

ANNUAL REPORT

2024

conexión
Línea Rimal - La Agüire

TABLE OF CONTENTS

01 Profile03

- 1.1 Identification04
- 1.2 Ownership04
- 1.3 Letter from the Chairman
of the Board05
- 1.4 Letter from the CEO07

02 The Company09

- 2.1 Purpose and Values10
- 2.2 History11
- 2.3 Shares, characteristics, and rights...12

03 Corporate Governance13

- 3.1 Governance Framework14
- 3.2 Board of Directors15
- 3.3 Administration19
- 3.4 Sustainability20
- 3.5 Adherence to national and
international codes20
- 3.6 Risk management21
- 3.7 Relationship with stakeholders
and public22

04 Strategy25

- 4.1 Outlook26
- 4.2 Strategic Objectives26
- 4.3 Investment Plans and Revenues27

05 The Operation30

- 5.1 The Project31
- 5.2 Properties and Facilities33
- 5.3 Subsidiaries, associates, and
investments in other companies33

06 The People34

- 6.1 Staffing36
- 6.2 Job adaptability37
- 6.3 Gender pay equity37
- 6.4 Workplace and sexual
harassment37
- 6.5 Job security37
- 6.6 Postnatal leave38
- 6.7 Training and benefits38
- 6.8 Outsourcing policy38

07 Supplier Management39

- 7.1 Supplier evaluation41
- 7.2 Payment of Suppliers41

08 Sustainability42

09 Innovation45

10 Relevant or Essential Facts47

11 Comments from Shareholders and the Directors Committee49

12 Financial Statements51



1.

PROFILE

1.1 Identification



Company Name:

Conexión Kimal Lo Aguirre S.A., hereinafter “Conexión Kimal-Lo Aguirre” or the «Company».

Legal Address:

Santiago, notwithstanding the agencies, branches, or offices that may be established elsewhere in the country or abroad.

Registro como entidad informante:

On July 26th, 2022, the Company was registered in the Register of Reporting Entities of the Commission for the Financial Market under the number 633.

Taxpayer ID: 77.590.896-3

Address: Apoquindo 4800, Tower 2, Floor 5

E-mail: contacto@conexionenergia.com

Web: <https://www.conexionenergia.com/>

1.2 Ownership

The capital of Conexión Kimal-Lo Aguirre is divided into a single series of 95,666,676 ordinary nominative shares of equal value with no nominal value. Transelec Holdings Rentas Limitada, ISA Inversiones Chile SpA, and Chile HDVC Transmission SpA have an equal number of shares, each holding 31,888,892 shares for a total of 95,666,676. The shareholders provide the company with their experience in the domestic and international energy and transmission industry:



Transelec Holdings Rentas Limitada

Is the leading operator of high-voltage systems in Chile. It has been building electrical infrastructure between Arica and Chiloé for over 70 years and has extensive regional experience along its almost 10,000 kilometers of lines.



ISA Inversiones Chile SpA

Belongs to a group recognized for its excellence and for having the largest high-voltage transmission network in Latin America, with about 47,000 km. It has built HVDC lines in Brazil, operating a 2,400-kilometer line.



Chile HVDC Transmission SpA

Belongs to China Southern Power Grid (CSG), the second-largest electric power company in China and the world and one of the largest developers of HVDC infrastructure. Today, they operate about 258,000 kilometers of transmission lines, of which 12,000 kilometers are HVDC lines.





1.3 Letter from the Chairman of the Board

On behalf of Conexión's Board of Directors, I am honored to present our 2024 Annual Report, which reflects the company's performance during the year and its commitment to its stakeholders.

We ended the year with great satisfaction for the work done, realizing that our project represents a tremendous and critical challenge for the country. This is not only because of its technical and territorial scope but also because of its strategic relevance for the Chilean society that wants to grow and that—for that—needs to move more quickly towards sustainable development based on renewable energies and a resilient energy matrix: a country that has challenging carbon neutrality goals and is determined to meet them.

We are working so that Kimal-Lo Aguirre can contribute to this path. Our work and the implementation of direct current technology (HDVC), for the first time in the country, have become a reference today in a framework that allows us to project how much and with what speed we want to progress in the development of transmission for the energy transition that Chile needs.

Conexión Kimal-Lo Aguirre is a company with the structure, technical capacity, know-how, and commitment to implement a project covering more than 1,300 kilometers, requiring an investment of nearly US\$1.5 billion.

We have met milestone number 2, established by the National Electricity Coordinator (CEN) in 2024, and we hope to meet milestones 1 and 5 soon, in line with the dates established by the authority.

We will continue to face challenges, such as the anticipated outreach with the regions, managing the permits needed, importing large-scale materials, installing worksites, obtaining permits for properties, contracting policies, works technical inspections, supplies, and obtaining long-term senior financing, which will allow us to attain the resources that will be used to finance the construction process, through a long-term loan that guarantees international competition (Europe, the United States, and Asia), are just some of these challenges.

The team and all of us who are part of this project know that a challenging 2025 is coming. Obtaining the environmental permit (EQR) and starting construction will open a new scenario for us. We will be on the ground, not only in the 28 communes of the line but also at the ports and the transport of materials and equipment that the entire project considers.

For that, we have a clear focus and an absolute commitment to safety, technical excellence, the communities, and the environment, as well as to attending to contingencies that may arise in the best possible way.

We close 2024 with pride for the consolidated, motivated, and committed work team, with gratitude for all those who have worked together to promptly realize the progress required, committed to the country purpose that this project entails, which is from everyone and for everyone in a society that believes in the future. For that reason, we begin 2025 with optimism and responsibility, in the constant search to contribute to this purpose and future through the significant achievement of building and operating the largest transmission project in Chile.

Luis Llano

Chairman of the Board



Chagual, *Puya chilensis*



1.4 Letter from the CEO

Dear shareholders:

This third edition of our annual report reaffirms our commitment to continuing to promote our project's relevance and impact to an increasingly broad audience. The Kimal-Lo Aguirre transmission line, which will transport 3,000 MW of renewable energy from the north to the country's heart, has become a key project for Chile's energy development. We are not the only ones who recognize its contribution. Its importance at a country level has aroused growing interest in various sectors and actors throughout 2024. Authorities, opinion leaders, and even communities have agreed on the urgency of this initiative, aligning themselves with the need to strengthen the national electricity system.

The passing of the Energy Transition Law, which introduces new tools and criteria for the implementation of transmission works, together with the proposal to modernize the Environmental Impact Assessment System (SEIA, in Spanish) and the recent announcement of a new direct current transmission project between the Ñuble and Metropolitan regions, are concrete examples of the growing need to accelerate decarbonization and the strategic role played by the development of electric transmission infrastructure.

At Conexión, we take on this challenge, which not only requires us to build a high technical and technological standard infrastructure within the established deadlines and conditions but also a collaborative approach that integrates diverse perspectives, communicates progress, recognizes difficulties, and shares achievements, thus consolidating a transparent and participatory process.

During 2024, we consolidated significant progress, such as the approval by the National Electrical Coordinator of Relevant Milestone N°2 and the start of the first load tests of the structures for the HVDC line. At the same time, we completed the procurement of supplies for the manufacture of structures in sections one to three, awarded the conductor cable that will allow the transport of energy, and contracted the construction and assembly service of section three of the line, thus completing all the necessary awards for this phase of the project.

In this line, to avoid delays in commissioning, Conexión actively participated in the bidding process for the extension works of the Kimal 220 kV substation, which allowed moving forward in the implementation of the works needed for the link with the future converter substation.

Another key milestone was the start of the second financing phase, which focused on obtaining a loan with global financial institutions. This process represents a strategic step for the project's financial viability. It has required adding specialized advisors in several key areas, including technical, environmental, legal, insurance, financial, and regulatory modeling aspects. The participation of these experts guarantees a rigorous due diligence process, ensuring compliance with the highest international standards and strengthening the project's long-term solidity and sustainability.

Regarding sustainability, we have sought to participate actively and share our work. At the international level, in October, we attended the United Nations Conference on Biodiversity 2024 (COP16), where we were recognized for our contribution to decarbonization with the 2024 Energy Excellence award from the Latin American Energy Organization (OLADE) during the latest version of Energy Week in Paraguay. We have also worked on an active integration with universities and technical training centers to enhance the transfer of knowledge and experiences between industry and academia, improving the sustainable practices of the projects.

After the Environmental Assessment Service (SEA) completed the formal Citizen Participation Process (PAC) in January, it decided to open the Indigenous Consultation Process with four communities in the area of influence in June. Since then, we have actively participated, providing technical information in areas such as flora, fauna, and archaeology and generating spaces for dialogue to address concerns about the construction process. Subsequently, in November, we submitted Addendum 1 to the SEIA, responding to the observations raised in the Consolidated Report of Clarifications, Corrections, or Extensions by State agencies and those collected in Citizen Participation, incorporating modifications to the layout. As a result, the public entity activated a second PAC process in December, in which we have actively collaborated.

In parallel, thanks to the work carried out by our Conexión team with the Communities, we have been able to maintain the regional outreach process, strengthening participation, transparency, and social acceptance. This approach has allowed us to manage, during 2024, about 150 activities with 113 social organizations based on open and ongoing dialogue, always maintaining good faith as a fundamental pillar.

A key milestone for the project's progress was the acceptance of the definitive electricity concessions in December, with the approval of the Superintendency of Electricity and Fuels for the entire route.

At the corporate level, we have focused on strengthening the structures and policies that characterize us as a company. A concrete example was the update of our Crime Prevention Model, where our Compliance area reaffirmed the importance of having robust monitoring and prevention tools that are widely known and applied by collaborators both internally and with all those who interact with Conexión.

We have made significant progress in working with contractor companies, emphasizing strengthening and expanding our safety culture. We are fully committed to consolidating self-care, ensuring strict regulatory compliance, and strengthening the adoption of our corporate policies as unbreakable pillars to ensure excellence at every stage of the construction process.

For those of us on the Conexión team, we continue to prioritize the relevance of having a solid organizational structure capable of attracting, retaining, and developing the best talents. In this line, we have reinforced the implementation of strategies focused on contributing to people's growth, designing initiatives to strengthen transversal skills, recognizing the value of measuring and managing the organizational climate as a crucial element to foster commitment and a sense of belonging, while ensuring a safe and conducive working environment for our collaborators.

Undoubtedly, each of these advances reflects our firm determination to promote the development of this key infrastructure for the country. Transitioning to a more sustainable energy matrix requires our effort and everyone's proactive participation. We are convinced that this collaborative work with communities, authorities, contractors, suppliers, academics, the media, and many others will allow us to achieve this goal and generate real and sustainable change for everyone.



Sebastián Fernández
CEO



2. THE COMPANY

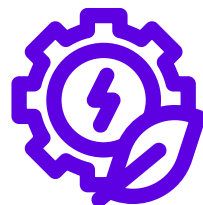
2.1 Purpose and Values

Purpose

At Conexión Kímal-Lo Aguirre, we exist to connect people and society with clean energy from our country for a more sustainable future.

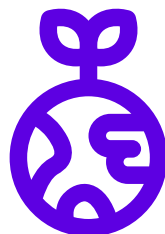
Values

To continue growing, we trust in the future and look to tomorrow with empathy and transparency. We want to protect everyone's future through innovation and technologies that deliver a brighter tomorrow to the new generations.



Confidence of the future:
Transparency, responsibility, and empathy

We believe in trust and engagement as fundamental values. That is why we are committed to transparency in our processes, always putting people and communities at the heart.



Environmental care and commitment

Since the beginning, we have contributed to the country's decarbonization and are committed to protecting the environment in all our company's actions.



Technology and innovation for sustainability

We work with innovative technologies and are committed to constantly reviewing them to find increasingly efficient and environmentally friendly alternatives.



2.2 History

Chile's rising population has directly impacted the increase in energy consumption. In this context, the Chilean State has carried out studies of scenarios to address the energy sector's future challenges, with a particular focus on achieving the decarbonization goals by 2050.

The 2017 National Energy Commission Expansion Plan mentioned implementing an HVDC (high-voltage direct current) project in Chile for the first time. The key objectives of this project are to improve the security of the national transmission system, facilitate the transfer of large volumes of renewable energy between the north, center, and south of the country, reduce congestion in the transmission system, and minimize energy discharges from solar and wind plants located between the Antofagasta and Metropolitan regions.

In 2018, the National Electricity Coordinator presented the Operation and Development Study of the National Electricity System (SEN), considering a scenario without coal-fired power plants. This study highlighted the need to develop a 2,000 MW HVDC link between the country's northern and central areas, specifically between the Kimal and Lo Aguirre substations. This link is considered crucial to strengthening the National Electricity System and reducing the risk of cost overruns in a future with high uncertainty.

In 2021, the State of Chile, through the National Electric Coordinator, held the tender for the construction of a momentous project: the first direct current transmission line (HVDC) in the country. This vital contract was awarded to a consortium consisting of Transelec Holdings Rentas Limitada, ISA Inversiones Chile SpA, and China Southern Power Grid International (Hk) Co., Limited. The award was officially announced during the opening of proposals on December 6th that year.

The Ministry of Energy identified the Kimal-Lo Aguirre Transmission Line as an essential component in its infrastructure plan. It is crucial for operating the national electricity system and enabling future transmission projects. In addition, its implementation will reduce the current congestion and increase the security of the transmission system in Chile, enabling large-volume energy transfers.

Since the project was awarded, we began working on the engineering studies needed to define the layout and design its main elements, ensuring that it meets the highest technical and operational standards, always with a people- and community-centered approach and with total transparency. After receiving the approval of the National Economic Prosecutor's Office, we formalized our company on May 25th under the company name Conexión Kímal-Lo Aguirre S.A.

As Conexión Kímal-Lo Aguirre, we will not only contribute to Chile's decarbonization by reducing the dumping of clean energy due to the lack of capacity in current transmission systems, but we will also be a key actor in the country's energy transition, supporting the decarbonization of our electricity system. We will also be pioneers in incorporating cutting-edge technology and innovation by developing Chile's first high-voltage direct current line. This will allow us to offer a cheaper, more efficient transmission alternative with a lower environmental impact.

Legal constitution and subsequent amendments

Conexión Kímal-Lo Aguirre S.A. was formally constituted through a public deed granted on May 25th, 2022, before the Notary Public of Santiago, Juan Ricardo San Martín Urrejola. An extract of this deed was protocolized at the same Notary's Office on June 2nd, 2022. It was registered in the Santiago Land Registrar's Commercial Registry on Page 41887, number 18979, for 2022 and published in the Official Gazette on June 1st, 2022.

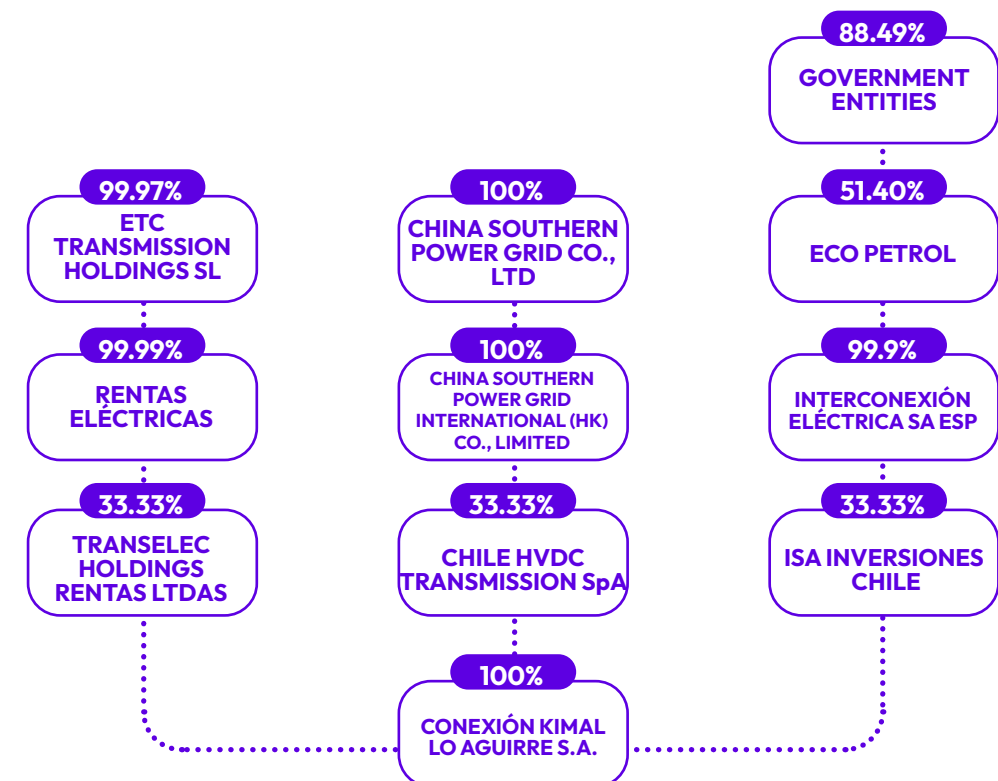
During 2024, the Company's Articles of Association underwent the following modification:

- As stated in a public deed dated May 22nd, 2024, granted at the Notary Office of Santiago of Mr. Andrés Felipe Rieutord Alvarado at an Extraordinary Shareholders Meeting dated April 22nd, 2024, the incorporation of alternate directors to the Company's Board of Directors and the total renewal of the members of the Board of Directors were agreed upon. An extract of the aforementioned deed, registered on page 43938, number 18128 of the Land Registrar's Commercial Registry of 2024, was protocolized at the same notary's office and published in the Official Gazette on May 29th, 2024, in Santiago.

2.3 Shares, characteristics, and rights

The capital of Conexión Kímal-Lo Aguirre comprises 95,666,676 nominative ordinary shares, all belonging to a single series of equal value and without nominal value. Transelec Holdings Rentas Limitada owns 31,888,892 shares, ISA Inversiones Chile SpA has 31,888,892 shares, and Chile HVDC Transmission SpA has 31,888,892 shares.

Shareholder Name	Percentage (>25%)	Country of origin
Transelec Holdings Rentas Limitada	33.33%	Chile
Chile HVDC Transmission SpA	33.33%	Chile
ISA Inversiones Chile SpA	33.33%	Chile





CORPORATE GOVERNANCE

3.1 Governance Framework

The effective collaboration between the Company's different areas guarantees the proper functioning of our corporate governance. These areas are not only responsible for running the business to achieve the best results for our stakeholders but also for ensuring that all activities are carried out within an ethical framework and comply with current regulations in Chile. Our governance structure is governed by a Corporate Governance Code that contains the rules for its operation and provides the Board and Management with the fundamental guidelines for their actions.

We have implemented, among others, the following documents:

- Crime Prevention Manual
- Conflicts of Interest Policy
- Code of Ethics and Conduct
- Code of Business Conduct
- Occupational Health and Safety Policy
- Information Security and Cybersecurity Policy
- Contractors and Subcontractors Regulation
- Public Officials Relations Corporate Policy
- Internal Control and Risk Policy
- Corporate Governance Code
- Anti-Corruption and Money Laundering Policy
- Free Competition Policies

Our Crime Prevention Manual was approved at the ordinary session of the May 2023 Board Meeting and formalized by public deed on November 8th, 2023, at the Notary Office of Santiago, by Linda Scarlett Bosch Jiménez, registered on page 96874 number 41221 of the Santiago Land Registrar's Commercial Registry of 2023. With the entry into force of Law No. 21,595 regarding Law No. 20,393, in an ordinary board meeting on September 27th, 2024, which was reduced to a public deed on November 26th that same year at the Notary Office of Santiago of Linda Scarlett Bosch Jiménez, the update of our Crime Prevention Model was approved. The deed was registered on page 104853, number 42128 of the Santiago Land Registrar's Commercial Registry of 2024.

In 2024, the Board approved the following documents: i) Governance Code; ii) ESG Policies (Sustainability Policy and Human Rights Policy); iii) Health and Safety Policy and its associated documents (Contractors and Subcontractors Regulations and Internal HS Regulations); and iv) Communications Policy.

3.2 Board of Directors



**Luis
Llano**



Xue Yu



**Francisco
Castro**



**Francisca
Castro**



**Juan Pablo
Schaeffer**

Name	Seniority	Position	Dependency	Profession
Luis Llano	22/04/2024	Chairman (desde 22/04/2024)	ISA Inversiones Chile SpA	Electrical Engineer
Xue Yu	18/08/2022	Director	Chile HVDC Transmission SpA	Senior Accountant of China
Francisco Castro	18/08/2022	Director	Transelec Holdings Rentas Limitada	Civil and Chemical Engineer
Francisca Castro	18/08/2022	Director	Independent	Economist
Juan Pablo Schaeffer	18/08/2022	Director	Independent	Lawyer

Renewal of Board members

At the Extraordinary Shareholders' Meeting on April 22nd, 2024, the Board of Directors members were renewed, appointing the following:

1. Xue Yu as the incumbent and Zheng Fenglei as a substitute;
2. Luis Llano Zuleta as the incumbent and Daniel Isaza Bonnet as substitute;
3. Francisco Castro Crichton as the incumbent and Bernardo Canales Fuenzalida as substitute;
4. Francisca Castro Fones as the incumbent and Fernando Garrido Capdevila as a substitute, and
5. Juan Pablo Schaeffer Fabres as the incumbent and Víctor Barros Echeverría as a substitute.

The resignation of the alternate director, Mr. Daniel Isaza Bonnet, was announced at an ordinary board meeting on July 30th, 2024. At an ordinary meeting on October 29th, it was agreed to appoint Mr. Jaime Falquez Ortiga as his replacement.

At the regular board meeting on September 27th, 2024, the resignation of the alternate director, Mr. Zheng Fenglei, was announced, and it was unanimously agreed that Mr. Li Kun should be appointed as his replacement.

Board Meetings

According to the law and the current articles of association, the Board of Directors must meet at least once a month. In 2024, Conexión Kimal-Lo Aguirre held 12 ordinary meetings and two extraordinary Board sessions.

Board Remunerations

The directors Luis Llano, Francisco Castro Crichton, and Xue Yu renounced any kind of remuneration that might correspond to them for the exercise of their positions as directors of Conexión Kimal-Lo Aguirre. The salaries received by the independent directors during the 2024 financial year were as follows: Francisca Castro Fones - USD\$105,000 and Juan Pablo Schaeffer Fabres - USD\$105,000 as a fixed salary.

Board Expenses

The Board incurred no expenses during the 2024 period.

Board Committees

The Board Committees were approved at the regular Board meeting on August 18th, 2022, and have an advisory role only. Their main objective is to offer support and recommendations to the Board and the Shareholders' Meeting on matters within their competence. Each shareholder has the right to appoint at least one member to each committee. The work manual for the committees was approved at the regular Board meeting on September 15th, 2022, and it indicates the participation of Senior Management.

The Board Committees are as follows:



Environmental, Social, and Governance Committee

This committee monitors the state of progress of the Project, with emphasis on environmental and social aspects, complying with the sustainability standards that are a commitment acquired by the Company in the tender's terms and conditions, as well as those related to what is established by the Commission for Financial Markets (NCG N°461). In it, communication strategies, reputation, and public affairs are discussed. This committee meets and reports to the Board every month. During 2024, they met on twelve occasions.

Members:

- Juan Pablo Schaeffer (Chair), independent director of Conexión Kimal-Lo Aguirre
- Carola Venegas, (Secretary) Environment, Community and Public Affairs Manager at Conexión Kimal-Lo Aguirre
- Francisco Castro, Director of Conexión Kimal-Lo Aguirre
- Álvaro González, Institutional Relations Manager at ISA InterChile
- Paola Basaure, Vice President of Corporate Affairs and Sustainability at Transelec
- Li Kun, Alternate Director appointed by Chile HVDC Transmission SpA



Audit and Risk Committee

This committee strengthens corporate governance, advises the Board on compliance with the applicable organizational objectives in Governance, Risk, and Compliance (GRC), and leads and supervises Internal Audits and Risk Management.

An essential part of this committee's role is to lead the design and implementation of a comprehensive risk management system according to the organization's context. Following this guideline, the committee monitors and reports to the directors the gaps, action plans, mitigation measures, and relevant red flags, using the industry's best practices in risk management.

In terms of auditing, its fundamental role is to supervise the company's financial, operational, environmental, legal, reputational, and ethical integrity through the independent and objective evaluation of the internal control system implemented.

Additionally, it guarantees that the audit results are issued and that the administration promptly attends to or resolves the recommended improvements or corrective actions.

It meets and reports to the Board every quarter. There were four meetings during the period.

Members:

- Francisca Castro (Chair), independent director of Conexión Kimal-Lo Aguirre
- Mixia Zenteno (Secretary), internal auditor of Conexión Kimal-Lo Aguirre
- Carlos Ignacio Mesa, Vice President of Corporate Auditing - ISA
- Claudia Pérez, Comptroller - Transelec
- Sergio Herrera, Control and Planning Manager - Transelec
- Xue Yu, Director of Conexión Kimal-Lo Aguirre
- Carlos Araya, Transmission Lines Construction Manager
- Marco Peña, Auditor and Compliance Officer from Isa Interchile



Technical Committee

This committee meets monthly, addressing technical issues related to the engineering, construction, and physical progress of the Kimal-Lo Aguirre project. Its purpose is to ensure the implementation of the best technical practices and lead the proper execution of projects in the electric power transmission sector in our company. A total of twelve meetings were held during 2024.

Members:

- Bernardo Canales, (Chair) Vice President of Engineering and Project Development - Transelec
- José Mauricio Restrepo, (Secretary) Engineering and Construction Manager of Conexión Kimal-Lo Aguirre Converter Substations
- Carlos Duque, Director of Corporate Projects - ISA
- Luis Llano, Director of Conexión Kimal-Lo Aguirre, from ISA
- Li Kun, Alternate Director appointed by Chile HVDC Transmission SpA
- José Alejandro Cascante Chaves, representative of ISA Chile



Finance Committee

In this committee, progress is analyzed, positions are debated, best practices are applied, and the corresponding recommendations are issued on relevant issues and "reserved" matters of the shareholders. Among the main topics are the monitoring of the business plan, the execution of the financial plan, the monitoring of profitability, the evaluation and implementation of financing, the tax strategy, the risk assessment in CAPEX, the management of cash flows, and the preparation of reports for internal teams, shareholders and official entities. This committee meets and reports to the Board every month. In the course of 2024, twelve meetings were held.

Members:

- Xue Yu, (Chair), Director of Conexión Kimal-Lo Aguirre
- Aquiles Vargas, (Secretary) Finance and Administration Manager of Conexión Kimal-Lo Aguirre
- Francisco Castro Crichton, Director of Conexión Kimal-Lo Aguirre, from Transelec
- Jaime Falquez, Alternate Director appointed by ISA Inversiones Chile SpA
- Gustavo Cardona, Administration and Finance Manager from Isa Interchile

**Talent and People Committee**

This committee aims to address people-related issues, such as work plans, compensation structures, and organizational culture.

It meets and reports to the Board when necessary. In 2024, the committee met on six occasions.

Members:

- Luis Llano (Chair), Director of Conexión Kimal-Lo Aguirre, from ISA
- Pilar Ovalle, (Secretary), Head of Talent and People at Conexión Kimal-Lo Aguirre
- Xue Yu, Director of Conexión Kimal-Lo Aguirre, from Chile HVDC Transmission SpA
- Carlos Humberto Delgado, Vice President of Organizational Talent at ISA
- Claudio Aravena, Vice President of People and Organization at Transelec

Committee Expenses

No expenses were incurred in the 2024 period.



3.3 Administration



Mixia Zenteno
Auditing



Sebastián Fernández
General Management



Valentina Ureta
Compliance Officer



Pilar Ovalle
Talent and People



Carola Venegas
Environment and Communities



Andy Gan
Transmission Lines
Engineering and Construction



Mauricio Restrepo
CS Engineering and
Construction



Aquiles Vargas
Finance and Administration



Carlos Araya
Construction
Transmission Lines



Alfredo Guzmán
Legal and Property

3.4 Sustainability



Our Goal

To be an active part of the decarbonization plan of the energy matrix promoted by the State of Chile to open the way for a more sustainable future through using renewable energies and strengthening the network of the National Electricity System.



Our Commitment

To achieve our objective, we are committed to working with the highest demands in social and sustainability terms at a global level, fully respecting the international treaties signed by the State of Chile, such as the Escazú Agreement, which guarantees the right to all people to have timely and suitable access to information related to the project.



Our Willingness

At Conexión Kimal-Lo Aguirre, we are looking to develop a design that allows us to execute our project with absolute care for the environment, minimizing the risks and possible effects our activity may have on the immediate environment and climate change.

3.5 Adherence to national and international codes

As a company, we are committed to following international environmental and social standards, aiming to protect both the environment and people. From the first phases of the Project's design, we assumed the commitment to comply with these standards, implementing continuous monitoring of their compliance.

Our orientation is based on the Performance Standards on Environmental and Social Sustainability of the International Finance Corporation, the Guidelines of the Inter-American Development Bank, the Escazú Agreement, the Equator Principles, and the Orientation Guide for Studies of Electric Transmission Line Routes of the Ministry of Energy.

Under the bidding rules of the project, every year, the company submits a report to the National Electrical Coordinator on the evaluation of compliance with the leading standards we seek to achieve, which is conducted by an external consultant. This evaluation aims to determine the progress made and take the necessary actions to develop short- and long-term strategies to ensure compliance with the objectives. The project is explicitly evaluated according to its stage, considering the fulfillment of each requirement. This allows us to make informed and timely decisions to progress toward our goals.



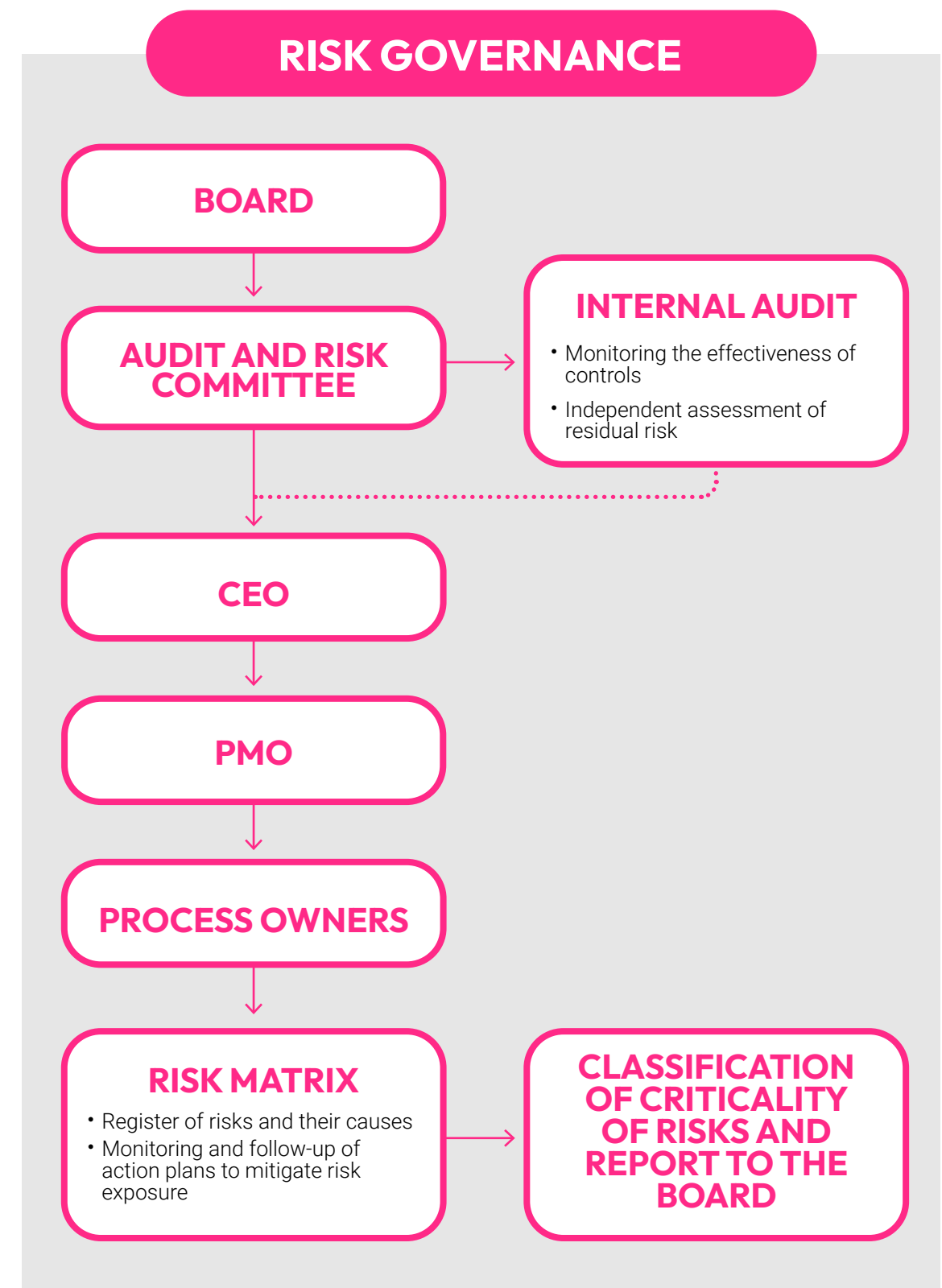
3.6 Risk management

At Conexión Kímal-Lo Aguirre, we understand risk management at the organizational level as a key tool to achieve our strategic objectives. With this vision, the Board of Directors, the Audit and Risk Committee, the Administration, and all areas of our company prioritize the management, identification, prevention, and early detection of situations that may jeopardize the project's operational continuity, affect people's safety or generate negative impacts on the organization, communities, workers or any other stakeholder.

The risk management plan has been designed considering different international frameworks, such as the Committee of Sponsoring Organizations of the Treadway Commission (COSO ERM), the International Organization for Standardization (ISO 45.001 and 31.000), among others, as well as the best practices of the industry, always to meet the expectations of our stakeholders.

The management methodology involves the participation of all areas of the organization, with the following main objectives: identify potential or emerging risks, evaluate the criticality and impact of events, define mitigation measures (including responsible parties, associated costs, and benefits), and monitor residual exposure levels that may affect the Company. The results and risk management reports are presented quarterly to the Audit and Risk Committee and the Board of Directors. They are considered key information for the preparation of the annual business plan.

The critical risks identified for the project are mainly related to occupational health and safety, regulatory compliance, socio-environmental assessment and impact, and relations with stakeholders, among other factors that could affect the company.



3.7 Relationship with stakeholders and the general public

Affairs Areas, aims to establish early and continuous dialogs with all our stakeholders. This allows us to inform them about the different phases of the project, understand the region and its inhabitants, and manage communication effectively. These efforts help us integrate harmoniously with the communities and the environment, promoting a proactive model for the company's sustainable development. The information gathered in this process is fundamental for the design and execution of the socio-environmental action plans linked to the project.

In 2024, Conexión maintained a permanent presence in the five regions, strengthening its relationship with the communities. Through the Community Relations team, there has been a territorial outreach process, which has enhanced participation, transparency, and social acceptance, handling about 150 activities with 113 social organizations. On the other hand, demands and concerns were addressed through onsite support of specialists in health, flora, and agricultural systems and in enabling the regions to run campaigns associated with components of the human and indigenous environment. All these activities considered meeting in the communes where the layout was optimized to inform about the substantive modifications, always applying the methodologies based on the Escazú Agreement and international standards in each activity.

In this area, to reduce access gaps and ensure participation conditions, the "Leaders in Action" program was implemented with Junto al Barrio Foundation for social leaders. For eight months, 164 people participated, and their knowledge was strengthened in formulating and running 51 projects to promote the participation of organizations in the various public funds.

Our communication channels to manage stakeholder relations include, among others, the shareholders' meeting, the Boards of Directors, the directors' committees, our website, informative and working meetings with different audiences, the grievance system, the complaints channel*, newsletters, participatory and working workshops, letters, technical reports, and training.

(*) Complaints and claims management system.

The main stakeholders we identified are:



Board

The relationship with our Board of Directors is governed by our governance framework and Shareholders' Agreement. The Board conventionally meets once a month.



Regulators

Different opportunities for periodic communication are generated by requesting meetings through the Lobby Law in the corresponding cases to keep the authority informed. These include the following: the Ministry of Energy (MEN), National Energy Commission (CNE), Superintendency of Electricity and Fuels (SEC), National Electricity Coordinator (CEN), and the Panel of Experts (PE). In environmental matters, the Ministry of the Environment, Environmental Assessment Service (SEA), and the Superintendency of the Environment (SMA). In economic and financial issues, with the Commission for the Financial Market (CMF).



Communities

Throughout 2024, the Citizen Participation team has implemented an early community relations strategy in the localities within the project's area of influence. The methodologies implemented in each activity have been based on the Escazú Agreement, which guarantees participation rights, access to information, and justice in environmental matters.



Media

We have managed visits and/or meetings with national, regional, and local media from the main localities of the project's area of influence to create the spaces needed to answer and resolve doubts and explain possible controversies.



Suppliers and contractors

This relationship is key to covering the project's needs for goods and services in a sustainable, transparent, cost-efficient way over time and complying with all ESG standards.



Shareholders

The shareholders are considered relevant stakeholders; we maintain a close and continuous relationship with them. They are informed about the project's progress through periodic reports.



Financial entities

Banks and financial institutions are fundamental groups, as they collaborate with the financing needs of the company and those of treasury management. In the former, we maintain a constant relationship with institutions that allow us to finance part of the investment cost of Conexión Kímal-Lo Aguirre, either directly or as intermediaries. In the latter, banks have been key in providing financial products to manage our liquidity, issuing bonds, and providing general support.



Authorities

The public affairs strategy is based on analyzing identified risks and opportunities. It connects us directly with the critical actors, positioning the project with its institutional stakeholders and building a long-term dialogue. In 2024, intense relationships were established with local, regional, and national authorities through requests for meetings via the Lobby Platform.

following the policies and guidelines established by Conexión. We seek to foster high performance and enhance the professional development of each of our collaborators.



Collaborators

We consider our collaborators a fundamental asset because they contribute directly to the operation and achievement of the company's goals by



Indigenous Groups

In 2024, the Citizen Participation team was deployed to the Antofagasta, Atacama, Coquimbo, Valparaíso, and Metropolitan regions to reach out to indigenous associations and communities in the project's area of influence.





4.

STRATEGY

4.1 Outlook

At Conexión Kimal-Lo Aguirre, we have the mandate to put the Kimal-Lo Aguirre HVDC project into operation in May 2029 and operate it in perpetuity.

The Project considers three stages: the first is to evaluate and obtain regulatory, environmental, and social permits; the second is related to the construction and assembly of the line and converter substations; and the last is the operation, which is contemplated from 2029.

As of December 31st, 2024, we are in the first stage, specifically in the process of the environmental authority evaluating the Environmental Impact Study. As part of this process, in November, we submitted Addendum 1 responding to the observations of the Consolidated Report of Clarifications, Corrections, or Extensions presented by the State agencies participating in the process and to those collected in Citizen Participation, which considered a formal Citizen Participation process (PAC) carried out by the Environmental Assessment Service (SEA) and completed in January. In June, the environmental service decided to open the Indigenous Consultation Process with communities in the area of influence.

We made progress with the approval of the National Electrical Coordinator of the Relevant Milestones, and the first load tests of the structures for the HVDC line were initiated. Along with this, the procurement processes for supplies related to the manufacture of structures for some sections were completed, and the construction and assembly service of the line segment was contracted, awarding all the construction needs in this matter. The final electrical concessions were also accepted, starting with the project's notification to the properties' owners for the line's layout.

4.2 Strategic objectives

Our most relevant objectives are:

1. To contribute to the country's decarbonization process by making visible the use of clean energies generated in the north of Chile.
2. To establish a long-term relationship with our stakeholders.
3. To promote an Occupational Health and Safety culture by guaranteeing the protection and integrity of all employees.
4. To obtain the Environmental Qualification Resolution applicable in the construction and according to the planned deadlines, complying with current environmental regulations.
5. To guarantee the project's development within the milestones and budget.
6. To ensure shareholders' expected return on capital, maintaining a balance between risk and level of leverage.
7. To operate and maintain the facilities to optimize the total costs in the future operation.

4.3 Investment plans and revenues

Investment

The reference value of the investment required for the construction and commissioning of the project is 1,480 million US dollars. The period required for entry into operation is 84 months from publication in the Official Gazette of the respective exempt Award Decree N°231 of 2019 of the Ministry of Energy, dated May 7th, 2022.

On October 25th, 2023, the Environmental Impact Assessment Study (EIA) was submitted to the Environmental Impact Assessment System (SEIA) for evaluation by the SEA. This will allow obtaining an Environmental Qualification Resolution (EQR) from SEIA.

In 2024, our primary investments in Conexión Kimal-Lo Aguirre were related to progress associated with obtaining construction supplies for lines and substations, engineering studies, processing of the Environmental Impact Study, and obtaining easements, among others.

To date, easements have been constituted for a length equivalent to 34.20% of the total private properties affected by the project layout, representing 14.9% of the total length of the transmission line. On the other hand, we have contracted the supply of goods and services equivalent to more than 85% of the defined purchase plan for the Project, which includes most of the engineering, supplies, construction, and environmental studies, among other concepts. The main suppliers and contractors already hired are:

Company	Service
CSGI – XEEC Consortium	Engineering, construction and supplies for Converter Substations
Kalpataru Power Transmission Limited & Kalpataru Power Chile SpA	Engineering, construction and supplies for transmission lines
GTA Chile SpA	Construction of transmission lines
Cox Chile S.A	Construction of transmission lines
Sterlite Power Transmission Ltd	Supply of conductor cable for transmission lines
Gestión Ambiental SpA	Environmental and social studies
Arcadis Chile SpA	Review of environmental studies
Changshu Fengfan Power Equipment Co.,Ltd.	Supply of metal structures for towers

Revenues

The Award Decree guarantees the project's revenues, consisting of an Annual Transmission Value per Section (VATT) in dollars. This was awarded to the Yallique Consortium, which later formed the company Conexión Kimal-Lo Aguirre S.A. According to the following formulas, this will be readjusted annually according to the variation of its AVI and COMA components.

$$AVI_k = AVI_0 \times \left(\alpha \times \frac{IPC_k \cdot DOL_0}{IPC_0 \cdot DOL_k} + \beta \times \frac{CPI_k}{CPI_0} \right)$$

$$COMA_k = COMA_0 \times \frac{IPC_k \cdot DOL_0}{IPC_0 \cdot DOL_k}$$

The base values for the indexes defined above, according to the Decree, are those indicated below:

INDEX	DATE	VALUE
IPC ₀	August 2021, Base 2018 = 100	110.15
DOL ₀	August 2021	779.83
CPI ₀	August 2021	273.567

Where, for the above:

- 1. AVI_k:** Valor del AVI, que conforma el VATT adjudicado del proyecto para el mes k.
- 2. COMA_k:** Value of the COMA that makes up the awarded VATT of the project for month k.
- 3. IPC_k:** Value of the Consumer Price Index in the second month before month k, published by the Central Bank of Chile..
- 4. DOL_k:** The observed dollar price average in the second month before month k, published by the Central Bank of Chile.
- 5. CPI_k:** Value of the Consumer Price Index (all urban consumers), in the second month before month k, published by the Bureau of Labor Statistics (BLS) of the Government of the United States of America (BLS Code: CUSR0000SA0).

On the other hand, the values of AVI and COMA awarded to be taken as a basis for calculating the project income are as follows (in dollars):

WORKS	New Kimal-Lo Aguirre HDVC Line
AVI AWARDED	96,200,000
COMA AWARDED	20,100,000
VATT AWARDED (AVI + COMA)	116,300,000
CONSTRUCTION DEADLINE (MONTHS)	84

Financing

In 2024, the company's financial commitments were fully met thanks to the recently mentioned loans, while in the second semester, the second financing phase of the Project began, which will consist of obtaining a loan from global financial institutions, which is expected to be completed in the last quarter of 2025. This phase started with hiring due diligence consultants in the technical, environmental, legal, insurance, financial modeling, and regulatory fields.

Once we reach the milestone of obtaining the Environmental Qualification Resolution (EQR), the project can be financed using its assets as collateral to obtain public or private capital.



Copao, *Eulychnia breviflora*

A large, lattice-structured electrical transmission tower dominates the left side of the frame, extending from the bottom towards the top. It is silhouetted against a vibrant sunset sky with hues of orange, pink, and purple. The sun is visible as a bright, low-hanging orb on the left. Several high-voltage power lines extend from the tower across the sky. In the background, other smaller transmission towers and distant hills are visible under the twilight sky.

5.

**THE
OPERATION**

5.1 The Project

Background

We are part of a system defined by a Ministry of Energy works plan, which will strengthen the National Electricity System (SEN).

- The SEN is the largest system in Chile (it has 37,948 km of transmission lines in 3.100 km² of territory) and provides electricity to a large part of the national territory, with an installed capacity of 34,276 MW and a supply coverage that reaches about 98.5% of the population.
- The Kimal-Lo Aguirre project was defined as being key in the Ministry of Energy works plan since it enables other transmission and essential connection projects of the National Energy System. In addition, its operation eliminates congestion and increases the level of security of the transmission system in Chile, allowing large energy transfers between the North-Central-South of the country.

As we have pointed out, population growth directly impacts higher energy consumption, so the country will require transporting energy more efficiently. The great challenge of becoming carbon neutral by 2050 to face the environmental crisis we are experiencing is added to this.

All the potential clean energies currently produced in the north must be used to satisfy the energy needs and meet the carbon neutrality challenge. However, these clean energies are lost today due to a lack of transmission systems. With this objective in mind, in 2021, the State of Chile put out to tender the construction of the Kimal-Lo Aguirre line, which will be the first direct current line in the country and whose construction and operation will be led by our company, Conexión Kimal-Lo Aguirre.

This project will be a fundamental contribution to the national energy transition.

The main features of the project are:

- The first direct current project to be built in Chile.
- Capacity for up to 3,000 MW of clean energy.
- More than 1,300 km. of key infrastructure for decarbonization.
- This line will pass through five regions from the Antofagasta Region to the Metropolitan Region.
- It does not include intermediate substations.
- It will have two Converter Substations close to the existing Kimal, located in the municipality of María Elena (Antofagasta Region), and Lo Aguirre substations, located in the municipality of Pudahuel (Metropolitan Region), connecting the northern and central areas of the country.
- The role of these substations is to convert alternating current to direct current and vice versa so that electricity can be used in the National Electricity System (SEN).
- The technology used for this project is called HVDC, and it allows us to transport large blocks of electricity over long distances more efficiently than alternating current.
- As required by current national regulations, every transmission line project must establish a safety fringe to ensure that there are no risks to the safety of both people and the facilities that said line comprises. Thanks to HVDC technology, the fringe required is smaller than for the set of alternating current lines that would transmit the same power.

Current context

We are starting 2024 by completing the formal Citizen Participation process (PAC) led by the Environmental Assessment Service (SEA). Our regional outreach process included, among other things, 150 activities with social organizations that considered meetings, early citizen participation, and the formation and formalization of work agreements through works memorandums, door-to-door visits, onsite visits, and open houses.

In parallel, given the adaptations to the project's route, an early citizen participation process (PACA) was held in the municipalities of Vallenar, Vicuña, and Catemu to inform the community of the modifications submitted in Addendum 1 regarding the route changes and worksite modifications, this led SEA to hold an additional second formal citizen participation process.

This year, the Transmission Lines team progressed with the approval of CEN for Relevant Milestone N° 2 and the first load tests of the project structures for the HVDC line. This marks a significant milestone related to the start of supply manufacturing. Likewise, supply bidding processes led by Conexión, associated with manufacturing structures for sections T1 to T3, were finalized. This is in addition to the award of the conductor cable that was made in advance in 2022. Then, with a view to the definitions of the project's construction stage, the technical construction inspection bidding process was launched, and the adjustments to the project's route, including its constructive logistics, were finalized.

The Project submitted Addendum 1 to the Environmental Assessment Service (SEA) in November 2024. It also held the Citizen Participation process (PAC) to comply with the provisions of Article 29 of the Environmental Impact System Regulations and what is established by the Escazú Agreement to guarantee the rights of access to environmental information and public participation in decision-making processes in environmental matters.

The document responds to the more than 2,600 observations of the project that were raised both in the Consolidated Report of Clarifications, Corrections or Extensions (ICSARA) presented by the competent bodies in January this year and in the observations of the Citizen Participation process received in June.

The Indigenous Consultation process also began in June 2024.

Finally, during the last year, we fulfilled one of the project's milestones, the admissibility of the definitive electricity concessions. The process that began in April ended successfully last December, with the approval of the Superintendency of Electricity and Fuels for the entire LT HVDC Kímal-Lo Aguirre route. This first step in terms of concessions leads us to a new challenge for 2025, which we have already started: notifying the property owners where the project will be located.



Regulatory context

The regulatory framework determining the transmission segment's operation in Chile is based on the Decree with Force of Law N°4 of the Ministry of Economy, Development and Reconstruction of 2006. This Decree establishes the consolidated, coordinated, and systematized text of the Decree with Force of Law No. 1 of Mining of 1982 of the General Law of Electric Services (hereinafter and interchangeably "General Law of Electric Services" or "LGSE").

The LGSE and its complementary regulations determine the rules for the proper operation of the electricity sector, governing the technical, economic, safety, coordination, quality, and information aspects with which any electrical installation in the country, whether generation, transmission, or distribution, must comply.

The latest relevant reform to the LGSE is Law No. 20,936 (Transmission Law), published on July 20th, 2016, which incorporates, among other things, the following modifications:

1. The creation of a single Coordinator of the National Electricity System, independent of market players.
2. The redefinition of transmission systems, classifying them into the National Transmission System, Zonal Transmission Systems, Dedicated Systems, Transmission Systems for Development Poles, and International Interconnection Systems.
3. The incorporation of energy and transmission planning with a long-term outlook.

4. Preliminary definition of routes for new works, through a Ministry of Energy Transmission Line Route Study procedure, for electric transmission routes of public interest.
5. Open access to Universal Transmission Systems.
6. Regulates the pricing of transmission systems.
7. The free and regulated end users will bear the payment of the National, Zonal, and Dedicated Transmission Systems used by users subject to price regulation, unlike the previous law, in which the payment was for the generating companies.

5.2 Properties and Facilities

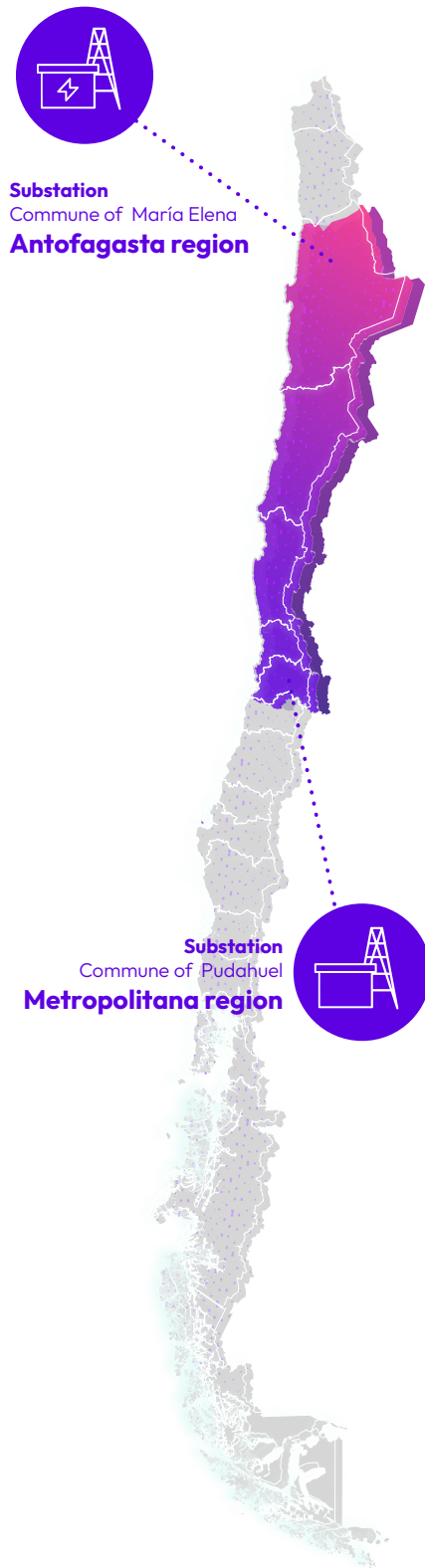
Given the nature and the schedule for the environmental processing of the Project in Conexión Kimal-Lo Aguirre, we still do not have properties and facilities as of December 31st, 2024.

5.3 Subsidiaries, associates, and investments in other companies

As of December 31st, 2024, Conexión Kimal-Lo Aguirre S.A. has no subsidiaries or associates in its legal structure.

Investment in other companies

As of December 31st, 2024, Conexión Kimal-Lo Aguirre S.A. has no investments in other companies.



Substation
Commune of María Elena
Antofagasta region

Substation
Commune of Pudahuel
Metropolitana region



6.

THE PEOPLE

This year, we have continued to prioritize having a solid organizational structure capable of attracting, retaining, and developing the best talents. Their knowledge and experience allow us to ensure the project's development based on excellence to achieve objectives. In this line, we have worked on implementing strategies focused on contributing to people's growth and designing initiatives to strengthen transversal skills and competencies.

On the other hand, we have recognized the relevance of measuring and managing the organizational climate as a key element in promoting commitment and a sense of belonging while ensuring a safe and conducive working environment for our collaborators' development. We are convinced that strengthening our identity and organizational culture allows us to move forward in an aligned and inspired way toward fulfilling our purpose, thus reinforcing our commitment to the country's development and well-being.



6.1 Staffing

From the talent attraction process, we propose to incorporate different professionals without discrimination or social, gender, age, or ethnic barriers. At Conexión Kimal-Lo Aguirre, we are oriented to hiring qualified professionals, focusing on fulfilling the position's requirements, academic training, work experience, and specific skills and knowledge. Given the possibility of candidates with similar characteristics, we value diversity as an opportunity to enrich the organizational culture.



Number of people by sex

At Conexión Kimal-Lo Aguirre, 31 women and 53 men work for the company.



Number of people by nationality

We have a team of five nationalities, with Chile being the primary origin of the workers, with 68 people (28 women and 40 men), followed by Colombia, with 8 collaborators (1 woman and 7 men); China, with 4 people (1 woman and 3 men), 3 workers from Brazil (3 men) and 1 from Argentina (1 woman).



Number of people by age range

- 3 people between **20 and 25**
- 6 people between **26 and 30**
- 11 people between **31 and 35**
- 19 people between **36 and 40**
- 27 people between **41 and 45**
- 11 people between **46 and 50**
- 5 people between **51 and 55**
- 2 people between **56 and 70**



Seniority

Being such a young company, the 84 workers of Conexión Kimal-Lo Aguirre have a seniority of less than three years.



Number of persons with disabilities

Currently, people with some disability do not work at Conexión Kimal-Lo Aguirre.

Personnel

There are 84 people in the company with an indefinite contract (31 women and 53 men).

6.2 Job adaptability

All the workers of Conexión Kímal-Lo Aguirre work under an Ordinary Working Day regime.

6.3 Gender pay equity

Internal salary equity management, part of the compensation policy, was carried out through an organizational structure study.

Position	SBPM / SBPH
Senior management	84%
Management and middle managers	98%
Other professionals	75%

6.4 Workplace and sexual harassment

At Conexión Kímal-Lo Aguirre, we reject harassment in the workplace. Both sexual harassment and workplace harassment are illegal behaviors that disregard human dignity and are contrary to working within the company. Due to this, we have formal policies to prevent and report these types of harassment, and we have a complaints channel. Given the updates in these matters, contained in Law N° 21.643, known as “Karin Law,” we have modified our Internal Health and Safety Regulations and incorporated the protocol required by said law.

6.5 Job security

2024 was a year of shaping and defining the safety culture model and the occupational health and safety management systems, which the company addressed with all our collaborating companies, outlining the importance of outlining a transversal safety line for the entire organization and segregating the national hierarchical organizational levels. This year was also crucial for consolidating the organization’s preventive culture plan.

Based on this, we initiated a learning and training process with the renowned consultant DSS+ Solution (Formerly DuPont), with whom we planned the implementation of a Safety Culture model and a governance model that ensures active leadership in safety culture and the prevention of occupational accidents.

One of the main achievements obtained in 2024 is that Conexión entered the Competitive Enterprise Program (PEC) of Mutual de Seguridad CCHC, the standard program that certifies our Integrated Management System, achieving a rating of 100% compliance in implementing our System.

The next achievement obtained was to certify the preventive management of our Joint Hygiene and Safety Committee (CPHS) in the Bronze category, receiving the respective recognitions from our Insurance Administrative Body.

Main Occupational Health and Safety Indicators

CONEXIÓN	
0%	0%
Accident Rate 2024	Incident Rate 2024
CONTRACTING COMPANIES	
3,70%	0,01%
Accident Rate 2024	Incident Rate 2024
TOTAL PROJECT	
1,98%	0,06%
Accident Rate 2024	Incident Rate 2024

- > 0 Fatalities in the year
- > Occupational Diseases during the year.
- > 100% of our employees are protected by Law 16.744 on preventing accidents and occupational diseases.

The training required most are English courses, the 4x4 course, and technical courses for each area.

Type of position	Women	Men
Senior management	52	44
Management and middle managers	44	47
Other professionals	42	38

As for benefits, at Conexión Kimal-Lo Aguirre, we offer health insurance, life insurance, catastrophic coverage, and dental coverage, in addition to an annual performance bonus for workers with an indefinite contract.

All company employees benefit from English classes with co-payment, a platform with varied courses, birthday afternoons off, telework on Fridays, end work on Fridays at 1 pm, Christmas and National Holidays off, and payment for the first three days in case of medical leaves.

6.6 Postnatal leave

In this area, as Conexión Kimal-Lo Aguirre, we comply with the provisions of Article 195 of the Labor Code.

6.7 Training and benefits

A training plan is being conducted where all our professionals have already been trained in more than one subject.

6.8 Outsourcing policy

The contracts for the supply of goods and the provision of services that we have signed with domestic and foreign suppliers and contractors were based on the commitments defined by the Company. These seek to manage the supply chain under ethical guidelines, protect human and labor rights, protect the environment, fight against corruption in all operations, and comply with the Crime Prevention Model (CPM) that is based on the standards established in Laws N°20.393 and N°21.595, included in the Corporate Policy of Procurement that we wrote in 2024.



7

SUPPLIER MANAGEMENT

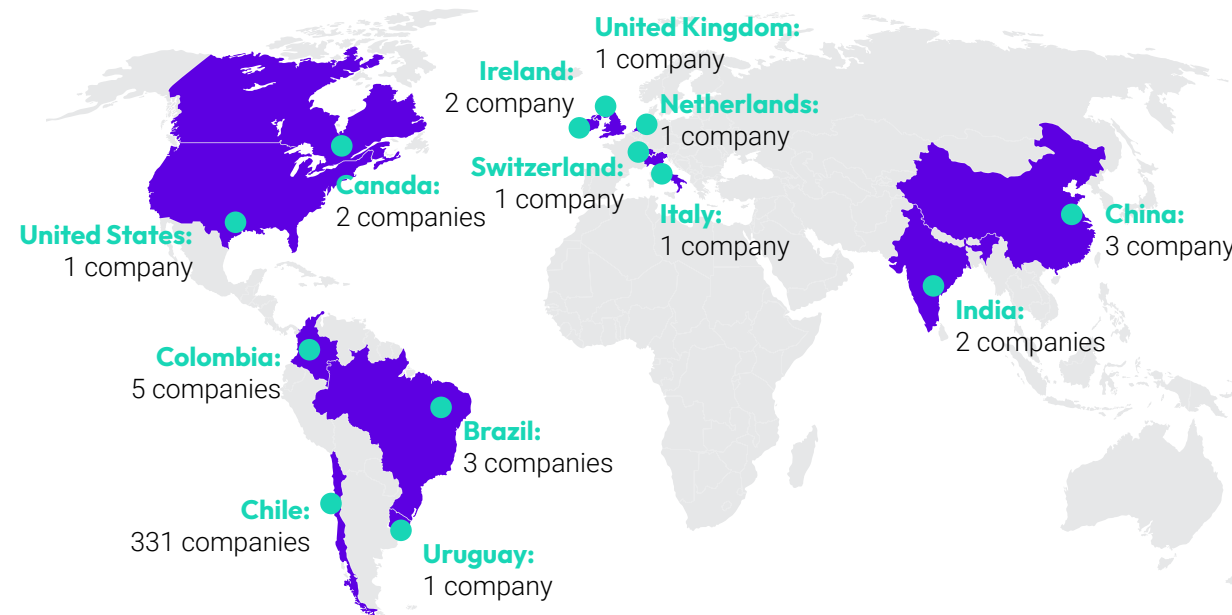
As part of the Company's supply chain management, we have generated Procurement Regulations for Goods and Services that seek the optimization, efficiency, and sustainability of the supply chain, manage risks, contribute to the good governance of the Company, and promote among suppliers and contractors, as a relevant stakeholder, a culture of ethics and compliance based on long-term relationships.

Additionally, we awarded 371 contracts during 2024 for a value close to MMUSD 100, which leads us to a total contracting volume of more than MMUSD 1,430 since the beginning of our activities in 2022, compliance of 90.8% of the Purchase Plan defined by the Company and substantial progress in the assurance of the most relevant goods and services for the project, associated with electromechanical and civil design, the supply of goods, the construction and commissioning of the transmission line and the converter substations; as well as the generation of the environmental impact study and the application for territorial concessions.

On the other hand, we strengthened the contract administration process, achieving greater control and monitoring of compliance with the commercial and technical commitments agreed with suppliers and contractors for the 200 contracts that remain in force on average, implementing improvement actions when deviations or non-compliances were identified.

We consolidated the use of the SAP Business One ERP (Enterprise Resource Planning) to register commercial and banking information of suppliers and contractors, create purchase orders and contracts, and generate merchandise entries, which combined with a rigorous authorization process by the Company's legal representatives, allows us to minimize risks in supply chain management.

We have maintained our commitment to building relationships of trust, transparency, and mutual support with the local and international suppliers, contractors, and consultants who have been selected and with those who wish to accompany us in the construction of our project. That is why we have hired a list of close to 360 local and foreign companies.



7.1 Supplier Evaluation

The Contractor Performance Evaluation Procedure was created to commit us to performing regular ratings on suppliers of goods and service contractors. This allows us to validate compliance with quality, timeliness, and management standards and be able to prevent risks associated with economic crimes, such as corruption, money laundering, tax and/or labor crimes, and collusion, among others, in line with the provisions of Law No. 20.393 and No. 21.595, and the Company's Crime Prevention Model.

Additionally, in 2024, we carried out third-party inspections of the factories of foreign producers of the main goods for the HVDC power transmission line with the support of well-known laboratories, experts in such services. This allowed us to complete the due diligence analyses before making the respective awards.

7.2 Payment of Suppliers

The handling of Electronic Tax Documents (electronic invoices, credit and debit notes, affected and exempt from VAT) in SAP Business One allows us to have greater control of our payment commitments with our creditors, reducing the risk of arrears and optimizing the process of planning and making of payments. We maintain our commitment to make monthly payments for contractors with whom we sign contracts for large amounts and weekly payments for SMEs (small and medium-sized enterprises) and other companies supplying goods and services of smaller amounts, subject to compliance with the company's requirements.



Quisco, *Trichocereus chiloensis*



IX SEMANA DE LA
ENERGIA

8.

SUSTAINABILITY

In 2024, from Conexión Kímal-Lo Aguirre, we reaffirm our commitment to sustainability, aligning our efforts with the highest standards of regulatory compliance and ESG responsibility, thus strengthening internal management.

The Escazú Agreement promotes active participation in environmental decisions, guaranteeing equality, transparency, and accountability. In this line, the recent Climate Change Law highlights the importance of including vulnerable communities in these processes. Faced with the triple global crisis — biodiversity loss, climate change, and pollution — it is essential to work collaboratively to close vulnerability gaps and build a more just and sustainable future.

Since its inception, the project has been aligned with international standards as an effective strategy to address climate change, incorporating the Escazú Agreement's principles. Within this framework, and to strengthen the transparency and quality of our institutional practices, we present our annual report to the National Electrical Coordinator. This report, audited by the independent external consultant Mejores Prácticas Asociados SpA, evidenced a high level of compliance, scoring:

- 100% in the Equator Principles,
- 100% in the relevant articles of the Escazu Agreement and
- 99% in the International Finance Corporation's (IFC) demanding standards.

This covers the definition of the engineering design, the presentation of the EIS in the Environmental Impact Assessment System (SEIA), community participation, and the presentation of all the necessary background information to demonstrate actions under each requirement.

Estos resultados reflejan nuestro compromiso con la sostenibilidad y consolidan a Conexión Kímal-Lo Aguirre como un referente en la implementación de buenas prácticas ambientales, sociales y de gobernanza.

These results reflect our commitment to sustainability and consolidate Conexión Kímal-Lo Aguirre as a benchmark in implementing good environmental, social, and governance practices.

2024 was a key year for the strengthening of internal sustainability management. This year, the Construction Sustainability Committee was created in August. It has been a fundamental pillar in integrating cutting-edge environmental practices with contractors, promoting the creation of initiatives that ensure the success of their operations and are in line with global and local expectations in terms of sustainability.

Its main objective is to promote efficient use of resources, adopt best practices, and reduce negative impacts. To date, water and waste management measures have been presented, as well as a training plan for areas such as community relations, communication, and other relevant aspects.

In addition, the company made its mark internationally by applying for and winning the OLADE Award for Energy Excellence in the Decarbonization category. This award recognized the effectiveness of the carbon neutrality strategies implemented by Conexión Kímal-Lo Aguirre and its contribution to promoting a cleaner, more efficient, and responsible energy industry.

Finally, we would like to highlight another initiative that marked 2024: the Green Office Program. In September, Conexión Kímal-Lo Aguirre took an essential step with the pre-accreditation ceremony, where we consolidated our intention to be a benchmark in energy efficiency and environmental management. In November, this effort was materialized on obtaining accreditation at the basic level, achieving 97% compliance. This result not only reflects the hard work of all the teams involved, but also the company's long-term vision, which always seeks to exceed its own standards and reach higher levels in the near future.

Considering the importance of local knowledge and promoting knowledge and collaboration with academia, we created the Conexión Educa program, signing six agreements with universities and TTCs in the project's regions.

This progress demonstrates that companies can be agents of change in a world increasingly aware of the climate emergency, leading with action, innovation, and a firm commitment to future generations.



Firma de convenio con Universidad Técnica
Federico Santa María



INNOVATION

Innovation represents a strategic opportunity to address the development challenges of Conexión Kimal-Lo Aguirre. Since our story began, we have explored different technological solutions to improve our processes and objectives regarding sustainability, safety, and efficiency. We have also tuned in to our community relations work and the constant dialog we have promoted with the different actors related to our current project. For this, in 2024, we implemented a series of aspects that will help guide our company's innovative path.

Tools are being incorporated and evaluated in the safety transmission line route monitoring field to allow continuous and accurate monitoring of this critical area. We are considering applying various technological solutions, such as drones, high-definition cameras, and satellite analysis, to achieve this. These will be fundamental to ensuring that the space designated for the transmission line remains free of risks and obstructions, both during construction and in its future operation.

Another key aspect has been the incorporation of technologies to safeguard the health and safety of field personnel. In response to the route's geographical complexity and the high number of collaborators, innovations such as artificial intelligence systems for the early identification of risks and advanced communication platforms have been proposed and designed to maintain connectivity even in the most remote areas. These tools will strengthen operational coordination and minimize incidents for our workers and contractors.

Responsible water management is also a priority, particularly in the case of water scarcity, which is seriously affecting northern Chile. To solve the problem and contribute to environmental care, we are studying innovative methods to reduce water consumption in reforestation, revegetation, and infrastructure maintenance activities. These solutions seek to ensure a more efficient and sustainable use of this vital resource.

In 2024, the Aconex platform also gained strength. At the beginning of the first semester, technical documentation was officially sent to contractors and authorities. Aconex is a platform for managing documentation, processes, and subsequent reviews, mainly for construction projects.

When the project was presented to the Environmental Impact Assessment System and the consequent formal Citizen Participation process (Law 19,300), given that the project covers more than 200 census localities, more than 400 social organizations, 35 municipalities, and 5 Regional Governments, the installation of totems was proposed in each municipality, region, and regional service, instead of the practice that stipulated the sending of physical copies, avoiding the printing of more than 40,000 pages, in addition to promoting the search for information with regional, didactic approaches, which it made it easier to read the environmental impact study.

Finally, regarding the operation stage, we are analyzing technologies that allow us to optimize the upkeep and security of the infrastructure. From remote monitoring systems to predictive diagnostic tools, these solutions seek to anticipate potential operational challenges and maximize long-term efficiency.





10.

RELEVANT
OR ESSENTIAL
FACTS

1. On May 6th, 2024, and following article 9 and paragraph 2 of article 10 of Law No. 18,045 on the Securities Market and General Rule No. 30 and its amendments, it was reported as an essential fact that on April 22nd of the current year, an Extraordinary Meeting of Shareholders of Conexión Kimal-Lo Aguirre S.A. (the "Company") was held, at the time and the place indicated in the respective citation. The Extraordinary Shareholders' Meeting adopted the following resolutions:
 - a. To amend the articles of association to provide for the appointment of alternate directors for the Company's management;
 - b. To proceed with the renewal of the Board of Directors to incorporate the alternate directors. The elected directors were:
 - i. Xue Yu as incumbent and Zheng Fenglei as a substitute;
 - ii. Luis Llano Zuleta as incumbent and Daniel Isaza Bonnet as substitute;
 - iii. Francisco Castro Crichton as incumbent and Bernardo Canales Fuenzalida as substitute;
 - iv. Francisca Castro Fones as incumbent and Fernando Garrido Capdevila as a substitute; and
 - v. Juan Pablo Schaeffer Fabres as incumbent and Víctor Barros Echeverría as a substitute.
2. Subsequently, at an Ordinary Board meeting held on April 25th, 2024, it was agreed to appoint Mr. Xue Yu as Chairman of the Board.
3. On May 6th, 2023, and following article 9 and paragraph 2 of article 10 of Law No. 18,045 on the Securities Market and General Rule No. 30 and its amendments, it was reported as an essential fact that on April 22nd of the current year, an Ordinary Meeting of Shareholders of Conexión Kimal-Lo Aguirre S.A. (the "Company") was held, at the time and the place indicated in the respective citation. The Ordinary Shareholders' Meeting adopted the following resolutions:
 - i. The Annual Report, General Balance Sheet, Financial Statements, and External Auditors' Report for the period ending December 31st, 2023, were approved.
 - ii. It was agreed that no profits will be distributed for the period ending December 31st, 2023.
 - iii. The remuneration of the Board members was agreed upon.
 - iv. Deloitte y Consultores Limitada was appointed as an external audit firm for the 2024 financial year.
 - v. The newspaper Diario Financiero was appointed to publish the notifications of summons to shareholders' meetings.
 - vi. Transactions with related parties, as articles 146 et seq. of the Law on Public Limited Companies mentions, were reported.
 - vii. Other matters of interest of the company and competence of the Board.
4. On July 24th, 2024, and following article 9 and paragraph 2 of article 10 of Law No. 18,045 on the Securities Market and General Rule No. 30 and its amendments, it was reported as an essential fact that on July 19th of the current year, Mr. Daniel Isaza Bonnet submitted his resignation from the position of alternate director of Conexión Kimal-Lo-Aguirre S.A.
5. On November 6th, 2024, and following article 9 and paragraph 2 of article 10 of Law No. 18,045 on the Securities Market and General Rule No. 30 and its amendments, it was reported as an essential fact that at a board meeting dated October 29th, 2024, Mr. Jaime Falquez Ortega was appointed as an alternate director of Mr. Luis Llano Zuleta.



11.

**COMMENTS OF
THE SHAREHOLDERS
AND DIRECTORS
COMMITTEE**

Statement of Responsibility

Both the directors and the CEO of Conexión Kimal-Lo Aguirre S.A. who sign this statement are responsible, under oath, for the veracity of the information provided in this Annual Report 2024, in compliance with General Rule No. 30, issued by the Superintendency of Securities and Insurance, today the Commission for the Financial Market.

Luis Llano
Chairman of the Board

Xue Yu
Director

Francisco Castro
Director

Francisca Castro
Director

Juan Pablo Schaeffer
Director

Sebastián Fernández Cox
CEO



FINANCIAL STATEMENTS



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Financial Statements53

Statements of Comprehensive Income by Function53

Income Statements and Other Comprehensive Income53

Statements of Changes in Equity.....54

Cash Flow Statements Direct Method54

Note 1. General Information55

Note 2. Basis of Presentation of the Financial Statements55

Note 3. Accounting policies applied58

Note 4. Risk Management66

Note 5. Changes in Accounting Policies and Reclassifications67

Note 6. Cash and Cash Equivalents.....69

Note 7. Other Current and Non-current Non-financial Assets70

Note 8. Trade debtors and other accounts receivable70

Note 9. Current Tax Liabilities70

Note 10. Property, Plant, and Equipment70

Note 11. Intangible Assets Other than Goodwill72

Note 12. Right of Use.....73

Note 13. Income Tax and Deferred Taxes.....74

Note 14. Commercial Accounts Payable and Other Accounts Payable75

Note 15. Accounts Payable to Related Entities75

Note 16. Other Provisions77

Note 17. Employee benefit provisions77

Note 18. Other Current and Non-current Financial Assets and Liabilities.....78

Note 19. Derivative instruments80

Note 20. Other current and non-current non-financial liabilities.....81

Note 21. Disclosures about net worth (Issued Capital)).....81

Note 22. Other income (expenses)82

Note 23. Contingencies and Commitments.....82

Note 24. Environment.....83

Note 25. Subsequent Events83

Statement of Financial Position

(Values expressed in US dollars)

ASSETS	NOTE	31-12-2024 USD\$	31-12-2023 USD\$
Current Assets			
Cash and cash equivalents	(6)	24,998,090	19,861,533
Other non-financial current assets	(7.a)	16,885,785	7,209,106
Trade debtors and other current accounts receivable	(8)	379,749	40,156
Total current assets		42,263,624	27,110,795
Non-current Assets			
Property, plant, and equipment	(10)	205,163,008	110,418,936
Non-current right-of-use assets	(12)	859,990	988,929
Intangible assets other than goodwill	(11)	40,616,251	29,949,452
Deferred tax assets	(13)	-	6,485,119
Other non-current non-financial assets	(7.b)	52,139,660	52,336,035
Other financial assets, non-current	(18.a)	5,803,715	-
Total non-current assets		304,582,624	200,178,471
Total Assets		346,846,248	227,289,266

LIABILITIES AND EQUITY	NOTE	31-12-2024 USD\$	31-12-2023 USD\$
Current Liabilities			
Other current financial liabilities	(18.b)	369,785	181,978
Commercial accounts payable and other accounts payable	(14)	1,694,139	6,968,930
Accounts payable to related entities, current	(15)	746,426	420,652
Other short-term provisions	(16)	1,210,384	605,886
Current Tax Liabilities	(9)	92,458	245,693
Current lease liability	(12)	199,660	244,482
Other non-financial liabilities, current	(20)	3,120	-
Provisions for employee benefits, current	(17)	1,053,026	1,036,075
Total current liabilities		5,368,998	9,703,696
Non-current Liabilities			
Other financial liabilities, non-current	(18.c)	76,415,359	51,677,130
Non-current lease liability	(12)	581,153	784,436
Deferred tax liabilities	(13)	14,848	-
Accounts payable to Related Entities, Non-current	(15)	152,830,718	69,970,379
Other non-financial, non-current liabilities	(20)	313,456	-
Employee benefit provisions, non-current	(17)	185,528	-
Total non-current liabilities		122,431,945	122,431,945
Total Liabilities		132,135,641	132,135,641
Equity			
Issued capital	(21)	105,361,799	105,361,799
Accumulated earnings		1,976,942	72,264
Result of the period		(439,265)	1,904,678
Other reserves		4,236,712	(12,185,116)
Total Equity		111,136,188	95,153,625
Total Liabilities and Equity		346,846,248	227,289,266

Statements of Comprehensive Income by Function

	NOTE	01-01-2024 31-12-2024 USD\$	01-01-2023 31-12-2023 USD\$
Other income (expenses)	(22)	(13,125)	(948)
Non-operational income and expenses		(13,125)	(948)
Profit (Loss), before Tax		(13,125)	(948)
Result from Tax		1,905,626	1,905,626
Profit (loss) from continuing operations		(439,265)	1,904,678
Result of the year		(439,265)	1,904,678

Income Statements and Other Comprehensive Income

	NOTE	01-01-2024 31-12-2024 USD\$	01-01-2023 31-12-2023 USD\$
Result of the year		(439,265)	1,904,678
Components of other comprehensive income to be reclassified to profit or loss for the period, before taxes			
Profit (loss) from cash flow hedging	(18)	5,803,715	(16,691,940)
Other components of other comprehensive income, before tax		5,803,715	(16,691,940)
Income taxes relating to components of other comprehensive income to be reclassified to profit or loss for the year			
Income tax related to cash flow hedges		(1,567,003)	4,506,824
Income taxes relating to components of other comprehensive income to be reclassified to profit or loss for the year		(1,567,003)	4,506,824
Other comprehensive income		4,236,712	(12,185,116)
Comprehensive income		3,797,447	(10,280,438)

Statements of Changes in Equity

EQUITY MOVEMENT 2024	CAPITAL PAID USD\$	ACCUMULATED RESULTS USD\$	RESULT OF THE PERIOD USD\$	OTHER RESERVES USD\$	TOTAL USD\$
Initial capital	105,361,799	1,976,942	-	(12,185,116)	95,153,625
Other comprehensive income	-	-	-	16,421,828	16,421,828
Comprehensive income as of December 31, 2024	-	-	(439,265)	-	(439,265)
Balances as of December 31, 2024	105,361,799	1,976,942	(439,265)	4,236,712	111,136,188

EQUITY MOVEMENT 2023	CAPITAL PAID USD\$	ACCUMULATED RESULTS USD\$	RESULT OF THE PERIOD USD\$	OTHER RESERVES USD\$	TOTAL USD\$
Initial capital	105,361,799	182,743	-	-	105,544,542
Increase (decrease) due to corrections	-	(110,479)	-	-	(110,479)
Initial Equity Restated	105,361,799	72,264	-	-	105,434,063
Other comprehensive income	-	-	-	(12,185,116)	(12,185,116)
Comprehensive income as of December 31, 2023	-	-	1,904,678	-	1,904,678
Balances as of December 31, 2023	105,361,799	72,264	1,904,678	(12,185,116)	95,153,625

Cash Flow Statements Direct Method

CASH FLOW STATEMENT	01-01-2024 31-12-2024 USD\$	01-01-2023 31-12-2023 USD\$
Cash flows from investing activities:		
Purchases of property, plant and equipment and intangibles, net	(95,571,607)	(118,436,531)
Net cash flows used in investing activities	(95,571,607)	(118,436,531)
Cash flows from financing activities:		
Amounts derived from loans	123,300,000	108,766,625
Net cash flows from (used in) financing activities	(11,532,135)	(3,029,650)
Other cash inflows (outflows)	-	(4,127,736)
Payments of lease liabilities	(293,788)	(254,055)
Interest paid	(8,975,550)	(2,554,055)
Net cash flows from financing activities	102,498,527	98,801,129
Effects of the change in the exchange rate on the cash and cash equivalent	(1,790,363)	(918,336)
Net increase in cash and cash equivalents	5,136,557	(20,553,738)
Cash and cash equivalents at the beginning of the year	19,861,533	40,415,271
Cash and cash equivalents at the end of the year	24,998,090	19,861,533

Note 1. Company background

CONEXIÓN KIMAL LO AGUIRRE S.A. (hereinafter “the Company”, or “KIMAL LO AGUIRRE”) was incorporated as a closed corporation by public deed on May 25, 2022. It has its legal domicile in the Metropolitan Region, Santiago, Chile and its tax number is 77,590,896-3. The Company is registered under No. 633 in the Registry of Reporting Entities of the Financial Market Commission (CMF), since the registration is a requirement of the National Energy Commission as a requirement for the process of awarding rights of which is the object of the Company. The companies that jointly control the company are Isa Inversiones Chile SpA (“ISA”), Transelec Holdings Rentas Limitada and China Southern Power Grid International (HK) Co., Ltd.

The business purpose of the Company is the transmission of electric energy through national, zonal, development and/or dedicated transmission systems or any other classification of transmission facilities that the regulations may contemplate in the future, either on its own behalf or on behalf of third parties; the commercialization of the capacity for the transmission and transformation of electricity in the National Electric System; the construction, administration and/or operation of electric transmission facilities, both its own and those of third parties; the rendering of services in activities related to the corporate purpose, whether in the country or abroad; the performance of any other activities related to the electric power transmission and transportation industry; and, in general, the execution of all types of acts and the execution of all types of contracts and agreements directly or indirectly related to the corporate purpose, which may be carried out directly or through other companies.

KIMAL LO AGUIRRE, was awarded the bidding of the execution and exploitation rights of the work “New HVDC Kimal-Lo Aguirre line”, under decree No. 231, of 2019, of the Ministry of Energy.

On December 7, 2022, a change of shareholder was made from China Southern Power Grid International (HK) Co., Ltd. to the new company Chile HVDC Transmission SpA with the tax number 77.587.435-k and having a shareholding of 33.33%.

Note 2. Basis of Presentation of Financial Statements

2.1) Statement of compliance

These financial statements are for the years ended December 31, 2024 and 2023, and have been prepared in accordance with International Financial Reporting Standards (IFRS).

In preparing these financial statements, Management has used its best knowledge and understanding of the standards and interpretations to be applied and the current facts and circumstances, which may be subject to change.

The information contained in these financial statements is the responsibility of the Company’s management, which expressly states its responsibility for the consistent and reliable nature of the application of International Financial Reporting Standards.

These financial statements were approved by the Company’s Board of Directors on February 27th, 2025.

2.2) Basis of preparation

The financial statements have been prepared on the historical cost basis, except for those assets and liabilities that are recorded at fair value (note 3.1).

There are no significant changes in the accounting policies applied in the preparation of these financial statements.

2.3) Period covered by the financial statements

These financial statements comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of comprehensive income (by function), changes in shareholders’ equity and cash flows for the years then ended.

2.4) Functional and presentation currency

2.4.1) Functional currency

The Company’s financial statements are prepared using the currency of the primary economic environment in which the entity operates (functional currency). The Company’s functional currency is the U.S. dollar (USD).

2.4.2) Presentation currency

The Company does not use a presentation currency other than the functional currency, which is the U.S. dollar (USD).

2.5) Operating segments

The Company manages its operations and presents the information in the financial statements on the basis of a single operating segment, since it is a Company created for the realization of the power transmission project called Kímal Lo Aguirre.

2.6) Foreign currencies and conversion bases

Transactions in currencies other than the functional currency (foreign currency) and in readjustment units are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Gains and losses resulting from the settlement of these transactions and from the translation at the closing exchange rates prevailing at the closing date of the financial statements are recognized in the statement of income under the caption “Exchange differences”.

Monetary assets and liabilities in foreign currencies and in Unidades de fomento have been expressed in current currency according to the following parities:

	31-12-2024		31-12-2023	
	CLP	USD\$	CLP	USD\$
Unidad de fomento	38.416,69	38,55	36.789,36	41,94
US Dollar	996,46	1,00	877,12	1,00

2.7) Classification of balances as current and noncurrent

In the Statement of Financial Position, balances are classified according to their maturities, i.e., those maturing in twelve months or less are classified as current and those maturing in more than twelve months as non-current. In the case of obligations maturing in less than twelve months, but whose long-term refinancing is assured at the Company’s discretion through unconditionally available credit contracts with long-term maturity, they may be classified as non-current liabilities.

2.8) New accounting pronouncements

The principal accounting policies adopted in the preparation and presentation of these financial statements are described below.

The financial statements of Conexión Kímal Lo Aguirre S.A. as of December 31, 2024 and 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), and regulations from the Financial Market Commission (CMF).

In the accompanying statements of financial position, assets and liabilities are classified according to their maturities as current, those maturing in twelve months or less, and non-current, those maturing in more than twelve months.

In turn, expenses classified by function are presented in the statement of comprehensive income, identifying depreciation and personnel expenses based on their nature. The statements of cash flows are presented in accordance with the direct method.

The statements of comprehensive income, cash flows and changes in shareholders' equity show the movements for the periods ended December 31, 2024 and 2023.

a) The following Amendments to IFRS have been adopted in these financial statements.

AMENDMENTS TO IFRS	MANDATORY APPLICATION DATE
Classification of liabilities as Current or Non-Current (amendments to IAS 1)	Annual periods beginning on or after January 1, 2024.
Lease liability on a sale and leaseback (amendments to IFRS 16)	Annual periods beginning on or after January 1, 2024.
Non-current liabilities with debt covenants (amendments to IAS 1)	Annual periods beginning on or after January 1, 2024.
Supplier Financing Arrangements (amendments to IAS 7 and IFRS 7)	Annual periods beginning on or after January 1, 2024.

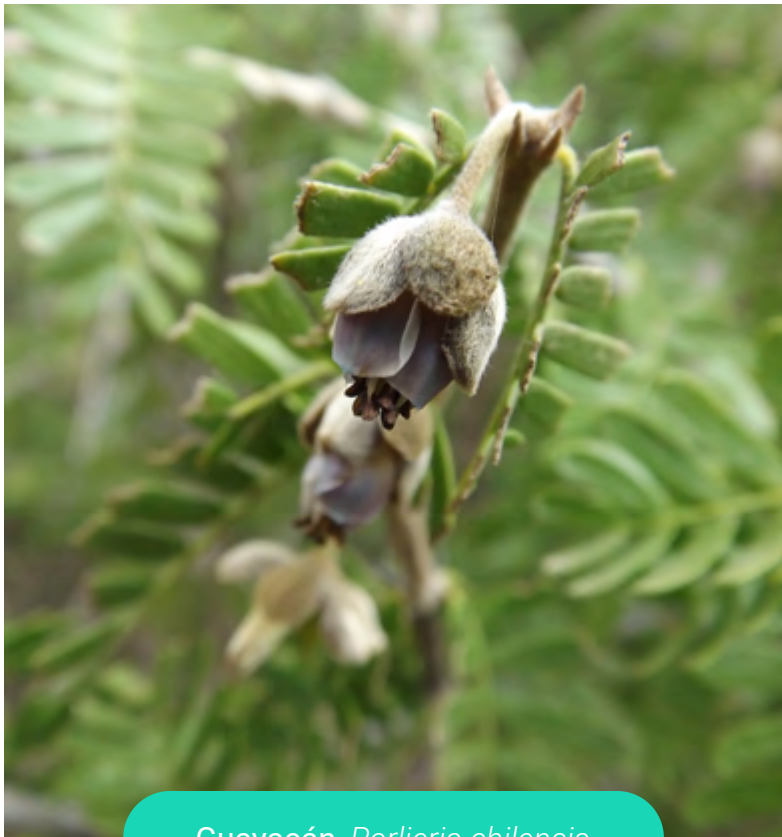
The application of these Amendments has not had a significant effect on the amounts reported in these financial statements, however, they could affect the accounting for future transactions or arrangements.

b) Standards and Amendments to IFRS that have been issued but their date of application is not yet effective:

NEW IFRS	MANDATORY APPLICATION DATE
IFRS 18, Presentation and Disclosure in Financial Statements	Annual periods beginning on or after January 1, 2027
IFRS 19, Non-Publicly Accountable Subsidiaries: Disclosures	Annual periods beginning on or after January 1, 2027

AMENDMENTS TO IFRS	MANDATORY APPLICATION DATE
Lack of Interchangeability (amendments to IAS 21)	Annual periods beginning on or after January 1, 2025.
Amendments to Sustainability Standards (SASB) to improve their international applicability	Annual periods beginning on or after January 1, 2025.
Amendments to Classification and Measurement of Financial Instruments (amendments to IFRS 9 and IFRS 7)	Annual periods beginning on or after January 1, 2026.
Annual Improvements to IFRS, Volume 11 (amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	Annual periods beginning on or after January 1, 2026.

The Company will evaluate the effect of these standards at the time they become effective.



Guayacán, *Porlieria chilensis*

Note 3. Principal Accounting Policies

The principal accounting policies and criteria applied in the preparation of the accompanying financial statements were as follows:

3.1) Financial instruments

A financial instrument is any contract that gives rise simultaneously to a financial asset in one entity and a financial liability or equity instrument in another entity.

Financial assets

The Company classifies its financial assets in three categories:

a) Financial assets at fair value through profit or loss

These financial instruments are held and sold mainly for liquidity management. They are measured at fair value and changes in their value are recorded in income when they occur.

The financial assets classified in this category include mutual funds that are those recognized in cash and cash equivalents corresponding to mutual funds.

b) Financial assets at amortized cost

This category includes financial assets that meet the following conditions:

The underlying business model aims to hold the financial assets to obtain the contractual cash flows and, in turn, the contractual terms of the financial assets give rise on specific dates only to cash flows composed of principal and interest payments. The financial assets that meet the conditions established in IFRS 9, to be valued at amortized cost in the company are: cash equivalents, accounts receivable and loans. These assets are recorded at amortized cost, which corresponds to the initial fair value, less principal repayments made, plus uncollected accrued interest calculated by the effective interest rate method.

c) Financial assets at fair value through other comprehensive income

Financial assets in this category correspond to equity investments that are not held for trading and do not correspond to contingent consideration from an acquirer in a business combination. For these investments, the Company may elect at initial recognition and irrevocably, to present at fair value in other comprehensive income, the gains or losses from subsequent measurement.

These instruments are measured at fair value. Gains and losses arising from remeasurement at fair value are recognized in other comprehensive income until derecognition of the asset. In these cases, gains and losses that were previously recognized in equity are reclassified to retained earnings.

Derecognition of financial assets

A financial asset, or part of it, is derecognized when the contractual rights or cash flows of the instrument are sold, transferred, expire or when control over the contractual rights or cash flows of the instrument is lost. When substantially all the risks and rewards of ownership are retained by the company, the financial asset continues to be recognized in the statement of financial position at its full value.

Impairment of financial assets

For the determination of impairment due to expected credit loss, reasonable and substantiated information on past events, present conditions and reasonable provisions with respect to future economic conditions must be used, provided that obtaining such information does not entail excessive cost or effort. Additionally, the use of certain practical expedients to estimate the expected loss is contemplated, if they are consistent with the principles included in the standard.

Effective interest rate or amortized cost method

The effective interest rate method corresponds to the method of calculating the amortized cost of a financial asset or liability and the allocation of interest income or interest costs over the entire period. The effective interest rate corresponds

to the rate that exactly discounts the estimated future cash flows receivable or payable (including all charges on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), over the expected life of the financial instrument.

All financial liabilities are initially recognized at fair value, plus directly attributable transaction costs, except in the case of loans, in which they are initially recognized at the fair value of the cash received, less costs directly attributable to the transaction.

The Company's financial liabilities include accounts payable, including related parties.

3.2) Cash and cash equivalents

Cash and cash equivalents recognized in the financial statements comprise cash on hand and in bank checking accounts, time deposits and other highly liquid investments with original maturities of three months or less and an insignificant risk of changes in value. These items are recorded at historical cost, which does not differ significantly from their realizable value.

3.3) Financial liabilities

All accounts payable are initially recognized at the fair value of the payment received less direct costs attributable to the transaction. Trade accounts payable are presented at nominal value as they are due in the very short term and the difference with amortized cost is not considered relevant.

- **Derecognition of financial liabilities**

The Company will derecognize a financial liability if, and only if, it expires, is cancelled or the obligations that originated it have been fulfilled. The difference between the carrying amount of the financial liability and the consideration paid and payable is recognized in profit or loss.

- **Offsetting of financial assets and liabilities**

Financial assets and liabilities are offset and reported net in the financial statements if, and only if, there is a legally enforceable right at the reporting date to receive or settle the recognized amounts on a net basis, and when there is an intention to offset on a net basis to realize the assets and settle the liabilities simultaneously.

3.4) Intangibles

Software and Licenses

Acquired software and licenses are capitalized based on the costs incurred to acquire and prepare them for use.

The cost of software is amortized using the straight-line method over a maximum period of three years. Licenses are amortized by the straight-line method over the periods in which the economic benefits are expected to be received, in accordance with the feasibility studies for their recovery.

Premises and easements

Easement rights are presented at historical cost. These rights do not have a defined useful life and therefore are not subject to amortization. However, the indefinite useful life is reviewed in each reporting period to determine whether the indefinite useful life is still applicable. These assets are tested for impairment annually or whenever there is an indication of impairment.

3.5) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses.

Net values do not exceed the estimated recoverable values. In addition to the price paid for the acquisition of each item, cost also includes the following items:

- Import duties and non-recoverable indirect taxes levied on the acquisition, after deducting any discounts or rebates.
- All costs directly related to the location of the asset in the place and under the conditions necessary for it to operate in the manner intended by management.
- The initial estimate of the costs of dismantling or removing the asset, as well as the rehabilitation of the site on which it is located, when they constitute obligations incurred by the Company as a result of using the asset during a certain period.
- Financial expenses accrued during the period directly attributable to the acquisition, construction or production of qualifying assets, which are those that require a substantial period of time before they are ready for use, are capitalized. The interest rate used is the rate corresponding to the specific financing or, if there is none, the average financing rate of the Company making the investment.

Additions and costs of expansion, modernization or improvements are capitalized as an increase in the value of the related assets, provided that they increase their useful life, expand their productive capacity and operating efficiency, improve the quality of services, or allow for a significant reduction in costs.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its use or disposal. The gain or loss arising on derecognition of an asset is calculated as the difference between the proceeds from the net sale, if any, and the carrying amount of the asset.

3.5.1) Depreciation and Amortization

Depreciation is calculated consistently using the straight-line method over the estimated useful lives of the assets, at rates that are adequate to write off the cost at the end of the estimated useful lives of the assets.

The depreciation rates are detailed as follows:

ASSETS	AGE RANGE
Office Furniture & Supplies	1-5
Computer Equipment and Accessories	2-3
Office Equipment	2-5
Vehicles	5
Facilities	5-10

In the case of intangibles, these are amortized in the period of the contract.

The useful life of fixed assets and intangibles are reviewed annually.

3.5.2) Assets under construction and installation (Construction in progress)

The Company was created for the construction and operation of a single project, therefore most of the services and goods acquired are for the fulfillment of that objective, the policy of capitalization of expenses defines which purchases and services are transferred to Works in progress based on the rationalization and identification of the resources dedicated exclusively to the attention of the project. When these assets under construction and assembly (Work in Progress) are ready for their intended use, they are to be classified in the appropriate categories of property, plant and equipment and depreciation begins at that time, i.e., when they are in the location and condition necessary to be capable of operating as intended.

Land is not depreciated because it has an indefinite useful life. Depreciation of other items of property, plant and equipment is calculated using the straight-line method over cost, based on the estimated useful lives of the assets.

3.5.3) Residual value

This is the estimated amount that would be obtained from the disposal of the asset, after deducting the estimated costs of such disposal, if the asset had reached the age and other conditions expected at the end of its useful life.

Estimates of residual values are reviewed annually.

3.5.4) Asset components

A component of a fixed asset is an element that, by its own characteristics, by the function it performs and by the type of strategies or activities followed during its technical or service life, can be treated as an independent asset.

Each component of property, plant and equipment should be identified and separated from other assets for depreciation purposes during its useful life and to facilitate its treatment and accounting control. Major spare parts and permanent maintenance equipment that the entity expects to use for more than one period normally qualify as property, plant and equipment. Similarly, if spare parts and ancillary equipment of a fixed asset can only be used in connection with the asset, they are accounted for as part of property, plant and equipment.

3.6) Derivatives and hedging activities

The Company holds derivative and non-derivative instruments to manage its exposure to exchange rate and interest rate risk (note 19).

Derivatives held by the Company correspond mainly to transactions contracted to hedge interest rate and/or exchange rate risks. Derivatives are recorded at fair value at the date of the statement of financial position. Changes in fair value are recorded directly in income, unless the derivative has been designated for accounting purposes as a hedging instrument and all the conditions established by IFRS for the application of hedge accounting are met. The Company applies hedge accounting in accordance with IFRS 9. The types of accounting hedges are as follows:

3.6.1) Fair value hedge:

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of income, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The Company has not used fair value hedges in the periods presented.

3.6.2) Cash flow hedge:

Changes in the fair value of derivatives are recorded, to the extent that such hedges are effective, in an equity reserve called "Other Reserves". The results corresponding to the ineffective portion of the hedges are recorded directly in the statement of income. A hedge is considered highly effective when changes in the fair value or cash flows of the underlying directly attributable to the hedged risk are offset by changes in the fair value or cash flows of the hedging instrument, with an effectiveness within a range of 80%-125%.

Hedge accounting is discontinued when the Company revokes the relationship of the hedging instrument and the hedged item or when the hedged item expires or is sold, terminated, or exercised, or when the Company is no longer entitled to hedge accounting. Any cumulative gain or loss recognized in equity remains in equity and will be recognized when the forecast transaction is ultimately recognized in the statement of income.

3.6.3) Hedge of a net investment in a foreign operation (hedge of a net investment)

Hedges of net investment in foreign operations are accounted for similarly to cash flow hedges. Exchange differences arising from a net investment in a foreign entity and those arising from the hedging transaction must be recorded in a reserve in Shareholders' equity under other reserves until the investment is disposed of.

Gains or losses related to the ineffective portion are recognized immediately in the statement of income in "Other gains (losses)".

The Company has not used hedges of a net investment in a foreign operation in the periods presented.

The Company documents at the inception of the transaction the relationship between the hedging instruments and the hedged items, as well as its risk management objectives and strategy for managing various hedging transactions.

The Company also documents its assessment, both at inception and on an ongoing basis, of whether the hedging instruments used in hedging transactions are highly effective in offsetting changes in the fair value or cash flows of hedged items. A derivative is presented as a non-current asset or liability if the maturity of this instrument is more than 12 months and is not expected to be realized within 12 months. Other derivatives are presented as current assets or liabilities.

3.6.4.) Implicit derivatives

Embedded derivatives in other financial instruments or other contracts are treated as derivatives when their risks and characteristics are not closely related to the host contracts and the host contracts are not measured at fair value through profit or loss. If they are not closely related, they are recorded separately and changes in value are charged to income. In the periods presented in these Financial Statements, no contracts were identified that met the characteristics of embedded derivatives.

3.7) Impairment of assets

Non-financial assets

The carrying amount of non-financial assets, excluding deferred taxes, is reviewed at each statement of financial position date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated. If the recoverable amount is less than the carrying amount an impairment is recognized.

3.8) Income tax and deferred taxes

Income tax expense for the period comprises current and deferred income tax. Tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. Income tax expense is recognized in income, except when it relates to items recognized directly in equity, in which case it is recognized in equity.

3.8.1) Income tax

Current tax payable is based on taxable income recorded during the year. The taxable profit differs from the profit reported in the income statement due to items of income or expense taxable or deductible in other years and items that are never taxable or deductible. The current tax liability is calculated using the tax rates in effect at the end of the period.

Management periodically evaluates the position taken in tax returns with respect to situations where tax laws are subject to interpretation. The Company, where appropriate, makes provisions for amounts it expects to pay to the tax authorities.

3.8.2) Deferred taxes

Deferred taxes are recognized on temporary differences between the carrying amounts of assets and liabilities included in the statements of financial position and the corresponding tax bases used to determine taxable income and are measured using the tax rates that are expected to apply when the assets are realized and the liabilities are settled. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and relate to income taxes levied by the same taxation authority on the same Company.

Deferred tax assets are recognized for all deductible temporary differences, including tax losses, to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and the carryforward of unused tax credits and unused tax losses can be recovered.

The carrying amount of the deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Deferred tax related to items recorded directly in equity is recognized in equity and not in the statements of comprehensive income.

Current tax provisions applicable to the Company stipulate that:

- The nominal tax rate is defined by the income tax law.
- The basis for determining the income tax for the year is the result of the Balance Sheet, adjusted by the items duly authorized in the tax legislation.

The current income tax charge is calculated on the basis of the tax laws in force at the date of the statement of financial position.

3.9) Income and expenses

3.9.1) Interest income

Interest income is recognized when it is probable that the economic benefits associated with the transaction will flow to the Company. Interest income is recorded on a time basis, by reference to the principal outstanding and the effective interest rate.

3.9.2) Non-operating expenses

Expenses are recorded on an accrual basis. Non-operating expenses are recognized in profit or loss at the time the service is used or at the date of origin.

3.10) Use of estimates and judgments

The preparation of the statements of financial position requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Actual results may differ from these estimates. Relevant estimates and assumptions are reviewed regularly. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

3.10.1) Deferred taxes

The Company assesses the recoverability of deferred tax assets based on estimates of future results. Such recoverability ultimately depends on the Company's ability to generate taxable profits over the period in which the temporary differences, tax losses and tax credits that generate deferred tax assets are deductible.

3.10.2) Accounting provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.10.3) Lease agreements

IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognize their contracts under a model similar to that of finance leases under IAS 17. The standard includes two exceptions to this recognition: leases of low-value assets (e.g., personal computers) and short-term leases (i.e., with a term of less than twelve months). At the inception date of a lease, the lessee will recognize: an asset representing the right to use the underlying asset during the lease term and a liability for the periodic payments to be made, discounted to present value using in this case a mortgage loan simulation discount rate, associated with the lease term, amount and currency, as well as an interest expense generated from the lease liability and a depreciation expense arising from the right-of-use asset.

3.10.4) Estimate of the recoverable amount of a non-financial asset

The carrying amount of non-financial assets, excluding deferred taxes, is reviewed at each balance sheet date to determine whether there is any indication of impairment. If there is any indication of impairment, the recoverable sales

value and costs of disposal of the asset are estimated and charged to income for the year.

3.10.5) Estimated value in use of operating assets

Future cash inflows and outflows arising from both the continued use of the asset and its disposal at the end of its useful life are estimated and the appropriate discount rate is applied to these future cash flows.

3.10.6) Employee Benefits

The cost of defined benefit pension plans, as well as their present value, are determined by actuarial valuations. These valuations involve making various assumptions that may differ from actual future events, such as the determination of the discount rate, future salary and pension increases and mortality rates. Due to the complexity of the valuation, its long-term nature, and the underlying assumptions, the defined benefit obligation calculation is very sensitive to changes in assumptions. The assumptions will be reviewed in future periods if these benefits exist.

3.10.7) Useful lives of property, plant and equipment and intangible assets

The accounting treatment of investment in property, plant and equipment and intangible assets considers estimates to determine the useful lives used to calculate their depreciation and amortization.

The determination of useful lives requires estimates regarding the expected technological evolution and alternative uses of the assets. Assumptions regarding the technological framework and its future development involve a significant degree of judgment, insofar as the timing and nature of future technological changes are difficult to foresee.

3.11) Leasing

The Company assesses at the inception of the contract whether the contract is or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applies a single recognition and measurement criterion for leases, except for short-term leases and leases of low-value assets. The Company recognizes lease obligations to make lease and right-of-use payments that represent the right to use the underlying assets.

Right-of-use asset

The Company recognizes right-of-use assets at the lease commencement date (i.e. the date on which the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and are adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred and lease payments on or before the commencement date less any lease incentives received. Unless the Company is reasonably certain of obtaining ownership of the leased asset at the end of the lease term, recognized right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful lives and the lease term. Right-of-use assets are subject to impairment testing.

Lease liabilities

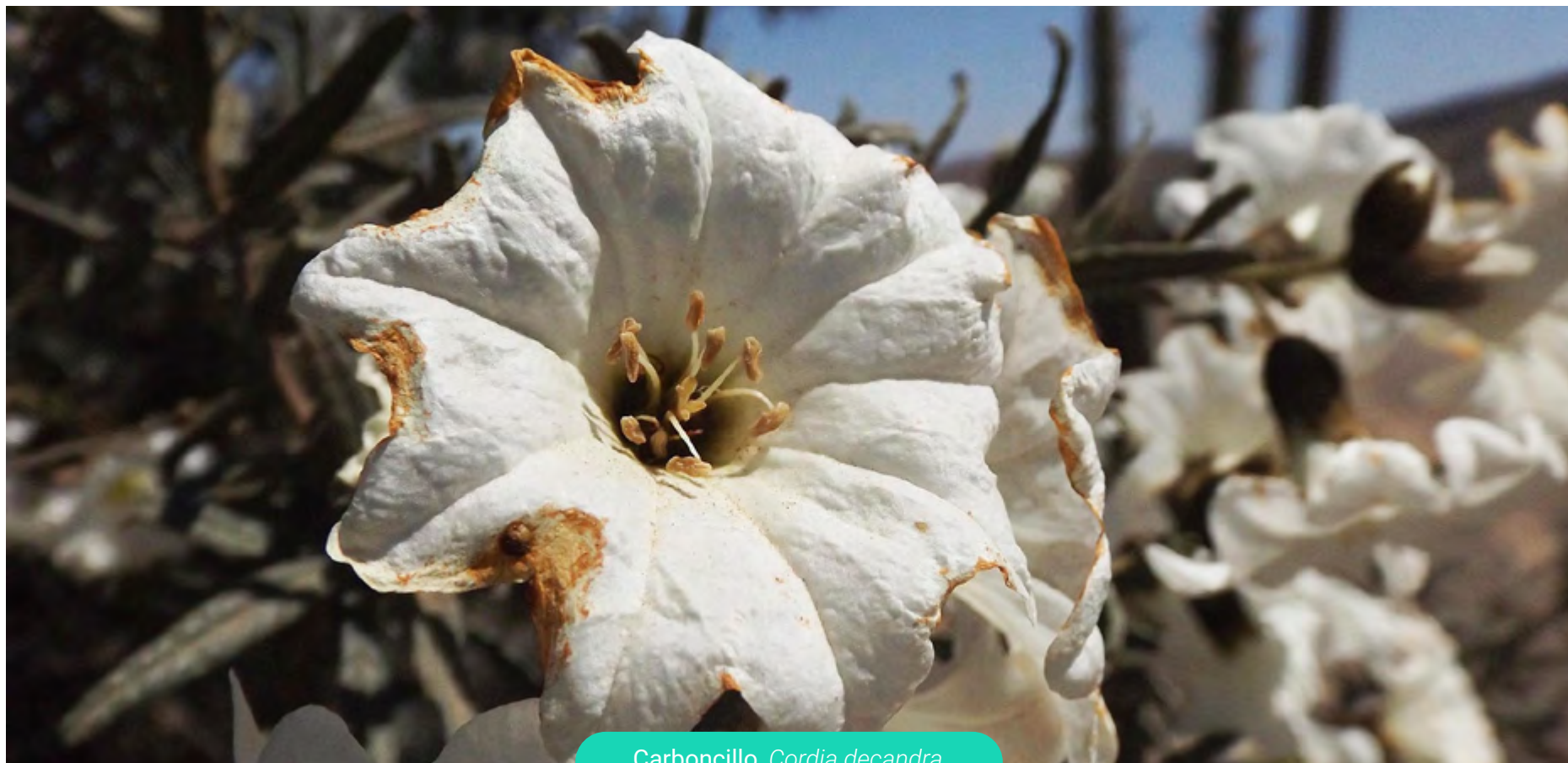
At the lease commencement date, the Company recognizes lease liabilities measured at the present value of the lease payments to be made during the lease term. Lease payments are adjusted in accordance with the consumer price index or unit of promotion, as applicable.

In calculating the present value of lease payments, the Company uses the projected borrowing rate of the purchase value of real estate as of the lease term at the lease commencement date. After the commencement date, the amount of lease liabilities increases to reflect accrued interest and decreases as lease payments are made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the fixed lease payments in substance or a change in the assessment of the purchase of the underlying asset.

The Company determines the lease term as the non-cancelable term, together with any period covered by an option to extend the lease if there is reasonable certainty that it will be exercised, or any period covered by an option to terminate the lease if there is reasonable certainty that it will not be exercised.

3.12) Environment

The Company adheres to the principles of sustainable development, which make economic development compatible with care for the environment and the safety and health of its employees. The Company does not currently carry out activities that are contrary to or have a negative impact on the environment, therefore, it has not made any investments to minimize adverse environmental impacts and to protect and improve the environment.



Carboncillo, *Cordia decandra*

Note 4. Risk Management

Conexión Kímal Lo Aguirre S.A. is exposed to financial risks associated mainly with the contracting of financial obligations and the acquisition of goods and services abroad.

The financial risks are as follows:

4.1) Credit risk

Credit risk is defined as the contractual non-compliance, default or doubtful collection of obligations contracted by the Company's customers, as well as by the counterparties of the financial instruments acquired or used, which would result in financial losses.

The risk associated with financial instruments refers to the delinquency, doubtful collection or non-recovery of obligations contracted with the counterparties of the financial instruments acquired or used by the Company.

The maximum exposure to credit risk is equal to the book value of the balances of financial assets in the statements of financial position.

4.2) Liquidity risk

Liquidity risk is defined as the inability to obtain sufficient funds to meet obligations when due without incurring unacceptably high costs. As of December 31, 2024, the Company has no exposure to this type of risk.

For purposes of proper liquidity risk management, the Company has an Annual Financial Planning and Budgeting model that allows constant monitoring of short- and long-term cash flow and identifies specific temporary resource needs.

The Company is in the process of financing the project, for which it has hired and will hire financial advisors and a series of activities aimed at obtaining internal resources and/or from financial institutions.

4.3) Exchange rate risk

This risk is originated by the variation in the value of assets and liabilities that are exposed to changes in the price of the currencies in which they are denominated. The Company is exposed to exchange rate risk, which is mainly present in debt service and obligations with suppliers.

The Company's exposure to exchange rate risk is managed through an approved policy that contemplates total or partial hedging of the net balance sheet exposure through derivative instruments called Cross Currency Swap (CCS).

Another way in which the risk of exchange rate variations has been mitigated is the periodic monitoring of the exchange rate in order to be able to detect early warnings and minimize exchange rate impacts. That is why the Company's functional currency is the U.S. dollar, thus reducing the variations of exchange rate fluctuations for this currency.

4.4) Interest rate risk

Significant changes in the fair values and future cash flows of financial instruments, which may be directly attributable to interest rate risks, include changes in the net income of financial instruments whose cash flows are determined by reference to floating interest rates and changes in the value of financial instruments whose cash flows are of a fixed nature.

The Company's assets are mainly fixed assets and intangible and long-lived assets. Consequently, the financial liabilities used to finance them consist mainly of long-term fixed-rate and variable-rate liabilities. Liabilities are recorded in the balance sheet at amortized cost.

The objective of managing this risk is to achieve a balance in the debt structure, reduce the impact on the financial cost resulting from fluctuations in interest rates by reducing the volatility of the income statement using derivative instruments Interest Rate Swap (IRS) (note 19).

Note 5. Changes in Accounting Policies and Reclassifications

a) Changes in accounting policies

During the period ended December 31, 2024, the Company has changed its accounting policy related to the capitalization of costs associated with "Work in Progress".

During 2023 the Company considered as part of the costs directly attributable to items of Property, Plant & Equipment a percentage of direct project related expenses. As of 2024, management has modified the accounting policy of capitalization, considering that administration costs and other general indirect expenses constitute a component of the cost of fixed assets, since they are directly related to the acquisition of the asset, or to its construction and commissioning due to the unique and exclusive nature of the project in its construction stage.

The change in accounting policy has been applied retroactively. The cumulative effects at the beginning of the earliest period presented have been adjusted against retained earnings in equity.

b) Reclassifications

During fiscal year 2024, the entity has made certain accounting reclassifications in order to improve the presentation and comparability of the financial statements, in compliance with International Financial Reporting Standards (IFRS). These reclassifications have been applied retroactively, in accordance with the provisions of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, ensuring that the financial information accurately reflects the nature and classification of the affected accounting items.

The modifications made have not impacted previously reported results, but have represented a reclassification of items within the financial statements. This retroactive application allows users of financial information to have comparable data aligned with current presentation criteria.

The impact of the change on the restated financial statements is as follows:

Statements of Financial Position

ITEM	PREVIOUS BALANCE 31-12-2023	(a) ADJUSTMENT CHANGE OF POLICY	(b) RECLASSIFICATION ADJUSTMENT	ADJUSTED BALANCE 01-01-2024
	USD \$		USD \$	USD \$
Reclassifications				
Other current non-financial assets	29,660	-	7,179,446	7,209,106
Other non-current non-financial assets	4,679,914	-	47,656,121	52,336,035
Other short-term provisions	1,641,961	-	(1,036,075)	605,886
Provisions for employee benefits, current	-	-	1,036,075	1,036,075
Property, plant and equipment (*)	163,662,109	1,592,394	(54,835,567)	110,418,936
Retained earnings	182,743	(110,479)	-	72,264
Profit for the year	201,805	1,702,873	-	1,904,678

Statements of Comprehensive Income by Function

ITEM	PREVIOUS BALANCE 31-12-2023	(a) ADJUSTMENT CHANGE OF POLICY	ADJUSTED BALANCE 01- 01-2024
	USD \$	USD \$	USD \$
Administration Fees	(3,155,311)	3,155,311	-
Operating income before depreciation and amortization	(3,155,311)	3,155,311	-
Depreciation and amortization	(289,001)	289,001	-
Other Gains (Losses)	(113,982)	113,982	-
Operating Result	(402,983)	402,983	-
Financial income	2,626,186	(2,626,186)	-
Financial expenses	(74,362)	74,362	-
Exchange Differences	(809,379)	809,379	-
Result by adjustment units	112,028	(112,028)	-
Other Income (Expenses)	-	(948)	(948)
Non-operating income and expenses	1,854,473	(1,855,421)	(948)
Profit (Loss), Before Tax	(1,703,821)	1,702,873	(948)
Income taxes	1,905,626	-	1,905,626
Profit (loss) from continuing operations	201,805	1,702,873	1,904,678
Profit for the year	201,805	1,702,873	1,904,678

Statements of Income and Other Comprehensive Income

	PREVIOUS BALANCE 31-12-2023	(a) ADJUSTMENT CHANGE OF POLICY	ADJUSTED BALANCE 01-01-2024
	USD \$	USD \$	USD \$
Profit for the year	201,805	1,702,873	1,904,678
Components of other comprehensive income to be reclassified to profit or loss for the year, before tax			
Gains (losses) on cash flow hedges	(16,691,940)	-	(16,691,940)
Other components of other comprehensive income, before tax	(16,691,940)	-	(16,691,940)
Income taxes relating to components of other comprehensive income to be reclassified to profit or loss for the year			
Income tax related to cash flow hedges	4,506,824	-	4,506,824
Income taxes related to components of other comprehensive income to be reclassified to profit or loss for the year	4,506,824	-	4,506,824
Other comprehensive income	(12,185,116)	-	(12,185,116)
Comprehensive income	(11,983,311)	1,702,873	(10,280,438)

Equity Reconciliation

PERIOD	PREVIOUS EQUITY 31-12-2023	(a) ADJUSTMENT CHANGE OF POLICY	ADJUSTED EQUITY 01-01-2024
	USD \$		USD \$
As of 31-12-2024	93,561,231	1,592,394	95,153,625

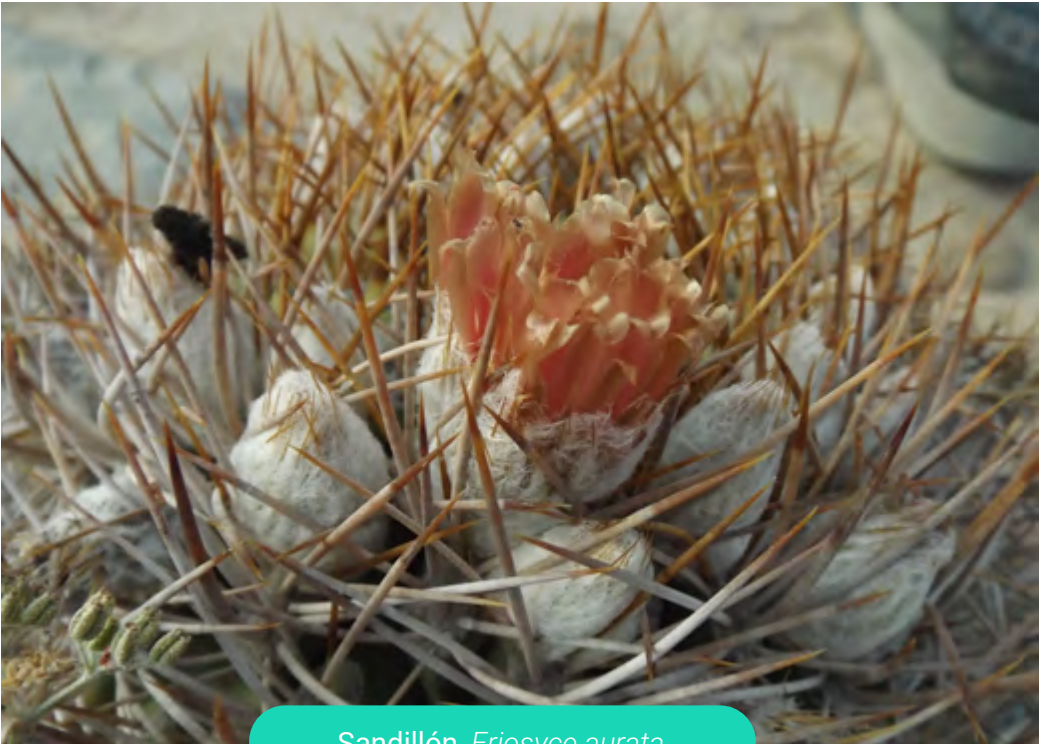
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ITEM	PREVIOUS BALANCE 31-12-2023	(a) ADJUSTMENT CHANGE OF POLICY	ADJUSTED BALANCE 01-01-2024
	USD \$	USD \$	USD \$
Cash flows from operating activities:			
Payments to suppliers for the supply of goods and services	(4,678,587)	4,678,587	-

ITEM	PREVIOUS BALANCE 31-12-2023	(a) ADJUSTMENT CHANGE OF POLICY	ADJUSTED BALANCE 01-01-2024
Payments to and on behalf of employees	(7,918,920)	7,918,920	-
Other cash inflows (outflows)	(2,446,232)	2,446,232	-
Interest received	2,626,189	(2,626,189)	-
Cash flows from investing activities:			
Sales (Purchases) of property, plant and equipment and intangibles, net	(106,018,981)	(12,417,550)	(118,436,531)

Additional considerations

Comparative balances for the prior year have been adjusted to reflect the change in accounting policy and reclassifications. Where no retrospective effect could be determined, the change has been applied prospectively, as permitted by IAS 8.



Sandillón, *Eriosyce aurata*

Note 6. Cash and Cash Equivalents

The composition of this account as of December 31, 2024 and 2023 is as follows:

DETAIL	31-12-2024	31-12-2023
	USD \$	USD \$
Fixed Fund	10,936	-
Banks in Pesos and Dollars (1)	261,855	464,664
Short-term investments (2)	24,725,299	19,396,869
Total	24,998,090	19,861,533

(1) The detail of the amounts in banks is as follows:

DETAIL	31-12-2024	31-12-2023
	USD \$	USD \$
BCI bank CLP	22,430	107,175
BCI bank USD	53,904	51,916
Santander bank CLP	2,856	3,245
Santander bank USD	75,583	4,354
Scotiabank bank CLP	100,761	110,631
Scotiabank bank USD	6,321	187,343
Total	261,855	464,664

All cash and cash equivalents are not subject to availability restrictions.

(2) The detail of short-term investments is as follows:

DETAIL	31-12-2024	31-12-2023
	USD \$	USD \$
Mutual Funds CLP	17,889,015	9,317,746
Mutual Funds USD	6,836,284	10,079,123
Total	24,725,299	19,396,869

The composition of investments as of December 31, 2024 and 2023 is as follows:

INSTRUMENT	MUTUAL FUND NAME	TERM (DAYS)	RATE	CURRENCY	DATE TAKEN	LIQUIDATION	AMOUNT USD \$ 31-12-2024
Mutual Fund	BCI Rendimiento Serie Clásica	45	0.42%	CLP	17-12-24	31-01-25	4,474,519
Mutual Fund	BCI Dollar Cash Serie Alto Patrimonio	49	4.30%	USD	13-12-24	31-01-25	3,383,921
Mutual Fund	Premium	45	0.44%	CLP	17-12-24	31-01-25	6,375,326
Mutual Fund	FM Scotiabank USD	90	4.80%	USD	29-10-24	27-01-25	1,430,248
Mutual Fund	Plus Serie H	44	0.44%	CLP	18-12-24	31-01-25	7,039,170
Mutual Fund	Dollar MM Serie D	90	4.35%	USD	29-10-24	27-01-25	2,022,115
Total investments as of 31-12-2024							24,725,299

INSTRUMENT	MUTUAL FUND NAME	TERM (DAYS)	RATE	CURRENCY	DATE TAKEN	LIQUIDATION	AMOUNT USD \$ 31-12-2023
Mutual Fund	BCI Competitivo Serie E	14	0.72%	CLP	29-12-23	10-01-24	2,739,521
Mutual Fund	BCI Dollar Cash Serie Alto Patrimonio	14	5.75%	USD	28-12-23	11-01-24	5,076,527
Mutual Fund	Money Market	14	0.72%	CLP	27-12-23	10-01-24	1,825,023
Mutual Fund	Money Market	14	5.15%	USD	28-12-23	11-01-24	1,000,151
Mutual Fund	Plus Serie E	14	0.71%	CLP	27-12-23	10-01-24	4,753,202
Mutual Fund	Money Market Serie D	14	5.50%	USD	28-12-23	11-01-24	4,002,445
Total investments as of 31-12-2023							19,396,869

Mutual funds which are recorded at fair value and have maturities of less than 90 days from the date of acquisition, which are liquidated at free disposal.

Note 7. Other Current and Non-Current Non-Financial Assets

a) The detail of other non-financial current assets is as follows:

DETAIL	31-12-2024	31-12-2023
	USD \$	USD \$
Prepaid Insurance	13,170	20,417
Other prepaid expenses	110,284	9,243
Premises to be Deeded (*)	10,374,779	-
Advance on work in progress	6,387,552	7,179,446
Total	16,885,785	7,209,106

(*) The properties to be deeded correspond to the certificates issued for the acquisition of easements (intangible assets), which are pending signature at the end of the year.

b) The detail of other non-current non-financial assets is as follows:

DETAIL	31-12-2024	31-12-2023
	USD \$	USD \$
Remaining Tax Credit	7,351,426	4,679,914
Advance on work in progress	44,788,234	47,656,121
Total	52,139,660	52,336,035

Note 8. Trade receivables and other current receivables

The detail of trade receivables and other current receivables is as follows:

DETAIL	31-12-2024	31-12-2023
	USD \$	USD \$
Other accounts receivable	379,749	40,156
Total	379,749	40,156

This item is comprised of guarantees granted to third parties, advances to suppliers, funds receivable and other accounts receivable.

Note 9. Current Tax Liabilities

The detail of the item is as follows:

DETAIL	31-12-2024	31-12-2023
	USD \$	USD \$
Monthly Taxes Payable	92,458	245,693
Total	92,458	245,693

Note 10. Property, Plant & Equipment

The breakdown by class of property, plant and equipment is as follows:

DETAIL	31-12-2024	31-12-2023
	USD \$	USD \$
Office Furniture & Fixtures	26,746	26,746
Accumulated Depreciation of Office Furniture and Fixtures	(6,944)	(979)
Computer Equipment and Accessories	206,042	163,101
Accumulated Depreciation of Computer Equipment and Accessories	(104,323)	(24,149)
Office Equipment	24,509	24,509
Accumulated Depreciation of Office Equipment	(12,201)	(1,631)
Vehicles	51,174	-
Accumulated Depreciation of Vehicles	(6,824)	-
Facilities	48,251	48,251
Accumulated Depreciation of Facilities	(9,163)	(1,476)
Work in progress	196,245,914	107,659,099
Property, plant and equipment in process	8,699,827	2,525,465
Total	205,163,008	110,418,936

Detailed Table of the Composition of Property, plant and equipment

The accounting movement of net fixed assets for the periods ended December 31, 2024 and 2023:

PROPERTY, PLANT & EQUIPMENT, NET	FURNITURE & FIXTURES	OFFICE EQUIPMENT & MACHINES	COMPUTER EQUIPMENT	VEHICLES	FACILITIES	WORKS IN PROGRESS	PROPERTY, PLANT AND EQUIPMENT IN TRANSIT	TOTAL
	USD\$	USD\$	USD\$	USD\$	USD\$	USD\$	USD\$	USD\$
Opening Balance as of 01-01-2024	25,767	22,878	138,952	-	46,775	107,659,099	2,525,465	110,418,936
Additions	1,108	-	44,291	51,174	-	88,586,815	6,174,362	94,857,750
Decreases	(1,108)	-	(1,350)	-	-	-	-	(2,458)
Depreciation for the year	(5,965)	(10,570)	(80,174)	(6,824)	(7,687)	-	-	(111,220)
Ending balance as of 31-12-2024	19,802	12,308	101,719	44,350	39,088	196,245,914	8,699,827	205,163,008

PROPERTY, PLANT & EQUIPMENT, NET	FURNITURE & FIXTURES	OFFICE EQUIPMENT & MACHINES	COMPUTER EQUIPMENT	VEHICLES	FACILITIES	WORKS IN PROGRESS	PROPERTY, PLANT AND EQUIPMENT IN TRANSIT	TOTAL
	USD\$	USD\$	USD\$	USD\$	USD\$	USD\$	USD\$	USD\$
Opening Balance as of 01-01-2023	19,618	-	106,445	-	31,355	16,209,746	-	16,367,164
Additions	8,062	26,391	49,859	-	16,590	91,449,353	2,525,465	94,075,720
Decreases	(1,079)	(1,882)	(8,385)	-	-	-	-	(11,346)
Depreciation for the year	(834)	(1,631)	(8,967)	-	(1,170)	-	-	(12,602)
Ending balance as of 31-12-2023	25,767	22,878	138,952	-	46,775	107,659,099	2,525,465	110,418,936

Note 11. Intangible Assets Other Than Goodwill

The breakdown of intangible assets other than goodwill is as follows:

DETAIL	31-12-2024	31-12-2023
	USD\$	USD\$
Software		269,807
Accumulated Software Amortization	(289,335)	(154,621)
Licences		207,520
Accumulated License Amortization	(186,764)	(40,870)
Properties and Easements	40,149,164	29,667,616
Intangible CUO		-
Disposed premises	14,944	-
Total	40,616,251	29,949,452



The accounting movement of net intangible assets for the periods ended December 31, 2024 and 2023:

INTANGIBLE ASSETS, NET	SOFTWARE	LICENCES	PROPERTIES AND EASEMENTS	INTANGIBLE CUO	DISPOSED PREMISES	TOTAL
	USD \$	USD \$	USD \$	USD \$	USD \$	USD \$
Opening Balance as of 01-01-2024	115,186	166,650	29,667,616	-	-	29,949,452
Additions	117,202	2,648	10,481,548	331,066	14,944	10,947,407
Decreases	-	-	-	-	-	-
Amortization for the year	(134,714)	(145,894)	-	-	-	(280,608)
Ending balance as of 31-12-2024	97,674	23,404	40,149,164	331,066	14,944	40,616,251

INTANGIBLE ASSETS, NET	SOFTWARE	LICENCES	PROPERTIES AND EASEMENTS	INTANGIBLE CUO	DISPOSED PREMISES	TOTAL
	USD \$	USD \$	USD \$	USD \$	USD \$	USD \$
Opening Balance as of 01-01-2023	230,576	43,129	-	-	-	273,705
Additions	67,715	163,815	29,667,616	-	-	29,899,146
Decreases	(83,478)	(2,095)	-	-	-	(85,573)
Amortization for the year	(99,627)	(38,199)	-	-	-	(137,826)
Ending balance as of 31-12-2023	115,186	166,650	29,667,616	-	-	29,949,452

ACCUMULATED AMORTIZATION	SOFTWARE	LICENCES	PROPERTIES AND EASEMENTS	INTANGIBLE CUO	DISPOSED PREMISES	TOTAL
	USD \$	USD \$	USD \$	USD \$	USD \$	USD \$
Opening Balance as of 01-01-2024	(154,621)	(40,870)	-	-	-	(195,491)
Amortization expense	(134,714)	(145,894)	-	-	-	(280,608)
Ending balance as of 31-12-2024	(289,335)	(186,764)	-	-	-	(476,099)

ACCUMULATED AMORTIZATION	SOFTWARE	LICENCES	PROPERTIES AND EASEMENTS	INTANGIBLE CUO	DISPOSED PREMISES	TOTAL
	USD \$	USD \$	USD \$	USD \$	USD \$	USD \$
Opening Balance as of 01-01-2023	(54,994)	(2,671)	-	-	-	(57,665)
Amortization expense	(99,627)	(38,199)	-	-	-	(137,826)
Ending balance as of 31-12-2023	(154,621)	(40,870)	-	-	-	(195,491)

Note 12. Right of Use

The balances of right-of-use assets and lease liabilities recognized under IFRS 16 are as follows:

DETAIL	31-12-2024	31-12-2023
	USD\$	USD\$
Asset		
Short Term Lease	-	-
Long Term Lease	859,990	988,929
Total Lease Asset	859,990	988,929
Liability		
Short-term liability lease	199,660	244,482
Long-term liability lease	581,153	784,436
Total Lease Liability	780,813	1,028,918

a) The changes in the right-of-use item by underlying asset class during the periods are as follows:

RIGHT-OF-USE ASSETS, NET	OFFICE LEASE	ANTOFAGASTA LEASE	TOTAL
	USD\$	USD\$	USD\$
Opening Balance as of 01-01-2024	913,972	74,957	988,929
Additions	-	-	-
Decreases	-	-	-
Amortization for the year	(111,509)	(17,430)	(128,939)
Ending balance as of 31-12-2024	802,463	57,527	859,990

RIGHT-OF-USE ASSETS, NET	OFFICE LEASE	ANTOFAGASTA LEASE	TOTAL
	USD\$	USD\$	USD\$
Opening Balance as of 01-01-2023	948,180	-	948,180
Additions	95,648	91,420	187,068
Decreases	-	(7,747)	(7,747)
Amortization for the year	(129,856)	(8,716)	(138,572)
Ending balance as of 31-12-2023	913,972	74,957	988,929

b) The maturity of current and non-current lease liabilities is as follows:

LEASE LIABILITIES 2024	0-90 DAYS	FROM 90 TO ONE YEAR	TOTAL SHORT TERM	FROM ONE YEAR TO 7 YEARS	TOTAL LONG TERM
	USD \$	USD \$	USD \$	USD \$	USD \$
Real Estate Leasing	41,570	158,090	199,660	581,153	581,153
Total Lease Liabilities ST and LT 2024	41,570	158,090	199,660	581,153	581,153
Total Lease Liabilities					780,813

LEASE LIABILITIES 2023	0-90 DAYS	FROM 90 TO ONE YEAR	TOTAL SHORT TERM	FROM ONE YEAR TO 7 YEARS	TOTAL LONG TERM
	USD \$	USD \$	USD \$	USD \$	USD \$
Real Estate Leasing	50,122	194,360	244,482	784,436	784,436
Total Lease Liabilities ST and LT 2023	50,122	194,360	244,482	784,436	784,436
Total Lease Liabilities					1,028,918

This corresponds to the lease of the project's administrative offices for a period of 2 years and 6 months, renewable for 4 years and 6 months, i.e. a period of 7 years.



Loro Tricahue, *Cyanoliseus patagonus*

Note 13. Income Taxes and Deferred Taxes

a) Composition of the deferred tax

Deferred taxes correspond to the amount of income tax that Conexión Kímal Lo Aguirre S.A. will have to pay (liabilities) or recover (assets) in future years, related to temporary differences between the tax base and the book value of certain assets and liabilities. The Company has tax losses of USD\$ 98,934,316 (USD\$ 103,612,795 as of December 31, 2023).

The detail of the net deferred tax as of December 31, 2024 and 2023 is as follows:

	31-12-2024		
	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITIES	NET DEFERRED TAX
	USD\$	USD\$	USD\$
Property, Plant & Equipment & Work in Progress	0	23,581,453	(23,581,453)
Other Liabilities	0	3,261,200	(3,261,200)
Provisions	136,918	0	136,918
Other Assets	0	21,378	(21,378)
Non-deductible expenses	0	0	0
Tax loss	26,712,265	0	26,712,265
Total	26,849,183	26,864,031	(14,848)

	31-12-2023		
	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITIES	NET DEFERRED TAX
	USD\$	USD\$	USD\$
Property, Plant & Equipment & Work in Progress	0	18,867,807	(18,867,807)
Other Liabilities	0	2,746,055	(2,746,055)
Provisions	112,729	0	112,729
Other Assets	10,797	0	10,797
Non-deductible expenses	0	0	0
Tax loss	27,975,455	0	27,975,455
Total	28,098,981	21,613,862	6,485,119

El detalle de la reconciliación del impuesto diferido al 31 de diciembre de 2024 y 2023 es el siguiente:

	31-12-2023			31-12-2024
	NET DEFERRED TAX BALANCE	RECOGNIZED IN INCOME	RECOGNIZED IN EQUITY	NET DEFERRED TAX
	USD\$			USD\$
Property, Plant & Equipment & Work in Progress	(18,867,807)	(4,713,646)	0	(23,581,453)
Other Liabilities	(2,746,055)	(515,145)	0	(3,261,200)
Provisions	112,729	24,189	0	136,918
Other Assets	10,797	(32,175)	0	(21,378)
Non-deductible expenses	0	0	0	0
Tax loss	27,975,455	4,810,637	(6,073,827)	26,712,265
Total	6,485,119	(426,140)	(6,073,827)	(14,848)

	31-12-2022			31-12-2023
	NET DEFERRED TAX BALANCE	RECOGNIZED IN INCOME	RECOGNIZED IN EQUITY	NET DEFERRED TAX
	USD\$			USD\$
Property, Plant & Equipment & Work in Progress	(18,759,938)	(107,870)	0	(18,867,807)
Other Liabilities	0	(2,746,055)	0	(2,746,055)
Provisions	0	112,729	0	112,729
Other Assets	11,571	(774)	0	10,797
Non-deductible expenses	1,457,132	(1,457,132)	0	0
Tax loss	17,363,903	6,104,728	4,506,824	27,975,455
Total	72,669	1,905,626	4,506,824	6,485,119

b) Income tax

	31-12-2024	31-12-2023
	USD\$	USD\$
Income tax	(426,140)	1,905,626
Total	(426,140)	1,905,626

c) Tax rate reconciliation

	TAX RATE	31-12-2024	TAX RATE	31-12-2023
		USD\$		USD\$
Profit before tax		(13,125)		(1,703,821)
Applicable Tax Rate	27%	3,544	27%	460,032
Other increases (decreases) in statutory tax charges	(3,247%)	(426,140)	112%	1,905,626
Reversal of tax loss carryforwards	(27%)	(3,544)	(27%)	(460,032)
Tax Income	(3,247%)	(426,140)	112%	1,905,626

Note 14. Trade Accounts Payable and Other Accounts Payable

Balance comprise the following items:

DETAIL	31-12-2024	31-12-2023
	USD\$	USD\$
Suppliers	80,797	925,942
Social Laws	79,084	71,918
Fees payable	3,580	8,646
Premises payable	1,514,993	5,943,220
Other Accounts Payable	15,685	19,204
Total	1,694,139	6,968,930

Note 15. Accounts Payable to Related Entities

a) Balance comprise the following items:

DETAIL	31-12-2024	31-12-2023
	USD\$	USD\$
Short Term Accounts Payable to related entities	746,426	420,652
Long-Term Accounts Payable to related entities	152,830,718	69,970,379
Total	153,577,144	70,391,031

b) At the end of the year, the composition of short-term debt with related companies is as follows:

DETAIL	31-12-2024	31-12-2023
	USD\$	USD\$
Service Rendering ISA Inversiones Chile SpA	-	64,566
Loan ISA Inversiones Chile SpA	373,213	178,043
Loan Transelec Holdings Rentas Ltda,	373,213	178,043
Total	746,426	420,652

c) At the end of the year, the breakdown of long-term debt with related companies is as follows:

DETAIL	31-12-2024	31-12-2023
	USD\$	USD\$
Loan ISA Inversiones Chile SpA	76,415,359	34,985,190
Loan Transelec Holdings Rentas Ltda,	76,415,359	34,985,189
Total	152,830,718	69,970,379

d) The movements of transactions with related entities during the period are as follows:

2024						
RELATED PARTY NAME	NATURE OF THE RELATIONSHIP	NATURE OF THE TRANSACTION	TRANSACTION AMOUNT	STATUS	PENDING PAYMENT	EFFECT ON INCOME
			USD\$		USD\$	USD\$
Transelec Holdings Rentas Ltda.	Shareholder	Loan	41,100,000	Pending payment	76,788,572	-
Isa Inversiones Chile SpA.	Shareholder	Loan	41,100,000	Pending payment	76,788,572	-
Total			82,500,000		153,577,144	-

2023						
RELATED PARTY NAME	NATURE OF THE RELATIONSHIP	NATURE OF THE TRANSACTION	TRANSACTION AMOUNT	STATUS	PENDING PAYMENT	EFFECT ON INCOME
			USD\$		USD\$	USD\$
Transelec Holdings Rentas Ltda.	Shareholder	Purchase of PPE	820,271	Paid	-	-
Transelec Holdings Rentas Ltda.	Shareholder	Rendering of services	811,562	Paid	-	-
Transelec Holdings Rentas Ltda.	Shareholder	Loan	37,300,000	Pending payment	35,163,232	-
Isa Inversiones Chile SpA.	Shareholder	Rendering of services	2,147,272	Pending payment	64,566	-
Isa Inversiones Chile SpA.	Shareholder	Loan	37,300,000	Pending payment	35,163,233	-
Total			78,379,105		70,391,031	-

Transactions and balances with related parties are carried out under market conditions, i.e. under conditions equivalent to those existing for transactions with independent parties.

The loan with related companies corresponds to an EBL (Equity Bridge Loan), the conditions of which are specified in note 18.

Note 16. Other Provisions

a) Other current provisions is comprised of the following items:

DETAIL	31-12-2024	31-12-2023
	USD\$	USD\$
Notes Receivable	684,062	169,422
Miscellaneous Provisions	526,322	436,464
Total	1,210,384	605,886

These provisions relates to expenses for the period that have not been invoiced at year-end.



Sandillón, *Eriosyce rodentiophila*

Note 17. Provisions for employee benefits

In compliance with International Financial Reporting Standards (IFRS), the provision for employee benefits is presented for the first time under the scope of IFRS 19 - Employee Benefits. This standard regulates the recognition, measurement and disclosure of commitments arising from employee benefits, such as long-service benefits, severance payments, pension plans and other long-term benefits.

This incorporation seeks to provide a faithful and transparent representation of the entity's obligations, ensuring compliance with international best practices in financial reporting and disclosure.

a) Current provisions for employee benefits are as follows:

DETAIL	31-12-2024	31-12-2023
	USD\$	USD\$
Vacation Provision	321,575	286,036
Performance Bonus Provision	731,451	750,039
Total	1,053,026	1,036,075

b) Non-current provisions for employee benefits are as follows:

DETAIL	31-12-2024	31-12-2023
	USD\$	USD\$
Provision for Years of Service Indemnities	185,528	-
Total	185,528	-

c) Movement in severance indemnity obligations

The movement in the obligation for the period ended December 31, 2024 is as follows:

MOVEMENT	31-12-2024
	USD\$
Present value of defined benefit plan obligation, opening balance	90,718
Current service	92,624
Interest Cost	2,195
Actuarial Gain/Loss on Assumption	(9)
Settlement of defined benefit plan obligation	-
Present value of defined benefit plan obligation, ending balance	185,528

d) Actuarial assumptions

The following are the parameters used as assumptions in the determination of the actuarial calculations

ACTUARIAL ASSUMPTIONS	31-12-2024	31-12-2023
Discount rate (BTU UF 10 years)	2.42%	2.41%
Inflation factor/Discount Rate (BTU UF 10 years)	0.976	0.976
Discount rate (BTU UF 5 years)	2.44%	2.54%
Inflation factor/Discount Rate Factor (BTU UF 5 years)	0.976	0.975
Future salary increase	IPC	IPC
Future tenure of Construction-Related Executives	Completion of construction	
Future tenure of Non-Construction Executives	Half time to retire	
Mortality Table	RV-2020	RV-2020
UF Closing Value	38,416.69	36,789.36
UF 90 Cap	38,416.69	3,311,042

Note 18. Other Current and Non-Current Financial Assets and Liabilities

a) Other Non-Current Financial Assets comprise the following:

OTHER NON-CURRENT FINANCIAL ASSETS	31-12-2024	31-12-2023
	USD\$	USD\$
Interest Rate Swap (see note 19)	49,290,821	-
Cross Currency Swap (see note 19)	(43,487,106)	-
Total	5,803,715	-

b) Other Current Financial Liabilities comprise the following:

OTHER CURRENT FINANCIAL LIABILITIES	31-12-2024	31-12-2023
	USD\$	USD\$
HSBC Loan	373,213	178,043
Credit cards	(3,428)	3,935
Total	369,785	181,978

c) Other Non-Current Financial Liabilities comprise the following:

OTHER NON-CURRENT FINANCIAL LIABILITIES	31-12-2024	31-12-2023
	USD\$	USD\$
HSBC Loan	76,415,359	34,985,190
Cross Currency Swap (see note 19)	-	30,501,269
Interest Rate Swap (see note 19)	-	(13,809,329)
Total	76,415,359	51,677,130

On April 25, 2023, a bridge loan agreement was signed with HSBC Limited for a total amount of USD 160 million. The terms were: TERM SOFR 6M + Spread rate, 5-year term and semi-annual interest payments starting on May 9, 2023.

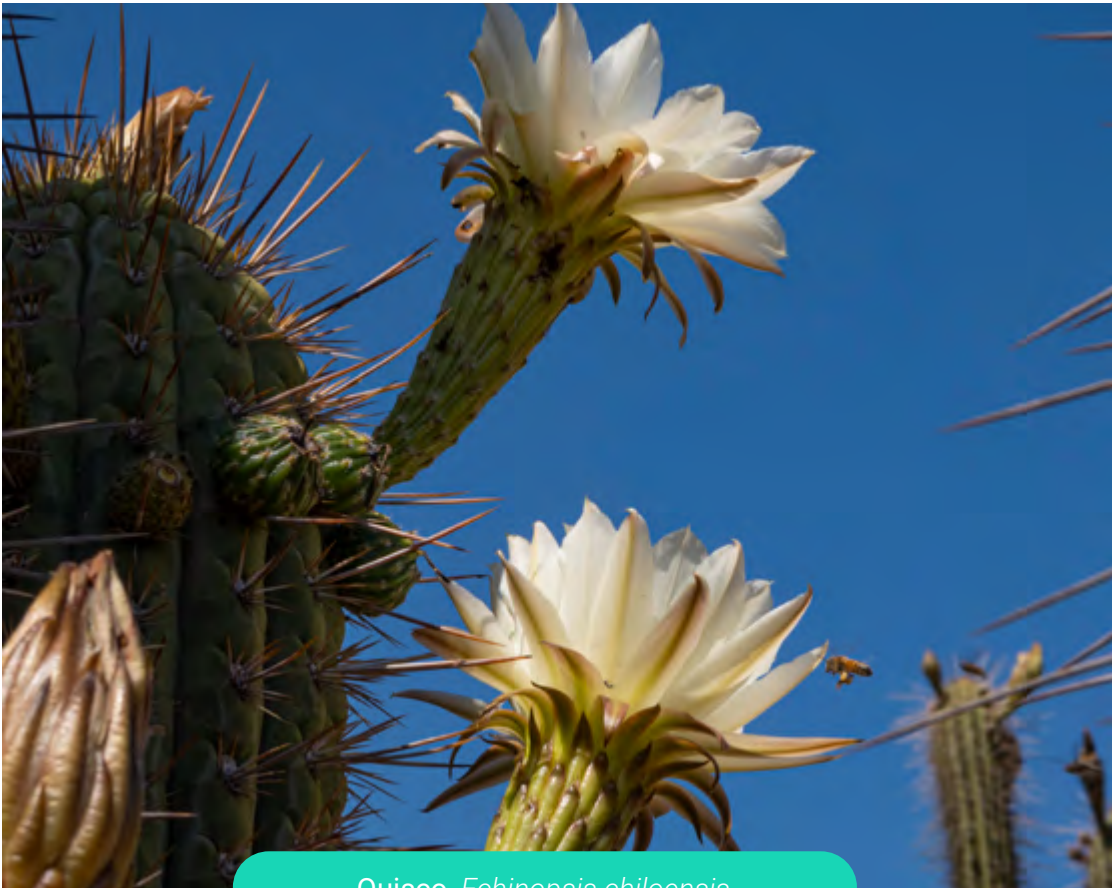
This information is summarized in the following table:

CONEXIÓN KIMAL LO AGUIRRE S.A.	
Nominal Value (USD)	160,000,000
Rate	Term SOFR
Interest Payment	Semiannual
Base	360/360
Start Date	09-05-2023
Maturity (Months)	60

The borrower’s guarantees are covered by China Southern Power Grid International (HK) CO. LTD. No special conditions have been detected to guarantee the continuity of disbursements.

The balance of the financial debt according to the signed contract is summarized in the following table:

DEBTOR ID COMPANY	DEBTOR COMPANY NAME	COUNTRY DEBTOR COMPANY	CREDITOR	IDENTIFICATION (TAX ID)	CURRENCY	EFFECTIVE ANNUAL RATE	NOMINAL ANNUAL RATE	INTEREST PAYMENT	FINAL TERM	DEBT CAPITAL	31-12-2024	31-12-2023
											USD\$	USD\$
77.590.896-3	Conexión Kimal Lo Aguirre	Chile	The Hongkong and Shanghai Banking Corporation Limited	173611	USD	11.52%	10.91%	Semi-annual	09-05-2028	115,700,000	78,400,000	37,300,000
Total										115,700,000	78,400,000	37,300,000



Quisco, *Echinopsis chiloensis*

Note 19. Derivative instruments

The Company has an interest rate swap hedging contract, the purpose of which is to reduce the exposure to the variation of future cash flows caused by the variation of the interest rate that will affect Conexión at the time of contracting the loan agreement (Senior) and b) a currency swap contract in order to reduce the variations in the exchange rate resulting from the multi-currency investment (CLP and UF).

Thus, the hedged items are a) the interest flows to be paid as a result of the loan (Senior) that the company will contract for the construction of the project and b)

the payment flows of the investment in UF that the Company expects to make during the construction of the project.

For these hedges, the gain or loss on the hedging instrument determined to be effective is recognized in equity through other comprehensive income, while the ineffective portion is recognized in income.

Details of the hedging instruments for the period 2024 are shown in the following table:

COUNTERPARTY	SWAP	CONTRACTED AMOUNT USD	START DATE	END DATE	FIXED INTEREST RATE %	FLOATING RATE	MTM ADJUSTED AS OF 12/31/2024
Santander	Rate	70,877,391	01-12-2025	01-12-2034	3.032%	SOFR COMP	49,290,821

COUNTERPARTY	SWAP	CONTRACTED AMOUNT USD	START DATE	END DATE	FIXED INTEREST RATE (USD/UF)	FLOATING RATE	MTM ADJUSTED AS OF 12/31/2024
Santander	Cross Currency	70,877,391	02-06-2023	15-12-2028	47,542	USD/UF	(42,118,769)
Santander	Cross Currency	16,664,874	19-03-2024	15-09-2027	41,52	USD/UF	(1,368,337)
Net Total							5,803,715

Details of the hedging instruments for the 2023 period are shown in the following table:

COUNTERPARTY	SWAP	CONTRACTED AMOUNT USD	START DATE	END DATE	FIXED INTEREST RATE %	FLOATING RATE	MTM ADJUSTED AS OF 12/31/2023
Santander	Rate	70,877,391	01-12-2025	01-12-2034	3.032%	SOFR COMP	13,809,329

COUNTERPARTY	SWAP	CONTRACTED AMOUNT USD	START DATE	END DATE	FIXED INTEREST RATE (USD/UF)	FLOATING RATE	MTM ADJUSTED AS OF 12/31/2023
Santander	Cross Currency	8,689,172	02-06-2023	15-12-2028	47,542	USD/UF	(30,501,269)
Net Total							(16,691,940)

As of December 31, 2024 and 2023, the Company has not recognized gains or losses due to hedge ineffectiveness.

The fair value of the derivatives corresponds to the mark-to-market (MTM) from observable market prices, the difference in their valuations is recorded in "Other Comprehensive

Income" for a gain of USD\$ 5,803,715, for the year ended December 31, 2024 and for a loss of USD\$ 16,691,940, for the year ended December 31, 2023. The calculations of counterparty risks also require information on interbank quotations for the estimation of credit spreads and the Company's spreads.

Note 20. Other current and non-current non-financial liabilities

La entidad firmó en el periodo 2024 un contrato de uso oneroso (CUO) con la In the period 2024, the entity signed a 40-year contract for the use of the land where the “Lo Aguirre” substation is located, located in the Antofagasta region, with the Regional Ministerial Secretary of National Assets of Antofagasta (Seremi Bienes Nacionales).

Since the contract involves the management and operation of an asset under government control, the accounting treatment follows the provisions of IFRIC 12, ensuring the correct classification of the rights and obligations arising from the contract (see note 11).

a) Other Current Non-Financial Liabilities comprises the following:

OTHER CURRENT FINANCIAL LIABILITIES	31-12-2024	31-12-2023
	USD\$	USD\$
Current CUO Liability	3,120	-
Total	3,120	-

Current liabilities reflect short-term obligations associated with contractual payments and other commitments related to the land use contract.

b) Other Non-Current Non-Financial Liabilities comprises the following:

OTHER NON-CURRENT FINANCIAL LIABILITIES	31-12-2024	31-12-2023
	USD\$	USD\$
Non-Current CUO Liabilities	313,456	-
Total	313,456	-

Non-current liabilities correspond to the present value of future payments under the contract, adjusted by the applicable discount rates.

This financial report provides an overview of the liabilities and commitments associated with the contract for onerous use, complying with the transparency and disclosure requirements established in IFRS.

Note 21. Disclosures about shareholders' equity (Issued Capital)

Subscribed and paid-in capital and number of shares

As of December 31, 2024 and 2023, the Company's capital stock has a balance of USD\$105,361,799 represented by 95,666,676 shares.

The initial capital subscribed and paid by the Company on May 26, 2022 was 1,500 shares equivalent in USD\$1,799, this was constituted with the contribution of the three shareholders with equal participation of 33.33% each.

On July 29, 2022, the shareholders decided to carry out a capital increase of USD\$82,500,000 consisting of 75,940,425 subscribed and paid-in shares.

And for the closing of the 2022 fiscal year, the shareholders made a contribution of USD\$ 22,860,000 equivalents to 19,724,751 subscribed and paid-in shares.

The Company's ownership is distributed as follows:

SHAREHOLDER	NUMBER OF SHARES SUBSCRIBED AND PAID	PERCENTAGE OF OWNERSHIP %
Transec Holdings Rentas Ltda.	31,888,892	33.33
Isa Inversiones Chile SpA.	31,888,892	33.33
Chile HVDC Transmission SpA.	31,888,892	33.33
Total	95,666,676	100

Capital Management

The main objective when managing shareholders' capital is to maintain an adequate credit risk profile and healthy capital ratios that allow the Company to access the capital and financial markets for the development of its medium and long-term objectives and, at the same time, maximize shareholders' return.

There have been no changes in capital management objectives or policies in the reported fiscal year.

Note 22. Other income (expenses)

DETAIL	31-12-2024	31-12-2023
	USD\$	USD\$
Other income (expenses)	(13,125)	(948)
Total	(13,125)	(948)

Corresponds to expenses not associated with the project which are not capitalizable.

Note 23. Contingencies and Commitments

Guarantees

As of December 31, 2024, the Company has no commitments or contingencies that could affect it.

The guarantees currently in force are as follows:

- The Company has received Guarantee Bonds from contractors and third parties, mainly to guarantee compliance with contracts for works, works and services in the amount of USD\$ 253,876,796, as of December 31, 2024.
- The Company has issued Guarantee Bonds for government entities and commercial counterparties, mainly to guarantee compliance with works, seriousness of offers in new bids and/or purchases of assets for an amount of US\$ 126,146,017, as of December 31, 2024.

As of December 31, 2023, the Company has no commitments or contingencies that could affect it.

The guarantees currently in force are as follows:

- The Company has received guarantee bonds from contractors and third parties, mainly to guarantee compliance with contracts for works and services amounting to US\$ 257,683,294, as of December 31, 2023.
- The Company has issued Guarantee Bonds for governmental entities and commercial counterparties, mainly to guarantee compliance with works,

reliability of offers in new bids and/or purchases of assets for an amount of US\$ 125,843,598, as of December 31, 2023.

Covenants

As of December 31, 2024 and 2023, the Company is in continuous and satisfactory compliance with the covenants associated with the bank loan acquired with HSBC bank (note 18), reflecting the commitment to responsible financial management and operational transparency.

These covenants are fully in line with industry standards and the current status of project development.

The Company has complied with all the obligations established in the loan agreements and which correspond to administrative information that does not require compliance with specific financial indicators.

Lawsuits

The Company is currently a party to two legal proceedings, both of a civil nature.

The first corresponds to a complaint of new construction, in which the Company is a defendant, and the second relates to the constitution of a mining easement in which the Company has intervened as an independent third party.

The new construction complaint does not project adverse scenarios, since the location of the properties, whose owners filed the mentioned action, are not affected by the layout of the construction work.

With respect to the mining easement lawsuit, no damages as such with respect to the Company, have been stated. However, in the event that the mining easement is constituted, the effect that could occur for our company consists of the need to negotiate with the plaintiff company due to the overlapping of easements and possible hindrance to the development of economic activities. This situation will also be generated as a result of the processing of our Electric Concession.

These two legal proceedings do not have a provisioned contingency since they do not meet the requirements indicated in IAS 37.

Note 24. Environment

The Company, in compliance with current environmental regulations and in accordance with its sustainability policy, has submitted its project to the environmental authority for environmental evaluation through the Environmental Evaluation System (SEIA). To this end, in October 2023, the Environmental Impact Assessment (EIA) was submitted, in compliance with the requirements of Law No. 19,300 on General Bases of the Environment, as amended by Law No. 20,417, and the SEIA regulations.

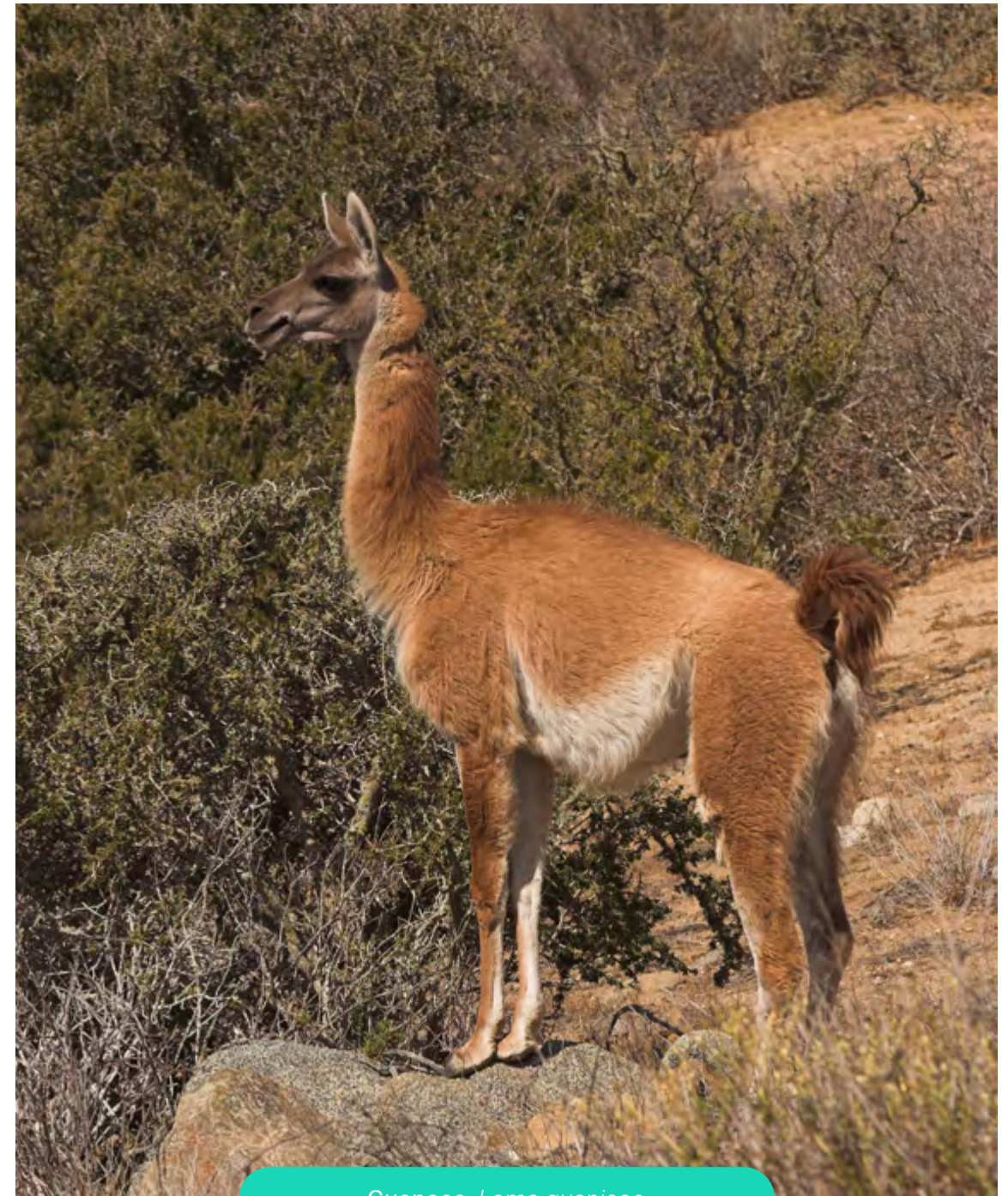
As part of this environmental evaluation process, in November 2024 we submitted Addendum 1 in response to the observations of the Consolidated Report of Clarifications, Rectifications or Expansions presented by the State agencies participating in the process, as well as the observations collected in the Citizen Participation.

In addition to the formal processes of Citizen Participation (AC) and the Indigenous Consultation Process in charge of the Environmental Assessment Service (SEA), instances in which we have actively participated, the Company has considered a previous work with the communities and a permanent territorial linkage, through a systematic process of outreach, information and participation actions.

At the present stage, the Company is not in operation, and is about to start the construction stage of the Kímal-Lo Aguirre transmission line.

Note 25. Subsequent events

Between December 31, 2024 and the date of issuance of these financial statements, no events of a financial or other nature have occurred that would significantly affect the balances or interpretation of these financial statements.



Guanaco, *Lama guanicoe*

ANNUAL REPORT

2024

conexión
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