Consolidated Financial Statements

AMANECER SOLAR HOLDING SpA AND SUBSIDIARIES

Santiago, Chile
As of December 31, 2023 and 2022

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Report of the Independent Auditor

To the Shareholders of
Amanecer Solar Holding SpA and Subsidiaries

Opinion

We have audited the consolidated financial statements of Amanecer Solar Holding SpA and its subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the years then ended, and the corresponding notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Amanecer Solar Holding SpA and its subsidiaries as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended, in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with generally accepted auditing standards in Chile. Our responsibilities under those standards are further described in the "Auditor's Responsibility for the Audit of the consolidated Financial Statements" section of our report. We are required to be independent of Amanecer Solar Holding SpA and its subsidiaries and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Consolidated Financial Statements

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

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

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

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

In performing an audit in accordance with generally accepted auditing standards in Chile, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.

- Obtain an understanding of the internal control relevant to an audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of Amanecer Solar Holding SpA and its subsidiaries. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.

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

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

Roberto López A.
EY Audit Ltda.

Santiago, April 26, 2024

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UF: Amounts expressed in Unidades de Fomento
ThUS$: Amounts expressed in thousands of United States dollars
US$: Amounts expressed in United States dollars
ThCh$: Amounts expressed in thousands of Chilean pesos

Consolidated Financial Statements

AMANECER SOLAR HOLDING SpA AND SUBSIDIARIES

As of December 31, 2023 and 2022

AMANECER SOLAR HOLDING SPA and SUBSIDIARIES

Consolidated Statements of Financial Position
For the years ended December 31, 2023 and 2022

Assets	Note	2023 ThUS$	2022 ThUS$
Current assets:			
Cash and cash equivalents	8	2,532	7,590
Trade and other receivables	9	5,519	7,482
Other financial assets		16	6
Other non-financial assets	10	638	587
Lease guarantee bond	13	1	10
Restricted cash	8	-	-
Total current assets		8,706	15,675
Non-current assets:			
Property, plant and equipment	11	164,366	172,534
Assets with right of use	12	2,592	2,818
Lease guarantee bond	13	130	127
Trade and other receivables	9	3,005	3,320
Other non-financial assets		367	402
Derivative financial instruments	14	1,692	1,962
Deferred tax assets	15	1,223	1,010
Total non-current assets		173,375	182,173
Total assets		182,081	197,848
Liabilities and equity			
Current liabilities:			
Trade and other payables	16	953	398
Financial liabilities with banks	17	13,482	11,993
Leases Short-Term	12	169	157
Accounts payable related party	18	-	200
Other non-financial liabilities	20	912	2,782
Total current liabilities		15,516	15,530
Non-current liabilities:			
Accounts payable related party	18	-	-
Long-term liabilities with banks	17	166,981	179,087
Asset retirement obligation	19	3,935	3,672
Derivative financial instruments	14	3,185	1,555
Leases Long-Term	12	2,608	2,748
Total non-current liabilities		176,709	187,062
Equity (deficit):			
Shareholders' Equity	21	11,299	16,299
Accumulated Other Comprehensive Income		(1,089)	56
Accumulated deficit		(20,354)	(21,099)
Total equity (deficit)		(10,144)	(4,744)
Total liabilities and equity (deficit)		182,081	197,848

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

AMANECER SOLAR HOLDING SPA AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income
For the years ended December 31, 2023 and 2022

Statement of income by function	Note	12/31/2023 ThUS$	12/31/2022 ThUS$
Revenue	22	30,956	31,155
Cost of sales	23	(4,786)	(2,859)
Depreciation		(8,647)	(8,674)
Gross profit		17,523	19,622
Administrative expenses	24	(2,019)	(2,869)
Other (expense) income	26	1,667	2,014
Finance cost	25	(15,709)	(13,931)
Foreign currency exchange differences	27	(409)	(254)
Gain/(Loss) before tax		1,053	4,582
Income tax (expense) benefit	15	(98)	(238)
Deferred taxes	15	(210)	(1,126)
Gain/(Loss) for the year		745	3,218
Statements of profit or loss and other comprehensive income			
Gain/(loss) for the year		745	3,218
Components of other comprehensive income before taxes		(1,569)	76
Foreign currency translation differences		-	-
Gain from foreign currency translation differences, net for tax		-	-
Other comprehensive income, foreign currency translation differences, net for tax		(824)	3,294
Income tax for foreign currency translation differences		-	-
Income tax related to cash flow hedges		403	(20)
Other comprehensive income		(421)	3,274
Total comprehensive gain/(loss)		(421)	3,274

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

AMANECER SOLAR HOLDING SPA AND SUBSIDIARIES

Consolidated Statements of Changes in Equity
For the years ended December 31, 2023 and 2022

	Share capital ThUS$	Accumulated deficit ThUS$	Total Equity (deficit) ThUS$
Opening balance as of January 1, 2023	16,299	(21,043)	(4,744)
Comprehensive income:	-	-	-
Gain/(loss) for the year	-	745	745
Other comprehensive income	-	(1,145)	(1,145)
Comprehensive income	16,299	(21,443)	(5,144)
Capital increase/(decrease)	(5,000)	-	(5,000)
Dividends	-	-	-
Increase/(decrease) for transfers and other changes	-	-	-
Total changes in equity	(5,000)	-	(5,000)
Closing balance as of December 31, 2023	11,299	(21,443)	(10,144)
Opening balance as of January 1, 2022	18,407	(19,531)	(1,124)
Comprehensive income:	-	-	-
Gain/(loss) for the year	-	3,218	3,218
Other comprehensive income	-	56	56
Comprehensive income	18,407	(16,257)	2,150
Capital increase/(decrease)	(2,108)	-	(2,108)
Dividends	-	(4,786)	(4,786)
Increase/(decrease) for transfers and other changes	-	-	-
Total changes in equity	(2,108)	(4,786)	(6,894)
Closing balance as of December 31, 2022	16,299	(21,043)	(4,744)

AMANECER SOLAR HOLDING SPA AND SUBSIDIARIES

Consolidated Statements of Cash Flows
For the years ended December 31, 2023 and 2022

	2023 ThUS$	2022 ThUS$
Cash flows from (used in) operating activities:		
Cash receipts from rendering of services	39,166	36,961
Cash payments to suppliers for goods and services	(15,137)	(19,135)
Net cash flows generated from operating activities	24,029	17,826
Cash flows from (used in) financing activities:		
Dividends paid to shareholders	(5,000)	-
Proceeds from borrowings	-	199,560
Payment of interest	(11,771)	(6,505)
Repayment of related party loan	-	(57,213)
Other income / expenses from Swaps	2,430	-
Repayment of bank borrowing	(14,340)	(161,606)
Net cash used in financing activities	(28,681)	(25,764)
Net increase in cash and cash equivalents, before the effect of movements in exchange rates on cash held	(4,652)	(7,938)
Effect of movements in Exchange rates on cash held	(406)	(285)
Cash and cash equivalents as of January 1	-	1,398
Restricted cash as of January 1	7,590	14,415
Cash and cash equivalents as of December 31	2,532	7,590

Note 1 - Reporting entity

a) Entity's information

Amanecer Solar Holding SpA (hereinafter the "Company"), is a joint stock company incorporated via public deed on January 11, 2013. The Company's registered office is Suecia 172, piso 2, Providencia, Santiago, CP 7510099. The Company currently operates under Taxpayer ID No. 76.273.445-1.

The Group's ultimate Parent is Brookfield Asset Management, Inc., which is domiciled in the United States of America.

b) Description of operations and main activities

Amanecer Solar Holding SpA operates in the Chilean territory. The Company is mainly engaged in all types of investments and/or businesses, either on its own or on behalf of third parties, related to all types of goods or rights, movable and immovable property, tangible and intangible assets, its operation, trading and/or management, including the investment in commercial papers, securities, credit securities, foreign currencies, shares, bonds, debentures, and generally, any securities or investment securities in capital markets, as well as being involved in the incorporation of companies of any nature and line of business, and acquiring interests in companies already incorporated.

The subsidiary Amanecer Solar SpA operates on its own or through third parties, individually or together with other parties and within the Chilean territory. The Company is engaged in the construction, operation and maintenance of the "Parque Fotovoltaico Llano de Llampos" project to generate 101.02MWp, located at 28 km Northeast of the City of Copiapó in the commune and province of Copiapó in Region III of Atacama, Chile. The plant is located on a fiscal land of approximately 250 hectares. This land is leased to the Ministry of National Assets through an onerous use contract for a period of 30 years.

The plant was connected to the Central Interconnected System (SIC) on January 16, 2014 and began commercial operation on April 14, 2014.

The financial statements have been prepared on a going concern basis considering that the Company will continue its operating activities in the foreseeable future and has no intention or need for suspending the scale of its operations.

Note 2 - Basis of preparation

a) Financial statements

The information contained in these consolidated financial statements is the responsibility of Company's Management, who expressly state that all the policies and criteria included in International Financial Reporting Standards ("IFRS") as issued by International Accounting standards Board (IASB), have been applied.

These consolidated financial statements have been approved by the Company's Management on February 13, 2023.

Note 2 - Basis of preparation, (continued)

b) Periods covered

The consolidated financial statements cover the following periods:

- Consolidated statements of financial position as of December 31, 2023 and 2022.
- Consolidated statements of comprehensive income, changes in equity and cash flows for the period between January 1, 2023 and December 31, 2023, and for the period between January 1, 2022 and December 31, 2022.

c) Basis of consolidation

The consolidated financial statements of Amanecer Solar Holding SpA ("the Company") and its subsidiaries (the Group as a whole) include the assets, liabilities and income of the Company and its subsidiaries. The effects of significant transactions with related parties have been eliminated and the interest of non-controlling investors is presented in the consolidated statement of financial position and in the comprehensive income statement, under non-controlling interests.

Subsidiaries

A subsidiary is an entity over which the Company has the power to govern operating and financial policies in order to obtain benefits from its activities. This capacity generally although not always is manifested through direct or indirect ownership of more than 50% of the Company's shares.

The direct and indirect subsidiaries consolidated by Amanecer Solar Holding SpA. are detailed as:

Country	Company Name	Interest					
		2022				2023	
		Direct %	Indirect %	Total %	Direct %	Indirect %	Total %
Chile	Amanecer Solar SpA	100	-	100	100	-	100
Chile	Amanecer Solar Management SpA	100	-	100	100	-	100

d) Basis of measurement

The financial statements have been prepared on the historical cost basis except for items that are recognized at fair value or deemed cost in accordance with International Financial Reporting Standards.

The methods used to measure fair value are described in Note 5.

e) Functional and presentation currency

These consolidated financial statements are presented in U.S. dollars (US$), which is the Company's functional and presentation currency as of December 31, 2023.

f) Use of estimates and judgments

In preparing the consolidated financial statements, certain estimates made by Management will be used, where applicable, to measure some of the assets, liabilities, income, expenses and commitments recorded therein.

Note 2 - Basis of preparation, (continued)

f) Use of estimates and judgments, (continued)

The information about significant areas of estimation of uncertainty and critical judgments in applying accounting policies that have most significant effect on amounts recognized in the separate financial statements, are described in the following notes:

i) Deferred taxes

Deferred taxes are the taxes that the Company expects to pay or recover in the future associated with temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

ii) Provisions

A provision is recognized if the Company's present obligations as a result of a past event that when mature, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount has been estimated reliably.

Provisions are measured at the present value of the disbursements required to settle the obligation using the Company's best estimate.

iii) Contingencies

For the preparation of the consolidated financial statements, certain estimates have been made by the Company's Management to measure certain assets, liabilities, revenue, expenses and commitments recognized therein.

These estimates mainly relate to:

- Probability of occurrence and uncertain amount of liabilities and contingencies.
- The Company's tax results will be submitted to the relevant tax authorities in the future, which have been used as a basis for recording different income tax-related amounts in the accompanying separate financial statements.

Although these estimates will be made based on the best information available at the reporting date, it is possible that future events may require adjustments in following periods (increases or decreases), which would be applied prospectively, recognizing the effects of changes in estimates in future financial statements.

g) Presentation of consolidated financial statements

a. Consolidated statements of financial position

The Company has opted to present its statement of financial position under the classified format (as current and non-current balances).

Note 2 - Basis of preparation, (continued)

g) Presentation of consolidated financial statements (continued)

b. Consolidated statements of comprehensive income

Amanecer Solar Holding SpA has opted to present its classified statements of income by function.

c. Consolidated statements of cash flows

The Company has opted to present its statement of cash flows using the direct method.

Note 3 - Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these consolidated financial statements.

a) Foreign currency translation and inflation adjusted units

Transactions in a currency other than the functional currency are considered in foreign currency and are translated to the functional currency and initially recognized at the exchange rate of the functional currency at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the reporting date. All foreign currency translation differences are recognized with a debit or credit to comprehensive income.

Assets and liabilities expressed in a currency other than the United States dollar have been measured at the exchange rates at the end of each financial year. The resulting foreign currency translation differences have been recognized through profit or loss with, the net amount is presented in the caption foreign currency translation differences of statement of profit or loss by function.

Non-monetary items expressed in a currency other than the United States dollar, which are measured based on historical costs, have been translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a currency other than the United States dollar, are retranslated to the exchange rate to the date in which the fair value was determined.

Assets and liabilities in UF (inflation-adjusted units) are measured at the period-end value of this index-adjusted unit at the reporting date as published by the Chilean National Institute of Statistics (INE).

As of December 31, 2023, and 2022, the exchange rates for foreign currencies and inflation-adjusted units are detailed as follows:

US$ per unit	2023	2022
Chilean pesos (CLP)	0.001140	0.001168
Unidad de Fomento (UF) (inflation - adjusted units)	0.023836	0.024368

Note 3 - Significant accounting policies, (continued)

b) Property, plant and equipment

i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

Cost includes acquisition cost, import duties and any other costs directly attributable to bringing the assets to a working condition for their intended use.

The cost of self-constructed assets includes the cost of materials and direct labor; any other costs directly attributable to bringing the assets to a working condition for their intended use and an initial estimate of the costs of dismantling and removing the items and restoring the site on which they are located.

Borrowing costs that qualify as such (qualifying assets) incurred for acquisition, construction or production of property, plant and equipment items are recognized as part of cost.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in the caption other gains (losses) in the statement of comprehensive income.

ii) Subsequent costs

The cost of replacing an item of property, plant and equipment is recognized at its carrying amount, if it is possible that the future economic benefits included within the item flow to the Company and cost can be measured reliably. The carrying amount of the replaced item is derecognized.

Expansion, modernization and improvement costs that represent an increase in productivity, capacity or efficiency, or an increase in the useful life, are capitalized by increasing the value of the assets. Repair, preservation and maintenance expenses are expensed in profit or loss at the time in which they are incurred.

Note 3 - Significant accounting policies, (continued)

b) Property, plant and equipment, (continued)

iii) Depreciation

Depreciation is recognized in profit or loss using the straight-line method based on the estimated useful life of each component of property, plant and equipment.

Depreciation of property, plant and equipment under construction commences when the assets are ready for their intended use.

The estimated useful lives of items of property, plant and equipment are as follows:

	Estimated useful life
Facilities and fixtures	29.5 years
Restoration assets	29.5 years

iv) Provision for decommissioning costs

Future expenditure to be assumed by the Company related to the closure of its facilities, are included in the value of the asset at fair value, recognizing the related provision for dismantling or restoring the site at the date in which the plant commenced operations. The Company conducts an annual review of its estimate of future expenditure, increasing or decreasing the value of the asset considering the results of such estimate (see Note 18). The Company has determined that during 2022 its best estimate with respect to the commitments related to decommissioning, accounting for such provision in these financial statements.

c) Impairment

i) Financial assets

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence that one or more events had a negative effect on the asset's future cash flows.

An impairment loss with respect to a financial asset measured at amortized cost is calculated as the difference between it carrying amount and the present value of the estimated future cash flows discounted at the asset’s original effective interest rate. All impairment losses are recognized in the statement of comprehensive income.

Note 3 - Significant accounting policies, (continued)

c) Impairment, (continued)

ii) Non-financial assets

The carrying amounts of the Company's non-financial assets, excluding deferred taxes, are reviewed at each reporting date to determine whether there is any indication of impairment. The indications of impairment used by the Company's Management are based on the profitability of the business units. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

An impairment loss is recognized, if carrying amounts of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

d) Capital

a. Share capital

Ordinary shares

Ordinary shares are classified as net equity. Costs directly attributable to the issue of ordinary shares and share options, net of any tax effects, are recognized as a deduction from equity.

e) Provisions (Accruals)

A provision is recognized when, as a result of a past event, the Company has a legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are determined discounting the expected future cash flows with the pre-tax rate that reflects current market assessment of the time value of money and those risks specific to the liability. Changes in the amount of the provision due to the passage of time are recognized as finance costs.

Note 3 - Significant accounting policies, (continued)

f) Income tax and deferred taxes

Tax expense comprises current and deferred taxes. Tax assets and liabilities are measured at the amount that is expected to be recovered from or paid to the tax authorities. Tax rates and tax laws used to calculate the amounts are the rates enacted at the reporting date.

The amount of deferred taxes is obtained from temporary differences generated by differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxes are recognized in accordance with IAS 12 “Income Taxes.” The Company recognizes deferred tax assets for unused tax losses to the extent that the use of such tax losses is probable considering the probability of sufficient future taxable profits.

On September 29, 2014, the Tax Reform Law was enacted, which considered a gradual increase in the corporate income tax rate. As of December 31, 2023 and 2022 the rate applied is 27%.

As established by Law Nº 20.780 because the Company is a shareholders’ corporation it will by default use the Partially-integrated system.

g) Revenue

The Company’s revenue and expenses are recognized on an accrual basis. Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Company’s activities. Revenue is shown net of value added tax, returns, rebates and discounts.

The Company’s revenue arises from the electricity supply system in the Central Interconnected System (SIC). Its sales are composed of sales of capacity and energy via an energy supply contract with Compañía Minera del Pacífico S.A. (CMP). The Company can sell capacity and energy on behalf of Compañía Minera del Pacífico S.A. if approved or requested by the latter to power-generation companies operating in the Central Interconnected System (SIC), provided that this is approved or requested by CMP.

On a monthly basis the National Electric Coordinator measures capacity and energy transfers between companies operating in the National Electric System (SIC).

The Company recognizes revenue when the amount of revenue can be measured reliably.

Note 3 - Significant accounting policies, (continued)

h) Finance income and finance costs

The Company's finance income is composed of accrued interest income from loans granted to related parties. Finance costs comprise interest expense on borrowings or financing agreements. All borrowing or financing costs are recognized in profit or loss using the effective interest method.

i) Consolidated statement of cash flows

The consolidated statement of cash flows includes changes in cash during the year, determined using the direct method. For the preparation of the statement of cash flows the Company uses the following definitions:

- Cash flow

  Cash and cash equivalents inflows and outflows, i.e. highly liquid short-term investments maturing over a term equal to or lower than three months and low risk of changes in value.

- Operating activities

  Correspond to the principal revenue-producing activities and other activities that are not investing or financing activities.

- Investing activities

  Correspond to acquisition, disposal or sale activities by other means of non-current assets and other investments not included in cash and cash equivalents.

- Financing activities

  Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

j) Financial instruments

The Company recognizes financial assets and financial liabilities when it assumes the obligations or acquires the contractual rights thereof.

i) Cash and cash equivalents

Cash and cash equivalents include cash on hand and in banks.

ii) Loans and receivables

Trade and other receivables and trade receivables due from related parties are recognized at amortized cost, which correspond to the initial fair value, less principal repayments made, plus interests accrued but not collected calculated using the effective interest rate method.

Note 3 - Significant accounting policies, (continued)

j) Financial instruments, (continued)

iii) Non-derivative financial liabilities

Non-derivative financial liabilities include trade and other payables as well as trade payables due to related parties. Such financial liabilities are recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

k) Derivative and Hedging Financial Instruments

On December 2, 2022, the Company entered into a total of three USD-SOFR-COMPOUND interest rate swaps and two purchased USD-SOFR-COMPOUND 0.00% interest rate floors (with the same aggregate notional amount) to hedge its floating-rate Credit Agreement. The Credit Agreement also pays interest on USD-SOFR-COMPOUND and is subject to the same floor of 0.00%. The Company is jointly designating this combination of multiple derivatives together as a hedging instrument (as allowed in paragraph 6.2.5 of IFRS 9), collectively referred to herein as the "Hedging Instrument", "swap", or "interest rate swap." See below for specifics of the joint designation.

The transactions covered will be subject to International Financial Reporting Standard 9, Financial Instruments ("IFRS 9"). Paragraph 6.4.1 of IFRS 9 specifies that a hedging relationship qualifies for hedge accounting if the following conditions are met:

a) the hedging relationship consists only of eligible hedging instruments and eligible hedged items
b) at the inception of the hedging relationship there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge. That documentation shall include identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the entity will assess whether the hedging relationship meets the hedge effectiveness requirements (including its analysis of the sources of hedge ineffectiveness and how it determines the hedge ratio).

c) the hedging relationship meets all of the following hedge effectiveness requirements:

i) there is an economic relationship between the hedged item and the hedging instrument (see paragraphs B6.4.4–B6.4.6);
ii) the effect of credit risk does not dominate the value changes that result from that economic relationship (see paragraphs B6.4.7–B6.4.8); and
iii) the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item. However, that designation shall not reflect an imbalance between the weightings of the hedged item and the hedging instrument that would create hedge ineffectiveness (irrespective of whether recognised or not) that could result in an accounting outcome that would be inconsistent with the purpose of hedge accounting (see paragraphs B6.4.9–B6.4.11).

Note 4 - New accounting pronouncements

New IFRS and Interpretations of the IFRS Interpretations Committee (IFRIC)

a) The following new standards and amendments have been adopted in these financial statements:

Amendments to IFRS	Date of mandatory application
IFRS 3, *Reference to the Conceptual Framework*	January 1, 2022
IAS 16, *Property, plant and equipment: proceeds before intended use*	January 1, 2022
IAS 37 *Onerous contracts – cost of fulfilling a contract*	January 1, 2022
IFRS 1, IFRS 9, IFRS 16, IAS 41 *Annual Improvements to the 2018-2020 Standards*	January 1, 2022

IFRS 3 Reference to the Conceptual Framework

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

The amendments add an exception to the recognition principle of IFRS 3 to avoid the problem of potential “day 2” gains or losses arising from liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Assets. Contingencies or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria of IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for acquisition-date recognition.

The amendments must be applied prospectively.

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

IAS 16 Property, plant and equipment: proceeds before intended use

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment (PP&E), any proceeds from the sale of items produced while that asset is brought to the location and condition necessary for it to be able to operate in the manner intended by the administration. Instead, an entity recognizes the proceeds from the sale of those items and the costs of producing those items in profit or loss.

The amendment should be applied retroactively only to items of PP&E available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

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

Note 4 - New accounting pronouncements (continued)

New IFRS and Interpretations of the IFRS Interpretations Committee (IFRIC) (continued)

a) The following new standards and amendments have been adopted in these financial statements: continued

IAS 37 Onerous contracts – cost of fulfilling a contract

In May 2020, the IASB issued amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets to specify the costs that an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments are intended to provide clarity and help ensure consistent application of the standard. Entities that previously applied the incremental cost approach will see an increase in provisions to reflect the inclusion of costs directly related to contract activities, while entities that previously recognized provisions for contract losses using the previous standard's guidance, IAS 11 Construction Contracts, should exclude the allocation of indirect costs from their provisions. Judgment will be required to determine which costs are "directly related to contract activities", but we believe the guidance in IFRS 15 will be relevant.

The amendments should be applied prospectively to contracts for which an entity has not yet complied with all of its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Early application is allowed and must be disclosed.

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

IFRS 1, IFRS 9, IFRS 16, IAS 41 *Annual Improvements to the 2018-2020 Standards*

The IASB has issued “Annual Improvements to IFRS Standards 2018–2020”. The pronouncement contains amendments to four International Financial Reporting Standards (IFRS) as a result of the IASB's annual improvements project.

IFRS 1: Subsidiary as first-time adopter. The amendment allows a subsidiary that chooses to apply paragraph D16(a) of IFRS 1, to measure the cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the date of transition to IFRS. of the parent, if no adjustments were made for consolidation and for the effects of the business combination in which the parent acquired the subsidiary. This amendment also applies to an associate or joint venture that chooses to apply paragraph D16(a) of IFRS 1.

IFRS 9: Commissions in the '10 percent' test for the derecognition of financial liabilities. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are materially different from the terms of the original financial liability. These fees include only those fees paid or received between the borrower and the lender, including fees paid or received by the borrower or the lender on behalf of the other. There is no similar amendment proposed for IAS 39.

Note 4 - New accounting pronouncements (continued)

New IFRS and Interpretations of the IFRS Interpretations Committee (IFRIC) (continued)

a) The following new standards and amendments have been adopted in these financial statements: continued

IFRS 1, IFRS 9, IFRS 16, IAS 41 Annual Improvements to the 2018-2020 Standards, continued

An entity applies the modification to financial liabilities that are modified or exchanged from the beginning of the annual reporting period in which the entity first applies the modification.

Illustrative Examples Accompanying IFRS 16: Leasing Incentives. The amendment removes the illustration of lessor payments in relation to leasehold improvements in Illustrative Example 13 accompanying IFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying IFRS 16.

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

IAS 41: Taxation on fair value measurements. The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxes when measuring the fair value of assets within the scope of IAS 41.

b) Standards, amendments and interpretations that have been issued but whose date of application is not yet effective:

News IFRS	Date of mandatory application
IFRS 17, *Insurance Contracts*	January 1, 2023
Amendments to IFRS	Date of mandatory application
IAS 1, *Classification of liabilities as current or non-current*	January 1, 2024
IAS 8, *Definition of accounting estimates*	January 1, 2023
AS 1, *Disclosure of accounting policies*	January 1, 2023
IAS 12, *Deferred tax related to assets and liabilities arising from a single transaction*	January 1, 2023
IFRS 10 and IAS 28, *Consolidated Financial Statements - sale or contribution of assets between and investor and its associate or joint venture*	To be determined
IFRS 16 *Lease Liability in a Sale and Leaseback*	January 1, 2024

Note 4 - New accounting pronouncements (continued)

New IFRS and Interpretations of the IFRS Interpretations Committee (IFRIC) (continued)

b) Standards, amendments and interpretations that have been issued but whose date of application is not yet effective: continued

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts, a new accounting standard specific to insurance contracts that covers recognition, measurement, presentation and disclosure. Once it enters into force, it will replace IFRS 4 Insurance Contracts issued in 2005. The new standard applies to all types of insurance contracts, regardless of the type of entity that issues them, as well as to certain guarantees and financial instruments with certain characteristics of discretionary participation. Some exceptions within the scope may apply.

In December 2021, the IASB amended IFRS 17 to add a transition option for a "classification overlay" to address potential accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented on initial application. of IFRS 17.

If an entity chooses to apply the classification overlay, it can only do so for comparative periods to which IFRS 17 applies (is from the date of transition to the date of initial application of IFRS 17).

IFRS 17 will be effective for periods beginning on or after January 1, 2023, requiring comparative figures. Early application is permitted, provided that the entity applies IFRS 9 Financial Instruments on or before the date on which IFRS 17 is applied for the first time.

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

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

1. What is meant by a right to defer settlement
2. That a right to defer must exist at the end of the reporting period
3. That classification is unaffected by the likelihood that an entity will exercise its deferral right
4. That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

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

The entity will evaluate the impact of this amendment once it enters into force.

Note 4 - New accounting pronouncements (continued)

New IFRS and Interpretations of the IFRS Interpretations Committee (IFRIC) (continued)

b) Standards, amendments and interpretations that have been issued but whose date of application is not yet effective: continued

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a new definition of "accounting estimates." The amendments are designed to clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop the accounting of estimates.

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates, continued

The amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. This definition of a change in the accounting estimate specified that the change in accounting estimates can result from new information or new developments. Therefore, said changes are not necessarily the correction of errors.

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

IAS 1 Presentation of Financial Statements - Disclosure of Accounting Policies

In February 2021, the IASB issued amendments to IAS 1 and to IFRS Practice Statement 2 Making Materiality Judgments, to provide guidance and examples to help entities apply materiality judgments to accounting policy disclosures.

The amendments aim to help entities provide accounting policy disclosures that are more useful by:

- Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies; and

- Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

By evaluating the materiality of information on accounting policies, entities must consider both the size of the transactions and other events or conditions, and the nature of these.

The amendment will be effective for annual periods commencing on or after January 1, 2023. Early adoption is permitted, provided that it is disclosed.

Note 4 - New accounting pronouncements (continued)

New IFRS and Interpretations of the IFRS Interpretations Committee (IFRIC) (continued)

b) Standards, amendments and interpretations that have been issued but whose date of application is not yet effective: continued

IAS 12, Deferred tax related to assets and liabilities arising from a single transaction

In May 2021, the IASB issued amendments to IAS 12 that narrowed the scope of the recognition exemption in IAS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

The amendments clarify that when payments made to settle a liability are deductible for tax purposes, it is a matter of judgment (according to the applicable tax legislation) whether these deductions are attributable to the liability recognized in the Financial Statements (and interest expense) or the related asset (and interest expense) for tax purposes. This judgment is important to determine whether there are temporary differences upon initial recognition of assets and liabilities.

In addition, according to the amendments issued, the initial recognition exception does not apply to transactions that give rise to equal taxable and deductible temporary differences upon initial recognition. This exception only applies if the recognition of a lease asset and a lease liability (or a decommissioning liability and decommissioning asset component) do not give rise to equal taxable and deductible temporary differences. However, the resulting deferred tax assets and liabilities may not be equal (for example, if the entity is not eligible to tax deductions or if different tax rates apply to taxable and deductible temporary differences). In such cases, an entity would account for the difference between the deferred tax asset and the deferred tax liability in Income.

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

IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures– sale or contribution of assets between an investor and its associate or joint venture

The amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) address an inconsistency recognized between the requirements of IFRS 10 and those of IAS 28 (2011) in the treatment of the sale or contribution of assets between an investor and its associate or joint venture.

The amendments, issued in September 2014, establish that when the transaction involves a business (found in a subsidiary or not), a complete profit or loss is recognized. A partial profit or loss is recognized when the transaction involves assets that do not constitute a business, even when the assets are found in a subsidiary. The date of mandatory application of these amendments is yet to be determined, as the IASB is waiting for the results of its investigation project on the accounting using the equity method.

The Company's Management is evaluating the initial effects of the application of these new standards and amendments. It estimates that future adoptions will not have any material impact on the Financial Statements.

Note 4 - New accounting pronouncements (continued)

New IFRS and Interpretations of the IFRS Interpretations Committee (IFRIC) (continued)

b) Standards, amendments and interpretations that have been issued but whose date of application is not yet effective: continued

IFRS 16 Lease Liability in a Sale and Leaseback

The amendment to IFRS 16 specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction.

The amendment explains that after the commencement date in a sale and leaseback transaction, the seller-lessee applies paragraphs 29 to 35 of IFRS 16 to the right-of-use asset arising from the leaseback and paragraphs 36 to 46 of IFRS 16 to the lease liability arising from the leaseback. In applying paragraphs 36 to 46, the seller-lessee determines ‘lease payments’ or ‘revised lease payments’ in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. Applying these requirements does not prevent the seller-lessee from recognising, in profit or loss, any gain or loss relating to the partial or full termination of a lease, as required by paragraph 46(a) of IFRS 16.

The amendment does not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining ‘lease payments’ that are different from the general definition of lease payments in Appendix A of IFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with IAS 8.

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

The entity will evaluate the impact of this amendment once it enters into force.

Note 5 - Determination of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair values for valuation and/or disclosure purposes have been determined based on the methods that are detailed below. If applicable, further information is disclosed of the assumptions used for the determination of fair values in the specific notes referred to such asset or liability.

(a) Trade and other receivables

The fair value of trade and other receivables are estimated at the present value of future cash flows, discounted at the market interest rate, at the reporting date. Short-term receivables with no interest rate are measured at the amount of the original invoice if the effect of the discount is immaterial. The fair value is determined at the initial recognition and, for disclosure purposes, on each annual reporting date.

(b) Other non-derivative financial liabilities

Other non-derivative financial liabilities are measured at the fair value at the initial recognition; and for disclosure purposes, at each annual reporting date. The fair value is calculated on the present value of future principal owed and interest flows, discounted at a market interest rate at the measurement date. For financial leases, the market interest rate is determined as a reference to similar lease contracts.

Note 6 - Financial risk management

The Company is exposed to certain risks managed through the application of identification, limitation of concentrations, measurement and oversight systems.

The basic principles defined highlight the following:

- Compliance with the standards established by Management and the Management.
- Operating using authorized operators.
- For each market in which it participates, the Company establishes its risk appetite in line with the strategy defined.
- All business transactions are performed within the limits approved by the Company's Management and Management.
- The businesses, lines of business and companies establish the risk management controls necessary to ensure that transactions in markets are performed in accordance with the Company’s policies, standards and procedures.

a) Interest rate risk

As in every investment project, fluctuations in interest rates are a risk factor in the construction area, having a direct effect on the cost of financing for the construction and the cost of financing for equipment.

In order to mitigate such risk, the Company has sought to mainly establish the fixed rates in the main credit agreements and bond issuance. If this is not possible, the Company supplements credits using financial products ensuring that the rate payable has a limit. Also, credits are agreed in the same currency in which cash flows are generated.

Accordingly, using these financial policies for interest rates and currency, cash flows are matched at long term.

As of December 31, 2022, and 2021, the Company's debt is represented by a loan from a related party that is at a fixed rate and two bank loans at a fixed rate. Therefore, the Company is not exposed to interest rate risk.

b) Currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument may fluctuate as a result of changes in exchange rates.

The Company is not exposed to foreign currency risk because the borrowing is mainly related to a debt of related parties denominated in the functional currency.

Note 6 - Financial risk management, (continued)

c) Credit risk

The risk associated with trade receivables is very low because the Company's portfolio is mainly composed of Terraform's Group companies.

As of December 31, 2023, the Company's maximum exposure to credit risk is represented by the carrying amounts of its financial assets.

d) Liquidity risk

The Company prefers the long-term financing to maintain a financial structure in line with its assets liquidity the maturity of which are compatible with the cash flow generation.

The Company finances its activities and projects using its own resources and financing obtained from third parties.

e) Capital management

The Management's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Management monitors the return on capital as well as the level of dividends paid to shareholders.

Note 7 - Changes in accounting policies

The Company has consistently applied the accounting policies described in Note 3(a) to the consolidated financial statements to the periods presented as of December 31, 2023 and 2022.

Note 8 - Cash and cash equivalents

As of December 31, 2023, and 2022, cash and cash equivalents are composed of the following:

	Currency	2023 ThUS$	2022 ThUS$
Restricted Cash in banks	Ch$	-	-
Restricted Cash in banks	US$	-	-
Cash in banks	Ch$	542	862
Cash in banks	US$	1,990	6,728
Total		2,532	7,590

Note 9 - Trade and other receivables

The composition of this caption as of December 31, 2023 and 2022, is as follows:

	2023		2022	
	Current ThUS$	Non current ThUS$	Current ThUS$	Non current ThUS$
Clients (1)	5,519	2,019	7,482	2,161
Insurance paid in advance	-	986	-	1,159
Totals	5,519	3,005	7,482	3,320

(1) As of December 31, 2022, and 2021, the customer balance includes ThUS$5,130 and ThUS$6,497 respectively, corresponding to the energy generated and delivered, but not invoiced at the end of each year

Note 10 - Other non-financial assets

	2023		2022	
	Current ThUS$	Non current ThUS$	Current ThUS$	Non current ThUS$
Prepaid Taxes	276	-	237	-
Prepaid Insurance	146	-	151	-
Value-added tax receivable	216	-	199	-
Loan LC fees	-	367	-	402
Total	638	367	587	402

Note 11 - Property, plant and equipment

Gross balances for 2023	Facilities and fixtures ThUS$	Restoration assets ThUS$	Total ThUS$
Opening balance as of January 1, 2023	245,962	2,402	248,364
Movements:			
Plus: Additions	199	-	199
Less: Disposals	-	54	54
Transfers/(reclassifications)	-	-	-
Closing balance as of December 31, 2023	246,161	2,456	248,617
Accumulated depreciation			
Opening balance as of January 1, 2023	(74,995)	(835)	(75,830)
Depreciation for the year	(8,340)	(81)	(8,421)
Other increase/(decreases)	-		
Closing balance as of December 31, 2023	(83,335)	(916)	(84,251)
Net total	162,826	1,540	164,366
Gross balances for 2022			
Opening balance as of January 1, 2022	249,808	4,419	254,227
Movements:			
Plus: Additions	198	-	198
Less: Disposals	(4,044)	(2,017)	(6,061)
Transfers/(reclassifications)	-	-	-
Closing balance as of December 31, 2022	245,962	2,402	248,364
Accumulated depreciation			
Opening balance as of January 1, 2022	(67,758)	(701)	(68,459)
Depreciation for the year	(8,413)	(134)	(8,547)
Other increase/(decreases)	1,176	-	1,176
Closing balance as of December 31, 2022	(74,995)	(835)	(75,830)
Net total	170,967	1,567	172,534

As of December 31, 2022, and 2021, depreciation expense is part of the Company's cost of sales. As of December 31, 2022, and 2021, impairment of property, plant and equipment has been assessed and no losses to be recognized for this item have been identified.

Note 12 - Assets with right of use

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

Gross balances for 2023	Lease right of use	Total
	ThUS$	ThUS$
Opening balance as of January 1, 2023	3,026	3,026
Movements:		
Plus: Additions	-	-
Less: Disposals	-	-
Transfers/(reclassifications)	-	-
Closing balance as of December 31, 2023	3,026	3,026
Accumulated depreciation		
Opening balance as of January 1, 2023	(208)	(208)
Depreciation for the year	(226)	(226)
Other increase/(decreases)	-	-
Closing balance as of December 31, 2023	(434)	(434)
Net total	2,592	2,592

Gross balances for 2022	Lease right of use	Total
	ThUS$	ThUS$
Opening balance as of January 1, 2022	671	671
Movements:		
Plus: Additions	2,355	2,355
Less: Disposals	-	-
Transfers/(reclassifications)	-	-
Closing balance as of December 31, 2022	3,026	3,026
Accumulated depreciation		
Opening balance as of January 1, 2022	(81)	(81)
Depreciation for the year	(127)	(127)
Other increase/(decreases)	-	-
Closing balance as of December 31, 2022	(208)	(208)
Net total	2,818	2,818

Note 12 - Assets with right of use (continued)

Set out below are the carrying amounts of lease liabilities and the Movements during the period:

Gross balances	2023 ThUS$	2022 ThUS$
Opening balance as of January 1	2,905	564
Movements:		
Plus: Additions	-	2,355
Plus: Accretion of interest	53	47
Less: Payments	(373)	(208)
Less: Revaluation	192	147
Closing balance as of December 31	2,777	2,905
Current	169	157
Non-current	2,608	2,748
	2,777	2,905

Note 13 - Lease guarantee bond

The composition of this item as of December 31, 2023 and 2022, is as follows:

	2023		2022	
	Current ThUS$	Non current ThUS$	Current ThUS$	Non current ThUS$
Ministerio de Bienes Nacionales - 1,619.00 UF	-	68	-	67
Ministerio de Bienes Nacionales - 1,471.10 UF	-	62	-	60
Bank guarantee deposits	1	-	10	-
Totals	1	130	10	127

Note 14 - Derivative financial instruments

As of December 31, 2023 and 2022, this caption is composed of the following:

	2023		2022	
	Asset ThUS$	Liability ThUS$	Asset ThUS$	Liability ThUS$
Interest rate swap	1,692	(3,185)	1,962	(1,555)
Total	1,692	(3,185)	1,962	(1,555)

Note 15 - Income tax and deferred taxes

a) General information

The Company recorded an income tax expense of ThUS$98 for 2023 (ThUS$238 for 2022), calculated based on a Net Taxable Income (Loss) of ThUS$ 1,053 for 2023 (ThUS$4,582 for 2022).

b) Deferred tax assets and liabilities

The Company recorded ThUS$1,223 as deferred tax assets and liabilities for 2023 and ThUS$1,010 for 2022 as it holds temporary differences generated by the financial and tax treatments of balance sheet items.

c) Income tax benefits/(expense)

This caption is detailed as follows:

	2023 US$	2022 US$
Deferred tax benefit /(expense)	(210)	(1,126)
Total benefit/(expense), net	(210)	(1,126)

d) Reconciliation of income tax

The reconciliation between the income tax expense recorded in the separate statement of profit or loss and the amount determined by multiplying the legal tax rate as of December 31, 2023 and 2022 on profit or loss, before taxes, is as follows:

		2023 ThUS$		2022 ThUS$
Profit (loss) before taxes		1,053		4,582
Tax expense using the current rate	27.0%	(284)	27.0%	(1,237)
Effect of deferred taxes		(210)		(1,126)
Tax impact of the change in tax rates (*)				-
Total adjustment to tax benefit (expense) using the legal rate		803		3,727
Total income tax benefit using the effective rate, net	29.34%	309	29.7 %	1,364

(*) On September 29, 2014, Law No. 20,780 was published in the Official Gazette, which introduces changes to the current Chilean Tax System (the Tax Reform Law). This Law establishes the substitution of the current tax system, starting 2017, with two alternative tax systems: the attributed income system and the partially-integrated system.

The Tax Reform considers a gradual increase in the corporate tax rate. Taxpayers subject to the partially-integrated system will have a rate of 27% starting from 2020.

Note 16 - Trade and other payables

As of December 31, 2023, and 2022, this caption is composed of the following:

	2023		2022	
	Current ThUS$	Non-current ThUS$	Current ThUS$	Non-current ThUS$
Trade payables	975	-	320	-
Other payables	(22)	-	78	-
Total	953	-	398	-

Note 17 - Financial liabilities with banks

a) As of December 31, 2023, and 2022, other financial liabilities are composed of the following:

	2023		2022	
	Current ThUS$	Non-current ThUS$	Current ThUS$	Non-current ThUS$
International Finance Corporation (IFC) (1) (3)	-	-	-	-
Overseas Private Investment Corporation (OPIC) (1)(2)(3)	-	-	-	-
MUFG Bank (4)	4,494	57,691	3,998	62,088
Sumitomo Mitsui Banking Corporation (4)	4,494	57,691	3,997	62,088
Banco Santander (4)	4,494	57,691	3,998	62,088
Debt discount (4)	-	(3,303)	-	(3,891)
Debt issuance costs (4)	-	(2,789)	-	(3,286)
Total	13,482	166,981	11,993	179,087

(1) On August 13, 2013 the Company entered into a financing contract with Overseas Private Investment Corporation (OPIC) and with International Finance Corporation (IFC) for the financing of the construction of the photovoltaic power station mentioned in Note 1 (b) to these financial statements. The total financing amounts of MUS$212.500, from which MUS$147.500 was provided by OPIC and MUS$65.000 by IFC. The term of the financing provided by the entities is 19 years and 4 months, ending on December 20, 2032. Interest is payable on a semi-annual basis on June 20 and December 20 of each year, starting with the first payment of interest on December 20, 2013. To guarantee compliance with the financing agreements, the Company has granted multilateral guarantees to Banco de Chile as Guarantee Agent (See Note 23).

(2) As of January 1, 2020, OPIC has transferred to DFC all of its rights, title, and interest in and to, and (b) duties, obligations, and liabilities. All references to OPIC shall, as of the Effective Date, be deemed to constitute references to DFC.

(3) As of December 31, 2022, loans with DFC and IFC have been paid in full and governing agreements have been terminated. There are no obligations with DFC and IFC as of December 31, 2022.

(4) On December 2, 2022, The Company entered into a Credit Agreement with Sumitomo Mitsui Banking Corporation (SMBC), MUFG Bank (MUFG) and Banco Santander (Santander). The total financing amounts of MUS$199.500, from which MUS$66.500 was provided by SMBC, MUS$66.500 was provided by MUFG and MUS$66.500 by Santander. The term of the financing provided by the entities is 11 years and 5 months, ending on April 30, 2034. Interest is payable on a quarterly basis on March 31, June 30, September 30 and December 31 of each year, starting with the first payment of interest on December 31, 2022.

Note 17 - Financial liabilities with banks (continued)

b) As of December 31, 2023, this caption is composed of the following:

Bank or financial institution	Creditor country	Repayment	Effective interest rate %	Nominal interest rate %	Term	Current ThUS$	Non-current ThUS$	Gross liability ThUS$
MUFG	USA	Quarterly	6,70	SOFR + 2,25%	4/30/2034	4,397	57,691	62,088
MUFG	USA	Quarterly	6,70	SOFR + 2,25%	3/31/2023	97	-	97
SMBC	USA	Quarterly	6,70	SOFR + 2,25%	4/30/2034	4,397	57,691	62,088
SMBC	USA	Quarterly	6,70	SOFR + 2,25%	3/31/2023	97	-	97
Santander	USA	Quarterly	6,70	SOFR + 2,25%	4/30/2034	4,397	57,691	62,088
Santander	USA	Quarterly	6,70	SOFR + 2,25%	3/31/2023	97	-	97
Debt discount							(3,303)	(3303)
Debt issuance costs							(2,789)	(2789)
Total						13,482	166,981	180,463

c) The maturity dates for cash flows for other financial liabilities recorded as of December 31, 2023 are as follows:

December 31, 2023	0 to 1 month ThUS$	1 to 3 months ThUS$	3 to 12 months ThUS$	1 to 5 years ThUS$	Over 5 years ThUS$	Total ThUS$	Nominal rate %
MUFG		1,474	2,923	21,018	36,673	62,088	6.70%
MUFG Interests		97	-	-	-	97	6.70%
SMBC		1,474	2,923	21,018	36,673	62,088	6.70%
SMBC Interests		97	-	-	-	97	6.70%
Santander		1,474	2,923	21,018	36,673	62,088	6.70%
Santander Interests		97	-	-	-	97	6.70%
Total		4,713	8,769	63,054	110,019	186,555	

Note 17 - Financial liabilities with banks (continued)

d) As of December 31, 2022, this caption is composed of the following:

Bank or financial institution	Creditor country	Repayment	Effective interest rate %	Nominal interest rate %	Term	Current ThUS$	Non-current ThUS$	Gross liability ThUS$
MUFG	USA	Quarterly	6,70	SOFR + 2,25%	4/30/2034	3,958	62,088	66,046
MUFG	USA	Quarterly	6,70	SOFR + 2,25%	3/31/2023	40	-	40
SMBC	USA	Quarterly	6,70	SOFR + 2,25%	4/30/2034	3,958	62,088	66,046
SMBC	USA	Quarterly	6,70	SOFR + 2,25%	3/31/2023	39	-	39
Santander	USA	Quarterly	6,70	SOFR + 2,25%	4/30/2034	3,958	62,088	66,046
Santander	USA	Quarterly	6,70	SOFR + 2,25%	3/31/2023	40	-	40
Debt discount						-	(3,891)	(3,891)
Debt issuance costs						-	(3,286)	(3,286)
Total						11,993	179,087	191,080

e) The maturity dates for cash flows for other financial liabilities recorded as of December 31, 2022 are as follows:

December 31, 2022	0 to 1 month ThUS$	1 to 3 months ThUS$	3 to 12 months ThUS$	1 to 5 years ThUS$	Over 5 years ThUS$	Total ThUS$	Nominal rate %
MUFG	-	1,350	2,608	19,520	42,568	66,046	6,70
MUFG Interests	-	40	-	-	-	40	6,70
SMBC	-	1,350	2,608	19,520	42,568	66,046	6,70
SMBC Interests	-	39	-	-	-	39	6,70
Santander	-	1,350	2,608	19,520	42,568	66,046	6,70
Santander Interests	-	40	-	-	-	40	6,70
Total	-	4,169	7,824	58,560	127,704	198,257	

The fair value of bank borrowings as of December 31, 2022 and December 31, 2021, does not differ from that recorded in the financial statements.

Note 18 - Balances and transactions with related parties

a) Balances with related parties

Trade payables due to related parties

Taxpayer ID	Company	Relationship	Currency	2023 Current ThUS$	2023 Non-Current ThUS$	2022 Current ThUS$	2022 Non-Current ThUS$
46.523.729-4	SunEdison YieldCo ACQ1. LLC	Intercompany Lender(*)	USD			-	-
N/A	TerraForm Operating	Parent	USD			200	-
Total						200	-

(*) Balances Payable to the parent relate to the funding of the photovoltaic project construction process of the subsidiary Amanecer Solar SpA. These payables are levied with an interest of 6% over the unpaid amounts, classified in the long-term portion and the collection is made on a semi-annual basis.

b) Significant transactions with related parties

2023

Taxpayer Id	Company	Relationship	Transaction Description	Effect on profit or loss ThUS$
46.523.729-4	SunEdison YieldCo ACQ1. LLC	Intercompany Lender	Borrowing accrued interests	-

2022

Taxpayer Id	Company	Relationship	Transaction Description	Effect on profit or loss ThUS$
46.523.729-4	SunEdison YieldCo ACQ1. LLC	Intercompany Lender	Borrowing accrued interests	(2,557)

Note 19 - Asset retirement obligation

As of December 31, 2023, and 2022, this caption is composed of the following:

	2023 Current ThUS$	2023 Non-current ThUS$	2022 Current ThUS$	2022 Non-current ThUS$
Provision for decommissioning costs (*)	-	3,935	-	3,672
Total	-	3,935	-	3,672

Note 20 - Other non-financial liabilities

a) As of December 31, 2023, and 2022, this caption is composed of the following:

	2023		2022	
	Current ThUS$	Non-current ThUS$	Current ThUS$	Non-current ThUS$
Other monthly taxes other than income taxes	177	-	1,763	-
Income tax payable	96	-	235	-
Value-added tax payable	560	-	727	-
Vacation Accrual	79	-	57	-
Total	912	-	2,782	-

Note 21 - Capital and reserves

a) Capital management and financing

With respect to capital management, the Company aims to maintain an appropriate level of capitalization that allows securing access to financial markets for complying with its medium and long-term objectives, optimizing the return to its shareholders and maintaining a solid financial position.

b) Capital and number of shares

As of December 31, 2023, the Company's capital is composed of the following:

Number of shares

	Series	No. of issued shares	No. of fully-paid shares	No. of voting-right shares
2023		8,312,997	8,312,997	8,312,997
2022	Single	8,312,997	8,312,997	8,312,997

Capital

	Series	Subscribed capital ThUS$	Paid-in capital ThUS$	Total capital ThUS$
2023	Single	11,299	11,299	11,299
2022	Single	16,299	16,299	16,299

As of December 31, 2023, the Company's capital was composed of 8,312,997 fully paid shares.

c) Shareholders

Amanecer Solar Holding SpA's issued shares are fully owned by SunEdison Yieldco Chile HoldCo, LLC

Note 22 - Revenue

As of December 31, 2023, and 2022, this caption is composed of the following:

	2023 ThUS$	2022 ThUS$
PPA Sales Agreement	26,442	22,610
Sale of energy	2,182	6,767
Sale of capacity	2,118	1,676
Other revenue	214	102
Total	30,956	31,155

Note 23 - Cost of sales

As of December 31, 2023, and 2022, this caption is composed of the following:

	2023 ThUS$	2022 ThUS$
Transmission costs	3,074	986
Operations and maintenance	1,065	1,269
Other operation and maintenance costs	647	604
Total	4,786	2,859

Note 24 - Administrative expenses

As of December 31, 2023, and 2022, this caption is detailed as follows:

	2023 ThUS$	2022 ThUS$
Professional Fees	566	672
Tax withholding	588	924
Insurance policies	521	493
Other services and expenses	344	780
Total	2,019	2,869

Note 25 - Finance costs

As of December 31, 2023, and 2022, this caption is detailed as follows:

	2023 ThUS$	2022 ThUS$
Interest on borrowing from OPIC	-	7,181
Interest on borrowing from IFC	-	3,006
Interest on borrowing from SMBC	4,746	360
Interest on borrowing from MUFG	4,746	360
Interest on borrowing from Santander	4,746	360
Interest on borrowing from related parties	-	2,557
Interest on letter of credit	353	15
Lender fees amortization	1,118	92
Total	15,709	13,931

Note 26 - Other finance (expenses) income

As of December 31, 2023, and 2022, this caption is detailed as follows:

	2023 ThUS$	2022 ThUS$
ARO Accretion/Rate Adjustment	(212)	(199)
Finance cost leases	(226)	(137)
Other (expenses) income	-	819
Fixed asset sale	0	1,165
Derivative financial instruments	-331	331
Swap interests	2436	35
Total	1,667	2,014

Note 27 - Foreign currency translation differences

As of December 31, 2023, and 2022, this caption is detailed as follows:

	2023 ThUS$	2022 ThUS$
Foreign currency exchange differences	(409)	(254)
Total	(409)	(254)

Note 28 - Contingencies

As of December 31, 2022, an agreement (Conditional Asset transfer to Tecnocap) was reached with Tecnocap to settle the completion of the Substation's ("Subestación Seccionadora") Assets transfer to Tecnocap for ThUS$4,044.

- The transaction, as stated in the executed documentation, called for a $440,000 sell value for the Supertorre and ThUS$3,603 for the other assets.
- The "compensation" contract establishes that the sale of the substation to Tecnocap will be compensated with the lease of the facilities to Amanecer Solar. Therefore, both items are mutually compensated to each other, resulting in zero effect.
- Last, the sale of the Supertorre for $440,000 plus VAT resulted in a final payment to be executed for $237,000 plus VAT. This final amount is the result of applying the maintenance costs incurred by Tecnocap for the years 2014 through 2021.
- Current legal documentation to close the transaction was signed in June 2022 and the billing process was executed in November 2022.

Note 29 - Commitments

The Company is committed to pay to comply with borrowing conditions such as the payment of fees and commissions for availability, commissions for opening, payment of interests during the construction period, payment of principal maturities, payments of legal advisory services, payment of insurance technical advisory services and advisory on energy market, as well as all guarantees, rights and obligations from the Onerous Use Fee of Sol Chile I.I (hereinafter CUO Sol Chile I.I) and Onerous Use Fee Sol Chile I.II (hereinafter CUO Sol Chile I.II) both acquired from Inversiones y Servicios SunEdison via public deed of November 27, 2013, witnessed by the notary public of the City of Copiapó Mr. Luis Ignacio Manquehual Mery, under digest No. 4421-2013.

As a result of CUO Sol Chile I.I the Company has delivered and/or will deliver to the Ministry of National Assets (hereinafter MBN) the following guarantees:

- Guarantee Bond of Faithful Performance of the Contract and of the obligations that arise for the concessionaire: as indicated in Decree No. 818 issued on July 1, 2013. In June 2017, the Company issued a new guarantee bond for UF 1,471.00, maturing on July 18, 2044.
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To secure compliance with the obligations arising from the contract for financing of the solar energy plant, the following first-rank multilateral guarantees have been granted in favor of Banco de Chile as the Guarantee Agent:

- Pledges on onerous use concession granted to Inversiones y Servicios SunEdison Chile Limitada

  - Pledges on shares issued by the Company
  - Pledges on subordinated loans granted by Amanecer Solar Holding SpA
  - Pledges on rights
  - Mortgage on mining concessions
  - Mortgage on water rights
  - Mortgage on real estate properties

Note 30 - Sureties obtained from third parties

As of December 31, 2023, the Company has obtained no sureties from third parties.

Note 31 - Environment

At the reporting date of these separate financial statements, the Company has not assumed any obligations that directly or indirectly affect environmental protection.

Note 32 - Subsequent events

During the period between January 1, 2024 and the date of issuance of these financial statements, there have been no significant events of a financial-accounting nature that could affect the interpretation of these financial statements.