



AES Andes S.A. and Subsidiaries **Consolidated Financial Statements**

For the year ended December 31, 2024





EY Chile
Avda. Presidents
Riesco 5435, 4th floor,
Las Condes, Santiago

Tel: +56 (2) 2676 1000
www.eychile.cl

Report of the Independent Auditor

To the Shareholders and Directors of
AES Andes S.A.

Opinion

We have audited the consolidated financial statements of AES Andes S.A. and its subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the years then ended, and the corresponding notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of AES Andes S.A. and its subsidiaries as of December 31, 2024 and 2023, and the results of their operations and their cash flows for the years then ended, in accordance with Accounting Standards of the International Financial Reporting Standards issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Generally Accepted Auditing Standards in Chile. Our responsibilities under those standards are further described in the "Auditor's Responsibility for the Audit of the consolidated Financial Statements" section of our report. We are required to be independent of AES Andes S.A. and its subsidiaries and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Accounting Standards of the International Financial Reporting Standards issued by the International Accounting Standards Board, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate that raise substantial doubt about the ability of AES Andes S.A. and its subsidiaries, to continue as a going concern for at least the twelve months following the end of the reporting period, but not limited to that period.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with the Generally Accepted Auditing Standards in Chile will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with Generally Accepted Auditing Standards in Chile, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of the internal control relevant to an audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of AES Andes S.A. and its subsidiaries. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.



- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the ability of AES Andes S.A. and its subsidiaries to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies and material weaknesses in internal control that we identified during the audit.

A handwritten signature in blue ink, appearing to read 'Wojciech Kupiec', is written over the printed name.

Wojciech Kupiec
EY Audit Ltda.

Santiago, March 5, 2025

Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

Table of Contents

Classified Consolidated Statements of Financial Position	4
Consolidated Statements of Comprehensive Income Classified by Cost Function	6
Consolidated Statements of Changes in Shareholders' Equity	8
Consolidated Statements of Direct Cash Flows	9
Note 1- OVERVIEW	10
Note 2- BASIS OF PREPARATION	10
Note 3- BASIS OF CONSOLIDATION	18
Note 4- SUMMARY OF MAIN ACCOUNTING POLICIES	24
4.1. Operating Segments	24
4.2. Foreign Currency Transactions	24
4.3. Property, Plant and Equipment	25
4.4. Goodwill	26
4.5. Intangible Assets	27
4.6. Impairment of non-financial assets	27
4.7. Financial Assets	28
4.8. Financial Liabilities	30
4.9. Derivative Financial Instruments and Hedging	31
4.10. Inventory	33
4.11. Cash and Cash Equivalents	33
4.12. Issued Capital	33
4.13. Taxes	33
4.14. Employee Benefits	34
4.15. Provisions	35
4.16. Revenue Recognition	36
4.17. Leases	37
4.18. Dividends	39
4.19. Fair Value	40
4.20. Assets Classified as Held for Sale and Discontinued Operations	40
4.21. Trade payables	41
4.22. Loans between related companies	42
Note 5- FINANCIAL RISK MANAGEMENT	42
5.1. Risk Management Police	42
5.2. Market and Financial Risks	43
5.3. Risk Measurement	47
Note 6- USE OF ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS	47
Note 7- OPERATING SEGMENTS	47
7.1 Definition of Segments	47
7.2 Description of Segments	48
7.3 Assets and Liabilities by Segments	49
7.4 Revenues, Costs, and Capital Expenditures by Segment	50
Note 8- ASSETS/LIABILITIES HELD FOR SALE	51
Note 9- CASH AND CASH EQUIVALENTS	52
Note 10- OTHER FINANCIAL ASSETS	53
Note 11- FINANCIAL INSTRUMENTS	54

Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

	11.1 Financial Instruments by Category	54
	11.2 Measurement of Derivative Instruments	56
	11.3 Credit Quality of Financial Assets	58
	11.4 Derivative Instruments	59
Note 12-	OTHER NON-FINANCIAL ASSETS	62
Note 13-	TRADE RECEIVABLES AND OTHER ACCOUNTS RECEIVABLE	62
Note 14-	BALANCES AND TRANSACTIONS WITH RELATED PARTIES	64
	14.1 Balances and Transactions with Related Entities	64
	14.2 Key Management Personnel	67
Note 15-	INVENTORY	69
Note 16-	TAXES	70
Note 17-	INTANGIBLE ASSETS	75
	17.1 Detail of Intangible Assets	75
	17.2 Impairment of Intangible Assets with Indefinite Lives	76
Note 18-	PROPERTY, PLANT AND EQUIPMENT	77
	18.1 Property, Plant and Equipment	77
	18.2 Decarbonization Agreement: Progressive Withdrawal of Generation Units in Chile	79
Note 19-	RIGHT-OF-USE ASSETS	80
Note 20-	OTHER FINANCIAL LIABILITIES	81
	20.1 Interest-bearing Loans	81
Note 21-	LEASE LIABILITIES	88
Note 22-	TRADE PAYABLES AND OTHER ACCOUNTS PAYABLE	93
Note 23-	PROVISIONS	93
Note 24-	EMPLOYEE BENEFITS	94
	24.1 Present Value of Post-Employment Obligations	95
	24.2 Costs Recognized as Profit or Loss	95
	24.3 Other Disclosures	95
Note 25-	OTHER NON-FINANCIAL LIABILITIES	96
	25.1 Deferred Income	96
	25.2 Accumulated Liabilities	96
Note 26-	SHAREHOLDERS' EQUITY	96
	26.1 Capital Management	96
	26.2 Subscribed and Paid-in Capital	97
	26.3 Dividend Policy	97
	26.4 Retained Earnings (Losses)	98
	26.5 Other Equity Interests in the Shareholders' Equity	98
	26.6 Other Reserves	99
	26.7 Restrictions on Disposal of Funds from Subsidiaries	100
Note 27-	REVENUES	100
Note 28-	SIGNIFICANT EXPENSES	100
	28.1 Expenses by Nature	100
	28.2 Staff Costs	101
Note 29-	OTHER INCOME (LOSSES)	101
Note 30-	FINANCIAL PROFIT OR LOSS	102

Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

Note 31-	CONTINGENCIES AND COMMITMENTS	102
	32.1 Litigation and/or Administrative Procedures	102
	32.2 Financial Commitments	106
Note 32-	GUARANTEES	109
Note 33-	RESULTS FROM INFLATIONARY ADJUSTMENTS	115
Note 34-	SUBSEQUENT EVENTS	115

References:

US\$	United States Dollars
ThUS\$	Thousands of United States Dollars
Ch\$	Chilean Pesos
ThCh\$	Thousands of Chilean pesos
Col\$	Colombian Pesos
ThCol\$	Thousands of Colombian pesos
Ar\$	Argentine pesos
ThAr\$	Thousands of Argentine pesos
U.F.	Unidad de Fomento

Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

Classified Consolidated Statements of Financial Position

As of December 31, 2024 and 2023

(Amounts expressed in thousands of United States dollars, unless stated otherwise)

	Note	December 31, 2024	December 31, 2023
CURRENT ASSETS			
Cash and Cash Equivalents	9	187,387	227,659
Other Current Financial Assets	10	13,155	10,761
Other Current Non-Financial Assets	12	14,510	36,900
Trade and Other Receivables	13	398,864	686,258
Related Party Receivables	14	100,438	25,411
Inventory	15	98,097	189,252
Tax Receivables	16	37,327	27,433
Assets classified as held for sale	8	20,211	—
Total Current Assets		869,989	1,203,674
NON-CURRENT ASSETS			
Other Non-Current Financial Assets	10	6,755	9,302
Other Non-Current Non-Financial Assets	12	707	1,462
Trade and Other Receivables	13	95,394	74,859
Related Party Receivables	14	105,644	1,422
Intangible Assets	17	75,015	81,817
Property, Plant and Equipment	18	3,632,757	3,593,735
Right-of-use Assets	19	129,824	61,000
Tax Receivables	16	16,736	19,033
Deferred Taxes	16	291,958	306,414
Total Non-Current Assets		4,354,790	4,149,044
TOTAL ASSETS		5,224,779	5,352,718

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

Classified Consolidated Statements of Financial Position

As of December 31, 2024 and 2023

(Amounts expressed in thousands of United States dollars, unless stated otherwise)

	Note	December 31, 2024	December 31, 2023
CURRENT LIABILITIES			
Other Current Financial Liabilities	20	339,825	486,260
Lease Liabilities, Current	21	9,995	6,749
Trade and Other Payables	22	424,332	529,169
Related Party Payables	14	18,846	21,631
Provisions	23	16,998	15,668
Tax Payable	16	19,601	50,030
Employee Benefits	24	4,231	5,135
Other Current Non-Financial Liabilities	25	28,476	29,225
Liabilities related to assets held for sale	8	14,058	—
Total Current Liabilities		876,362	1,143,867
NON-CURRENT LIABILITIES			
Other Non-Current Financial Liabilities	20	2,385,437	2,292,324
Lease Liabilities, Non- Current	21	133,900	77,705
Provisions	23	90,578	93,551
Deferred Taxes	16	197,774	208,944
Employee Benefits	24	23,412	23,818
Other Non-Current Non-Financial Liabilities	25	25,905	31,780
Total Non-Current Liabilities		2,857,006	2,728,122
TOTAL LIABILITIES		3,733,368	3,871,989
EQUITY			
Issued Capital		1,693,925	1,843,925
Retained Earnings (Accumulated Losses)	26	(857,433)	(988,708)
Share Premium		48,812	48,812
Own Shares in Portfolio		(415)	(415)
Other Components of Equity	26	11,534	11,232
Other Comprehensive Income (loss)	26	(285,866)	(233,107)
Equity Attributable to Shareholders of Parent		610,557	681,739
Non-Controlling Interests	3.5	880,854	798,990
Total Equity		1,491,411	1,480,729
TOTAL EQUITY AND LIABILITIES		5,224,779	5,352,718

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

Consolidated Statements of Comprehensive Income Classified by Cost Function

For the years ended December 31, 2024 and 2023

(Amounts expressed in thousands of United States dollars, unless stated otherwise)

	Note	December 31, 2024	December 31, 2023
Operating Revenues	27	2,343,011	2,741,650
Cost of Sales	28	(1,796,604)	(2,134,560)
Gross Profit		546,407	607,090
Other Operating Income		647	1,098
Administrative Expenses	28	(85,595)	(94,325)
Other Operating Expenses		(17,872)	(20,385)
Other Income (Loss)	29	(94,804)	(296,533)
Finance Income	30	87,238	82,054
Finance Expenses	30	(193,429)	(215,708)
Profit or Loss by Impairment IFRS 9	13	(3,026)	42
Foreign Currency Exchange Differences	30	(28,350)	(155,695)
Results from Inflationary Adjustments	34	—	(26,039)
Net Income (Loss) before Taxes		211,216	(118,401)
Income (loss) Tax Expense	16	(16,594)	(17,968)
Net Income (Loss)		194,622	(136,369)
Income (Loss) Attributable to:			
Attributable to Shareholders of the Parent		131,275	(174,866)
Attributable to Non-Controlling Interests	3.5	63,347	38,497
Net Income (Loss)		194,622	(136,369)
Basic Earnings (Losses) per Share			
Basic Earnings (Losses) per Share from Continued Operations.....	31	0.013	(0.017)
Basic Earnings (Losses) per Share from Discontinued Operations		—	—
Basic Earnings (Losses) per Share		0.013	(0.017)

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

Consolidated Statements of Comprehensive Income Classified by Cost Function

For the years ended December 31, 2024 and 2023

(Amounts expressed in thousands of United States dollars, unless stated otherwise)

	December 31, 2024	December 31, 2023
Net Income (loss) of the year	194,622	(136,369)
Components of Other Comprehensive Income that will not be Reclassified to Net Income		
Other Comprehensive Income from Actuarial Gains (Losses) on Defined Benefit Plans	(4,019)	225
Income tax effect for defined benefit plans	1,169	(181)
Components of Other Comprehensive Income that will be Reclassified to Net Income		
Income (Loss) from Foreign Currency Translation Adjustments	(50,667)	75,741
Unrealized Income (Loss) for Cash Flow Hedges	(3,362)	(8,868)
Income Tax Related to Income (Loss) for Cash Flow Hedges	809	3,152
Total Other Comprehensive Income (Loss)	(56,070)	70,069
Total Comprehensive Income (Loss)	138,552	(66,300)
Comprehensive Income (Loss) Attributable to:		
Comprehensive Income (Loss) Attributable to Shareholders of the Parent	73,297	(106,536)
Comprehensive Income (Loss) Attributable to Non-Controlling Interests	65,255	40,236
Total Comprehensive Income (Loss)	138,552	(66,300)

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

Consolidated Statements of Changes in Shareholders' Equity

For the years ended December 31, 2024 and 2023

(Amounts expressed in thousands of United States dollars, unless stated otherwise)

	Issued Capital	Share Premium	Own shares in portfolio	Other Components of Equity	Total Other Comprehensive Income	Retained Earnings (Accumulated Losses)	Equity Attributable to Shareholders of Parent	Equity Attributable to Non-Controlling Interests	Total Equity
Opening Balance, January 1, 2024	1,843,925	48,812	(415)	11,232	(233,107)	(988,708)	681,739	798,990	1,480,729
Changes in Equity									
Net Income	—	—	—	—	—	131,275	131,275	63,347	194,622
Other Comprehensive Income	—	—	—	—	(57,978)	—	(57,978)	1,908	(56,070)
Capital decrease	(150,000)	—	—	—	—	—	(150,000)	—	(150,000)
Payments of Subsidiaries to non-controlling interests	—	—	—	—	—	—	—	(95,651)	(95,651)
Sale of non-controlling interest	—	—	—	—	—	—	—	117,518	117,518
Increases (Decreases) for Transfers and Other Changes (note 26.6)	—	—	—	302	5,219	—	5,521	(5,258)	263
Ending Balance, December 31, 2024	1,693,925	48,812	(415)	11,534	(285,866)	(857,433)	610,557	880,854	1,491,411
Opening Balance, January 1, 2023	2,095,925	48,812		11,029	(304,297)	(813,842)	1,037,627	290,384	1,328,011
Changes in Equity									
Net Income	—	—	—	—	—	(174,866)	(174,866)	38,497	(136,369)
Other Comprehensive Income	—	—	—	—	68,330	—	68,330	1,739	70,069
Capital decrease	(252,000)	—	—	—	—	—	(252,000)	—	(252,000)
Payments Subsidiaries to non-controlling interest	—	—	—	—	—	—	—	(66,697)	(66,697)
Sale of non-controlling interest	—	—	—	—	—	—	—	538,476	538,476
Increases (Decreases) for Transfers and Other Changes	—	—	(415)	203	2,860	—	2,648	(3,409)	(761)
Ending Balance, December 31, 2023	1,843,925	48,812	(415)	11,232	(233,107)	(988,708)	681,739	798,990	1,480,729

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

Consolidated Statements of Direct Cash Flows

For the years ended December 31, 2024 and 2023

(Amounts expressed in thousands of United States dollars, unless stated otherwise)

	Note	December 31, 2024	December 31, 2023
Proceeds from Operating Activities:			
Collections from sales of goods and services		2,516,355	3,059,612
Other collections for operating activities		—	144
Classes of Payment			
Payments to suppliers for goods and services		(1,455,856)	(1,917,465)
Payments to employees		(92,073)	(86,351)
Other payments for operating activities		(150,669)	(112,914)
Dividends received	14.1	3,815	5,727
Interest received		37,161	60,955
Income taxes paid		(87,807)	(51,638)
Other cash outflows		(9,004)	7,981
Net Cash Flows Provided by Operating Activities		761,922	966,051
Cash Flows Provided by (Used in) Investing Activities			
Loss of control over a Subsidiary or other business		146,540	—
Cash flows used to obtain control of subsidiaries or other businesses		—	(110,935)
Loans to related entities		(89,280)	—
Purchases of property, plant and equipment	18	(423,443)	(439,452)
Collections from related entities		—	430
Other cash inflows (outflows)		(9,395)	953
Net Cash Flows (Used in) Investing Activities		(375,578)	(549,004)
Proceeds for changes in interests in subsidiaries not resulting in a loss of control		117,517	538,477
Payments for acquiring or redeeming the entity's shares		—	(416)
Payments for other equity interests		(150,001)	(252,001)
Proceeds from long-term borrowings	20	1,030,000	35,000
Proceeds from short-term borrowings	20	609,365	384,318
Loan payments	20	(1,665,269)	(642,150)
Payment of financial lease obligations		(6,653)	(7,266)
Payments to non-controlling interest	3.5	(95,651)	(66,697)
Interest paid	20	(212,224)	(244,457)
Other cash outflows		(36,319)	(21,897)
Net Cash Flows (used in) Financing Activities		(409,235)	(277,089)
Net cash and cash equivalents increase (decrease), before foreign exchange difference		(22,891)	139,958
Net foreign exchange differences on cash and cash equivalents		(17,381)	(98,369)
(Decrease) Increase in Cash and Cash Equivalents		(40,272)	41,589
Cash and cash equivalents at beginning of period		227,659	186,070
Cash and Cash Equivalents at End of the year		187,387	227,659

The accompanying notes are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

NOTE 1 - OVERVIEW

At the Company's Extraordinary Shareholders' Meeting held on April 23, 2021, the Company's shareholders approved the change of the corporate name from "AES Gener S.A." to "AES Andes S.A."

AES Andes S.A., (www.aesandes.cl) (hereinafter referred to as the "Company", "Group", "AES Andes", "Andes" or "Parent") was incorporated by means of a public deed dated June 19, 1981, delivered in Santiago by Notary Public Patricio Zaldívar Mackenna. Its business name was, at that time, Compañía Chilena de Generación Eléctrica S.A. (Chilectra Generation S.A.). The Comisión para el Mercado Financiero (Commission for the Financial Market - CMF) approved its bylaws by means of Resolution No. 410-S dated July 17, 1981, published in the Official Gazette No. 31,023 dated July 23, 1981. The Company is registered with the Commercial Registry of the Real Estate Registrar of Santiago on page number 13,107, No. 7,274 of 1981.

AES Andes was a listed Company until April 17, 2024, date on which the Financial Market Commission granted Certificate 249 and proceeded to take note of the cancellation of the registration of the Company's shares. Its mission is to accelerate the future of energy, together with its clients, shareholders, workers, communities, suppliers and other people and groups with which it interacts.

The Company serves the National Electric System (SEN) through the three run-of-the-river hydroelectric power plants, all of them owned by AES Andes. In addition, it serves the SEN through a run-of-river hydroelectric power plant owned by Alto Maipo SpA, two coal-fired plants owned by the subsidiaries Empresa Eléctrica Angamos S.A. and Empresa Eléctrica Cochrane SpA, four photovoltaic solar plants owned by the subsidiary Andes Solar, Andes Solar II SpA, Andes Solar IV and Bolero SpA, and five wind plants owned by the subsidiaries Los Cururos, Energía Eólica Los Olmos SpA, Energía Eólica Mesamávida SpA, San Matías Spa and Parque Eólico Campo Lindo SpA. From now on, the company together with its subsidiaries will be referred to indistinctly as "the Company", "The Group" or "AES Andes".

On April 15, 2024, the Norgener coal-fired power plant, belonging to AES Andes, was closed and permanently disconnected and, as indicated in Note 8, on December 11, 2024, a sale agreement was signed for the subsidiary Empresa Eléctrica Ventanas S.A.

In response to the opportunities offered by the Chilean market, in the Antofagasta region, the Company currently implementing an expansion of the Andes Solar photovoltaic solar complex.

The Company is a leader in the Chilean market in the construction and operation of energy storage systems. It currently has 451 MW of batteries in operation and 146 MW under construction.

In addition to its share in the Chilean electricity sector, the Company produces electricity in Argentina and Colombia through its subsidiaries Termoandes S.A. and AES Colombia, respectively.

The registered address of AES Andes is Los Conquistadores N°1730, floor 10, municipality of Providencia, Metropolitan Region, Santiago. AES Corporation controls the Company through its subsidiary Inversiones Cachagua SpA. with an equity share of 99.49% as of December 31, 2024.

These consolidated financial statements were approved by the Company's Board of Directors on February 26, 2025.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

NOTE 2 - BASIS OF PREPARATION

2.1.- Basis of Preparation of the Consolidated Financial Statements

The Company prepared these consolidated Financial Statements in accordance with Accounting Standards of the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements of AES Andes S.A. and subsidiaries include the classified consolidated statements of financial position as of December 31, 2024 and 2023, the consolidated statements of comprehensive income classified by cost function for the years ended December 31, 2024 and 2023, the statements of changes in shareholders' equity and of cash flows presented using the direct method for the years ended December 31, 2024 and 2023 and their accompanying notes.

These consolidated financial statements were prepared in accordance with the going concern principle through the application of the cost method, except, according to IFRS, for the assets and liabilities recognized at fair value.

The preparation of these consolidated financial statements requires the use of certain critical accounting estimates. It also requires Management to exercise its judgment in the process of applying the Company's accounting policies. Note 6 reveals areas that imply a greater degree of judgment or complexity or the areas where assumptions and estimates are significant for the consolidated financial statements.

An asset or liability is considered to be current when it is expected to be realized, sold or used in the normal course of the entity's operating cycle, is held primarily for trading purposes, or is expected to be realized within 12 months after the date of the reporting years.

The information contained in these consolidated financial statements is the responsibility of the Management of AES Andes S.A. In the preparation of the consolidated financial statements, the policies deriving from AES Andes S.A. were used for all the subsidiaries included in the consolidation.

2.2.- New Accounting Pronouncements

a. Impact of the application of new standards and amendments in 2024

The standards and interpretations, as well as the improvements and amendments to IFRS, issued and effective as of the date of these financial statements, are detailed below:

	Standards, Interpretations & Amendments	Mandatory Application Date
IAS 1	Classification of liabilities as current or non-current	January 1, 2024
IFRS 16	Lease liability in a sale and leaseback	January 1, 2024
IAS 7 and IFRS 1	Disclosures Financing Arrangements	January 1, 2024

The application of these standards has not had any significant effects for the Company, which are detailed in Note 2.2 (b) below. The remaining accounting criteria applied in 2024 have not changed with respect to the previous year.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

b. Impact of the application of new standards and amendments in 2024

The Company applied certain standards, interpretations, and amendments for the first time, which are effective for periods beginning on or after January 1, 2024. The current standards, interpretations, and amendments to IFRS that came into effect as of the date of the financial statements, their nature and impacts are shown below:

IAS 1 “Presentation of Financial Statements - Classification of liabilities as current or non-current”

In 2020 and 2022, the IASB issued amendments to IAS 1 to specify the requirements for the classification of liabilities as current or non-current. Such amendments clarify about:

1. The meaning of a right to defer settlement.
2. The right to postpone at the end of the reporting period exists.
3. The lack of impact on the classification of the probability of an entity exercising its right to defer.
4. Only if a derivative embedded in a convertible liability is an equity instrument, the terms of liability would not affect its classification.

The amendments are effective for periods beginning on or after January 1, 2024. The amendments should be applied prospectively. Early application is permitted and must be disclosed. However, an entity that applies the 2020 amendments early is also required to apply the 2022 amendments and vice versa.

The amendment is applicable for the first time in 2024, however, it does not have a significant impact on the Company's financial statements.

IFRS 16 Lease liability in a sale and leaseback

The amendment addresses the requirements that a seller-lessee uses to measure the lease liability arising on a sale and subsequent leaseback transaction.

The amendment provides that after the commencement date of a sale and leaseback transaction, the seller-lessee applies paragraphs 29-35 of IFRS 16 to the right-of-use asset arising from the leaseback and paragraphs 36-46 of IFRS 16 to the lease liability arising from the leaseback. In applying paragraphs 36 to 46 of IFRS 16, the seller-lessee determines the "lease payments" or "revised lease payments" in such a way that the seller-lessee would not recognize any amount of gain or loss related to the right-of-use asset that it retains. The application of these requirements does not preclude the seller-lessee from recognizing, in profit or loss, any gain or loss related to the partial or total termination of a lease, as required by paragraph 46(a) of IFRS 16.

The amendment does not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of lease liabilities arising from a leaseback may result in the seller-lessee determining "lease payments" that are different from the general definition of lease payments in Appendix A of IFRS 16.

The seller-lessee shall develop and apply an accounting policy that results in information that is relevant and reliable in accordance with IAS 8.

A seller-lessee applies the amendment for annual reporting periods beginning on or after January 1, 2024. Earlier application is permitted, and that fact should be disclosed. A seller-lessee applies the amendment retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application (i.e. the amendment does not apply to sale and leaseback transactions entered into before the date of initial application). The date of initial application is the beginning of the annual reporting period in which an entity first applied IFRS 16.

The amendment is applicable for the first time in 2024, however, it does not have a significant impact on the Company's financial statements.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

IAS 7 & IFRS 7 – Disclosures about supplier finance arrangements

In May 2023, the Board amended the IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. The amendments specify disclosure requirements to enhance the current conditions aimed at helping users of financial statements understand the effects of vendor financing arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments clarify the characteristics of vendor financing arrangements. In these arrangements, one or more financial service providers pay amounts that an entity owes to its suppliers. The entity agrees to settle those amounts with the financial service providers under the terms and conditions of the agreements, either on the same date or later than the date on which the financial service providers pay the entity's suppliers.

The amendments require an entity to provide information about the impact of supplier financing arrangements on liabilities and cash flows, including the terms and conditions of those arrangements, quantitative information about the liabilities related to those arrangements at the beginning and end of the reporting period and the type and effect of non-monetary changes in the carrying amounts of those arrangements. Information about those arrangements must be presented on an aggregate basis unless the individual arrangements have terms that are not similar or unique. In the context of the quantitative liquidity risk disclosures required by IFRS 7, supplier finance arrangements are included as an example of other factors that may be relevant to disclose.

The amendments will become effective for annual periods beginning on or after January 1, 2024. Early adoption is permitted but must be disclosed. The amendments provide certain transitional exemptions concerning comparative and quantitative information at the beginning of the annual reporting period and disclosures in interim financial information.

As a result of the implementation of the amendments in 2024, the Company has provided additional disclosures regarding its financing arrangements with suppliers.

c. Accounting standards applicable as of January 1, 2025 and thereafter

Standards, interpretations, and amendments to IFRS that have been issued, but are not yet effective as of the date of these financial statements, are detailed below. The Company has not adopted these standards in anticipation:

Standards & Interpretations		Date of Mandatory Application
IAS 21	Lack of exchangeability	January 1, 2025
IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	January 1, 2026
IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	Annual Improvements to IFRS Accounting Standards	January 1, 2026
IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent electricity	January 1, 2026
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027
IFRS 10 and IAS 28	Consolidated financial statements – sale or contribution of assets between an investor and its associate or joint venture	To be determined

IAS 21 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

The amendments to IAS 21, The Effects of Changes in Exchange Rates, specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

A currency is considered exchangeable for another currency when an entity can obtain the other currency within a standard administrative period and through a market or exchange mechanism where an exchange transaction would create enforceable rights and obligations.

If a currency is not exchangeable for another currency, an entity must estimate the spot exchange rate at the measurement date. The objective of this estimate is to reflect the rate at which an exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments state that an entity may use an unadjusted observable exchange rate or other estimation technique.

When an entity estimates a spot rate because a currency is not exchangeable for another currency, it should disclose information that enables users of its financial statements to understand how this fact affects or is expected to affect the entity's financial performance, financial position and cash flows.

The amendments are effective for annual periods beginning on or after January 1, 2025. Earlier adoption is permitted but must be disclosed. In applying the amendments, an entity may not restate comparative information.

The Company is currently assessing the impact of the amendment.

IFRS 9 & IFRS 7 Financial Instruments: Recognition and measurement

In May 2024, the IASB issued amendments to the classification and measurement of financial instruments that:

1. The derecognition of financial liabilities occurs on the "settlement date," i.e., when the related obligation is discharged or canceled, expires, or the liability is otherwise derecognized. It also introduces an accounting policy option to derecognize financial liabilities settled through an electronic payment system before the settlement date under certain conditions.
2. The assessment of the contractual cash flow characteristics of financial assets that include environmental, social, and governance (ESG) factors and other similar contingent characteristics.
3. The treatment of non-recourse assets and contractually linked instruments.
4. Additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that refer to a contingent event (including those linked to ESG) and equity instruments classified at fair value through other comprehensive income.

The IASB published amendments to IFRS 9 that address the following issues:

The amendments will be effective for annual periods beginning on or after January 1, 2026. Entities may adopt the amendments related to the classification of financial assets and related disclosures early and apply the other amendments later.

The new requirements will be applied retrospectively with an adjustment to the opening balance of retained earnings. It is not necessary to restate prior periods. In addition, an entity is required to disclose information about financial assets that change their measurement category due to the amendments.

The Company will assess the amendment's impact once it comes into effect.

Annual Improvements to IFRS Accounting Standards

In July 2024, the IASB issued the annual improvements to IFRS affecting IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7. Annual improvements are limited to changes that clarify the wording of a standard or correct relatively minor unintended consequences, mistakes, or conflicts between the requirements of IFRS standards that imprecise descriptions can cause.

These amendments apply to annual reporting periods beginning on or after January 1, 2026. Early application is permitted.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

The amendments are effective for annual reporting periods beginning on or after January 1, 2026. Early application is permitted.

The Company will assess the impact of the amendments once they come into effect.

IFRS 9 & IFRS 7 Contracts referencing Nature-dependent electricity

In December 2024, the IASB made targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. The amendments include:

- 1 Clarifying the application of the 'own-use' requirements;
- 2 Permitting hedge accounting if these contracts are used as hedging instruments; and
- 3 Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

These amendments are required to be applied for annual reporting periods beginning on or after 1 January 2026. Companies can apply the amendments earlier, but this must be disclosed.

The clarifications to the 'own use' requirements should be applied retrospectively, but the guidance allowing hedge accounting should be applied prospectively to new hedging relationships designated on or after the date of initial application.

This Company will assess the impact of the amendments once they become effective.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements ("IFRS 18") that replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new categories and subtotals in the income statement. It also requires the disclosure of Management-defined performance measures and it includes new requirements for the location, aggregation, and disaggregation of financial information, including guidance for determining meaningful descriptions or names for the items that are aggregated in the financial statements.

Statement of profits or loss

All items of income and expense in a reporting period are required to be included in the statement of profit or loss in one of five categories in the statement of profit or loss: operating, investing, financing, income tax and the discontinued operations category. Besides, IFRS 18 requires an entity to present totals and subtotals in the statement of profit or loss for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

Main business activity

To classify income and expenses as defined by IFRS 18, an assessment is needed whether an entity has a specified main business activity—that is a main business activity of investing in particular types of assets or providing financing to customers. Determining whether an entity has such a specific main business activity is a matter of fact and circumstance that requires judgment. An entity may have more than one main business activity.

Management-defined performance measures

IFRS introduces the concept of management-defined performance measures ("MPM") defined as a subtotal of income and expenses that an entity uses in public communications outside financial statements to communicate to investors management's view of an aspect of the financial performance of the entity as a whole. An entity must disclose information about its MPMs in a single note to the financial statements. It requires several disclosures to be made on

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

each MPM, including how the measure is calculated and a reconciliation to the most comparable subtotal specified by IFRS 18 or another IFRS accounting standard.

Resulting amendment to other accounting standards

The scope of IAS 7 Statement of Cash Flows has been amended to include a different starting point for determining cash flows from operating activities under the indirect method from "profit or loss" to "operating profit or loss." The optionality around classifying dividend and interest cash flows in the statement of cash flows has also been largely eliminated.

In addition, IAS 33 Earnings per Share includes additional requirements that allow entities to disclose additional amounts per share only if the numerator used in the calculation meets specific criteria. The numerator must be:

- An amount attributable to ordinary equity holders of the parent entity; and
- A total or subtotal identified by IFRS 18 or an MPM as defined by IFRS 18.

Some requirements previously included in IAS 1 have been moved to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which has been renamed IAS 8 Basis for the Preparation of Financial Statements. IAS 34 Interim Financial Reporting has been amended to require the disclosure of MPMs.

IFRS 18 and the amendments to the other accounting standards are effective for reporting periods beginning on or after January 1, 2027, and will be applied retrospectively. Early adoption is permitted and must be disclosed.

The Company will assess the impact of the standard once it becomes effective.

IFRS 19 Subsidiaries without public accountability: Disclosures

In May 2024, the Board issued IFRS 19 Subsidiaries without Public Accountability: Disclosures ("IFRS 19"), which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement, and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that choose to apply IFRS 19 will not need to apply the disclosure requirements of other IFRS accounting standards.

An entity must disclose that fact as part of its general statement of compliance with IFRS accounting standards. IFRS 19 requires that an entity whose financial statements comply with IFRS accounting standards, including IFRS 19, make an explicit and unreserved statement of such compliance.

An entity may apply IFRS 19 if, at the end of the reporting period:

- It is a subsidiary as defined by IFRS 10 Consolidated Financial Statements;
- It does not have public accountability; and
- It has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

Public accountability

An entity has public accountability if:

- its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets); or
- it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses (for example, banks, credit unions, insurance companies, securities brokers/dealers, mutual funds and investment banks often meet this criterion).

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Disclosure requirements and reference to other IFRS

The disclosure requirements in IFRS 19 are organized under subheadings according to IFRS accounting standards and, where the disclosure requirements in other IFRS accounting standards continue to be applicable, these are specified under the subheading for each IFRS accounting standard.

The disclosures in IFRS 19 exclude IFRS 8 Operating Segments, IFRS 17 Insurance Contracts and IAS 33 Earnings per Share. Therefore, if an entity applying IFRS 19 must apply IFRS 17 or chooses to apply IFRS 8 and/or IAS 33, that entity would be required to apply all relevant disclosure requirements in those standards.

Expected amendments

In developing the disclosure requirements in IFRS 19, the IASB considered the disclosure requirements in other IFRS accounting standards as of February 28, 2021.

Disclosure requirements in IFRS accounting standards that have been added or modified after this date have been included in IFRS 19 without change. Consequently, the Board indicated that it will publish a draft standard that will establish whether and how to reduce the disclosure requirements of any amendments and additions made to other IFRS accounting standards after February 28, 2021, in order to update IFRS 19.

IFRS 19 is effective for reporting periods beginning on or after 1 January 2027. Earlier application is permitted. If an entity chooses to apply IFRS 19 earlier, it is required to disclose that fact. If an entity applies IFRS 19 in the current reporting period but not in the immediately preceding period, it is required to provide comparative information (that is, information for the preceding period) for all amounts reported in the current period's financial statements unless IFRS 19 or another IFRS Accounting Standard permits or requires otherwise.

The Company will assess the impact of this standard once it becomes effective.

IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures – Sale or Contribution of Assets between and Investor and its Associate or Joint Venture

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, state that when the transaction involves a business (whether it is in a subsidiary or not) the entire gain 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 date of mandatory application of these amendments is yet to be determined because the IASB is awaiting the results of its research project on equity method accounting. These amendments must be applied retrospectively; early adoption is permitted and must be disclosed.

The Company will assess the impact of this amendment once it comes into force.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

NOTE 3 - BASIS OF CONSOLIDATION

The consolidated Financial Statements include the financial statements of AES Andes S.A. and subsidiaries as of December 31, 2024 and 2023, the consolidated statements of comprehensive income by function and the statements of changes in shareholders' equity and cash flows presented using the direct method for the years ended December 31, 2024 and 2023.

The financial statements of the subsidiaries are prepared as of and for the same years as the parent company and the same accounting policies are consistently applied.

3.1.- Subsidiaries

According to IFRS 10, subsidiaries are all those entities controlled by AES Andes. An investor controls an investee if the investor:

1. has power over the investee,
2. is exposed, or has rights, to variable returns from its involvement with the investee, and
3. has the ability to affect those returns through its power over the investee.

It is considered that an investor has power over an investee when the investor has existing rights that give it the ability to direct the relevant activities, i.e., the activities that significantly affect the investee's returns. In the case of the Company, in general, the power over its subsidiaries is derived from the ownership of a majority of voting rights granted by capital instruments of the subsidiaries.

If the Company has less than the majority of the voting rights of an investee, it has power over the investee when these voting rights are sufficient to grant it, in the usual practice, the ability to unilaterally direct the relevant activities of the investee. The Company considers all the events and circumstances to assess whether the voting rights in an investee are enough to grant it the power, including:

- the number of voting rights held by the investor relative to the number and dispersion held by the other vote holders;
- potential voting rights held by the investor, other vote holders and other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances suggesting the investor has, or fails to have, the current ability to direct the relevant activities when decisions need to be made, including voting patterns at previous shareholders' meetings.

The Company shall reassess whether it controls an investee if facts and circumstances indicate that there have been changes to one or more of the three control elements mentioned above. Consolidation of a subsidiary shall begin from the date the investor obtains control of the investee and shall cease when the investor loses control of the investee. Specifically, the income and expenditure of a subsidiary acquired or sold during the years are included in the Income Statement since the date on which the Company obtains control until the date on which the Company ceases to control the subsidiary.

The acquisition method is used to account for the acquisition of subsidiaries. The acquisition cost is the fair value of the assets delivered, the equity instruments issued, and the liabilities incurred or assumed on the date of exchange. Identifiable assets and liabilities acquired and identifiable contingencies assumed in a business combination are initially recognized at fair value on the acquisition date, irrespective of the extent of non-controlling interest. The excess of the acquisition cost over the fair value of the interest of AES Andes S.A. in the net identifiable assets acquired is recognized as goodwill. If the acquisition cost is less than the fair value of the net assets of the acquired subsidiary, the difference is directly recognized in the income statement.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Below is a detail of the subsidiaries included in the consolidation:

Tax payer ID (R.U.T.)	Ref.	Name of the Company	Country of origin	Functional Currency	Interest Percentage			
					December 31, 2024			December 31, 2023
					Direct	Indirect	Total	Total
96.678.770-8	NFI	Norgener Foreign Investment S.p.A	CHILE	US\$	100.00 %	— %	100.00 %	100.00 %
76.786.355-1	AES Chile	AES Chile Inversiones Renovables S.p.A (antes AES Chile S.p.A)	CHILE	US\$	100.00 %	— %	100.00 %	100.00 %
76.579.067-0	Andes Solar	Andes Solar S.p.A	CHILE	US\$	100.00 %	— %	100.00 %	100.00 %
76.868.991-1	Mesamávida	Energía Eólica Mesamávida S.p.A	CHILE	US\$	— %	51.00 %	51.00 %	100.00 %
76.175.608-7	Bolero	Bolero SpA (2)	CHILE	US\$	50.00 %	25.50 %	75.50 %	75.50 %
76.170.761-2	Alto Maipo	Alto Maipo S.p.A. (1)	CHILE	US\$	100.00 %	— %	100.00 %	100.00 %
77.733.308-9	Trans. del Sur	Cía. Transmisora del Sur SpA	CHILE	US\$	100.00 %	— %	100.00 %	100.00 %
77.162.182-1	San Carlos	San Carlos SpA (antes Apatama Solar SpA)	CHILE	US\$	100.00 %	— %	100.00 %	100.00 %
	Foreign	-	Alto Maipo Delaware LLC (1)	United States	US\$	— %	100.00 %	100.00 %
76.729.711-4	La Cebada	Compañía Transmisora La Cebada S.A.	CHILE	US\$	99.99 %	0.01 %	100.00 %	100.00 %
	Foreign	GASA	Gener Argentina S.A.	ARGENTINA	US\$	92.04 %	7.96 %	100.00 %
	Foreign	Energen	Energen S.A.	ARGENTINA	US\$	29.52 %	70.48 %	100.00 %
	Foreign	Interandes	Interandes S.A.	ARGENTINA	US\$	13.00 %	87.00 %	100.00 %
	Foreign	Termoandes	Termoandes S.A.	ARGENTINA	US\$	8.82 %	91.18 %	100.00 %
	Foreign	AES Colombia	AES Colombia & Cia S.C.A. E.S.P.	COLOMBIA	COL\$	— %	99.99 %	99.99 %
	Foreign	-	AES Chivor S.A.	COLOMBIA	COL\$	47.50 %	51.88 %	99.38 %
96.814.370-0	Ventanas	Empresa Eléctrica Ventanas S.p.A.	CHILE	US\$	99.99 %	0.01 %	100.00 %	100.00 %
76.004.976-K	Angamos	Empresa Eléctrica Angamos S.p.A.	CHILE	US\$	100.00 %	— %	100.00 %	100.00 %
76.680.114-5	-	Cía. Transmisora Angamos S.p.A	CHILE	US\$	— %	100.00 %	100.00 %	100.00 %
76.917.669-1	Punta del Sol	Punta del Sol S.p.A. (4)	CHILE	US\$	— %	— %	— %	100.00 %
76.975.746-5	Cristales	Cristales S.p.A.	CHILE	US\$	— %	100.00 %	100.00 %	100.00 %
76.975.739-2	Chagual	Chagual Energía S.p.A	CHILE	US\$	— %	100.00 %	100.00 %	100.00 %
77.116.491-9	San Matías	Energía Eólica San Matías S.p.A. (2)	CHILE	US\$	32.50 %	25.50 %	58.00 %	65.00 %
77.005.365-K	Paposo	Energía Eólica Paposo S.p.A.	CHILE	US\$	— %	100.00 %	100.00 %	100.00 %
76.967.596-5	Curauma	Energía Eólica Curauma S.p.A.	CHILE	US\$	— %	100.00 %	100.00 %	100.00 %
77.294.357-1	Pampas	Energía Eólica Pampas S.p.A. (4)	CHILE	US\$	— %	— %	— %	100.00 %
77.290.404-5	Don Álvaro	Energía Eólica Don Álvaro S.p.A.	CHILE	US\$	— %	100.00 %	100.00 %	100.00 %
77.209.147-8	Tal Tal	Transmisora Tal Tal S.p.A.	CHILE	US\$	— %	100.00 %	100.00 %	100.00 %
77.197.853-3	Rinconada	Energía Eólica Rinconada S.p.A.	CHILE	US\$	— %	100.00 %	100.00 %	100.00 %
77.201.526-7	Inv Cochrane	Inversiones Cochrane S.p.A.	CHILE	US\$	95.00 %	— %	95.00 %	95.00 %
76.085.254-6	Cochrane	Empresa Eléctrica Cochrane S.p.A.	CHILE	US\$	57.00 %	— %	57.00 %	57.00 %
77.423.682-1	Andes Solar II	Andes Solar II S.p.A (2)	CHILE	US\$	16.25 %	38.25 %	54.50 %	58.00 %
77.371.671-4	Chile Renovables	Chile Renovables S.p.A (2)	CHILE	US\$	51.00 %	— %	51.00 %	51.00 %
76.363.072-2	Campo Lindo	Parque Eólico Campo Lindo S.p.A (2)	CHILE	US\$	— %	51.00 %	51.00 %	51.00 %
76.868.988-1	Los Olmos	Energía Eólica Los Olmos S.p.A (2)	CHILE	US\$	— %	51.00 %	51.00 %	51.00 %
78.178.599-0	Los Cururos	Parque Eólico los Cururos Spa. (2)	CHILE	US\$	— %	51.00 %	51.00 %	51.00 %
76.625.173-0	Andes Solar IV	Andes Solar IV SpA (2)	CHILE	US\$	— %	51.00 %	51.00 %	65.00 %
76.708.924-4	Lagunas	Empresa Electrica Lagunas SpA	CHILE	US\$	100.00 %	— %	100.00 %	100.00 %
76.708.867-1	Los Dorados	Cerro Los Dorados SpA	CHILE	US\$	100.00 %	— %	100.00 %	100.00 %
76.708.896-5	El Trébol	El Trébol SpA	CHILE	US\$	100.00 %	— %	100.00 %	100.00 %

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Tax payer ID (R.U.T.)	Ref.	Name of the Company	Country of origin	Functional Currency	Interest Percentage			
					December 31, 2024			December 31, 2023
					Direct	Indirect	Total	Total
76.708.918-k	Llanos del Sol	Llanos del Sol SpA	CHILE	US\$	100.00 %	— %	100.00 %	100.00 %
76.708.806-k	Sol Oriente	Solar Oriente SpA	CHILE	US\$	100.00 %	— %	100.00 %	100.00 %
76.708.917-1	Konavle	Konavle SpA	CHILE	US\$	100.00 %	— %	100.00 %	100.00 %
76.708.919-8	La Baluma	La Baluma SpA	CHILE	US\$	100.00 %	— %	100.00 %	100.00 %
77.822.344-9	Chile Renovables II	Chile Renovables II SpA (2)	CHILE	US\$	51.00 %	— %	51.00 %	51.00 %
77.865.266-8	Andes Solar III	Andes Solar III SpA (3)	CHILE	US\$	— %	— %	— %	— %
77.938.376-8	Boreal	Boreal SpA	CHILE	US\$	100.00 %	— %	100.00 %	— %
77.938.377-6	Núcleo	Núcleo SpA	CHILE	US\$	100.00 %	— %	100.00 %	— %

(1) See Note 3.2

(2) See Note 3.3

(3) Andes Solar III SpA, was established during the month of March 2024, and was sold on September 9, 2024 to AES Pacifico Chile, a company whose parent company is The AES Corporation.

(4) The Companies were sold on December 31 to AES Pacifico Chile, a company whose parent company is The AES Corporation.

3.2.- Alto Maipo deconsolidation

On August 27, 2021, AES Andes issued a Material Event informing about the financial situation of its subsidiary Alto Maipo SpA and indicating that its Board of directors approved the Final Budget and the long-term Business Plan, backed by external studies that projected a reduction in energy prices and lower generation levels due to the incorporation of renewable energies and adverse hydrological conditions.

On November 17, 2021, Alto Maipo initiated a reorganization process in the United States under Chapter 11, after reaching a restructuring pre-agreement with its creditors. As a result, AES Andes ceased to exercise control over the subsidiary and proceeded to its deconsolidation, recording an extraordinary accounting loss of ThUSD\$1,106,558.

Once the restructuring process was finalized on May 26, 2022, the control of Alto Maipo was shared between lenders and shareholders, so AES Andes will continue without Alto Maipo, despite owning 100% of its shares. AES Andes' investment in Alto Maipo is classified as Financial Assets at Fair Value through Profit or Loss following IFRS 9, paragraph 4.1.5. The fair value of AES Andes' investment in Alto Maipo as of December 31, 2024 is \$0 (zero).

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

3.3.- Incorporation of Global Infrastructure Partners (GIP) as a strategic partner

As part of the strategy for renewable growth, Global Infrastructure Partners (GIP) became a Company's partner on July 15, 2021. AES Andes owns 51% and GIP 49% of the shares in Chile Renovables SpA, an entity that has acquired and will acquire the companies with renewable projects for 733 MW as they commission, and the other conditions agreed are met. As a result of this transaction, AES Andes has received funds for an approximate amount of ThUS\$415,730 between 2021 and 2024, for the sale of the Mesamávida projects in 2024, Campo Lindo and Andes Solar IIB in 2023, Andes Solar IIA and Los Olmos in 2022 and Los Cururos in 2021.

On December 21, 2023, AES Andes and GIP signed a series of contracts to expand by 693 MW their joint investments in the companies that are developing the following renewable energy projects: Bolero Solar plant, Andes Solar IV and San Matías wind parks, along with expansions of the solar plants Andes Solar IIA and Andes Solar IIB. As a result of this transaction, the parties have valued 49% of the renewable projects at ThUS\$441,381 of which GIP invested ThUS\$332,626, corresponding to ThUS\$57,626 for the purchase of the share in Bolero Solar project and ThUS\$275,000 for pre-founding for the Andes Solar IV, Andes Solar IIB expansion and IIA BESS and San Matías projects.

This transaction also involved the creation of a new subsidiary of the Company, Chile Renovables II SpA. On December 18, 2024, AES Andes received ThUS\$77,000 for the sale of the shares in the San Matías, Andes Solar IV and Andes Solar IIB Expansión projects to GIP.

3.4.- Functional currency change of Argentine subsidiaries

On February 5, 2023, the Energy Secretariat of Argentina published Resolution 59/2023, which enables the generating agents owning thermal generation plants with technology classified as combined cycles, as per Resolution 826 dated December 12, 2022, to adhere to a power availability and efficiency improvement agreement with Compañía Administradora del Mercado Mayorista Eléctrico Sociedad Anónima (CAMMESA) on behalf of distributors and large users of the Wholesale Electricity Market (MEM) to encourage the necessary investments for major and minor maintenance of the machines. On March 9, 2023, and March 21, 2023, the Group signed the notes and the agreement with CAMMESA to adhere to such scheme, respectively, waiving any administrative and/or judicial claim related to the remuneration in force until the signing of the agreement.

As a result of this change in the Argentine electricity market and its impact on the operations of the Argentine subsidiaries of AES Andes, Management has concluded that the US dollar is the currency of the main economic environment in which these subsidiaries operate and, therefore, must be considered as their functional currency.

3.5.- Non-Controlling Interests

Non-controlling interests represent the portion of profits or losses and net assets of the subsidiaries that are not wholly owned by the Group. Non-controlling interests are presented separately in the income statement and in the consolidated statement of financial position within shareholders' equity, separately from the shareholders' equity of the parent. AES Andes applies the policy of considering transactions with non-controlling investors as equity transactions. The disposal or acquisition of non-controlling interest not resulting in a change of control, involves an equity transaction with no recognition of profits and/or losses in the income statement. Any difference between the price paid and the relevant proportion of the carrying amount of the subsidiary's net assets is recognized as equity distribution or contribution.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

The summarized financial information as of December 31, 2024 and 2023, is presented below:

	December 31, 2024							Net gain (loss)
	Interest %	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities	Ordinary Revenue	Ordinary Expenses	
Eléctrica Cochrane	40.0%	159,031	733,112	(116,406)	(666,543)	490,590	(325,626)	84,007
Inversiones Cochrane	5.0%	34	65,529	(2)	—	—	—	50,398
Chile Renovables S.p.A	49.0%	4,792	938,440	(4,768)	—	—	—	13,339
Chile Renovables II S.p.A	49.0%	11,554	570,991	(11,553)	—	—	—	3,227

	December 31, 2023							Net gain (loss)
	Interest %	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities	Ordinary Revenue	Ordinary Expenses	
Eléctrica Cochrane	40.0%	200,368	778,312	(138,225)	(718,036)	543,909	(394,315)	69,572
Inversiones Cochrane	5.0%	51	73,462	(10)	—	—	—	41,735
Chile Renovables S.p.A	49.0%	10,299	817,242	(10,329)	—	—	—	4,660

Accumulated balances attributed to non-controlling interests of the shareholders' equity are:

	December 31, 2024	December 31, 2023
Chile Renovables S.p.A	459,847	400,434
Chile Renovables II S.p.A	279,786	—
Andes Solar IV	—	150,056
Inversiones Cochrane S.p.A.	50,945	74,590
Energía Eólica San Matías	3,711	63,568
Andes Solar II	42,876	61,376
Empresa Eléctrica Cochrane S.p.A.	43,678	48,968
Other	11	(2)
Total	880,854	798,990

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Income or (loss) attributed to non-controlling interests is detailed as follows :

	December 31, 2024	December 31, 2023
Eléctrica Cochrane	33,603	27,829
Inversiones Cochrane	6,951	8,399
Chile Renovables S.p.A	6,536	2,283
Andes Solar IV	8,699	—
Energía Eólica San Matías	3,769	—
Andes Solar II	2,284	—
Chile Renovables II S.p.A	1,606	—
Other	(101)	(14)
Total	63,347	38,497

Comprehensive income attributed to non-controlling interests is detailed as follows:

	December 31, 2024	December 31, 2023
Eléctrica Cochrane	35,511	29,568
Inversiones Cochrane	6,951	8,399
Chile Renovables S.p.A	6,536	2,283
Andes Solar IV	8,699	—
Energía Eólica San Matías	3,769	—
Andes Solar II	2,284	—
Chile Renovables II S.p.A	1,606	—
Other	(101)	(14)
Total	65,255	40,236

Dividend payments and capital reductions attributed to non-controlling interests are detailed as follows:

	December 31, 2024	December 31, 2023
Eléctrica Cochrane	40,800	35,520
Inversiones Cochrane	30,596	22,372
Chile Renovables SpA	24,255	8,771
Other	—	34
Total	95,651	66,697

These payments have been classified as cash flows from financing activities in the Statement of Cash Flows as of December 31, 2024, specifically as payments to non-controlling interests.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

NOTE 4 - SUMMARY OF MAIN ACCOUNTING POLICIES

4.1.- Operating Segments

Segment information is consistently presented with the internal reports provided to the Management that makes decisions for AES Andes, which is responsible for allocating resources and evaluating the performance of the operating segments. Management identifies its operating segments according to the markets where it participates, i.e., the markets of Chile, Argentina and Colombia, for which strategic decisions are made.

Intercompany transactions are removed between segments on a consolidated basis. Financial costs are not separated by operating segments since the Group manages debts on a consolidated basis.

This financial information by operating segments is detailed in Note 7.

4.2.- Foreign Currency Transactions

a. Reporting Currency and Functional Currency

The items included in the financial statements of each of the entities of the Company are measured using the currency of the principal economic environment in which the entity operates (functional currency). The consolidated financial statements of AES Andes are expressed in United States dollars, which is the functional and reporting currency of the Company and all of its subsidiaries, except for its Colombian subsidiaries, whose functional currency is the Colombian peso, and the Argentine subsidiaries, whose functional currency is the Argentine peso.

b. Transactions and Balances

Transactions in foreign currencies other than the functional currency are translated into functional currency using the exchange rates at the date of the transactions. Exchange differences arising from the settlement of these transactions or the translation using the closing exchange rates of the monetary assets and liabilities in foreign currency, are recognized in profit or loss, except if they differ in shareholders' equity, such as cash flow hedges.

Non-monetary items in a currency other than functional currency carried at historical cost are translated into the functional currency using the exchange rates at the date of each initial transaction. Non-monetary items in a currency other than functional currency carried at fair value are translated into the functional currency using the exchange rate of the date when the fair value was determined.

c. Translation Basis

Assets and liabilities in a currency other than the functional currency and those denominated in Unidades de Fomento (UF) are presented using the following exchange rates and closing values per US\$1, respectively:

	Symbol	December 31, 2024	December 31, 2023
Chilean Pesos	Ch\$	996.46	877.12
Argentine pesos	Ar\$	1,032.00	808.45
Colombian pesos	Col\$	4,409.15	3,822.05
Euro	€	0.96	0.90
Unidad de Fomento	UF	0.03	0.02

UF is a local inflation-indexed monetary unit denominated in Chilean pesos. The UF rate is set daily in advance, based on the change in the consumer price index of the previous month.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

d. Translation Bases for Subsidiaries with Different Functional Currencies

The results and financial position of all the Group entities, which have a functional currency other than the reporting currency and whose functional currency is not that of a hyperinflationary economy, are translated into the reporting currency as follows:

- i. The assets and liabilities are translated at the closing exchange rate as of the closing date.
- ii. Adjustments to goodwill and distribution of the price paid, as arising from the acquisition of a foreign entity, are treated as assets and liabilities of the foreign entity and are converted at the period-end foreign exchange rate.
- iii. Revenue and expenditure of each profit and loss account are converted at the monthly average exchange rates (unless this average is other than a reasonable approximation of the cumulative effect of exchange rates prevailing as of the transaction dates, in which event the income and expenditure will be translated at the exchange rate reported on those transaction dates).

All resulting exchange differences are recognized as a separate component of the shareholders' equity, under the account "Other Reserves". To the extent the investment is sold, those exchange differences are recognized in the income statement as part of the gain or loss on sale.

For consolidated purposes, exchange differences arising from the conversion of a net investment in foreign entities are accounted for in shareholders' equity. When all or part of those investments are sold, exchange differences are recognized in the income statement as part of gain or loss on sale.

d.1 Translation Bases for Subsidiaries with Different Functional Currencies in hyperinflationary economy

The results and financial position of the Group entities, which have a functional currency other than the reporting currency and whose functional currency is that of a hyperinflationary economy (as in the case of Argentine subsidiaries), are translated into the reporting currency as follows:

- i. Assets, liabilities, shareholders' equity, revenues and costs are translated at the closing date exchange rate.
- ii. The comparative figures are unchanged in relation to those reported in the previous Financial Statements since the reporting currency of the Group is that of a non-hyperinflationary economy.

Prior to applying the above translation method, the entities are required to restate their financial statements in accordance with IAS 29 based on the purchasing power at the end of the reporting period. Therefore, the transactions of this period and the balances of non-monetary items as of the end of the period, should be restated to reflect the current price index as of the balance sheet date.

For the restatement of the Financial Statements in homogeneous currency, the National Consumer Price Index (CPI) published by the National Institute of Statistics and Census of Argentina (INDEC) is used, according to the series prepared and published by the Argentine Federation of Professional Councils of Economic Sciences (FACPCE).

To translate the inflation-adjusted balances of the Argentine subsidiaries into the Group's reporting currency, applying the criteria established in IAS 29 - *Financial Reporting in Hyperinflationary Economies*, the Company uses the exchange rate published by Banco de la Nación Argentina (BNA).

4.3.- Property, Plant and Equipment

The plots of land of AES Andes Group are carried at cost less relevant accumulated impairment losses.

Plants, buildings, equipment and transmission systems held for electricity generation and other items of property, plant and equipment are recognized at historical cost less relevant accumulated depreciation and impairment losses.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

The cost of an asset includes its purchase price, all costs directly attributable to bringing the asset to the location and condition necessary for it to operate as expected by the Management, and the initial estimated costs of dismantling and removing the asset, either in whole or in part, and restoring the site where it is located. This is an obligation assumed by the Company, at the time of purchasing the asset or as a consequence of using the asset during a certain period.

Subsequent costs are included in initial asset value or recognized as a separate asset, only when, according to the recognition criteria of IAS 16 *Property, Plant and Equipment*, it is probable that the future economic benefits associated with the fixed assets will flow to the Group and the cost of the item can be reliably measured. The value of the replaced component is derecognized. Other repairs and maintenance are recognized in the income statement for the period as incurred.

The works-in-progress include, among other items, the following capitalized expenses during the construction period only:

- i. Financial expenses related to external financing that are directly attributable to constructions, both specific and generic in nature. In terms of generic financing, capitalized finance expenses are obtained by applying the weighted average cost of long-term financing to the average accumulated investment eligible for capitalization that is not specifically financed.
- ii. Directly related staff and other operative costs attributable to the construction.

Works-in-progress are transferred to fixed assets once the testing period is completed and they are available for use, at which time depreciation shall begin.

Depreciation of fixed assets is calculated using the straight-line method, considering the cost less the residual value over their estimated economic useful lives. The estimated useful lives for the main and most relevant asset classes are detailed in Note 17.

The residual value and the useful life of these assets are reviewed periodically and, where necessary, they are adjusted so that their remaining useful life is consistent with the expected useful life of the assets.

When the value of an asset exceeds its estimated recoverable amount, it is immediately reduced up to the recoverable amount through the recognition of impairment losses (Note 4.6).

Profit and losses on sales of fixed assets are calculated by comparing the proceeds from the sale with their carrying value and are included in the income statement as other net income (losses).

Derecognition of fixed assets is equivalent to the gross carrying value less accumulated depreciation at the time of recording.

4.4.- Goodwill

Goodwill represents the excess of the acquisition cost over the fair value of the interest of the Group in the net identifiable assets of the subsidiary/associate acquired on the purchase date. Goodwill is tested for impairment on an annual basis and is valued at cost less accumulated impairment losses. Gains and losses for sale of an entity include the carrying amount of the goodwill related to the entity being sold.

Goodwill is allocated to Cash Generating Units (CGU) with the purpose of testing whether the CGUs are impaired. When the recoverable amount of a CGU is lower than its carrying amount, an impairment loss will be recognized. Impairment losses related to goodwill cannot be reversed in future periods (Note 4.6).

As of December 31, 2024 and 2023, the Group has not recognized any amount as Goodwill.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

4.5.- Intangible Assets

a. Computer programs

Licenses for purchased software are capitalized based on costs incurred to purchase and prepare the specific programs for use. These costs are amortized over their estimated useful lives using the straight-line method. (Note 16).

Expenses related to software development or maintenance are recognized as incurred. Costs directly related to the production of unique and identifiable software programs controlled by the Group, and which are likely to generate economic benefits greater than their costs for more than one year, are recognized as intangible assets. Direct costs include expenses incurred by the staff in developing the software. Software program development costs recognized as assets are amortized over their estimated useful lives.

b. Easements

Easement rights are carried at historical cost. As the exploitation period of these rights has no limit, they are considered as assets with an indefinite useful life and are therefore not subject to amortization. Nevertheless, the indefinite nature of a useful life is reviewed at each reporting period to determine whether it should still be regarded as such. These assets are tested for impairment annually. The exception to the rule of an indefinite useful life is only applicable to cases where there is an underlying agreement limiting the useful life of the easement (Note 16).

c. Water Rights

Water rights are carried at historical cost. As the exploitation period of these rights has no limit, they are considered as assets with an indefinite useful life and are therefore not subject to amortization. Nevertheless, the indefinite nature of a useful life is reviewed at each reporting period to establish whether such nature is still applicable. These assets are tested for impairment annually.

4.6.- Impairment of Non-Financial Assets

Assets subject to amortization and depreciation are tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. If there is an indication of impairment, the recoverable amount shall be estimated for the asset on an individual basis. If the recoverable amount cannot be determined for individual assets or the assets have an indefinite useful life, the entity shall determine the lowest level for which there are separately identifiable cash flows ("cash generating units") and shall estimate the recoverable amount of the cash generating unit to which the asset belongs.

An impairment loss is recognized to the extent the carrying amount of the asset or cash-generating unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less costs to sell or its value in use. The estimation of the value in use is based on the present value of the future expected cash flows at a pre-tax discount rate that reflects the current market assessments and the risks associated with the asset or cash generating unit. The best determination of the fair value less costs to sell includes prices of similar transactions. If the transactions cannot be identified in the market, a valuation model will be used.

Non-financial assets, other than goodwill, which might have suffered an impairment loss are assessed at every year-end to check for any events that would justify a reversal of the impairment loss. The reversal of an impairment loss shall not exceed the carrying amount that would have been obtained, net of amortization and depreciation, if no impairment loss would have been recognized for that asset in prior periods.

Intangible assets and goodwill with indefinite useful lives are tested for impairment every October 1 of each year or any indication that the value of these assets may not be recoverable.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

4.7.- Financial Assets

Initial Classification

AES Andes classifies its financial assets in the following categories: fair value through profit or loss, amortized cost, and fair value through Other Comprehensive Income. The classification of financial assets in the initial recognition depends on the contract cash flow characteristics and AES Andes's business model for their management. Except for trade receivables with no significant financial component or for which AES Andes has applied a practical solution, AES Andes initially recognizes a financial asset at fair value plus, in case of a financial asset not recognized at fair value through changes in profit or loss, transaction costs.

Financial assets classified and recognized at amortized cost are maintained within a business model with the aim of maintaining financial assets to collect contractual cash flows, while the financial assets classified and recognized at fair value through OCI are maintained within a business model with the purpose of keeping their ownership for the collection of contractual cash flows and sales. Financial asset sales or purchases requiring the delivery of assets within a period of time established by market regulation or convention (regular transactions) are recognized on the negotiation date, namely, the date on which the Company undertakes to buy or sell the asset.

a. Financial Assets at fair value through profit or loss (FVTPL)

These instruments are initially measured at fair value. Net income and losses, including any income from interest or dividends, are recognized in profit or loss for the period. The financial assets are classified in the category of financial assets at fair value through profit or loss when they are held for negotiation purposes or designated in their initial recognition at fair value through profit or loss. A financial asset is classified in this category if it is acquired mainly with the purpose of being sold in the short term. Profit and losses from assets held for trading are recognized as profit or loss and the associated interest is recognized separately in financial income. Derivatives are also classified as acquired for trading purposes unless they are designated as hedges.

b. Assets carried at amortized cost

They are initially carried at the fair value of the transaction, plus or minus the transaction costs that are directly attributable to the acquisition or issuance of the financial asset or liability. They are held to collect contractual cash flows that meet the "Solely Payments of Principal and Interest" (SPPI) criterion. This category includes trade receivables and other accounts receivable.

c. Financial Assets at fair value through other comprehensive income (FVTOCI)

These instruments are initially carried at fair value, with gains or losses reclassified through profit or loss for the period upon derecognition. The financial instruments in this category meet the SPPI criterion and are kept within the business model of the Company, both to collect and sell the cash flows.

The business model of AES Andes for the management of financial assets refers to how it manages financial assets to generate cash flows. A business model establishes whether the cash flows will result from collecting contractual cash flows or selling financial assets, or both.

The accounting policy used to determine the fair value is detailed in Note 4.20.

Subsequent Valuation

The financial instruments are afterwards measured at FVTPL, amortized cost, or FVTOCI. The classification is based on two criteria: (i) the business model of the Company to manage the financial instruments, and (ii) whether the contractual cash flows of the financial instruments are "Solely Payments of Principal and Interest".

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

a. Financial Assets measured at fair value through profit or loss (FVTPL):

These instruments are afterwards measured at fair value. Net profit and losses, including any income from interest or dividends, are recognized as profit or loss for the period.

These instruments are held for trading purposes and mainly acquired with the purpose of selling them or buying them back in the short term. Derivative instruments are also classified as held for trading, unless they are designated for hedge accounting. The financial instruments in this category are classified as other current and non-current financial assets. They are subsequently measured through determination of the fair value, and changes in value are accounted for in the income statement as other income (losses).

b. Financial Assets measured at amortized cost:

These instruments are subsequently measured at amortized cost less accumulated depreciation through the effective interest method and adjusted through provisions for impairment losses, in the case of financial assets. Financial income and expense, exchange gains and losses and impairment are charged to income. Any profit or loss on derecognition is recognized as profit or loss of the period.

Loans and receivables are non-derivative financial instruments with fixed or determinable payments that are not listed in an active market. They are carried at amortized cost and the accrual of agreed terms is directly recorded as profit or loss.

c. Financial Assets measured at fair value through other comprehensive income (FVTOCI):

These instruments are afterwards measured at fair value. Revenue from interest calculated using the effective interest method, financial income and expense, exchange gains and losses and impairment are charged to income. Other net gains and losses are recognized in Other Comprehensive Income (OCI). Upon derecognition, retained earnings and losses in OCI are reclassified as profit or loss.

Impairment

Following the requirements of IFRS 9, the Company applies an impairment model that relies on the assessment of expected credit losses, based on the Company's historical information, existing market conditions, and prospective estimates at the end of each reporting period. This model applies to financial assets measured at amortized cost or measured at fair value through other comprehensive income, except for investments in equity instruments.

The expected credit loss is determined considering the probability of default, which is the difference between all the contractual cash flows that are due in accordance with the contract and all the cash flows that the entity expects to receive (i.e., insufficient money), discounted at the original effective interest rate.

To determine expected credit losses, the Company applies two different approaches:

- General approach: applied to financial assets other than trade receivables, contract assets or lease receivables. This approach is based on the assessment of significant increases in the credit risk of financial assets, since the initial recognition. In case that, as of the date of presentation of the financial statements, the credit risk has not had a significant increase, impairment losses are measured by reference to the 12-month expected credit losses; otherwise, if the credit risk has had a significant increase, the impairment is measured considering the expected credit losses throughout the life of the asset. In general, expected credit losses as per the general approach are determined on an individual basis.

- Simplified approach: for trade receivables, the Company applies a simplified method, whereby the impairment provision is always recorded with reference to expected credit losses over the life of the asset.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

This is the mostly applied approach, since trade receivables represent the main financial asset of the Company.

With respect to corporate customers and distribution companies whose power purchase agreements are long term and cover a significant portion of their installed capacity, the Company allocates its exposure to a credit risk grade based on data determined to be predictive, including credit ratings, audited financial statements, projected cash flows, and customer-related information available, and by applying experienced judgment relying on this information. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default and consistent with the definition of credit risk according to the criteria applied by the risk agencies. Regarding the exposure to losses for customers whose credit assessment cannot be determined, considering the aforementioned guide, the Company covers this credit risk through the request for financial guarantees, which are stipulated in accordance with the respective power purchase agreements (see Note 33).

As of December 31, 2024, the Company holds guarantees received from customers as detailed in Note 32 to these financial statements for the payment obligations of customers under PPAs, including, in some cases, letters of credit from financial institutions with an investment grade rating and corporate bonds from their parent companies with an investment grade rating. Obligations under these letters of credit and corporate bonds may increase or decrease depending on our customers' capacity to meet certain construction, operational or financial thresholds or the change in the investment grade ratings of their respective parent companies.

The impact on the Company's results due to impairment of trade receivables as of December 31, 2024 amounts to an income of ThUS\$3.026.

Based on the benchmark market and industry where our customers do business, as well as the recovery expectations after 90 days for such accounts receivable, the Company mainly applies a default maturity of 180 days to assess expected credit losses, as it is considered an effective indicator of a significant increase in credit risk. As a result, financial assets that are more than 90 days past due are generally not considered to be in default.

Based on Company-specific assessments, the prospective adjustment may be applied considering qualitative and quantitative information to reflect possible future events and macroeconomic scenarios, which may affect the risk of the portfolio or financial instrument.

4.8.- Financial Liabilities

AES Andes classifies its financial liabilities in the following categories: fair value through profit or loss, derivatives designated as effective hedging instruments (see Note 4.9) and amortized cost. Management determines the classification of its financial liabilities on initial recognition.

Financial liabilities are derecognized when the obligation is paid, settled, or expires. When an existing financial liability is replaced by another liability from the same lender under substantially different terms, or if the terms of the existing liabilities are substantially modified, such exchange or modification shall be treated as a derecognition of the original liability and a recognition of a new liability, and the difference in the respective carrying amounts is recognized in the income statement.

Financial liabilities are initially recognized at fair value and, in the case of loans, they include costs directly attributable to the transaction. Subsequent measurement of financial liabilities depends on their classification, as explained below.

When the Group has the right to offset obligations with financial rights, the net amount shall not be reported in accordance with paragraph 42 of IAS 32 *Financial Instruments: Presentation*, as the Company intends to pay and collect those items independently. IFRS 7 *Financial Instruments: Disclosures* also apply to recognized financial instruments whose derivative contracts are subject to an enforceable netting arrangement or similar agreement, irrespective of the net or gross disclosure under IAS 32. See Note 11.2 (e).

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

a. Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities are classified in the category of financial liabilities at fair value through profit or loss when they are held for trading or they are designated on initial recognition at fair value through profit or loss. Gains and losses on held-for-trading liabilities are accounted for as profit or loss. This category includes derivative instruments not designated for hedge accounting.

b. Financial liabilities at amortized cost

Other financial liabilities are subsequently carried at amortized cost using the effective interest rate method. The amortized cost is calculated by considering any premium or discount from the acquisition and includes costs of transactions are an integral part of the effective interest rate. This category includes trade payables and other accounts payable and loans included in other current and non-current financial liabilities.

4.9.- Derivative Financial Instruments and Hedging

The Group uses derivative financial instruments such as interest rate swaps, foreign exchange rate swaps, and foreign exchange forwards to hedge its risks associated with fluctuations in interest, foreign exchange rates, and coal prices. Derivatives are initially recognized at the fair value of the date on which the derivative agreement has been entered into and they are subsequently remeasured at their fair values. The method to recognize the gain or loss resulting from the change in fair value depends on whether the derivative has been designated as a hedging instrument, and, if so, the nature of the item that it is hedging. The Group recognizes certain derivatives as:

- i. fair value hedges
- ii. cash flow hedges

At the beginning of the transaction, the Group documents the relation existing between hedging instruments and hedged items, as well as their objectives for risk management and the strategy to carry out various hedging transactions. The Group also documents its assessment, both at the beginning and on a continuous basis, about whether the derivatives that are used in hedging transactions are highly effective to offset changes in the fair value or cash flows of the hedged items, namely, when the hedge relationship meets the following efficacy requirements.

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of the credit risk has no predominance over the changes in value resulting from that economic relationship; and
- The hedge ratio of the hedge relationship is the same as that resulting from the amount of the hedged item that the Group is actually hedging and the amount of the hedging instrument that the Group actually uses to hedge such amount of the hedged item.

If a hedge relationship ceases to meet the hedge effectiveness requirements in relation to the hedge ratio, but the risk management goal for that designated hedge relationship remains unchanged, the Group will adjust the hedge ratio of the hedge relationship so that it complies again with the required criteria. (Referred to as “rebalancing” in IFRS 9).

a. Fair Value Hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognized in the income statement, together with any changes in the fair value of the hedged asset or liability that is attributable to the hedged risk.

The Group has not used fair value hedges in the reporting years.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

b. Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognized in other comprehensive income and are accumulated as cash flow hedge reserves in other reserves. The effective portion of changes in the fair value of the derivative instrument that is recognized in other comprehensive income is limited to the cumulative change in the fair value of the hedged item, as established on the basis of the present value, from the beginning of the hedging transaction.

Any loss or gain related to the ineffective portion is recognized immediately in the income statement within financial costs or exchange differences, according to their nature.

The Group recognized only the change in the spot fair value of the forward contract as the hedging instrument in the cash flow hedge relationships. The change in the fair value of the forward points in foreign currency is accounted for separately as hedging cost and is recognized in a hedge cost reserve within shareholders' equity.

When the expected transaction that is subsequently hedged brings about the recognition of a non-financial item as inventory, the accumulated amount in the hedging reserve and the cost of the hedging reserve is directly included in the initial cost of the non-financial item upon recognition.

For all the expected hedged transactions, the amounts accumulated in Other reserves are accounted for in the income statement during periods in which the hedged item affects the result. In the case of interest rate hedges, this means that the amounts recognized in shareholders' equity are reclassified as profit or loss in financial costs as interest on associated debts is accrued. For cross currency swaps, the amounts recognized in other reserves are reclassified to financial costs as interest is accrued and to exchange differences as a result of measuring the debts at closing exchange rates.

If the hedged item ceases to meet the criteria for hedge accounting or the hedging instrument expires, is sold, terminated or exercised, hedge accounting is prospectively discontinued. When hedge accounting for cash flow hedges is discontinued, the amount accumulated in other reserves will remain in shareholders' equity until, if the hedging of a transaction brings about the recognition of a non-financial item, it is included in the cost of the non-financial item on initial recognition or, in the case of other cash flow hedges, it is reclassified in profit or loss in the same period or periods in which the expected hedged future cash flows affect the income statement.

When it is expected that the transaction is not likely to occur, the gain or loss accumulated in shareholders' equity is immediately charged to income within financial cost or exchange differences, according to their nature.

c. Derivatives not qualifying for hedge accounting

Certain derivatives are not designated for hedge accounting and are carried at fair value through profit or loss. Changes in the fair value of these derivatives are immediately recognized in the income statement.

d. Embedded Derivatives

The Company assesses the existence of embedded derivatives in financial and non-financial instrument agreements to establish whether their characteristics and risks are closely related to the host contract, provided that the whole set is not classified as an asset or liability at fair value through profit or loss. If they are not closely related, embedded derivatives are accounted for separately from the host contract and recognized at fair value with variations immediately recognized in the income statement.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

4.10.- Inventory

Inventory is valued at the lowest of its cost or net realizable value, except in the case of those elements that will be used in the production process if their value is expected to be recovered through the sale of the final product. The cost is calculated using the acquisition cost method. The net realizable value is the estimated selling price in the ordinary course of business, minus applicable variable selling costs.

4.11.- Cash and Cash Equivalents

Cash and cash equivalents include cash-in-hand balances; time deposits in credit entities; other highly-liquid, short-term investments with original maturity of three months or less; and bank overdrafts. In the statement of financial position, bank overdrafts are classified as borrowed capital in other current financial liabilities.

Cash and cash equivalents subject to restrictions are included in the statement of financial position within cash and cash equivalents, except when the nature of the restriction is such that it ceases to be liquid or readily convertible to cash. In this case, restricted cash set aside for less than 12 months will be recognized within other current financial assets, and the restricted cash set aside for more than 12 months will be recognized within other non-current financial assets. The classification of Cash and Cash Equivalents does not differ from that used in the Statement of Cash Flows.

IAS 7 sets forth that the entity must submit information on cash flows from operating activities using the direct or indirect method. According to Official Letter No. 2058 published by the CMF, as from the reporting date, March 31, 2013, all listed companies must present their cash flow statements using the direct method.

4.12.- Issued Capital

Capital stock is represented by common stock of a single class, with no par value, and entitled to one vote per share.

Incremental costs directly attributable to the issuance of new shares or options are recognized in shareholders' equity as a deduction, net of taxes, of the amounts obtained from the issuance of new shares.

4.13.- Taxes

Income taxes

The Company and all its subsidiaries determine their current income tax based on the taxable net income determined according to the current legal provisions for each fiscal year. The tax rates and laws used in the calculation of the income tax are those published as of the date of presentation of the financial statements in the countries where the Group does business and generates taxable income.

The income tax expense for the year is determined as the sum of the current tax of the Company and its respective subsidiaries, and it results from the application of the tax on the taxable income for the year, which considers taxable income and tax deductible expenses, plus the variation of assets and liabilities for deferred tax and tax credits.

Deferred Taxes

Deferred taxes arising from temporary differences and other events that create differences between the tax bases of assets and liabilities and their carrying value are recognized according to the current standards set out in IAS 12 *Income Taxes*.

The differences between the carrying values of assets and liabilities and their tax bases generate (with the possible exception of investments in subsidiaries, associates or interest in joint ventures, as stated below) deferred tax

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

assets and liabilities, which are calculated using the tax rates that are expected to apply to the period when the assets and liabilities are realized. Deferred tax liabilities are recognized by all the taxable temporary differences associated with investments in subsidiaries, associates, and interests in joint arrangements, except if the following conditions are met:

- i. the parent company, investor or participant of a joint venture can control the timing for temporary difference reverses and
- ii. it is unlikely that the temporary difference will reverse in the foreseeable future.

Deferred tax assets are recognized by all deductible temporary differences originating from investments in subsidiaries, associates or interests in joint businesses, only to the extent it is likely that:

- i. the temporary differences will reverse in the foreseeable future; and
- ii. there is liquid taxable income against which temporary differences can be applied.

Current tax and changes in deferred taxes arising other than from business combinations, are recognized in profit or loss or in shareholders' equity, based on how the income or loss originating them have been recognized.

Deferred tax assets and tax credits are recognized to the extent that it is probable that sufficient future taxable profit will be available to recover deductible temporary differences and against which tax credits can be utilized.

Group companies representing tax losses recognize deferred tax assets when such losses are likely to be utilized. For that purpose, the generation of future tax profits and the expiration date of tax losses is considered. Both in Chile and Colombia, tax losses have no expiration date; however, in Argentina they expire at the fifth year.

4.14.- Employee Benefits

Short-term Employee Benefits

The Company recognizes all short-term benefits to employees, such as salary, vacation, bonuses, and others, on an accrual basis and considers the benefits arising as an obligation from the collective bargaining agreements as a regular practice of the Company.

Post-Employment Benefits - Defined Benefit Plans

The Company has recognized the total of liabilities related to voluntary pension plans for retired employees (active employees are not creditors of this benefit at the time of retirement) and other post-retirement benefits, as stipulated under the collective bargaining agreements existing in the Chilean companies of the Group. Pension benefits include the payment of a supplementary pension in addition to the pension provided for in the Chilean Social Security System payable for life to retired employees. Furthermore, these benefits include health services and electricity grants. In addition, the Colombian subsidiary AES Colombia has a pension plan limited to a certain staff group which includes a supplementary pension for those people who are not covered by the provisions of Law No. 100 of 1993.

The liabilities under post-employment benefit plans were recognized at the value of projected benefit liability, as assessed by applying the actuarial calculation and using the projected unit credit method. The actuarial assumptions considered in the calculation include the likelihood of such payments or benefits based on employee mortality (in the case of retired employees), future costs and level of benefits and discount rate. In Chile, the discount rate is based on reference to the performance of UF-denominated sovereign bonds issued by the Chilean Central Bank and the average long-term projected inflation, while in Colombia, the rate is assessed based on the performance of long-term sovereign bonds issued by the Colombian government. Sovereign bond rates are used considering that in none of both countries there are sufficiently active markets of high credit quality corporate notes.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

In the case of Chilean former employees, who are only entitled to medical benefits and electricity grants, the benefits are recognized based on an estimation of the proportion of benefits accrued as of the balance sheet date. The obligations related to medical benefits and electricity grants have been determined considering the trend in future medical costs and fixed electricity for the bonus given to retired and active employees after retirement.

Actuarial gains and losses include adjustments for experience and effects of changes on the actuarial assumptions and are recognized in other comprehensive income.

Stock-based Compensations

AES Corporation, majority shareholder of AES Andes, grants stock-based compensation to certain employees of its subsidiaries, which consist of a combination of options and restricted stock. The rights on these plans are generally vested in three-year terms.

The fair value of the services received from the employees in exchange for the granting of the option is recognized as an expense and a corresponding increase in or contribution to the shareholders' equity of the Company. The cost is measured as of the date of granting based on the fair value of the equity instruments or liabilities issued and is recognized as an expense on a straight-line basis over the vesting period, net of an estimation for non-exercised options.

Staff Seniority Indemnities

A provision for the Company's obligation concerning staff seniority compensations agreed with the staff under relevant agreements is calculated at the present value of the total liability based on the projected benefit cost method and considering for these purposes, a discount rate based on performance of UF-denominated sovereign bonds issued by the Chilean Central Bank and average long-term projected inflation.

The actuarial assumptions considered in the calculation include the likelihood of such payments or benefits based on mortality (in the case of retired employees) and employee rotation, future costs and level of benefits and discount rate. The discount rate is established in the same manner as for post-employment benefits, as detailed in Note 4.14 Post-Employment Benefits - Defined Benefit Plans.

4.15.- Provisions

Obligations for decommissioning, litigation and others

Provisions for environmental restoration, site restoration and asset removal, restructuring and litigation expenses are recognized when:

- i. the Group has a present obligation, whether legal or constructive, as a result of past events;
- ii. it is likely that an outflow of resources will be needed to settle the obligation; and
- iii. the amount has been reliably estimated.

Provisions are measured at present value of the expenditure expected to be required to settle the obligation, using a discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. Increases in provisions due to the passage of time are recognized as an interest expense.

Future losses derived from operations.

No provisions are recognized for other expenses incurred in the normal course of operations.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

4.16.- Revenue Recognition

Revenues of the Company mainly come from the production and sale of energy and power. Revenues are recognized when the control of the goods and services is transferred to the customers and are recognized net of any tax collected that must be paid to the authorities of each country.

a. Proceeds from sales of goods and services

Sale of goods

For contracts with customers where the sale of equipment is the only obligation, the adoption of IFRS 15 has no impact on the proceeds and profits or losses of the Company, given that revenue recognition occurs at a point where control of the asset is transferred to the customer, upon delivery of goods. The Company has impacts associated with the sale of goods individually, as it is not currently engaged in the sale of goods under a single sales contract.

Provision of Services

The Company provides the energy and power supply service to regulated and non-regulated customers. Service revenues are recognized based on the physical delivery of energy and power. The services are provided over time since customer simultaneously receives and uses the benefits provided by the Company. As a result, the Company recognizes revenue from grouped service contracts over time instead of at a point in time. The main revenue recognition policies of the Company for each type of customer are described below:

- i. Regulated customers: distribution companies in Chile and Colombia: The proceeds from electric power sales are recorded based on the physical delivery of energy and power pursuant to long-term agreements at a tendered price.
- ii. Non-regulated customers: for customers in Chile, Argentina and Colombia: The proceeds from electric power sales for these customers are recorded based on the physical delivery of energy and power at the rates specified in the relevant contracts.
- iii. Spot Market Customers: The proceeds from electric energy and power sales for these customers are recorded based on the physical delivery of energy and power to other generating companies or the system coordinator at the marginal cost of energy and power. The spot market is organized pursuant to the law through Dispatch Centers (CEN in Chile, CAMMESA in Argentina and XM in Colombia), where electric energy and power surpluses and deficits are traded. The surpluses of energy and power are recorded as income, and the deficits are recorded as expenditure within the consolidated statement of comprehensive income.

For those agreements where multiple committed goods and services are involved, revenues are allocated to each committed consideration based on independent sales prices using a market or expected cost plus a margin approach. In addition and in the event of variable considerations from contracts with customers, the Company distributes them in contracts among one or more, but not all, the different goods and services that are an integral part of a consideration when: (i) the variable consideration is specifically related to the efforts made to transfer the different goods and services and (ii) the variable consideration represents the amount that the Company expects to be entitled to in exchange for the transfer of goods and services to the customer.

AES Andes establishes the existence of significant financing components in its contracts by adjusting the value of the consideration, if appropriate, to reflect the effects of the time value of money. Nevertheless, AES Andes applies the practical solution provided by IFRS 15, and will not adjust the value of the committed consideration as a result of the effects of a significant financing component if the Company expects, at the beginning of the contract, that the period between payment and transfer of property or customer service will be one year or less.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Revenues from generation agreements are recognized using the output or transferred production/generation method considering that the transferred quantities of energy and power better represent the transfer of goods and services to the customers. The considerations involved in the contracts, including energy and ancillary services (such as operation, maintenance, and dispatch costs) are usually measured based on MWh delivered. Considerations associated with power are measured based on availability of generation plants.

When energy and power are sold or purchased in spot markets or to the regulator, the Company evaluates the facts and circumstances to establish the gross or net presentation of purchases and sales in the spot market. Generally, the nature of the consideration includes the sale of excess energy and power over the contractual commitments or the purchase of energy and power to overcome deficits in generation.

In some contracts of the Company, it is considered that the nature of the consideration includes the sale of excess energy and power contracted and unused by customers in the spot market, and the collection of a commission for these transactions. Given that energy and power have been contracted by customers and that the risk of loss from transfers in the spot market is assumed by the customers, it is considered that these services are controlled by the customers before they are transferred to the spot market.

b. Contracts' assets and liabilities

When a party to a contract has performed, the Company recognizes a contract asset or a contract liability, depending on the relationship between the Company's performance and the customer's payment.

The Company has receivables from certain customers for services paid in advance. The effect on income of these will be recognized in operating income over the term of the respective contracts.

Advances received from customers: in sale agreements, there are different payment methods, such as prepayment and monthly payment. The prepayment method is recognized as a non-financial liability (contract liability), which represents the entity's obligation to transfer the service in the future following the terms of each contract.

The Company recognizes a contract asset at the time of performance by transferring goods or services to the customer before payment is due. Contract assets are presented separately from accounts receivable.

The Company determines the existence of significant financing components in its contracts, adjusting the value of the consideration, if appropriate, to reflect the effects of the time value of money. Financing effects are presented separately (as interest income or interest expense as appropriate) from revenue from ordinary activities of contracts with customers in the statement of comprehensive income.

However, applying practical expedient in IFRS 15, there is no adjustment to the value of the promised consideration for the effects of a significant financing component if the Company expects, at contract inception, that the period between payment and transfer of goods or services to the customer is one year or less.

c. Transaction Price Allocated to Outstanding Performance Obligations

The transaction price allocated to outstanding performance obligations represents a consideration for unsatisfied (or partially unsatisfied) performance obligations as of each year-end date. As of December 31, 2024, the Company has no committed and unsatisfied or partially unsatisfied performance obligations.

4.17.- Leases

The contracts executed by the Company are initially evaluated to identify whether they are, or contain, a lease. A contract is, or contains, a lease if it involves a right to control the use of an identified asset during a period of time in exchange for a consideration. To perform this evaluation, the Company assesses whether, during the same period of use of the asset, the user has:

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

- i. The right to obtain substantially all the economic benefits arising from the use of the identified asset (directly or indirectly); and
- ii. The right to direct the use of the identified asset.

a. When the Group is Lessor

In those cases where the Company acts as Lessor, leases are classified as: Financial lease depending on whether the agreement assigns substantially all the risks and benefits associated to the ownership of the asset or Operating lease when no such risks and benefits are assigned. This classification is made considering the background on the manner of transaction at the beginning of the lease (date on which lessor makes the asset available for use by the lessee) and is reassessed only when there is an amendment to the lease agreement.

a.1 Financial Lease

At the beginning of the lease, the Company recognizes the assets held for lease in its statements of financial position and discloses them as accounts receivable equivalent to the amount of the net investment in the lease, calculated as the sum of payments for lease payments plus any unsecured residual value, discounted at the interest rate implicit in the lease.

After the initial recognition, the Company recognizes a financial income for the duration of the lease, based on a pattern reflecting a constant periodic rate of return on the net investment of the Company in the lease.

a.2 Operating Lease

The Company recognizes the payments for operating leases in their statements of income as an income on a straight-line basis during the lease term. The costs incurred in obtaining the lease income, such as depreciation, are charged to income as an expense. For the years covered by these financial statements, the Company was not a party to significant contracts of this nature.

b. When the Group is Lessee

In those cases where the Company acts as Lessee, the lease is recognized at the beginning as a Right-of-Use Asset and a Lease Liability.

At the beginning of the lease, the Right-of-Use Asset is recognized at cost and the following items are considered:

- The initial amount calculated for the Lease Liability;
- Any lease payment made before or at the beginning of the lease;
- Any initial direct cost incurred by the Company; and
- An estimation of costs to be incurred by the Company for the dismantling and removal of the asset and restoration of the site where the asset is located.

After the initial recognition, the Right-of-Use Asset is measured using a cost model, minus accumulated depreciation, accumulated impairment losses, and adjustments for remeasurement of Lease Liability.

In those cases where the ownership of the asset will be transferred upon termination of the lease term or when it is expected to exercise a purchase option contained in the lease, the Right-of-Use Asset is depreciated during its remaining useful life. Otherwise, the Right-of-Use Asset is depreciated since the beginning of the lease until the earlier between the end of the useful life of the asset and termination of the lease.

To establish whether the Right-of-Use Asset is damaged, the Company uses the criteria described in Note 4.6.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Initially, the Lease Liability is calculated as the present value of lease payments that have not been made as of that date. Lease payments are discounted using the interest rate implicit in the lease, in case it can be readily determined; otherwise, the Company uses its borrowing rate (rate at which the Company would have borrowed the funds necessary to obtain an asset of a similar value to the Right-of-Use Asset during a time period similar to that of the lease).

Lease payments included in the initial measurement of the Lease Liability include:

- Fixed payments, less any account receivable associated to an incentive for the lease;
- Variable payments that depend on the variation of an index or rate;
- Amounts expected to be paid as collateral for the residual value;
- The exercise price of a purchase option if the lessee has a reasonable certainty that the option will be exercised;
- Payments for penalties for the early termination of the lease, if the lease term reflects the exercise of this option.

The Lease Liability is subsequently measured to reflect:

- The increase in the carrying amount associated with the interest recognized over the Lease Liability;
- The reduction in the carrying amount as a result of the lease payments made;
- Changes in the variable payments that depend on an index or rate;
- Remeasurements in carrying amount as a result of revaluations or modifications of the lease.

The interest on the Lease Liability is reflected in the income statement in the period during which it is incurred. For short-term leases and those where the asset is of low value, the Company recognizes the lease payments as an expense on a straight-line basis over the term of the lease.

4.18.- Dividends

Dividend distributions to the Company's shareholders are recognized as a liability with the ensuing decrease in the shareholders' equity in the consolidated financial statements of the Group for the period during which dividends are approved by the Shareholders' Meeting of the Company.

At the end of each fiscal year, the Company makes a provision consisting of 30% of the result less dividends distributed on an basis pursuant to Law No. 18,046 as minimum dividend, given that such law requires the distribution of at least 30% of the financial result for the year, unless the Shareholders' Meeting unanimously resolves otherwise with regards to the voting shares issued.

Dividends will be paid exclusively from net income for the year or retained earnings in the balance sheet approved by the shareholders. However, if the Company has accumulated losses, the profits for the year shall first be used to absorb them.

Liquid earnings (losses) are equal to the Income (Loss) attributable to the parent.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

4.19.- Fair Value

Fair value is defined as the price that the Company would have received if it had sold an asset, or that it would have paid if it had transferred a liability, in an orderly transaction entered into between market players on the measurement date (namely, the disposal price). The definition of fair value emphasizes that fair value is a market-based measurement, rather than an entity-specific measurement. When measuring the fair value, management uses the assumptions that market players would use when pricing the asset or liability under current market conditions, including assumptions about risk and other elements. As a result, the intention of the Company to hold an asset or to settle or otherwise satisfy a liability is not relevant when measuring the fair value.

A fair value measurement requires an entity to determine the following:

- i. the particular asset or liability being measured;
- ii. for a non-financial asset, the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis;
- iii. the main or most advantageous market in which an orderly transaction would take place for the asset or liability; and
- iv. the appropriate valuation techniques to be used upon measuring the fair value. The valuation techniques adopted should maximize the use of relevant observable inputs and minimize unobservable inputs. Those inputs should be consistent with the inputs a market participant would use when pricing the asset or liability.

A fair value measurement assumes that a financial or non-financial liability or an equity instrument of the Company (e.g. equity interests issued as consideration in a business combination) is transferred to a market participant on the measurement date. The transfer of a liability or an equity instrument of the Company assumes the following:

- i. A liability would remain outstanding and the market participant transferee would be required to fulfill the obligation. The liability would not be settled with the counterparty or otherwise extinguished on the measurement date.
- ii. An entity's own equity instrument would remain outstanding and the market participant transferee would take on the rights and responsibilities associated with the instrument. The instrument would not be cancelled or otherwise extinguished on the measurement date.

The fair value hierarchy categorizes into three levels the inputs to the valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets and liabilities (Level 1 inputs) and lowest priority to unobservable inputs (Level 3 inputs). If the fair value uses some unobservable inputs, it is classified as Level 2 as long as the quantity of unobservable inputs is not significant. Transfers between hierarchy levels are recognized as of the date of the event or change in circumstances that gave rise to the transfer.

4.20.- Assets Classified as Held for Sale and Discontinued Operations

Non-current assets, including property, plant and equipment, intangible assets, investments in associates and joint ventures, and groups of assets for disposal (group of assets that will be disposed of or distributed along with directly associated liabilities) are classified as held for sale if the carrying value will be primarily recovered through the implementation of a sales transaction, instead of from its continued use.

For the previous classification, assets must be immediately available for sale in its current condition and the sale must be highly probable. In order for the transaction to be considered highly probable, the Management must be committed to a sales plan, and the steps required to complete the plan must have been taken. Likewise, the sale is expected to be completed in one year as from the classification date.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

The activities required to complete the sales plan should indicate that it is unlikely that significant changes can be made in the plan or that such plan would be canceled. The likelihood of approval by the shareholders (if required in the jurisdiction) should be considered as part of the assessment as to whether the sale is highly probable.

The assets or groups subject to expropriation classified as held-for-sale are measured at the lowest of the carrying value and the fair value less the sales costs.

Depreciation and amortization of these assets cease as soon as the criteria to be classified as non-current assets held for sale are met.

Assets that cease to be classified as held for sale or that cease to form part of the group of assets for disposal are valued at the lower of the carrying value before classification, less depreciations, amortizations, or reassessments that would have been recognized if they were not classified as such, and the recoverable value on the date on which they are reclassified as non-current assets.

The non-current assets and asset group components for disposal classified as held-for-sale are recognized in the consolidated statement of financial position as follows: assets in a single line called "Assets classified as held-for-sale".

A discontinued operation is a component of the Group that has been disposed of, or otherwise that has been classified as held for sale, and:

- i. represents a line of business or geographic area, which is significant and can be regarded as separated from the rest;
- ii. is an integral part of an individual and coordinated plan to dispose of a line of business or geographic area of the operation that is meaningful and can be regarded as separated from the rest; or
- iii. is a subsidiary acquired exclusively for the purpose of being resold.

The after-tax income or loss from discontinued operations are expressed in a single line of the statement of comprehensive income called "Income (loss) from discontinued operations", including the loss or income recognized by the fair value measurement less the sales cost or by the disposal of assets or groups for disposal that constitute the discontinued operation.

For more details see Note 8.

4.21.- Trade Payables

Trade payables include amounts due for the purchase of goods or services associated with the construction of coal (fuel) projects and purchases, which are related to reverse factoring operations. Under these operations, suppliers can choose to receive the advance payment of their invoice from a financial institution by factoring their accounts receivable from the Group. According to the reverse factoring process, a financial institution undertakes to pay to a participating supplier the amounts for any invoices owed by the Group and receives the payment from the Group at a later date. The main purpose of these transactions is to facilitate the efficient processing of payments and to allow suppliers, who so wish, to sell their accounts receivable owed by the Group to a financial institution before their due date. From the Group's point of view, these transactions do not significantly extend the payment terms beyond the normal ones agreed to with other suppliers, considering that the payment terms under this system range from 30 to 120 days.

They are considered part of the working capital used in the company's normal operating cycle. The fees paid to participating financial institutions are not representative in relation to the amounts that such institutions pay suppliers.

Cash flows related to the Confirming scheme that are classified in Trade and other payables in the consolidated statement of financial position are included in operating activities in the consolidated statement of cash flows.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Additionally, if the transaction is made to finance capital expenditures, the disbursement is disclosed in the investing activities of the consolidated statement of cash flows. Finally, payments to the financing entity and interest are disclosed in the consolidated statement of cash flows as financing activities.

The Group has not derecognized the original liabilities subject to this reverse factoring system since neither a legal release has been obtained nor the original liability has been substantially changed when entering into each transaction. The Group discloses the amounts factored by suppliers within trade payables due to the fact that the nature and function of the financial liability remain the same as those of other trade payables.

4.22.- Loans between related companies

Intercompany loans are transactions in which an AES entity incurs a liability to another group entity due to receiving temporary financing. The absence of an interest charge on the transactions does not preclude them from being considered a loan. The balances from these transactions are presented and classified in each entity's balance sheet as Loans Receivable or Loans Payable between related companies under IAS 39 and IFRS 9.

Loans between related companies are analyzed periodically to identify changes in circumstances that may result in a change in management's expectations and intentions regarding their payment. Although changes in management's expectations are infrequent, they may include changing the characteristics of the loan from one that was expected to be repaid in the future to a permanent investment, or conversely, changing a loan that was initially considered as a permanent investment to one that is expected to be repaid. Changes in the characteristics of these transactions, including changes in their accounting treatment, are appropriately analyzed and approved by the Company's management.

Transfers of funds between related companies whose liquidation is not expected or planned in the foreseeable future are treated as capital contributions rather than a loan.

NOTE 5 - FINANCIAL RISK MANAGEMENT

5.1.- Risk Management Policy

The risk management strategy is designed to safeguard the stability and sustainability of Andes Group in relation to all relevant components of financial uncertainty, both in normal and special circumstances. The Company's risk management is consistent with the general guidelines defined by its ultimate controlling shareholder, the AES Corporation.

Events of "financial risk" refer to situations in which the entity is exposed to conditions of financial uncertainty and are classified according to the sources of uncertainty and associated transmission mechanisms. For this reason, the strategy of the Management is to manage, with responsibility and effectiveness, all the identified and evaluated components of financial uncertainty relevant to the transactions, both under normal and special conditions.

The relevant aspects include, without limitation:

- i. To provide transparency by establishing risk tolerances and determining guides that will make it possible to develop strategies to mitigate significant exposure to the relevant risk.
- ii. To provide a formal discipline and process for assessing risks and implementing the commercial aspects of its businesses.

The structure of financial risk management involves the identification, determination, analysis, quantification, measurement, and control of these events. The ongoing assessment and management of the financial risk is the responsibility of the Management, more specifically the Chief Financial Officer and the Chief Commercial Officer.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

5.2.- Market and Financial Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices. Among the market price risks, the following three types are considered: exchange risk, interest rate risk, and fuel price risk. Financial risk refers to the likelihood of occurrence of events that have negative financial implications, including the credit risk and liquidity risk.

5.2.1.- Foreign Exchange Risk

In Chile, the functional currency of the Company is the US dollar, given that the revenue, costs, investments in equipment and financial debt are mainly determined in such currency. Moreover, in Chile, the Company is authorized to file income tax returns and pay income taxes in US dollars. Foreign Exchange Risk is associated with any revenue, costs, investments and financial debt denominated in any currency other than US dollars. The main items denominated in Chilean pesos are the accounts receivable for sale of electricity and tax credits mostly related to VAT credits.

As of December 31, 2024, AES Andes maintained several forward contracts with banks with the purpose of reducing the exchange risk associated with the sales of energy, since, although the tariffs of most of the energy supply agreements of the Company are denominated in US dollars, they are paid in Chilean pesos using a foreign exchange rate that is fixed during a period of time.

As of December 31, 2024, given the net assets of the Company in Chilean pesos, the impact of a 10% devaluation in the Chilean peso to US dollar exchange rate as of period-end would have resulted in a negative impact of approximately ThUS\$10,431 in the results of AES Andes. In the year ended December 31, 2024, approximately 70% of the ordinary revenues and 63% of the sales costs of the Company were denominated in US dollars, whereas in the period ended December 31, 2023, approximately 74% of the ordinary revenues and 75% of the sales costs were denominated in US dollars.

With regard to Colombia, it should be noted that the functional currency of AES Colombia is the Colombian peso since most part of the income, particularly the sales through contracts and sales in the spot market, and the operating costs of the subsidiary, are linked to the Colombian peso.

In the year ended December 31, 2024, the contract and spot sales in Colombia accounted for 30% of the consolidated income, as compared with the 20% recorded during 2023. In addition, dividends of AES Colombia to AES Andes are established in Colombian pesos; however, financial hedging mechanisms are used to fix the amounts in US Dollars. It is expected that the impact of a 10% devaluation on the exchange rate of the Colombian peso to the US dollar at the closing of the year would have resulted in a positive realized effect of approximately ThUS\$1,785 in the results of AES Andes, considering the net liability position in US dollars held by AES Colombia as of that date.

With regard to Argentina, it should be noted that the functional currency of the AES Andes Subsidiaries is the US dollar. It is expected that, as of December 31, 2024, a 10% devaluation of the Argentine peso to the US dollar as of the end of the year would have resulted in a negative impact of ThUS\$4,494 in the results of AES Andes, considering the net asset position in US dollars held by Termoandes as of that date. A further weakening of the Argentine peso might cause a significant decrease in Termoandes' operating results, cash flow, ability to pay dividends to AES Andes and the value of its assets.

On a consolidated basis, the investments in new plants and maintenance equipment are mainly fixed in US dollars. Short-term investments associated with the handling of cash are carried out mainly in US dollars. As of December 31, 2024, 60% of the investments and balances in current accounts are expressed in US dollars, 2% in Chilean pesos, 8% in Colombian pesos, and 30% in Argentine pesos. The cash balances denominated in Argentine pesos are subject to the exchange rate volatility inherent in the Argentine market. As of December 31, 2023, 52% of the investments and balances in current accounts are expressed in US dollars, 15% in Chilean pesos, 14% in Colombian pesos, and 19% in Argentine pesos.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

The following table shows the debt composition per currency based on owed capital as of December 31, 2024 and 2023:

Currency	December 31, 2024	December 31, 2023
US\$	98.4 %	91.0 %
UF	— %	0.6 %
Col\$	1.6 %	8.4 %

5.2.2.- Interest rate risk

The interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to its long-term debt obligations with variable interest rates.

The Company manages its interest rate risk by having an important percentage of its debt at fixed rate or with rate swaps to have them fixed. To mitigate interest rate risks with long-term obligations, AES Andes has entered into hedging transactions by way of interest rate swaps.

The following table shows the debt composition per type of rate as of December 31, 2024 and 2023:

Rate	December 31, 2024	December 31, 2023
Fixed rate or with interest rate	92.40 %	69.00 %
Variable rate	7.60 %	31.00 %

It is expected that a 10% increase in the variable interest rates would have generate a negative impact on the year of approximately ThUS\$1,860 in the results of AES Andes.

5.2.3.- Fuel Price Risk

The AES Andes Group is mainly affected by the volatility of prices of certain coal, a "commodity" with international prices fixed by market factors beyond the control of the Company.

The price of fuels is a key factor for the dispatch of plants and spot prices both in Chile and Colombia. Given that AES Andes is a company with a mixture of mainly thermal generation, the fuel cost represents an important portion of the sales costs.

At present, the volume of AES Andes's contract energy is balanced with the generation from plants with high dispatch probabilities (efficient generation). Today, most of the power purchase agreements of AES Andes include indexation mechanisms that adjust the price on the basis of increases or decreases in the price of coal, according to the specific adjustment indexes and schedules of each contract, which makes it possible to mitigate much of the variations in the price of this fuel.

Based on the above, it is expected that a 10% rise in the cost of diesel during the year ended December 31, 2024, would not give rise to a significant impact on the results.

5.2.4.- Credit Risk

The credit risk is associated with the credit quality of the partners of AES Andes and its subsidiaries. These risks are mainly reflected in trade receivables and financial assets, including deposits with banks and other financial institutions and other financial instruments.

With respect to the sales debtors under contracts, the customers of AES Andes in Chile are mainly highly solvent distributing companies and industrial customers, and a significant percentage of them and their parent

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

companies have local and/or international investment grade risk ratings. The sales of AES Andes Group in the spot market are compulsorily made to the various SEN loss-making members according to the economic dispatch made by this entity.

In Colombia, AES Colombia performs risk assessments of its partners based on an internal credit assessment, which could include guarantees in certain cases.

On the other hand, in Argentina, the main commercial partners of Termoandes are CAMESA (Compañía Administradora del Mercado Mayorista Eléctrico S.A.) and non-regulated customers called "Large Users" of the Wholesale Electricity Market, whose contracts operate under the Plus Energy standards. Termoandes conducts internal credit assessments of its customers.

The financial investments made by AES Andes and its subsidiaries, such as repurchase agreements and time deposits, including derivatives, are entered into with local and foreign financial entities whose national and/or international risk rating greater than or equal to "A" according to Standard & Poor's and Fitch and "A2" according to Moody's. In addition, derivatives executed for the financial debt are entered into with first-class local and international entities. There are cash, investment and treasury policies to govern the cash management of the Company and minimize the credit risk.

5.2.5.- Liquidity Risk

Liquidity risk is related to the need for funds to meet payment obligations. The Company's goal is to maintain the necessary liquidity and financial flexibility through normal operating flows, bank loans, public bonds, short term investments, committed and non-committed credit lines.

As disclosed in Note 22 (Trade and other payables), the Company has entered into financing arrangements with suppliers. This has contributed to improving the Company's working capital. The financiers are in good financial condition and the Company does not have a significant concentration of liquidity risk with them.

The Company does not face a significant liquidity risk as a result of these financing agreements with suppliers, given the limited amount of liabilities subject to these agreements and the Company's access to other sources of financing on similar terms.

As of December 31, 2024, AES Andes had a balance in liquid available funds of ThUS\$187,387 recognized as cash and cash equivalents. Moreover, on December 31, 2023, AES Andes had a balance in liquid available funds of ThUS\$227,659, which includes cash and cash equivalents. It should be noted that the balance of cash and cash equivalents includes cash, time deposits with an original term of less than three months, marketable securities, US-denominated low-risk and immediately available mutual funds, buy-back options, and fiduciary rights.

In addition, as of December 31, 2024, AES Andes has committed and unused credit lines for approximately ThUS\$255,000 in addition to non-committed and unused credit lines for approximately ThUS\$551,175.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

The chart and table below show the maturity schedule, based on outstanding principal, in millions of United States dollars as of December 31, 2024:

	Principal Balance	Average interest rate	Due rates as of December 31, 2024									
			2025	2026	2027	2028	2029	2030	2031	2032	2032 +	
AES Andes US\$ 450 M Junior Green Notes due 2079	228.41	6.35%	—	—	—	—	—	—	—	—	—	228.41
AES Andes US\$ 530 M Junior Green Notes due 2055	530.00	8.15%	—	—	—	—	—	—	—	—	—	530.00
AES Andes US\$ 425 M Senior Notes due 2025	74.08	5.00%	74.08	—	—	—	—	—	—	—	—	—
AES Andes US\$ 500 M Senior Notes due 2029	500.00	6.30%	—	—	—	—	500.00	—	—	—	—	—
AES Andes Green Loan US\$ 400 M 2026	293.20	5.46%	80.00	213.20	—	—	—	—	—	—	—	—
AES Andes Scotia Green ThUS\$ 50 M 5Y 2027	50.00	5.52%	—	—	50.00	—	—	—	—	—	—	—
AES Andes \$150 M SMBC-Mizuho Green 2027	150.00	5.57%	—	—	150.00	—	—	—	—	—	—	—
Angamos US\$ 600 M Senior Secured Notes due 2029	28.40	4.88%	6.32	6.32	6.32	6.32	3.12	—	—	—	—	—
Cochrane US\$ 430 M Secured Bond due 2027	165.34	5.50%	65.58	67.38	32.38	—	—	—	—	—	—	—
Cochrane US\$ 485 M Syndicated Loan due 2034	485.00	6.25%	—	—	11.95	67.42	72.09	74.34	55.83	62.98	140.39	—
Total Fixed Rate	2,504.43		225.98	286.90	250.65	73.74	575.21	74.34	55.83	62.98	898.80	
		92.43%										
AES Andes Citi US\$ 35 M due 2026	35.00	7.43%	—	35.00	—	—	—	—	—	—	—	—
Revolving Credit Facility US\$ 305 M 2027	50.00	6.25%	50.00	—	—	—	—	—	—	—	—	—
AES Colombia LT due 2027 (1)	60.39	11.60%	20.13	20.13	20.13	—	—	—	—	—	—	—
AES Colombia 12Y 2030 (1)	15.87	11.63%	2.95	2.95	2.95	2.95	2.95	1.12	—	—	—	—
AES Colombia ST (1)	43.77	9.16%	43.77	—	—	—	—	—	—	—	—	—
Total Variable Rate	205.03		116.85	58.08	23.08	2.95	2.95	1.12	—	—	—	
		7.57%										
Total	2,709.46		342.83	344.98	273.73	76.69	578.16	75.46	55.83	62.98	898.80	

(1) Correspond to debts in Colombian pesos

Notes to the Consolidated Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

5.3.- Risk Measurement.

The Company maintains methods to measure the effectiveness and efficiency of risk strategies both prospectively and retrospectively.

Various methodologies on risk quantification, such as regression analysis methods, risk tolerances and maximum exposures are used and documented for such analysis in order to adjust risk and mitigation strategies and to assess their impacts.

NOTE 6 - USE OF ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

Management must make judgments and estimates that have a significant effect on the figures presented in the financial statements. Changes in these assumptions and estimates may have a major impact on the financial statements. Below there is a detail of the estimates and critical judgments used by the Management:

- Assumptions used in the actuarial calculation of post-employment obligations with employees, including the discount rate. (Note 24)
- Assessment as to whether an agreement contains a lease (Note 19)
- Useful lives and residual values of property, plant and equipment, and intangible assets. (Note 17 and Note 18)
- Assumptions used in the calculation of the fair value of the financial instruments, including credit risk. (Note 11)
- Likelihood of occurrence and amount of any liabilities of uncertain amount or contingent liabilities. (Note 22 and Note 31)
- Future disbursements due to dismantling and asset removal obligations, including the discount rate. (Note 23)
- Allocation of intangible assets and goodwill to Cash Generating Units (CGU) and the determination of recoverable value in tests for impairment. (Note 17)

Despite the fact that these estimates have been made based on the best information available at the date of issuance of these consolidated financial statements, the new information or events that may take place in the future are likely to change them (either upwards or downwards) in the next fiscal years. In such event, any changes would be made prospectively by recognizing the effects of the change in estimate in the relevant future consolidated financial statements, according to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

NOTE 7 - OPERATING SEGMENTS

7.1.- Definition of segments

The Company defines and manages its activities based on certain business segments that meet particular and individual qualities from an economic, regulatory, commercial or operational point of view.

A segment is a component of the Group:

- that is involved in business activities from which it generates revenues and incurs in costs;
- whose operating results are regularly monitored by the Management to make decisions, allocate resources and evaluate performance, and

Notes to the Consolidated Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

- on which certain financial information is available.

Management monitors separately the operating results of its operating segments for the decision-making process related to allocation of resources and performance evaluation. Segment performance is evaluated based on certain operating indicators, such as gross margin (difference between ordinary revenue and sales cost) and EBITDA. EBITDA shall be calculated based on the profit for the years, and adding interest expense, depreciation, amortization, exchange rate effects, asset dismantling costs, other gains/(losses) and interest in the income of associates.

Segment results and asset and liabilities balances are measured according to the same accounting policies applied to the financial statements. Unrealized transactions and results are deleted between segments.

Financial liabilities of AES Andes are centralized and controlled at a corporate level and are not disclosed by reportable segments.

7.2.- Description of segments

The Company segments its business activities according to the interconnected energy markets where it does business, which are:

- Chile.
- Argentina.
- Colombia.

The segments referred to above relate to geographical areas.

In all segments, the main activity of the Company is the generation of electric power.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

7.3.- Assets and liabilities by segment

Assets and liabilities by segment are detailed as follows:

	December 31, 2024					December 31, 2023				
	Chile	Colombia	Argentina	Elim.	Total	Chile	Colombia	Argentina	Elim.	Total
Cash and cash equivalents	116,438	14,300	56,649	—	187,387	148,947	35,152	43,560		227,659
Trade receivables and other accounts receivable ⁽¹⁾	462,219	120,507	25,363	(13,393)	594,696	637,509	146,220	21,076	(18,277)	786,528
Property, Plant and Equipment	3,013,103	427,430	192,224	—	3,632,757	2,921,518	475,283	196,934		3,593,735
Financial liabilities ⁽²⁾	2,597,060	128,202	—	—	2,725,262	2,532,312	246,272	—		2,778,584
Trade payables and other accounts payable ⁽³⁾	388,571	38,430	29,570	(13,393)	443,178	472,442	68,528	28,107	(18,277)	550,800
Total current assets by segment	668,045	124,671	90,666	(13,393)	869,989	997,973	148,847	75,131	(18,277)	1,203,674
Total non-current assets by segment	3,671,216	490,930	192,644	—	4,354,790	3,241,578	642,303	372,427	(107,264)	4,149,044
Total current liabilities by segment	731,183	126,938	31,634	(13,393)	876,362	934,244	198,112	29,788	(18,277)	1,143,867
Total non-current liabilities by segment	2,679,444	143,913	33,649	—	2,857,006	2,527,866	255,815	51,705	(107,264)	2,728,122

⁽¹⁾ Trade receivables and other accounts receivable, net, include the current and non-current portion, in addition to the item "Accounts receivable from related entities, current".

⁽²⁾ Financial liabilities include both the current and non-current item.

⁽³⁾ Trade payables and other accounts payable, include the current and non-current portion, in addition to the item "Accounts payable to related entities, current".

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

7.4.- Revenues, costs, and capital expenditures by segment

Revenues and costs by segments for the years ended December 31, 2024 and 2023, are detailed as follows:

	December 31, 2024					December 31, 2023				
	Chile	Colombia	Argentina	Elim.	Total	Chile	Colombia	Argentina	Elim.	Total
Results:										
Income from ordinary activities	1,566,507	688,412	90,590	(2,498)	2,343,011	1,935,535	706,328	102,554	(2,767)	2,741,650
Sales cost	(1,145,176)	(566,573)	(85,588)	733	(1,796,604)	(1,607,487)	(439,545)	(88,176)	648	(2,134,560)
Gross Margin	421,331	121,839	5,002	(1,765)	546,407	328,048	266,783	14,378	(2,119)	607,090
Income before tax	113,005	87,753	10,458	—	211,216	(340,586)	257,124	(34,939)	—	(118,401)
Net income for the year	109,171	58,039	27,412	—	194,622	(249,536)	157,454	(44,287)	—	(136,369)
Adjusted EBITDA	493,461	110,125	23,920	—	627,506	387,403	259,578	38,621	—	685,602
Financial income	51,400	9,727	30,619	(4,508)	87,238	11,861	83,258	59,788	(72,853)	82,054
Financial costs	(178,827)	(19,043)	(67)	4,508	(193,429)	(210,112)	(78,415)	(34)	72,853	(215,708)
Depreciation and amortization for the year	(144,015)	(12,108)	(23,517)	—	(179,640)	(143,618)	(11,534)	(29,435)	—	(184,587)
Property, Plant and Equipment										
Capital Expenditures (additions)	468,743	25,929	45,824	—	540,496	554,294	24,110	17,708	—	596,112
Cash Flow:										
Operating flow	719,191	(5,954)	48,685	—	761,922	856,385	199,832	78,373	(168,539)	966,051
Investing flow	(700,640)	106,863	(21,480)	239,679	(375,578)	(900,007)	308,066	(2,810)	45,747	(549,004)
Financing flow	(47,991)	(121,565)	—	(239,679)	(409,235)	86,707	(486,584)	(4)	122,792	(277,089)

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Consolidated Adjusted EBITDA

The table below details the items being considered for the calculation of the Adjusted EBITDA consolidated.

	December 31, 2024	December 31, 2023
Income from ordinary activities	2,343,011	2,741,650
Sales cost	(1,796,604)	(2,134,560)
Gross Margin	546,407	607,090
Depreciation and amortization	179,640	184,587
Operating margin	726,047	791,677
Other income, by function	647	1,098
Other expenses, by function	(17,872)	(20,385)
Sales and administration expenses	(85,595)	(94,325)
Other costs (income) not included in EBITDA	4,279	7,537
TOTAL ADJUSTED EBITDA	627,506	685,602

NOTE 8 - ASSETS/LIABILITIES HELD FOR SALE

On December 11, 2024, AES Andes S.A., signed an agreement with Sociedad Quintero Energía SpA for the sale of 100% of the shares of its subsidiaries Empresa Eléctrica Ventanas SpA and Núcleo SpA (Ventanas Group). The agreement contained certain conditions that were met during January 2025, thereby completing the sale. Ventanas Group has two operational units, Ventanas 3 with 267 MW and Ventanas 4 with 270 MW, respectively, located in Puchuncaví, Valparaíso Region.

The final transfer was completed on January 13, 2025 and the Company received funds of ThUS\$6,352.

For the reasons stated above, the Company has proceeded to apply IFRS 5 “*Non-current assets held for sale and discontinued operations*”, which implies that the assets and liabilities of the Ventanas Group are classified in the consolidated statement of financial position as of December 31, 2024 as assets and liabilities held for sale and valued at fair value less costs to sell.

Since the book value of Ventanas group net assets exceeded the fair value less costs to sell, the Company recorded an impairment loss of ThUS\$100,035 in the results of the year (see Note 29).

Ventanas group is included within the Chile operating segment (see Note 7).

The group of assets and liabilities that, as of December 31, 2024, are available for sale, are presented below:

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

	December 31, 2024
CURRENT ASSETS	
Cash and Cash Equivalents	504
Trade and Other Receivables	18,605
Total Current Assets	19,109
NON-CURRENT ASSETS	
Intangible Assets	1,102
Total Non-Current Assets	1,102
TOTAL ASSETS	20,211
CURRENT LIABILITIES	
Trade and Other Payables	14,058
Total Current Liabilities	14,058
TOTAL LIABILITIES	14,058
TOTAL ASSETS/LIABILITIES CLASSIFIED FOR SALE ⁽¹⁾	6,153

⁽¹⁾ ThUS\$1,169 corresponds to the net assets of Núcleo SpA and ThUS\$4,984 to the net assets of Ventanas SpA.

NOTE 9 - CASH AND CASH EQUIVALENTS

As of December 31, 2024 and 2023, are detailed as follows:

	December 31, 2024	December 31, 2023
Cash	23	20
Bank balances	74,581	96,460
Short-term deposits	87,922	99,043
Other cash equivalent	24,861	32,136
Total	187,387	227,659

Short-term deposits expire in a term of less than three months from the date of acquisition and accrue interest at market rates for this type of short-term investments.

Other cash and cash equivalents includes mutual funds consisting in (i) low-risk investments in US dollars of immediate availability and with no restrictions, measured at fair value as of the end date of the financial statements, and (ii) buy-back agreements consisting in short-term investments in banks and brokerage firms, backed by financial instruments issued by the Chilean Central Bank and private banks of high credit rating.

Balances of Cash and Cash Equivalents included in the Statement of Financial Position are consistent with the Statement of Cash Flows.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

The items of this account per types of currencies as of December 31, 2024 and 2023 are detailed as follows:

	December 31, 2024	December 31, 2023
Ch\$	3,958	33,973
Ar\$	56,577	42,484
Col\$	14,163	33,336
US\$	112,689	117,866
Total	187,387	227,659

NOTE 10 - OTHER FINANCIAL ASSETS

As of December 31, 2024 and 2023, other financial assets are detailed as follows:

	Current		Non Current	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Hedging assets ⁽¹⁾	4,955	4,172	997	3,880
Assets at fair value through profit or loss ⁽¹⁾	2,115	1,870	360	—
Investment in Gasoducto Gasandes S.A. ⁽²⁾	—	—	2,353	2,353
Investment in Gasoducto Gasandes (Argentina) ⁽²⁾	—	—	2,200	2,200
Restricted investments	2,245	—	789	685
Other investments	38	965	56	184
Loans receivable	3,802	3,754	—	—
Total	13,155	10,761	6,755	9,302

⁽¹⁾Hedging assets and assets at fair value through profit or loss (derivatives not designated as hedging) are recognized at fair value (more details in Note 11.4).

⁽²⁾The investments in Gasoducto Gasandes S.A. (Argentina) and Gasoducto Gasandes S.A. account for 13% of the shareholding interest owned by AES Andes in both companies (for more details see Note 11.1 Financial Instruments by Category).

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

NOTE 11 - FINANCIAL INSTRUMENTS

11.1.- Financial Instruments by Category

The classification of financial assets to the categories described in Note 4.8 is detailed as follows:

December 31, 2024	Cash and cash equivalents	Financial assets at amortized cost	Assets at fair value through profit and loss	Hedging derivatives	Total
Cash and cash equivalents	187,387	—	—	—	187,387
Other current financial assets	—	3,802	4,398	4,955	13,155
Trade receivables and other accounts receivable	—	358,002	—	—	358,002
Other non-current financial assets	—	—	5,758	997	6,755
Accounts receivable from related entities	—	206,082	—	—	206,082
Total	187,387	567,886	10,156	5,952	771,381

December 31, 2023	Cash and cash equivalents	Financial assets at amortized cost	Assets at fair value through profit and loss	Hedging derivatives	Total
Cash and cash equivalents	227,659	—	—	—	227,659
Other current financial assets	—	3,754	2,835	4,172	10,761
Trade receivables and other accounts receivable	—	357,309	204,425	—	561,734
Other non-current financial assets	—	—	5,422	3,880	9,302
Accounts receivable from related entities	—	26,833	—	—	26,833
Total	227,659	387,896	212,682	8,052	836,289

The carrying amount of financial assets such as cash and cash equivalents and the current portion of accounts receivable from related entities approximate to their fair values, due to the short-term nature of their maturities.

The instruments recognized within other current and other non-current financial assets classified as financial assets at fair value through profit or loss and hedging derivatives are carried at fair value in the statement of financial position. In Note 11.2 Measurement of Derivative Instruments, there is an explanation of the methodology used for the calculation of fair values.

Trade receivables and other accounts receivable classified as assets at fair value through profit or loss include accumulated accounts receivable with Law No. 21,667 and Decree No. 7T-2024 related to the Stabilization Fund.

The financial instruments classified as Assets at fair value through profit or loss include the investments in Gasoducto Gasandes S.A. and Gasoducto Gasandes Argentina, which are carried at cost due to the fact that there is no sufficient information to establish their market value (Note 11).

The classification is based on the business model of the Company for the management of its financial model and the characteristics of the contractual cash flows of the financial assets.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

The classification of financial liabilities with respect to the categories described in Note 4.8 is detailed as follows:

December 31, 2024	Financial Liabilities at Fair Value through Profit or Loss	Hedging derivatives	Financial liabilities at amortized cost	Total
Other current financial liabilities/current lease liabilities	480	8,823	330,522	339,825
Trade payables and other accounts payable			229,890	229,890
Other non-current financial liabilities/Non-current lease liabilities	4,296	4,081	2,377,060	2,385,437
Accounts payable to related entities			18,846	18,846
Total	4,776	12,904	2,956,318	2,973,998

December 31, 2023	Financial Liabilities at Fair Value through Profit or Loss	Hedging derivatives	Financial liabilities at amortized cost	Total
Other current financial liabilities/current lease liabilities	4,527	3,860	477,873	486,260
Trade payables and other accounts payable	—	—	464,239	464,239
Other non-current financial liabilities/Non-current lease liabilities	231	2,148	2,289,945	2,292,324
Accounts payable to related entities	—	—	21,631	21,631
Total	4,758	6,008	3,253,688	3,264,454

The carrying amounts of the current portion of accounts payable to related entities and trade payables approximate to their fair values given the short-term nature of their maturities.

The instruments recorded in other current and non-current financial liabilities classified as financial assets at fair value through profit or loss (derivatives not designated as accounting hedges) and hedging derivatives are carried at fair value in the Statement of Financial Position. In Note 11.2 Measurement of Derivative Instruments, the methodology used for the calculation of fair values is explained.

The financial instruments recorded in Other current and non-current financial liabilities, involving Financial assets at amortized cost, show significant differences between the carrying amount and fair value mainly due to the fluctuations of the exchange rate (US dollar and unidad de fomento) and market interest rates. The calculation methodology is the present value of future debt flows discounted using a yield curve. Certain assumptions such as currency of debt, credit rating of the instrument, credit rating of the Company or the Group, are used to calculate the present value. The assumptions used as of December 31, 2024 and 2023, are classified as Level 2 within the Fair Value Hierarchy as defined in Note 11.2 (d). The following table shows the carrying value and fair value of the interest-bearing loans:

	December 31, 2024		December 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Interest-bearing Loans	2,707,582	2,726,732	2,767,817	2,737,983

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

11.2.- Measurement of Derivative Instruments

The Company entrusted FIS Treasury and Risk Manager - Quantum system with the calculation of the fair value of the interest rate and currency swaps and currency forwards. For the calculation of embedded derivatives, the Company has developed internal assessment models.

The main assumptions used in the valuation models for derivative instruments are as follows:

- a. Market assumptions, such as spot prices and other price projections, credit risk (both own and counterparty credit risk) and interest rates.
- b. Discount rates, such as risk-free rates, sovereign and counterparty spread (based on risk profiles and information available in the market).
- c. Moreover, the variables incorporated in the model include, without limitation, volatility, correlations, regression formulas and market spread, using observable market information and techniques commonly used by market participants.

Method for the Measurement of Derivative Instruments

a. Interest Rate Swaps

The valuation model of interest rate swaps projects the forward interest rates based on spot interest rates for each intermediate and final date of instrument settlement, and then flows are discounted using the zero-coupon LIBOR rate. The assumptions used in the model include, without limitation, observable market prices and rates, risk-free rates, country and/or counterparty risk, and the Company's own credit risk.

b. Cross-Currency Swaps

The valuation model of cross-currency swaps discounts cash flows of the instrument using a representative interest rate, and then these flows are translated into United States dollars at the spot foreign exchange rate. The assumptions considered in the model are historical transactions, observable market prices and rates, risk-free rates, country and/or counterparty risk, and the Company's own credit risk.

c. Foreign Exchange Forward

Observable market forward prices are used and then cash flows are discounted according to a representative interest rate to calculate the fair value of the foreign exchange forwards.

d. Hierarchy of Fair Value of Financial Instruments

Financial instruments carried at fair value in the Statement of Financial Position are classified based on the following hierarchies:

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for assets and liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs for assets or liabilities that are not based on observable market data.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

The hierarchy of recognized financial assets and liabilities carried at fair value is detailed as follows:

December 31, 2024	Note	Level 1	Level 2	Total
Assets				
Assets at fair value through profit or loss				2,569
Foreign Exchange Forward	11.4 (b)	—	2,475	
Other Investments	—	94	—	
Hedging derivatives				5,952
Interest Rate Swap	11.4 (a.1)	—	2,529	
Foreign Exchange Forward	11.4 (a.1)	—	3,423	
Total Assets		94	8,427	8,521
Liabilities				
Financial liabilities at fair value through profit or loss				4,776
Foreign Exchange Forward	11.4 (b)	—	4,776	
Hedging derivatives				12,904
Foreign Exchange Forward	11.4 (a.1)	—	12,904	
Total Liabilities		—	17,680	17,680

December 31, 2023	Note	Level 1	Level 2	Total
Assets				
Assets at fair value through profit or loss				3,019
Foreign Exchange Forward	11.4 (b)	—	1,870	
Other Investments		1,149	—	
Hedging derivatives				8,052
Foreign Exchange Forward	11.4 (a.1)	—	8,052	
Total Assets		1,149	9,922	11,071
Liabilities				
Financial liabilities at fair value through profit or loss				4,758
Foreign Exchange Forward	11.4 (b)	—	4,758	
Hedging derivatives				6,008
Foreign Exchange Forward	11.4 (a.1)	—	6,008	
Total Liabilities		—	10,766	10,766

e. Master Netting Agreements

The following table shows the derivative instruments as of December 31, 2024 and 2023 that are subject to Master Netting Agreements where there is a contractual right to compensate for assets and liabilities under these financial instruments.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

	December 31, 2024		December 31, 2023	
	Assets	Liabilities	Assets	Liabilities
Current and Non-Current Derivative Instruments				
Current	5,932	(8,852)	4,173	(8,299)
Non-current	1,357	(8,376)	3,881	(2,372)
Total	7,289	(17,228)	8,054	(10,671)
Gross amounts of derivative instruments subject to netting				
Gross amount (equal to net) recognized in the balance sheet	7,289	(17,228)	8,054	(10,671)
Unnetted derivative instruments	(4,115)	3,159	(3,605)	3,605
Total Net Amount	3,174	(14,069)	4,449	(7,066)

As of December 31, 2024 and 2023, there are no balances of cash deposit securities.

11.3.- Credit Quality of Financial Assets

The Company is exposed to credit risk in its commercial activities as well as in its financial activities.

Credit Rating of Counterparties of AES Andes and Chilean Subsidiaries

The Company assesses the credit rating of its counterparties (customers), which primarily include distributing companies and industrial customers. In the case of AES Andes, most of them have a local risk classification and/or international investment grade. Credit ratings are provided by specialized rating agencies that assess the creditworthiness of a company based on a rating from "AAA" (highest rating) to "E" (lowest rating). "Investment grade" is obtained once BBB rating or above is achieved.

With regard to financial assets and derivatives, the investments made by AES Andes and subsidiaries are entered into with local and foreign financial institutions with national and/or international credit rating greater than or equal to "A" and "A2" according to Standard & Poor's and Moody's, respectively. In addition, derivatives executed for the financial debt are entered into with first class local and international entities. There are cash, investment and treasury policies that govern the cash management of the Company and minimize the credit risk.

Credit Rating of Counterparties of Foreign Subsidiaries

The Colombian subsidiary AES Colombia concentrates for its financial counterparties (banks) in Colombian pesos a AAA credit rating, which is considered as the highest credit rating according to Colombian credit rating agency Duff & Phelps. With respect to the credit rating of financial counterparties in US dollars, its lowest limit is A+ (Standard & Poors) or A1 (Moody's), which is considered as a low credit risk.

With respect to the credit risk for business transactions of AES Colombia, this has been historically very limited, given the short-term nature of collections from customers.

The Company considers that the Argentine subsidiary Termoandes S.A. does not represents significant credit risk given that its commercial transactions are mainly concentrated with CAMMESA and customers of the Wholesale Electricity Market denominated "Grandes Usuarios (GUME/GUMA)" that operates under the regulation of Energy Plus.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

11.4.- Derivative Instruments

Financial derivatives of AES Andes and Subsidiaries correspond primarily to transactions with the purpose of hedging interest and exchange rate volatility as a result of financing for the development of electric projects.

The Company, following its risk management policy, enters into interest rate swaps, cross currency swaps, and currency forwards to reduce the expected variability of future cash flows from the underlying hedged asset.

The portfolio of derivative instruments as of December 31, 2024 and 2023 is detailed as follows:

a. Derivative Instruments for Cash Flows Hedge Accounting

1. Rate Swap

These swap contracts partially hedge AES Andes' SOFR floating rate debt exposure over the next 3 years. The fair values of these instruments are included in the following table:

	December 31, 2024				December 31, 2023			
	Assets		Liabilities		Assets		Liabilities	
	Current	Non Current	Current	Non Current	Current	Non Current	Current	Non Current
Rate Swap - AES Andes	1,532	997	—	—	—	—	—	—
TOTAL	1,532	997	—	—	—	—	—	—

The detail of the current interest rate swaps detailed below:

Company	Contract date	Hedged item	Partners	Nominal amount ThUS\$	Nominal Amount as December 31, 2024 ThUS\$	Maturity
AES Andes	Q1 2024	Swap rate	JPMorgan Chase Bank	50,000	50,000	08-2027
AES Andes	Q1 2024	Swap rate	Citibank NA	75,000	75,000	09-2027

2. Foreign Exchange Forward

	December 31, 2024				December 31, 2023			
	Assets		Liabilities		Assets		Liabilities	
	Current	Non Current	Current	Non Current	Current	Non Current	Current	Non Current
Fixed Costs - AES Andes	1,874	—	5,933	4,081	3,330	3,880	3,590	2,148
Coal Forward - AES Andes	—	—	2,890	—	—	—	—	—
Forward Customers capacity - AES Andes	1,549	—	—	—	842	—	270	—
TOTAL	3,423	—	8,823	4,081	4,172	3,880	3,860	2,148

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

The detail of the current currency forwards is detailed below:

Company	Contract date	Hedged item	Partners	Nominal amount ThUS\$	Nominal Amount as December 31, 2024 ThUS\$	Maturity
AES Andes	Q3 2021	Fixed Cost	JP Morgan, Scotiabank, Banco de Chile y Banco Estado	62,967	1,383	01-2026
AES Andes	Q3 2022	Fixed Cost	Scotiabank, Deutsche Bank, Bofa y Banco de Chile	46,157	17,472	07-2025
AES Andes	Q2 2023	Fixed Cost	Scotiabank, Banco de Chile, HSBC, JP Morgan	43,066	12,448	03-2026
AES Andes	Q3 2023	Fixed Cost	Scotiabank, Banco de Chile, BCI, HSBC,	103,484	55,242	07-2026
AES Andes	Q1 2024	Fixed Cost	Scotiabank, JP Morgan, Banco de Chile y Bank of América	17,263	8,913	01-2027
AES Andes	Q3 2024	Fixed Cost	Natixis, Scotiabank, Bank of America, BNP	14,474	14,474	04-2027
AES Andes	Q4 2024	Fixed Cost	Scotiabank	3,653	3,653	08-2027
AES Andes	Q4 2023	Accounts Receivable per power	Scotiabank	22,889	3,803	10-2024
AES Andes	Q3 2024	Accounts Receivable per power	JP Morgan, Scotiabank y HSBC	24,371	24,371	04-2025
AES Andes	Q4 2024	Accounts Receivable per power	Scotiabank	14,968	14,968	09-2025
AES Andes	Q2 2024	Coal	Morgan Stanley, Bank of America, Goldman Sach	36,706	36,706	08-2025

Other Background Information on Cash Flow Hedging

The Company has not made any cash flow hedging accounting for highly probable transactions that have not occurred later.

There are no effects associated with the ineffectiveness of the cash flow hedges for the years ended as of December 31, 2024 and 2023.

The changes recognized in other reserves (see note 26.6 c) during the years ended as of December 31, 2024 and 2023, include:

	December 31, 2024	December 31, 2023
Profit/loss from derivatives recorded in other reserves	(9,359)	9,949
Profit/loss from derivatives reclassified from other reserves to profit or loss	5,997	(18,817)
Total	(3,362)	(8,868)

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

b. Derivatives Not Designated as Hedges

Derivative instruments	Classification	December 31, 2024				December 31, 2023			
		Assets		Liabilities		Assets		Liabilities	
		Current	Non Current	Current	Non Current	Current	Non Current	Current	Non Current
Currency forward - (Capex) AES Colombia	IFVRCR (1)	—	—	37	—	—	—	245	223
Derivative Energy supply contract - AES Colombia	IFVRCR (1)	1,139	—	443	—	1,870	—	82	8
Currency fwd (Dividend subs. Colombia) AES Andes	IFVRCR (1)	976	360	—	4,296	—	—	4,200	—
Total		2,115	360	480	4,296	1,870	—	4,527	231

(1) IFVRCR: Financial Instrument at Fair Value with Changes in Result.

The details of the current currency forwards not designated as hedging are detailed below:

Company	Contract date	Hedged item	Partners	Nominal amount ThUS\$	Nominal Amount as December 31, 2024 ThUS\$	Maturity
AES Andes	Q4 2022	Dividends AES Colombia	JP Morgan, Merrill Lynch, Banco de Chile y Scotiabank	51,258	10,746	12-2026
AES Andes	Q1 2024	Dividends AES Colombia	BCI, Banco de Chile y Scotiabank	21,494	13,211	03-2026
AES Andes	Q3 2024	Dividends AES Colombia	Banco de Chile y BNP	6,944	6,944	11-2025
AES Colombia	Q3 2023	Capex AES Colombia	BNP Paribas, Bancolombia, Bank of America, JP Morgan	5,977	2,983	06-2025

In July 2018, AES Colombia executed a power sales agreement between 2022 and 2024 with Empresas Municipales de Cali (EMCALI). The agreement allows EMCALI to supply energy directly from the spot market at those times where the spot energy price is lower than the contract energy price. Considering the characteristics of Colombia's electricity market and given that it is impossible to guarantee the delivery of physical energy during the hours when the spot price is lower than the contract price, it was impossible to apply the exception identified in IFRS 9 paragraph 2.4 to this agreement. The agreement was measured at fair value through profit or loss.

The amounts related to these contracts are classified in current assets/liabilities.

c. Embedded derivatives (through profit and loss)

As of December 31, 2024 and 2023, there are no embedded derivatives.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

NOTE 12 - OTHER NON-FINANCIAL ASSETS

As of December 31, 2024 and 2023, other non-financial assets are detailed as follows:

	Current		Non Current	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Insurance paid in advance	14,234	18,060	—	—
Taxes to be recovered ⁽¹⁾	—	10,457	—	978
Delivered guarantees	121	290	329	161
Advance payment from purchases of energy	—	1,593	—	—
Advance payment for other purchases	143	5,774	—	—
Others	12	726	378	323
Total	14,510	36,900	707	1,462

⁽¹⁾ Mainly involving taxes to be recovered by AES Andes, associated with water right patents.

NOTE 13 - TRADE RECEIVABLES AND OTHER ACCOUNTS RECEIVABLE

The balances of Trade receivables and other accounts receivable involve operations in the ordinary course of business of the Company and subsidiaries, mainly energy and power sales, income from transmission system, and coal sales.

The balances of other accounts receivable are related primarily to advance payments to suppliers, accounts receivable associated with the staff, and delivered guarantees, among others.

The items of this account as of December 31, 2024 and 2023, are detailed as follows:

	Current		Non Current	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Trade receivables, gross	357,448	556,329	5,636	8,407
Bad debt allowance	(4,969)	(2,858)	(113)	(144)
Trade receivables, net	352,479	553,471	5,523	8,263
Remaining tax credit, gross	29,870	110,469	—	—
Contract asset	868	—	87,088	65,828
Other accounts receivable, gross	15,647	22,318	2,783	768
Total	398,864	686,258	95,394	74,859

Act 21,185, published on November 2, 2019, established a mechanism for stabilizing electricity prices for regulated customers, temporarily financed by generators with a limit of US\$1.35 billion. When this fund ran out in February 2022, Act 21,472 was passed and published on August 2, 2022, establishing a new transitional mechanism for which additional charges can be established in the regulated tariff settings called Customer Protection Mechanism Charges (Cargos MPC), with a limit of US\$1.8 billion. This system established discounts on billing to regulated customers, compensating generators through "transferable credit instruments" issued by the Ministry of Finance and backed by the Treasury, which includes the accrual of interest at the time of issuance.

Notes to the Consolidated Financial Statements of AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

On August 14, 2023, AES Andes signed a "Purchase Facility" agreement with IDB Invest whereby, subject to certain conditions, IDB Invest undertakes to purchase and AES Andes undertakes to sell certain eligible payment documents issued in favor of the Company under Law 21,472.

On April 30, 2024, Law No. 21,667 was published in the Official Gazette, establishing a new tariff stabilization, and on July 5, 2024, Decree No. 7T-2024 was published, setting tariffs for regulated customers for the first half of 2024 by the provisions of Act No. 21,667. The Decree also establishes the balances owed to suppliers of regulated agreements between July 2022 and October 2023. On October 7, 2024, AES Andes sold the payment documents associated with these periods to IDB, for which it received funds in the amount of ThUS\$217,389 on October 24, 2024.

As of December 31, 2024, current commercial debtors include accounts receivable for ThUS\$8,000 related to the new stabilization fund (see note 32.2.1 j).

In relation to the Contractual Asset, and as a consequence of the strategy of modifying commercial contracts, including the extension of their expiration and the changes to convert them into contracts supplied with renewable energy, the Company identified contractual conditions that were adjusted so that the recognition of revenue for these contracts is adjusted to the amounts that reflect the price that customers would have paid for the committed contracted energy if it had been paid in cash.

The other fair values of trade receivables and other accounts receivable are not significantly different from their carrying values.

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

NOTE 14 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The transactions between the Company and its subsidiaries involve the usual operations regarding purpose and terms. These transactions have been eliminated in the consolidation process and are not broken down in this note.

14.1.- Balances and Transactions with Related Entities

The balances of accounts receivable between the Company and its non-consolidated related companies are detailed as follows:

Accounts receivable with related entities							Current		
Tax payer ID (RUT) Number	Company	Country	Transaction description	Nature of the relationship	Currency	Maturity	December 31, 2024	December 31, 2023	
76.170.761-2	Alto Maipo SpA	Chile	Loans and interest receivable	Investment	US\$	On demand	9,272	1,620	
76.170.761-2	Alto Maipo SpA	Chile	Miscellaneous services	Investment	US\$	On demand	4,638	12,644	
Foreign	AES Argentina Generación S.A.	Argentina	Management Fee	Common Parent	US\$	On demand	8,739	6,624	
Foreign	AES Global Insurance Co	United States	Cost reimbursements	Common Parent	US\$	On demand	3,762	—	
Foreign	AES Holdings Brasil Ltd.	Brasil	Management Fee	Common Parent	US\$	On demand	2,010	2,010	
Foreign	The AES Corporation	United States	Other reimbursements	Parent	US\$	On demand	1,245	1,245	
77.865.266-8	Andes Solar III SpA	Chile	Management Fee	Common Parent	US\$	On demand	4,350	—	
77.898.713-9	AES Pacífico Chile SpA	Chile	Loan	Common Parent	US\$	On demand	64,050	—	
77.898.719-8	AES Desarrollos Renovables	Chile	Management Fee	Common Parent	US\$	On demand	76	—	
Foreign	Vientos Neuquinos	Argentina	Management Fee	Common Parent	US\$	On demand	680	523	
Foreign	Energética Argentina S.A.	Argentina	Management Fee	Common Parent	US\$	On demand	672	456	
76.055.134-1	Atacama Solar SpA	Chile	Miscellaneous services	Common Parent	US\$	On demand	699	—	
Foreign	AES Engineering, LLC	United States	Cost reimbursements	Common Parent	US\$	On demand	127	127	
Foreign	AES Big Sky, LLC	United States	Cost reimbursements	Common Parent	US\$	On demand	85	—	
Foreign	AES Maritza East Ltd.	Bulgaria	Cost reimbursements	Common Parent	US\$	On demand	—	67	
	Other minor						33	95	
Total								100,438	25,411

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Accounts receivable with related entities						Non-Current	
Tax payer ID (RUT) Number	Company	Country	Transaction description	Nature of the relationship	Currency	December 31, 2024	December 31, 2023
76.170.761-2	Alto Maipo SpA	Chile	Loans and interest receivable	Investment	US\$	—	1,225
77.504.420-9	Inversiones Cachagua	Chile	Loan	Parent	US\$	89,481	—
73.069.400-8	Fundación AES Gener	Chile	Cost Reimbursement	Common Parent	US\$	—	197
76.917.669-1	Punta Del Sol SpA	Chile	Miscellaneous services	Common Parent	US\$	4,263	—
77.294.357-1	Energía Eólica Pampas SpA	Chile	Loan and interest	Common Parent	US\$	11,900	—
Total						105,644	1,422

The balances of accounts payable between the Company and its non-consolidated related companies are detailed as follows:

Accounts payable with related entities							Current	
Tax payer ID (RUT) Number	Company	Country	Transaction description	Nature of the relationship	Currency	Maturity	December 31, 2024	December 31, 2023
Foreign	AES Big Sky, LLC	United States	Technology Services	Common Parent	US\$	On demand	15,791	14,817
Foreign	AES Servicios América	Argentina	Administrative services and	Common Parent	US\$	On demand	1,477	733
Foreign	AES Holdings Brasil Lt	Brasil	system support	Common Parent	US\$	On demand	534	495
Foreign	Dominican Power Partners	Dominican Republic	Cost Reimbursement	Common Parent	US\$	On demand	66	72
Foreign	AES Latinoamerica, S De RL	Panama	Cost Reimbursement	Common Parent	US\$	On demand	69	69
Foreign	AES Hawaii	United States	Cost Reimbursement	Common Parent	US\$	On demand	48	48
Foreign	AES Panamá Limitada	Panama	Cost Reimbursement	Common Parent	US\$	On demand	38	38
Foreign	AES NA Central, LLC	United States	Cost Reimbursement	Common Parent	US\$	On demand	24	24
Foreign	AES Corporation	United States	Remuneration of foreign staff	Parent	US\$	On demand	4	5,240
Foreign	Atacama Solar SpA	Chile	Miscellaneous services	Common Parent	US\$	On demand	595	—
Foreign	Alto Maipo	Chile	Miscellaneous services	Investment	US\$	On demand	175	48
	Other minor						25	47
Total							18,846	21,631

There are no accounts payable with related parties classified in non-current liabilities.

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

The effects in the income statement of transactions with non-consolidated related parties for the years ended December 31, 2024 and 2023, are detailed as follows:

Tax payer ID (RUT) Number	Company	Nature of the relationship	Transaction description	December 31, 2024	December 31, 2023
76.170.761-2	Alto Maipo	Investment	Sale of energy and power	8,995	7,765
76.170.761-2	Alto Maipo	Investment	Miscellaneous services	6,563	7,869
76.170.761-2	Alto Maipo	Investment	Loans and interest	523	237
76.170.761-2	Alto Maipo	Investment	Management fee	696	—
Foreign	Gasoducto Gasandes Argentina	Common Parent	Dividends	2,490	3,062
Foreign	Gasoducto Gasandes Chile S.A.	Common Parent	Dividends	1,325	2,665
Foreign	AES Argentina Generación S.A.	Common Parent	Management fee	2,115	2,168
Foreign	Energetica Argentina S.A.	Common Parent	Management fee	216	152
Foreign	Vientos Neuquinos	Common Parent	Management fee	157	123
77.503.740-7	Inversiones LK SpA	Common Parent	Management fee	13	7
77.504.420-9	Inversiones Cachagua SpA	Common Parent	Management fee	102	135
77.504.420-9	Inversiones Cachagua SpA	Common Parent	Interest loan	201	—
77.898.713-9	AES Pacífico Chile SpA	Common Parent	Management fee	64	—
77.898.719-8	AES Desarrollos Renovables SpA	Common Parent	Management fee	64	—
77.865.266-8	Andes Solar III SpA	Common Parent	Management fee	1,358	—
77.865.266-8	Andes Solar III SpA	Common Parent	Interest loan	811	—
77.898.713-9	AES Pacífico Chile SpA	Common Parent	Interest loan	3,507	—
76.055.134-1	Atacama Solar SpA	Common Parent	Miscellaneous services	587	—
Foreign	AES Corporation	Parent	Condonation	6,272	—
Total revenues				36,059	24,183
76.170.761-2	Alto Maipo	Investment	Purchase of energy and power	90	54
Foreign	AES Servicios America S.R.L.	Common Parent	Adm serv and System support	8,507	8,434
Foreign	AES Corporation	Parent	Cost reimbursements	626	515
Foreign	AES Big Sky, LLC	Common Parent	Technology services	25,276	23,857
73.069.400-8	Fundación AES Gener	Common Parent	Cost reimbursements	441	—
76.055.134-1	Atacama Solar SpA	Common Parent	Miscellaneous services	513	—
73.069.400-8	Fundación AES Gener	Common Parent	Condonation	258	—
Total costs				35,711	32,860

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Transactions with related companies in general involve transactions inherent in the business of the Company and subsidiaries, which are carried out in accordance with the legal provisions on equity terms regarding deadlines and at market prices. As of the date of these Consolidated Financial Statements, there are no provisions for doubtful debts. The related party due, unpaid and unimpaired accounts receivable and accounts payable are detailed as follows:

	Accounts Receivable		Accounts Payable	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
No past due payments	104,762	19,167	1,362	5,858
1 to 180 days of delay	11	167	17,484	15,773
181 to 250 days of delay	99,088	7,499	—	—
More than 250 days of delay	2,221	—	—	—
Total	206,082	26,833	18,846	21,631

14.2.- Key Management Personnel

Key Staff includes people with the authority and responsibility to plan, manage and control the activities of the Company, either directly or indirectly. AES Andes is managed by the members of the Senior Management and by a Board of Directors made up of seven regular directors and an alternate director for each of them, who are elected for a three-year period at the Annual General Shareholders' Meeting.

a. Balances and Transactions with Key Staff

There are no pending receivables or payables between the Company and its Directors and members of the Senior Management.

In the years covered by these financial statements no transactions were made between the Company and its Directors and members of the Senior Management other than payment of remuneration or between the Company and its related parties other than those disclosed in Note 14.2 c).

There are no guarantees in favor of the Directors or guarantees granted by the Company to the Senior Management.

There are no remuneration plans for the share price (the cancellation of the registration of the shares in CMF occurred on April 17, 2024).

b. Board Compensation

The by-laws of AES Andes S.A. set forth that the Directors receive no compensation for the performance of their duties.

During the years covered by these financial statements, the directors of the Company, who are employees of AES Corporation or any subsidiary or associate, have not collected any kind of remuneration, for their duties as directors, or entertainment expenses, per diem, royalties, or any other fee. The above, without prejudice of the remuneration collected by the directors who are members of the Committee of Directors and whose amount is detailed in the following paragraph.

On April 30, 2024, the Extraordinary Shareholders' Meeting agreed to modify the bylaws of the Company, in order to adjust them to those of a closed corporation and streamline the decision-making processes, including the reduction in the number of members of the directory from nine to seven, among other provisions.

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

On April 30, 2024, the Ordinary Shareholders' Meeting was held, which agreed to the total renewal of the Company's Board of Directors. By virtue of the above, the directors of the Company whose mandate extends until the holding of the ordinary shareholders' meeting corresponding to the year 2027.

On October 30, 2024, the Board of Directors of the Company received the resignation of Mr. Francisco Morandi from his position as director of the Company. The Board of Directors agreed to appoint Mr. Taylor Sloane as his replacement, who will serve as director until the next regular shareholders meeting to be held by the Company.

The composition of the Board of Directors as of December 31, 2024 is detailed below:

Directors
Juan Ignacio Rubiolo (Chairman)
Arminio Borjas
Bernerd da Santos
Ricardo Falú
Giselle Leger
Madelka McCalla
Taylor Sloane

Until April 30, 2024, AES Andes had a Committee of Directors made up of 3 members, who had the powers contemplated in Article 50 bis of Law No. 18,046 on Public Limited Companies. The aforementioned Committee of Directors was appointed at the Ordinary General Shareholders' Meeting held on April 21, 2023, in which it was agreed to maintain the sum of 300 Unidades de Fomento as monthly remuneration of the members of the Committee of Directors of AES Andes for the year 2023.

During the years covered by these consolidated financial statements, the remunerations paid to the members of the Directors' Committee amount to the amounts detailed in the following table:

Name	Position	December 31, 2024	December 31, 2023
Gonzalo Parot Palma	Director	48	117
Radovan Roque Razmilic Tomicic	Director	48	117
Daniel Mauricio Fernandez Koprlich	Director	48	117
TOTAL		144	351

c. Global Remuneration of Senior Managers who are not Directors

The global remuneration of the Senior Management of the Company includes a fixed monthly remuneration, variable performance-based bonuses, corporate results over the previous fiscal year, long-term compensation plans and indemnification. The Senior Management of the Company serves in the following positions: Chief Executive Officer, Chief Operations Officer, Chief Corporate Affairs Officer, General Counsel, Chief Engineering and Construction Officer, Chief Development Officer, and Chief Financial Officer.

AES Andes has agreed for its executive officers an annual bonus plan based on attainment of goals and level of individual contribution to the results of the Company. These incentives are structured in a minimum and maximum of gross remuneration and are paid once a year.

The remunerations of the Senior Management of the Company during the years ended December 31, 2024 and 2023, amounted to ThUS\$3,885 and ThUS\$4,106 respectively.

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

NOTE 15 - INVENTORY

Inventories have been valued according to the provisions of Note 4.10 and are detailed as follows:

	December 31, 2024	December 31, 2023
Coal	37,187	94,938
Oil	2,280	3,368
Materials	24,436	32,221
Coal in transit	29,726	53,169
Imported materials in transit	255	965
Other inventories	4,213	4,591
Total	98,097	189,252

Inventory costs recognized as expenses in the years ended December 31, 2024 and 2023 are detailed as follows:

	December 31, 2024	December 31, 2023
Coal	402,938	788,231
Oil	4,356	7,482
Others ⁽¹⁾	28,654	26,486
Total	435,948	822,199

⁽¹⁾ The other inventory costs are mainly consumption of materials, lime and biomass.

During the years covered by these financial statements, there are no adjustments that may have significantly affected the carrying amount of inventories.

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

NOTE 16 - TAXES

Current Taxes

Current tax assets, net

Current tax receivables as of December 31, 2024 and 2023, which include group companies with an asset position at the net current tax level, are detailed as follows:

	Current		Non-Current	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Monthly provisional payments	13,660	6,171	—	—
Colombian income tax advance payment	35,352	—	—	—
Argentine standard credit	4,457	3,223	—	—
Foreign origin credit	2,688	—	—	—
Income Tax Refund in process	2,048	1,375	—	—
Provisional payments for absorbed Profits ⁽¹⁾	—	15,669	16,736	19,033
Other	—	995	—	—
Minus:				
Provision First Category Tax	20,878	—	—	—
Total	37,327	27,433	16,736	19,033

⁽¹⁾ During the years 2022 and 2023, AES Andes received dividends with investment credit, considering that the twenty-seventh transitory article of Law 21,210 of 2020 indicates that 70% and 50% of the income or amounts received as withdrawals or dividends from other companies or 70% and 50% of the loss may be imputed, whichever is less, previously increased by the credit associated with said income, which credit will be considered as a provisional payment. In both years, Provisional Payments for Absorbed Profits ("PPUA") were requested, leaving as of December 31, 2024 only ThUS\$16,376 corresponding to the year 2023 (AT2024) to be received.

Current tax liabilities, net

On the other hand, accounts payable for current taxes, which are considered by group companies with a liability position at the level of net current taxes, are detailed as follows:

	December 31, 2024	December 31, 2023
Provision for disallowed tax expenditure	1,887	—
Provision First Category Tax	37,516	106,049
Argentine Standard Tax	1,066	972
Minus:		
Monthly provisional payments	20,503	17,749
Sence Credit	365	—
Advance payment and self withholding of Colombian income	—	28,616
Credit of foreign source	—	10,626
Total	19,601	50,030

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Income Taxes

Income tax charged to income for years ended December 31, 2024 and 2023, is detailed as follows:

Current and Deferred Income Tax Expense (Benefit)	2024	2023
Current tax expense	61,373	94,314
Other current tax expense	40	—
Current tax expense, net	61,413	94,314
Deferred expense (benefit) due to:		
Taxes relating to the creation and reversal of temporary differences	23,070	(76,346)
Taxes on assets available for sale	(67,889)	—
Deferred tax expense (benefit), net	(44,819)	(76,346)
Income tax expense (benefit)	16,594	17,968

Foreign and local income tax expense (benefit)	2024	2023
Current tax expense, net:		
Foreign	22,321	84,440
Local	39,092	9,874
Current tax expense, net	61,413	94,314
Deferred tax expense, net:		
Foreign	(9,562)	24,579
Local	(35,257)	(100,925)
Deferred tax expense (benefit), net	(44,819)	(76,346)
Income tax expense (benefit)	16,594	17,968

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

The reconciliation between the income tax that would result from applying the effective rate in the years ended December 31, 2024 and 2023 is detailed as follows:

	December 31, 2024	December 31, 2023
Financial result before tax	211,216	(118,401)
Current tax rate	27%	27%
Expense for taxes at the statutory rate	57,028	(31,968)
Tax effect for:		
Rates in other jurisdictions ⁽¹⁾	14,081	22,636
Non-taxable ordinary income	(215)	31,710
Non-Deductible Tax Expenses	1,606	(4,555)
Tax effect of utilizing previously unrecognized tax losses	339	—
Tax effect resulting from the tax benefit not previously recognized in the income statement	(690)	—
Tax effect associated to reorganizations	(2,069)	
Change in tax rates ⁽²⁾	—	(5,985)
Tax effect of taxes excessively provided for in previous periods	—	(7)
Tax inflation adjustment benefit ⁽³⁾	(19,173)	—
Exchange differences	(5,503)	(14,362)
Effect of available-for-sale assets ⁽⁴⁾	(35,706)	—
Other increase (decrease) in charges for legal taxes	6,896	20,499
Adjustment to expense for taxes at the statutory rate, total	(40,434)	49,936
Expense (benefit) for taxes at the effective rate	16,594	17,968

⁽¹⁾ It includes the differences originating between the current rate in Chile (27%) and in other jurisdictions where the foreign subsidiaries are domiciled (Argentina 35% and Colombia 38%)

⁽²⁾ It refers to the increase in the tax legal rate in Colombia

⁽³⁾ Corresponds to fiscal adjustments for inflation in Argentina.-

⁽⁴⁾ It corresponds to the deferred tax on the difference between the financial and tax bases recorded in relation to the sale of Empresa Electrica Ventanas (see Note 8).

The balances relating to taxes recognized in other comprehensive income are detailed as follows:

	2024	2023
Added deferred taxation concerning items charged to Shareholder's Equity	(1,978)	(2,971)
Taxes recognized in Other Comprehensive Income, Total	(1,978)	(2,971)

Deferred taxes paid (charged to Shareholders' Equity) are those related to other comprehensive income due to cash flow hedging derivatives and defined benefit plans to employees.

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Deferred Taxes

The balances of assets and liabilities for deferred taxes as of December 31, 2024 and 2023, are detailed as follows:

	December 31, 2024		December 31, 2023	
	Assets	Liabilities	Assets	Liabilities
Depreciation	2	(433,082)	42,192	(323,447)
Amortization	—	—	—	1,260
Provisions	37,861	(68)	29,875	(8,696)
Foreign currency contract	—	(16,783)	—	(14,051)
Obligations for post-employment benefits	6,609	(148)	6,148	(204)
Revaluation of Financial Instruments	—	(265)	518	(5,853)
Tax losses	408,772	—	314,001	—
Deferred income	13,877	—	15,745	—
Debts (difference between effective and cover rate)	255	(255)	153	—
Financial leasing obligations	10,580	(1,324)	10,227	(533)
Financing costs	6,608	(16,736)	5,673	(15,777)
Others	84,795	(6,514)	47,399	(7,160)
Subtotal	569,359	(475,175)	471,931	(374,461)
Netting in the statement of financial position	(277,401)	277,401	(165,517)	165,517
Balances in the statement of financial position	291,958	(197,774)	306,414	(208,944)

The most significant deferred asset is related to tax losses, which mainly correspond to the parent company AES Andes. They are mainly explained by the losses for the investment in the subsidiary Alto Maipo registered in 2021. There is positive evidence that these losses will be reversed in the near future.

As of December 31, 2024, the item "Others" mainly includes the deferred asset related to the difference between the financial and tax bases on the investment in Electrica Ventanas held for sale (see Note 8).

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Changes in deferred tax assets and liabilities for the years ended December 31, 2024 and 2023, are detailed as follows:

	Balances as of January 1st, 2024	Increase (decrease) in profit (loss)	Increase (decrease) in comprehensive income	Foreign currency translation differences	Other increases (decreases)	Balances as of December 31, 2024
Depreciation	(281,255)	(123,309)	—	12,407	(40,923)	(433,080)
Amortization	1,260	(1,836)	—	(217)	793	—
Provisions	21,179	29,943	—	(552)	(12,777)	37,793
Foreign currency contracts	(14,051)	(5,174)	—	2,442	—	(16,783)
Obligations for post-employment benefits	5,944	799	82	23	(387)	6,461
Revaluation of Financial Instruments	(5,335)	3,129	1,896	45	—	(265)
Tax losses	314,001	105,769	—	—	(10,998)	408,772
Deferred Income	15,745	(1,868)	—	—	—	13,877
Debts (difference between effective and cover rate)	153	(139)	—	—	(14)	—
Financial leasing obligations	9,694	771	—	(1,215)	6	9,256
Financing costs	(10,104)	(1,887)	—	—	1,863	(10,128)
Others	40,239	38,621	—	65	(644)	78,281
Subtotal	97,470	44,819	1,978	12,998	(63,081)	94,184

	Balances as of January 1st, 2023	Increase (decrease) in profit (loss)	Increase (decrease) in comprehensive income	Foreign currency translation differences	Other increases (decreases)	Balances as of December 31, 2023
Depreciation	(297,883)	34,297	—	(3,170)	(14,499)	(281,255)
Amortization	71	1,038	—	151	—	1,260
Provisions	25,540	(5,132)	—	(385)	1,156	21,179
Foreign currency contracts	(6,428)	(5,287)	—	(2,336)	—	(14,051)
Obligations for post-employment benefits	9,385	(3,429)	26	(38)	—	5,944
Revaluation of Financial Instruments	(5,995)	(2,150)	2,945	(135)	—	(5,335)
Tax losses	259,192	54,809	—	—	—	314,001
Deferred Income	17,657	(1,912)	—	—	—	15,745
Debts (difference between effective and cover rate)	107	46	—	—	—	153
Financial leasing obligations	9,983	(2,524)	—	2,235	—	9,694
Financing costs	(8,452)	(1,652)	—	—	—	(10,104)
Others	32,107	8,242	—	1,804	(1,914)	40,239
Subtotal	35,284	76,346	2,971	(1,874)	(15,257)	97,470

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

NOTE 17 - INTANGIBLE ASSETS

17.1.- Detail of intangible assets

The changes in the main classes of intangible assets, as valued according to the provisions of Notes 4.5 and 4.6., are detailed as follows:

	December 31, 2024		
	Gross Value	Accumulated Depreciation	Net Value
Finite lived intangible assets	119,575	(49,775)	69,800
Indefinite lived intangible assets	5,215	—	5,215
Intangible assets	124,790	(49,775)	75,015
Computer programs	48,038	(44,078)	3,960
Easements	29,215	(2,709)	26,506
Water rights	46	—	46
Other identifiable intangible assets	47,491	(2,988)	44,503
Identifiable intangible assets	124,790	(49,775)	75,015

	December 31, 2023		
	Gross Value	Accumulated Depreciation	Net Value
Finite lived intangible assets	122,417	(46,216)	76,201
Indefinite lived intangible assets	5,616	—	5,616
Intangible assets	128,033	(46,216)	81,817
Computer programs	49,465	(41,895)	7,570
Easements	29,360	(1,819)	27,541
Water rights	46	—	46
Other identifiable intangible assets	49,162	(2,502)	46,660
Identifiable intangible assets	128,033	(46,216)	81,817

Balances of and changes in Intangible Assets as of December 31, 2024 and 2023 are detailed as follows:

	Computer programs	Easements	Water Rights	Other identifiable intangible assets	Intangible assets, net
Balances as of January 1, 2024	7,570	27,541	46	46,660	81,817
Additions	420	190	8	5,182	5,800
Withdrawals	—	(241)	—	(258)	(499)
Amortization	(3,764)	(890)	—	(659)	(5,313)
Assets available for sale	(152)	(94)	(8)	(4,477)	(4,731)
Increase (decrease) due to exchange differences	(114)	—	—	(1,945)	(2,059)
Balances as of December 31, 2024	3,960	26,506	46	44,503	75,015

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

	Computer programs	Easements	Water Rights	Other identifiable intangible assets	Intangible assets, net
Balances as of January 1, 2023	11,281	27,851	46	40,210	79,388
Additions	382	903	—	3,931	5,216
Withdrawals	(5)	(92)	—	—	(97)
Amortization	(4,488)	(824)	—	(479)	(5,791)
Impairment losses	—	(297)	—	—	(297)
Increase (decrease) due to exchange differences	400	—	—	2,998	3,398
Balances as of December 31, 2023	7,570	27,541	46	46,660	81,817

Useful lives or amortization rates used for the most relevant assets of the Company are detailed as follows:

	Explanation of rate	Minimum Life or rate	Maximum life or rate
Computer programs	Years	3	7
Easements	Years	18	Indefinite
Water rights	Years	29	Indefinite
Life or rate for other identifiable intangible assets	Years	5	Indefinite

The most significant individually identifiable intangible assets of the Company are detailed as follows:

	Carrying amount	Remaining amortization period
Easements - Los Olmos	6,137	31 years
San Matías	6,002	27 years
Rinconada	14,089	—

17.2.- Impairment of intangible assets

During the year ended December 31, 2024, the company has not recorded impairments.

As of December 31, 2023 the Company recorded an impairment of ThUS\$297 of intangibles related to the impairment of the coal-fired generation units Norgener I and Norgener II (see Note 18.2 and Note 29).

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

NOTE 18 - PROPERTY, PLANT AND EQUIPMENT

18.1.- Property, Plant and Equipment

The balances of the various categories of fixed assets during the years ended December 31, 2024 and 2023, are detailed as follows:

	December 31, 2024		
	Gross Value	Accumulated Depreciation	Net Value
Constructions in Progress ⁽¹⁾	139,346	—	139,346
Plots of lands	27,769	—	27,769
Buildings	28,606	(11,972)	16,634
Plant and equipment	4,983,372	(1,546,175)	3,437,197
IT equipment	30,460	(23,213)	7,247
Fixed facilities and accessories	11,858	(9,864)	1,994
Motor vehicles	6,042	(3,472)	2,570
Other property, plant and equipment ⁽²⁾	—	—	—
Total	5,227,453	(1,594,696)	3,632,757

	December 31, 2023		
	Gross Value	Accumulated Depreciation	Net Value
Constructions in Progress ⁽¹⁾	711,622	—	711,622
Plots of lands	25,854	—	25,854
Buildings	30,678	(11,572)	19,106
Plant and equipment	4,222,287	(1,409,161)	2,813,126
IT equipment	30,550	(22,431)	8,119
Fixed facilities and accessories	13,485	(11,470)	2,015
Motor vehicles	5,783	(3,510)	2,273
Other property, plant and equipment ⁽²⁾	13,295	(1,675)	11,620
Total	5,053,554	(1,459,819)	3,593,735

⁽¹⁾ The amount of construction in progress corresponds mainly to investments associated with renewable projects under construction, among which stand out San Matías, Andes Solar IV and Andes IIA BESS as of December 31, 2024, while on December 31, 2023, Andes Solar IIB, Campo Lindo and Andes Solar IV stood out.

⁽²⁾ The asset made up of the cost of Dismantling Obligations is included within “Other property, plant and equipment”.

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

The transactions of property, plant and equipment during the years ended December 31, 2024 and 2023, are detailed as follows:

	Construction work in progress	Land	Buildings	Plant and Equipment	IT equipment	Fixed facilities and accessories	Motor Vehicles	Other property, plant and equipment	Property Plant and Equipment, net
Balance as of January 1, 2024	711,622	25,854	19,106	2,813,126	8,119	2,015	2,273	11,620	3,593,735
Additions	491,480	4,255	3,202	35,959	515	199	1,249	—	536,859
Sale of property, plant and equipment ⁽²⁾	(223,022)	—	—	(33)	—	—	—	—	(223,055)
Withdrawals	—	(1,855)	—	(26,215)	(351)	(46)	(71)	—	(28,538)
Amortization	—	—	(1,771)	(157,818)	(2,346)	(542)	(663)	—	(163,140)
Foreign currency exchange ⁽¹⁾	(9,586)	(410)	(165)	(57,859)	(574)	(86)	(1)	1	(68,680)
Assets available for sale	(1,155)	(75)	(3,825)	(8,084)	(260)	(35)	(218)	—	(13,652)
Impairment losses	—	—	(40)	(732)	—	—	—	—	(772)
Finished works	(829,993)	—	127	838,853	2,144	489	1	(11,621)	—
As of December 31, 2024	139,346	27,769	16,634	3,437,197	7,247	1,994	2,570	—	3,632,757
	Construction work in progress	Land	Buildings	Plant and Equipment	IT equipment	Fixed facilities and accessories	Motor Vehicles	Other property, plant and equipment	Property Plant and Equipment, net
Balance as of January 1, 2023	865,641	23,585	25,310	2,445,568	7,394	2,462	1,682	24,192	3,395,834
Additions	444,239	1,617	—	138,326	138	67	1,145	10,580	596,112
Divestiture	—	—	(3,734)	—	—	—	—	(989)	(4,723)
Withdrawals	(691)	—	(4)	(30,397)	(118)	(8)	(62)	(20,891)	(52,171)
Amortization	—	—	(1,359)	(164,825)	(2,171)	(753)	(524)	(1,704)	(171,336)
Foreign currency exchange ⁽¹⁾	683	652	371	93,275	841	90	7	170	96,089
Impairment losses	(2,844)	—	(1,920)	(260,974)	(61)	(174)	—	(97)	(266,070)
Finished works	(595,406)	—	442	592,153	2,096	331	25	359	—
As of December 31, 2023	711,622	25,854	19,106	2,813,126	8,119	2,015	2,273	11,620	3,593,735

⁽¹⁾ It consists of the effects due to translation of the subsidiaries AES Colombia and Termoandes, that have the Colombian peso and Argentine Peso (until June 30, 2023 - see Note 3.4) as functional currency, respectively.

⁽²⁾ It mainly corresponds to the sale of Andes Solar III, Empresa Eléctrica Pampas and Punta del Sol to AES Pacifico Chile in 2024.

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

The useful lives of the most relevant assets of the Company are detailed as follows:

	Explanation of rate	Minimum Life	Maximum Life
Buildings	Years	15	38
Plant and equipment	Years	7	47
Plant and equipment (Colombia dam)	Years	5	100
IT equipment	Years	4	16
Fixed facilities and accessories	Years	3	20
Motor vehicles	Years	4	11
Other property, plants and equipment	Years	24	30

The costs for capitalized interest during the years and the capitalization rate for financial costs of the Company are detailed as follows:

	December 31, 2024	December 31, 2023
Amount of costs for capitalized interest	40,938	66,947
Capitalization rate of costs for capitalized interest	17.47 %	23.69 %

The Company and subsidiaries have insurance contracts with respect to its generation plants, including business interruption all risks insurance policies, which cover, among other things, damages caused by fire, flood, and earthquake.

Additional Information to be Disclosed in Property, Plant and Equipment	December 31, 2024	December 31, 2023
Amount of Commitments for the Acquisition of Property, Plant and Equipment	591,564	395,209

18.2.- Decarbonization Agreement: Progressive Withdrawal of Generation Units in Chile.

AES Andes, in accordance with its transformational Greentegra strategy and the global intention of The AES Corporation, intends to substantially exit of the generation coal by the end of 2025 through asset sales, fuel conversions and/or retirements, with the possibility that some assets will be maintained until 2027 in exceptional cases while maintaining the reliability, sufficiency and economy of the electrical grid and subject to the necessary approvals. By 2027, AES Andes expects to have reduced its carbon intensity by 84% through its transformation.

As part of its commitment to the country to reduce carbon emissions, the Company announced its decision not to build new coal-fired power plants. On June 4, 2019, together with other power generation companies in the electricity sector, it reached voluntary agreements with the Chilean Government to disconnect and cease operation of several coal-fired power plants.

To date, AES Andes and its subsidiaries have successfully completed the disconnection and definitive cessation of operations of the Ventanas I (114MW), Ventanas II (208MW) and Norgener 1 and 2 (276 MW) generation units.

On July 6, 2021, AES Andes agreed with the Ministry of Energy of the Republic of Chile to modify the agreement entered into in 2019 and made available for the cessation of coal-fired operations as of January 1, 2025, or at the earliest date that the safety, the safety, sufficiency, and economy of the grid allow, the generation units Ventanas 3 (267MW) and Ventanas 4 (272MW), both owned by the subsidiary Eléctrica Ventanas SpA) of the Ventanas Complex; and the Angamos 1 (277MW) and Angamos 2 (281MW) units, both owned by the subsidiary Eléctrica Angamos SpA and which make up the Angamos Power Plant, jointly totaling 1,097 MW.

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

On December 11, 2024, AES Andes S.A. has signed an agreement with Sociedad Quintero Energía SpA for the sale of 100% of the shares of its subsidiary Empresa Eléctrica Ventanas SpA, which currently has two operational units, Ventanas 3 of 267 MW and Ventanas 4 of 270 MW respectively, located in the commune of Puchuncaví, Valparaíso Region.

NOTE 19 - RIGHT-OF-USE ASSETS

The information as of December 31, 2024 and 2023 regarding leases under which the group is lessee are detailed as follows:

	Land	Buildings	Plant and Equipment	Total
Balance as of January 1, 2024	34,705	14,855	11,440	61,000
Additions	78,437	—	—	78,437
Depreciation for the year	(4,046)	(733)	(3,365)	(8,144)
Derecognitions	(3,482)	—	—	(3,482)
Others	1,438	560	15	2,013
Balance as of December 31, 2024	107,052	14,682	8,090	129,824

	Land	Buildings	Plant and Equipment	Total
Balance as of January 1, 2023	29,591	13,080	14,635	57,306
Additions	2,805	—	—	2,805
Depreciation for the year	(1,911)	(562)	(3,398)	(5,871)
Derecognitions	—	(957)	—	(957)
Others	4,220	3,294	203	7,717
Balance as of December 31, 2023	34,705	14,855	11,440	61,000

As of December 31, 2024, the main assets and liabilities for right of use and lease liabilities are detailed as follows:

- Lease Agreement for the offices located in Torre Santa Maria II, Commune of Providencia, Santiago. This agreement was entered into with Bice Seguros de Vida S.A., accrues interest at a 2.82% annual rate and has a term of 25 years.
- Agreement entered into with Hidroeléctrica el Paso SpA consisting of the purchase of all the energy generated by its generation plant, which accrues interest at a 4.4% annual rate and has a term of 12 years.

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

NOTE 20 - OTHER FINANCIAL LIABILITIES

As of December 31, 2024 and 2023, the other financial liabilities are detailed as follows:

	Current		Non-current	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Interest-bearing loans (Note 20.1)	330,522	477,873	2,377,060	2,289,944
Hedging derivatives (Note 11.1)	8,823	3,860	4,081	2,149
Non-hedging derivatives	480	4,527	4,296	231
Total	339,825	486,260	2,385,437	2,292,324

20.1.- Interest-bearing Loans

The interest-bearing loans are detailed as follows:

	Current		Non-current	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Bank loans	161,484	363,812	547,431	683,629
Bonds payable	169,038	114,061	1,830,939	1,608,061
Financing deferred expenses (1)	—	—	(1,310)	(1,746)
Total	330,522	477,873	2,377,060	2,289,944

⁽¹⁾They are deferred costs associated with unused lines of credit.

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

a. **Bank Loans** The bank loans by debtor company, financial institution, currency, cover rate, and due dates as of December 31, 2024, are detailed as follows:

Tax Id. ("RUT") Number	Company	Country	Creditor	Currency	Amortization	Annual Effective Rate	Annual Nominal Rate	Year of Maturity	Current	Non-current
94.272.000-9	AES Andes S.A.	Chile	AES Andes Green Loan \$400mn 5Y 2026	US\$	Biannual	6.78%	6.38%	2026	83,354	211,352
94.272.000-9	AES Andes S.A.	Chile	AES Andes Scotia Green \$50mn 5Y 2027	US\$	At maturity	6.90%	6.59%	2027	987	49,578
94.272.000-9	AES Andes S.A.	Chile	AES Andes ST Loan	US\$	At maturity	6.23%	6.23%	2027	138	50,000
94.272.000-9	AES Andes S.A.	Chile	AES Andes SMBC-Mizuho Green 5Y 2027	US\$	At maturity	6.27%	6.02%	2027	2,004	148,658
94.272.000-9	AES Andes S.A.	Chile	AES Andes Citi US\$ 35 M 35Y due 2026	US\$	At maturity	7.07%	6.48%	2026	379	34,743
Foreign	AES Colombia	Colombia	AES Colombia LT due 2027 (COP)	Col\$	Quarterly	11.68%	11.64%	2027	27,112	40,182
Foreign	AES Colombia	Colombia	Tunjita Leasing 12Y 2030 (COP)	Col\$	Quarterly	11.63%	11.63%	2030	3,293	12,918
Foreign	AES Colombia	Colombia	AES Colombia ST due 2025 (COP)	Col\$	At maturity	9.21%	9.21%	2025	44,217	—
Total									161,484	547,431

Payments of principal and interest not discounted as of December 31, 2024, are detailed as follows:

Company	Creditor	Current			Non-current					
		Less than 90 days	More than 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total
AES Andes S.A.	AES Andes Green Loan \$400mn 5Y 2026	31,578	65,224	96,802	223,545	—	—	—	—	223,545
AES Andes S.A.	AES Andes Scotia Green \$50mn 5Y 2027	1,666	1,675	3,341	3,341	53,341	—	—	—	56,682
AES Andes S.A.	AES Andes ST Loan	551	—	551	—	50,000	—	—	—	50,000
AES Andes S.A.	AES Andes SMBC-Mizuho Green 5Y 2027	—	9,077	9,077	9,153	158,977	—	—	—	168,130
AES Andes S.A.	AES Andes Citi US\$ 35 M 35Y due 2026	—	2,294	2,294	36,134	—	—	—	—	36,134
AES Colombia	AES Colombia LT due 2027 (COP)	13,719	19,431	33,150	23,864	21,540	—	—	—	45,404
AES Colombia	Tunjita Leasing 12Y 2030 (COP)	1,521	3,420	4,941	4,272	3,943	3,613	3,283	1,129	16,240
AES Colombia	AES Colombia ST due 2025 (COP)	1,430	44,967	46,397	—	—	—	—	—	—
Total		50,465	146,088	196,553	300,309	287,801	3,613	3,283	1,129	596,135

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

The bank loans by debtor company, financial institution, currency, cover rate, and due dates as of December 31, 2023, are detailed as follows:

Tax Id. ("RUT") Number	Company	Country	Creditor	Currency	Amortization	Annual Effective Rate	Annual Nominal Rate	Year of Maturity	Current	Non-current
94.272.000-9	AES Andes S.A.	Chile	AES Andes Green Loan \$400mn 5Y 2026	US\$	At maturity	7.56%	7.16%	2026	58,686	290,038
94.272.000-9	AES Andes S.A.	Chile	AES Andes Scotia Green \$50mn 5Y 2027	US\$	At maturity	7.64%	7.34%	2027	1,297	49,456
94.272.000-9	AES Andes S.A.	Chile	AES Andes ST Loan	US\$	At maturity	6.97%	6.92%	2024	216,462	—
94.272.000-9	AES Andes S.A.	Chile	AES Andes SMBC-Mizuho Green 5Y 2027	US\$	At maturity	7.09%	6.86%	2027	2,436	148,276
94.272.000-9	AES Andes S.A.	Chile	AES Andes Citi US\$ 35 M 35Y due 2026	US\$	At maturity	8.15%	7.54%	2026	437	34,571
94.272.000-9	AES Andes S.A.	Chile	Overdraft lines	\$	At maturity	13.42%	13.42%	2023	67	—
Foreign	AES Colombia	Colombia	AES Colombia LT due 2027 (COP)	Col\$	Quarterly	14.85%	14.79%	2027	42,658	90,521
Foreign	AES Colombia	Colombia	AES Colombia LT 3Y due 2025 (COP)	Col\$	Quarterly	15.23%	15.23%	2025	28,311	39,377
Foreign	AES Colombia	Colombia	AES Colombia LT 3Y due 2026 (COP)	Col\$	Quarterly	15.50%	15.50%	2026	9,379	13,082
Foreign	AES Colombia	Colombia	AES Colombia LT 12Y due 2030 (COP)	Col\$	Quarterly	17.09%	17.09%	2030	4,079	18,308
Total									363,812	683,629

Payments of principal and interest not discounted as of December 31, 2023, are detailed as follows:

Company	Creditor	Current			Non-current					
		Less than 90 days	More than 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total
AES Andes S.A.	AES Andes Green Loan \$400mn 5Y 2026	33,148	43,753	76,901	98,860	224,821	—	—	—	323,681
AES Andes S.A.	AES Andes Scotia Green \$50mn 5Y 2027	1,856	1,876	3,732	3,722	3,722	53,724	—	—	61,168
AES Andes S.A.	AES Andes ST Loan	168,114	53,433	221,547	—	—	—	—	—	—
AES Andes S.A.	AES Andes SMBC-Mizuho Green 5Y 2027	—	10,380	10,380	10,437	10,437	160,236	—	—	181,110
AES Andes S.A.	AES Andes Citi US\$ 35 M 35Y due 2026	—	2,677	2,677	2,677	36,328	—	—	—	39,005
AES Andes S.A.	Overdraft lines	67	—	67	—	—	—	—	—	—
AES Colombia	AES Colombia LT due 2027 (COP)	24,343	34,700	59,043	40,994	37,654	33,062	—	—	111,710
AES Colombia	AES Colombia LT 3Y due 2025 (COP)	1,354	33,206	34,560	15,994	—	—	—	—	15,994
AES Colombia	AES Colombia LT 3Y due 2026 (COP)	854	10,950	11,804	10,434	4,717	—	—	—	15,151
AES Colombia	AES Colombia LT 12Y due 2030 (COP)	1,726	4,973	6,699	6,150	5,602	5,053	4,504	5,271	26,580
Total		231,462	195,948	427,410	189,268	323,281	252,075	4,504	5,271	774,399

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

b. Bonds payable

Bonds payable per debtor company, series, currency, cover rate, and due dates as of December 31, 2024, are detailed as follows:

Tax Id. ("RUT") Number	Company	Country	Instrument Registration and Identification	Series	Currency or Indexation Unit	Annual Effective Rate	Annual Nominal Rate	Final Deadline	Current	Non-current
94.272.000-9	AES Andes	Chile	US\$ 450 M Junior Notes due 2079	US\$ Bonds	US\$	6.48%	6.35%	7/10/2079	3,413	225,238
94.272.000-9	AES Andes	Chile	US\$ 425 M Junior Green Notes due 2025	US\$ Bonds	US\$	5.31%	5.00%	14/7/2025	75,755	—
94.272.000-9	AES Andes	Chile	US\$ 500M Senior Notes due 2029	US\$ Bonds	US\$	6.73%	6.30%	15/3/2029	9,751	492,738
94.272.000-9	AES Andes	Chile	US\$ 530M Senior Notes due 2055	US\$ Bonds	US\$	8.33%	8.15%	10/6/2055	2,535	521,945
76.004.976-K	Angamos	Chile	US\$ 600 M Senior Secured Notes 2029	US\$ Bonds	US\$	5.26%	4.88%	25/5/2029	6,469	21,827
76.085.254-6	Cochrane	Chile	Bono 144A/Res S	US\$ Bonds	US\$	6.80%	5.50%	14/5/2027	67,017	96,541
76.085.254-6	Cochrane	Chile	Bono Local Serie "A" \$485 2034	US\$ Bonds	US\$	6.75%	6.25%	14/11/2034	4,098	472,650
Total									169,038	1,830,939

Payments of principal and interest not discounted as of December 31, 2024, are detailed as follows:

Name	Instrument Registration and Identification	Current			Non-current						
		Less than 90 days	More than 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total	
AES Andes	US\$ 450 M Junior Notes due 2079	—	14,504	14,504	14,504	14,504	14,504	14,504	14,504	953,598	1,011,614
AES Andes	US\$ 425 M Junior Green Notes due 2025	1,852	75,936	77,788	—	—	—	—	—	—	—
AES Andes	US\$ 500M Senior Notes due 2029	15,750	15,750	31,500	31,500	31,500	31,500	515,750	—	—	610,250
AES Andes	US\$ 530M Senior Notes due 2055	—	43,195	43,195	43,195	43,195	43,195	43,195	1,631,473	—	1,804,253
Angamos	US\$ 600 M Senior Secured Notes 2029	—	7,626	7,626	7,318	7,010	6,702	3,200	—	—	24,230
Cochrane	Bono 144A/Res S	—	73,791	73,791	71,957	33,269	—	—	—	—	105,226
Cochrane	Bono Local Serie "A" \$485 2034	—	29,853	29,853	29,853	41,800	95,520	95,983	390,523	—	653,679
Total		17,602	260,655	278,257	198,327	171,278	191,421	672,632	2,975,594	4,209,252	

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Bonds payable per debtor company, series, currency, cover rate, and due dates as of December 31, 2023 are detailed as follows:

Tax Id. ("RUT") Number	Company	Country	Instrument Registration and Identification	Series	Currency or Indexation Unit	Annual Effective Rate	Annual Nominal Rate	Final Deadline	Current	Non-current
94.272.000-9	AES Andes	Chile	US\$ 550 M Junior Notes due 2079	US\$ Bonds	US\$	7.27%	7.13%	3/26/2079	17,939	508,338
94.272.000-9	AES Andes	Chile	US\$ 450 M Junior Green Notes due 2079	US\$ Bonds	US\$	6.47%	6.35%	10/7/2079	4,885	323,768
94.272.000-9	AES Andes	Chile	US\$ 409 M Senior Notes due 2025	US\$ Bonds	US\$	5.22%	5.00%	7/14/2025	2,791	117,205
94.272.000-9	AES Andes	Chile	UF\$ 1.0 M Senior Notes due 2024	SERIES B	U.F.	8.04%	7.50%	10/15/2024	15,792	—
76.004.976-K	Angamos	Chile	US\$ 600 M Senior Secured Notes 2029	US\$ Bonds	US\$	5.14%	4.88%	5/25/2029	6,502	28,035
76.085.254-6	Cochrane	Chile	144A/Res S Bond	US\$ Bonds	US\$	6.80%	5.50%	5/14/2027	62,068	159,522
76.085.254-6	Cochrane	Chile	Local Bond Series "A" \$485 2034	US\$ Bonds	US\$	6.90%	6.25%	11/14/2034	4,084	471,193
Total									114,061	1,608,061

Payments of principal and interest not discounted as of December 31, 2023, are detailed as follows:

Name	Instrument Registration and Identification	Current			Non-current					
		Less than 90 days	More than 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total
AES Andes	US\$ 550 M Junior Notes due 2079	18,383	18,383	36,766	36,765	36,765	36,765	36,765	2,380,904	2,527,964
AES Andes	US\$ 450 M Junior Green Notes due 2079	—	20,854	20,854	20,854	20,854	20,854	20,854	1,391,952	1,475,368
AES Andes	US\$ 409 M Senior Notes due 2025	2,937	2,937	5,874	123,363	—	—	—	—	123,363
AES Andes	UF\$ 1.0 M Senior Notes due 2024	—	16,500	16,500	—	—	—	—	—	—
Angamos	US\$ 600 M Senior Secured Notes 2029	—	7,903	7,903	7,595	7,287	6,979	6,671	3,184	31,716
Cochrane	144A/Res S Bond	—	71,708	71,708	73,791	71,958	33,269	—	—	179,018
Cochrane	Local Bond Series "A" \$485 2034	—	29,853	29,853	29,853	29,853	41,801	95,521	486,503	683,531
Total		21,320	168,138	189,458	292,221	166,717	139,668	159,811	4,262,543	5,020,960

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

c. Changes in liabilities from financing activities

The evolution of financial obligations of the Company, and the changes related to financing activities as of December 31, 2024 and 2023, are detailed as follows:

Conciliation at December 31, 2024	Balance as of January 01, 2024	Changes in Financing Activities				Other changes				Balance as of December 31, 2024
		New Obligations	Payment of Obligations	Interest Payment	Deferred Expenses	Accrued Interest	Exchange Differences	Amortization of Deferred Costs	Change in Fair Value	
Bank Loans	1,047,441	609,365	(924,539)	(72,555)	—	63,897	(14,697)	—	5	708,917
AES Andes	801,726	522,891	(741,056)	(48,838)	—	46,901	(429)	—	—	581,195
AES Colombia	245,715	86,474	(183,483)	(23,717)	—	16,996	(14,268)	—	5	127,722
Bonds payable	1,722,122	1,030,000	(740,730)	(139,669)	(16,268)	145,277	(755)	—	—	1,999,977
AES Andes	990,718	1,030,000	(674,298)	(96,607)	(16,268)	98,583	(755)	—	—	1,331,373
Angamos	34,537	—	(6,318)	(1,615)	—	1,692	—	—	—	28,296
Cochrane	696,867	—	(60,114)	(41,447)	—	45,002	—	—	—	640,308
Deferred costs	(1,746)	—	—	—	—	—	—	436	—	(1,310)
AES Andes	(1,746)	—	—	—	—	—	—	436	—	(1,310)
Hedging derivative instruments (Note 10.1)	6,009	—	—	—	—	—	—	—	6,893	12,902
AES Andes	6,009	—	—	—	—	—	—	—	6,893	12,902
Non-hedging derivative instruments	4,758	—	—	—	—	—	(74)	—	92	4,776
AES Andes	4,201	—	—	—	—	—	—	—	95	4,296
AES Colombia	557	—	—	—	—	—	(74)	—	(3)	480
Total	2,778,584	1,639,365	(1,665,269)	(212,224)	(16,268)	209,174	(15,526)	436	6,990	2,725,262

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Conciliation at December 31, 2023	Balance as of January 01, 2023	Changes in Financing Activities				Other changes				Balance as of December 31, 2023
		New Obligations	Payment of Obligations	Interest Payment	Deferred Expenses	Accrued Interest	Exchange Differences	Amortization of Deferred Costs	Change in Fair Value	
Bank Loans	1,089,539	419,318	(566,013)	(132,511)	(516)	141,100	92,686	3,832	6	1,047,441
AES Andes	662,356	400,150	(263,310)	(53,210)	(516)	55,858	(1,809)	2,207	—	801,726
AES Colombia	427,183	19,168	(302,703)	(79,301)	—	85,242	94,495	1,625	6	245,715
Bonds payable	1,793,287	—	(76,137)	(111,946)	—	116,047	398	473	—	1,722,122
AES Andes	999,864	—	(9,920)	(65,218)	—	65,119	398	473	—	990,716
Angamos	40,761	—	(6,318)	(1,924)	—	2,018	—	—	—	34,537
Cochrane	752,662	—	(59,899)	(44,804)	—	48,910	—	—	—	696,869
Deferred costs	(723)	—	—	—	(1,394)	—	—	371	—	(1,746)
AES Andes	(723)	—	—	—	(1,394)	—	—	371	—	(1,746)
Hedging derivative instruments (Note 10.1)	9,289	—	—	—	—	—	—	—	(3,280)	6,009
AES Andes	9,258	—	—	—	—	—	—	—	(3,249)	6,009
AES Colombia	31	—	—	—	—	—	—	—	(31)	—
Non-hedging derivative instruments	15	—	—	—	—	—	—	—	4,743	4,758
AES Andes	15	—	—	—	—	—	—	—	4,186	4,201
AES Colombia	—	—	—	—	—	—	—	—	557	557
Total	2,891,407	419,318	(642,150)	(244,457)	(1,910)	257,147	93,084	4,676	1,469	2,778,584

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

NOTE 21 - LEASE LIABILITY

The analysis of the expiration of lease liabilities as of December 31, 2024 and 2023 is detailed as follows:

	December 31, 2024			December 31, 2023		
	Gross ThUS\$	Interest ThUS\$	Present Value ThUS\$	Gross ThUS\$	Interest ThUS\$	Present Value ThUS\$
Less than a year	12,545	(2,550)	9,995	8,967	(2,218)	6,749
Between one and five years	39,879	(23,402)	16,477	30,174	(11,857)	18,317
More than 5 years	209,233	(91,810)	117,423	89,210	(29,822)	59,388
Total	261,657	(117,762)	143,895	128,351	(43,897)	84,454

During the years ended December 31, 2024 and 2023, the amount recognized as financial cost amounts to ThUS\$6,605 and ThUS\$2,739, respectively.

The liabilities by expiration date as of December 31, 2024 and 2023 are detailed as follows:

	Accounting Balances		Payments of Interest and Principal			Payment of Interest and Principal					
	Current	Non-current	Less than 90 days	More than 90 days	Total current	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total Non-current
December 31, 2024	9,995	133,900	4,195	8,350	12,545	12,443	10,960	8,634	8,678	209,233	249,948
December 31, 2023	6,749	77,705	3,386	5,580	8,966	8,834	8,949	7,354	5,038	89,210	119,385

The cash flows from payments of lease liabilities as of December 31, 2024 and 2023, are ThUS\$6,653 and ThUS\$7,266, respectively.

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

The leases by currency, and expiration dates as of December 31, 2024, are detailed as follows:

Creditor	Currency	Rate	Accounting Balances		Payments of Interest and Principal		
			Current	Non-current	Less than 90 days	More than 90 days	Total current
LEASE LIABILITIES							
Substation installation Edelnor Transmisión	UF	2.81 %	142	157	37	111	148
Santa María building BICE Seguros	UF	2.82 %	464	11,948	198	595	793
PPA Hidroeléctrica El Paso S.P.A.	USD	4.44 %	3,440	5,995	1,887	1,887	3,774
Andes Solar land	UF	2.82 %	23	315	8	23	31
Andes Solar II land	UF	2.82 %	172	3,118	—	196	196
Andes Solar IV land	UF	4.95 %	82	1,709	—	104	104
Los Olmos land	UF/USD	3.02 %	276	4,059	—	276	276
Campo Lindo land	UF/USD	3.61 %	314	6,808	108	379	487
San Matias land	USD	2.39 %	335	9,242	26	615	641
Mesamávida land	USD	2.82 %	32	595	35	10	45
Bolero land	UF	6.15 %	100	2,044	—	193	193
Leasing ISA Intercolombia SA ESP	Col\$	13.26 %	336	5,480	212	663	875
Cristales SpA land	UF	4.81 %	838	17,267	1,019	—	1,019
Solar Oriente SpA land	UF	4.81 %	1,531	31,510	—	1,881	1,881
San Carlos SpA land	UF	4.81 %	843	17,339	—	1,028	1,028
USUFRUCT LIABILITIES							
Los Olmos Land	UF		389	6,248	—	389	389
Mesamávida land	UF/USD		678	10,066	665	—	665
Total			9,995	133,900	4,195	8,350	12,545

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Creditor	Payment of Interest and Principal					Total Non-current
	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	
LEASE LIABILITIES						
Substation installation Edelnor Transmisión	147	12	—	—	—	159
Santa María building BICE Seguros	793	793	793	793	12,297	15,469
PPA Hidroeléctrica El Paso S.P.A.	3,842	2,347	—	—	—	6,189
Andes Solar land	23	23	23	23	283	375
Andes Solar II land	176	176	176	176	3,311	4,015
Andes Solar IV land	104	104	104	104	3,213	3,629
Los Olmos land	152	250	241	241	5,998	6,882
Campo Lindo land	475	478	474	474	7,210	9,111
San Matias land	615	615	615	615	14,296	16,756
Mesamávida land	25	29	29	29	764	876
Bolero land	193	193	193	193	2,705	3,477
Leasing ISA Intercolombia SA ESP	916	958	1,004	1,048	3,850	7,776
Cristales SpA land	1,019	1,019	1,019	1,019	32,605	36,681
Solar Oriente SpA land	1,881	1,881	1,881	1,881	62,071	69,595
San Carlos SpA land	1,028	1,028	1,028	1,028	34,688	38,800
USUFRUCT LIABILITIES						
Los Olmos land	389	389	389	389	9,326	10,882
Mesamávida land	665	665	665	665	16,616	19,276
	12,443	10,960	8,634	8,678	209,233	249,948

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

The leases by currency, and expiration dates as of December 31, 2023, are detailed as follows:

Creditor	Currency	Rate	Accounting Balances		Payments of Interest and Principal		
			Current	Non-current	Less than 90 days	More than 90 days	Total current
LEASE LIABILITIES							
Substation installation Edelnor Transmisión	UF	2.81 %	150	325	40	121	161
Santa María building BICE Seguros	UF	2.82 %	492	13,490	216	647	863
PPA Hidroeléctrica El Paso S.P.A.	USD	4.44 %	3,249	9,435	1,876	1,854	3,730
Andes Solar land	UF	3.66 %	59	2,336	—	138	138
Andes Solar II land	UF	2.82 %	169	3,476	—	191	191
Los Olmos land	UF/USD	3.02 %	274	4,450	167	269	436
Campo Lindo land	UF/USD	3.61 %	302	7,586	117	392	509
San Matias land	USD	2.39 %	302	9,402	—	615	615
Mesamávida land	USD	2.82 %	26	660	21	11	32
Bolero land	UF	6.15 %	107	2,286	—	152	152
Leasing ISA Intercolombia SA ESP	Col\$	9.52 %	314	6,711	237	731	968
Carlos Pellegrini - Berkley International Seguros	USD	11.73 %	47	—	14	36	50
							—
USUFRUCT LIABILITIES							
Los Olmos land	UF		424	6,911	—	423	423
Mesamávida land	UF/USD		834	10,637	698	—	698
Total			6,749	77,705	3,386	5,580	8,966

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Creditor	Payment of Interest and Principal					Total Non-current
	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	
LEASE LIABILITIES						
Substation installation Edelnor Transmisión	161	161	13	—	—	335
Santa María building BICE Seguros	863	863	863	863	14,243	17,695
PPA Hidroeléctrica El Paso S.P.A.	3,774	3,842	2,346	—	—	9,962
Andes Solar land	138	138	138	138	3,951	4,503
Andes Solar II land	191	191	191	191	3,819	4,583
Los Olmos land	269	269	269	260	6,470	7,537
Campo Lindo land	508	509	509	507	8,249	10,282
San Matias land	615	615	615	615	14,938	17,398
Mesamávida land	32	32	32	32	874	1,002
Bolero land	152	152	152	152	2,297	2,905
Leasing ISA Intercolombia SA ESP	1,010	1,056	1,105	1,159	5,650	9,980
USUFRUCT LIABILITIES						
Mesamávida land	423	423	423	423	10,570	12,262
	8,834	8,949	7,354	5,038	89,210	119,385

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

NOTE 22 - TRADE PAYABLES AND OTHER ACCOUNTS PAYABLE

As of December 31, 2024 and 2023, trade payables and other accounts payable are detailed as follows:

	Current	
	December 31, 2024	December 31, 2023
Trade payables	61,941	256,126
Unbilled trade payables	167,949	208,113
Other accounts payable ⁽¹⁾	194,442	64,930
Total	424,332	529,169

⁽¹⁾As of December 31, 2024 and 2023, the current portion mostly includes income tax liabilities on emission of particulate pollutant emissions (green taxes), sales taxes, and an extra tax in addition to staff-related third party liabilities.

The Company has established financing agreements with suppliers that are offered to some of the Company's main suppliers in Chile and abroad. For the financing provider to pay the invoices, the goods must have been received or supplied and the invoices approved by the Company.

The Company is a guarantor or joint and several co-debtor up to ThUS\$200,000 in favor of banks and/or finance companies to guarantee the fulfillment of payment obligations of the subsidiaries Andes Solar SpA, Andes Solar II SpA and Bolero (BESS).

All trades payables subject to the financing agreement with suppliers are included in trade payables and other payables in the consolidated statement of financial position and within trade creditors in the table above.

	December 31, 2024
Carrying amount of trade payables that are part of a supplier financing agreement	123,195
Suppliers who have received payment from the financing provider (confirming company)	(603,670)

NOTE 23 - PROVISIONS

As of December 31, 2024 and 2023, the balances for provisions are detailed as follows:

	Current		Non-current	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Provision for legal claims	59	33	—	—
Dismantling and restructuring costs	—	—	81,976	85,661
Other Provisions	16,939	15,635	8,602	7,890
Total	16,998	15,668	90,578	93,551

1. Provision for legal claims

Current balances primarily consist of provisions for legal contingencies. A detail of the main contingencies is provided in Note 32.

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Given the typical characteristics of this type of provisions, it is impossible to reliably establish a payment schedule, should such disbursement be appropriate in each case.

2. Provisions for Decommissioning and Rehabilitation costs

The non-current balance of these provisions is entirely consistent in the cost for removal of assets and rehabilitation of the land where the different plants of the Group are located. The expected term of disbursements fluctuates from 20 to 40 years, depending on the laws, regulations or contracts giving rise to the liability.

3. Other Provisions

Mainly correspond to contingent liabilities for new projects in the development stage.

4. Movements in provisions

	Legal claims	Dismantling and restructuring costs	Other provisions	Total
Opening Balance as of January 1, 2023	95	120,607	22,552	143,254
Changes in the present value of the obligation	—	6,040	—	6,040
Increase (decrease) in existing provisions	(62)	(37,621)	973	(36,710)
Recovered provision	—	(3,365)	—	(3,365)
Balance as of December 31, 2023	33	85,661	23,525	109,219
Changes in the present value of the obligation	—	4,491	—	4,491
Increase (decrease) in existing provisions	26	15,363	2,016	17,405
Reclassification to liabilities related to held for sale	—	(23,539)	—	(23,539)
Balance as of December 31, 2024	59	81,976	25,541	107,576

NOTE 24 - EMPLOYEE BENEFITS

AES Andes S.A. and some of its subsidiaries grant different post-employment benefit plans to part of their active or retired employees, which are assessed and recorded in the financial statements in accordance with the criteria described in Note 4.14.

As of December 31, 2024 and 2023, the balance of post-employment obligations is detailed as follows:

	December 31, 2024	December 31, 2023
Current	4,231	5,135
Non-current	23,412	23,818
Total	27,643	28,953

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

24.1.- Present Value of Post-Employment Obligations

The changes in post-employment obligations for defined benefits in the years ended December 31, 2024 and 2023, are detailed as follows:

	December 31, 2024	December 31, 2023
Initial balance	28,953	29,973
Current service cost of obligation	1,556	1,794
Interest cost of obligation	1,793	1,864
Actuarial losses (gains) - demographic assumptions	4,092	(1,239)
Actuarial losses (gains) - financial assumptions	311	1,041
Increase (decrease) due to exchange differences	(3,649)	(970)
Contributions paid under obligations	(2,827)	(3,510)
Reductions in defined benefit plan obligations	(2,586)	—
Final Balance	27,643	28,953

24.2.- Costs Recognized as Profit or Loss

The amounts recognized in consolidated profit or loss within sales cost and administrative expenses in the statement of comprehensive income for the years ended December 31, 2024 and 2023, are detailed as follows:

	December 31, 2024	December 31, 2023
Current service cost of defined benefit plan	1,556	1,794
Interest cost of defined benefit plan	1,793	1,864
Loss (gain) for defined benefit plan reduction and settlement	1,464	3,207
Total impact in profit or loss	4,813	6,865

24.3.- Other Disclosures

a. Actuarial Assumptions

The assumptions used in the actuarial calculation are detailed as follows:

	Chile		Colombia	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Nominal discount rate used	6.00 %	5.62 %	11.50 %	11.25 %
Expected rate of salary increases	5.67 %	5.06 %	4.00 %	4.00 %

Mortality table	Tables issued according to joint standards of the Financial Market Commission and the Superintendency of Pension-fund Managers	Tables issued according to 1971 GAM from US agencies
-----------------	---	---

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

b. Sensitive analysis:

As of December 31, 2024, the sensitivity of the total value of post-employment obligations in the event of variations in medical cost, discount rate, salary increase rate and turnover rate, generates the following effects:

	Awareness Rate	Reduction	Increase
Discount rate sensitivity	0.25%	465	(450)
Salary increase sensitivity	0.25%	(336)	346

NOTE 25 - OTHER NON-FINANCIAL LIABILITIES

As of December 31, 2024 and 2023, the balances of other non-financial liabilities are detailed as follows:

	Current		Non-current	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Deferred income (Note 25.1)	5,348	5,348	25,414	30,763
Accrued liabilities (Note 25.2)	23,128	23,877	491	1,017
Total	28,476	29,225	25,905	31,780

25.1.- Deferred Income

As of December 31, 2024 and 2023, deferred income is detailed as follows:

	Current		Non-current	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Escondida anticipated income	48	48	49	96
Grace anticipated income	26	26	244	271
Alto Maipo anticipated income	5,274	5,274	25,121	30,396
Total	5,348	5,348	25,414	30,763

25.2.- Accumulated Liabilities

They primarily consist of provisions for vacation and other staff benefits of the Company, as accrued as of the year-end date of the financial statements.

NOTE 26 - SHAREHOLDERS' EQUITY

26.1.- Capital Management

The shareholders' equity includes issued capital, additional paid-in capital, other interests, other reserves, and retained earnings (losses).

The main purpose of the capital management of the Company is to maintain a robust risk rating and sound capital indicators in order to support the business and maximize the value to the shareholders.

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

The Company manages its capital structure and makes adjustments based on changes in economic conditions. To maintain or adjust its capital structure, the Company may adjust dividend payments or capital returns to shareholders, or issue new shares.

According to a resolution of the Company's Extraordinary Shareholders' Meeting held on August 10, 2023, they requested the voluntary cancellation of the registration of the Company's shares in the Securities Registry of the Financial Market Commission, as provided for in Article 2, paragraph six of the Corporations Act ("LSA"). The preceding gave dissenting and absent shareholders the right to withdraw from the Company upon payment by the Company of the value of their shares, all under the provisions of Articles No. 69 and following of the LSA and Articles No. 126 and following of its Regulations. As of December 31, 2024, 6,833,135 shares were transferred under the exercise of said right.

Except as set forth in the previous paragraph, during the years ended December 31, 2024 and 2023, no changes were made in the capital-related goals, policies or procedures of the Company.

26.2.- Subscribed and Paid-in Capital

As of December 31, 2024, the capital stock of the Company is made up of 10,376,645,776 subscribed and paid in shares.

The Extraordinary Shareholders' Meeting held on April 21, 2023, agreed to decrease the capital stock of AES Andes from US\$2,095,634,136 to US\$1,975,633,416, which is fully subscribed and paid. They agreed that the decrease of US\$120,000,720 would be paid on September 26, 2023. As a result of this decrease, the capital stock is as follows: US\$1,975,633,416, divided into 10,376,645,776 shares of the same series, without par value, fully subscribed and paid.

Also, on August 10, 2023, the Extraordinary Shareholders' Meeting agreed to reduce the capital stock of AES Andes from US\$1,975,633,416 to US\$1,843,633,143, which is fully subscribed and paid. The decrease of US\$132,000,273 will be paid on December 19, 2023. As a consequence of such a decrease, the capital stock was US\$1,843,633,143, divided into 10,376,645,776 shares of one and the same series, without par value, fully subscribed and paid.

Likewise, on August 13, 2024, at an Extraordinary Shareholders' Meeting, it was agreed to reduce the share capital of AES Andes from US\$1,843,633,143 to US\$1,693,632,502, which is fully subscribed and paid up. The decrease of US\$150,000,641 was paid on September 25, 2024. As a result of this decrease, the share capital was as follows: US\$1,693,632,502, divided into 10,376,645,776 shares of the same and only series, without nominal value, fully subscribed and paid.

26.3.- Dividend Policy

The Ordinary Shareholders' Meeting held on April 30, 2024, agreed that the Company intends to distribute as a dividend among its shareholders up to 100% of the recurring net profits generated during the year 2024, to the extent that there are retained earnings available. Compliance with this dividend policy will be conditioned to the profits obtained and the results of the projections periodically made by the Company in relation to its financial performance, the availability of cash and the efficiency of its operations during the subsequent period. It should also consider the need to contribute company resources to finance investment and construction projects, the compliance with the obligations and restrictions on dividends contained in the Company's bylaws and the Corporations Law, as well as the credit and bond issuance agreements, which consist of being up to date in complying with the non-performance obligations defined in the respective credit agreements, to the payment of interest on the payment dates and to compliance with the cash and investment policy.

The Assembly also agreed to authorize the Board of Directors, under the responsibility of the directors attending the resolution, to distribute dividends during the 2024 fiscal year against the profits, provided that there are

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

no accumulated losses. Regarding dividends for the following years, it was considered appropriate to maintain a policy like the one described above in the medium term. During 2024, AES Andes did not distribute or declare dividends.

26.4.- Retained Earnings (Accumulated Losses)

Earnings (Losses) for each years are detailed as follows:

	December 31, 2024	December 31, 2023
Initial balance	(988,708)	(813,842)
Result for the year	131,275	(174,866)
Final balance	(857,433)	(988,708)

26.5.- Other Interest in the Shareholders' Equity

Other interest in the shareholders' equity is detailed as follows:

	Stock Option Plans (1)	Total
Balance as of January 01, 2023	11,029	11,029
Stock Option Plan	203	203
Balance as of December 31, 2023	11,232	11,232
Stock Option Plan	302	302
Balance as of December 31, 2024	11,534	11,534

(1) See Note 4.14.

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

26.6.- Other Reserves

Other reserves as of December 31, 2024 and 2023, are detailed as follows:

	Reserve for Exchange Differences due to Translation	Reserve for Cash Flow Hedges	Reserve for Defined Benefit Plans	Translation Reserve within Equity(1)	Other reserves	Total
Balance as of January 31, 2023	(211,474)	(120,777)	(16,877)	(133,206)	178,037	(304,297)
Movement of derivatives recognized in profit or loss	—	(18,817)	—	—	—	(18,817)
Movement of derivatives recognized in other reserves	—	9,949	—	—	—	9,949
Deferred tax	—	3,152	(181)	—	—	2,971
Non-controlling interests (net of taxes)	—	(1,739)	—	—	—	(1,739)
Exchange difference of subsidiary	75,741	—	—	—	—	75,741
Other variations	—	—	225	—	2,860	3,085
Balance as of December 31, 2023	(135,733)	(128,232)	(16,833)	(133,206)	180,897	(233,107)
Movement of derivatives recognized in profit or loss	—	5,997	—	—	—	5,997
Movement of derivatives recognized in other reserves	—	(9,359)	—	—	—	(9,359)
Deferred tax	—	809	1,169	—	—	1,978
Non-controlling interests (net of taxes)	—	(1,908)	—	—	—	(1,908)
Exchange difference of subsidiary	(50,667)	—	—	—	—	(50,667)
Other variations	—	—	(4,019)	—	5,219	1,200
Balance as of December 31, 2024	(186,400)	(132,693)	(19,683)	(133,206)	186,116	(285,866)

(1) It consists of the adjustment for the difference between principal paid at the closing foreign exchange rate of December 31, 2008, and its historical value, as stated in Circular Official Letter 456 dated June 20, 2008, issued by the Financial Market Commission.

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

26.7.- Restrictions on disposition of funds from subsidiaries

The subsidiaries of AES Andes may distribute dividends so long as they comply with the restrictions, ratios and limitations established in their respective credit agreements. See Note 32.2 for more details of compliance with the ratios associated with the financial commitments.

NOTE 27 - REVENUE

Operating revenues for the years ended December 31, 2024 and 2023 are detailed as follows:

	December 31, 2024	December 31, 2023
Contract Energy and Capacity Sales ⁽¹⁾	1,508,377	1,753,004
Spot Market Energy and Capacity Sales	733,752	881,432
Transmission income	84,357	92,882
Other Operating Revenue ⁽²⁾	16,525	14,332
Total	2,343,011	2,741,650

⁽¹⁾ The sales of energy and power under contracts include pass-through costs, as set forth in supply contracts with non-regulated customers, which mainly include fuel costs, transmission system costs, rerouting of energy, and tax on emissions, among others.

⁽²⁾ Other operating revenue mainly includes income from coal sales.

NOTE 28 - SIGNIFICANT EXPENSES

28.1.- Expense by nature

The main operating and administration costs and expenses for the years ended December 31, 2024 and 2023, within sales cost and administrative expenses in the statement of comprehensive income are detailed as follows:

	December 31, 2024	December 31, 2023
Fuel consumption	407,325	797,942
Fuel sales cost	13	674
Energy and Capacity Purchases	763,961	665,506
Other fuel costs	67,919	77,833
Transmission Tolls	92,372	99,714
Production and other sales costs	49,957	34,651
Production staff costs	69,125	73,667
Insurance recovery	(7,639)	—
Other fixed costs	173,931	199,986
Depreciation	174,328	178,925
Amortization	5,312	5,662
Sales Cost	1,796,604	2,134,560
Administrative staff costs	22,813	29,210
Other administrative costs	62,782	65,115
Administrative expenses	85,595	94,325

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

28.2.- Staff Cost

Staff costs for the years ended December 31, 2024 and 2023, are detailed as follows:

	December 31, 2024	December 31, 2023
Wages and salaries	53,566	57,691
Short-term employee benefits	30,722	31,720
Employment termination benefits	4,813	6,865
Stock-based compensation transactions	805	897
Other staff costs	2,032	5,704
Total	91,938	102,877

NOTE 29 - OTHER INCOME / (LOSSES)

Other income (losses) for the years ended December 31, 2024 and 2023, is detailed as follows:

	December 31, 2024	December 31, 2023
Fair value adjustment of Ventanas Group ⁽¹⁾	(100,035)	—
Result from sale of subsidiaries	6,862	1,062
Impairment property, plant and equipment and intangible ⁽²⁾	(773)	(298,099)
Costs for debt termination and restructuring	(8,308)	(1,477)
Insurance recovery	8,942	447
Fair value adjustment for sale of accounts receivable	(2,001)	(234)
Gasandes dividend	3,816	5,727
Result for sale/withdrawal of fixed and intangible assets	176	(2,368)
Recoverable tax write-offs	(1,574)	(2,273)
Termination of contract with Fluence	3,800	—
Contingent passive adjustment projects	215	—
Restructuring costs	(2,952)	(6,269)
Laja plant sale agreement	—	4,582
Arbitration recovery	—	1,786
Accounts payable write-off	1,356	—
Other sundry revenues (expenses)	(4,328)	583
Total	(94,804)	(296,533)

⁽¹⁾ On December 11, 2024, AES Andes signed an agreement with Quintero Energía SpA for the sale of 100% of the shares of Grupo Ventanas (Empresa Eléctrica Ventanas SpA and Núcleo SpA). Ventanas has two operational units, Ventanas 3 and 4, with 267 MW and 270 MW, respectively, located in Puchuncaví, Valparaíso Region. As a result of this transaction, AES Andes recorded an impairment of the investment in the subsidiaries of ThUS\$100,035.

⁽²⁾ On May 25, 2023, AES Andes informed the National Energy Commission, the Superintendency of Electricity and Fuels, and the National Electricity Coordinator the definitive disconnection of the Norgener 1 and Norgener 2 coal-fired generation units, which make up the Norgener Thermoelectric Power Plant with an installed capacity of 276 MW located in the municipality of Tocopilla, Antofagasta Region, Chile. Given this, AES Andes recorded an impairment loss on Property, Plant, and Equipment, which affected the 2023 net results for ThUS\$298,099—finally, the Plant was shut down on April 15, 2024.

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

NOTE 30 - FINANCIAL RESULTS

Financial results for the years ended December 31, 2024 and 2023, are detailed as follows:

	December 31, 2024	December 31, 2023
Income from financial assets	86,089	81,810
Other financial income	1,149	244
Total financial income	87,238	82,054
Interest on bank loans	(67,999)	(141,100)
Interest on notes	(136,247)	(116,047)
Income/(loss) for assessment of financial derivatives, net	(209)	(2,694)
Leasing interest	(6,605)	(2,739)
Other expenses	(23,307)	(20,075)
Capitalized financial expenses	40,938	66,947
Total financial expenses	(193,429)	(215,708)
Foreign Currency Exchange Differences, net	(28,350)	(155,695)
Total financial profit (loss)	(134,541)	(289,349)

NOTE 31 - CONTINGENCIES AND COMMITMENTS

31.1.- Litigation and/or Administrative Procedures

The Company reviews the status of litigations and administrative proceedings quarterly and considers that the provisions recorded as of December 31, 2024, adequately cover litigation risks (see Note 4.16).

AES Andes and subsidiaries has lawsuits or administrative proceedings of various types for which it is impossible to determine precisely the possible economic effects they could have on the consolidated financial statements in the event of adverse rulings. In some of these cases, although no provision has been recorded, the Administration has decided to disclose the details of each proceeding as they have become public knowledge.

Given these contingencies' characteristics, it is impossible to determine a reasonable payment schedule, if any, or any reimbursement that may be obtained from them.

a) *Legal processes related to AES Andes ("Andes")*

i) *Lawsuit for Environmental Damages against AES Andes*

In July 2016, two fishing, diving, and other unions related to the extraction of sea products, along with 18 individuals from the districts of Horcón and Ventanas, filed a lawsuit before the Second Environmental Court of Santiago against AES Andes S.A., the Ministry of Environment, and another 10 companies located in the area (CODELCO, Puerto Ventanas, Empresa Nacional de Electricidad, GNL Quintero, COPEC, Gasmar, Oxiquim, Petróleos Asfaltos y Combustibles S.A., Melón Cementos and ENAP) for alleged environmental damage caused by the companies, which were authorized by the State.

The lawsuit seeks to repair the environmental damage of Quintero and Ventanas bays, which is allegedly derived from the industrial activity developed by the defendants, and it proposes for such purpose to create a fund with contributions to be made by the latter and intended to finance the studies that will allow to assess the current condition of the environment components, and the redress measures that need to be adopted. The Court is expected to issue a ruling in the coming months.

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

ii) Summary Administrative Investigations by Gobernación Marítima de Valparaíso (Valparaíso Maritime Authority)

AES Andes has been investigated twice by the Maritime Prosecutor's Office of Valparaíso.

(1) The first one was ordered through Fiscal Opinion dated October 24, 2017, for alleged unauthorized discharges of combusted and non-combusted coal particles by AES Andes, among others, between November 8, 2012, and November 8, 2013. After the procedure was concluded by resolution of the Maritime Administration, who imposed a fine of 35,000 gold pesos (ThUS\$373) on both AES Andes and Puerto Ventanas. On January 17, 2023, AES Andes filed a motion to vacate the Maritime Governor's decision, which was rejected on March 23, 2023. AES Andes dissent with the conclusions of the resolution is reviewing different alternatives to challenge the decision before different agencies.

(2) The second investigation was initiated on January 23, 2019, referring to the events between January 2018 and January 2019. The Maritime Administration's resolution was notified on July 22, which originates our defense and recognizes the infraction without applying a penalty since the event was penalized with a fine during the first Administrative Summary Investigation. On August 12, 2024, AES Andes filed an appeal for reconsideration, which was dismissed on October 8, 2024. AES Andes disagrees with the resolution's conclusions and reviews alternatives to challenge it before other organizations.

iii) Accusations of SMA against AES Andes S.A., Ventanas Complex.

On April 21, 2023, AES Andes was notified of the Exempt Resolution No. 1/Docket F-017-2023, which formulates charges based on the infraction "Failure to reduce 11% of SO2 emissions at Alert level, according to the Operational Plan 2022". The described act or omission would represent a violation of section c) of article 35 of the SMA Organic Act, classified as a serious infraction. On May 24, 2023, AES Andes presented its defense and on May 10, 2024, the Company was notified of a fine of ThUS\$181, against which, on June 3, 2024, an appeal was filed with the Environmental Court. The hearing of the case is scheduled for April 9, 2025.

iv) Arbitration with Compañía General de Electricidad S.A.

On October 8, 2019, AES Andes filed before the Arbitration and Mediation Center of the Santiago Chamber of Commerce (from now on, "CAM Santiago") a claim for specific performance so that Compañía General de Electricidad S.A. ("CGE") complies with four electricity supply agreements signed in 2007. CGE has assigned less power to these contracts until December 30, 2019, concerning other agreements signed by CGE in the same bidding process.

On April 29, 2024, CAM Santiago issued a favorable ruling to AES Andes, ordering CGE the payment of US\$18,300,378 (ThUS\$18,365). On May 7, 2024, CGE filed an appeal against the arbitration award, alleging serious misconduct or abuse by the arbitrator in rendering the award. On November 11, 2024, the Santiago Court of Appeals rejected the appeal filed by CGE. The ruling is final and enforceable.

v) AES Andes S.A. v. Compañía Minera Zaldívar SpA

In December 2022, AES Andes requested the appointment of an arbitrator concerning the dispute with Compañía Minera Zaldívar SpA ("CMZ") related to the pro-rata distribution of certain payments under the Second Transmission Line Lease Agreement dated December 31, 1998, between AES Andes and CMZ. AES requests compliance with Zaldívar's obligations under the contract, to pay AES Andes the corresponding regulated rate (obligation already established by arbitration resolution of 2019). CMZ answered the lawsuit on July 18, 2023, presenting a counterclaim against AES Andes, which was answered by AES Andes, together with the rejoinder to the main lawsuit, dated August 31, 2023. At the date of issuance of the Consolidated Financial Statements, the discussion stage had been closed, and the case was currently in the conciliation stage. However, following a friendly challenge, the arbitrator resigned from the position. On December 5, 2024, the parties appointed a new arbitrator by mutual agreement, and the proceedings will resume in the evidentiary phase.

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

vi) Civil Claim for Compensation for Damages against GasAtacama Chile S.A.

In May 2017, AES Gener S.A. (today AES Andes) and Empresa Eléctrica Angamos SpA filed a civil lawsuit for damages against GasAtacama Chile, for an amount of ThUS\$37,400 and ThUS\$26,300 respectively, for the damages caused during the period between 2011 and 2015 as a consequence of the delivery of unreliable information to the Economic Load Dispatch Center (CDEC, today the National Electrical Coordinator), which forced the plaintiffs to assume higher costs that had to be assumed by the actors in the electrical system. On May 15, 2018, the court joined the case with that initiated by Engie Energía Chile S.A. and its subsidiaries, acting since then with a common representative.

On October 17, 2023, the 24th Civil Court of Santiago issued a favorable ruling in favor of the plaintiffs, forcing GasAtacama to compensate damages for a value that has not been determined to date but that is preliminarily estimated at a sum close to ThUS\$24,000.

As of the date of issuance of these Consolidated Financial Statements, appeals and appeals were filed against the ruling.

vii) Arbitration with Puerto Ventanas S.A.

On September 4, 2024, AES Andes S.A. filed a claim for damages against Puerto Ventanas S.A. ("PVSA") for demurrage of approximately ThUS\$27,000 incurred by AES Andes S.A. due to breaches by PVSA. to the Coal Unloading Agreement during 2021 and 2022 due to an incorrect prioritization o service the ships, and from December 29, 2022 onwards, as a result of the fire that occurred in Puerto Ventanas. On October 27, 2024, PVSA answered the lawsuit and filed a counterclaim against AES Andes S.A. for approximately ThUS\$5,000, due to demurrages incorrectly paid by PVSA to AES Andes S.A. The process is currently in the discussion phase.

b) Legal processes related to Empresa Eléctrica Cochrane SpA ("Cochrane")

i) Cochrane arbitrations with SQM S.A.

On September 15, 2021, Cochrane filed before the CAM Santiago a declaratory claim against SQM to declare that the supply tariff under the contract should be adjusted due to the modification of the economic cost resulting from the entry into force of an internal procedure of the National Electric Coordinator.

On January 21, 2022, SQM filed a lawsuit with the same Court and on the same grounds as the first arbitration, seeking early termination of the electricity supply agreements between the parties and damage compensation valued by SQM for ThUS\$5,900.

On November 26, 2024, the Court upheld Cochrane's decreeing that the tariff must be adjusted in the terms demanded by Cochrane.

c) Legal processes related to AES Colombia

(i) Simple Nullity Action against the administrative acts through which the sale of the Chivor Hydroelectric Power Plant was approved

On May 25, 2021, Mr. Wilson Alexander Calderón Roa filed a simple annulment action against the Ministry of Finance and Public Credit of Colombia. The claims of the lawsuit are aimed at (i) declaring the nullity of Decree 1740 of 1996, by which the program for the disposal of the Chivor Hydroelectric Power Plant is approved, (ii) declaring the nullity of Resolution 3121 of 20 December 1996 through which the shares of the company Chivor S.A. are awarded. E.S.P., second issue, and (iii) that the pertinent orders be issued so that the legal situations return to the state prior to the sale of the Chivor Hydroelectric Power Plant.

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

The motion was admitted on September 16, 2022. AES Colombia participates as a third party with interest in the process.

By order from May 30, 2023, the proceeding must focus exclusively on the legality trial regarding Decree 1740 of 1996. It will not consider the plaintiff's claims against Resolution 3121 of December 20, 1996, issued by the Ministry of Finance, nor, consequently, against Deeds 5000 and 5100 from 1996.

With the lawsuit partially admitted, AES Colombia answered the nullity action defending the legal act sued, establishing all the arguments to demonstrate that the legal requirements were complied with, and therefore highlighting the lack of merit of the action.

By order notified on March 13, 2024, the Office ordered the application of article 42 of Law 2080 of 2021, in order to issue an early ruling in the case. The plaintiff requested all the proceedings from the admission of the lawsuit to be declared null and void. On October 8, 2024, the Company was notified of the order by which the Council of State ruled against the motion to nullify all the proceedings, and the plaintiff objected to the order through a motion to vacate.

(ii) Simple Nullity Action against certain environmental administrative acts of the Chivor Hydroelectric Power Plant

In 2019, Wilson Alexander Calderón Roa filed a motion to quash resolutions of (i) Corporación Autónoma Regional de Chivor (Corpochivor); and (ii) the National authority of environmental licenses (ANLA).

The motion seeks to declare null the following resolutions: n°282 from 1969, n°294 from 1984, n°001128 from 1996, n°00013 from 1997, n°00014 from 1997, n°00014 from 1997, n°00014 from 1997, n°00014 from 1997, n°704 from 2014 and n°01463 from 2017. Such resolutions granted water concessions and modified an Environmental Management Plan of Chivor.

Additionally, the plaintiff requested a precautionary measure to temporarily suspend Resolution N°01463 from 2017 (ANLA) and the activities executed under the administrative resolution.

The lawsuit was admitted on October 19, 2021. AES Colombia participates as a third party with interest in the process.

AES Colombia replied to the lawsuit, claiming that the legal acts comply with the legal requirements and that the action has no merit. The Council of State has yet to rule on the opposition to the precautionary measure presented and, in addition, to set a date and time for the Initial Hearing.

iii) Popular action against the sale of Chivor

Through an order dated June 17, 2024, the Administrative Court of Boyacá admitted the Popular Action brought by Wilson Alexander Calderón y Andrés Felipe Calderón Hernández against the Ministry of Finance and Public Credit of Colombia, informally linking AES Colombia together with other actors.

The lawsuit wants to protect the collective rights and interests in administrative morality due to the sale of the Chivor Hydroelectric Power Plant.

AES Colombia filed a motion to vacate the order, admitting the lawsuit and claiming grounds to nullify the proceedings. It also challenged the precautionary measure requested by the plaintiffs.

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

31.2.- Financial Commitments

31.2.1 Commitments related to AES Andes

Both the credit agreements executed by AES Andes with various financial institutions and the indentures governing the notes, impose certain financial restrictions and obligations during their effective term, which are usual for this type of operations. As of December 31, 2024, AES Andes was compliant with all the debt commitments and financial restrictions as per the terms and conditions of each of these agreements and contracts.

In 2024, the following transactions can be highlighted:

a) In July 2015, AES Andes completed a liability refinance transaction and issued a new Senior note under Rule 144A and Regulation S of the United States with a 5.00% interest rate and due in 2025 for a total of ThUS\$425,000.

On March 20, 2024, AES Andes repurchased this bond for a total of ThUS\$43,404, financed with the issuance of a 6.30% senior bond maturing in 2029 that was issued in March 2024. The redeemed bonds were liquidated. The remaining capital as of December 31, 2024 is ThUS\$74,084. This note has no financial restrictions.

b) In March 2019, AES Andes completed the issuance of a 7.125% Subordinated Bond due 2079 for a total of ThUS\$550,000. This Subordinated Junior Note has no financial restrictions.

In June 2024, AES Andes paid the remaining capital of this bond for Th\$516,000, extinguishing the debt. The redeemed bonds were liquidated.

c) In October 2019, AES Andes completed the issuance of a 6.35% Subordinated Note due 2079 for a total of ThUS\$450,000. The proceeds from this issuance were allocated to pay in full the 2021 Note and to make a partial payment of 2025 Note.

On March 20, 2024, AES Andes carried out repurchases of this bond for a total of ThUS\$100,000. The redeemed bonds were liquidated.

As of December 31, 2024, the remaining amount of capital of ThUS\$228,407. This Subordinated Junior Bond has no financial restrictions.

d) As a result of the signing of the ESSA share purchase and sale contract to Generadora Metropolitana SpA., in December 2017, the ESSA bond issuance contract was assumed by AES Andes S.A.. The contract had an initial notional of UF 1,086,000 (ThUS\$45,863), registered in the Securities Registry of the Financial Market Commission, under No. 214. On October 15, 2024, the last payment of this bond was made on schedule for an amount of UF 209,055 (ThUS\$8,060), thus extinguishing the debt altogether.

e) On August 30, 2022, AES Andes closed a green loan agreement with one local bank amounting to ThUS\$50,000, which was repaid on the same day the agreement was signed. As of December 31, 2024, the current capital of the green credit amounts to ThUS\$50,000.

f) As of September 30, 2022, AES Andes closed a green loan agreement with two international banks for ThUS\$150,000. On October 7, 2022, the loan was fully repaid. As of December 31, 2024, the current capital of the green credit amounts to ThUS\$150,000.

g) As of May 03, 2023, AES Andes closed a green loan agreement with a international bank for ThUS\$35,000. As of December 31, 2024, the current capital of the green credit amounts to ThUS\$35,000.

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

h) On December 12, 2023, the terms of the AES Andes committed financing line credit contract signed with a syndicate of banks were modified, increasing its amount to ThUS\$305,000 and extending its validity for 4 years.

In conjunction with the aforementioned modification, conditions were incorporated to be able to grant the designation of "green credit" to this line of financing, replicating the methodology used in other green financing subscribed by the company. As of December 31, 2024, the committed balance of the line is ThUS\$255,000.

i) In March 2024, AES Andes completed the issuance of a 6.30% senior green bond maturing in 2029 for a total of ThUS\$500,000. This Senior bond has no financial restrictions. The funds from this issuance were used to partially prepay the senior bond of ThUS\$425,000 maturing in 2025, the junior subordinated bond of Th\$450,000 maturing in 2079, and with the remainder, to fully or partially prepay short-term debt at the AES Andes level. The remaining capital as of December 31, 2024 is ThUS\$500,000.

j) In June 2024, AES Andes completed the issuance of an 8.15% junior green bond maturing in 2055 for a total of ThUS\$530,000. This junior bond has no financial restrictions. The funds from this issuance were used to fully prepay the junior subordinated bond of M\$550,000 maturing in 2079, and the remainder was held in cash and/or cash equivalents. The remaining principal as of December 31, 2024, is ThUS\$530,000.

For sections d), e), f), g), h), and j) AES Andes must comply on a quarterly basis with the following financial indicators calculated based on its financial statements:

- " Total Net Debt to EBITDA ratio not exceeding 4.0 times, understood as the ratio of financial debt (adjusted for cash and cash equivalents, and "capital credit" under the treatment of risk rating agencies) over EBITDA, excluding those subsidiaries with special-purpose (project finance)". The value calculated for this indicator as of December 31, 2024, was 3.15 times.
- Hedging of financial expenses not less than 2.50 times, understood as the ratio of EBITDA over the net financial result (financial costs (-) financial income), excluding those subsidiaries with special-purpose (project finance)". As of December 31, 2024, this indicator amounted to 11.86 times.

The following agreements were also concluded:

On August 14, 2023, AES Andes signed with IDB Invest an agreement called "Purchase Facility" pursuant to which, subject to certain conditions, IDB Invest undertakes to purchase and AES Andes undertakes to sell certain eligible payment documents issued in favor of the Company under Law 21,472 that "Creates an Electricity Rate Stabilization Fund and establishes a Temporary Customer Protection Mechanism (MPC)", and Exempt Resolution No. 334, of the National Energy Commission (together the "Stabilization Mechanism").

The last sale under this agreement was made on August 9, 2024, thus reaching a total nominal value of payment documents sold of ThUS\$151,826 (including interest). Likewise, on August 12, 2024, August 2024, this sales program with IDB Invest was cancelled, releasing AES Andes from the obligation to sell payment documents under the Purchase Facility agreement.

On October 7, 2024, AES Andes reached an agreement with IDB Invest called the Purchase Facility in according to which, subject to certain conditions, IDB Invest agrees to purchase and AES Andes agrees to sell certain payment documents resulting from the price stabilization mechanism in accordance with Act 21,472, as amended by Act 21,667 (known as PEC III Act), and Exempt Resolution No. 86 of 2023 as amended by Exempt Resolution No. 334 of 2023 and by Exempt Resolution No. 379 of 2024, all of the National Energy Commission. PEC III creates a tariff stabilization fund and establishes a new transitional mechanism for stabilizing electricity prices for regulated customers, with a fund of up to 5.5 billion dollars in force until December 31, 2035.

Under this agreement, AES Andes may sell to IDB Invest the DDPs that arise as a result of the difference between the billing that would have resulted from applying the energy and power rates defined in the supply contracts signed between AES Andes, its subsidiaries and the Distribution concession companies and the actual billing of the

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

tariffs resulting from the application of the PEC III Law. The first PEC III sale took place on October 24, 2024, and with it, the Company received 217 million dollars (including interest)

31.2.2 Commitments related to AES Colombia

As of December 31, 2024, AES Andes was compliant with all the debt commitments and financial restrictions as per the terms and conditions of each of these agreements and contracts.

a) On December 17, 2020, a credit agreement of up to ThCOP\$350,000,000 (ThUS\$79,380) was entered into with Scotiabank Colpatría and Bancolombia for a term of 7 years to (i) develop the construction of the San Fernando solar plant, (ii) refinance the financial obligations outstanding as of that date, and (iii) meet their general purpose needs within the ordinary course of business.

On December 31, 2024, AES Colombia partially prepaid this loan for ThCOP\$107,000,000 (ThUS\$27,848), financed with funds from the issuance of a 6.30% senior bond maturing in 2029 that was issued in March 2024 at the AES Andes level.

The total amount disbursed at the date of issuance of these Financial Statements is ThCOP\$227,500,000 (ThUS\$51,597).

b) On April 21, 2022, a loan agreement for up to ThCOP\$227,500,000 (ThUS\$51,597) was closed, with Scotiabank Colpatría and Bancolombia for 5 years to: (i) build the Brisas solar farm and (ii) fund the operating needs typical of its business.

For sections a) and b) AES Colombia must comply semi-annually with the following financial indicators calculated based on its individual financial statements:

- “Net Financial Debt/Adjusted EBITDA Ratio” less than or equal to 3.5 times. The value calculated for this indicator as of December 31, 2023 was 1.14 times.

c) On March 21, 2024, AES Colombia partially prepaid this loan for ThCOP\$107,000,000 (ThUS\$24,268), the payment was financed with funds from the issuance of a 6,30% senior bond maturing in 2029 that was issued in March 2024 at the level of AES Andes.

The total amount disbursed at the date of issuance of these Financial Statements is ThCOP\$60,937,500 (ThUS\$13,821).

d) During 2002 the Company signed three promissory notes for a total of ThCOP\$351,500,000 (ThUS\$79,721) with Bancolombia, Banco de Bogotá and Banco Occidente. The debt matures in 2025 and 2026 and has no financial restrictions.

On March 21, 2024, AES Colombia partially prepaid these notes for ThCOP\$183,333,333 (ThUS\$41,580). Subsequently, on April 11, AES Colombia prepaid the remaining balance of ThCOP\$151,500,000 (ThUS\$34,360), thereby fully extinguishing this debt.

31.2.3 Other Commitments related to Cochran

At the date of issuance of the Financial Statements, Electrica Cochran has an international bond and a local bond that share collateral on assets and land. These debts are the following:

a) The placement of the line registered in the Securities Registry kept by the Financial Market Commission on June 16, 2020, which was for ThUS\$485,000. This Bond has no financial maintenance restrictions. As of December 31, 2024, the current notional of the local bond is ThUS\$485,000.

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

b) On November 5, 2019, it issued a senior and guaranteed bond at 5.50% with maturity in 2027 for a total of ThUS\$430,000. The operation was carried out under Rule 144-A and Regulation S of the securities regulations of the United States of America. This Bond has no financial maintenance restrictions. As of December 31, 2024, the debt amounting to ThUS\$165,335 is outstanding.

31.2.4 Other Commitments related to AES Chile Inversiones Renovables SpA (before AES Chile)

On May 26, 2022, AES Chile Inversiones Renovables SpA amended the non-possessory pledge agreement over shares initially subscribed in 2013, whereby it constituted a non-possessory pledge over (i) 306,009 shares it owned in Alto Maipo SpA; and (ii) all shares to be issued by Alto Maipo SpA and that AES Chile Inversiones Renovables SpA subscribes or acquires for any reason in the future.

Also, on May 26, 2022, AES Andes S.A. created a non-possessory pledge over (i) 305,702,991 of its shares in Alto Maipo SpA; and (ii) all the shares to be issued by Alto Maipo SpA and subscribed or bought by AES Andes S.A. for any reason in the future.

NOTE 32 - GUARANTEES

Guarantees granted

Below there is a detail of the guarantees granted to AES Andes as of December 31, 2024.

On August 30, 2019, a power supply agreement was executed between AES Andes S.A. and Inversiones y Servicios Dataluna Limitada (a subsidiary of LLC Google). AES Andes issued a guarantee of ThUS\$5,200 to ensure full compliance with the power supply agreement.

Other Guarantees

On October 22, 2018, as parent of AES Colombia, AES Andes granted as guarantor in favor of Ecopetrol S.A. and/or its Business Group, as beneficiaries, a joint and several parent company guarantee under which AES Andes secured the appropriate and full performance of the obligations assumed up to that time and in the future by AES Colombia with respect to the beneficiary under the Castilla Project contracts.

On July 10, 2020, as parent company of AES Colombia, AES Andes SA granted as guarantor in favor of Cenit Transporte y Logística de Hidrocarburos SAS and/or its assignees of Grupo Empresarial Ecopetrol, as beneficiaries, a joint and several parent company guarantee under which AES Andes secures the appropriate and full performance of the obligations assumed up to that time and in the future by AES Colombia with respect to the beneficiary under the San Fernando Project contract.

On March 27, 2024, AES Andes issued a surety bond and signed as a joint and several debtor concerning the monetary obligations of its subsidiary Energía Eléctrica Paposó SpA under the "Term and Settlement of Sublease Agreements and Amendment of the Sublease Agreements between Inversiones Interover Norte SpA, MC Energía SpA and Energía Eólica Paposó SpA," of the same date.

On August 9, 2022, AES Andes S.A. granted a guarantee in favor of Global Energy Services Siemsa S.A. Chile Limitada to secure the payment obligations of the subsidiary Energía Eólica San Matías SpA in accordance with the Balance of Plant agreement signed between them.

On August 9, 2022, AES Andes S.A. granted a guarantee in favor of Vestas Chile Turbinas Eólicas Limitada to secure the payment obligations of the subsidiary Energía Eólica San Matías SpA, in accordance with the Turbine Supply & Installation Agreement.

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

During the year 2022, AES Andes S.A. increased the amount of the corporate guarantee, which grants guarantees consisting of surety bonds, and joint and several co-debts, or other similar guarantees, for up to ThUS\$200,000 to secure compliance with the payment obligations of the subsidiaries that are developing the Group's renewable portfolio. As of December 31, 2024, guaranteed operations amounted to ThUS\$34,741.

On June 27, 2024, Andes Solar SpA granted a corporate surety bond under the instrument called "Guarantee" in favor of JA Solar International Limited to guarantee the fulfillment of the obligations of Andes Solar III SpA under the Solar Module Supply Agreement and the Purchase Order dated January 19, 2024."

Other Guarantees granted by AES Chile Inversiones Renovables SpA (formerly AES Chile)

On January 30, 2020, AES Chile Inversiones Renovables SpA, a wholly-owned subsidiary of AES Andes S.A. granted a joint and several counter guarantee in the amount of ThUS\$8,161 to secure the payment obligations of the subsidiary Energía Eólica San Matías SpA to Central de Generación Eólica San Matías SpA in relation to the asset purchase agreement of San Matías Project.

On July 2, 2020, AES Chile Inversiones Renovables SpA, a wholly-owned subsidiary of AES Andes S.A. granted a commercial pledge on 100% of the shares of its subsidiary Energía Eólica Rinconada SpA in favor of Inversiones Bosquemar Limitada in order to secure the obligations acquired under the stock purchase agreement of the company Energía Eólica Rinconada SpA.

On July 10, 2020, AES Chile Inversiones Renovables SpA, a wholly-owned subsidiary of AES Andes S.A. granted a joint and several counter guarantee in the amount of ThUS\$26,250 to secure the price payment obligations of subsidiary Energía Eólica Rinconada SpA to Inversiones Bosquemar Limitada in connection with the asset purchase agreement of Rinconada Project.

Guarantees Received

On November 8, 2017, Teck amended the corporate guarantee (Parent Company Guarantee) increasing the guaranteed value up to the total value of the power contract between Empresa Eléctrica Cochrane SpA and Compañía Minera Quebrada Blanca S.A. On March 29, 2021, Sumitomo Metal Mining ("SMM") and Sumitomo Corporation ("SC") were added as Additional Guarantors in the Energy Contracts between Empresa Eléctrica Cochrane and Compañía Minera Quebrada Blanca S.A. for a total of 33.3% of the Maximum Guaranteed Amount. In turn, Teck reduced the Corporate Guarantees to 66.7% of the Maximum Guaranteed Amount.

On October 23, 2019, Nordex S.E. granted a "Contractor Parent Company Guarantee to secure compliance with the obligations of its subsidiaries Nordex Energy Chile S.A. and Nordex Energy GmbH in favor of Energía Eólica Mesamávida SpA under the terms of the "Lump Sum, Turnkey, Engineering, Procurement and Construction Contract" dated October 17, 2019.

On October 06, 2020, Vestas Wind Systems A/S granted a corporate bond under the instrument called "Contractor Parent Company Guarantee" to secure compliance with the obligations of its subsidiary Vestas Chile Turbinas Eólicas Limitada, in favor of Parque Eólico Campo Lindo SpA, under the terms of the "Lump Sum, Turnkey, Engineering, Procurement and Construction Contract dated September 18, 2020.

On May 14, 2021, Global Energy Services Siemens S.A granted a corporate guarantee under the instrument called "Owner Parent Company Guarantee", to guarantee compliance with the obligations, in favor of the company Campo Lindo SpA, the latter as signatory of the construction contract called "EPC Contract: Lump Sum, Turnkey, Engineering and Construction", dated May 11, 2021.

On April 27, 2022, by public deed granted at the Santiago Notary Office of Eduardo Diez Morello, repertory No. 6,634-2022, Empresas Proyersa S.A. granted a non-possessory pledge on the shares of Quebrada Seca SpA to guarantee AES Chile Inversiones Renovables SpA the payment of the price adjustment obligation of the purchase and

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

sale agreement of shares of Quebrada Seca SpA, for a total of ThUS\$950 and also the obligation to replace a certificate of deposit for UF2,100 (ThUS\$88).

On July 8, 2022, Vestas Wind Systems A/S granted a corporate bond under the instrument called "Contractor Parent Company Guarantee", to secure compliance with the obligations of its subsidiary Vestas Chile Turbinas Eólicas Limitada, in favor of Parque Eólico San Matías SpA, under the terms of the construction contract called "Turbine Supply and Installation Agreement", dated July 7, 2022.

On August 9, 2022, Global Energy Services Siemens S.A. granted a corporate bond under the instrument called "Owner Parent Company Guarantee" to secure compliance with the obligations in favor of the Company AES Andes and Parque Eólico San Matías SpA, the latter as a signatory of the construction contract called "EPC Contract: Lump Sum, Turnkey, Engineering and Construction", dated June 7, 2022.

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Delivered guarantees

Beneficiary	Guarantee description	Date		ThUS\$
		Start Date	Due Date	
Fluence Energy (2)	Secure compliance with the contract.	08/13/2024	01/23/2025	48,029
XM S.A. E.S.P. (1)	Secure compliance with the contract.	12/21/2023	01/23/2025	13,797
Coordinador Independiente del Sistema Eléctrico Nac. (1)	Secure payment compliance between coordinated companies	11/28/2023	01/02/2025	12,189
Coordinador Independiente del Sistema Eléctrico Nacional	Secure payment compliance between coordinated companies	11/14/2024	01/02/2026	7,360
Microsoft Datacenter Chile Limitada	Secure compliance with the contract.	01/14/2022	06/13/2025	9,688
Terminal Graneles del Norte S.A.	Secure compliance with the contract.	12/21/2021	12/19/2025	6,000
Ministerio de Bienes Nacionales	It guarantees faithful and complete compliance with the obligations included in the concession contract.	08/31/2023	09/29/2025	5,040
XM S.A. E.S.P. (2)	Secure compliance with the contract.	02/27/2023	01/02/2025	4,547
Corporación Nacional del Cobre de Chile	Secure compliance with the contract.	11/14/2024	04/21/2025	4,241
Ministerio de Bienes Nacionales	It guarantees faithful and complete compliance with the obligations included in the concession contract.	09/01/2023	09/29/2025	3,762
XM S.A. E.S.P. (2)	Secure compliance with the contract.	12/17/2024	01/24/2025	3,532
XM S.A. E.S.P.	Secure compliance with the contract.	06/28/2024	07/01/2025	3,379
Ministerio de Bienes Nacionales	It guarantees faithful and complete compliance with the obligations included in the concession contract.	08/31/2023	09/29/2025	3,117
XM S.A. E.S.P.	Secure compliance with the contract.	12/30/2024	02/24/2025	2,793
XM S.A. E.S.P.	Secure compliance with the contract.	12/26/2024	01/23/2026	2,733
XM S.A. E.S.P.	Secure compliance with the contract.	06/28/2024	07/01/2025	2,586
Coordinador Independiente del Sistema Eléctrico Nac. (1)	It guarantees faithful and complete compliance with the obligations included in the concession contract.	07/11/2024	01/02/2025	2,186
Coordinador Independiente del Sistema Eléctrico Nacional	It guarantees faithful and complete compliance with the obligations included in the concession contract.	12/02/2024	12/31/2025	2,035
XM S.A. E.S.P.	Secure compliance with the contract.	05/05/2023	02/19/2025	1,926
XM S.A. E.S.P.	Secure compliance with the contract.	12/26/2024	01/23/2026	1,783
Ministerio de Bienes Nacionales	It guarantees faithful and complete compliance with the obligations included in the concession contract.	04/26/2023	04/26/2028	1,728
XM S.A. E.S.P.	Secure compliance with the contract.	12/26/2024	01/23/2026	1,705
XM S.A. E.S.P.	Secure compliance with the contract.	12/26/2024	01/23/2026	1,705
XM S.A. E.S.P. (2)	Secure compliance with the contract.	12/23/2024	01/24/2025	1,608
Terminal Graneles del Norte S.A.	Secure compliance with the contract.	12/29/2023	12/19/2025	1,600
XM S.A. E.S.P. (2)	Secure compliance with the contract.	10/27/2020	01/02/2025	1,588
	Other minor warranties			36,924
Total				187,581

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

- (1) Guarantees in the process of renewal.
(2) Guarantees that will not be renewed.

Guarantees Received

Grantor	Guarantee description	Date		ThUS\$
		Start Date	Due Date	
Teck Pcg (1)	Payment of Single Compensation - LC Guaranteed Amount and other payments (122mw PPA)	11/08/2017	11/08/2025	318,783
Sumitomo Metal Mining Co. Ltd. (1)	Payment of Single Compensation - LC Guaranteed Amount and other payments (122mw PPA)	03/29/2021	03/29/2025	132,782
Teck Pcg (1)	Payment of Single Compensation - LC Guaranteed Amount and other payments (80mw PPA)	12/07/2012	12/07/2025	111,117
Vestas Wind System	Secure compliance with the contract.	07/07/2022	07/08/2032	90,300
Teck Pcg (1)	Payment of Single Compensation-LC Guaranteed Amount and other payments (38mw PPA 80mw PPA)	01/16/2021	01/16/2025	52,780
Sumitomo Metal Mining Co. Ltd. (1)	Payment of Single Compensation - LC Guaranteed Amount and other payments (80mw PPA)	03/29/2021	03/29/2025	46,283
Olivare Eljarrat López Notaría	Secure compliance with the contract.	06/07/2022	12/31/2030	33,663
Sumitomo Corporation	Payment of Single Compensation - LC Guaranteed Amount and other payments (122mw PPA)	03/29/2021	03/29/2025	26,585
Google Energy LLC	Secure compliance with the contract.	11/06/2023	12/31/2038	25,600
Sumitomo Metal Mining Co. Ltd. (1)	Payment of Single Compensation-LC Guaranteed Amount and other payments (38mw PPA 80mw PPA)	03/29/2021	03/29/2025	21,985
Empresa de Energía Arauca (2)	Secure compliance with the contract.	01/26/2024	01/25/2025	21,650
Parque Eólico Antofagasta Spa	Secure compliance with the contract.	05/23/2023	10/12/2026	17,250
Fluence	Secure compliance with the contract.	07/31/2024	07/31/2025	14,986
Teck Pcg (1)	Payment of Single Compensation - LC Guaranteed Amount and other payments (21mw PPA)	10/29/2013	10/29/2025	11,283
Gestión Energética SA ESP	Secure compliance with the contract.	02/01/2023	11/30/2025	10,936
Fluence	Secure compliance with the contract.	11/01/2024	09/10/2025	10,070
Sumitomo Corporation (1)	Payment of Single Compensation - LC Guaranteed Amount and other payments (80mw PPA)	03/29/2021	03/29/2025	9,267
Fluence Energy LLC	Secure compliance with the contract.	04/15/2024	08/31/2025	9,606
GR Lengua SPA (2)	Secure compliance with the contract.	02/09/2024	01/31/2025	8,000
AIR- E S.A.S. E.S.P.	Secure compliance with the contract.	09/15/2024	09/15/2025	7,122
Caribemar de la Costa S.A.S. E.S.P.	Secure compliance with the contract.	08/16/2024	08/16/2025	6,633
Sociedad Punta del Cobre S.A.	Secure compliance with the contract.	12/09/2024	06/02/2025	6,000
Terminal Graneles Del Norte S.A.	Secure compliance with the contract.	04/18/2024	04/18/2025	6,000
Austriansolar Chile cuatro Spa	Secure compliance with the contract.	09/05/2024	12/31/2025	6,000
Gecelca	Secure compliance with the contract.	11/28/2024	11/27/2025	5,645
Prodiel	Secure compliance with the contract.	04/29/2022	04/22/2025	5,520
Empresa de Energía del Putumayo	Secure compliance with the contract.	11/18/2024	11/18/2025	5,043

Notes to the Consolidated Financial Statements AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

Grantor	Guarantee description	Date		ThUS\$
		Start Date	Due Date	
Emcali EICE E.S.P	Secure compliance with the contract.	01/01/2025	12/31/2025	4,912
Sumitomo Metal Mining Co. Ltd. (1)	Payment of Single Compensation - LC Guaranteed Amount and other payments (21mw PPA)	03/29/2021	03/29/2025	4,700
Sumitomo Corporation (1)	Payment of Single Compensation-LC Guaranteed Amount and other payments (38mw PPA 80mw PPA)	03/29/2021	03/29/2025	4,402
Fluence	Secure compliance with the contract.	12/09/2024	10/14/2025	4,384
Ingeniería Agrosonda Spa	Secure compliance with the contract.	02/14/2024	01/15/2026	4,153
Ingeniería Agrosonda Spa	Secure compliance with the contract.	08/22/2024	01/15/2026	4,153
Nordex Energy Chile S.A.	Secure compliance with the contract.	12/03/2019	08/15/2025	4,047
GR Lenga SPA (2)	Secure compliance with the contract.	05/30/2024	01/31/2025	4,000
Enel Colombia S.A. E.S.P.	Secure compliance with the contract.	12/15/2024	12/15/2025	3,985
Gecelca	Secure compliance with the contract.	06/25/2024	06/19/2025	3,327
Gener y Comer de Energía del Caribe	Secure compliance with the contract.	07/26/2024	07/26/2025	3,335
Fluence Energy LLC	Secure compliance with the contract.	07/10/2024	10/31/2025	2,927
Ingeniería Agrosonda Spa	Secure compliance with the contract.	06/06/2024	07/31/2026	2,740
EE CJR Wind Chile Ltda.	Secure compliance with the contract.	12/03/2024	11/13/2025	2,622
Empresas Públicas de Medellín E.S.P.	Secure compliance with the contract.	12/05/2024	12/05/2025	2,592
	Other minor warranties			41,717
Total				1,118,885

(1) Guarantee with automatic annual renewal.

(2) Guarantees in the process of renewal.

Notes to the Consolidated Financial Statements

AES Andes and Subsidiaries - December 2024

(amounts are expressed in thousands of United States dollars, unless stated otherwise)

NOTE 33 - RESULTS FROM INFLATIONARY ADJUSTMENTS

Until June 30, 2023, Argentina's economy was considered a hyperinflationary economy in accordance with the criteria established in IAS No. 29 - Financial Reporting in Hyperinflationary Economies. As mentioned in note 4.2.d.1, as of this date the Argentine subsidiaries modified their functional currency to the US dollar.

The general price index and the effects on the income statement as of December 31, 2024, are detailed below:

	December 31, 2024	December 31, 2023
General Price Index	—%	50.70 %

The effects on the consolidated income statement are detailed as follows:

	December 31, 2024	December 31, 2023
Results from inflationary adjustments		
Inventory	—	638
Property, plant and equipment	—	79,549
Deferred taxes	—	(15,782)
Shareholders' Equity (not including profit/loss for the year)	—	(81,223)
Effect of restatement of equity items	—	(16,818)
Operating income	—	(14,078)
Variable costs	—	3,252
Fixed costs - Administration and sales expenses	—	3,564
Depreciation - amortization	—	3,417
Other profit/loss items	—	(5,376)
Effect from restatement of the income statement	—	(9,221)
Total of profit or loss by inflationary adjustments	—	(26,039)

NOTE 34 - SUBSEQUENT EVENTS

There are no subsequent events that occurred between December 31, 2024 and the date of issue of these Consolidated Financial Statements, considering the references included in the preceding notes, that may significantly affect the financial situation of the Company and the results presented.