnity payments** - Obligations recognized as severance indemnity payments arise as a result of collective and individual agreements subscribed by employees of the Company, in which the Company's commitment is established, and are classified as "Defined post-employment benefits." The Company recognizes employee benefit costs based on an actuarial calculation in accordance with IAS 19 "Employee benefits", which includes variables such as life expectancy, salary increases and turnover, among others.

At the reporting date, the amount of net actuarial liabilities accrued is presented in the item Provisions for employee benefits, current and Provisions for employee benefits, non-current in the consolidated statement of financial position.

The Company recognizes all actuarial gains and losses arising from the valuation of defined benefit plans in other comprehensive income. Accordingly, all costs related to benefit plans are recorded as personnel expenses in the statement of comprehensive income.

**n. Provisions** - Obligations maintained at the reporting date in the statement of financial position, arising as a result of past events which may generate highly-probable equity losses to the Company, which amount and timing can be reliably estimated, are recorded as provisions at the amount which it is estimated that the Company would have to disburse to settle the obligation.

Provisions are reviewed on a regular basis and are quantified considering the best information available at the reporting date of these consolidated financial statements.

**n.1 Restructuring** - A provision for restructuring expenses is recognized when the Company approves a detailed and formal restructuring plan, and such restructuring has commenced or is publicly announced. The Company accrues no future operating costs.

**n.2 Dismantling** - Future disbursements by the Company related to the closure of its facilities are included at the asset amount at fair value, recognizing the related provision for dismantling or remediation at the commencement of the plant's operations. The Company assesses on an annual basis its estimate on future disbursements indicated above, increasing or decreasing the asset value based on the results of such estimate (see Note 26 c).

**o. Accrued vacations** - Vacation expenses are recorded in the year the right is accrued, in conformity with IAS 19.

**p. Revenue from contracts with customers** - Revenue from the sale of power in Chile and Peru is recognized at the fair value of the amount received or receivable and represents the amount for services rendered during the normal course of business, less any related discount or tax, in accordance with IFRS 15.

Revenue is classified in the following categories:

**Sale of goods** - For contracts with customers in which the sale of equipment is the unique obligation, the adoption of IFRS 15 has no impact on the Company's revenue or profit or loss because revenue is recognized at a point in time when the control of the asset is transferred to the customer upon delivering the goods. The Company has impact associated with the individual sale of goods, because it is not currently engaged in the sale of goods as a single contract for the sale of goods.

**Rendering of services** - Colbún provides power supply and capacity to both unregulated and regulated customers. The Company recognizes revenue for services based on the physical delivery of energy and capacity. Services are satisfied over time because the customer simultaneously receives and consumes the benefits provided by the Company. Consequently, the Company recognizes revenue from such service contracts over time instead of at a point in time.

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A description of the Company's main revenue recognition policies for each type of customer is presented below.

- Regulated customers - distribution companies: Revenue from the sale of power is recorded based on physical delivery of energy and capacity in conformity with long-term agreements at a bid price.
- Unregulated customers - Connection capacity exceeding 5,000 KW in Chile and between 200 KW and 2,500 KW in Peru: Revenue from the sale of power for these customers is recorded based on the physical delivery of energy and capacity, at fees established in the related contracts.
- Spot market customers: Revenue from the sale of power is recorded based on the physical delivery of energy and capacity to other power-generation companies at the marginal cost of energy and capacity. The spot market is legally organized through Delivery Centers (CEN in Chile and COES in Peru) where energy and capacity surplus and deficit is traded. Energy and capacity surpluses are recognized as revenue, and deficits are recorded as costs in the consolidated statement of comprehensive income.

The Company only receives short-term prepayments from its customers related to operations and maintenance services. These are recognized as other financial liabilities. However, the Company may receive long-term prepayments from customers from time to time. In accordance with the current accounting policies, the Company recognizes such prepayments as deferred revenue by virtue of non-current liabilities classified in the statement of financial position. No interests were accrued on long-term prepayments received by virtue of the accounting policy currently in force.

The Company should determine whether a significant finance component exists in its contracts. However, the Company decided to use the practical expedient provided by IFRS 15, and will not adjust the amount committed in the consideration for the effects of a significant financing component in the contracts, when the Company expects, at the onset of the contract, that the period between the time in which the entity transfers an asset or service committed with the customer and the time in which the customer pays for such good or service is one year or less. Consequently, at short-term the Company shall not account for a financing component, even if this is a significant component.

Based on the nature of the services offered and the objective of the payment terms, the Company has concluded that there is no significant financing component in these contracts.

The Company does not record under revenue the gross income from economic benefits received when it acts as agent or commission agent on behalf of third parties, and it only records the payment or commission it expects to receive.

Any tax received by customers and forwarded to government authorities (e.g. VAT, taxes on sales and tributes, etc.) is recorded on a net basis, and therefore excluded from revenue in the consolidated statement of comprehensive income.

Finance income is composed of interest income in funds invested, gains from the sale of available-for-sale financial assets, changes in the fair value of financial assets at fair value through profit or loss and gains from hedge instruments that are recognized in comprehensive income. Interest income is recognized as it accrues in profit or loss at the amortized cost using the effective interest method.

**q. Dividends** - Article No. 79 of the Chilean Public Company Act establishes that, except otherwise unanimously agreed in at the Annual Shareholder's Meeting, by unanimity of the issued shares, publicly traded companies must annually distribute as cash dividend to their shareholders, at pro rata of their interests or in the proportional amount established by the Company's by-laws, in the event preference shares exist, at least 30% of net profit for each year, except if the Company has to absorb accumulated losses from prior years.

At each reporting date, the Company estimates the amount of the obligation with its shareholders, net of provisional dividends that have been approved during the year, and recognizes them as "Trade and other payables, current" and as "Trade payables due to related parties", as appropriate, with a charge to equity.

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Provisional and definitive dividends are recorded as decreases in equity at their approval by the relevant individuals which, in the first case, generally corresponds to the Company's Board of Directors, and in the second case the responsibility relates to the Shareholders' Ordinary Meeting.

**r. Environment** - In the event of environmental liabilities, these are recognized on based on the current interpretation of environmental laws and regulations, when is probable that a current obligation will be produced and the amount of such liability can be estimated reliably.

Investments in infrastructure projects intended to comply with environmental requirements are performed in conformity with the general accounting criteria related to property, plant and equipment.

**s. Classification of balances as current or non-current** - Balances in the accompanying consolidated statement of financial position are classified on the basis of their maturities - i.e., balances maturing within twelve months or less are classified as current; whereas balances maturing in periods exceeding twelve months are classified as non-current.

**t. Leases** - The implementation of IFRS 16 implies that, for lessees, most of the leases are recognized in the balance sheet, which significantly changes the companies' financial statements and related ratios. Colbun maintains lease agreements for its offices, parking lots, warehouses, pickup trucks and printers.

**t.1 Lessee** - From the lessee's standpoint, in the commencement date of a lease, the Company recognizes an asset representing the right to use the underlying asset during the lease term (right-of-use asset) and a liability representing its obligation to make lease payments (lease liability), except leases which term is less than 12 months (with no renewal), and leases where the underlying asset amounts to less than US\$5,000. The lessee shall recognize interest expense on the lease liability separately from the amortization expense for the right-of-use asset.

**t.1.1 Initial recognition** - At the commencement date, a lessee shall measure the right-of-use asset at cost; whereas a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

**t.1.2 Classification** - All leases are classified as finance lease, as the lessee records a right-of-use asset and a lease liability at the commencement date.

**t.1.3 Remeasurement** - In addition, lessees will be required to remeasure the lease liability if certain events occur (e.g. a change in the lease term, a change in future lease payments resulting from a change in an index or a rate used to determine those payments). A lessee shall recognize the amount of the lease liability as an adjustment to the right-of-use asset.

**t.1.4 Depreciation charge** - A lessee shall apply the depreciation requirements in IAS 16 Property, Plant and Equipment in depreciating the right-of-use asset.

**t.1.5 Impairment** - A lessee shall apply IAS 36 Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

**t.2 Lessor** - Lessor accounting in accordance with IFRS 16 is substantially similar to the accounting under IAS 17. Lessors will continue to classify leases as finance or operating leases at the commencement date, based on the substance of the transaction. Leases in which substantially all the risks and rewards inherent to the ownership of the underlying asset are transferred are classified as finance leases. The remaining leases are classified as operating leases.

Operating lease payments are expended on a straight-line basis over the term of the lease, unless another systematic basis of distribution is more representative.



**u. Transactions with related parties** - The transactions between the Company and its dependent subsidiaries, which are related parties, are part of the Company's usual transactions with respect to its objective and conditions, and these are eliminated in the consolidation process. The identification of the relationship between the Parent, Subsidiaries, Joint Ventures and Related Parties are detailed in Note 3.1 and section b and c. All transactions are performed under the market terms and conditions.

**v. Government grants** - Government grants are measured at the fair value of the asset received or receivable. A grant with no specific future performance conditions is recognized in income when the amount obtained for the grant is received. A grant establishing specific future performance conditions is recognized in income when such conditions are met.

Government grants are presented separated from the asset to which they relate. Government grants recognized in income are presented separately in the notes. Government grants received before the compliance with the revenue recognition criteria are presented as a separate liability in the statement of financial position.

The Company recognizes no amount for types of government aid to which no fair value can be allocated. However, if these exist, the Company discloses the information of such aid.

**w. Interest costs** - Interest costs directly attributable to the acquisition, construction or development of an asset which implementation or sale requires an extended period, are capitalized as part of the cost of such asset. The Company has established as a policy the capitalization of interests based on the construction phase. The remaining interest costs are recognized as expenses in the period they are incurred. Financial expenses include interests and other costs incurred by the Company with respect to the financing obtained.

**x. Contingent assets and liabilities** - A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly under the Company's control, or a present obligation arising from past events which has not been recognized because:

- It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. These will not be recognized in the financial statements but will have to be disclosed in the notes to the consolidated financial statements.

**y. Non-current assets held for sale** - Non-current assets or groups of assets for their disposal are classified as available for sale when their book value will be recovered mainly through a sale transaction and the sale is considered highly probable within the next 12 months. These assets are recorded at book value or at fair value less the costs necessary to carry out their sale, whichever is lower, in accordance with IFRS 5.

### 3.2 New accounting pronouncements

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after January 1, 2022. Those that may be relevant for the Group are indicated below:

#### 3.2.1. Amendments effective from January 1, 2022

Amendments		Mandatory application date
IFRS 3	Reference to the Conceptual Framework	January 1, 2022
IAS 16	Property, Plant and Equipment - Proceeds before Intended Use	January 1, 2022
IAS 37	Onerous Contracts - Costs of Fulfilling a Contract	January 1, 2022
IFRS 1, IFRS 9, IFRS 16, IAS 41	2018-2020 annual improve cycle	January 1, 2022

**Reference to the Conceptual Framework (Amendments to IFRS 3):** In May 2020, the IASB issued Amendments to *IFRS 3 Business Combinations - Reference to the Conceptual Framework*. The amendments are intended to replace the reference to a previous version of the IASB's *Conceptual Framework* (the 1989 Framework) with a reference to the current version issued in March 2018 without significantly changing its requirements.

The amendments will be effective for annual periods beginning on or after 1 January 2022 and must be applied retrospectively. Earlier application is permitted if, at the same time or earlier, an entity also applies all the amendments contained the *Amendments to Reference to the Conceptual Framework in IFRS Standards* issued in March 2018.

The amendments will promote consistency in financial reporting and avoid potential confusion from having more than one version of the *Conceptual Framework* in use.

**Property, Plant and Equipment: Proceeds before Intended Use (Amendment to IAS 16):** The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment (PP&E), any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss in accordance with the applicable standards.

The amendment will be effective for annual periods beginning on or after 1 January 2022. The amendment must be applied retrospectively only to items of PP&E made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

**Onerous Contracts - costs of fulfilling a contract (Amendment to IAS 37):** In May 2020, the IASB issued amendments to *IAS 37 Provisions, Contingent Liabilities and Contingent Assets* to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments will be effective for annual periods beginning on or after 1 January 2022. The amendments must be applied retrospectively to contracts for which and entity has not yet fulfilled all of its obligation at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Earlier application is permitted and must be disclosed.

The amendments are intended to provide clarity and help ensure consistent application of the standard. Entities that previously applied the incremental cost approach will see provisions increase to reflect the inclusion of costs related directly to contract activities, whilst entities that previously recognized contract loss provisions using the guidance from the former standard, IAS 11 Construction Contracts, will be required to exclude the allocation of indirect overheads from their provisions.

**Annual improvements to IFRS standards 2018-2020 (IFRS 1, IFRS 9, IFRS 16 and IAS 41):** The IASB has issued "Annual improvements to IFRS standards 2018-2020". The pronouncement contains amendments to four International Financial Reporting Standards (IFRS) as a result of the IASB's annual improvements project.

**IFRS 1: Subsidiary as a first-time adopter.** The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to IFRS.

**IFRS 9: Fees in the '10 per cent' test for derecognition of financial liabilities.** The amendment clarifies what fees an entity includes when applying the "10 percent" test in paragraph B3.3.6 of IFRS 9 when assessing whether to write off a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by the entity or the lender on behalf of the other.

**IFRS 16: Leasing incentives.** The amendment to Illustrative Example 13 accompanying IFRS 16 removes from the example the illustration of reimbursement of leasehold improvements by the lessor to resolve any potential confusion regarding the treatment of lease incentives that could arise due to how lease incentives are illustrated in that example.

**IAS 41: Taxation on fair value measurements.** The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude tax cash flows when measuring the fair value of a biological asset using a present value technique. This will ensure consistency with the requirements of IFRS 13.

The amendment is applicable for the first time in 2022, however, it does not have an impact on the entity's financial statements.

### 3.2.2. Accounting pronouncements effective starting from January 1, 2023 and thereafter:

Standards issued by the IASB yet to be adopted		Mandatory application date
IFRS 17	Insurance Contracts	January 1, 2023

**IFRS 17 Insurance Contracts:** Issued in May 2017, this Standard requires that insurance liabilities be measured at a current compliance value and provides a more consistent approach for presenting and measuring all insurance contracts. Such requirements are designed to provide a consistent principle-based accounting treatment.

This standard is effective for annual periods beginning on or after January 1, 2023. Early adoption is permitted if IFRS 9 and IFRS 15 have been adopted.

Amendments issued by the IASB yet to be adopted		Mandatory application date
IAS 1	Classification of Liabilities as Current or Non-Current	January 1, 2023
IAS 1	Material accounting policies	January 1, 2023
IAS 8	Definition of an accounting estimate	January 1, 2023
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	January 1, 2023
IFRS 10 - IAS 8	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Mandatory date deferred indefinitely

**Classification of Liabilities as Current or Non-Current (Amendments to IAS 1 Presentation of Financial Statements):** In January 2020, the Board issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current.

The amendments will be effective for annual periods beginning on or after 1 January 2023. The entities need to carefully consider whether there are any aspects of the amendments that suggest that terms of their existing loan agreements should be renegotiated. In this context, it is important to highlight that the amendments must be applied retrospectively.

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**Disclosure of Accounting Policies (Amendment IAS 1 Presentation of Financial Statements):** In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement No. 2 Make materiality judgments, in which it provides guidance and examples to help entities apply material judgments to accounting policy disclosures.

The amendments are intended to help entities provide accounting policy disclosures that are most useful by:

- Replace the requirement that entities disclose their "significant" accounting policies with the requirement to disclose their "material" accounting policies.
- Include guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

When evaluating the relative importance of information on accounting policies, entities should consider both the size of the transactions and other events or conditions and the nature of these.

The amendment will be effective for annual periods beginning on or after January 1, 2023.

**Changes in Accounting Estimates and Errors - Definition of Accounting Estimates (Amendment to IAS 8 Accounting Policies):** In February 2021, the IASB issued amendments to IAS 8, introducing a new definition of "accounting estimates". The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and correction of errors. In addition, they clarify how entities use measurement techniques and inputs to develop the accounting of estimates.

The amended standard clarifies that the effects on an accounting estimate resulting from a change in an input or a change in a measurement technique are changes in accounting estimates, provided that these are not the result of correcting errors from previous periods. This definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not bug fixes.

The amendment will be effective for annual periods beginning on or after January 1, 2023.

**Deferred tax related to assets and liabilities arising from a single transaction (Amendment to IAS 12 Income Taxes):** The amendment establishes that the main change in deferred tax related to assets and liabilities arising from a single transaction (amendments to the IAS 12) is an exemption from initial recognition of the exemption provided for in IAS 12.15 (b) and IAS 12.24. Consequently, the initial recognition of the exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition. This is also explained in the newly inserted paragraph IAS 12.22A.

The amendment will be effective for annual periods beginning on or after January 1, 2023.

**Sale or Contributions of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28):** The amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) address a recognized inconsistency between the requirements of IFRS 10 and those of IAS 28 (2011) in the treatment of the sale or contribution of assets between an investor and its associate or joint venture. The amendments, issued in September 2014, establish that when the transaction involves a business (whether it is in a subsidiary or not), all the profit or loss generated is recognized. A partial gain or loss is recognized when the transaction involves assets that do not constitute a business, even when the assets are in a subsidiary. The mandatory application date of these amendments is yet to be determined as the IASB is awaiting the results of its research project on accounting under the equity method. These amendments must be applied retrospectively, and early adoption is allowed, which must be disclosed.

This modification does not have significant effects for the Company.

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### 3.3 Responsibility for the information and estimates made

The information contained in the accompanying Interim Consolidated Financial Statements is responsibility of the Company's Board of Directors which expressly indicates that it has fully implemented the principles and criteria contained in IFRS, as issued by the IASB.

The preparation of the interim consolidated financial statements requires the use of judgments, estimates and assumptions that affect assets and liabilities at the reporting date, and income and expense amounts during the reporting period. These estimates are based on the best knowledge of Management on the reported amounts, events, and actions.

In the preparation of these Interim Consolidated Financial Statements, the following estimates have been used:

- Useful lives and residual values of property, plant and equipment, and intangible assets (see Note 3.1.f and 5.a).
- Valuation of assets to determine the existence of impairment losses (see Note 5.b)
- Assumptions used to calculate the fair value of financial instruments (see Note 3.1.h)
- Assumptions used in the actuarial calculation of liabilities and employee obligations (see Note 3.1.m)
- Probability of occurrence and the amount of undetermined or contingent liabilities (see Note 3.1.n)
- The tax returns of the Company and its subsidiaries, which will be submitted to relevant tax authorities in the future and which have been used as a basis for recording different income tax-related amounts in the accompanying consolidated financial statements (see Note 3.1.l).
- Financial assumptions and estimated economic life for calculating the provision for dismantling (see note 3.n.2)
- Measurement of the allowance for expected credit losses for trade receivables and contract assets (3.h.1.5).

Although such estimates have been made considering the best information available at the reporting date, it is possible that future events require changes (increases or decreases) in such estimates for subsequent periods; this would be applied prospectively at the date in which such change is acknowledged, recognizing the effects of changes in estimates in the subsequent consolidated financial statements, in conformity with IAS 8.

## 4. Risk management

### 4.1 Risk management policy

The risk management policy is oriented to safeguard the Company's stability and sustainability principles, identifying and managing sources of uncertainty that affect or may affect the Company.

A comprehensive risk management policy involves identifying, measuring, analyzing, mitigating, and controlling different risks of the Company's different management departments, as well as estimating the impact on the Company's consolidated position, and its follow-up and control over time. This process involves both the Company's Senior Management and the areas that take such risks.

The acceptable risk limits, risk measurement metrics, and risk analysis periodicity are policies regulated by the Company's Board of Directors.

The risk management function is the CEO's responsibility as well as of each division and department of the Company and has the support of the Risk Management and the supervision, monitoring and coordination of the Risk and Sustainability Committee.

## 4.2 Risk factors

The Company's activities are exposed to different risks, which have been classified as electric business risks and financial risks.

### 4.2.1 Electric business risks

#### a. Hydrological risk

To comply with its commitments in dry hydrologic conditions, Colbún must operate its combined thermal cycle plants or by default operate its back-up thermal plants or even buy energy on the spot market. This situation could raise Colbún's costs, increasing earnings variability depending on the hydrological conditions.

The Company's exposure to hydrological risk is reasonably mitigated by a commercial policy aimed at maintaining a balance between competitive power generation (hydraulic in an average-to-dry year, or cost-efficient coal-based or natural gas-based thermal power generation, other cost-efficient renewable energy properly supported by other power generation sources given their intermittence and volatility) and commercial commitments. Under extreme conditions and continuous droughts, a possible lack of water for cooling could affect the power-generating capacity of the combined cycles. Colbún owns a Reverse Osmosis Plant in 2017, which allows reducing up to 50% the water used in the cooling process of combined cycles of the Nehuenco Complex.

In Peru, Colbún owns combined cycle power plant and has a commercial policy oriented towards committing such energy base on short and long-term contracts. Exposure to dry hydrology is limited, as it would have an impact only in case of eventual operational failures which would force the Company to resort to the spot market. In addition, the Peruvian power business has an efficient thermal power offering and availability of natural gas sufficient to cover such risk.

#### b. Fuel price risk

In Chile, in situations of low water availability in its hydraulic plants, Colbún mainly uses its thermal plants and purchases energy in the spot market at marginal cost. The aforementioned generates a risk due to possible fluctuations in the international fuel prices. Part of this risk is mitigated through contracts with sale prices indexed to fuel price fluctuations. In addition, the Company performs hedging programs with different derivative instruments, such as call and put options, among others. On the contrary, in case of water surplus, the Company may be in a selling position in the spot market, whose price would be, in part, determined by fuel prices.

In Peru, the cost of natural gas has a lower dependence to international prices, given the significant domestic natural gas production, which allows it to limit exposure to this risk. As in Chile, the remaining portion exposed to international price fluctuations is mitigated through indexation formulas in its energy sales contracts.

Accordingly, exposure to risk related to fuel prices fluctuations is partly mitigated.

#### c. Fuel supply risk

The Company entered into a contract with Enap Refinerías S.A. ("ERSA"), which includes a reserved regassification capacity and supply for 13 years which became effective on January 1, 2018. This agreement allows the Company to have natural gas to operate two combined cycle units during a large part of the first semester which is the period of the year in which the availability of water resources is lower. Colbún has also the possibility to access to additional natural gas through spot purchases allowing to have an efficient support under adverse hydrological conditions during the second half of the year. In addition, gas supply contracts have been entered with Argentine producers (Pampa Energía, Pan América Energy and Total Austral), to complement the gas supply of LNG.

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Considering these new contracts, Colbún has agreements to import from Argentina totaling 2,500,000 m<sup>3</sup> of gas per day, for the following months (January - April 2022).

On its part, in Peru, Fenix has long-term contracts with the ECL88 Consortium (Pluspetrol, Pluspetrol Camisea, Hunt, SK, Sonatrach, Tecpetrol and Repsol) and gas transportation agreements with TGP.

With respect to purchases of coal for Santa María thermal power plant, the Company conducts tender processes (the most recent conducted in January 2022), inviting significant international suppliers and awarding such supply to competitive, financially stable companies. This is performed in accordance with an early purchase policy and an inventory management policy to substantially mitigate the risk of fuel unavailability.

#### **d. Equipment malfunction and maintenance risk**

The availability and reliability of the Company's power-generating units are critical to the business. Accordingly, Colbún holds a policy of conducting regular maintenance, preventive and predictive maintenance to its equipment, based on its suppliers' recommendations, and has a hedge policy for this type of risk through insurances for its physical assets, including coverage for physical damages and damages due to stoppages.

#### **e. Project construction risk**

The development of new generation and transmission projects may be affected by factors such as: delays in obtaining permits, regulatory framework changes, litigation, increase in equipment and labor prices, opposition from local and international stakeholders, adverse geographical conditions, natural disasters, accidents and other unforeseen events.

The Company's exposure to these risks is managed through a commercial policy that considers the effects of possible delays in projects. In addition, the Company includes certain flexibility to term estimates and construction costs. Additionally, the Company's exposure to these risks is partially mitigated through subscribing "All Construction Risk" insurance policies which cover both physical damages and profit losses due to a delay in service resulting from a casualty, both with standard deductibles for this type of insurance.

The companies in the industry face a very challenging power market, with considerable involvement from different interest groups, mainly neighboring communities and NGOs, which legitimately demand more participation and spotlight. As part of this complex scenario, environmental processing deadlines have become uncertain, which are usually followed by extensive judicial processes. The above has resulted in a decrease in construction of projects of relevant sizes.

Colbún has a policy which calls for integrating social and environmental considerations to the development of its projects. In addition, the Company has developed a social bonding model which allows it to work jointly with neighboring communities and society in general, starting with a transparent citizen participation and trust-building process in the early stages of projects, and throughout their life cycle.

#### **f. Regulatory risks**

Regulatory stability is essential for the energy sector where investment projects require significant terms to obtain permits, investment development, performance and return. Colbún believes regulatory changes must be made considering the complexities of the energy system and maintaining adequate incentives for investments. It is important that the regulations provide clear and transparent rules, which consolidate the trust of the sector's agents.

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## Chile

In the context of the constitutional process originated from the commitment called "Agreement for Peace and the New Constitution" ("Acuerdo por la Paz y la Nueva Constitución"), and the subsequent approval by plebiscite of a new Constitution, the Constitutional Convention must write and approve a text proposal for a new Constitution within a maximum period of nine months, counted from its installation (July 4, 2021), a period that can be extended for three additional months, but only once. The constitutional process, which culminates in the submission of the constitutional text to a new plebiscite scheduled for September 4, 2022, may result in changes to the institutional framework applicable to business activity in the country.

In the framework of the health crisis affecting the country, on January 5, 2021, Law No. 21,301 was enacted, which extending the effects of Law No. 21,249, which provides for exceptional measures in favor of the end users of health services, electricity and gas network that establishes the prohibition of the cut for non-payment of basic services and allows prorating bad debts. Later, through extensions, this initiative extends the term of benefits to end users (non-cut of supply due to late payment and the accumulation of debts with distribution companies) until December 31, 2021.

This rule also increased the maximum number of installments in which the debt payment can be prorated from 36 to 48 installments and expands the universe of beneficiaries to 80% vulnerability according to the Social Registry of Households.

Additionally, the Chamber of Deputies sent the Senate to its second constitutional process the Bill that seeks to advance the decommissioning of coal-fired plants. This bill, initiated by a parliamentary motion, seeks to prohibit the installation and operation of coal-fired thermoelectric generation plants throughout the national territory as of January 1, 2026. Currently, this bill continues to be reviewed by the Mining and Energy Senate Committee, which has received various guests to present their appreciations. It is important to remember that in 2019 the generators signed a voluntary agreement with the government, by which they committed not to build new coal-fired plants and agreed to the progressive decommission of the coal-fired plants until 2040 along with reviews every 5 years in conjunction with the regulator.

Simultaneously, in relation to this discussion, a bill that prohibits injecting energy from fossil sources into the the National Power System (SEN) as of January 1, 2030, entered the Senate for processing via motion. After being approved by the Senate's Mining and Energy Committee, this initiative was approved in general (idea to legislate) in the Senate Chamber, setting a deadline for presenting indications on April 14, 2022.

Also, a parliamentary motion that regulates the construction, installation and operation, its environmental impact and the control of Wind Turbine Complexes was entered by the Chamber of Deputies. The Bill, which establishes requirements in the design of projects, defines compensation for neighboring communities and includes an amendment to the law on general environmental bases, has no urgency and the Chamber agreed that this be known by the Commission of Environment and then by the Chamber's Mining and Energy Commission. So far there has been no major advances in this discussion.

It should be noted that the legislative agenda was altered by the parliamentary recess during February and, later, by the installation in March of the government of the new President Elect. However, in December 2021, the Executive submitted the following 3 bills to the Chamber of Deputies:

- Promotion of Storage and Electromobility

It seeks to enable a greater participation of renewable energies in the electrical matrix by promoting storage technologies, for which it allows "pure" or "isolated" storage systems, that is, those that are not part of a power plant, they are remunerated for the energy and power injected into the system, allowing them to participate in the balance of economic transfers in the short-term wholesale market. In addition, the project enables the efficient connection of "generation - consumption" systems, which have their own generation capacity with renewable energies and seeks to encourage the sale of electric vehicles, balancing the value of their circulation permits to the one of the equivalent internal combustion cars and enable them to participate in the electricity market as storage systems.



This initiative was approved in general and in particular by the Chamber of Deputies and passed to the Senate for its second constitutional procedure. It will be reviewed by the Senate's Committee on Mining and Energy and the Treasury Committee.

- Promotion of the participation of Renewable Energies in the energy matrix

Its objective is to accelerate the participation of renewable energies in the electrical matrix, for which it considers:

- a) Increase the goals of large-scale renewable generation, forcing generating companies to market at least 40% of NCRE by 2030 and, in addition, to market at least 30% of NCRE by 2030 in each time block within the day, promoting the management of energy from variable sources through storage systems.
- b) Establish a traceability system for the renewable nature of the energy that is marketed, for which it obliges the National Electrical Coordinator to have information systems for monitoring and registering the traceability of the energy market.
- c) Recognize the benefit of distributed generation in transmission savings due to the reduction of network losses and lower infrastructure needs, so that users of these systems receive a discount on their transmission charges. In addition, it establishes that it is no longer the responsibility of the owners of the installation to pay for the additional connection works, since said costs will be charged.
- d) This initiative is in its first constitutional process in the Chamber of Deputies and will be reviewed by the Mining and Energy Commission and by the Finance Commission of the Chamber.

- Promotion of the production and use of Green Hydrogen

It seeks to promote the national green hydrogen market by establishing hydrogen mixtures in the Natural Gas concession networks and enabling the National Oil Company (ENAP) to participate in the development and marketing of H<sub>2</sub>V and its derivatives. Starting in 2030, network gas distributors are required to annually distribute a percentage of green hydrogen with respect to the total volume distributed, which will be calculated every 6 years by the CNE, following feasibility reports from the SEC. The Coordinator must verify that the green hydrogen originates from renewable energies produced or contracted.

This initiative is in its first constitutional process in the Chamber of Deputies and will be reviewed by the Mining and Energy Commission and by the Chamber's Finance Commission.

On the other hand, the Government continues to promote the following regulatory changes that, depending on the way they are implemented, could represent opportunities or risks for the Company:

- (i) The "Modernization of the Distribution Segment" which aims to update the regulation of the distribution sector to better address the technological and market advances that have taken place and that are foreseen for the future, promote investment and improve the quality of service to end users. In the context of modernization and comprehensive reform, the Executive submitted to the Chamber of Deputies' Mining and Energy Commission a bill that establishes the right to electricity portability, creating the figure of the marketer as a new market agent, in addition to considering the modernization of the supply bidding mechanism and the introduction of the role of the information manager to reduce information asymmetries and protect customers' consumption data.

This bill corresponds to the first of three initiatives in which the Executive sub-divided the Long Distribution Law. The other two bills that have not yet been introduced in Congress are:

- a. Quality of Service, which seeks to improve the efficient pricing scheme, define a long-term strategic quality of service plan and establish compensation in favor of clients for excessive time interruptions.

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- b. Distributed Generation, the purpose of which is to promote distributed generation, define new actors and enable pilot projects with a coordinated expansion of the distribution and transmission networks.
  - (ii) The “Flexibility Strategy”, which has the objective of addressing the systemic and market consequences that will arise as a result of the increasing incorporation of renewable energy from variable sources. The Strategy defined by the Ministry of Energy considers three axes or pillars: (a) Market design for the development of a Flexible System, (b) Regulatory framework for Storage Systems, and (c) Flexible operation of the System.

Within the framework of this Strategy, normative modifications are being developed at the regulatory and technical standards level, among which stands out the process of elaboration of a new Power Transfer Regulation that seeks to improve the mechanism for remuneration of sufficiency and introduce long-term market signals that encourage investment in technologies that provide flexibility to the electrical system. The final proposal for this new regulation that was submitted to Public Consultation in September 2021. Later, in February 2022, the final version of the regulation that considered the observations of the Consultation process entered the Comptroller's Office for decision. The new regulation considers modifications such as the redefinition of peak hours of the system, the use of a probabilistic methodology for the recognition of power, the incorporation of a cost-efficiency signal within the recognition of power, the modification of the theoretical power reserve margin, a transitory regime for its application, among others.

After 11 years of processing, the bill that reforms the Water Code, initiated in March 2011 and approved by the National Congress in January 2022, was enacted in March 2022. In the text, it stands out the establishment of the temporary nature for the granting of the new water rights and the prioritization of human consumption, subsistence and sanitation over other uses, the total or partial extinction of the rights for various reasons, mainly due to non-use of the same, the setting of a flow retroactive ecological for some rights already granted, particularly those existing in areas declared under official protection of biodiversity, among others.

The new Water Code also contemplates that each of the 101 basins in the country must have a public Strategic Plan for Water Resources and aimed at promoting water security in the context of the restrictions associated with climate change.

In August 2021, a "Preventive" Rationing Decree (DS No. 51/2021) was published by the Ministry of Energy that establishes a series of preventive measures to avoid electricity rationing, which were originally in force until March 31, 2022, in order to "avoid, manage, reduce or overcome generation deficits that may occur in the National Electric System, thereby preserving safety." This Decree considered initiatives applicable to generation, transmission and distribution, in addition to other actions applicable to demand. The main measures include: the acceleration of the connection of advanced projects, the acceleration of the connection of small distributed generation facilities ("PMGD") and self-dispatch of small-scale generation facilities, the use of stored energy, the definition of the hydrological condition to be used in the programming of the operation by the Coordinator, the optimization of the maintenance of generating units, the registration of additional generation capacity, maximizing the availability of infrastructure for LNG, the monitoring of unavailability of fuels, the special treatment of transmission facilities, relaxation of service quality standards (voltage) in distribution systems, etc. In addition, the Decree authorizes generation and distribution companies to adopt measures such as promoting reductions in electricity consumption, agreeing with their customers to reduce consumption, suspend supply, in the cases indicated in the Decree. Finally, a procedure is established for deficit management and compensation payments, in addition to considerations on quality and continuity of supply and rationing conditions.

In this context, in February 2022, the Ministry of Energy, through Decree No. 1/2022, modified the "Preventive" Rationing Decree to extend its validity period until September 30, 2022 and establish new measures that seek to implement a new acquisition scheme and special remuneration for the purchase of safety diesel, to ensure supply and reduce generation risk. In this scheme, it is considered that the exceptional requirements that are established will be remunerated in proportion to the withdrawals made by the generators in the system. Additionally, the new Decree establishes new rules for the recognition of power of thermoelectric plants that use diesel fuel and natural gas for their operation.

Later, in March 2022, the Ministry of Energy issued Supreme Decree No. 29, which again modifies the "Preventive" Rationing Decree, indicating that the Coordinator must coordinate the reservoir hydroelectric plants to guarantee a water reserve of 650 GWh, considering restrictions technical and operational. In addition, it enabled the National Electrical Coordinator to adjust the values of security diesel upwards and downwards.

## Peru

On February 26, 2022, Law No. 31429 was published in the Official Gazette El Peruano, which modifies Law No. 27510, Law that creates the Electricity Social Compensation Fund (hereinafter, "FOSE Law"). Said modifications will be applicable as of the tariff schedule for the month of January 2023 and have a special impact on free users of the electricity sector, since these have been included as subjects that will be affected by the FOSE surcharge. Before the approved modifications, free users were already making monthly contributions to finance the Energy Social Inclusion Fund (FISE), a support program to expand the energy frontier in vulnerable segments of the population. Thus, the inclusion of free users as subjects affected by the FOSE surcharge would mean that they make a double contribution to finance the same purpose, that is, offset the residential electricity rate.

### g. Risk of variation in demand/supply and sales price of electricity

The projection of future power demand is very relevant information for determining the market price.

In Chile, a low demand growth, as well as a decrease in fuel prices and an increase in solar and wind renewable energy projects, resulted in a decrease in the short-term price of power (marginal cost) during the last years.

Regarding long-term prices, the bidding processes for the supply of regulated customers finished in August 2016, October 2017 and August 2021 resulted in an important decrease in prices offered and granted, which reflects the greater competitive dynamics present in this market, and the impact of the introduction of new technologies - mainly solar and wind power- with a significant decrease in costs as a result of their widespread growth. Although the Company expects that these factors triggering such competitive dynamics and price trends will remain in the future, it is difficult to determine their precise impact on the long-term power prices.

In addition, and because of the difference in power prices between regulated and unregulated customers, certain customers have adopted the unregulated customer regime. The above may occur given the option included in power laws which allow customers with power connections between 500 kW and 5,000 kW to be categorized as regulated or unregulated customers. Colbún has one of the most efficient power generation plants in Chile, and therefore it has the capacity of offering competitive conditions to these customers.

In Peru, there is also a temporary imbalance between supply and demand, mainly generated from the increase in efficient supply (hydroelectric and natural gas plants).

The growth in renewable energy from variable sources in the Chilean market (and potentially in Peru) such as solar and wind power generation, may generate integration costs, and therefore may affect the operating conditions of the remaining portion of the power system, particularly in the absence of a complementary services market which adequately remunerates the services required to manage the variability of such power generation sources.

Energy demand in Chile has grown about 4.1% during 1Q22 compared to 1Q21, while Peru has experienced an increase of approximately 2.6% compared to 1Q21.

It should be note that the complex world economic outlook, could carry to a contraction of the economies in Chile and Peru, which will surely have effects on future electricity demand.

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#### 4.2.2 Financial risks

Financial risks are related to the Company's inability to perform transactions or comply with obligations from its operations due to lack of funding, changes in interest rates, exchange rates, bankruptcy of related parties, or other financial variables of the market that may materially affect Colbún.

##### a. Exchange rate risk

Exchange rate risk relates mainly to fluctuations in currency coming from two sources. The first source of exposure is cash flows related to investment revenues, costs and expenses denominated in foreign currencies other than the functional currency (United States dollars).

The second source of exposure relates to the accounting mismatch between assets and liabilities in the Statement of Financial Position denominated in a currency other than the functional currency.

The exposure to cash flows in currencies other than the U.S. dollar is limited, as practically all the Company's sales are denominated directly or adjusted to the U.S. dollar.

Likewise, its main costs relate to purchases of natural gas and coal, which incorporate pricing formulas based on international prices denominated in U.S. dollars.

With respect to disbursements related to investment projects, the Company incorporates inflation-adjusted rates in its contracts with suppliers, and resorts to the use of derivatives to determine cash outflows in currencies other than the U.S. dollar.

The accounting mismatch exposure is mitigated by applying a policy of maximum mismatch between assets and liabilities for structural items denominated in currencies other than U.S. dollar. Accordingly, Colbún maintains a relevant share of its cash surpluses in U.S. dollars and occasionally resorts to the use of derivatives, mainly currency swaps and forwards.

##### b. Interest rate risk

Is related to changes in interest rates affecting the value of future cash flows based on variable interest rates, and variances in the fair value of assets and liabilities based on fixed interest rates that are accounted for at fair value. To mitigate such risk, the Company uses fixed interest rate swaps.

As of March 31, 2022, the Company's financial debt is 100% denominated in fixed rate.

##### c. Credit risk

The Company's exposure to this risk is derived from the possibility that a counterparty fails to comply with its contractual obligations and generates financial or economic losses. Historically, all counterparties Colbún has engaged with to render energy services have complied with their payments.

Colbún has recently expanded its presence in the medium and small unregulated customer segment, for which it has implemented new procedures and controls related to the risk assessment of these type of customers and a follow-up of their collection. Allowance for doubtful accounts calculations are performed on a quarterly basis based on the risk analysis of each customer considering, among other factors, its credit rating, payment behavior and industry.

With respect to placements in cash and derivatives, Colbún performs transactions with high credit rated entities. In addition, the Company has established interest limits by counterparty, which are regularly approved by the Board of Directors and periodically reviewed.

As of March 31, 2022, the Company invests its cash surpluses in interest-bearing current account, short-term mutual funds deposits, at 90 days and known as "money market" and in time deposits in local and international banks. Additionally, Colbún maintains investments in a fixed income portfolio with a term of 2 to 3 years that is estimated to be maintained until maturity.

Information on customer's credit ratings is disclosed in note 12.b to these Consolidated Financial Statements.

#### **d. Liquidity risk**

Such risk is derived from several fund needs to address investment commitments and business expenses, debt maturities, among others. The required funds to meet such outflows are obtained from Colbún's own revenue and by engaging credit revolving facilities to ensure sufficient funds will be available to support expected needs for a period.

As of March 31, 2022, Colbún has cash surpluses of approximately US\$1.198 million, invested in interest-bearing checking accounts, time deposits and Mutual funds with an average duration of 57 days (it includes time deposits with a duration of less than and greater than 90 days, where the latter are recorded as "Other financial assets, current" in the Consolidated Financial Statements) and fixed-income investments with a term of 2 to 3 years that are estimated to be held until maturity.

Likewise, the Company has the following additional sources of liquidity available: (i) three line of bonds registered with the local market, two for UF 7 million as a whole and one for UF 7 million, and (ii) uncommitted credit revolving facilities for approximately US\$150 million. For its part, Fenix Power has uncommitted lines for a total of US \$65 million, contracted with two local banks.

Within the next twelve months, the Company will have to disburse approximately US\$120 million associated with interests on financial debt and debt repayments. The payment of interests and repayments are expected to be covered by the Company's internally generated cash flows.

As of March 31, 2022, Colbún has the following local risk ratings: AA by Fitch Ratings and Feller Rate, with stable outlook. At international level, the Company's ratings are Baa2 by Moody's, BBB by S&P and BBB+ by Fitch Ratings, all with stable outlooks.

As of March 31, 2022, Fenix Power risk ratings are BBB- by S&P and by Fitch Ratings, both with stable outlooks.

Considering the foregoing, it is assessed that the Company's liquidity risk is currently limited. Information on contractual maturities of the main financial liabilities is disclosed in Note 24.c.2 of the Financial Statements.

#### **4.3 Risk measurement**

The Company regularly analyzes and measures its exposure to several risk variables. Risk management is performed by a Risk Committee, supported by the Corporate Risk Management and coordinated with the other divisions of the Company.

With respect to business risks, specifically those related to variances in commodity prices, Colbún has implemented mitigating actions consisting of index-adjustments in energy sales contracts and hedges through derivative instruments to hedge any possible remaining exposure. Because of this reason, the Company performs no sensitivity analysis.

The Company has insurance policies in force to cover damages to its physical assets, disruptions and loss of profits due to delays in the commencement of a project to mitigate the risk of equipment failure or project development. Such risk is currently considered to be reasonably controlled.

For measuring the financial risk exposure, Colbún performs a sensitivity analysis and value at risk analysis to monitor possible losses assumed by the Company in the event such exposure exists.

Foreign currency exchange risk is considered low because the Company's main cash flows (project revenue, costs and expenditures) are directly denominated in, or adjusted to, U.S. dollars.

The accounting mismatch exposure is mitigated by applying a policy of maximum mismatch between assets and liabilities for structural items in the Balance Sheet denominated in currencies other than U.S. dollar. As of March 31, 2022, the Company's exposure to this risk relates to a potential impact of approximately US\$6.2 million for quarterly foreign currency exchange differences, based on a sensitivity analysis with a 95% reliance.

There is no interest rate variance risk because 100% of the financial debt is assumed to be at a fixed rate.

The credit risk is low because Colbun operates solely with domestic and foreign bank counterparties with high credit rating and has established the maximum exposure policies for each counterparty, which limit the specific concentration with such institutions. For banks, the local institutions have risk ratings equal to or of more than BBB and foreign entities have investment grade international risk ratings.

At the closing date, the financial institution which accounts for the highest share of cash surpluses has 24%. For existing derivatives, the Company's foreign counterparties have risk ratings equivalent to BBB+ or higher and domestic counterparties have local ratings of BBB+ or higher. It should be noted that in derivatives, none of the counterparty concentrates more than 52% in notional terms.

Liquidity risk is low by virtue of the Company's significant cash position, the amount of financial obligations for the following twelve months and access to additional sources of financing.

## 5. Critical Accounting policies

Management necessarily makes judgments and estimates that have a significant effect on the amounts recorded in the Interim Consolidated Financial Statements. Changes in the assumptions and estimates could have a significant impact on the financial statements. The key estimations and judgments used by Management for the preparation of these interim consolidated financial statements are detailed below.

### a. Calculation of depreciation and amortization, and estimation of the related useful lives

Property, plant and equipment, and intangible assets other than goodwill with finite useful lives, are depreciated and amortized on a straight-line basis over the estimated useful lives of the assets. Useful lives have been estimated and determined considering technical aspects, their nature and status.

Estimated useful lives as of March 31, 2022 are as follows:

#### (i) Useful lives of property, plant and equipment:

The detail of the useful lives of the main items of Property, plant and equipment is as follows:

Classes of property, plant and equipment	Useful life (years)	Average remaining useful life (years)
Buildings	10 - 65	31
Machinery	4 - 20	10
Transport equipment	5 - 15	6
Office equipment	5 - 12	7
IT equipment	3 - 10	6
Power-generating asset	2 - 100	42
Transmission line operation and maintenance	20	12
Right-of-use assets	2 - 14	11
Other property, plant and equipment	10 - 43	23

Additional detail per class of plants is presented below

Classes of plants	Useful life (years)	Average remaining useful life (years)
<b>Power-generating facilities</b>		
Hydroelectric power plants		
Civil works	10 - 100	70
Electromechanical equipment	2 - 100	20
Thermal power plants		
Civil works	10 - 60	20
Electromechanical equipment	2 - 60	15
Solar power plant		
Electromechanical equipment	5 - 25	21
Civil works	25	22

**(ii) Useful lives of intangible assets other than goodwill (with finite useful lives):**

Intangible assets from contracts with customers are mainly acquired contracts for energy supply.

Other material intangible assets refer to software, rights, concessions and other easements with finite useful lives. These assets are amortized in accordance with their expected useful lives.

Intangible assets	Useful life (years)	Average remaining useful life (years)
Customer contractual relationships	2 - 15	10
Software	1 - 15	6

At the closing date of each period, the Company assesses whether there is any indicator of impairment of assets. If any such indication exists, then the asset's recoverable amount is estimated to determine the impairment amount.

**(iii) Intangible assets with indefinite useful lives:**

The Company analyzed the useful lives of intangible assets, with indefinite useful lives (e.g., certain right-of-way easements or water rights, among others), and concluded there is no foreseeable time limit in which the asset would generate net cash inflows. For these intangible assets, the Company determined that their useful lives are indefinite.

**b. Impairment of non-financial assets (tangible and intangible assets other than goodwill, excluding goodwill)**

At the closing date of each year, or at any date as deemed necessary, the value of assets is assessed to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated to determine the amount of any impairment. For identifiable assets that do not generate cash flows independently, the recovery of the cash-generating unit (CGU) of the asset is estimated. Accordingly, it has been determined that assets located in Chile represent one CGUs, the Generation business, whereas all assets located in Peru represent another CGU.

For CGUs that have required possible impairment losses analysis, future cash flows are based on the updated Strategic Plan approved by Colbun, as applicable, for most recent long-term budgets or estimates approved, considering the regulation and expectations for market development per the available sector forecasts and the historical experience on price evolution and volumes produced.

Likewise, to estimate future cash flows in the calculation of residual values, the Company uses and compares different valuation techniques, including all maintenance investments, and, if applicable, renewal investments required to maintain the CGU production capacity.

Parameters considered by the Company to determine growth rates, which represent each business long-term growth, are adjusted per the long-term growth in Chile.

Additionally, parameters considered for the calculation of discount rates before taxes are determined based on historical and updated market information and considering indebtedness level and capital structure assumptions consistent with the market context and the Company's financing policy.

For CGUs assigned to intangible assets with an indefinite useful life, the recoverability analysis is conducted systematically at each reporting date, or at any date deemed necessary, except if considered that the most recent calculations of a CGU's recoverable amount from the prior period may be used for verifying the amount of the impairment of such unit in the current period, as it complies with the following criteria:

- a) Assets and liabilities comprising such unit have not significantly changed since the latest recoverable amount calculation.
- b) The latest recoverable amount calculation resulted in an amount that significantly exceeded the unit's carrying amount; and
- c) Based on an analysis performed on the events and circumstances that had changed since the latest recoverable amount was calculated, it is unlikely that the current recoverable amount determination will be less than the unit's current carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use, which comprises the current value of future estimated cash flows generated by the asset or a CGU. For calculating the tangible or intangible asset recoverable amount, the Company uses the value in use criterion.

To estimate the value in use, the Company prepares its estimate of future pre-tax cash flows based on the most recent budgets approved by Management. These budgets include the best estimates available on the income and costs of the cash-generating units, using the best available information, such as experience and future expectations.

Such cash flows are discounted to calculate their current amount at a pre-tax rate which considers the capital cost of the business in which it operates. Their calculation considers the current cost of money and risk premiums generally used for business purposes.

In the event the recoverable amount is less than the asset's carrying amount, the related allowance for impairment losses is recognized as "Other Gains (losses)" in the Statement of Comprehensive Income.

Impairment losses recognized in an asset in prior years will be reversed if there has been a change in the estimations on their recoverable amount increasing the value of the asset with a credit to profit or loss with the limit of the carrying amount that the asset would have had no unwinding been conducted.

As of December 31, 2020, the Company carried out an impairment assessment in the Peru CGU and recorded an impairment provision in the subsidiary Fenix Power S.A in Peru for a gross amount (before deferred taxes) of ThUS\$ 179,615. The foregoing, to reflect the lower recoverable amount compare to the carrying amount of the assets as a result of the lower marginal costs and energy prices observed during the last years as a consequence of lower than expected growth rates as a result of a lower dynamism of economic activity, delays in the regulatory matters processing and exogenous events (political, natural disasters). This condition intensified during 2020 as a result of the COVID-19 impact, and a 7% decrease was recorded in energy demand compared to 2019. This has deepened a situation of oversupply in the Peruvian market of electricity generation, negatively impacting the level of energy prices in that market and it is likely that the reestablishment of the balance between supply and demand will take more time than previously considered.



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### c. Fair value of derivatives and other financial instruments

As described in Note 3.1, Management uses its criteria to select an appropriate valuation technique for financial instruments that are not quoted in an active market. The Company applies valuation techniques commonly used by market professionals. For derivative financial instruments, Management makes assumptions based on rates quoted in the market and adjusted according to the instrument specific characteristics. Other financial instruments are valued using a cash flow update analysis based on supported assumptions, and on market prices or rates, if possible.

### 6. Goodwill

On September 3, 2020, Colbún S.A. acquired 100% of the voting shares of Efizity Ingeniería SpA ("Efizity"), a company organized under Chilean law.

Efizity is a company whose business is the provision of value-added services complementary to the energy supply in any form, including the design and implementation of energy efficiency solutions, carrying out installations and land works for monitoring and control of electrical installations.

In accordance with IFRS 3, the measurement period is the period after the acquisition date during which the acquirer can adjust the provisional amounts recognized in a business combination. This period shall not exceed one year from the date of acquisition.

The fair values of Efizity's identifiable assets acquired and assumed liabilities, at the acquisition date, were ThUS\$243, generating a goodwill of ThUS \$ 5,573.

### 7. Segment reporting

Colbún's main line of business is the power generation and sale. Accordingly, the Company has assets that generate such power, which is sold to several customers under power purchase agreements and others without contracts in accordance with the regulations in force.

Colbún's management control system analyzes generation business from the perspective of a mix of hydraulic/thermal assets that produce power to serve a customer portfolio. Consequently, resource allocation and performance measures are analyzed separately per each business.

Certain classification criteria are, for example, the type of asset: generation; production technology: hydroelectric power plants (which can be run-of-the-river or dam-based) and thermal power plants (which can be coal-based, combined cycle, open-cycle, etc.). Customers are classified in accordance with the concepts included in the Chilean electric regulation for unregulated and regulated customers and spot market; and in accordance with electric regulations currently in force in Peru for regulated and unregulated customers (see note 2).

In general, there is no direct relation between each power generation company and the supply agreements, but these are established according to Colbún's total capacity, fully supplying them at any moment with the most efficient generation on its own or on behalf of third parties purchasing energy in the spot market from other power generation companies. An exception is Codelco in Chile, which has entered into two power purchase agreements with the Company. One of these agreements is covered by the full power generation fleet and the other has its preferential supply from the generation of Santa María power plant.

Colbún is part of the SEN dispatch system in Chile and SEIN dispatch system in Peru. The generation of each of power plants within the systems are defined by its dispatch order, in accordance with the definition of economic optimum for both systems.

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The electricity regulation for the power generation business for both systems in which Colbún is involved, contemplates a conceptual division of power and capacity, not for being two different physical elements, but for economically efficient pricing. This is the reason for distinguishing energy priced in monetary units for energy unit (KWh, MWh, etc.) and capacity priced in monetary units for capacity unit - time unit (KW-month).

As Colbún operates in the generation business, in which it is also involved in two electric systems, the National Electric System in Chile and the National Interconnected Electric System in Peru, for the purpose of applying IFRS 8, information by segments has been organized in accordance with the generation segment, differentiated by geographical distribution by country.

Operating segments: Power generation and sales (Chile and Peru) are reviewed on a regular basis and differentiated by the highest authority responsible for making decisions at the Company (Board of Directors and Senior Management).

The table below presents information by operating segment:

Segment operating results as of 03.31.2022	Chile Generation	Peru Generation	Operating segments	Elimination of intersegment revenue	Total operating segments
<b>Revenue</b>					
Revenue	361,712	55,119	416,831	-	416,831
Revenue from transactions with other operating segments	-	-	-	-	-
<b>Total revenue from third parties and transactions with other operating segments</b>	<b>361,712</b>	<b>55,119</b>	<b>416,831</b>	<b>-</b>	<b>416,831</b>
Raw materials and consumables	(211,964)	(25,704)	(237,668)	-	(237,668)
Employee benefit expenses	(17,634)	(2,608)	(20,242)	-	(20,242)
Interest expenses	(14,629)	(6,277)	(20,906)	-	(20,906)
Interest income	2,438	87	2,525	-	2,525
Depreciation and amortization expenses	(43,999)	(8,822)	(52,821)	-	(52,821)
Share of profit or loss of equity-accounted associates and joint ventures	11,239	-	11,239	(8,624)	2,615
Income tax expense from continuing operations	(13,823)	7,434	(6,389)	-	(6,389)
Profit (loss) before taxes	61,424	9,475	70,899	(8,624)	62,275
<b>Profit (loss) from continuing operations</b>	<b>47,601</b>	<b>16,909</b>	<b>64,510</b>	<b>(8,624)</b>	<b>55,886</b>
<b>Profit (loss)</b>	<b>47,601</b>	<b>16,909</b>	<b>64,510</b>	<b>(8,624)</b>	<b>55,886</b>
Assets	5,912,432	709,828	6,622,260	(133,735)	6,488,525
Equity-accounted investees	150,545	-	150,545	(133,735)	16,810
Incorporation of non-current assets other than financial instruments, deferred tax assets, assets related to defined benefit plans and rights arising from insurance contracts	41,740	2,026	43,766	-	43,766
Liabilities	3,118,706	447,602	3,566,308	-	3,566,308
<i>Equity</i>					2,922,217
<b>Liabilities and equity</b>					<b>6,488,525</b>
Cash flows from (used in) operating activities	36,054	20,221	56,275	-	56,275
Cash flows from (used in) investing activities	9,773	(2,179)	7,594	-	7,594
Cash flows from (used in) financing activities	(213,063)	(23,973)	(237,036)	-	(237,036)

Continued

Segment operating results as of 03.31.2021	Chile Generation	Chile Transmission	Peru Generation	Operating segments	Elimination of intersegment revenue	Total operating segments
<b>Revenue</b>						
Revenue	286,728	10,897	37,960	335,585		335,585
Revenue from transactions with other operating segments	1,742	8,371	-	10,113	(10,113)	-
<b>Total revenue from third parties and transactions with other operating segments</b>	<b>288,470</b>	<b>19,268</b>	<b>37,960</b>	<b>345,698</b>	<b>(10,113)</b>	<b>335,585</b>
Raw materials and consumables	(153,390)	(2,534)	(17,437)	(173,361)	10,113	(163,248)
Employee benefit expenses	(19,427)	-	(1,841)	(21,268)	-	(21,268)
Interest expenses	(15,475)	(88)	(6,626)	(22,189)	-	(22,189)
Interest income	1,232	2	57	1,291	-	1,291
Depreciation and amortization expenses	(43,712)	(2,766)	(8,948)	(55,426)	-	(55,426)
Share of profit or loss of equity-accounted associates and joint ventures	13,132	-	-	13,132	(11,761)	1,371
Income tax expense from continuing operations	(70,035)	(4,362)	(4,881)	(79,278)	-	(79,278)
Profit (loss) before taxes	35,896	13,733	194	49,823	(11,761)	38,062
<b>Profit (loss) from continuing operations</b>	<b>(34,139)</b>	<b>9,371</b>	<b>(4,687)</b>	<b>(29,455)</b>	<b>(11,761)</b>	<b>(41,216)</b>
<b>Profit (loss)</b>	<b>(34,139)</b>	<b>9,371</b>	<b>(4,687)</b>	<b>(29,455)</b>	<b>(11,761)</b>	<b>(41,216)</b>
Assets	5,987,560	428,200	734,020	7,149,780	(456,053)	6,693,727
Equity-accounted investees	478,203	-	-	478,203	(456,053)	22,150
Incorporation of non-current assets other than financial instruments, deferred tax assets, assets related to defined benefit plans and rights arising from insurance contracts	31,435	-	1,021	32,456	-	32,456
Liabilities	2,569,415	95,095	483,107	3,147,617	-	3,147,617
<i>Equity</i>						3,546,110
<b>Liabilities and equity</b>						<b>6,693,727</b>
Cash flows from (used in) operating activities	82,633	14,132	15,161	111,926	-	111,926
Cash flows from (used in) investing activities	188,772	(1,100)	(503)	187,169	-	187,169
Cash flows from (used in) financing activities	(6,065)	(8,003)	(23,447)	(37,515)	-	(37,515)

Continued

Segment operating results as of 12.31.2021	Chile Generation	Chile Transmission (*)	Peru Generation	Operating segments	Elimination of intersegment revenue	Total operating segments
<b>Revenue</b>						
Revenue	1,231,576	19,383	171,821	1,422,780	16,964	1,439,744
Revenue from transactions with other operating segments	5,648	26,364	-	32,012	(32,012)	-
<b>Total revenue from third parties and transactions with other operating segments</b>	<b>1,237,224</b>	<b>45,747</b>	<b>171,821</b>	<b>1,454,792</b>	<b>(15,048)</b>	<b>1,439,744</b>
Raw materials and consumables	(716,583)	(8,930)	(88,472)	(813,985)	32,012	(781,973)
Employee benefit expenses	(73,289)	-	(6,383)	(79,672)	-	(79,672)
Interest expenses	(60,563)	(301)	(25,483)	(86,347)	-	(86,347)
Interest income	4,775	7	186	4,968	-	4,968
Depreciation and amortization expenses	(174,948)	(8,718)	(35,448)	(219,114)	5,951	(213,163)
Share of profit or loss of equity-accounted associates and joint ventures	21,014	-	-	21,014	(14,317)	6,697
Income tax expense from continuing operations	(262,815)	(7,252)	(14,925)	(284,992)	-	(284,992)
Profit (loss) before taxes	808,005	26,783	4,701	839,489	(14,317)	825,172
<b>Profit (loss) from continuing operations</b>	<b>545,190</b>	<b>19,531</b>	<b>(10,224)</b>	<b>554,497</b>	<b>(14,317)</b>	<b>540,180</b>
<b>Profit (loss)</b>	<b>545,190</b>	<b>19,531</b>	<b>(10,224)</b>	<b>554,497</b>	<b>(14,317)</b>	<b>540,180</b>
Assets	6,022,948	-	704,694	6,727,642	(125,134)	6,602,508
Equity-accounted investees	139,329	-	-	139,329	(125,134)	14,195
Incorporation of non-current assets other than financial instruments, deferred tax assets, assets related to defined benefit plans and rights arising from insurance contracts	269,914	-	6,595	276,509	-	276,509
Liabilities	3,301,748	-	459,334	3,761,082	-	3,761,082
<i>Equity</i>						2,841,426
<b>Liabilities and equity</b>						<b>6,602,508</b>
Impairment losses recognized in profit or loss for the year	(144,190)	-	-	(144,190)	-	(144,190)
Cash flows from (used in) operating activities	301,417	58,319	65,569	425,305	(90,887)	334,418
Cash flows from (used in) investing activities	654,962	(27,190)	(12,259)	615,513	-	615,513
Cash flows from (used in) financing activities	(797,435)	(37,966)	(55,677)	(891,078)	90,887	(800,191)

(\*) The company Colbún Transmission S.A. was disposed on September 30, 2021.

## Information about products and services

Sales in the main geographical markets	January - March	
	2022 ThUS\$	2021 ThUS\$
<b>Chile Generation</b>		
Energy sales	291,617	205,699
Power sales	37,043	32,629
Other income	33,052	50,142
<b>Subtotal</b>	<b>361,712</b>	<b>288,470</b>
<b>Chile Transmission (*)</b>		
Sales from tolls	-	19,268
<b>Subtotal</b>	<b>-</b>	<b>19,268</b>
<b>Peru Generation</b>		
Energy sales	40,433	26,451
Power sales	10,561	10,013
Other income	4,125	1,496
<b>Subtotal</b>	<b>55,119</b>	<b>37,960</b>
<b>Total reportable segments</b>	<b>416,831</b>	<b>345,698</b>
<b>Elimination of inter-segment revenue</b>	<b>-</b>	<b>(10,113)</b>
<b>Total sales</b>	<b>416,831</b>	<b>335,585</b>

(\*) The company Colbun Transmission S.A. was disposed on September 30, 2021.

**Information on sales to main customers**

Main customers	January - March			
	2022		2021	
	ThUS\$	%	ThUS\$	%
<b>Chile Generation</b>				
Corporación Nacional del Cobre Chile	124,275	30%	135,022	39%
Minera Escondida Ltda.	34,836	8%	-	0%
CGE Distribución S.A.	32,509	8%	28,293	8%
Enel Distribución Chile S.A.	18,768	5%	18,911	5%
Minera Spence S.A.	8,365	2%	-	0%
Sociedad Austral del Sur S.A.	1,935	0%	467	0%
Otros	141,024	34%	105,777	32%
<b>Subtotal</b>	<b>361,712</b>	<b>87%</b>	<b>288,470</b>	<b>84%</b>
<b>Chile Transmission (*)</b>				
Colbún S.A.	-	0%	8,371	2%
Corporación Nacional del Cobre Chile	-	0%	2,394	1%
Anglo American S.A.	-	0%	1,099	0%
Otros	-	0%	7,404	2%
<b>Subtotal</b>	<b>-</b>	<b>0%</b>	<b>19,268</b>	<b>5%</b>
<b>Peru Generation</b>				
Luz del Sur S.A.A.	25,237	6%	20,498	6%
Enel Distribución Perú S.A.A.	6,863	2%	5,162	1%
Comité de Operación Económica del Sistema Interconectado Nacional	2,158	1%	1,545	0%
Compañía Eléctrica El Platanal	932	0%	2,045	1%
Atria Energía S.A.C.	479	0%	2,082	1%
Electro Oriente S.A.	1,498	0%	1,224	0%
Kallpa Generación S.A.	1,654	0%	439	0%
Otros	16,298	4%	4,965	2%
<b>Subtotal</b>	<b>55,119</b>	<b>13%</b>	<b>37,960</b>	<b>11%</b>
<b>Total reportable segments</b>	<b>416,831</b>	<b>100%</b>	<b>345,698</b>	<b>100%</b>
<b>Elimination of inter-segment revenue</b>	<b>-</b>		<b>(10,113)</b>	
<b>Total sales</b>	<b>416,831</b>		<b>335,585</b>	

(\*) The company Colbún Transmission S.A. was disposed on September 30, 2021.

## 8. Cash and cash equivalents

### a. Detail

As of March 31, 2022, and December 31, 2021, this caption is composed of the following:

Cash and cash equivalents	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Cash on hand	41	45
Cash in banks	100,566	346,545
Time deposits	104,146	22,922
Other cash equivalents	18,032	22,906
<b>Total cash and cash equivalents</b>	<b>222,785</b>	<b>392,418</b>

Term deposits have maturities of less than three months from the acquisition date and accrue market interest applicable to these types of short-term investments.

Other liquid instruments relate to fixed income mutual fund deposits in Chilean pesos, Euros and U.S. dollars, of low risk, which are recognized at deposit value at the reporting date of these consolidated financial statements.

As of March 31, 2022, and December 31, 2021, in addition to these instruments, the Company has other term deposits with a maturity of more than three months from the acquisition date, which are presented in Note 9.

### b. Detail by currency

The detail of cash and cash equivalents by currency, considering the effects of derivatives, is as follows:

Currency	03.31.2022	12.31.2021
	Currency ThUS\$	Currency ThUS\$
EUR	472	300
CLP	51,011	80,972
PEN	7,171	7,088
USD	164,131	304,058
<b>Total</b>	<b>222,785</b>	<b>392,418</b>



### c. Reconciliation of liabilities arising from financial activities

Liabilities arising from financing activities	Balance as of 01.01.2022 ThUS\$	Cash flow ThUS\$	Changes that do not represent cash flows				Balance as of 03.31.2022 ThUS\$
			Dividends	Interests	Valuation	Other	
			ThUS\$	ThUS\$	ThUS\$	ThUS\$	
Finance lease liabilities <sup>(1)</sup>	126,318	(5,275)	-	2,516	(17)	-	123,542
Banks payable	25,046	-	-	106	-	-	25,152
Bonds Payable <sup>(2)</sup>	2,159,155	(231,761)	-	23,986	10,683	18,467	1,980,530
Dividends payable	1,907	-	-	-	-	-	1,907
<b>Total</b>	<b>2,312,426</b>	<b>(237,036)</b>	<b>-</b>	<b>26,608</b>	<b>10,666</b>	<b>18,467</b>	<b>2,131,131</b>

Liabilities arising from financing activities	Balance as of 01.01.2021 ThUS\$	Cash flow ThUS\$	Changes that do not represent cash flows				Balance as of 12.31.2021 ThUS\$
			Dividends	Interests	Valuation	Other	
			ThUS\$	ThUS\$	ThUS\$	ThUS\$	
Finance lease liabilities <sup>(1)</sup>	134,757	(21,050)	-	9,618	1,341	1,652	126,318
Banks payable	25,531	(990)	-	608	(103)	-	25,046
Bonds Payable <sup>(2)</sup>	1,635,985	466,587	-	67,555	(1,990)	(8,982)	2,159,155
Dividends payable	254	(1,244,739)	1,246,392	-	-	-	1,907
<b>Total</b>	<b>1,796,527</b>	<b>(800,192)</b>	<b>1,246,392</b>	<b>77,781</b>	<b>(752)</b>	<b>(7,330)</b>	<b>2,312,426</b>

<sup>(1)</sup> See note 24.a

<sup>(2)</sup> See note 23.a

### 9. Other financial assets

As of March 31, 2022, and December 31, 2021, this caption is composed of the following:

	Current		Non-current	
	03.31.2022	12.31.2021	03.31.2022	12.31.2021
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Time deposits <sup>(1)</sup>	875,637	926,961	-	-
Hedge derivative instruments <sup>(2)</sup> (see note 14.1)	24,947	4,702	-	-
Investment for share offering	-	-	84	126
Bonds fixed-income investments	-	-	100,037	99,805
<b>Total</b>	<b>900,584</b>	<b>931,663</b>	<b>100,121</b>	<b>99,931</b>

<sup>(1)</sup> As of March 31, 2022, investments in term deposits that were classified in this caption have an original average investment term less than six months and the remaining average maturity term was 80 days. Cash flows related to these investments are presented in the statements of cash flows as cash flows from investing activities in other cash receipts (payments).

<sup>(2)</sup> Relates to the current positive mark-to-market adjustments of hedging derivatives in place at each reporting date.

### 10. Trade and other receivables

As of March 31, 2022, and December 31, 2021, this caption is composed of the following:

Caption	Current		Non-current	
	03.31.2022	12.31.2021	03.31.2022	12.31.2021
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Trade receivables by contract	378,850	285,506	39	3,356
Other receivables <sup>(1)</sup>	14,379	21,684	-	-
<b>Total</b>	<b>393,229</b>	<b>307,190</b>	<b>39</b>	<b>3,356</b>

<sup>(1)</sup> As of March 31, 2022, the current balance comprises recoverable taxes for ThUS\$ 756 and other minor items for ThUS\$ 13,613. (ThUS\$ 3,533 and ThUS\$ 18,151 as of December 31, 2021, respectively). Company believes these assets are recoverable within 12 months.

The average collection period is 30 days.

Considering debtors' solvency, current regulations, and in accordance with the doubtful accounts policy stated in our accounting policies (see Note 3.1.h.1.5), the Company records the expected credit losses in all its trade receivables, either for 12 months or during the term of the asset by applying the simplified approach as established in IFRS 9. Accordingly, it has established an allowance for doubtful accounts, which in Management's opinion, properly hedges the amount of risk of default for such receivables.

The detail of changes in the provision for impairment of trade and other receivables is as follows:

Impairment	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Opening balance	2,344	2,750
Increase (decrease) in the allowance	2,211	5,069
Impairment losses	-	7
Reversal of impairment losses	(2,280)	(5,482)
<b>Closing balance</b>	<b>2,275</b>	<b>2,344</b>

The fair value of trade and other receivables is not significantly different from their carrying amount.

As of March 31, 2022, and December 31, 2021, the analysis of trade receivables is as follows:

a) Aging of trade receivables portfolio

Invoiced	Balance as of 03.31.2022					
	Current ThUS\$	1-30 days ThUS\$	31-60 ThUS\$	61-90 ThUS\$	Over 91 days ThUS\$	Total ThUS\$
Trade receivables, regulated	879	1,042	-	-	468	2,389
Trade receivables, unregulated	64,513	476	82	227	1,844	67,142
Other receivables	20,266	374	173	556	642	22,011
Allowance for impairment losses	(1,892)	-	-	(152)	(231)	(2,275)
<b>Subtotal</b>	<b>83,766</b>	<b>1,892</b>	<b>255</b>	<b>631</b>	<b>2,723</b>	<b>89,267</b>
Invoices to be issued	Balance as of 03.31.2022					
	Current ThUS\$	1-30 days ThUS\$	31-60 ThUS\$	61-90 ThUS\$	Over 91 days ThUS\$	Total ThUS\$
Trade receivables, regulated	87,045	-	-	-	-	87,045
Trade receivables, unregulated	77,859	-	-	-	-	77,859
Other receivables	124,679	-	-	-	-	124,679
<b>Subtotal</b>	<b>289,583</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>289,583</b>
<b>Total Trade Receivables</b>	<b>373,349</b>	<b>1,892</b>	<b>255</b>	<b>631</b>	<b>2,723</b>	<b>378,850</b>
<b>No. of customers (unaudited)</b>	<b>379</b>	<b>61</b>	<b>16</b>	<b>15</b>	<b>113</b>	

Invoiced	Balance as of 12.31.2021					
	Current ThUS\$	1-30 days ThUS\$	31-60 ThUS\$	61-90 ThUS\$	Over 91 days ThUS\$	Total ThUS\$
Trade receivables, regulated	264	971	1	-	312	1,548
Trade receivables, unregulated	22,423	409	198	100	2,149	25,279
Other receivables	1,862	1,223	22	12	494	3,613
Allowance for impairment losses	(2,261)	(19)	(1)	-	(63)	(2,344)
<b>Subtotal</b>	<b>22,288</b>	<b>2,584</b>	<b>220</b>	<b>112</b>	<b>2,892</b>	<b>28,096</b>

  

Invoices to be issued	Balance as of 12.31.2021					
	Current ThUS\$	1-30 days ThUS\$	31-60 ThUS\$	61-90 ThUS\$	Over 91 days ThUS\$	Total ThUS\$
Trade receivables, regulated	84,905	-	-	-	-	84,905
Trade receivables, unregulated	72,100	-	-	-	-	72,100
Other receivables	100,405	-	-	-	-	100,405
<b>Subtotal</b>	<b>257,410</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>257,410</b>
<b>Total Trade Receivables</b>	<b>279,698</b>	<b>2,584</b>	<b>220</b>	<b>112</b>	<b>2,892</b>	<b>285,506</b>
<b>No. of customers (unaudited)</b>	<b>341</b>	<b>70</b>	<b>36</b>	<b>20</b>	<b>108</b>	

## b) Customers in legal collection

There are no trade and other receivables accounted for in legal collection.

## 11. Financial Instruments

### a. Financial instruments by category

Accounting policies related to financial instruments have been applied to the following categories:

#### a.1 Assets

March 31, 2022	Amortized cost	Fair value	Total
	ThUS\$	ThUS\$	ThUS\$
Cash on hand and cash in banks (see Note 8)	-	100,607	100,607
Time deposits and other cash equivalents (see Note 8)	104,146	18,032	122,178
Trade and other receivables <sup>(1)</sup> (see Note 10)	392,463	-	392,463
Trade receivables due from related parties (see Note 12.b.1)	64	-	64
Derivative financial instruments (see Note 14.1)	-	24,947	24,947
Other financial assets (see Note 9)	975,674	-	975,674
<b>Total</b>	<b>1,472,347</b>	<b>143,586</b>	<b>1,615,933</b>

  

December 31, 2021	Amortized cost	Fair value	Total
	ThUS\$	ThUS\$	ThUS\$
Cash on hand and cash in banks (see Note 8)	-	346,590	346,590
Time deposits and other cash equivalents (see Note 8)	22,922	22,906	45,828
Trade and other receivables <sup>(1)</sup> (see Note 10)	303,657	-	303,657
Trade receivables due from related parties (see Note 12.b.1)	48	-	48
Derivative financial instruments (see Note 14.1)	-	4,702	4,702
Other financial assets (see Note 9)	1,026,766	-	1,026,766
<b>Total</b>	<b>1,353,393</b>	<b>374,198</b>	<b>1,727,591</b>

<sup>(1)</sup> As of March 31, 2022, recoverable taxes for ThUS\$ 766 are not considered. As of December 31, 2021, the balance related to current recoverable taxes amounted to ThUS\$ 3,533.

## a.2 Liabilites

March 31, 2022	Amortized cost	Fair value	Total
	ThUS\$	ThUS\$	ThUS\$
Interest-bearing borrowings (see Note 23.c.1 and c.2)	2,005,682	-	2,005,682
Lease liabilities (see Note 24)	123,542	-	123,542
Derivative financial instruments (see Note 14.1)	-	6,713	6,713
Trade and other payables (see Note 25)	216,684	-	216,684
Payables due to related parties (see Note 12.b.2)	11,838	-	11,838
<b>Total</b>	<b>2,357,746</b>	<b>6,713</b>	<b>2,364,459</b>

  

December 31, 2021	Amortized cost	Fair value	Total
	ThUS\$	ThUS\$	ThUS\$
Interest-bearing borrowings (see Note 23.c.1 and c.2)	2,184,201	-	2,184,201
Lease liabilities (see Note 24)	126,318	-	126,318
Derivative financial instruments (see Note 14.1)	-	39,176	39,176
Trade and other payables (see Note 25)	215,181	-	215,181
Payables due to related parties (see Note 12.b.2)	12,574	-	12,574
<b>Total</b>	<b>2,538,274</b>	<b>39,176</b>	<b>2,577,450</b>

## b. Credit quality of financial assets

Credit quality of financial assets that have not expired or have no impairment losses can be assessed by credit classification ("rating") provided to the Company's counterparties by renowned domestic and foreign risk rating.

Credit quality of financial assets	03.31.2022 ThUS\$	12.31.2021 ThUS\$
<b>Customers with local risk rating</b>		
AAA	131,097	77,650
AA+	33,442	35,243
AA	9,386	1,371
AA-	50	11,649
A+	36,932	44,649
<b>Total</b>	<b>210,907</b>	<b>170,562</b>
<b>Customers with no local risk rating</b>		
<b>Total</b>	<b>167,943</b>	<b>114,944</b>
<b>Cash in banks and bank short-term deposits, local market</b>		
AAA	911,760	808,912
AA+	4	-
AA	105	43,563
A+ or less	-	27
<b>Total</b>	<b>911,869</b>	<b>852,502</b>
<b>Cash in banks and bank short-term deposits, international market (*)</b>		
AA-	2,360	5,318
A+ or less	184,193	461,559
<b>Total</b>	<b>186,553</b>	<b>466,877</b>
<b>Cash in international fixed-income investments (*)</b>		
A	23,529	23,633
BBB+	20,396	20,369
BBB or less	56,112	55,803
<b>Total</b>	<b>100,037</b>	<b>99,805</b>
<b>Counterparty derivative financial assets, national market</b>		
AAA	-	720
AA	-	430
<b>Total</b>	<b>-</b>	<b>1,150</b>
<b>Counterparty derivative financial assets, international market (*)</b>		
AA-	14,594	1,776
A+ or less	10,353	1,776
<b>Total</b>	<b>24,947</b>	<b>3,552</b>

(\*) Foreign Risk classification

## 12. Related parties disclosures

Operations between the Company and its subsidiaries, which are related parties, are part of the Company's customary transactions associated with its line of business and conditions, which have been eliminated on the consolidation process. Relationships between the Controller, subsidiaries, associates, joint ventures, and special purpose entities, are detailed in Note 3.1, section b. and c.

### a. Controlling interests

As of March 31, 2022, the distribution of ownership interest is as follows:

Shareholders	Ownership %
Minera Valparaíso S.A. <sup>(*)</sup>	35.17
Forestal Cominco S.A. <sup>(*)</sup>	14.00
Antarchile S.A.	9.58
AFP Habitat S.A. (**)	6.49
AFP Cuprum S.A. (**)	4.42
AFP Provida S.A. (**)	4.01
Banco de Chile por cuenta de State Street	3.83
AFP Capital S.A. (**)	3.48
Banchile Corredores de Bolsa S.A	1.78
Banco Santander - JP Morgan	1.69
Other shareholders	15.54
<b>Total</b>	<b>100.00</b>

<sup>(\*)</sup> Entities owned by Parent Group (Matte Group).

<sup>(\*\*)</sup> It relates to the consolidated interest for each Pension Fund Administrator.

### b. Balances and transactions with related parties

Receivables from, payables due to and transactions with related parties were conducted under market terms and conditions and are adjusted in accordance with Article No. 44 of Law No. 18,046 (the "Public Company Act").

#### b. 1. Trade receivables due from related parties

Tax ID N°	Company	Country	Relationship	Currency	Current	
					03.31.2022 ThUS\$	12.31.2021 ThUS\$
96.806.130-5	Electrogas S.A.	Chile	Associate	US\$	-	11
96.853.150-6	Papeles Cordillera S.A.	Chile	Common business group	Ch\$	46	37
65.027.584-5	Fundación Colbún	Chile	Special purpose entity	Ch\$	18	-
<b>Total</b>					<b>64</b>	<b>48</b>

#### b. 2. Trade payables due from related parties

Tax ID N°	Company	Country	Relationship	Currency	Current	
					03.31.2022 ThUS\$	12.31.2021 ThUS\$
99.520.000-7	Compañía de Petróleos de Chile Copec S.A.	Chile	Director and controlling shareholder	Ch\$	665	1,392
97.080.000-K	Banco Bice	Chile	Common group	Ch\$	36	1
96.806.980-2	Entel PCS Telecomunicaciones S.A.	Chile	Common group	Ch\$	-	6
90.412.000-6	Minera Valparaíso S.A.	Chile	Controlling shareholder	US\$	7,966	7,967
79.621.850-9	Forestal Cominco S.A.	Chile	Controlling shareholder	US\$	3,171	3,171
65.027.584-5	Fundación Colbún	Chile	Special purpose entity	Ch\$	-	37
<b>Total</b>					<b>11,838</b>	<b>12,574</b>

There are no guarantees granted to or received from related parties for transactions with related parties.

### b. 3. Disclosures of transactions with related parties

TAX ID N°	Company	Country	Relationship	Currency	Transaction	January - March			
						2022		2021	
						Amount ThUS\$	Effect on profit or loss (debit) credit ThUS\$	Amount ThUS\$	Effect on profit or loss (debit) credit ThUS\$
77.017.930-0	Transmisora Eléctrica de Quillota Ltda. (*)	Chile	Joint venture	Ch\$	Toll for using facilities	-	-	185	(155)
				UF	Revenue for services rendered	-	-	36	30
96.806.130-5	Electrogas S.A.	Chile	Associate	US\$	Gas transport service	1,545	(1,298)	2,226	(1,871)
				US\$	Diesel transport service	23	(19)	-	-
				US\$	Dividend declared <sup>(1)</sup>	-	-	5,988	-
97.080.000-K	Banco Bice	Chile	Common group	Ch\$	Expenses for services received	51	(43)	2	(2)
96.731.890-6	Cartulinas CMPC S.A.	Chile	Parent common director	Ch\$	Easements	-	-	274	230
				Ch\$	Sale of energy and capacity	2,617	2,200	2,575	2,164
96.532.330-9	CMPC Pulp SpA.	Chile	Common group	Ch\$	Sale of energy and capacity and energy transport	8,466	7,144	9,627	8,090
99.520.000-7	Compañía de Petróleos de Chile Copec S.A.	Chile	Director and controlling shareholder	Ch\$	Diesel supply service	7,590	(5,932)	11,705	(9,836)
96.806.980-2	Entel PCS Telecomunicaciones S.A.	Chile	Common group	Ch\$	Telephone services	28	(24)	15	(13)
96.925.430-1	Sercor S.A.	Chile	Common director	Ch\$	Stock administration service	18	(15)	36	(30)
90.844.000-5	Kupfer Hermanos S.A	Chile	Common director	Ch\$	Purchase of personal protective equipment	32	(27)	4	(3)
				Ch\$	Sale of energy and capacity	38	31	68	57
76.351.385-8	Orion Power S.A.	Chile	Common group	Ch\$	Operation and maintenance service	15	(13)	42	(35)
76.138.547-K	Mega Archivos S.A.	Chile	Common director	Ch\$	Document storage service	6	(5)	7	(6)
93.628.000-5	Molibdenos y Metales S.A.	Chile	Common group	Ch\$	Sale of energy and capacity	897	754	1,112	935
79.943.600-0	Forsac SpA.	Chile	Common group	Ch\$	Sale of energy and capacity	95	80	101	85
95.304.000-K	CMPC Maderas SpA	Chile	Common group	Ch\$	Sale of energy and capacity	3,287	2,762	2,875	2,416
91.440.000-7	Forestal Mininco SpA	Chile	Common group	Ch\$	Sale of energy and capacity	49	41	43	36

<sup>(1)</sup> On December 30, 2021, the sale of the entire participation in the Joint Venture of Transmisora Eléctrica de Quillota Ltda. (equivalent to 50% of the social rights) was materialized, to the companies APG Energy & Infra Investments Chile Expansion SpA, and CELEO Redes Chile Expansion SpA.

<sup>(1)</sup> Dividends declared by Electrogas S.A

- In March 2021, Electrogas declared a provisional dividend charged to the profits of the year 2020 for ThUS\$ 14,090, of which to Colbun corresponds to ThUS\$ 5,988 (42,5%).

### **c. Management personnel and senior management**

Members of senior management and other individuals that are considered members of the Company's Management, as well as the shareholders or natural persons or legal entities they represent have entered into no unusual and/or significant transactions as of March 31, 2022, and December 31, 2021.

The Company is managed by the Board of Directors which is composed of 9 members, who remain in their position for a 3-year period and may be re-elected.

At the Ordinary Shareholders' Meeting held on April 29, 2021, the Company's Board of Directors was renewed, resulting in the election of Vivianne Blanlot Soza, María Emilia Correa Pérez and Marcela Angulo González, Rodrigo Donoso Munita, Bernardo Larraín Matte, Andrés Lehuedé Bromley, Bernardo Larraín Matte, Juan Carlos Altmann Martín and Hernán Rodríguez Wilson. Mrs. María Emilia Correa Pérez and Marcela Angulo González were elected as independent directors.

On April 29, 2021, in an Extraordinary Session of the Board of Directors, Hernán Rodríguez Wilson was appointed as Chairman of the Board and Bernardo Larraín Matte as Vice Chairman.

### **d. Board of Directors' Committee**

As per Article 50 bis of Law No. 18.046 the "Public Company Act," Colbún and its subsidiaries have a Directors' Committee composed of 3 members, who are invested with the powers provided by such article.

On April 29, 2021, in an Extraordinary Board Meeting, Mr. Rodrigo Donoso Munita was appointed as members of the Directors' Committee, Mrs. María Emilia Correa Pérez and Mrs. Marcela Angulo Gonzalez.

### **e. Compensation and other benefits**

As per Article 33 of Law No. 18.046 (the "Public Company Act"), the Board will be compensated for the performance of their duties and the amount of such compensation is established annually by the shareholders at the Company's General Ordinary Shareholders' Meeting.

As of March 31, 2021, and December 31, 2021, the amounts paid, including amounts paid to the members of the Directors' Committee, are detailed as follows:

### e.1 Board of Directors' remuneration

Name	Position	January - March					
		2022			2021		
		Colbún Board ThUS\$	Variable remuneration ThUS\$	Directors Committee ThUS\$	Colbún Board ThUS\$	Variable remuneration ThUS\$	Directors Committee ThUS\$
Hernán Rodríguez Wilson <sup>(1)</sup>	Chairman	36	-	-	36	-	-
Bernardo Larraín Matte <sup>(1)</sup>	Deputy-chairman	18	-	-	18	-	-
Vivianne Blanlot Soza <sup>(1)</sup>	Director	18	-	-	18	-	-
Luz Granier Bulnes	Director	-	-	-	18	-	6
Juan Eduardo Correa García	Director	-	-	-	18	-	-
Andrés Lehuedé Bromley <sup>(1)</sup>	Director	18	-	-	18	-	-
María Emilia Correa <sup>(1)</sup>	Director	18	-	4	18	-	6
Rodrigo José Donoso Munita <sup>(1)</sup>	Director	18	-	4	18	-	6
Bernardo Matte Larraín <sup>(1)</sup>	Director	18	-	-	18	-	-
Marcela Alejandra Angulo González <sup>(1)</sup>	Director	18	-	4	-	-	-
Juan Carlos Altmann Martín <sup>(1)</sup>	Director	18	-	-	-	-	-
<b>TOTAL</b>		<b>180</b>	<b>-</b>	<b>12</b>	<b>180</b>	<b>-</b>	<b>18</b>

<sup>(1)</sup> Current Directors as of March 31, 2022.

### e.2 Board Counseling Expenses

For the periods ended March 31, 2022, and December 31, 2021, the Board of Directors did not incur in advisory expenses.



### e.3 Compensation of Senior Management members who are not Directors

Name	Position
Thomas Keller Lippold	Chief Executive Officer
Juan Eduardo Vásquez Moya	Business and Energy Officer
Sebastián Moraga Zúñiga	Finance and Administration Officer
Eduardo Lauer Rodríguez	Engineering and Project Officer
Rodrigo Pérez Stiepovic	Legal Affair Officer
Paula Martínez Osorio	Organization and People Officer
Olivia Heuts Goen	Development Officer
Heraldo Alvarez Arenas	Internal Audit Officer
Heinz Müller Court	Innovation and Development Officer
Daniel Gordon Adam	Environmental Officer
Juan Pablo Schaeffer Fabres	Public Affair Officer
Luis Le Fort Pizarro	Transmission Officer

The remuneration earned by key management personnel amounts to:

Concept	January - March	
	2022 ThUS\$	2021 ThUS\$
Short-term employee benefits	1,168	1,067
Other long-term benefits	230	214
Termination benefits	271	34
<b>Total</b>	<b>1,669</b>	<b>1,315</b>

### e.4 Receivables and payables and other transactions

As of March 31, 2022, and December 31, 2021, there are no receivables and payables between the Company and its Directors and Managers.

### e.5 Other transactions

There are no other transactions conducted between the Group's Directors and Managers.

### e.6 Guarantees pledged by the Company in favor of its Directors

As of March 31, 2022, and December 31, 2021, the Company records no such operations.

### e.7 Incentive plans for Senior Executives and Managers

The Company has benefits for all the executive area, in accordance with the individual performance and goal achievement assessments at the divisional and corporate level.

### e.8 Indemnities paid to Senior Executives and Managers

During the period ended March 31, 2022, and December 31, 2021, there were no payments for such concept.

### e.9 Guarantee clauses: Company's Board of Directors and Management

The Company has no guarantee clauses agreed with Directors and Managements.

### e.10 Consideration plans associated with shares' quote.

The Company has no such operations.

### 13. Inventories

As of March 31, 2022, and December 31, 2021, this caption is composed of the following:

Inventory	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Spare parts for maintenance	25,611	22,806
Coal	42,687	43,955
Oil	7,186	4,910
Gas Line Pack	1,577	1,866
Allowance for obsolescence <sup>(1)</sup>	(2,772)	(2,939)
<b>Total</b>	<b>74,289</b>	<b>70,598</b>

<sup>(1)</sup> Relates to the impairment estimate on the spare part stock, which is applied in accordance with the Policy.

There is no inventory pledged as collateral to secure compliance with debt obligations.

#### Inventory costs recognized as expense

As of March 31, 2022, and 2021, the use of inventory recognized as expenses is detailed as follows:

Inventory Cost	January - March	
	2022 ThUS\$	2021 ThUS\$
Warehouse consumption	1,985	1,224
Oil (see note 31)	7,059	16,707
Gas (see note 31)	119,366	66,271
Coal (see note 31)	31,017	21,107
<b>Total</b>	<b>159,427</b>	<b>105,309</b>

### 14. Derivative instruments

Following the financial risk management policy described in Note 4, the Company enters into contracts with financial derivatives to hedge its exposure to interest rate variances, currency (exchange rate) and fuel prices.

Interest rate derivatives are used to determine or limit the variable interest rate of financial obligations and relate to interest rate swaps.

Currency derivatives are used to establish the U.S. dollar exchange for Chilean peso (Ch\$), inflation-adjusted units (UF) and Peruvian sol (PEN), as a result of its existing obligations denominated in currencies other than U.S. dollar. Such instruments are mainly Forwards and Cross Currency Swaps.

Derivatives on fuel prices are used to mitigate the Company's fluctuations in sales revenue and energy production cost risk derived from a change in fuel prices used for such purposes. Instruments used are mainly options and forwards.

As of March 31, 2022, the Company classified all its hedges as "Cash flow hedges".

## 15.1 Hedging instruments

As of March 31, 2022, and December 31, 2021, this caption includes the valuation of financial instruments for such periods, detailed as follows:

Hedging assets		Current		Non-current	
		03.31.2022 ThUS\$	12.31.2021 ThUS\$	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Currency hedging instrument	Cash flow hedges	-	1,151	-	-
Fuel price hedge	Cash flow hedges	24,947	3,551	-	-
<b>Total (see note 9)</b>		<b>24,947</b>	<b>4,702</b>	<b>-</b>	<b>-</b>

  

Hedging liabilities		Current		Non-current	
		03.31.2022 ThUS\$	12.31.2021 ThUS\$	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Currency hedging instrument	Cash flow hedges	6,713	39,176	-	-
Interest rate hedging instrument	Cash flow hedges	-	-	-	-
<b>Total (see note 23.a)</b>		<b>6,713</b>	<b>39,176</b>	<b>-</b>	<b>-</b>

  

<b>Hedging instruments, net</b>		<b>18,234</b>	<b>(34,474)</b>	<b>-</b>	<b>-</b>
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The portfolio of hedging instruments at Colbún S.A. and subsidiaries is as follows:

Hedging instrument	Fair value Hedging instrument		Underlying asset hedged	Hedged risk	Type of hedge
	03.31.2022 ThUS\$	12.31.2021 ThUS\$			
Currency forwards	(6,976)	(17,931)	Future Project Disbursements	Exchange rate	Cash flow
Currency forwards	(407)	(16)	Customers	Exchange rate	Cash flow
Currency forwards	(387)	1,151	Financial Investments	Exchange rate	Cash flow
Currency forwards	1,057	(46)	Remuneration	Exchange rate	Cash flow
Cross Currency Swaps	-	(21,183)	Bonds payable	Exchange rate and interest rate	Cash flow
Coal options	24,947	3,551	Oil and gas purchases	Coal price	Cash flow
<b>Total</b>	<b>18,234</b>	<b>(34,474)</b>			

As of March 31, 2022, the Company determined no gains or losses associated with ineffective cash flow hedges that should be recognized in profit or loss.

## 15.2 Fair value hierarchy

The fair value of financial instruments recognized in the Statements of Financial Position has been determined based on the following hierarchy, in accordance with inputs used to conduct such measurement:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As of March 31, 2022, the calculation of fair value of all financial instruments subject to measurement, has been determined based on Level 2 of the hierarchy.

## 15. Investment in subsidiaries

The consolidated financial statements include the financial statements of the Parent and subsidiaries. Information on subsidiaries as of March 31, 2022, and December 31, 2021, is detailed below.

Subsidiary	03.31.2022						
	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Revenue	Net profit (loss)
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Colbún Desarrollo SpA	160	-	1	-	159	-	-
Santa Sofía SpA	-	15,086	180	-	14,906	-	98
Colbún Perú S.A.	21,381	134,297	1,033	-	154,645	-	8,718
Inversiones de Las Canteras S.A.	622	263,815	542	568	263,327	-	16,857
Fenix Power Perú S.A.	65,351	644,478	90,875	356,727	262,227	55,119	16,910
Desaladora Del Sur S.A.	243	1	7	-	237	-	-
Efizity Ingeniería SpA	1,252	724	1,431	-	545	902	(196)

  

Subsidiary	12.31.2021						
	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Revenue	Net profit (loss)
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Colbún Desarrollo SpA	160	-	1	-	159	-	(1)
Santa Sofía SpA	-	14,988	180	-	14,808	-	17
Colbún Perú S.A.	21,260	125,722	1,033	-	145,949	-	(6,015)
Inversiones de Las Canteras S.A.	742	247,018	658	589	246,513	-	(10,445)
Fenix Power Perú S.A.	65,125	639,569	86,174	373,160	245,360	171,821	(10,224)
Desaladora Del Sur S.A.	224	1	6	-	219	-	(6)
Efizity Ingeniería SpA	1,570	597	1,470	-	697	3,111	(292)

## 16. Equity-accounted investees

### a. Equity-accounted investees

The detail of equity-accounted investees and its movements as of March 31, 2022, and December 31, 2021, is described below.

Relationship	Company	Number of shares	Ownership percentage 03.31.2022 %	Balance as of 01.01.2022 ThUS\$	Accrued profit or loss ThUS\$	Dividends ThUS\$	Equity Reserve		Settlement ThUS\$	Other increase (decrease) ThUS\$	Total 03.31.2022 ThUS\$
							Foreign currency transaction difference	Reserve in hedge derivatives			
							ThUS\$	ThUS\$			
Associate	Electrogas S.A.	175,076	42.5%	14,195	2,615	-	-	-	-	-	16,810
<b>Totales</b>				<b>14,195</b>	<b>2,615</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,810</b>

Relationship	Company	Number of shares	Ownership percentage 12.31.2021 %	Balance as of 01.01.2021 ThUS\$	Accrued profit or loss ThUS\$	Dividends ThUS\$	Equity Reserve		Settlement ThUS\$	Other increase (decrease) ThUS\$	Total 12.31.2021 ThUS\$
							Foreign currency transaction difference	Reserve in hedge derivatives			
							ThUS\$	ThUS\$			
Associate	Electrogas S.A.	175,076	42.5%	16,368	7,035	(9,388)	-	180	-	-	14,195
Joint Venture	Transmisora Eléctrica de Quillota Ltda. <sup>(1)</sup>	-	50.0%	10,481	(338)	(6,171)	(1,844)	-	(2,128)	-	-
<b>Totales</b>				<b>26,849</b>	<b>6,697</b>	<b>(15,559)</b>	<b>(1,844)</b>	<b>180</b>	<b>(2,128)</b>	<b>-</b>	<b>14,195</b>

<sup>(1)</sup> On December 30, 2021, the sale of the total share of the Joint Venture of Transmisora Eléctrica de Quillota Ltda. (equivalent to 50% of the social rights) was made, to the companies APG Energy & Infra Investments Chile Expansion SpA, and CELEO Redes Chile Expansion SpA.

## b. Financial information about investments in associates and joint ventures

The information in the financial statements of the Company's associates and joint ventures as of March 31, 2022, and December 31, 2021, is as follows:

Relationship	Company	03.31.2022							
		Current assets ThUS\$	Non-current assets ThUS\$	Current liabilities ThUS\$	Non-current liabilities ThUS\$	Equity ThUS\$	Revenue ThUS\$	Operating costs ThUS\$	Retained earnings (accumulated deficit) ThUS\$
Associate	Electrogas S.A.	14,525	36,149	3,444	7,678	39,552	10,454	(839)	6,152

  

Relationship	Company	12.31.2021							
		Current assets ThUS\$	Non-current assets ThUS\$	Current liabilities ThUS\$	Non-current liabilities ThUS\$	Equity ThUS\$	Revenue ThUS\$	Operating costs ThUS\$	Retained earnings (accumulated deficit) ThUS\$
Associate	Electrogas S.A.	8,286	37,074	3,933	8,027	33,400	33,314	(3,393)	16,554

Additional information

**i) Electrogas S.A.:**

Electrogas S.A. is a company engaged in the transportation of natural gas and other fuels. It has a pipeline between "City Gate III" located in San Bernardo, Santiago, Chile and "Plant Gate" located in Quillota, Valparaíso, Chile, and a pipeline from "Plant Gate" to Colmo, Concón, Valparaíso, Chile. Its main customers are Gas Atacama Chile S.A., Colbún S.A., Empresa de Gas Quinta Región (Gasvalpo), Energas S.A. and Enap Refinerías Concón.

Colbún has a direct ownership interest of 42.5% in such company.

## 17. Intangible assets other than goodwill

### a. Detail by classes of intangible assets

The detail, as of March 31, 2022, and December 31, 2021, is as follows:

<b>Intangible assets, net</b>		<b>03.31.2022</b>	<b>12.31.2021</b>
		ThUS\$	ThUS\$
<b>Rights not internally generated</b>	Emission rights for particulate matter	9,582	9,582
	Concessions	202	202
	Water rights	10,074	10,074
	Easements	15,612	15,667
	Intangible assets related to customers	29,867	30,658
<b>Licenses</b>	Software	1,797	1,969
<b>Total</b>		<b>67,134</b>	<b>68,152</b>
<b>Intangible assets, gross</b>		<b>03.31.2022</b>	<b>12.31.2021</b>
		ThUS\$	ThUS\$
<b>Rights not internally generated</b>	Emission rights for particulate matter	9,582	9,582
	Concessions	228	228
	Water rights	10,093	10,093
	Easements	16,794	16,849
	Intangible assets related to customers	46,815	46,815
<b>Licenses</b>	Software	17,110	17,110
<b>Total</b>		<b>100,622</b>	<b>100,677</b>
<b>Accumulated amortization</b>		<b>03.31.2022</b>	<b>12.31.2021</b>
		ThUS\$	ThUS\$
<b>Rights not internally generated</b>	Concessions	(26)	(26)
	Water rights	(19)	(19)
	Easements	(1,182)	(1,182)
	Intangible assets related to customers	(16,948)	(16,157)
<b>Licenses</b>	Software	(15,313)	(15,141)
<b>Total</b>		<b>(33,488)</b>	<b>(32,525)</b>



## b. Movements in intangible assets

As of March 31, 2022, and December 31, 2021, this caption comprises the following:

Movements for the period 2022	Rights not internally generated					Licenses	Intangibles assets, net ThUS\$
	Emission rights for particulate matter ThUS\$	Concessions ThUS\$	Water rights ThUS\$	Easements ThUS\$	Intangible assets related to customers ThUS\$	Software ThUS\$	
Opening balance as of 01.01.2022	9,582	202	10,074	15,667	30,658	1,969	68,152
Additions	-	-	-	-	-	-	-
Increase (decrease) resulting from other movements	-	-	-	-	-	-	-
Disposals	-	-	-	(55)	-	-	(55)
Accumulated depreciation of disposals	-	-	-	-	-	-	-
Transport from assets under construction	-	-	-	-	-	-	-
Impairment losses recognized in other comprehensive income	-	-	-	-	-	-	-
Transfer between assets	-	-	-	-	-	-	-
Amortization expenses (see Note 32)	-	-	-	-	(791)	(172)	(963)
<b>Closing balance as of 03.31.2022</b>	<b>9,582</b>	<b>202</b>	<b>10,074</b>	<b>15,612</b>	<b>29,867</b>	<b>1,797</b>	<b>67,134</b>

  

Movements for the period 2021	Rights not internally generated					Licenses	Intangibles assets, net ThUS\$
	Emission rights for particulate matter ThUS\$	Concessions ThUS\$	Water rights ThUS\$	Easements ThUS\$	Intangible assets related to customers ThUS\$	Software ThUS\$	
Opening balance as of 01.01.2021	9,582	202	17,436	58,288	33,834	2,768	122,110
Additions	-	-	-	790	-	-	790
Increase (decrease) resulting from other movements	-	-	-	-	-	-	-
Disposals	-	-	-	(39,644)	-	-	(39,644)
Accumulated depreciation of disposals	-	-	-	802	-	-	802
Transport from assets under construction	-	-	-	-	-	-	-
Impairment losses recognized in other comprehensive income	-	-	(7,362)	(4,437)	-	-	(11,799)
Transfer between assets	-	-	-	-	-	41	41
Amortization expenses	-	-	-	(132)	(3,176)	(840)	(4,148)
<b>Closing balance as of 12.31.2021</b>	<b>9,582</b>	<b>202</b>	<b>10,074</b>	<b>15,667</b>	<b>30,658</b>	<b>1,969</b>	<b>68,152</b>

As detailed in Note 5.b, the Company's Management, in its assessment, determined that there is no impairment of intangible assets' carrying amount. The Company has no intangible assets pledged as collateral to secure compliance with its debt obligations.

## 18. Property, plant and equipment

### a. Detail of property, plant and equipment

As of March 31, 2022, and December 31, 2021, the caption property, plant and equipment is detailed as follows:

Property, plant and equipment, net	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Land	303,766	303,766
Building, construction and facilities	81,052	81,896
Machinery	-	-
Transport equipment	318	332
Office equipment	7,083	762
IT equipment	10,670	11,281
Power-generating assets	3,508,256	3,554,259
Assets under construction	247,074	212,633
Other property, plant and equipment	255,820	256,637
<b>Total</b>	<b>4,414,039</b>	<b>4,421,566</b>
Property, plant and equipment, gross	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Land	303,766	303,766
Building, construction and facilities	143,456	143,458
Machinery	825	825
Transport equipment	1,494	1,492
Office equipment	13,488	6,894
IT equipment	20,042	20,063
Power-generating assets	5,918,348	5,917,731
Assets under construction	510,482	476,041
Other property, plant and equipment	389,085	389,588
<b>Total</b>	<b>7,300,986</b>	<b>7,259,858</b>
Accumulated depreciation and impairment of property, plant and equipment	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Building, construction and facilities	(62,404)	(61,562)
Machinery	(825)	(825)
Transport equipment	(1,176)	(1,160)
Office equipment	(6,405)	(6,132)
IT equipment	(9,372)	(8,782)
Power-generating assets	(2,410,092)	(2,363,472)
Assets under construction	(263,408)	(263,408)
Other property, plant and equipment	(133,265)	(132,951)
<b>Total</b>	<b>(2,886,947)</b>	<b>(2,838,292)</b>

## b. Movements in property, plant and equipment

As of March 31, 2022, and December 31, 2021, the caption property, plant and equipment, net is composed of the following:

Movements for the period 2022	Land	Building, construction and facilities	Machinery	Transport equipment	Office equipment	IT equipment	Power-generating assets	Assets under construction	Other property, plant and equipment	Property, plant and equipment, net
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Opening balance as of 01.01.2022	303,766	81,896	-	332	762	11,281	3,554,259	212,633	256,637	4,421,566
Additions	-	-	-	-	3	8	18	41,930	1,807	43,766
Increase (decrease) resulting from other movements	-	(2)	-	2	(3)	-	-	(142)	(2,341)	(2,486)
Disposals	-	-	-	-	-	(29)	(123)	-	-	(152)
Accumulated depreciation of disposals	-	-	-	-	-	29	-	-	-	29
Impairment losses recognized in other comprehensive income	-	-	-	-	-	-	-	-	-	-
Transport from assets under construction	-	-	-	-	6,594	-	722	(7,347)	31	-
Accumulated depreciation transport	-	-	-	-	-	-	-	-	-	-
Transport between assets	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation, transport between assets	-	-	-	-	-	-	-	-	-	-
Depreciation expenses (see Note 33)	-	(842)	-	(16)	(273)	(619)	(46,620)	-	(314)	(48,684)
<b>Total movements</b>	<b>-</b>	<b>(844)</b>	<b>-</b>	<b>(14)</b>	<b>6,321</b>	<b>(611)</b>	<b>(46,003)</b>	<b>34,441</b>	<b>(817)</b>	<b>(7,527)</b>
<b>Closing balance as of 03.31.2022</b>	<b>303,766</b>	<b>81,052</b>	<b>-</b>	<b>318</b>	<b>7,083</b>	<b>10,670</b>	<b>3,508,256</b>	<b>247,074</b>	<b>255,820</b>	<b>4,414,039</b>

Movements for the period 2021	Land	Building, construction and facilities	Machinery	Transport equipment	Office equipment	IT equipment	Power-generating assets	Assets under construction	Other property, plant and equipment	Property, plant and equipment, net
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Opening balance as of 01.01.2021	306,647	86,064	1,052	363	918	2,127	3,721,350	280,406	449,077	4,848,004
Additions	14,837	1	-	45	-	2	8,675	177,168	72,860	273,588
Increase (decrease) resulting from other movements	367	(1)	-	1	-	(1)	(1,228)	(19)	3	(878)
Disposals	(17,463)	-	-	(185)	-	(1)	-	(95,172)	(261,722)	(374,543)
Accumulated depreciation of disposals	-	-	-	182	-	-	-	-	-	182
Impairment losses recognized in other comprehensive income	-	-	-	1	-	(3)	(5)	(128,928)	(5)	(128,940)
Transport from assets under construction	(622)	-	-	-	-	9,735	11,644	(20,822)	65	-
Transfer between assets	-	20	(1,052)	-	-	-	1,032	-	(17)	(17)
Accumulated depreciation, transport between assets	-	-	-	-	-	-	-	-	-	-
Depreciation expenses	-	(4,188)	-	(75)	(156)	(578)	(187,209)	-	(3,624)	(195,830)
<b>Total movements</b>	<b>(2,881)</b>	<b>(4,168)</b>	<b>(1,052)</b>	<b>(31)</b>	<b>(156)</b>	<b>9,154</b>	<b>(167,091)</b>	<b>(67,773)</b>	<b>(192,440)</b>	<b>(426,438)</b>
<b>Closing balance as of 12.31.2021</b>	<b>303,766</b>	<b>81,896</b>	<b>-</b>	<b>332</b>	<b>762</b>	<b>11,281</b>	<b>3,554,259</b>	<b>212,633</b>	<b>256,637</b>	<b>4,421,566</b>

### c. Other disclosures

i) Colbún S.A. and its subsidiaries have entered into insurance policies to cover the possible risks to which the different items of property, plant and equipment may be exposed, as well as possible claims that might be presented because of the performance of their business activities. Such policies sufficiently cover the risks to which they are exposed.

Additionally, loss of profit that may result from a claim is covered by insurance policies engaged by the Company.

ii) As of March 31, 2022, and December 31, 2021, the Company had commitments associated with the acquisition of property, plant and equipment for construction agreements for ThUS\$ 703,982 and ThUS\$ 727,412, respectively. The companies with which it operates are Enercon GmbH, Enercon Chile SpA, Strabag spa, Promet Servicios SpA, Ing.Y Construccion Sigdo Koppers S.A., Wärtsila Finland OY, Siemens Energy Spa, among others.

iii) As of March 31, 2022, and 2021, the accrued capitalized interest costs (IAS 23), are as follows:

Concept	January - March	
	2022 ThUS\$	2021 ThUS\$
<b>Interest costs</b>		
Capitalized interest costs	4,069	325
Interest expenses	-	-
Total interest costs incurred	<b>4,069</b>	<b>325</b>
Cost capitalization rate for loans eligible for capitalization	16.29%	0.08%

### iv) Additional information required for XBRL taxonomy

#### 1. Disbursements recognized during the construction

Disbursements recognized during the construction, gross	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Assets under construction	48,731	253,738
<b>Total</b>	<b>48,731</b>	<b>253,738</b>

## 2. Assets fully depreciated still in use

<b>Assets fully depreciated still in use, gross</b>	<b>03.31.2022</b> ThUS\$	<b>12.31.2021</b> ThUS\$
Building, construction and facilities	2,855	1,596
Transport equipment	709	678
Office equipment	5,269	5,139
IT equipment	7,268	7,208
Power-generating assets	157,168	129,414
Other property, plant and equipment	1,570	1,536
<b>Total</b>	<b>174,839</b>	<b>145,571</b>
<b>Assets fully depreciated still in use, accumulated depreciation</b>	<b>03.31.2022</b> ThUS\$	<b>12.31.2021</b> ThUS\$
Building, construction and facilities	(2,854)	(1,444)
Transport equipment	(707)	(676)
Office equipment	(5,269)	(5,139)
IT equipment	(7,240)	(7,208)
Power-generating assets	(141,414)	(116,694)
Other property, plant and equipment	(1,570)	(1,536)
<b>Total</b>	<b>(159,054)</b>	<b>(132,697)</b>

### v) Detail of other property, plant and equipment:

As of March 31, 2022, and December 31, 2021, this caption comprises the following:

<b>Other property, plant and equipment, net</b>	<b>03.31.2022</b> ThUS\$	<b>12.31.2021</b> ThUS\$
Substations	7,782	7,873
Transmission lines	7,607	7,725
Spare parts classified as property, plant and equipment	235,709	236,238
Other property, plant and equipment	4,722	4,801
<b>Other property, plant and equipment, net</b>	<b>255,820</b>	<b>256,637</b>
<b>Other property, plant and equipment, gross</b>	<b>03.31.2022</b> ThUS\$	<b>12.31.2021</b> ThUS\$
Substations	42,022	42,022
Transmission lines	39,728	39,728
Spare parts classified as property, plant and equipment	235,709	236,238
Other property, plant and equipment	10,099	10,077
<b>Other property, plant and equipment, gross</b>	<b>327,558</b>	<b>328,065</b>
<b>Accumulated depreciation and impairment of other property plant and equipment</b>	<b>03.31.2022</b> ThUS\$	<b>12.31.2021</b> ThUS\$
Substations	(34,240)	(34,149)
Transmission lines	(32,121)	(32,003)
Other property, plant and equipment	(5,377)	(5,276)
<b>Total depreciation and impairment</b>	<b>(71,738)</b>	<b>(71,428)</b>

vi) Detail of power-generating assets

Power-generating assets, net		03.31.2022 ThUS\$	12.31.2021 ThUS\$
Power-generating civil works	Hydropower	1,601,270	1,607,622
	Coal-fired thermal power	244,836	248,263
	Oil and gas-fired thermal power	44,102	44,583
	Solar power	129	131
Power-generating equipment and machinery	Hydropower	520,223	530,119
	Coal-fired thermal power	404,650	411,848
	Oil and gas-fired thermal power	685,308	703,845
	Solar power	7,738	7,848
<b>Balance of power-generating assets, net</b>		<b>3,508,256</b>	<b>3,554,259</b>

  

Power-generating assets, gross		03.31.2022 ThUS\$	12.31.2021 ThUS\$
Power-generating civil works	Hydropower	2,233,169	2,232,780
	Coal-fired thermal power	359,190	359,190
	Oil and gas-fired thermal power	59,395	59,395
	Solar power	162	162
Power-generating equipment and machinery	Hydropower	954,769	954,700
	Coal-fired thermal power	639,658	639,658
	Oil and gas-fired thermal power	1,662,579	1,662,420
	Solar power	9,426	9,426
<b>Balance of power-generating assets, gross</b>		<b>5,918,348</b>	<b>5,917,731</b>

  

Accumulated depreciation and impairment of power-generating assets		03.31.2022 ThUS\$	12.31.2021 ThUS\$
Power-generating civil works	Hydropower	(631,899)	(625,158)
	Coal-fired thermal power	(114,354)	(110,927)
	Oil and gas-fired thermal power	(15,293)	(14,812)
	Solar power	(33)	(31)
Power-generating equipment and machinery	Hydropower	(434,546)	(424,581)
	Coal-fired thermal power	(235,008)	(227,810)
	Oil and gas-fired thermal power	(977,271)	(958,575)
	Solar power	(1,688)	(1,578)
<b>Total depreciation and impairment</b>		<b>(2,410,092)</b>	<b>(2,363,472)</b>

## 19. Right-of-use assets

### a. Detail Right-of-Use assets

The right-of-use assets recognized as of March 31, 2022, and December 31, 2021, are as follows:

Right-of-use assets, Net	03.31.2022	12.31.2021
	ThUS\$	ThUS\$
Transmission line operation and maintenance	9,237	9,449
Right-of-use office equipment	70	86
Right-of-use facilities	2,807	3,246
Right-of-use vehicles	191	366
Right-of-use Calidda gas pipeline	97,845	100,121
Right-of-use IT equipment	69	119
<b>Total</b>	<b>110,219</b>	<b>113,387</b>
Right-of-use assets, Gross	03.31.2022	12.31.2021
	ThUS\$	ThUS\$
Transmission line operation and maintenance	18,081	18,081
Right-of-use office equipment	384	377
Right-of-use facilities	8,267	8,267
Right-of-use vehicles	3,451	3,451
Right-of-use Calidda gas pipeline	127,427	127,427
Right-of-use IT equipment	603	603
<b>Total</b>	<b>158,213</b>	<b>158,206</b>
Accumulated depreciation right-of-use assets	03.31.2022	12.31.2021
	ThUS\$	ThUS\$
Transmission line operation and maintenance	(8,844)	(8,632)
Right-of-use office equipment	(314)	(291)
Right-of-use facilities	(5,460)	(5,021)
Right-of-use vehicles	(3,260)	(3,085)
Right-of-use Calidda gas pipeline	(29,582)	(27,306)
Right-of-use IT equipment	(534)	(484)
<b>Total</b>	<b>(47,994)</b>	<b>(44,819)</b>

As of March 31, 2022, and December 31, 2021, the company maintain in its records leases related to its offices, warehouse, parking lots, vehicles, computers and printers.

The subsidiary Fenix maintains contracts with:

1. Consorcio Transmantaro S.A. (hereinafter CTM), in which CTM is obliged to provide maintenance and operating services to the 8-km transmission line between the substation Chilca and the thermoelectric power plant Fenix. Such contract has a term of 20 years (with 13 years remaining) and accrues an annual interest of 12%. Additionally, CTM is obliged to build facilities for the rendering of transmission line services.
2. Contract entered into with Gas Natural de Lima y Callao (Calidda), by which Calidda agrees to provide the gas distribution service from the City Gate located in the city of Chilca, for which a regulation and control plant has been installed (ERC, for its acronym in Spanish), which is an iron pipeline. Such contract is effective for 20 years (with 13 years remaining), per a volume of 84.1 MMpcd. It includes a Take or Pay of 100% equivalent to 84.1MMpcd which should be paid in the month the service is rendered. The interest rate associated with the finance lease amounts to 7% per year.

## b. Movements of right-of-use assets

The composition and movement of assets by right of use, net as of March 31, 2022, and December 31, 2021, has been as follows:

Movements for the period 2022	Transmission line operation and maintenance ThUS\$	Right-of-use office equipment ThUS\$	Right-of-use facilities ThUS\$	Right-of-use vehicles ThUS\$	Right-of-use Calidda gas pipeline ThUS\$	Right-of-use IT equipment ThUS\$	Right-of-use assets, Net ThUS\$
Opening balance as of 01.01.2022	9,449	86	3,246	366	100,121	119	113,387
Additions	-	-	-	-	-	-	-
Increase (decrease) resulting from other movements	-	6	-	-	-	-	6
Decrease due to classification as held for sale	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Accumulated depreciation of disposals	-	-	-	-	-	-	-
Depreciation expenses (see Note 33)	(212)	(22)	(439)	(175)	(2,276)	(50)	(3,174)
Total movements	(212)	(16)	(439)	(175)	(2,276)	(50)	(3,168)
<b>Closing balance as of 03.31.2022</b>	<b>9,237</b>	<b>70</b>	<b>2,807</b>	<b>191</b>	<b>97,845</b>	<b>69</b>	<b>110,219</b>

  

Movements for the period 2021	Transmission line operation and maintenance ThUS\$	Right-of-use office equipment ThUS\$	Right-of-use facilities ThUS\$	Right-of-use vehicles ThUS\$	Right-of-use Calidda gas pipeline ThUS\$	Right-of-use IT equipment ThUS\$	Right-of-use assets, Net ThUS\$
Opening balance as of 01.01.2021	9,067	59	4,458	364	109,223	320	123,491
Additions	-	99	755	1,277	-	-	2,131
Increase (decrease) resulting from other movements	1,228	(3)	(32)	-	-	-	1,193
Decrease due to classification as held for sale	-	-	-	-	-	-	-
Disposals	-	(58)	(81)	(208)	-	-	(347)
Accumulated depreciation of disposals	-	58	-	46	-	-	104
Depreciation expenses	(846)	(69)	(1,854)	(1,113)	(9,102)	(201)	(13,185)
Total movements	382	27	(1,212)	2	(9,102)	(201)	(10,104)
<b>Closing balance as of 12.31.2021</b>	<b>9,449</b>	<b>86</b>	<b>3,246</b>	<b>366</b>	<b>100,121</b>	<b>119</b>	<b>113,387</b>

As of March 31, 2022, and December 31, 2021, the present value of future payments arising from contracts recognized as leases are detailed as follows:

March 31, 2022	0-1 year ThUS\$	1-5 years ThUS\$	Over 5 years ThUS\$	Total ThUS\$
Gross	20,500	73,672	104,180	198,352
Interests	(11,001)	(35,068)	(28,741)	(74,810)
Present value (see note 24.a)	9,499	38,604	75,439	123,542

  

December 31, 2021	0-1 year ThUS\$	1-5 years ThUS\$	Over 5 years ThUS\$	Total ThUS\$
Gross	20,509	73,760	108,481	202,750
Interests	(10,764)	(35,340)	(30,328)	(76,432)
Present value (see note 24.a)	9,745	38,420	78,153	126,318



## 20. Current taxes

The balance of current taxes receivable and payable presented in current assets and liabilities as of March 31, 2022, and December 31, 2021, respectively, are detailed below:

### a. Current tax assets

	Current	
	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Recoverable taxes from previous years	3,299	3,130
Recoverable taxes for the year (See note 22.a.1)	395	1,381
Other taxes to be recovered	2,437	2,530
<b>Total</b>	<b>6,131</b>	<b>7,041</b>

### b. Current tax liabilities

	Current	
	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Payable taxes for the year (See note 22.a.1)	3,873	89,232
Payable taxes previous years	87,157	-
<b>Total</b>	<b>91,030</b>	<b>89,232</b>

## 21. Other non-financial assets

As of March 31, 2022, and December 31, 2021, this caption comprises the following:

	Current		Non-current	
	03.31.2022 ThUS\$	12.31.2021 ThUS\$	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Insurance premium for facilities and civil responsibility	11,381	16,207	-	-
Prepayments <sup>(1)</sup>	44,197	41,121	41,330	41,589
Other miscellaneous assets	172	150	1,649	1,633
<b>Total</b>	<b>55,750</b>	<b>57,478</b>	<b>42,979</b>	<b>43,222</b>

<sup>(1)</sup> Corresponds to advance payments to domestic and foreign suppliers.

## 22. Income taxes

### a. Income tax benefit (expense)

Income tax benefit (expense)	January - March	
	2022 ThUS\$	2021 ThUS\$
<b>Current income tax (expense) benefit</b>		
Current income taxes	(14,564)	(7,596)
Adjustments to prior-year current income tax expense	-	-
<b>Total current income tax expense, net</b>	<b>(14,564)</b>	<b>(7,596)</b>
<b>Deferred income tax (expense) benefit</b>		
Deferred income tax benefit arising from temporary differences	8,175	(71,682)
<b>Total deferred income tax benefit, net</b>	<b>8,175</b>	<b>(71,682)</b>
<b>Income tax benefit (expense)</b>	<b>(6,389)</b>	<b>(79,278)</b>

As of March 31, 2022, and December 31, 2021, income tax benefit (expense) and deferred taxes from foreign and domestic parties is detailed as follows:

Income tax benefit (expense)	January - March	
	2022 ThUS\$	2021 ThUS\$
Domestic current income tax (expense) benefit	(10,145)	(7,596)
Foreign current income tax (expense) benefit	(4,419)	-
<b>Total current income tax (expense) benefit, net</b>	<b>(14,564)</b>	<b>(7,596)</b>
Domestic deferred income tax benefit (expense)	(3,699)	(66,820)
Foreign deferred income tax benefit (expense)	11,874	(4,862)
<b>Total deferred income tax benefit (expense)</b>	<b>8,175</b>	<b>(71,682)</b>
<b>Income tax expense charged to profit or loss</b>	<b>(6,389)</b>	<b>(79,278)</b>

### a.1 Reconciliation of current taxes

As of March 31, 2022, and December 31, 2021, the reconciliation of current taxes to income tax is as follows:

Current tax reconciliation		03.31.2022					
Company	Current taxes (profit or loss) ThUS\$	Current taxes for equity adjustments ThUS\$	Monthly provisional income tax payments ThUS\$	Other credits ThUS\$	Tax under Article No. 21 (profit or loss) ThUS\$	Tax assets ThUS\$	Tax liabilities ThUS\$
Colbún S.A.	(10,145)	(8,359)	18,551	279	-	326	-
Efizity Ingeniería SpA.	-	-	1	11	-	12	-
Efizity SpA.	-	-	10	7	-	17	-
Efizity Perú SAC	-	-	-	1	-	1	-
Colbún Perú S.A.	-	-	37	-	-	37	-
Inversiones Las Canteras S.A.	-	-	2	-	-	2	-
Fenix Power S.A.	(4,419)	-	546	-	-	-	(3,873)
<b>Total</b>	<b>(14,564)</b>	<b>(8,359)</b>	<b>19,147</b>	<b>298</b>	<b>-</b>	<b>395</b>	<b>(3,873)</b>

Current tax reconciliation		12.31.2021					
Company	Current taxes (profit or loss) ThUS\$	Current taxes for equity adjustments ThUS\$	Monthly provisional income tax payments ThUS\$	Other credits ThUS\$	Tax under Article No. 21 (profit or loss) ThUS\$	Tax assets ThUS\$	Tax liabilities ThUS\$
Colbún S.A.	(217,661)	7,584	120,876	932	-	-	(88,269)
Efizity Ingeniería SpA.	-	-	7	10	-	17	-
Efizity SpA.	(106)	-	19	7	-	-	(80)
Efizity Perú SAC	-	-	1	-	-	1	-
Colbún Perú S.A.	(1,018)	-	135	-	-	-	(883)
Inversiones Las Canteras S.A.	-	-	9	-	-	9	-
Fenix Power S.A.	-	-	1,354	-	-	1,354	-
<b>Total</b>	<b>(218,785)</b>	<b>7,584</b>	<b>122,401</b>	<b>949</b>	<b>-</b>	<b>1,381</b>	<b>(89,232)</b>

As of March 31, 2022, Colbún S.A., together with its subsidiaries, it generated tax profits, for which a tax expense was recorded, regarding the Provision for Consolidated Income Tax, net of monthly provisional payments (PPM) and credits for ThUS\$ 3,478.

In the case of the foreign subsidiary Fenix Power Perú S.A., as of March 31, 2022, it recognizes accumulated tax losses of ThUS\$ 193,998, which are expected to be reversed in the future; accordingly, a deferred tax asset was recognized.

In accordance with IAS 12, a deferred tax asset for tax losses is recognized when Management has determined that it is probable that future taxable income will be available against which they can be offset. This situation occurs in subsidiaries that recognize tax losses.

## a.2 Reconciliation of consolidated tax expense and calculation of effective rate

Income tax benefit (expense)	January - March			
	2022		2021	
	Amount ThUS\$	Rate %	Amount ThUS\$	Rate %
Profit before income taxes	62,275		38,062	
<b>Tax expense using the legal rate <sup>(1)</sup></b>	<b>(16,814)</b>	<b>27.0%</b>	<b>(10,277)</b>	<b>27.0%</b>
Differences between US dollars and tax financial accounting in local currency through deferred taxes <sup>(2)</sup>	10,510	-16.9%	(5,200)	13.7%
Other differences <sup>(3)</sup>	(85)	0.1%	(63,801)	167.6%
<b>Income tax expense</b>	<b>(6,389)</b>	<b>10.3%</b>	<b>(79,278)</b>	<b>208.3%</b>

<sup>(1)</sup> As of March 31, 2022, and 2021, the income tax expense was calculated using the tax rate of 27% (Law No. 20.780) that applies in Chile. Regarding the differences in tax rates with foreign subsidiaries (29.5%), they are presented in other differences.

<sup>(2)</sup> In accordance with the International Financial Reporting Standards (IFRS), the Company and its subsidiaries recognize their tax and financial operations at their functional currency which is the U.S. dollar, except for the subsidiaries of the Efizity Group. With respect to the foreign subsidiaries, the local currency is used for tax purposes.

<sup>(3)</sup> As of March 31, 2022, deferred taxes associated with the investment in Colbún Transmission S.A. are recognized after the announcement of the sale agreement of the company for (ThUS\$ 64,459) and other effects for ThUS\$ 658.

## b. Deferred taxes

At each reporting period, deferred tax assets and liabilities are detailed as follows:

Deferred tax assets	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Deferred taxes related to tax losses	57,513	57,132
Deferred taxes related to provisions	29,966	29,245
Deferred taxes related to obligations for post-employment benefits	8,477	8,060
Deferred taxes related to anticipated income	2,275	1,774
Deferred taxes related to rights-of-use	2,879	2,766
Deferred taxes related to contingencies	2,772	2,772
Deferred taxes related to unrealized gain or loss	292	292
<b>Deferred tax assets</b>	<b>104,174</b>	<b>102,041</b>
Deferred tax liabilities	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Deferred taxes related to depreciation	(922,906)	(929,851)
Deferred taxes related to finance costs	(18,889)	(18,246)
Deferred taxes related to intangible assets	(9,591)	(9,849)
Deferred taxes related to inventory	(834)	(1,636)
Deferred taxes related to hedging instruments	(531)	1,584
<b>Deferred tax liabilities</b>	<b>(952,751)</b>	<b>(957,998)</b>
<b>Total deferred tax assets and liabilities, net</b>	<b>(848,577)</b>	<b>(855,957)</b>

Movements in Deferred Taxes	03.31.2022	12.31.2021
	ThUS\$	ThUS\$
<b>Deferred taxes as of January 1</b>	<b>(855,957)</b>	<b>(852,319)</b>
Tax losses	381	(30)
Hedging instruments	(2,115)	1,801
Intangible assets	257	1,938
Rights-of-use assets	113	768
Contingencies	-	2,237
Obligations for post-employment benefits	417	(4,092)
Unearned revenue	501	(4,164)
Investments in associates <sup>(1)</sup>	-	(4,735)
Inventory	802	(848)
Provisions	721	4,118
Finance costs	(643)	798
Property, plant and equipment	6,946	(1,429)
<b>Closing balance</b>	<b>(848,577)</b>	<b>(855,957)</b>

<sup>(1)</sup> See note 3.1.c

The net position of deferred taxes per company is as follows:

Net deferred tax position by company				
Company	Net position			
	Non-current asset		Non-current liability	
	03.31.2022	12.31.2021	03.31.2022	12.31.2021
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Fenix Power Perú S.A.	78,069	66,191	-	-
Santa Sofia SpA.	271	173	-	-
Efizity SpA.	199	175	-	-
Efizity Ingeniería SpA.	218	130	-	-
Efizity Perú SAC	21	20	-	-
Desaladora del Sur S.A.	1	1	-	-
Inversiones de Las Canteras S.A.	-	-	(468)	(489)
Colbún Transmisión S.A.	-	-	-	-
Colbún S.A.	-	-	(926,888)	(922,158)
<b>Total</b>	<b>78,779</b>	<b>66,690</b>	<b>(927,356)</b>	<b>(922,647)</b>
			<b>Net deferred taxes</b>	<b>(848,577)</b>
				<b>(855,957)</b>

### c. Income taxes in other comprehensive income

	January - March	
	2022 ThUS\$	2021 ThUS\$
Related to cash flow hedges	(8,963)	1,111
Related to defined benefit plans	(228)	(1,866)
<b>Income tax related to components of other comprehensive income</b>	<b>(9,191)</b>	<b>(755)</b>
Related to share of other comprehensive profit or loss on equity-accounted associates and joint ventures using the equity method	-	(39)
<b>Income tax related to components of other comprehensive income</b>	<b>(9,191)</b>	<b>(794)</b>

### 23. Other financial liabilities

As of March 31, 2022, and December 31, 2021, this caption comprises the following:

#### a. Obligations with financial institutions

Other financial liabilities	Current		Non-current	
	03.31.2022 ThUS\$	12.31.2021 ThUS\$	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Interest-Bearing Loans	25,152	25,046	-	-
Bond payables (Bonds, bills of exchange) <sup>(1)</sup>	48,169	214,896	1,932,361	1,944,259
Hedging derivatives <sup>(2)</sup>	6,713	39,176	-	-
<b>Total</b>	<b>80,034</b>	<b>279,118</b>	<b>1,932,361</b>	<b>1,944,259</b>

<sup>(1)</sup> Interest accrued for bonds payable have been determined using the effective rate.

<sup>(2)</sup> See note 14.1

#### b. Financial debt by currency

The financial debt value of Colbún (bank liabilities and bonds), considering only the effect of derivative instruments (liability position) is as follows:

Financial debt by currency	03.31.2022 ThUS\$	12.31.2021 ThUS\$
U.S. Dollar	2,012,395	2,186,236
Inflation-adjusted units	-	37,141
<b>Total</b>	<b>2,012,395</b>	<b>2,223,377</b>

### c. Maturity and currency of the obligations with financial institutions

#### c.1 Bank borrowings

As of March 31, 2022			
Debtor's Tax ID No.	0-E	0-E	
Debtor's name	Fenix Power Perú S.A.	Fenix Power Perú S.A.	
Debtor's country	Peru	Peru	
Creditor's ID number	0-E	0-E	
Creditor's name	Banco de Credito del Perú	Scotiabank	
Country of the creditor company	Peru	Peru	
Currency or inflation-adjusted unit	US\$	US\$	
Amortization frequency	Annual	Annual	
Interest type	Variable	Fixed	
Basis	-	-	
Effective rate	2.02%	2.1%	
Nominal rate	2.02%	2.1%	
<b>Nominal amounts</b>	<b>ThUS\$</b>		<b>Total ThUS\$</b>
Up to 90 days	-	-	-
90 days to 1 year	10,030	15,122	25,152
<b>1-3 years</b>	-	-	-
1-2 years	-	-	-
2-3 years	-	-	-
<b>3-5 years</b>	-	-	-
3-4 years	-	-	-
4-5 years	-	-	-
<b>Over 5 years</b>	-	-	-
<b>Subtotal nominal amounts</b>	<b>10,030</b>	<b>15,122</b>	<b>25,152</b>
<b>Carrying amounts</b>	<b>ThUS\$</b>		<b>Total ThUS\$</b>
Up to 90 days	-	-	-
90 days to 1 year	10,030	15,122	25,152
<b>Current Interest-Bearing Loans</b>	<b>10,030</b>	<b>15,122</b>	<b>25,152</b>
<b>1-3 years</b>	-	-	-
1-2 years	-	-	-
2-3 years	-	-	-
<b>3-5 years</b>	-	-	-
3-4 years	-	-	-
4-5 years	-	-	-
<b>Over 5 years</b>	-	-	-
<b>Non-current Interest-Bearing Loans</b>	-	-	-
<b>Total Interest-Bearing Loans</b>	<b>10,030</b>	<b>15,122</b>	<b>25,152</b>

## Bank borrowings (continued)

As of December 31, 2021		
Debtor's Tax ID No.	0-E	0-E
Debtor's name	Fenix Power Perú S.A.	Fenix Power Perú S.A.
Debtor's country	Peru	Peru
Creditor's ID number	0-E	0-E
Creditor's name	Banco de Credito del Perú	Scotiabank
Country of the creditor company	Peru	Peru
Currency or inflation-adjusted unit	US\$	US\$
Amortization frequency	Annual	Annual
Interest type	Variable	Fixed
Basis	-	-
Effective rate	2.02%	3.65%
Nominal rate	2.02%	3.65%
<b>Nominal amounts</b>	<b>ThUS\$</b>	<b>Total ThUS\$</b>
Up to 90 days	-	-
90 days to 1 year	10,002	15,044
<b>1-3 years</b>	-	-
1-2 years	-	-
2-3 years	-	-
<b>3-5 years</b>	-	-
3-4 years	-	-
4-5 years	-	-
<b>Over 5 years</b>	-	-
<b>Subtotal nominal amounts</b>	<b>10,002</b>	<b>15,044</b>
<b>Carrying amounts</b>	<b>ThUS\$</b>	<b>Total ThUS\$</b>
Up to 90 days	-	-
90 days to 1 year	10,002	15,044
<b>Current Interest-Bearing Loans</b>	<b>10,002</b>	<b>15,044</b>
<b>1-3 years</b>	-	-
1-2 years	-	-
2-3 years	-	-
<b>3-5 years</b>	-	-
3-4 years	-	-
4-5 years	-	-
<b>Over 5 years</b>	-	-
<b>Non-current Interest-Bearing Loans</b>	-	-
<b>Total Interest-Bearing Loans</b>	<b>10,002</b>	<b>15,044</b>



## c.2 Bonds payable

As of March 31, 2022						
Debtor's Tax ID No.	96.505.760-9	96.505.760-9	96.505.760-9	96.505.760-9	0-E	
Debtor's name	Colbún S.A.	Colbún S.A.	Colbún S.A.	Colbún S.A.	Fenix Power Peru S.A.	
Debtor's country	Chile	Chile	Chile	Chile	Peru	
Creditor's ID number	-	-	-	-	-	
Serie	144A/RegS	144A/RegS	144A/RegS	144A/RegS	144A/RegS	
Maturity date	10-10-2027	07-10-2024	03-06-2030	01-19-2032	09-20-2027	
Currency or inflation-adjusted unit	US\$	US\$	US\$	US\$	US\$	
Amortization frequency	Bullet	Bullet	Bullet	Bullet	Biannual	
Interest type	Fixed	Fixed	Fixed	Fixed	Fixed	
Basis	Fixed	Fixed	Fixed	Fixed	Fixed	
Effective rate	5.11%	4.80%	3.89%	3.33%	4.57%	
Nominal rate	3.95%	4.50%	3.15%	3.15%	4.32%	
<b>Nominal amounts</b>	<b>ThUS\$</b>					<b>Total ThUS\$</b>
Up to 90 days	-	-	-	-	-	-
90 days to 1 year	9,271	1,574	1,050	8,453	27,500	47,848
<b>1-3 years</b>	-	<b>157,410</b>	-	-	<b>46,000</b>	<b>203,410</b>
1-2 years	-	-	-	-	26,000	26,000
2-3 years	-	157,410	-	-	20,000	177,410
<b>3-5 years</b>	-	-	-	-	<b>44,000</b>	<b>44,000</b>
3-4 years	-	-	-	-	17,000	17,000
4-5 years	-	-	-	-	27,000	27,000
<b>Over 5 years</b>	<b>500,000</b>	-	<b>500,000</b>	<b>600,000</b>	<b>150,000</b>	<b>1,750,000</b>
<b>Subtotal nominal amounts</b>	<b>509,271</b>	<b>158,984</b>	<b>501,050</b>	<b>608,453</b>	<b>267,500</b>	<b>2,045,258</b>
<b>Carrying amounts</b>	<b>ThUS\$</b>					<b>Total ThUS\$</b>
Up to 90 days	-	-	-	-	-	-
90 days to 1 year	9,271	1,574	1,050	8,453	27,821	48,169
<b>Current performance bonds</b>	<b>9,271</b>	<b>1,574</b>	<b>1,050</b>	<b>8,453</b>	<b>27,821</b>	<b>48,169</b>
<b>1-3 years</b>	-	<b>156,596</b>	-	-	<b>45,025</b>	<b>201,621</b>
1-2 years	-	-	-	-	25,492	25,492
2-3 years	-	156,596	-	-	19,533	176,129
<b>3-5 years</b>	-	-	-	-	<b>43,140</b>	<b>43,140</b>
3-4 years	-	-	-	-	16,558	16,558
4-5 years	-	-	-	-	26,582	26,582
<b>Over 5 years</b>	<b>472,562</b>	-	<b>474,753</b>	<b>591,010</b>	<b>149,275</b>	<b>1,687,600</b>
<b>Non-current performance bonds</b>	<b>472,562</b>	<b>156,596</b>	<b>474,753</b>	<b>591,010</b>	<b>237,440</b>	<b>1,932,361</b>
<b>Total performance bonds</b>	<b>481,833</b>	<b>158,170</b>	<b>475,803</b>	<b>599,463</b>	<b>265,261</b>	<b>1,980,530</b>

**Bonds payable (continued)**

As of December 31, 2021								
Debtor's Tax ID No.	96.505.760-9	96.505.760-9	96.505.760-9	96.505.760-9	96.505.760-9	96.505.760-9	0-E	
Debtor's name	Colbún S.A.	Colbún S.A.	Colbún S.A.	Colbún S.A.	Colbún S.A.	Colbún S.A.	Fenix Power Peru S.A.	
Debtor's country	Chile	Chile	Chile	Chile	Chile	Chile	Peru	
Creditor's ID number	499	538	-	-	-	-	-	
Serie	Serie F	Serie I	144A/RegS	144A/RegS	144A/RegS	144A/RegS	144A/RegS	
Maturity date	05-01-2028	06-10-2029	10-10-2027	07-10-2024	03-06-2030	01-19-2032	09-20-2027	
Currency or inflation-adjusted unit	UF	UF	US\$	US\$	US\$	US\$	US\$	
Amortization frequency	Biannual	Biannual	Bullet	Bullet	Bullet	Bullet	Biannual	
Interest type	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	
Basis	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	
Effective rate	4.46%	5.02%	5.11%	4.80%	3.89%	3.33%	4.57%	
Nominal rate	3.40%	4.50%	3.95%	4.50%	3.15%	3.15%	4.32%	
<b>Nominal amounts</b>	<b>ThUS\$</b>							<b>Total ThUS\$</b>
Up to 90 days	95,902	75,223	-	3,345	4,988	-	13,500	<b>192,958</b>
90 days to 1 year	-	-	4,334	-	-	3,728	13,500	<b>21,562</b>
<b>1-3 years</b>	-	-	-	<b>157,410</b>	-	-	<b>52,000</b>	<b>209,410</b>
1-2 years	-	-	-	-	-	-	28,000	28,000
2-3 years	-	-	-	157,410	-	-	24,000	181,410
<b>3-5 years</b>	-	-	-	-	-	-	<b>34,000</b>	<b>34,000</b>
3-4 years	-	-	-	-	-	-	16,000	16,000
4-5 years	-	-	-	-	-	-	18,000	18,000
<b>Over 5 years</b>	-	-	<b>500,000</b>	-	<b>500,000</b>	<b>600,000</b>	<b>168,000</b>	<b>1,768,000</b>
<b>Subtotal nominal amounts</b>	<b>95,902</b>	<b>75,223</b>	<b>504,334</b>	<b>160,755</b>	<b>504,988</b>	<b>603,728</b>	<b>281,000</b>	<b>2,225,930</b>
<b>Carrying amounts</b>	<b>ThUS\$</b>							<b>Total ThUS\$</b>
Up to 90 days	93,850	74,282	-	3,345	4,988	-	16,870	<b>193,335</b>
90 days to 1 year	-	-	4,334	-	-	3,727	13,500	<b>21,561</b>
<b>Current performance bonds</b>	<b>93,850</b>	<b>74,282</b>	<b>4,334</b>	<b>3,345</b>	<b>4,988</b>	<b>3,727</b>	<b>30,370</b>	<b>214,896</b>
<b>1-3 years</b>	-	-	-	<b>156,513</b>	-	-	<b>50,981</b>	<b>207,494</b>
1-2 years	-	-	-	-	-	-	27,468	27,468
2-3 years	-	-	-	156,513	-	-	23,513	180,026
<b>3-5 years</b>	-	-	-	-	-	-	<b>33,117</b>	<b>33,117</b>
3-4 years	-	-	-	-	-	-	15,548	15,548
4-5 years	-	-	-	-	-	-	17,569	17,569
<b>Over 5 years</b>	-	-	<b>471,485</b>	-	<b>474,077</b>	<b>590,889</b>	<b>167,197</b>	<b>1,703,648</b>
<b>Non-current performance bonds</b>	-	-	<b>471,485</b>	<b>156,513</b>	<b>474,077</b>	<b>590,889</b>	<b>251,295</b>	<b>1,944,259</b>
<b>Total performance bonds</b>	<b>93,850</b>	<b>74,282</b>	<b>475,819</b>	<b>159,858</b>	<b>479,065</b>	<b>594,616</b>	<b>281,665</b>	<b>2,159,155</b>

### c.3 Expected interests by currency of the obligations with financial institutions:

Liability	Currency	Interests as of 03.31.2022		Capital	Maturity date	Maturity					Total interests	Total debt
		Accrued	Forecasted			Up to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years		
Bond 144A/RegS 2017 (Fenix Power Perú)	US\$	321	48,861	267,500	09-20-2027	-	11,257	19,038	15,649	3,238	49,182	316,682
Bond 144A/RegS 2014	US\$	1,574	16,134	157,410	07-10-2024	-	7,083	10,625	-	-	17,708	175,118
Bond 144A/RegS 2017	US\$	9,272	109,228	500,000	10-11-2027	9,875	9,875	39,500	39,500	19,750	118,500	618,500
Bond 144A/RegS 2020	US\$	1,050	124,950	500,000	03-06-2030	-	15,750	31,500	31,500	47,250	126,000	626,000
Bond 144A/RegS 2021	US\$	8,453	185,272	600,000	01-19-2032	-	23,625	37,800	37,800	94,500	193,725	793,725

Liability	Currency	Interests as of 12.31.2021		Capital	Maturity date	Maturity					Total interests	Total debt
		Accrued	Forecasted			Up to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years		
Bond 144A/RegS 2017 (Fenix Power Perú)	US\$	3,437	51,810	281,000	09-20-2027	6,065	5,774	20,160	16,383	6,865	55,247	336,247
Serie F Bond	UF	14	292	2,600	01-24-2022	306	-	-	-	-	306	2,906
Serie I Bond	UF	5	359	2,045	01-24-2022	364	-	-	-	-	364	2,409
Bond 144A/RegS 2014	US\$	3,345	17,905	157,410	07-10-2024	3,542	3,542	14,166	-	-	21,250	178,660
Bond 144A/RegS 2017	US\$	4,334	114,166	500,000	10-11-2027	-	19,750	39,500	39,500	19,750	118,500	618,500
Bond 144A/RegS 2020	US\$	4,988	128,887	500,000	03-06-2030	7,875	7,875	31,500	31,500	55,125	133,875	633,875
Bond 144A/RegS 2021	US\$	3,728	189,997	600,000	01-19-2032	-	14,175	37,800	37,800	103,950	193,725	793,725

#### d. Committed and uncommitted revolving credit facilities

The Company has uncommitted bank lines for an approximate amount of US\$ 150 million.

Fenix Power has uncommitted lines for a total of US\$ 64 million.

Other Lines:

The Company has three bond lines registered in the CMF, one for an amount of UF 7 million with a term of thirty years (since its approval in August 2009), and two for a joint amount of UF 7 million with a term of ten and thirty years (since its approval in February 2020), and against which no placements have been performed as of to date.

#### 24. Lease Liabilities

As of March 31, 2022, and December 31, 2021, this caption comprises the following:

Lease liabilities	Current		Non-current	
	03.31.2022 ThUS\$	12.31.2021 ThUS\$	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Lease liabilities	9,499	9,746	114,043	116,572
<b>Total</b>	<b>9,499</b>	<b>9,746</b>	<b>114,043</b>	<b>116,572</b>

## Lease obligation

As of March 31, 2022														
Debtor's Tax ID No.	96505760-9	96505760-9	96505760-9	96505760-9	96505760-9	76362527-3	0-E	0-E	0-E	0-E	0-E	0-E	0-E	
Debtor's name	Colbún S.A.	Colbún S.A.	Colbún S.A.	Colbún S.A.	Colbún S.A.	Efizity Ingeniería SPA	Fenix Power Peru S.A.	Fenix Power Peru S.A.	Fenix Power Peru S.A.	Fenix Power Peru S.A.	Fenix Power Peru S.A.	Fenix Power Peru S.A.	Fenix Power Peru S.A.	
Debtor's country	Chile	Chile	Chile	Chile	Chile	Chile	Peru	Peru	Peru	Peru	Peru	Peru	Peru	
Creditor's Tax ID No.	96656410-5	96860250-0	96565580-8	96587380-5	76497459-k	79812610-5	0-E	0-E	0-E	0-E	0-E	0-E	0-E	
Creditor's name	Bice Vida Compania De Seguros S.A.	B.Raices Santa Lucia SA	Cia. De Leasing Tattersall S.A.	Vigatec S.A.	Nuevo Capital Leasing SpA	Inmobiliaria Arturo Prat Ltda.	Laila Fatima Gaber B.	Renta Equipos SA	Renta Equipos SA	Ricoh del Perú SAC	Inversiones Nuevo Capital Perú	Calidda	Consorcio Transmataro S.A.	
Creditor's country	Chile	Chile	Chile	Chile	Chile	Chile	Peru	Peru	Peru	Peru	Peru	Peru	Peru	
Currency or inflation-adjusted unit	UF	UF	UF	UF	UF	U.F.	US\$	US\$	US\$	US\$	US\$	US\$	US\$	
Amortization frequency	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Quarterly	
Interest type	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	
Basis	-	-	-	-	-	Annual	-	-	-	-	-	-	-	
Effective rate	5.00%	5.00%	5.00%	5.00%	0.40%	1.31%	5.50%	3.40%	4.00%	3.40%	4.00%	7.00%	12.00%	
Nominal rate	5.00%	5.00%	5.00%	5.00%	0.40%	1.31%	5.50%	3.40%	4.00%	3.40%	4.00%	7.00%	12.00%	
<b>Nominal amounts</b>	<b>ThUS\$</b>													<b>Total ThUS\$</b>
Up to 90 days	217	187	(59)	10	(181)	20	3	9	1	2	11	1,730	170	2,120
90 days to 1 year	667	575	-	137	-	33	38	33	5	7	30	5,313	541	7,379
<b>1-3 years</b>	<b>304</b>	<b>262</b>	<b>-</b>	<b>315</b>	<b>-</b>	<b>-</b>	<b>79</b>	<b>140</b>	<b>26</b>	<b>11</b>	<b>-</b>	<b>15,601</b>	<b>1,697</b>	<b>18,435</b>
1-2 years	304	262	-	174	-	-	27	64	10	11	-	7,537	802	9,191
2-3 years	-	-	-	141	-	-	52	76	16	-	-	8,064	895	9,244
<b>3-5 years</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>106</b>	<b>-</b>	<b>-</b>	<b>177</b>	<b>-</b>	<b>8</b>	<b>-</b>	<b>-</b>	<b>17,862</b>	<b>2,016</b>	<b>20,169</b>
3-4 years	-	-	-	106	-	-	98	-	8	-	-	8,629	951	9,792
4-5 years	-	-	-	-	-	-	79	-	-	-	-	9,233	1,065	10,377
<b>Over 5 years</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>67,024</b>	<b>8,415</b>	<b>75,439</b>
<b>Subtotal nominal amounts</b>	<b>1,188</b>	<b>1,024</b>	<b>(59)</b>	<b>568</b>	<b>(181)</b>	<b>53</b>	<b>297</b>	<b>182</b>	<b>40</b>	<b>20</b>	<b>41</b>	<b>107,530</b>	<b>12,839</b>	<b>123,542</b>
<b>Carrying amounts</b>	<b>ThUS\$</b>													<b>Total ThUS\$</b>
Up to 90 days	217	187	(59)	10	(181)	20	3	9	1	2	11	1,730	170	2,120
90 days to 1 year	667	575	-	137	-	33	38	33	5	7	30	5,313	541	7,379
<b>Liabilities under lease agreements, current</b>	<b>884</b>	<b>762</b>	<b>(59)</b>	<b>147</b>	<b>(181)</b>	<b>53</b>	<b>41</b>	<b>42</b>	<b>6</b>	<b>9</b>	<b>41</b>	<b>7,043</b>	<b>711</b>	<b>9,499</b>
<b>1-3 years</b>	<b>304</b>	<b>262</b>	<b>-</b>	<b>315</b>	<b>-</b>	<b>-</b>	<b>79</b>	<b>140</b>	<b>26</b>	<b>11</b>	<b>-</b>	<b>15,601</b>	<b>1,697</b>	<b>18,435</b>
1-2 years	304	262	-	174	-	-	27	64	10	11	-	7,537	802	9,191
2-3 years	-	-	-	141	-	-	52	76	16	-	-	8,064	895	9,244
<b>3-5 years</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>106</b>	<b>-</b>	<b>-</b>	<b>177</b>	<b>-</b>	<b>8</b>	<b>-</b>	<b>-</b>	<b>17,862</b>	<b>2,016</b>	<b>20,169</b>
3-4 years	-	-	-	106	-	-	98	-	8	-	-	8,629	951	9,792
4-5 years	-	-	-	-	-	-	79	-	-	-	-	9,233	1,065	10,377
<b>Over 5 years</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>67,024</b>	<b>8,415</b>	<b>75,439</b>
<b>Liabilities under lease agreements, non-current</b>	<b>304</b>	<b>262</b>	<b>-</b>	<b>421</b>	<b>-</b>	<b>-</b>	<b>256</b>	<b>140</b>	<b>34</b>	<b>11</b>	<b>-</b>	<b>100,487</b>	<b>12,128</b>	<b>114,043</b>
<b>Total liabilities under lease agreements</b>	<b>1,188</b>	<b>1,024</b>	<b>(59)</b>	<b>568</b>	<b>(181)</b>	<b>53</b>	<b>297</b>	<b>182</b>	<b>40</b>	<b>20</b>	<b>41</b>	<b>107,530</b>	<b>12,839</b>	<b>123,542</b>

## Lease obligation (continued)

As of December 31, 2021														
Debtor's Tax ID No.	96505760-9	96505760-9	96505760-9	96505760-9	96505760-9	76362527-3	0-E	0-E	0-E	0-E	0-E	0-E	0-E	
Debtor's name	Colbún S.A.	Colbún S.A.	Colbún S.A.	Colbún S.A.	Colbún S.A.	Efizity Ingeniería SPA	Fenix Power Peru S.A.	Fenix Power Peru S.A.	Fenix Power Peru S.A.	Fenix Power Peru S.A.	Fenix Power Peru S.A.	Fenix Power Peru S.A.	Fenix Power Peru S.A.	
Debtor's country	Chile	Chile	Chile	Chile	Chile	Chile	Peru	Peru	Peru	Peru	Peru	Peru	Peru	
Creditor's Tax ID No.	96656410-5	96860250-0	96565580-8	96587380-5	76497459-k	79812610-5	0-E	0-E	0-E	0-E	0-E	0-E	0-E	
Creditor's name	Bice Vida Compania De Seguros S.A.	B.Raices Santa Lucia SA	Cia. De Leasing Tattersall S.A.	Vigatec S.A.	Nuevo Capital Leasing SpA	Inmobiliaria Arturo Prat Ltda.	Laila Fatima Gaber B.	Renta Equipos SA	Renta Equipos SA	Ricoh del Perú SAC	Inversiones Nuevo Capital Perú	Calidda (1)	Consorcio Transmantar o S.A.	
Creditor's country	Chile	Chile	Chile	Chile	Chile	Chile	Peru	Peru	Peru	Peru	Peru	Peru	Peru	
Currency or inflation-adjusted unit	UF	UF	UF	UF	UF	U.F.	US\$	US\$	US\$	US\$	US\$	US\$	US\$	
Amortization frequency	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Quaterly	
Interest type	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	
Basis	-	-	-	-	-	Annual	-	-	-	-	-	-	-	
Effective rate	5.00%	5.00%	5.00%	5.00%	0.40%	1.31%	5.50%	3.40%	4.00%	3.40%	4.00%	7.00%	12.00%	
Nominal rate	5.00%	5.00%	5.00%	5.00%	0.40%	1.31%	5.50%	3.40%	4.00%	3.40%	4.00%	7.00%	12.00%	
<b>Nominal amounts</b>	<b>ThUS\$</b>													<b>Total ThUS\$</b>
Up to 90 days	214	185	178	51	(102)	18	2	8	1	2	9	1,730	165	2,461
90 days to 1 year	659	568	-	136	43	49	10	30	4	6	35	5,192	525	7,257
<b>1-3 years</b>	<b>530</b>	<b>456</b>	<b>-</b>	<b>326</b>	<b>-</b>	<b>-</b>	<b>67</b>	<b>143</b>	<b>24</b>	<b>14</b>	<b>6</b>	<b>15,333</b>	<b>1,655</b>	<b>18,554</b>
1-2 years	530	456	-	186	-	-	23	57	10	12	6	7,407	778	9,465
2-3 years	-	-	-	140	-	-	44	86	14	2	-	7,926	877	9,089
<b>3-5 years</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>142</b>	<b>-</b>	<b>-</b>	<b>193</b>	<b>9</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>17,554</b>	<b>1,957</b>	<b>19,868</b>
3-4 years	-	-	-	142	-	-	83	9	13	-	-	8,480	923	9,650
4-5 years	-	-	-	-	-	-	110	-	-	-	-	9,074	1,034	10,218
<b>Over 5 years</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69,451</b>	<b>8,702</b>	<b>78,153</b>
<b>Subtotal nominal amounts</b>	<b>1,403</b>	<b>1,209</b>	<b>178</b>	<b>655</b>	<b>(59)</b>	<b>67</b>	<b>272</b>	<b>190</b>	<b>42</b>	<b>22</b>	<b>50</b>	<b>109,260</b>	<b>13,004</b>	<b>126,293</b>
<b>Carrying amounts</b>	<b>ThUS\$</b>													<b>Total ThUS\$</b>
Up to 90 days	214	185	178	51	(102)	18	2	8	1	2	9	1,730	165	2,461
90 days to 1 year	659	568	-	136	43	49	36	30	5	6	36	5,192	525	7,285
<b>Liabilities under lease agreements, current</b>	<b>873</b>	<b>753</b>	<b>178</b>	<b>187</b>	<b>(59)</b>	<b>67</b>	<b>38</b>	<b>38</b>	<b>6</b>	<b>8</b>	<b>45</b>	<b>6,922</b>	<b>690</b>	<b>9,746</b>
<b>1-3 years</b>	<b>530</b>	<b>456</b>	<b>-</b>	<b>326</b>	<b>-</b>	<b>-</b>	<b>67</b>	<b>143</b>	<b>24</b>	<b>14</b>	<b>5</b>	<b>15,333</b>	<b>1,655</b>	<b>18,553</b>
1-2 years	530	456	-	186	-	-	23	57	10	12	5	7,407	778	9,464
2-3 years	-	-	-	140	-	-	44	86	14	2	-	7,926	877	9,089
<b>3-5 years</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>142</b>	<b>-</b>	<b>-</b>	<b>193</b>	<b>9</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>17,554</b>	<b>1,957</b>	<b>19,867</b>
3-4 years	-	-	-	142	-	-	83	9	12	-	-	8,480	923	9,649
4-5 years	-	-	-	-	-	-	110	-	-	-	-	9,074	1,034	10,218
<b>Over 5 years</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69,450</b>	<b>8,702</b>	<b>78,152</b>
<b>Liabilities under lease agreements, non-current</b>	<b>530</b>	<b>456</b>	<b>-</b>	<b>468</b>	<b>-</b>	<b>-</b>	<b>260</b>	<b>152</b>	<b>36</b>	<b>14</b>	<b>5</b>	<b>102,337</b>	<b>12,314</b>	<b>116,572</b>
<b>Total liabilities under lease agreements</b>	<b>1,403</b>	<b>1,209</b>	<b>178</b>	<b>655</b>	<b>(59)</b>	<b>67</b>	<b>298</b>	<b>190</b>	<b>42</b>	<b>22</b>	<b>50</b>	<b>109,259</b>	<b>13,004</b>	<b>126,318</b>

## 25. Trade and other payables

As of March 31, 2022, and December 31, 2021, trade and other payables are composed of the following:

	Current		Non-current	
	03.31.2022 ThUS\$	12.31.2021 ThUS\$	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Trade payables	192,559	190,576	-	-
Dividends payable	13,367	13,420	-	-
Other payables	1,609	1,710	9,149	9,475
<b>Total</b>	<b>207,535</b>	<b>205,706</b>	<b>9,149</b>	<b>9,475</b>

The main suppliers or creditors, with their respective representativeness percentages as of March 31, 2022, are:

Main Commercial Creditors	%
Interocean Coal Sales, Llc	6.20%
Alfa Transmisora de Energía S.A.	5.54%
Transelec S.A.	2.78%
Comité de Operación Económica del Sistema Interconectado Nacional	2.68%
GE Global Parts & Products GmbH	2.60%
Pluspetrol Perú Corporation S.A.	2.15%
Ing. y Construcción Sigdo Koppers S.A.	1.90%
Transportadora de Gas del Perú S.A.	1.80%
Gas Natural de Lima y Callao S.A.	1.54%
Siemens Energy, Inc.	1.29%
Compañía Puerto de Coronel S.A.	1.22%
Strabag SpA	1.18%
CMC - Coal Marketing Dac	1.00%
Otros	68.12%
	<b>100.00%</b>

Stratification of the portfolio of trade and other payables:

Concept	Balance as of 03.31.2022		Balance as of 12.31.2021	
	Current ThUS\$	Total ThUS\$	Current ThUS\$	Total ThUS\$
Goods	80,956	80,956	80,817	80,817
Services	101,843	101,843	82,051	82,051
Others	9,760	9,760	27,708	27,708
<b>Total</b>	<b>192,559</b>	<b>192,559</b>	<b>190,576</b>	<b>190,576</b>

As of March 31, 2022, the amounts payable for invoices receivable for goods and services amount to ThUS\$ 150,810; as of December 31, 2021, it amounted to ThUS\$ 159,487.

For accounts payable to suppliers, the average payment period is 15 days from the date of receipt of the invoice; as a result of this, the fair value does not differ significantly from the related carrying amount.

## 26. Other provisions

### a. Description of provisions

As of March 31, 2022, and December 31, 2021, this caption comprises the following:

Provisions	Current		Non-current	
	03.31.2022 ThUS\$	12.31.2021 ThUS\$	03.31.2022 ThUS\$	12.31.2021 ThUS\$
From legal proceedings	12,478	12,478	-	-
Decommissioning, restoration and rehabilitation costs Related to the environment	-	-	57,148	56,858
	39,868	30,866	-	-
<b>Total</b>	<b>52,346</b>	<b>43,344</b>	<b>57,148</b>	<b>56,858</b>

### b. Movements in provisions during the period

As of March 31, 2022, and December 31, 2021, this caption comprises the following:

Movements in provisions	From legal proceedings <sup>(1)</sup> ThUS\$	Decommissioning, restoration and rehabilitation costs ThUS\$	Related to the environment <sup>(2)</sup> ThUS\$	Total ThUS\$
Opening balance as of 01.01.2022	12,478	56,858	30,866	100,202
Increase (decrease) related to transfers and other changes, other provisions	-	(196)	-	(196)
Increase in existing provisions, other provisions	-	486	9,002	9,488
Provisions used, other provisions	-	-	-	-
<b>Balance as of 03.31.2022</b>	<b>12,478</b>	<b>57,148</b>	<b>39,868</b>	<b>109,494</b>

Movements in provisions	From legal proceedings <sup>(1)</sup> ThUS\$	Decommissioning, restoration and rehabilitation costs ThUS\$	Related to the environment <sup>(2)</sup> ThUS\$	Total ThUS\$
Opening balance as of 01.01.2021	3,785	46,785	25,585	76,155
Increase (decrease) related to transfers and other changes, other provisions	(1,220)	-	-	(1,220)
Increase in existing provisions, other provisions	9,913	10,073	24,794	44,780
Provisions used, other provisions	-	-	(19,513)	(19,513)
<b>Balance as of 12.31.2021</b>	<b>12,478</b>	<b>56,858</b>	<b>30,866</b>	<b>100,202</b>

<sup>(1)</sup> Provisions for differences and/or tax administrative contingencies (see note 38.c).

<sup>(2)</sup> Corresponds to the provision for tax expense that is levied on the emissions on thermoelectric plants (Law 20,780).

### c. Decommissioning

The non-current balance corresponds to the disbursement related to the decommission of certain facilities, and future costs associated with the removal of certain assets and rehabilitation of specific land.

### d. Restructuring

The Company has not established or recorded any provisions for this concept.



## e. Litigations

As of March 31, 2022, and December 31, 2021, the Company recognized provisions for litigation in accordance with IAS 37 (see note 38, letter c).

## 27. Provisions for employee benefits

### a. Employee benefits

The Company recognizes provisions for benefits and bonuses for its employees, such as accrued vacations, benefits for termination of project contracts and performance incentives.

As of March 31, 2022, and December 31, 2021, this caption comprises the following:

Employee benefits	Current		Non-current	
	03.31.2022 ThUS\$	12.31.2021 ThUS\$	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Accrued vacations, current	5,549	5,935	-	-
Performance bonus, current	2,998	9,439	-	-
Other benefits	898	-	2,898	2,025
Provision for severance indemnity payments	6,361	8,052	26,653	23,916
<b>Total</b>	<b>15,806</b>	<b>23,426</b>	<b>29,551</b>	<b>25,941</b>

### b. Movements in provision during the period

As of March 31, 2022, and December 31, 2021, this caption comprises the following:

Movements in provisions	Accrued vacations, current ThUS\$	Performance bonus, current ThUS\$	Other benefits, current ThUS\$	Provision for severance indemnity payments ThUS\$	Total ThUS\$
Opening balance as of 01.01.2022	5,935	9,439	-	8,052	23,426
Increase in existing provisions, other provisions	(13)	3,499	898	885	5,269
Provision used, other provisions	(373)	(9,940)	-	(2,576)	(12,889)
<b>Balance as of 03.31.2022</b>	<b>5,549</b>	<b>2,998</b>	<b>898</b>	<b>6,361</b>	<b>15,806</b>

Movements in provisions	Accrued vacations, current ThUS\$	Performance bonus, current ThUS\$	Other benefits, current ThUS\$	Provision for severance indemnity payments ThUS\$	Total ThUS\$
Opening balance as of 01.01.2021	5,655	11,439	-	7,060	24,154
Increase in existing provisions, other provisions	280	9,203	-	992	10,475
Provision used, other provisions	-	(11,203)	-	-	(11,203)
<b>Balance as of 12.31.2021</b>	<b>5,935</b>	<b>9,439</b>	<b>-</b>	<b>8,052</b>	<b>23,426</b>

### c. Provision for employee benefits, non-current

The Company and some subsidiaries have recorded a provision to cover the indemnity payments in accordance with the collective and individual bargaining agreements entered with its employees. This provision represents the total accrued provision (see note 3.1. m.).

The basis for the actuarial calculation of the obligations with employees is permanently assessed by the Company. As of March 31, 2022, the Company has updated some indicators to better reflect the current market conditions.

i) **The detail of provision for employee benefits** - As of March 31, 2022, and December 31, 2021, this caption comprises the following:

<b>Provision for employee benefits</b>	<b>03.31.2022</b> ThUS\$	<b>12.31.2021</b> ThUS\$
Severance indemnity payments	33,014	31,968
<b>Total</b>	<b>33,014</b>	<b>31,968</b>
<b>Present value of the obligation for defined benefit plans</b>	<b>03.31.2022</b> ThUS\$	<b>12.31.2021</b> ThUS\$
Opening balance as of January 1	31,968	47,660
Cost of current service	2,700	4,775
Interest cost	189	687
Foreign currency translation differences	2,102	(7,546)
Actuarial gain (loss)	(843)	(12,196)
Payments	(3,102)	(1,412)
<b>Closing balance</b>	<b>33,014</b>	<b>31,968</b>

ii) **Actuarial assumptions** - The main assumptions used for actuarial calculation purposes are as follows:

<b>Actuarial basis used</b>	<b>03.31.2022</b>	<b>12.31.2021</b>
Discount rate	2.42%	2.49%
Expected rate of salary increases	1.62%	1.62%
Turnover rate	Voluntary	3.70%
	Dismissal	8.20%
Retirement age	Men	65
	Women	60
Mortality rate	RV-2014	RV-2014

**Discount rate:** Corresponds to the interest rate to be used to show in present value terms the disbursements expected to be realized in the future. The discount rate was determined based on the bonds denominated in inflation-adjusted units (UF) of the Chilean Central Bank with a 20-year term as of March 31, 2022. The source of the reference rate is Chilean Central Bank.

**Salary increase rate:** Refers to the salary increase rate estimated by the Company for the employee salaries based on the internal compensation policy.

**Personnel turnover rate:** Refers to the personnel turnover rate calculated by the Company based on its historical information.

**Age of retirement:** Refers to the legal retirement age for men and women in accordance with the Decree Law 3,500 that includes the standards governing the current Chilean pension system.

**Mortality rate:** Refers to the mortality rate published by the Chilean Financial Market Commission.

iii) **Sensitivity analysis of the actuarial assumptions** - Only the discount rate has been considered as a relevant parameter for sensitivity analysis purposes. The result of changes in the actuarial liability due to the sensitivity analysis of the discount rate is detailed as follows:

Sensitization	Rate		Amount of the obligation	
	03.31.2022 %	12.31.2021 %	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Period rate	2.42	2.49	33,014	29,206
Rate decrease by 50 b.p.	1.92	1.99	35,144	31,145
Rate increased by 50 b.p.	2.92	2.99	31,079	27,445

## 28. Other non-financial liabilities

As of March 31, 2022, and December 31, 2021, this caption comprises the following:

	Current		Non-current	
	03.31.2022 ThUS\$	12.31.2021 ThUS\$	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Withholdings	22,019	15,317	-	-
Unearned revenue <sup>(1)</sup>	267	541	6,326	6,326
<b>Total</b>	<b>22,286</b>	<b>15,858</b>	<b>6,326</b>	<b>6,326</b>

<sup>(1)</sup> Corresponds to prepayments received related to the operations and maintenance services. Revenue is recognized when the service is rendered. Non-current balance includes ThUS\$ 6,326 corresponding to the recognition of the lease agreement entered into between the Company and Codelco. As of December 31, 2021, such balance amounted to ThUS\$ 6,326.

## 29. Disclosures on equity

### a. Subscribed, fully paid capital and number of shares

At the General Shareholders' Meeting of Colbun S.A. held on April 29, 2009, the shareholders agreed to change the currency in which the share capital is denominated since December 31, 2008 to the U.S. dollars using the exchange rate prevailing at the reporting date as of December 31, 2008, divided into 17,536,167,720 ordinary and registered shares of the same series with no par value.

As of March 31, 2022, this caption comprises the following:

Number of shares			
Series	No. of shares subscribed	Number of shares fully paid	No. of shares with voting rights
Single	17,536,167,720	17,536,167,720	17,536,167,720
Capital (Amount in US\$)			
Series	Subscribed capital ThUS\$	Paid-in capital ThUS\$	
Single	1,282,793	1,282,793	

### a.1 Reconciliation of shares

At the reporting date, the reconciliation of the number of outstanding shares, is detailed as follows:

Shares	03.31.2022	12.31.2021
No. of outstanding shares as of January 1	17,536,167,720	17,536,167,720
<b>Changes in outstanding shares</b>		
Increase (decrease) in outstanding shares	-	-
No. of outstanding shares at the end of the period	17,536,167,720	17,536,167,720

### a.2 N° of shareholders

As of March 31, 2022, the number of shareholders is 2,896.

### b. Share capital

Share capital corresponds to the paid-in capital indicated in letter a.

### c. Share premium

As of March 31, 2022, and December 31, 2021, the caption share premium amounts to ThUS\$ 52,595 and is composed of ThUS\$ 30,700 related to premium received in the share subscription term approved at the Extraordinary Shareholders' Meeting held on March 14, 2008, plus a share premium of ThUS\$ 21,895 resulting from capital increases performed prior to 2008.

### d. Dividends

In a Board meeting held on March 29, 2022, it was agreed to propose to the Shareholders' Meeting to distribute the net distributable profit as follows: (i) Distribute a definitive and final dividend in the amount of ThUS\$22,648 corresponding to US\$ 0.00129 per share, which in addition to the provisional dividend of ThUS\$ 250,000, corresponding to US\$ 0.01426 per share, would amount to 50% of the Net Distributable Profit for 2021 of ThUS\$ 272,648 and (ii) Distribute a dividend chargeable to profit of 2021 for the sum of ThUS\$ 50,000, corresponding to US\$ 0.00285 per share.

The general policy and procedure on dividend distribution agreed at the Shareholders' Meeting held on April 29, 2021, established that the Company will distribute at least 50% of net profit. In accordance with IFRS, there is a legal and assumed obligation requiring the accounting for of a liability at each reporting date for the concept of the minimum legal dividend.

At the Extraordinary Shareholders' Meeting held on September 15, 2021, it was approved to distribute an eventual dividend, charged to the accumulated profits of the Company for the amount of ThUS\$ 750,000 corresponding to US \$ 0.94277 per share, payable in dollars or pesos, at the election of the shareholders, from October 12, 2021. Additionally, the Board of Directors was empowered, so that, if it deems it necessary for any reason, to suspend the payment of the dividend referred to above, setting, in the same act or subsequently, a new payment date, which may not be later than December 31, 2021. This power may be exercised by the Board of Directors until before the publication of the notice of payment of the aforementioned dividend.

The Extraordinary Board of Directors dated August 10, 2021 approved the distribution of a provisional dividend, charged to the net profits corresponding to the year ending December 31, 2021 for the amount of ThUS \$ 250,000 corresponding to US\$0.01426 per share, payable in dollars or pesos, at the election of the shareholders, as of October 12, 2021.

At the Shareholders' Meeting held on April 29, 2021, it was approved to distribute a final dividend in the amount of ThUS \$ 81,675 corresponding to US \$ 0.00465 per share, and an eventual dividend charged to accumulated earnings of previous years of ThUS \$ 164,580, corresponding to US \$ 0.00939 per share, which began to be paid on May 12, 2021.

At the Board of Directors' Meeting held on March 31, 2021, the directors agreed to propose to the Shareholders' Meeting the distribution of the net distributable profit as follows: (i) Distribute a final dividend of ThUS\$ 81,675 corresponding to US\$ 0.00465 per share, which in addition to a provisional dividend of ThUS\$ 81,217 corresponding to US\$ 0.00463 per share, would amount to Net Distributable Profit for 2020 of ThUS\$ 162,892; and (ii) Distribute a provisional dividend with a debit to prior year retained earnings of ThUS\$ 164,850, corresponding to US\$ 0.00939 per share.

#### e. Detail of Other reserves

This caption comprises the following:

Other reserves	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Effect of first adoption of paid-in capital deflation	517,617	517,617
Effect of first-time adoption of translation in accordance with IAS 21	(230,797)	(230,797)
Revaluation of property, plant and equipment	274,491	278,017
Revaluation of deferred taxes	(103,493)	(104,445)
Merger reserve	151,213	155,959
Affiliate translation effects	(37,653)	(37,714)
Subsidiaries' reserve	(12,051)	(12,051)
Hedging reserve	9,398	(14,838)
Associate hedging effects	311	311
<b>Total</b>	<b>569,036</b>	<b>552,059</b>

Effect of first adoption of paid-in capital deflation: Circular No.456 issued by the Chilean Financial Market Commission and effect of first-time adoption of translation in accordance with IAS 21: Reserves generated by the first-time adoption of the International Financial Reporting Standards (IFRSs), which are subject to capitalization if permitted by accounting standards and law.

Revaluation of property, plant and equipment: The methodology used to quantify the realization of this concept relates to the application of useful lives per class of asset used for the depreciation process to the revaluation amount determined as of the date of adoption.

Deferred taxes: The adjustments in the measurement of assets and liabilities arising from the application of IFRS have resulted in the determination of new temporary differences recognized against the retained earnings in equity. The realization of this concept has been determined in the same proportion as the items from which it arises.

Merger reserve: Refers to the revaluation reserve of assets at fair value recorded from mergers in previous years, which amounts have not been realized.

Effect of translation in associates: Refers to the exchange rate difference generated by fluctuations in exchange rates on investments in associates and joint ventures, which maintain as a functional currency the Chilean peso.

Reserve of subsidiary: Reserve arising from the merger and variation in the interest of subsidiaries subject to capitalization if permitted by the accounting standards and law.

Effect of hedging reserve: Refers to the effective portion of transactions designated as cash flow hedges waiting for the recognition of the hedged item in profit or loss.

#### f. Retained earnings (accumulated losses)

As of March 31, 2022, and December 31, 2021, changes in reserves for retained earnings are detailed as follows:

Distributable retained earnings	03.31.2022 ThUS\$	12.31.2021 ThUS\$
Opening balance as of January 1	833,180	1,414,284
Profit or loss for the year	47,635	545,298
Effect of actuarial profit (loss)	616	10,080
Dividends	-	(1,273,666)
Realized retained earnings	7,312	137,184
<b>Total distributable retained earnings</b>	<b>888,743</b>	<b>833,180</b>

#### g. Capital management

Capital management falls under the financing and investing policies of the Company, which establish, among other matters, that investments shall have appropriate financing according to the project in conformity with the Financing Policy.

The Company will try to have sufficient liquidity in order to maintain an adequate financial position to meet its commitments and risks associated with its business. The cash surpluses of the Company will be invested in securities issued by financial institutions and marketable securities in accordance with the portfolio selection and diversification criteria determined by Management.

The control on investments will be performed by the Board, in charge of approving specific investments both the amount and financing of specific investments in conformity with the Company's by-laws and the decision made at the Shareholders' Meeting, if applicable.

The financing shall provide for the necessary funds to operate existing assets appropriately and to realize new investments in conformity with the Investing Policy mandate. For such purpose, the internal and external resources available will be used without compromising the Company's equity position or growth.

Accordingly, the indebtedness level shall not compromise the "investment grade" credit rating of the debt securities issued by Colbun in the international and domestic markets.

The Company will have different financing options, for which the following financing sources are preferred: bank borrowings both with international and local banks, long-term bond markets both in the international and local market, credits to supplier, retained earnings and capital increases.

As of March 31, 2022, and December 31, 2021, the indebtedness level detailed is as follows:

	03.31.2022 ThUS\$	12.31.2021 ThUS\$
<b>Total liabilities</b>	<b>3,566,308</b>	<b>3,761,082</b>
Total current liabilities	490,374	679,004
Total non-current liabilities	3,075,934	3,082,078
<b>Total equity</b>	<b>2,922,217</b>	<b>2,841,426</b>
Equity attributable to the Parent	2,793,167	2,720,627
Non-controlling interest	129,050	120,799
<b>Indebtedness ratio</b>	<b>1.22</b>	<b>1.32</b>

#### h. Earnings per share and net distributable profit

Earnings per share are calculated dividing the profit or loss attributable to the shareholders of the Parent by the weighted average of common shares outstanding during the reported years.

	03.31.2022	03.31.2021	12.31.2021
Profit (loss) attributable to shareholders of the Parent (ThUS\$)	47,635	(38,892)	545,298
Profit (loss) available for common shareholders, basic (ThUS\$)	47,635	(38,892)	545,298
Weighted average number of shares, basic (No. of shares)	17,536,167,720	17,536,167,720	17,536,167,720
<b>Basic earnings per share (U.S. dollars per share)</b>	<b>0.00272</b>	<b>(0.00222)</b>	<b>0.03110</b>

The Company has not performed any type of operation with a potential dilutive effect that could create a difference in the diluted earnings per share from the basic earnings per share during the reported period.

In conformity with Circular No.1,945 dated September 29, 2009, Colbún S.A. agreed to establish as general policy that the net distributable profit to be considered for the calculation of the Additional and Compulsory Minimum Dividend is established on the base effectively performed, eliminating those significant fluctuations in the fair value of unrealized assets and liabilities, which must be included in the calculation of net profit for the year in which such fluctuations occur.

Consequently, additions and deductions to net distributable profit for fluctuations in the fair value of unrealized assets and liabilities and recognized in "profit (loss) attributable to shareholders of the Company," relate to potential effects arising from the fluctuations in the fair value of the Company's derivative instruments at each period-end, net of the corresponding income tax.

The calculation of net distributable profit is detailed as follows:

Calculation of net profit for distribution (cash flows)	03.31.2022 ThUS\$	03.31.2021 ThUS\$	12.31.2021 ThUS\$
<b>Shareholders of the Parent</b>	<b>47,635</b>	<b>-</b>	<b>545,298</b>
Cash flow for the year charged to prior years	-	-	-
Effect on unrealized finance income that generated no cash flows	-	-	-
<b>Net cash flow for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net distributable profit</b>	<b>47,635</b>	<b>-</b>	<b>545,298</b>
<b>Mandatory minimum dividend</b>	<b>23,818</b>	<b>-</b>	<b>272,649</b>

### 30. Revenue

For the periods ended March 31, 2022 and 2021, this caption comprises the following:

	January - March	
	2022 ThUS\$	2021 ThUS\$
Regulated customer sales	104,730	107,750
Unregulated customer sales	235,864	166,755
Toll charges	2,360	26,022
Spot market sales	63,544	27,360
Other income	10,333	7,698
<b>Total</b>	<b>416,831</b>	<b>335,585</b>

### 31. Raw materials and consumable

For the periods ended March 31, 2022 and 2021, this caption comprises the following:

Inventories	January - March	
	2022 ThUS\$	2021 ThUS\$
Oil consumption (see Note 13)	(7,059)	(16,707)
Gas consumption (see Note 13)	(119,366)	(66,271)
Coal consumption (see Note 13)	(31,017)	(21,107)
Purchase of energy and capacity	(28,388)	(15,905)
Toll charges	(36,728)	(31,274)
Third-party work and supplies	(15,110)	(11,984)
<b>Total</b>	<b>(237,668)</b>	<b>(163,248)</b>



### 32. Employee benefits expenses

For the periods ended March 31, 2022 and 2021, this caption comprises the following (see note 3.1.m. and 3.1.o.):

	January - March	
	2022 ThUS\$	2021 ThUS\$
Salaries and wages	(15,693)	(17,052)
Short-term employee benefits	(1,538)	(1,650)
Severance indemnity payments	(2,002)	(1,284)
Other personnel expenses	(1,009)	(1,282)
<b>Total</b>	<b>(20,242)</b>	<b>(21,268)</b>

### 33. Depreciation and amortization expenses

For the periods ended March 31, 2022 and 2021, this caption comprises the following:

	January - March	
	2022 ThUS\$	2021 ThUS\$
Depreciation (see Note 18.b)	(48,684)	(51,137)
Depreciation right-of-use assets (see note 19.b)	(3,174)	(3,207)
Amortization of intangible assets (see Note 17.b)	(963)	(1,082)
<b>Total</b>	<b>(52,821)</b>	<b>(55,426)</b>

### 34. Total Financial income and financial cost

For the periods ended March 31, 2022 and 2021, this caption comprises the following:

Income (loss) from investments	January - March	
	2022 ThUS\$	2021 ThUS\$
Income on cash and other cash equivalents	2,525	1,291
<b>Total financial income</b>	<b>2,525</b>	<b>1,291</b>
Financial cost	January - March	
	2022 ThUS\$	2021 ThUS\$
Expenses on bonds	(19,194)	(16,515)
Interest expense for lease liabilities <sup>(1)</sup>	(2,516)	(2,142)
Expense incurred for financial provisions	(2,909)	(2,583)
Borrowing costs	(131)	(689)
Income/expense on the valuation of net financial derivatives	(67)	(316)
Other expenses (bank expenses)	(158)	(121)
Other expenses (commissions)	-	(148)
Capital financial expenses (see note 18.c.iii)	4,069	325
<b>Total financial cost</b>	<b>(20,906)</b>	<b>(22,189)</b>
<b>Total financial income and financial costs</b>	<b>(18,381)</b>	<b>(20,898)</b>

<sup>(1)</sup> Leases recognized under IFRS 16

### 35. Foreign currency translation and income (expense) from inflation-adjusted units

The items that originate the effects on income for the concepts of foreign currency translation and inflation-adjusted units are detailed below:

#### a. Foreign currency translation difference

Foreign currency translation difference	Moneda	January - March	
		2022 ThUS\$	2021 ThUS\$
Cash and cash equivalents	Ch\$	3,207	(1,160)
Cash and cash equivalents	PEN	718	(344)
Trade and other receivables	Ch\$	6,347	1,478
Trade and other receivables	PEN	57	(413)
Current tax assets	Ch\$	(267)	(472)
Current tax assets	PEN	590	(303)
Other non-financial assets, non-current	Ch\$	211	(465)
Other non-financial assets, non-current	PEN	-	-
<b>Foreign currency translation difference - assets</b>		<b>10,863</b>	<b>(1,679)</b>
Other financial liabilities, current	UF	(4,840)	(847)
Other financial liabilities, current	PEN	(151)	8
Trade and other payables	Ch\$	(918)	(1,174)
Trade and other payables	PEN	(29)	40
Other non-financial liabilities	Ch\$	(55)	(23)
Provisions for employee benefits	Ch\$	(3,382)	874
<b>Foreign currency translation difference - liabilities</b>		<b>(9,375)</b>	<b>(1,122)</b>
<b>Total foreign currency translation difference</b>		<b>1,488</b>	<b>(2,801)</b>

### 36. Income (expense) from investments accounted for using the equity method

Income from investments accounted by equity method for the period ended March 31, 2022 and 2021, respectively, are presented in the following breakdown:

Net interest in affiliates' income	January - March	
	2022 ThUS\$	2021 ThUS\$
Electrogas S.A.	2,615	1,679
Transmisora Eléctrica de Quillota Ltda <sup>(1)</sup>	-	(308)
<b>Total</b>	<b>2,615</b>	<b>1,371</b>

<sup>(1)</sup> On December 30, 2021, the sale of the total share of the Joint Venture of Transmisora Eléctrica de Quillota Ltda. (equivalent to 50% of the social rights) was made, to the companies APG Energy & Infra Investments Chile Expansion SpA, and CELEO Redes Chile Expansion SpA.

### 37. Other gains (losses)

For the periods ended March 31, 2022 and 2021, this caption comprises the following:

Other gains	January - March	
	2022 ThUS\$	2021 ThUS\$
Sale of projects	204	-
Other income	2,557	113
<b>Total other gains</b>	<b>2,761</b>	<b>113</b>
Otros Gastos distintos de los de operación	January - March	
	2022 ThUS\$	2021 ThUS\$
Financial cost for sale of portfolio associated with PEC <sup>(1)</sup>	(3,641)	(14,203)
Bond prepayment costs <sup>(2)</sup>	(496)	-
Emissions of thermoelectric plants <sup>(3)</sup>	(5,284)	(2,880)
Donations and community contributions	(645)	(366)
Decommissioning cost	(485)	(345)
Loss from derivative contracts	(702)	(99)
Litigation-related legal fees	(344)	(24)
Write-offs and fines	(2)	-
Allowance for doubtful customers	370	(611)
Other	(7,748)	(3,123)
<b>Total other losses</b>	<b>(18,977)</b>	<b>(21,651)</b>
<b>Total other gains (losses)</b>	<b>(16,216)</b>	<b>(21,538)</b>

<sup>(1)</sup> Corresponds to financial cost related with the sale of accounts receivables generated by the energy price stabilization mechanism ("PEC" in its Spanish acronym).

<sup>(2)</sup> Corresponds to the prepaid cost of Local Bonds Series F and I.

<sup>(3)</sup> Corresponds to the provision for tax expense that is levied on the emissions of thermoelectric plants (Law 20.780).

### 38. Guarantees with third parties and contingent assets and liabilities

#### a. Guarantees with third parties

**a.1 Direct guarantees:** As of March 31, 2022, and December 31, 2021, the Company has provided direct guarantees for ThUS\$ 32,555.

Assets committed			Outstanding balance	
Type of guarantee	Currency	Carrying amount	03.31.2022	12.31.2021
			ThUS\$	ThUS\$
Performance bond	Ch\$	876,125,559	1,112	943
Performance bond	US\$	22,370,000	22,370	22,672
Performance bond	UF	225,159	9,066	8,086
Guarantee check	UF	167	7	6
<b>Total</b>			<b>32,555</b>	<b>31,707</b>

## b. Third-party guarantees

### b.1 Current guarantees denominated in U.S. dollars as of March 31, 2022

Deposited by	Relationship	Total ThUS\$
Enercon Chile SpA	Suppliers	78,619
GE Energy Parts Inc	Suppliers	15,000
Wartsila Finland OY	Suppliers	3,945
Siemens Energy SpA	Suppliers	1,899
Voith Hydro S.A.	Suppliers	250
Rhona S.A.	Suppliers	227
LS Cable And System Ltd.	Suppliers	187
ABB Power Grids Brasil Ltda.	Suppliers	99
Generadores Mexicanos S.A. de C.V.	Suppliers	71
Ing. y Ases. en Comp. y Comunicación Neosecure S.A.	Suppliers	37
HMV Chile	Suppliers	32
Soc. de Ventas Servicios Instrumentación Ltda.	Suppliers	23
Campbell Scientific Centro Caribe S.A.	Suppliers	13
PMM Asset Project Management Ltda.	Suppliers	13
MEE S.A.	Suppliers	5
Serv. de Respaldo de Energía Técnica Ltda.	Suppliers	5
Sistemas Eléctricos Ingeniería y Servicios S.A.	Suppliers	1
Sisua Digital SpA	Suppliers	1
<b>Total</b>		<b>100,427</b>

### b.2 Current guarantees denominated in Euros as of as of March 31, 2022

Deposited by	Relationship	Total ThUS\$
Enercon GmbH	Suppliers	17,780
Andritz Hydro S.R.L.	Suppliers	297
Weidmuller S.A.	Suppliers	40
<b>Total</b>		<b>18,117</b>

**b.3 Current guarantees denominated in Chilean pesos as of as of March 31, 2022**

Deposited by	Relationship	Total ThUS\$
Vecchiola Ingeniería y Construcción S.A.	Suppliers	143
Constructora Tecton SpA	Suppliers	49
Constructora y Maquinarias Pulmahue SpA	Suppliers	47
Eduardo Antonio Gómez Miranda	Suppliers	31
Inmobiliaria E Inversiones Michel Chehade B.	Suppliers	24
DPLGrout Construcciones SpA	Suppliers	21
Sodexo Chile SpA	Suppliers	17
SG Ingeniería Eléctrica Ltda.	Suppliers	17
Ingeniería y Comercial San Andrés Ltda.	Suppliers	14
Jaime Fuentes y Cía. Ltda.	Suppliers	14
Target-Ts SpA	Suppliers	13
Desarrollo Marítimo Servicios y Equipamiento SpA	Suppliers	12
Sodexo Chile S.A.	Suppliers	11
Asesoría Forestal Integral Ltda.	Suppliers	10
Soc. Asociación Canales Maule Sur Ltda.	Suppliers	9
Dimetales SpA	Suppliers	8
Ximena Mariela Soto Orellana	Suppliers	7
Prosing Ingeniería y Servicios Ltda.	Suppliers	7
ST Ingeniería y Construcción SpA	Suppliers	6
Neoval Ingeniería y Construcción SpA	Suppliers	5
Rhona S.A.	Suppliers	5
Máximo Emiliano Sanhueza Manríquez	Suppliers	5
Constructora Javag SpA	Suppliers	3
<b>Total</b>		<b>478</b>

**b.4 Current guarantees denominated in Inflation-adjusted units as of as of March 31, 2022**

Deposited by	Relationship	Total ThUS\$
Strabag SpA	Suppliers	26,794
Promet Servicios SpA	Suppliers	3,814
Barlovento Recursos Naturales SI Tax Id	Suppliers	547
DNV GL Chile Ltda.	Suppliers	292
Serv. Industriales Ltda.	Suppliers	247
Contract Chile S.A.	Suppliers	194
Algoritmos y Mediciones Ambientales SpA	Suppliers	187
Securitas S.A.	Suppliers	113
Servicios Emca SpA	Suppliers	91
Ricoh Chile S.A.	Suppliers	80
Vigatec S.A.	Suppliers	71
Integración de Tecnologías ITQ Ltda.	Suppliers	69
Constructora Pesa Ltda.	Suppliers	64
Ateme Consultores SpA	Suppliers	63
Universidad de Concepción	Suppliers	61
WSP Ambiental S.A.	Suppliers	60
Serv. Industriales Warner SpA	Suppliers	56
Novis S.A.	Suppliers	53
Sistema Integral de Telecomunicaciones Ltda.	Suppliers	47
Arkanosoft Chile SpA	Suppliers	46
Marcelo Javier Urrea Caro EIRL	Suppliers	45
Soc.Comercial San Cristobal Ltda.	Suppliers	41
Empresa Nacional de Telecomunicaciones S.A.	Suppliers	40
Transportes José Carrasco Retamal EIRL	Suppliers	37
OHL Servicios Ingesan S.A. Agencia en Chile	Suppliers	36
Mario Francisco Segura Caballero	Suppliers	35
Soc. Comercial Camin Ltda.	Suppliers	34
Constructora Javag SpA	Suppliers	34
J.E.J. Ingeniería S.A.	Suppliers	32
Soc. Administradora de Casinos y Servicios Aliservice S.A.	Suppliers	32
Bessertec SpA	Suppliers	31
ABB S.A.	Suppliers	31
Sodexo Chile SpA	Suppliers	31
XPE Consult SpA	Suppliers	29
Buses Ahumada Ltda.	Suppliers	28
KSE SpA	Suppliers	27
Latinamericana Serv. de Ingeniería y Construcción Ltda.	Suppliers	24
Conecta Ingeniería S.A.	Suppliers	14
MYA Chile Soluciones contra Incendio e Industriales Ltda.	Suppliers	19
ISS Facility Services S.A.	Suppliers	18
Serv. Industriales Euroambiente Ltda.	Suppliers	16
Soc. de Transportes Turismos e Invers.	Suppliers	14
Soluciones de Ingeniería de Control Ltda.	Suppliers	13
Serv. Eduardo Sebastián Velásquez Negrón EIRL	Suppliers	13
Olcay Heredia Santana Ingeniería S.A.	Suppliers	12
Office For You Chile SpA	Suppliers	12
Ingenieros Emetres S.A.	Suppliers	12
Ingeniería y Construcciones Sigdo Koppers S.A.	Suppliers	12
HMV Chile	Suppliers	12
GS3 Consultores SpA	Suppliers	10
Soc. Comercial y de Inversiones Conyser Ltda.	Suppliers	10
Aguasin SpA	Suppliers	8
SGS Chile Ltda. Soc. de Control	Suppliers	8
Interra Latam SpA	Suppliers	7
Serv. de Ingeniería IMC Ltda.	Suppliers	7
Mantenición de Jardines Arcoiris Ltda.	Suppliers	6
Victoria S.A.	Suppliers	5
Target-TS SpA	Suppliers	5
Silob Laboratorio Puerto Montt Ltda.	Suppliers	5
Servicios GEA Ltda.	Suppliers	3
Empresa de Servicios Himce Ltda.	Suppliers	3
Andritz Chile Ltda.	Suppliers	1
<b>Total</b>		<b>33,761</b>

## Fenix Power Perú S.A.

### b.1 Current guarantees denominated in Peruvian soles as of as of March 31, 2022

Deposited by	Relationship	Total ThUS\$
Electro Oriente S.A	Suppliers	1,590
Procarvi S.A.	Suppliers	40
Arco Iris Maquiservicios EIRL	Suppliers	35
Unicontrol	Suppliers	31
Busser SAC	Suppliers	29
J&V Resguardo SAC	Suppliers	27
M & D Consultores	Suppliers	4
People Intermediacion SAC	Suppliers	4
Advanced Services In Decotations SAC	Suppliers	1
<b>Total</b>		<b>1,761</b>

### b.2 Current guarantees denominated in U.S. dollars as of as of March 31, 2022

Deposited by	Relationship	Total ThUS\$
Barlovento Renovables Latinoamérica SAC	Suppliers	100
Walsh Perú S.A. Ingenieros y Científicos Consultores	Suppliers	18
VYT Contratistas SAC	Suppliers	5
<b>Total</b>		<b>123</b>

### c. Detail of litigation and others

Management believes that, on the basis of the information in its possession at the reporting date, the provisions recognized in the consolidated statement of financial position appropriately cover the litigation risks and other operations detailed in this note; accordingly, Management expects no additional liabilities arising from such litigation risks other than the liabilities recognized.

Considering the characteristics of the risks covering such provisions, it is impossible to determine a reasonable payment schedule, if applicable.

As of March 31, 2022, the detail of litigation in accordance with IAS 37 is as follows:

#### Chile

1.- The following charges were filed by the Superintendence of the Environment (SMA) against Santa María thermoelectric power plant as required by the Environment Court of Valdivia (TAV); (i) alleging existence of equipment other than the pieces of equipment authorized in the Environmental Qualification resolution (RCA) and (ii) for possibly not having registered with the Environmental Impact Evaluation System (SEI) oversizing of the thermal power plant chimney. Colbún duly substantiated and submitted its defense against the charges filed by the SMA and is currently waiting for the proceeding to continue.

Note that in the administrative proceeding conducted prior to the investigation by SMA against Santa María thermoelectric power plant, the regulating authority concluded that there was no background information to file such charges; however, when the TAV reviewed the administrative resolution conducted by the SMA, it ordered to file those two charges.

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Simultaneously, both Colbún S.A. and the Chilean Superintendence of the Environment (SMA) filed appeals in cassation with the Supreme Court against the judgment of the TAV, which ordered such filing of charges and established a limit of 350 MW gross to the power plant's capacity.

On July 9, 2019, the Supreme Court (SC) received the appeals in cassation filed by the Superintendence of Environment (SMA) and Colbún against the sentence of the Environmental Court of Valdivia (TAV). The SC determined that the TAV incurred in an error of law when it required the SMA to file charges against Colbún for: (i) non-compliance with the SEIA; and (ii) non-compliance with RCA of the Santa María CT.

The SC revoked the power limitation of the power plant to 350 MW gross established by the TAV and accepted the cassation for the purpose of retroacting the sanctioning procedure against Colbún to the stage prior to the issuance of the closure resolution.

This sanctioning procedure concluded in favor of Colbún when the SMA, ordered filing both individualized complaints above in (i and ii) on September 4, 2019. However, the plaintiff filed an appeal with the Environment Court of Valdivia (TAV) against the resolution of the SMA ordering the filing of the complaints. The case has been alleged in the TAV and on March 31, 2020, the TAM rejected the case file, ordering the SMA to issue the corresponding resolution. The SMA filed a new appeal against this judgment on the Supreme Court, which was rejected as inadmissible. It would correspond, according to the procedural rules, to comply with the ruling of the TAV and the SMA should formulate, during the next months, charges again in this procedure. This process is expected to end in acquittal, compliance plan or fine, according to law. The SMA decided to apply a fine for minor infraction of UTA 345, regarding this resolution of the SMA, Colbún filed a claim to the Environmental Court of Valdivia and the Plaintiffs filed an Appeal for Reversal to the same SMA.

## 2.- Arbitration proceeding for taxes levied on emissions

In December 2019, Colbún has filed an arbitration proceeding, as established in the “Electric Energy Purchase and Sale Agreement” entered into with Codelco in January 2010, so that Codelco reimburses the payment of the tax on emissions recorded during 2017 and 2018, and any applicable subsequent period. Likewise, Codelco has also filed an arbitration proceeding to resolve matters related to such contract. The processes are at the end of their discussion stage, with the parties having submitted their respective demands and responses.

The Court summoned the parties to the conciliation stage provided for in the basis, but this was not achieved, and then the Court set the points of proof and suspended the probation period in accordance with the law in force. The arguments of the case were in the month of January and the process is for a final sentence, which is expected to come out before the end of the first semester.

Based on the information and opinions from experts available to such date, Management reasonably believes that this lawsuit will have a favorable outcome for the Company, and that finally, the customer should reimburse the payments required.

## 3.- Arbitration against CGE

On December 18, 2020, by filing the corresponding lawsuit, Colbún has initiated the arbitration procedure provided for in the Electricity Purchase Agreement with CGE, to resolve the difference between the parties, in the sense that this distributor discounted at its discretion and without legal or contractual basis, the invoices for April, May and July approximately Ch\$ 2,800 million, alleging that its final clients had not paid it as a consequence of the current pandemic. Based on the background and expert opinions available at this date, Management reasonably estimates a favorable result and that ultimately the client should pay all of the amounts involved.

The Parties reached a Settlement to end the lawsuit, whereby CGE paid the debt in full. Arbitration finished.



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#### 4. Invalidation of RCA Diego de Almagro Sur photovoltaic project

By Exempt Resolution of June 11, 2021, the Environmental Assessment Service (“SEA” for its Spanish acronym) notified the request for invalidation of the RCA that approved the project's EIS, presented by a Colla-Diaguita indigenous community, represented by Wilfredo Cerda; based on the project's impact on this community due to the alleged existence of ceremonial sites, destruction of the Inca Trail, impact of Los Gemelos hill due to the extraction of stone material, among other issues.

Colbún presented the response and its defense before the SEA, in which the environmental evaluation carried out is defended, since the project does not generate significant impacts that could have justified an indigenous consultation. The SEA, by resolution dated November 11, 2021, rejected the Claim presented, without prejudice to which the Claimants filed an Appeal before the Environmental Court of Antofagasta insisting on their thesis. Colbún became a part to the process and participated in the respective arguments supporting the resolution that rejected the Claim presented. The Court's ruling is expected before the end of the first semester.

The Management, in compliance with IAS 37, estimates a contingency as remote, therefore, it has proceeded to disclose it, but has not constituted a provision to date, because it is not possible to reliably measure or estimate the liability arising from it, likewise, there are no claimable reimbursements in the event of an unfavorable judgment.

#### 5. Patagüillas Tunnel Accident.

As a result of the accident of the “Pataguilla Tunnel” of the “Canal Las Mercedes” that occurred at the end of November 2020, and which carries water for HPP Carena and also irrigates agricultural properties in the communes of Maria Pinto and Curacaví, on September 6, 2021, Colbún S.A. was notified a claim for compensation for damages filed by Mr. César Véliz ch\$ 1,135 million.

#### 6. Puerto Coronel Arbitration

On September 23, 2021, an arbitration was established to Mr. Manuel José Vial Vial, between Colbún S.A. and Puerto de Coronel, to learn about the differences in interpretation of the tax clause of the service contract for coal unloading at the Santa María Thermal Power Plant, located in the Coronel district. A complementary arbitration was also initiated to discuss the obligation of Puerto Coronel to establish an "Operating Company" where the assets that serve to provide the coal unloading service of the plant are located. Both processes are in a trial period.

### 39. Commitments

Commitments entered with financial institutions

As of the date of publication of the Financial Statements, Colbún S.A does not maintain loans with financial entities or with bondholders that impose obligations to comply with financial indicators.

### 40. Environment

The Group's companies on which disbursements associated with environment have been made are: Colbún S.A. and Fenix Power Perú S.A.

Disbursements made for environmental expenses are mainly associated with facilities; accordingly, they will be recognized in profit or loss through depreciation in accordance with their useful life, except for the development of environmental impact statements and studies that correspond to environmental permits performed prior to the construction stage.

The main ongoing projects and a brief description of them are detailed as follows:

**Horizonte Wind Project:** Horizonte project is a wind farm located 130 km northeast of Taltal and 170 km southwest of Antofagasta, considering the displacement along Route 5. It considers an installed capacity of 778 MW, which is made up of 140 machines of 5,56 MW each one and an average annual generation of approximately 2,380 GWh. It considers the connection to the SEN in the future S/E Parinas located 22 km away.

The construction stage of the project began during November 2021.

**Photovoltaic Solar Projects Diego de Almagro Sur I and II:** Photovoltaic solar power plant located in the Atacama Region, approximately 27 kilometers south of Diego de Almagro, considering an installed capacity of 220MW and an average annual generation of approximately 615 GWh. This project has its Environmental Impact Study secured.

The construction phase of the project began during the month of September 2020 and roads and has an advance of 95%.

**San Pedro hydroelectric power plant:** Run of the river hydroelectric power plant located in Los Ríos Region.

The project has reached a 15% of progress and awaits the processing of the new environmental impact study of modifications to the project to resume the works and construction activities.

Additionally, there are disbursements associated with 25 power generation plants in operation, including the Fenix plant (Chilca, Peru)

As of March 31, 2022 and 2021, the detail of the disbursements performed and to be performed in relation to environment regulations is the following:

**Accrued expenses as of 03.31.2022**

Identification of Parent or Subsidiary	Project Name associated with the disbursement	Concept associated with the disbursement	Asset / Expense	Description	Disbursement amount in ThUS\$	Actual or estimated dates when the disbursement was or will be made
Colbún S.A.	Central Angostura	Environmental Management of Power Plant	Expense	Cost	79	mar-22
Colbún S.A.	Central Candelaria	Environmental Management of Power Plant	Expense	Cost	41	mar-22
Colbún S.A.	Central Candelaria	Environmental Management of Power Plant	Expense	Expense	8	mar-22
Colbún S.A.	Central Los Pinos	Environmental Management of Power Plant	Expense	Cost	43	mar-22
Colbún S.A.	Central Nehuenco	Environmental Management of Power Plant	Expense	Cost	127	mar-22
Colbún S.A.	Central Quilleco	Environmental Management of Power Plant	Expense	Cost	43	mar-22
Colbún S.A.	Central Rucúe	Environmental Management of Power Plant	Expense	Cost	10	mar-22
Colbún S.A.	Central Santa María	Environmental Management of Power Plant	Expense	Cost	75	mar-22
Colbún S.A.	Complejo Angostura	Environmental Management of Power Plant	Expense	Cost	55	mar-22
Colbún S.A.	Complejo Colbún	Environmental Management of Power Plant	Expense	Cost	3	mar-22
Colbún S.A.	Gestión Ambiental Corporativa	Environmental Management of Parent	Expense	Expense	204	mar-22
<b>Total</b>					<b>688</b>	

**Future expenses as of 03.31.2022**

Identification of Parent or Subsidiary	Project Name associated with the disbursement	Concept associated with the disbursement	Asset / Expense	Description	Disbursement amount in ThUS\$	Actual or estimated dates when the disbursement was or will be made
Colbún S.A.	Central Angostura	Environmental Management of Power Plant	Expense	Cost	119	dec-22
Colbún S.A.	Central Candelaria	Environmental Management of Power Plant	Expense	Cost	112	dec-22
Colbún S.A.	Central Candelaria	Environmental Management of Power Plant	Expense	Expense	18	dec-22
Colbún S.A.	Central Los Pinos	Environmental Management of Power Plant	Expense	Cost	1	apr-22
Colbún S.A.	Central Nehuenco	Environmental Management of Power Plant	Expense	Cost	32	apr-22
Colbún S.A.	Central Quilleco	Environmental Management of Power Plant	Expense	Cost	36	dec-22
Colbún S.A.	Central Rucúe	Environmental Management of Power Plant	Expense	Cost	2	jun-22
Colbún S.A.	Central Santa María	Environmental Management of Power Plant	Expense	Cost	24	apr-22
Colbún S.A.	Complejo Colbún	Environmental Management of Power Plant	Expense	Cost	6	apr-22
Colbún S.A.	Gestión Ambiental Corporativa	Environmental Management of Parent	Expense	Expense	65	dec-22
<b>Total</b>					<b>415</b>	

**Accrued expenses as of 03.31.2021**

Identification of Parent or Subsidiary	Project Name associated with the disbursement	Concept associated with the disbursement	Asset / Expense	Description	Disbursement amount in ThUS\$	Actual or estimated dates when the disbursement was or will be made
Colbún S.A.	Central Angostura	Environmental Management of Power Plant	Expense	Cost	22	mar-21
Colbún S.A.	Central Candelaria	Environmental Management of Power Plant	Expense	Cost	52	mar-21
Colbún S.A.	Central Los Pinos	Environmental Management of Power Plant	Expense	Cost	37	mar-21
Colbún S.A.	Central Nehuenco	Environmental Management of Power Plant	Expense	Cost	66	mar-21
Colbún S.A.	Central Quilleco	Environmental Management of Power Plant	Expense	Cost	20	mar-21
Colbún S.A.	Central Rucúe	Environmental Management of Power Plant	Expense	Cost	8	mar-21
Colbún S.A.	Central Santa María	Environmental Management of Power Plant	Expense	Cost	115	mar-21
Colbún S.A.	Complejo Angostura	Environmental Management of Power Plant	Expense	Cost	48	mar-21
Colbún S.A.	Complejo Colbún	Environmental Management of Power Plant	Expense	Cost	22	mar-21
Colbún S.A.	Gestión Ambiental Corporativa	Environmental Management of Parent	Expense	Expense	30	mar-21
<b>Total</b>					<b>420</b>	

**Future expenses as of 03.31.2021**

Identification of Parent or Subsidiary	Project Name associated with the disbursement	Concept associated with the disbursement	Asset / Expense	Description	Disbursement amount in ThUS\$	Actual or estimated dates when the disbursement was or will be made
Colbún S.A.	Central Angostura	Environmental Management of Power Plant	Expense	Cost	196	dec-22
Colbún S.A.	Central Candelaria	Environmental Management of Power Plant	Expense	Cost	157	dec-22
Colbún S.A.	Central Canutillar	Environmental Management of Power Plant	Expense	Cost	18	dec-22
Colbún S.A.	Central Los Pinos	Environmental Management of Power Plant	Expense	Cost	135	dec-22
Colbún S.A.	Central Nehuenco	Environmental Management of Power Plant	Expense	Cost	238	dec-22
Colbún S.A.	Central Quilleco	Environmental Management of Power Plant	Expense	Cost	63	dec-22
Colbún S.A.	Central Rucúe	Environmental Management of Power Plant	Expense	Cost	28	dec-22
Colbún S.A.	Central Santa María	Environmental Management of Power Plant	Expense	Cost	233	dec-22
Colbún S.A.	Complejo Angostura	Environmental Management of Power Plant	Expense	Cost	122	dec-22
Colbún S.A.	Complejo Colbún	Environmental Management of Power Plant	Expense	Cost	58	dec-22
Colbún S.A.	Gestión Ambiental Corporativa	Environmental Management of Parent	Asset	Asset	34	dec-22
<b>Total</b>					<b>1,282</b>	

## Disbursements in Peru

### Accrued expenses as of 03.31.2022

Identification of Parent or Subsidiary	Project Name associated with the disbursement	Concept associated with the disbursement	Asset / Expense	Description	Disbursement amount in ThUS\$	Actual or estimated dates when the disbursement was or will be made
Fenix Power Perú S.A.	Central Chilca	Environmental Management of Power Plant	Expense	Cost	90	mar-22
<b>Total</b>					<b>90</b>	

### Future expenses as of 03.31.2022

Identification of Parent or Subsidiary	Project Name associated with the disbursement	Concept associated with the disbursement	Asset / Expense	Description	Disbursement amount in ThUS\$	Actual or estimated dates when the disbursement was or will be made
Fenix Power Perú S.A.	Central Chilca	Environmental Management of Power Plant	Expense	Cost	122	dec-22
<b>Total</b>					<b>122</b>	

### Accrued expenses as of 03.31.2021

Identification of Parent or Subsidiary	Project Name associated with the disbursement	Concept associated with the disbursement	Asset / Expense	Description	Disbursement amount in ThUS\$	Actual or estimated dates when the disbursement was or will be made
Fenix Power Perú S.A.	Environmental Monitoring and Management	Environmental Monitoring and Management	Expense	Cost	191	dec-20
<b>Total</b>					<b>191</b>	

### Future expenses as of 03.31.2021

Identification of Parent or Subsidiary	Project Name associated with the disbursement	Concept associated with the disbursement	Asset / Expense	Description	Disbursement amount in ThUS\$	Actual or estimated dates when the disbursement was or will be made
Fenix Power Perú S.A.	Environmental Monitoring and Management	Environmental Monitoring and Management	Expense	Cost	36	mar-21
<b>Total</b>					<b>36</b>	

#### **41. Events occurred after the date of the financial position**

At a meeting held on April 26, 2022, the Company's Board of Directors approved the interim consolidated financial statements as of March 31, 2022, prepared in accordance with International Financial Reporting Standards (IFRS), issued by the IASB.

In an Extraordinary Board Meeting held on April 4, 2022, the Board of Directors accepted the resignation of Mr. Thomas Keller Lippold from the position of Chief Executive Officer of the Company, which will become effective on May 16 next.

The Board of Directors agreed to appoint Mr. José Ignacio Escobar as the new Chief Executive Officer of Colbún S.A. from next May 16.

No other subsequent events have occurred between April 1, 2022 and the date of issuance of these Financial Statements.

## 42. Foreign currency

The detail of Assets and Liabilities in foreign currency with effect on the result for exchange difference is as follows:

Assets	Foreign currency	Currency	03.31.2022 ThUS\$	12.31.2021 ThUS\$
<b>Total current assets</b>				
Cash and cash equivalents	Ch\$	US\$	51,011	80,972
Cash and cash equivalents	EUR	US\$	472	300
Cash and cash equivalents	PEN	US\$	7,171	7,088
Other non-financial assets, current	Ch\$	US\$	6,811	4,012
Other non-financial assets, current	EUR	US\$	19,519	19,576
Other non-financial assets, current	UF	US\$	118	98
Other non-financial assets, current	PEN	US\$	117	-
Trade and other receivables, current	Ch\$	US\$	8,759	40,062
Trade and other receivables, current	PEN	US\$	25,831	18,905
Current tax assets	Ch\$	US\$	7	32
Current tax assets	PEN	US\$	3,283	1,364
<b>Total current assets</b>			<b>123,099</b>	<b>172,409</b>
Other non-financial assets, non-current	Ch\$	US\$	18,195	18,967
<b>Total non-current assets</b>			<b>18,195</b>	<b>18,967</b>
<b>Total assets</b>			<b>141,294</b>	<b>191,376</b>

  

Liabilities	Foreign currency	Currency	03.31.2022 ThUS\$	12.31.2021 ThUS\$
<b>Pasivos corrientes totales</b>				
Other financial liabilities, current	UF	US\$	-	37,141
Lease liabilities, current	UF	US\$	1,553	1,932
Trade and other payables	Ch\$	US\$	193,661	196,551
Trade and other payables	PEN	US\$	6,393	5,397
Trade and other payables	Euro	US\$	7,481	3,758
Payables due to related parties, current	Ch\$	US\$	701	1,399
Other current provisions	Ch\$	US\$	52,346	43,344
Provisions for employee benefits, current	Ch\$	US\$	14,105	22,184
Provisions for employee benefits, current	PEN	US\$	1,701	1,242
Other non-financial liabilities, current	Ch\$	US\$	17,357	14,231
Other non-financial liabilities, current	PEN	US\$	4,929	1,627
<b>Total current liabilities</b>			<b>300,227</b>	<b>328,806</b>
<b>Non-current liabilities</b>				
Lease liabilities, non-current	UF	US\$	987	1,454
Provisions for employee benefits, non-current	Ch\$	US\$	29,551	25,941
Other non-financial liabilities, non-current	Ch\$	US\$	6,326	6,326
<b>Total non-current liabilities</b>			<b>36,864</b>	<b>33,721</b>
<b>Total liabilities</b>			<b>337,091</b>	<b>362,527</b>

The detail of assets and liabilities in foreign currency does not include the investments accounted for using the equity method; accordingly, the differences arising from the exchange rate difference are recognized in equity as translation adjustment (see note 29, letter e).

Maturity profile of other financial liabilities in foreign currency

As of 03.31.2022	Foreign currency	Currency	Up to 91 days ThUS\$	91 days to 1 year ThUS\$	1 to 3 years ThUS\$	3 to 5 years ThUS\$	Over 5 years ThUS\$	Total ThUS\$
Other financial liabilities	UF	US\$	-	-	-	-	-	-
<b>Total</b>			-	-	-	-	-	-

As of 12.31.2021	Foreign currency	Currency	Up to 91 days ThUS\$	91 days to 1 year ThUS\$	1 to 3 years ThUS\$	3 to 5 years ThUS\$	Over 5 years ThUS\$	Total ThUS\$
Other financial liabilities	UF	US\$	37,141	-	-	-	-	37,141
<b>Total</b>			<b>37,141</b>	-	-	-	-	<b>37,141</b>

43. Headcount (unaudited)

As of March 31, 2022, and December 31, 2021, this caption comprises the following:

	No. of employees					
	03.31.2022			12.31.2021		
	Chile	Peru	Total	Chile	Peru	Total
Managers and main executives	87	9	96	87	9	96
Professionals and technical staff	748	89	837	754	86	840
Other	236	20	256	237	20	257
<b>Total</b>	<b>1,071</b>	<b>118</b>	<b>1,189</b>	<b>1,078</b>	<b>115</b>	<b>1,193</b>
<b>Average of the year</b>	<b>1,071</b>	<b>117</b>	<b>1,188</b>	<b>1,074</b>	<b>107</b>	<b>1,181</b>

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