April 27, 2022

ENGIE ENERGÍA CHILE REPORTED EBITDA OF US$69 MILLION AND NET INCOME OF US$4 MILLION IN THE FIRST QUARTER OF 2022.

EBITDA AMOUNTED TO US$68.5 MILLION IN THE FIRST QUARTER OF 2022, A 4% INCREASE COMPARED TO THE FIRST QUARTER OF 2021. THIS QUARTER HAS BEEN IMPACTED BY THE INCREASE IN GENERATION COSTS AND SPOT ELECTRICITY PRICES DUE TO THE CONTINUED DROUGHT AND EXTREMELY HIGH FUEL PRICES WORLDWIDE.

- **Operating revenues** amounted to US$417.9 million in the first quarter of 2022, a 26% increase compared to the first quarter of 2021, due to an increase in physical sales to unregulated clients, the rise in average realized energy prices explained by inflation and fuel-price indices, and revenue resulting from an agreement signed in early February with the company's main LNG supplier.

- **EBITDA** amounted to US$68.5 million in the first quarter, a 4% increase compared to the first quarter of 2021. Despite increased revenues, the electricity sales margin remained tight due to the increase in generation costs and higher spot prices.

- **Net income** reached US$3.8 million in the first quarter of 2022, which favorably compares with the US$18 million net loss reported in the first quarter of 2021. This improvement was mainly explained by the financial expenses related to the sale of accounts receivable from distribution companies resulting from the application of the price stabilization mechanism pursuant to Law #21,185 dated November 2019 ("PEC"). These expenses amounted to US$3.9 million in the first quarter of 2022, down from US$40.9 million in the first quarter of 2021.

Financial Highlights (in US$ millions)

	1Q21	1Q22	Var %
Total operating revenues	**332.3**	**417.9**	*26%*
Operating income	20.7	23.1	*12%*
EBITDA	**65.9**	**68.5**	*4%*
EBITDA margin	19.8%	16.4%	*(14,8pp)*
Total non-operating results	(46.3)	(19.7)	*n.a*
Net income after tax	(17.6)	3.8	*78%*
Net income attributed to controlling shareholders	**(17.6)**	**3.8**	*78%*
Earnings per share (US$/share)	(0.017)	0.004	
Total energy sales (GWh)	2,849	2,964	*4%*
Total net generation (GWh)	1,831	1,393	*-24%*
Energy purchases on the spot market (GWh)	932	999	*7%*
Energy purchases - back up (GWh)	122	561	*359%*

ENGIE ENERGÍA CHILE S.A. ("ECL") is engaged in the generation, transmission and supply of electricity and the transportation of natural gas in Chile. ECL is the fourth largest electricity generation company in Chile and one of the largest electricity generation companies in the northern segment of the SEN national grid (formerly known as SING). As of March 31, 2022, ECL accounted for 8% of the SEN's installed capacity. ECL primarily supplies electricity to large mining and industrial customers, and it also supplies electricity to distribution companies throughout Chile. ECL is currently 59.99% indirectly owned by the French company, ENGIE LATAM. The remaining 40.01% of ECL's shares are publicly traded on the Santiago stock exchange. For more information, please refer to www.engie-energia.cl.

Contents

HIGHLIGHTS:

- **COVID-19**: The Corona virus, or COVID-19, was first detected in Chile on March 3, 2020, and as of April 25, 2022, 3,549,327 cases have been confirmed and 57,387 deaths have been reported. The COVID-19 pandemic is deemed to be the worst sanitary and economic crisis in recent times and has forced us to adapt and respond to the challenges posed by the pandemic, giving priority to safety and wellbeing of our teams; operational continuity, essential for the country's continued electricity supply, and permanent, collaborative dialogue with our stakeholders including customers, suppliers, shareholders and communities. We have a crisis committee and have adopted sanitary measures in our sites as necessary to comply with the authority's instructions. Similarly, we have monitored the situation and actions taken by our suppliers and contractors, asking them to comply with safety standards with their own staff. Since January 2022, we have adopted a hybrid work modality. Chile has implemented a widely recognized vaccination process, reporting over 17 million people vaccinated.

SUBSEQUENT EVENTS:

- **Annual Ordinary Shareholders' Meeting**: On April 26, 2022, the Company's shareholders agreed the following:
    - **Dividend Policy:** No final dividends will be paid on account of 2021's net income,
    - **Auditors:** To appoint EY Servicios Profesionales de Auditoría y Asesorías SpA as the Company's external auditors.
    - **Board Members:** To appoint the following persons as principal and alternate members of the board of directors:

Principal director	Alternate director
Frank Demaille	Aníbal Prieto Larraín
Hendrik De Buyserie	André Cangucu
Pascal Renaud	Guilherme Ferrari
Mireille Van Staeyen	Bernard Esselinckx
Cristián Eyzaguirre Johnston	Ricardo Fischer Abeliuk
Mauro Valdés Raczynski	Enrique Allard Serrano
Claudio Iglesis Guillard	Victoria Vásquez García

RECENT EVENTS

1Q22

- **Tamaya solar PV plant**: This 114MWac plant located in the Antofagasta region achieved its commercial operation date on January 14, 2022, as confirmed by the national grid coordinator ("CEN"). This new asset forms part of our ambitious transformation plan, which considers the addition of 2GW of renewable generation and is in line with our zero carbon goals. The Tamaya plant has been injecting power to the system since November 2021.

- **Price stabilization fund**: On March 4, 2022, ENGIE Energía Chile and Eólica Monte Redondo sold to Chile Electricity PEC SpA the fourth group of accounts receivable from distribution companies born from the application of the electricity price stabilization mechanism enacted in November 2019. Chile Electricity PEC raised the financing to buy receivables from four groups of generation companies through a delayed draw private placement with the participation of Allianz, IDB Invest and Goldman Sachs. In the first quarter of 2022, ENGIE and EMR sold accounts receivable with face value of US$13.5 million. They received US$9.6 million in cash proceeds and reported US$3.9 million in financial expenses. The total amount of accounts receivable sold under this program, following the sale of the fourth group, is US$180.8

million, representing approximately 68% of the total amount of accounts receivable to be accrued during the life of the PEC mechanism.

INDUSTRY OVERVIEW

The SING and SIC power grids operated independently until November 24, 2017, when the interconnection of both grids was perfected through EECL's 50%-owned TEN project, giving birth to the SEN (*"Sistema Eléctrico Nacional"*). Currently, the company's generation assets are predominantly located in the northern segment of the SEN, in the area that used to be covered by the so-called SING Grid (*"Sistema Interconectado del Norte Grande"*), which serves a major portion of the country's mining industry. Given local conditions, the northern segment of the SEN is predominantly a thermoelectric system, with generation based on coal and LNG, with growing penetration of renewable sources, including wind, solar, and geothermal. Energy flows through the interconnection are variable, and until the full commissioning of the Interchile project, used to be predominantly in the south-north direction comprising inflows of renewable power generated in the area known as Norte Chico into the SING grid.

Following the commissioning of the last tranche of Interchile's Cardones-Polpaico transmission project on May 30, 2019, marginal costs in the different nodes of the SEN have reported greater stability and lower average levels due to the coupling of transmission bars at different substations and the injection into the grid of renewable power generation, which was previously being lost due to insufficient transmission capacity.

Marginal Costs

2021			Real		
Month	Crucero 220	Polpaico 220	Charrúa 220	Pto. Montt 220	Temuco 220
Jan	51	59	57	87	58
Feb	76	84	83	151	85
Mar	76	84	87	166	90
Apr	71	78	83	130	85
May	77	82	82	109	84
Jun	67	68	66	63	66
Jul	105	122	129	126	129
Aug	99	114	128	130	128
Sep	47	56	57	68	58
Oct	49	50	49	145	50
Nov	68	70	70	207	72
Dec	85	89	87	212	89
YTD	**73**	**80**	**81**	**133**	**83**

2022			Real		
Month	Crucero 220	Polpaico 220	Charrúa 220	Pto. Montt 220	Temuco 220
Jan	69	69	75	213	77
Feb	68	68	69	290	72
Mar	95	102	114	210	117
Apr	-	-	-	-	-
May	-	-	-	-	-
Jun	-	-	-	-	-
Jul	-	-	-	-	-
Aug	-	-	-	-	-
Sep	-	-	-	-	-
Oct	-	-	-	-	-
Nov	-	-	-	-	-
Dec	-	-	-	-	-
YTD	**77**	**79**	**86**	**238**	**89**

Source: Coordinador Eléctrico Nacional

In the first quarter of 2022, marginal costs increased compared to previous quarters due to several factors: (i) lower reservoir levels which caused a reduction in hydraulic generation; (ii) the increase in international coal and gas prices to unprecedented levels due to the Russia-Ukraine war; (iii) higher transportation costs; and (iv) unavailability of cost-efficient coal plants due to both trips and maintenance outages. This was in part mitigated by the availability of Argentine gas and increased generation from renewables. Therefore, marginal costs at the Crucero node averaged US$77/MWh in the first quarter vs. US$67/MWh in the first quarter of 2021, which was already considered a high average.

Fuel prices

International Fuel Prices Index

	WTI (US$/Barrel)			Brent (US$/Barrel)			Henry Hub (US$/MMBtu)			European coal (API 2) (US$/Ton)		
	2021	**2022**	**% Variation YoY**	**2021**	**2022**	**% Variation YoY**	**2021**	**2022**	**% Variation YoY**	**2021**	**2022**	**% Variation YoY**
Jan	52.0	84.3	*62%*	54.8	86.2	*57%*	2.71	4.32	*59%*	67.8	167.2	*147%*
Feb	59.0	95.8	*62%*	62.3	96.6	*55%*	5.35	4.75	*-11%*	65.9	194.5	*195%*
March	62.3	107.9	*73%*	65.3	116.2	*78%*	2.61	4.99	*91%*	68.4	325.3	*375%*
April	61.7			64.9			2.67			71.8		
May	65.9			68.9			2.93			86.1		
June	72.3			74.1			3.35			108.4		
July	72.2			75.0			3.85			132.8		
August	67.9			71.0			4.05			148.8		
September	72.2			75.0			5.27			173.0		
October	81.8			83.7			5.51			206.3		
November	77.5			79.8			4.77			159.4		
December	71.4			74.8			3.71			121.1		

Source: Bloomberg, IEA

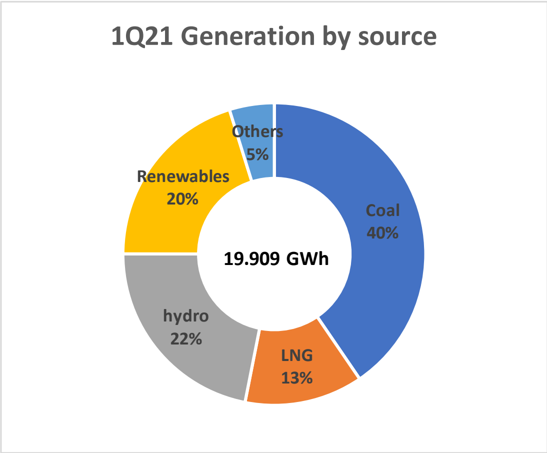
In the first quarter of 2022, fuel prices increased, with average year-on-year rises of over 50%, primarily due to sustained demand from China and certain supply issues attributed to weather phenomena in Australia and the U.S.

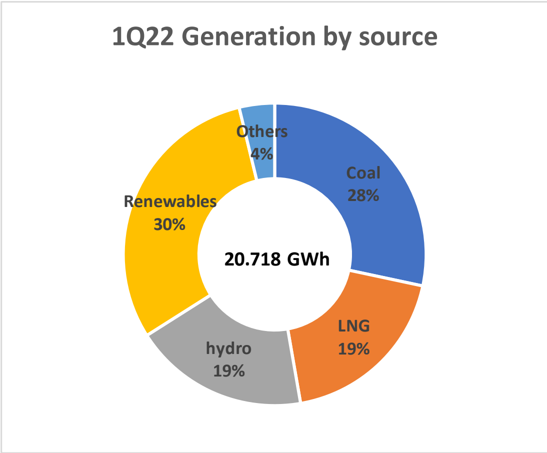
When comparing the year 2022 with 2021, we can observe higher international fuel prices, with variations of more than 60% on average except for the Henry Hub index. Prices began to increase in 2021 due to an important "post-pandemic" reactivation, especially in China. In the last quarter of 2021, the Chinese government took steps to unblock coal supply and stabilize prices, which began to be reflected in a recovery in domestic production and a decline in international prices. However, on January 1, 2022, the Indonesian government banned coal exports, due to problems in domestic supply. This situation continued until January 20, 2022, when the authorities lifted the ban on 139 companies that had met their local supply quotas and were allowed to export immediately. Such a ban led to a significant increase in the main Australian coal price indicator (FOB Newcastle), which reached levels above 200 USD/ton.

Following the export ban in Indonesia (the world's largest exporter), which affected January prices, Russia's invasion of Ukraine, that began on February 24, aggravated the situation. Russia is the world's third largest coal exporter and the European Union's top supplier. The war caused an increase in the prices of coal, gas, and oil. Russia ceased to be a reliable supplier and countries that commonly used Russian coal began to look for coal in other markets including Indonesia and Australia. Moreover, in early April, the EU agreed to completely ban the import of Russian coal, a move that will take effect in mid-August. A few days later, Japan also banned imports of Russian coal.

Generation

The following table provides a breakdown of generation in the SEN by fuel type:





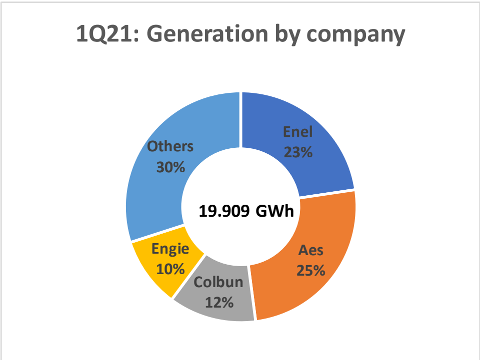
Source: Coordinador Eléctrico Nacional

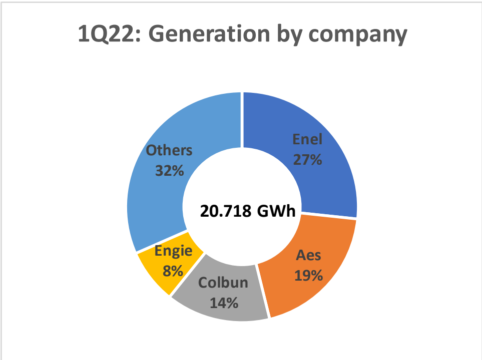
In the first quarter of 2022, demand reached a maximum of 11,905.5 MWh/h in February, a 5.3% increase compared to peak demand reported in the first quarter of 2021. Sales reached 18,846 GWh in the first quarter, with a 1.7% increase in free customer sales and a 4.8% increase in the regulated client segment.

Regarding renewable energy, solar generation increased by 50.8%, while wind generation rose by 56.3% as compared to the first quarter of 2021. During the first quarter of 2022 new renewable projects with gross capacity of 578.1 MW began operations in the system.

During the first quarter of 2022, hydroelectric generation dropped by 8%, compared to the same period of 2021 and by 16% when compared to 2020. The levels at the Laja and Maule reservoirs are in values slightly below those of 2021, not so the case of Chapo, Rapel and Ralco, as the rationing decree has allowed for an increase in their levels compared to last year. The flows from the thaw decreased very early in this first quarter, leading to a decrease in hydroelectric generation. The hydrologic year, spanning from April 2021 through March 2022 has been extremely dry with 96.8% exceedance probability, up from 91.7% reported the previous year.

Electricity production in the SEN grid, broken down by company, was as follows:





Source: Coordinador Eléctrico Nacional

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL RESULTS

*The following discussion is based on our unaudited consolidated financial statements for the 3-month periods ended March 31, 2022, and March 31, 2021. These financial statements have been prepared in U.S. dollars in accordance with IFRS and should be read in conjunction with the financial statements and the notes thereto published by the Comisión para el Mercado Financiero (*www.cmfchile.cl*).*

1Q 2022 compared to 4Q 2021 and 1Q 2021

Operating Revenues

Quarterly Information (In US$ millions)

	1Q 2021		4Q 2021		1Q 2022		% Variation	
Operating Revenues	**Amount**	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**	**QoQ**	**YoY**
Unregulated customers sales…………………..	158.4	*55%*	197.2	*55%*	177.8	*49%*	*-10%*	*12%*
Regulated customers sales…………………….	123.1	*43%*	154.0	*43%*	169.7	*46%*	*10%*	*38%*
Spot market sales………………………………..	5.3	*2%*	4.9	*1%*	18.3	*5%*	*275%*	*248%*
Total revenues from energy and capacity sales	**286.8**	*86%*	**356.0**	*91%*	**365.8**	*88%*	***3%***	***28%***
Gas sales…………………………..	7.7	*2%*	9.4	*2%*	20.1	*5%*	*115%*	*163%*
Other operating revenue……………………….	37.8	*11%*	26.7	*7%*	32.0	*8%*	*20%*	*-15%*
Total operating revenues………………….	**332.3**	*100%*	**392.1**	*100%*	**417.9**	*100%*	***7%***	***26%***
Physical Data (in GWh)								
Sales of energy to unregulated customers……	1,628	*57%*	1,714	*59%*	1,689	*57%*	*-1%*	*4%*
Sales of energy regulated customers……	1,197	*42%*	1,184	*41%*	1,126	*38%*	*-5%*	*-6%*
Sales of energy to the spot market……………	24	*1%*	25	*1%*	149	*5%*	*n.a*	-
Total energy sales………………………….	**2,849**	*100%*	**2,923**	*100%*	**2,964**	*100%*	***1%***	***4%***
Average monomic price unregulated customers(U.S.$/MWh)(1)	**95.9**		**113.4**		**105.3**		***-7%***	***10%***
Average monomic price regulated customers (U.S.$/MWh)(2)	**102.9**		**130.0**		**150.7**		***16%***	***47%***

(1) Calculated as the quotient between unregulated and spot revenues from energy and capacity sales and unregulated and spot physical energy sales.

(2) Calculated as the quotient between regulated revenues from energy and capacity sales and regulated physical energy sales.

Energy and capacity sales reached US$365.8 million in the first quarter of 2022, representing a US$79 million, or 28%, increase compared to the first quarter of 2021. This was explained by an increase in volume sales to unregulated clients as well as an increase in tariffs due to increases in inflation rates and fuel prices used in contract indexation formulas. The 12% increase in sales to unregulated clients was due to demand recovery from our main mining customers such as Codelco, Centinela and El Abra. The 38% increase in revenues from sales to regulated customers was due to higher prices, which offset the drop in volume resulting from the company's lower proportion in total demand from regulated customers due to the entry of new contracts, and the expiration of one of Eólica Monte Redondo's PPA with CGE (175 GWh) at the end of 2021. Compared to the immediately previous quarter, there is a fall in sales volume, both to free customers and regulated customers, the latter due to the termination of the Eólica Monte Redondo contract with CGE and the entry of new players into the market that gave rise to a lower pro-rata share for the company.

In the first quarter of 2022, physical sales to the spot market were 149 GWh, an increase with respect to the first and last quarters of the previous year, due to the fact beginning January 1, 2022, EECL assumed the supply contract with Minera Centinela and all the power generation of the subsidiary CTH was sold to the spot market during the months of January and February. As of March 1, a contract between CTH and EECL by which all the energy produced by CTH is sold to EECL, began to govern.

In the first quarter of 2021, the company's spot sales reached 24 GWh, an increase compared to previous quarters.

The increase in gas sales in the first quarter of 2022, as compared to the first and fourth quarters of 2021, is primarily explained by an agreement signed in early February with the company's main liquefied natural gas supplier, which allowed the company to optimize annual gas purchase volumes, as well as to resolve a commercial dispute over an LNG cargo that could not be dispatched in the first half of 2021. As a result of this agreement, the company recorded a one-time US$17 million income on its operating results in the first quarter of 2022.

The most relevant items in the 'Other operating revenue' account are sub-transmission tolls and regulatory transmission revenues, which starting 2018 include a single charge called *"cargo único"*, as well as port and maintenance services. Beginning in the second quarter of 2020 and during 2021, this item included income recognition corresponding to ENGIE's acquisition of a 40% interest in Inversiones Hornitos SpA through monthly installments according to the terms of the power supply agreement renegotiated with AMSA, which considers a tariff discount. In the first quarter of 2021, this item included a US$5.3 million insurance compensation for past losses at our IEM plant.

Operating Costs

Quarterly Information (In US$ millions)

	1Q21		4Q21		1Q22		% Variation	
Operating Costs	**Amount**	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**	**QoQ**	**YoY**
Fuel and lubricants………………………………	(83.6)	*27%*	(117.6)	*32%*	(128.4)	*33%*	*9%*	*54%*
Energy and capacity purchases on the spot market……………………………	(104.7)	*34%*	(125.2)	*34%*	(163.0)	*41%*	*30%*	*56%*
Depreciation and amortization attributable to cost of goods sold……………………………	(44.4)	*14%*	(50.5)	*14%*	(44.4)	*11%*	*-12%*	*0%*
Other costs of goods sold……………………	(71.4)	*23%*	(62.9)	*17%*	(50.5)	*13%*	*-20%*	*-29%*
Total cost of goods sold………………..	**(304.1)**	*98%*	**(356.2)**	*96%*	**(386.4)**	*98%*	***8%***	***27%***
Selling, general and administrative expenses…	(9.1)	*3%*	(9.1)	*2%*	(8.7)	*2%*	*-5%*	*-5%*
Depreciation and amortization in selling, general and administrative expenses…………	(0.8)	*0%*	(1.0)	*0%*	(0.9)	*0%*	*-10%*	*13%*
Other operating revenue/costs……………………….	2.6	*-1%*	(6.0)	*2%*	1.3	*0%*		
Total operating costs…………………..	**(311.5)**	*100%*	**(372.4)**	*100%*	**(394.7)**	*100%*	***6%***	***27%***
Physical Data (in GWh)								
Gross electricity generation								
Coal………………………………………….	1,280	*65%*	1,084	*67%*	955	*63%*	*-12%*	*-25%*
Gas…………………………………………..	622	*31%*	335	*21%*	345	*23%*	*3%*	*-44%*
Diesel Oil and Fuel Oil…………………….	13	*1%*	0	*0%*	1	*0%*	*125%*	*-96%*
Hydro/Solar/Wind……………………………….	62	*3%*	201	*12%*	220	*14%*	*9%*	*256%*
Total gross generation………………….	**1,977**	*100%*	**1,621**	*100%*	**1,520**	*100%*	***-6%***	***-23%***
Minus Own consumption………………..	(146)	*-7%*	(128)	*-8%*	(128)	*-8%*	*0%*	*-13%*
Total net generation……………………	**1,831**	***63%***	**1,493**	***50%***	**1,393**	***47%***	***-7%***	***-24%***
Energy purchases on the spot market………..	932	***32%***	1,228	***41%***	999	***34%***	*-19%*	*7%*
Energy purchases- bridge………..	122	***4%***	265	***9%***	561	***19%***	*n.a*	*n.a*
Total energy available for sale before transmission losses………………………	**2,885**	***100%***	**2,986**	***100%***	**2,952**	***100%***	***-1%***	***2%***

Gross electricity generation decreased by 23%, compared to the same quarter of 2021, and by 6% compared to the last quarter of 2021. The decrease in coal-based generation compared to the first quarter of 2021 was mainly due to limitations at our IEM plant related to its ventilation systems. In addition, there was less gas generation due to the maintenance of the U16 CCGT between December 5, 2021, and January 18, 2022, and the CTM3 CCGT, which began on March 1, 2022 and will extend for approximately 80 days. Renewable generation increased significantly as a result of the start of the commercial operation of the Calama Wind Farm at the end of 2021 and the start of the commercial operation of the Tamaya photovoltaic park.

The year 2022 started with lower hydraulic reserves in the system. Lower generation, both hydraulic and thermal, is being offset by higher generation of renewable assets. The presence of Argentine gas has also helped stabilize marginal costs in the central zone; however, the marginal cost in the southern zone has increased sharply as a result of the operating restrictions of the Canutillar plant, transmission limitations, and the high cost of diesel necessary for the operation of the backup units.

Despite the drop in our own generation in the first quarter of 2022, the fuel cost item showed an increase compared to the first and fourth quarters of 2021 due to the increases in fuel prices worldwide, mainly due to the Ukraine-Russia conflict.

The 'Cost of energy and capacity purchases' item increased by US$58.3 million (56%) compared to the same quarter of 2021. This was mainly due to higher marginal costs or average spot prices, as well as a 7% increase in the volumes of energy purchased in the spot market and the greater purchases of energy under backup contracts with other generators. The latter more than tripled, reaching 561 GWh in the quarter. The higher volume of purchases is explained by the lower generation of our efficient units due to maintenance and limitations. With respect to the fourth quarter of 2021, the cost of purchasing energy and capacity rose by 30%, mainly due to the higher purchase prices in the spot market. While a decrease in the volumes of energy purchased in the spot market was observed, there was an increase in energy purchased under backup contracts and a fall in own generation.

In the first quarter, depreciation costs in the costs-of-goods-sold item remained at similar levels as those reported in previous quarters.

Other direct operating costs included, among others, operating and maintenance costs, transmission tolls, insurance premiums and cost of fuels sold. The decrease in this item as compared to the fourth quarter of 2020 is explained by an US$11.9 million premium for the cancellation of an LNG shipment paid in the first quarter of 2021. The decrease compared to the fourth quarter of 2021 was mainly due to lower third-party services.

SG&A expenses remained as similar levels as those reported in the first and fourth quarters of 2021.

The Other operating revenue/cost item includes water sales and miscellaneous income as well as recoveries and provisions. EECL's share in TEN's net income, which amounted to US$2.5 million in the first quarter, is also included in this item.

Electricity Margin

Quarterly Information (In US$ millions)

	2021					2022
	1Q21	**2Q21**	**3Q21**	**4Q21**	**2021**	**1Q22**
Electricity Margin						
Total revenues from energy and capacity sales………	**286.8**	**340.5**	**325.2**	**356.0**	**1,308.5**	**365.8**
Fuel and lubricants…………………..	(83.6)	(107.6)	(160.4)	(117.6)	(469.2)	(128.4)
Energy and capacity purchases on the spot market……	(104.7)	(90.0)	(85.0)	(125.2)	(404.9)	(163.0)
Gross Electricity Profit	**98.5**	**142.9**	**79.8**	**113.2**	**434.4**	**74.4**
Electricity Margin	*34%*	*42%*	*25%*	*32%*	*33%*	*20%*

In the first quarter, the electricity margin, or the gross profit from the electricity generation business, decreased by US$24.1 million, when compared to the first quarter of 2021, and represented 20% of energy and capacity revenues. On the one hand, we can observe a US$79 million revenue increase, explained by higher average realized monomic prices due to the increase in the main tariff indexers (CPI, coal and gas prices). On the other hand, there was a US$44.8 million increase in fuel costs due to the sharp increase in commodity prices worldwide, especially after the Russia-Ukraine conflict, and a US$58.3 million increase in the cost of energy and capacity purchases on the spot market due to higher spot prices. In short, there was an increase in the average cost of energy supplied from US$68/MWh in the first quarter of 2021 to US$81/MWh in the first quarter of 2022, which exceeded the increase in revenues, generating a significant decrease in the electricity margin.

Operating Results

Quarterly Information (in US$ millions)

EBITDA	**1Q21**		**4Q21**		**1Q22**		**% Variation**	
	Amount	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**	**QoQ**	**YoY**
Total operating revenues………………………	332.3	*100%*	392.1	*100%*	417.9	*100%*	*7%*	*26%*
Total cost of goods sold……………………	(304.1)	*-92%*	(356.2)	*-91%*	(386.4)	*-92%*	*8%*	*27%*
Gross income…………………………	**28.1**	*8%*	**35.9**	*9%*	**31.5**	*8%*	***-12%***	***12%***
Total selling, general and administrative expenses and other operating income/(costs).	(7.4)	*-2%*	(16.2)	*-4%*	(8.4)	*-2%*	*-48%*	*13%*
Operating income……………………	**20.7**	*6%*	**19.7**	*5%*	**23.1**	*6%*	***18%***	***12%***
Depreciation and amortization……..…………	45.2	*14%*	51.6	*13%*	45.4	*11%*	*-12%*	*0%*
EBITDA……………….………………	**65.9**	*19.8%*	**71.3**	*18.2%*	**68.5**	*16.4%*	***-4%***	***4%***

EBITDA for the first quarter of 2022 reached US$68.5 million, a slight increase of US$2.5 million over the same quarter of 2021. This was due to the lower margin of the electricity business, in turn explained by the increase in average supply costs, which was offset by the impact of the agreement with the LNG supplier and by adjustments of provisions in the transmission activity. The comparison with the immediately preceding quarter shows a US$2.8 million EBITDA decrease mainly due to the significant decrease in the electricity margin.

Financial Results

Quarterly Information (In US$ millions)

Non-operating results	**1Q21**		**4Q21**		**1Q22**		**% Variation**	
	Amount	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**	**QoQ**	**YoY**
Financial income……….………………………	0.6	*0%*	0.3	*0%*	1.1	*0%*	*219%*	*99%*
Financial expense…………….…………………	(52.2)	*-16%*	(10.9)	*-3%*	(15.7)	*-4%*	*44%*	*-70%*
Foreign exchange translation, net…………..	1.7	*1%*	11.1	*3%*	(5.6)	*-1%*		*-430%*
Other non-operating income/(expense) net…	3.6	*1%*	(6.3)	*-2%*	0.5	*0%*		*-87%*
Total non-operating results…………….	**(46.3)**	*-14%*	**(5.8)**	*-2%*	**(19.7)**	*-5%*		
Income before tax……………………. ………	(25.5)	*-8%*	13.9	*4%*	3.4	*1%*	***-76%***	***-113%***
Income tax………………………………………	8.0	*2%*	(5.2)	*-2%*	0.4	*0%*	*-108%*	*-95%*
Net income from continuing operations after taxes …	(17.6)	*-5%*	8.7	*3%*	3.8	*1%*	*-56%*	*-122%*
Net income to EECL's shareholders	**(17.6)**	*-5%*	**8.7**	*3%*	**3.8**	*1%*	***-56%***	***-122%***
Earnings per share……………………..	**(0.017)**		**0.008**		**0.004**			

The decrease in interest expense, as compared to the first and fourth quarters of 2021, is explained by the effects of the sale of long-term accounts receivable from distribution companies related to the tariff stabilization law. The difference between the face value of the accounts receivable sold and the cash amount received after applying the financial discount and transaction costs, is being reported as financial expenses. In the first quarter of 2021, the interest expense account included a US$40.9 million expense from the sale of PEC receivables, while in the first quarter of 2022 US$3.9 million was recorded.

The exchange rate difference reached a loss of US$5.6 million in 1Q22 as a result of greater exchange rate volatility with the Chilean peso tending to appreciate since the beginning of the year. Fluctuations in exchange rates affect the value of certain assets and liabilities denominated in currencies other than the US dollar, the company's functional currency. These include some accounts receivable and payable, advances to suppliers, value-added tax credit and liabilities for onerous concessions on land and other assets recorded on the balance sheet under the IFRS16 norm.

Net Earnings

The applicable income tax rate is 27% for the entire period under analysis.

In the first quarter of 2022, the company reported a net after-tax profit of US$3.8 million, a recovery from the first quarter of 2021, when results were impacted by a higher one-shot financial cost resulting from the sale of accounts receivable from distribution companies related to the price stabilization law.

Liquidity and Capital Resources

As of March 31, 2022, EECL reported consolidated cash balances of US$87.6 million, while its nominal financial debt[1] amounted to US$1,105 million, with no scheduled debt principal payments until January 2025, except for short-term loans with Scotiabank (US$50 million maturing in April 2022), Banco de Crédito del Perú (US$50 million due February 2023) and Banco Santander (US$30 million due February 2023).

For the 3-month period ended march 31 (in US$ millions)

Cash Flow	**2021**	**2022**
Net cash flows provided by operating activities…	0.1	(133.0)
Net cash flows used in investing activities………	(33.6)	(78.4)
Net cash flows provided by financing activities..	(0.7)	79.4
Change in cash………………...…………	**(34.1)**	**(131.9)**

Cash Flow from Operating Activities

In the first quarter of 2022, EECL reported net operating cash uses worth US$133 million. Cash flows from regular operations represented a net cash outflow of US$94 million, due to relevant payments falling in December 2021, which were paid in early 2022, and higher outflows from fuel and electricity purchases during the quarter. Cash outflows included US$17.2 million in interest expense and US$3.1 million of income tax payments. In the first quarter of 2021, net cash flows from operations reached US$0.1 million.

Cash Flow Used in Investing Activities

In the first quarter of 2022, cash flows related to investment activities resulted in a net cash outflow of US$78.4 million, mainly due to capital expenditures. This figure is higher than the cash outflows for investment activities reported in 2021. Capital expenditures included our investment in the Calama windfarm and in the solar PV projects, Tamaya, Capricornio and Coya, as well as investments in plant maintenance and transmission assets.

(1) Nominal amounts differ from the debt amounts recorded under the IFRS methodology in the Financial Statements, which considers deferred financial expenses and mark-to-market valuations on derivative transactions. The above amount excludes the financial leases related to the long-term tolling agreement with TEN and transactions qualified as financial leases under IFRS 16.

Capital Expenditures

Our capital expenditures in the first quarter of 2021 and 2022 amounted to US$41.8 million and US$78.5 million, respectively, as shown in the following table. These amounts include VAT payments and capitalized interest. The latter amounted to US$1.7 million in the first quarter of 2022.

For the 3-month period ended march 31 (in US$ millions)

CAPEX	**2021**	**2022**
Substation…………………	3.5	4.7
Overhaul power plants & equipment maintenance and refurbishing…………………	2.6	0.8
Overhaul equipment & transmission lines	2.0	1.4
PV Power Plant……………	12.9	55.4
Wind farm……………..	17.1	9.9
Others……………………………………………	3.7	6.2
Total capital expenditures……………………….	**41.8**	**78.5**

Cash Flow from Financing Activities

In the first quarter of 2022, the main flows related to financing activities were short-term loans taken with Banco de Crédito del Perú (US$50 million) and Banco Santander (US$30 million) and the payment of installments under financial lease contracts for US$0.6 million. Interest on 144-A bonds paid in the period is recorded in the Cash from operations section. Likewise, the funds received from the sale of accounts receivable from distributors, for a total of US$9.6 million, were reflected in the Cash from operations section.

Contractual Obligations

The following table sets forth the maturity profile of our debt obligations as of March 31, 2022.

Contractual Obligations as of 03/31/22

Payments Due by Period (in US$ millions)

	Total	**≤ 1 year**	**1 - 3 years**	**3 - 5 years**	**More than 5 years**
Bank debt……………………………………….……	**255.0**	130.0	-	7.7	117.3
Bonds (144 A/Reg S Notes)……………………..	**850.0**	-	350.0	-	500.0
Financial lease - Tolling Agreement TEN………	**54.6**	1.6	3.6	4.4	45.0
Financial lease - IFRS 16………………………….	**159.2**	7.9	13.6	9.0	128.8
Deferred financing cost…………………………..	**(16.2)**	-	(6.5)	(4.3)	(5.4)
Accrued interest…………………………………..	**6.9**	6.9	-	-	-
Mark-to-market swaps……………………………	**-**	-	-	-	-
Total	**1,309.5**	**146.4**	**360.7**	**16.8**	**785.7**

Notes:

a. The tolling contract signed with TEN for the use of dedicated transmission assets is considered a financial leasing operation and is accounted for under accounts payable to related companies.

b. According to the IFRS16 Leasing rules, leasing obligations for land and vehicle rentals were accounted for as financial debt.

As of March 31, 2022, the company's short-term debt included a US$50 million loan with Scotiabank maturing on April 26, 2022, a US$50 million loan with Banco de Crédito del Perú, due February 2, 2023, and two loans totaling US$30 million with Banco Santander, due February 6, 2023. These loans are denominated in US dollars, accrue a fixed interest rate and are documented by a simple promissory note reflecting the repayment obligation on the agreed date, with no other operating or financial covenants, and a prepayment option at no cost for the company.

EECL holds two bonds under the 144A/RegS format. The first one is a US$350 million issue with a single principal payment in January 2025 and a 4.5% p.a. coupon rate. On January 28, 2020, the company closed a new 144A/RegS issue to fully refinance the US$400 million notes originally due in January 2021. The new issue amounts to US$500 million, has a 3.4% coupon rate and is due on January 28, 2030.

On December 23, 2020, the Company and IDB Invest signed a financing agreement under which IDB Invest committed to extend a US$125 million loan to ENGIE Energía Chile within an initiative seeking to accelerate the decarbonization of the energy matrix in Chile. The financing includes a US$74 million senior loan from IDB Invest, a US$15 million mixed financing provided by the Clean Technology Fund (CTF), and a US$36 million loan from the China Fund for Co-financing in Latin America and the Caribbean (China Fund). The transaction, with a tenor of up to 12 years, has the purpose of financing the construction, operation, and maintenance of the Calama wind farm. This innovative financing solution is designed to promote the acceleration of decarbonization activities by monetizing the actual displacement of CO2 emissions achieved through the anticipated decommissioning of coal-based generation plants whose generation will be replaced with the renewable power output of the Calama wind farm. In the absence of a carbon market, the financial structure provides for a minimum price for the avoided emissions to be paid through the reduction in the financial cost of the CTF loan. In case a carbon market is developed during the life of the loan, CTF and Engie will share any positive difference between the market price and the minimum price set at the beginning of the financing. On August 27, 2021, the company drew the full amount available under these facilities.

Leasing obligations refer to a long-term tolling agreement signed with TEN for the use of dedicated transmission assets connecting EECL's plants in Mejillones with the national grid at the Los Changos substation. The tolling agreement is out to 20 years at which time EECL will take ownership of the asset. The agreement has a present value of US$54.9 million and is payable in monthly instalments totaling approximately US$7 million per year until 2037.

As of March 31, 2022, the company reported leasing obligations related to land use concessions, vehicles and other assets for a total amount of US$160 million, which qualified as financial debt under the IFRS 16 accounting norm.

Finally, on the last business day of 2021, the company received a US$30 million duplicated payment from a customer. The amount had to be accounted for as financial debt and funds were returned at the beginning of 2022.

Dividend Policy

Our dividend policy, last approved at the Annual Ordinary Shareholders' Meeting dated April 26, 2022, consists of paying the minimum legal required amounts (30% of net income), although higher amounts may be approved if the company's conditions so allow. Our dividend payment for each year is proposed by our Board of Directors based on the year's financial performance, our available cash balance and anticipated financing requirements for capital expenditures and investments. As possible and subject to Board approval, the company will pay provisional dividends based on the net results of the first three quarters plus the definitive dividend to be paid in May of each year.

The dividend policy proposed by our Board is subsequently approved at a Shareholders' Meeting as established by law.

On July 27, 2021, the company's Board approved the payment of a US$41.5 million (US$0.0393996153 per share) provisional dividend on account of 2021's net earnings. This dividend was paid on August 26, 2021. This dividend represented a distribution equivalent to 87.6% of the net income of the year 2021, so the board chose to propose to the Shareholders' Meeting that a definitive dividend not be distributed against the 2021 net profit in May 2022.

The record of dividends paid since 2010 is shown in the following table:

Cash Dividends paid by Engie Energía Chile S.A.

Payment Date	**Dividend Type**	**Amount** (in US$ millions)	**US$ per share**
May 4, 2010	Final (on account of 2009 net income)	77.7	0.07370
May 4, 2010	Additional (on account of 2009 net income)	1.9	0.00180
May 5, 2011	Final (on account of 2010 net income)	100.1	0.09505
Aug 25 2011	Provisional (on account of 2011 net income)	25.0	0.02373
May 16 2012	Final (on account of 2011 net income)	64.3	0.06104
May 16 2013	Final (on account of 2013 net income)	56.2	0.05333
May 23 2014	Final (on account of 2013 net income)	39.6	0.03758
Sept 30,2014	Provisional (on account of 2014 net income)	7.0	0.00665
May 27 ,2015	Final (on account of 2014 net income)	19.7	0.01869
Oct 23 ,2015	Provisional (on account of 2015 net income)	13.5	0.01280
Jan 22, 2016	Provisional (on account of 2015 net income)	8.0	0.00760
May 26, 2016	Final (on account of 2015 net income)	6.8	0.00641
May 26, 2016	Provisional (on account of 2016 net income)	63.6	0.06038
May 18, 2017	Final (on account of 2016 net income)	12.8	0.01220
May 22,2018	Final (on account of 2017 net income)	30.4	0.02888
Oct 25 ,2018	Provisional (on account of 2018 net income)	26.0	0.02468
May 24 ,2019	Final (on account of 2018 net income)	22.1	0.02102
June 21 ,2019	Provisional (on account of 2019 net income)	50.0	0.04747
Dec 13 ,2019	Provisional (on account of 2019 net income)	40.0	0.03798
Nov 30 ,2020	Provisional (on account of 2020 net income)	66.6	0.06323
May 20 ,2021	Final (on account of 2020 net income)	51.1	0.04847
Aug 26 ,2021	Provisional (on account of 2021 net income)	41.5	0.03940

Risk management policy

In the normal course of business, EECL is exposed to several risk factors that may impact its operating and financial performance.

The company's financial risk management strategy seeks to safeguard EECL's operating stability and sustainability in a context of risk and uncertainty.

EECL has established risk management procedures, which include a description of the risk assessment methodology and the construction of a risk matrix called Enterprise Risk Management, which is approved annually and is reviewed quarterly in each of the company's functional committees where risk mitigation action plans are defined and monitored. Management presents the company's risk management performance to the board on a quarterly basis.

Hedging Policy

Our hedging policy intends to protect the company against our exposure to certain risks, as follows:

Business Risk and Commodity Hedging

We are exposed to commodity price volatility since electricity generation activities require continued supply of fossil fuels, mainly coal, gas and diesel oil, with international prices that fluctuate according to market and political variables beyond the company's control. Coal purchases are mostly made through annual contracts, the prices of which are linked to traditional indices such as API 2, API 10 or Newcastle. Purchases of diesel oil and certain purchases of liquefied natural gas are made at prices based on international oil values (WTI or Brent). The company has long-term liquefied natural gas purchase contracts with prices tied to Henry Hub.

Fuel prices are a key factor for the dispatch of thermoelectric generation plants, the company's average generation cost and the marginal costs of the electricity system in which it operates. Therefore, our business is subject to the risk of variations in the availability of fuels and their prices. Historically, our policy has been to hedge as much as possible against these risks through the indexation of the energy tariffs incorporated in our PPAs, and the fuel mix taken into consideration in the tariffs. However, given (i) the volume fluctuations that our PPAs may have; (ii) the variability that our plant dispatch profile may experience; (iii) our inability to perfectly match at all times our fuel cost mix with the tariff indexation in our PPAs; and (iv) the growing trend to dissociate PPA price indexation from fossil fuel price fluctuations, we maintain residual exposure to certain international commodity prices. For example, as a result of our decarbonization strategy, the tariff indexation of several of our PPAs has been switched from coal prices to US CPI beginning 2021 or 2022, as the case may be. This assumes power supply based on renewable sources or energy purchases at prices linked to inflation rather than fuel prices. As long as we have a mismatch in the indexation of our power sources and our PPA tariffs, we will have exposure to commodity price fluctuations. In the past, the company has periodically defined and executed financial hedging strategies to cover its residual exposure to international commodity price risks and is in the process of defining a hedging strategy for 2022. During 2021, and with greater intensity in the course of 2022, this risk has materialized. In our country, the hydrological year has been extremely dry, with the consequent decrease in hydraulic generation. This has coincided with difficulties in the supply of coal and natural gas due to the rise in demand together with restrictions on the world production of these fuels, as well as difficulties in freight, which resulted in price increases to very high levels even before the start of the war between Russia and Ukraine that raised prices to levels never seen before. Consequently, the average costs of own generation and the marginal costs of the system have reached levels much higher than those of previous years, which have been reflected in the reduction of the operating margins of the electricity business. The Company partially mitigates its exposure to the risk of fluctuations in fuel prices through (i) the signing of supply contracts with other generators in the system that have allowed it to reduce its energy purchases from the spot market (2.1 TWh contracted for 2022 versus 0.7 TWh in 2021) and, therefore, its exposure to marginal cost; (ii) its long-term LNG supply contracts; (iii) the entry into operations of new renewable energy generation projects that reduce dependence on fossil fuels and (iv) the transfer of higher costs to final rates. It is estimated that, of total annual sales of approximately 12 TWh, 1.9 TWh are indexed to coal prices, 1.2 TWh to gas prices (Henry Hub) and 8.9 TWh to the US consumer price index.

Currency Hedging

Given that most of our revenues and costs are denominated in US dollars and that we seek to incur debt in US dollars, we face limited exposure to foreign exchange risk. In the specific case of regulated contracts, the price is calculated in US dollars and is then converted to Chilean pesos at the average monthly exchange rate observed in the invoiced month. In terms of the impact on the company's income statement, these contracts' exposure to foreign currency risk is limited as revenues are recognized at contract rates. However, delays in the publication of the Average Node Price decrees may impact the company's cash flow as monthly invoices are translated to Chilean pesos at exchange rates that remain fixed over the life of the tariff decree and differ from the monthly exchange rates considered in the contracts. Even though these differences are adjusted after the Average Node Price decrees are published, the uncertainty as to the timing and amount of these adjustments does not allow for an effective hedge through derivative instruments. The delay in the collection of foreign-exchange adjustments has significantly increased after the approval of the Price Stabilization law in November 2019. Per this law and resolution #72, by which the National Energy Commission set the terms of implementation of the law, accounts receivable from distribution companies will increase at a rate that is highly sensitive, among other variables, to the CLP/USD exchange rate. To face this risk and mitigate its effect on the company's cash flow and liquidity, the company and its subsidiary, EMR, signed agreements with Goldman Sachs and IDB Invest to sell, without recourse, these accounts receivable from distribution companies to a special purpose company called Chile Electricity PEC SpA. On January 29, 2021, Chile Electricity PEC issued 144 A/Reg S bonds for US$489 million to buy the first two groups of accounts receivable from the four main generation groups in Chile, including ENGIE. On June 30, 2021, Chile Electricity PEC purchased the third group of accounts receivable from generation companies with funds provided by

US$419 million 4a2 delayed draw notes with the participation of Allianz, IDB Invest and Goldman Sachs. A similar transaction was perfected on March 4, 2022 for the fourth group of accounts receivable upon the publication of the node price decree. Since the sale of receivables is made in US dollars, without recourse to the generation companies, EECL and EMR have been able to reduce the foreign-exchange and credit exposure associated to these long-term accounts receivable and have improved their liquidity in exchange for a discount, which impacted the income statement in 2021 and the first quarter of 2022. In 2021, the related financial expense reached US$49.6 million, while in the first quarter of 2022, it amounted to US$3.9 million.

Our main cost in Chilean pesos is personnel and certain operating and administrative costs, which account for approximately 10% of our operating costs. Given that most of our revenues are either in US dollars or in Chilean pesos adjusted for the exchange rate, our costs in Chilean pesos represent our main exposure to foreign-currency risks. Therefore, we have hedged a portion of our recurrent costs in Chilean pesos through forward contracts and zero-cost collars. As of March 31, 2022, the Company reported forward FX contracts for a total nominal amount of US$76.5 million, with US$8.5 million maturing in each of the remaining months of 2022.

In the past we have signed foreign-currency derivative contracts to hedge the UF and EUR cash flows stemming from EPC contracts, to avoid cash flow or investment value variations resulting from foreign currency fluctuations that are beyond management's control. As of March 31, 2022, there were no outstanding derivative contracts associated with such EPC contract cash flows.

Our cash investment policy states that at least 80% of cash balances must be invested in US dollars unless a different percentage is required to maintain a natural currency hedge between assets and liabilities. This policy allows for the necessary flexibility to achieve a natural hedge for obligations in currencies other than the company's functional currency, the US dollar. As of March 31, 2022, 84.8% of our available cash and short-term investments were denominated in US dollars.

The Company presents an exposure to foreign exchange risk of a purely accounting nature related to contracts for onerous concessions or other types of contracts such as real estate or vehicle fleet leases that are considered as financial leases under the IFRS16 standard. These contracts comprise assets for rights of use that correspond to non-monetary assets, recorded at their initial cost, in dollars, the company's functional currency. Their counterparts correspond to monetary liabilities reflecting the present value of the installments to be paid under the financial contracts. Most of these liabilities are denominated in Chilean currency, adjusted for inflation (Unidades de Fomento (UF) or Unidades Tributarias (UTM)). As these are monetary liabilities, they are periodically readjusted and converted into dollars at the exchange rate observed at the end of each accounting period. In short, the liability denominated in CLP, UF or UTM is subject to periodic readjustments, being exposed to fluctuations in exchange rates, while the asset remains fixed in dollars. This mismatch may give rise to accounting profits or losses in our income statements. However, financially, the value of the asset for rights of use is closely related to the value of the liability since both should reflect the present value of the installments payable under the financial contracts. As of March 31, 2022, lease liabilities denominated in currencies other than the dollar amounted to $156 million.

Interest Rate Hedging

The stability and predictability of our cash flows is also exposed to interest rate risk, principally with respect to the portion of our indebtedness that bears interest at floating rates. We seek to maintain a significant portion of our long-term debt at fixed rates to minimize interest-rate exposure. As of March 31, 2022, 90% of our financial debt was at fixed rates, while 10 (US$ 110 million under the IDB Invest financing) was at floating rates. We have excluded the IFRS 16 financial leases from this calculation. These obligations are mortgage-style liabilities payable in fixed equal installments.

As of March 31, 2021

Contractual maturity date (in US$ millions)

	Average interest rate	2022	2023	2024	2025	Thereafter	Grand Total
Variable Rate							
(US$)	2.295% p.a.	-	-	-	2.8	107.3	110.0
Fixed Rate							
(US$)	1.102% p.a.	50.0	80.0	-	-	-	130.0
(US$)	1.000% p.a.	-	-	-	-	15.0	15.0
(US$)	3.400% p.a.	-	-	-	-	500.0	500.0
(US$)	4.500% p.a.	-	-	-	350.0	-	350.0
Total Fixed Rate		**50.0**	**80.0**	**-**	**350.0**	**515.0**	**995.0**
TOTAL		**50.0**	**80.0**	**-**	**352.8**	**622.3**	**1,105.0**

Credit Risk

In the normal course of business, and when investing our cash, we are exposed to credit risk. In our regular electricity generation business, we deal mostly with financially strong mining companies, which report low levels of credit risk. These companies are exposed to variations in commodity prices, particularly copper. Although our clients have demonstrated significant resilience to down-cycles, we closely monitor their exposure through our commercial counterparty risk policy.

We also sell electricity to regulated clients, which provide electricity supply to residential and commercial clients and report low levels of credit risk. Lower growth in energy demand from end consumers could adversely affect our financial condition, operating results and cash flows. While the Electricity Price Stabilization Law enacted in November 2019 is not expected to significantly affect our revenues as recognized in the income statement, it has been affecting our cash flow with higher working capital requirements and higher financial costs. To address this risk and mitigate the effects on its cash flow, in early 2021, the company signed agreements with Goldman Sachs and IDB Invest to sell, without recourse to the company, these receivables to a special purpose company called Chile Electricity PEC SpA. On February 8, March 31 and June 30, 2021, the Company sold the accounts receivable corresponding to the Average Note Price decrees of January 2020, July 2020, and January 2021, respectively, for a total nominal value of US$167.3 million, receiving liquid resources of US$118.6 million and reporting a financial cost of US$49.6 million. On March 4, 2022, the Company sold the accounts receivable corresponding to the Average Node Price decree of July 2021 for a total nominal value of US$13.5 million, receiving a US$9.6 million cash payment and reporting a US$3.9 million financial cost.

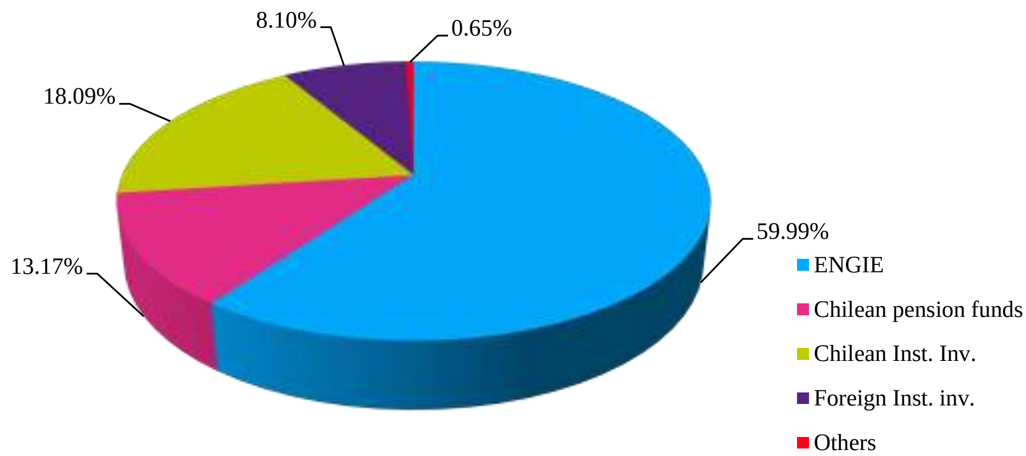
Over the last years, the electricity generation business and its customer base have evolved. Particularly, consumers with demand between 500 kW and 5 MW are allowed to contract their power supply directly with generation companies rather than through distribution companies. This disintermediation trend has led us to sign contracts with smaller commercial and industrial clients with potentially higher credit risk. To mitigate this risk, we have implemented a commercial counterparty risk policy, which among other considerations, requires the review of the credit risk of the client before entering into a power supply agreement. As of March 31, 2022, the contracts signed with smaller commercial and industrial clients represented a low percentage of our overall client portfolio.

The outbreak of the COVID-19 pandemic has led to economic downturns, economic stimulus packages and inflation, with the consequential uncertainty about the behavior of power demand and the financial capacity of consumers of essential services to afford the timely payment of their bills. Although the demand for electricity by regulated customers has recovered, the extension of the basic services law has resulted in a slower collection of certain smaller regulated customers, with the consequent increase in the company's working capital financing needs. To face this situation the company has instructed its commercial areas to maintain close, direct contact with our customers to monitor the situation and take timely measures as necessary to both support our customers and mitigate the impact on the company’s performance.

Our cash management policy is to invest in investment-grade institutions only, and only within the short term. We also measure our counterparty risk when dealing with derivatives and guarantees, and we have individual counterparty limits to manage our exposure and ensure proper diversification of our credit risk.

OWNERSHIP STRUCTURE AS OF MARCH 31, 2022

NUMBER OF SHAREHOLDERS: 1,816



TOTAL NUMBER OF SHARES: 1,053,309,776

APPENDIX 1

PHYSICAL DATA AND SUMMARIZED QUARTERLY FINANCIAL STATEMENTS

Physical Sales

Physical Sales (in GWh)

	2021					2022
	1Q21	**2Q21**	**3Q21**	**4M21**	**12M21**	**1Q22**
Physical Sales						
Sales of energy to unregulated customers.	1,628	1,671	1,662	1,714	6,675	1,689
Sales of energy to regulated customers	1,197	1,262	1,303	1,184	4,946	1,126
Sales of energy to the spot market………	24	24	21	25	94	149
Total energy sales…………………………	**2,849**	**2,956**	**2,986**	**2,923**	**11,715**	**2,964**
Gross electricity generation						
Coal………………………………………….	1,280	1,633	1,713	1,084	5,709	955
Gas…………………………………………..	622	639	678	335	2,274	345
Diesel Oil and Fuel Oil…………………….	13	8	2	0	23	1
Renewable……………………………………….	62	74	52	201	389	220
Total gross generation………………….	**1,977**	**2,353**	**2,444.3**	**1,621**	**8,394**	**1,520**
Minus Own consumption………………..	(146)	(179)	(195)	(128)	(648)	(128)
Total net generation…………………….	**1,831**	**2,174**	**2,249**	**1,493**	**7,746**	**1,393**
Energy purchases on the spot market………..	932	717	434	1,228	3,311	999
Energy purchases- bridge	122	124	127	265	639	561
Total energy available for sale before transmission losses………………………	**2,885**	**3,015**	**2,810**	**2,986**	**11,696**	**2,952**

Quarterly Income Statement

Quarterly Income Statement (in US$ millions)

IFRS						
Operating Revenues	**1Q21**	**2Q21**	**3Q21**	**4Q21**	**12M21**	**1Q22**
Regulated customers sales………………………	123.1	177.0	160.3	154.0	614.3	169.7
Unregulated customers sales…………………..	158.4	156.7	161.3	197.2	673.6	177.8
Spot market sales………………………………..	5.3	6.9	3.6	4.9	20.6	18.3
Total revenues from energy and capacity sales…………………	**286.8**	**340.5**	**325.2**	**356.0**	**1,308.5**	**365.8**
Gas sales…………………………..	7.7	8.7	12.1	9.4	37.8	20.1
Other operating revenue……………………….	37.8	39.3	28.5	26.7	132.3	32.0
Total operating revenues………………….	**332.3**	**388.5**	**365.8**	**392.1**	**1,478.6**	**417.9**
Operating Costs						
Fuel and lubricants………………………………	(83.6)	(107.6)	(160.4)	(117.6)	(469.2)	(128.4)
Energy and capacity purchases on the spot	(104.7)	(90.0)	(85.0)	(125.2)	(404.9)	(163.0)
Depreciation and amortization attributable to cost of goods sold..	(44.4)	(43.4)	(43.6)	(50.5)	(181.9)	(44.4)
Other costs of goods sold…………………….	(71.4)	(61.2)	(60.1)	(62.9)	(255.6)	(50.5)
Total cost of goods sold………………..	**(304.1)**	**(302.1)**	**(349.1)**	**(356.2)**	**(1,311.6)**	**(386.4)**
Selling, general and administrative expenses…	(9.1)	(9.6)	(6.2)	(9.1)	(34.1)	(8.7)
Depreciation and amortization in selling, general and administrative expenses…	(0.8)	(1.0)	(1.0)	(1.0)	(3.9)	(0.9)
Other revenues………..……………………….	2.6	1.6	1.5	(6.0)	(0.4)	1.3
Total operating costs…………………..	**(311.5)**	**(311.2)**	**(354.8)**	**(372.4)**	**(1,349.9)**	**(394.7)**
Operating income…………………..	**20.7**	**77.3**	**11.0**	**19.7**	**128.7**	**23.1**
EBITDA………………….………………..	**65.9**	**121.7**	**55.6**	**71.3**	**314.5**	**68.5**
Financial income………..………………………	0.6	0.3	0.4	0.3	1.6	1.1
Financial expense…………….…………………	(52.2)	(16.8)	(8.9)	(10.9)	(88.8)	(15.7)
Foreign exchange translation, net……………	1.7	1.9	8.0	11.1	22.6	(5.6)
method	-	-	-	-	-	-
Other non-operating income/(expense) net………………………	3.6	(0.5)	(0.2)	(6.3)	(3.3)	0.5
Total non-operating results……………	**(46.3)**	**(15.1)**	**(0.7)**	**(5.8)**	**(67.9)**	**(19.7)**
Income before tax…………………..……….	(25.5)	62.2	10.3	13.9	60.8	3.4
Income tax………………………………………	8.0	(14.6)	(1.6)	(5.2)	(13.4)	0.4
Net income from continuing operations after taxes …….	(17.6)	47.6	8.7	8.7	47.4	3.8
Net income attributed to controlling shareholders………………	**(17.6)**	**47.6**	**8.7**	**8.7**	**47.4**	**3.8**
Net income attributed to minority shareholders………………	-	-	-	-	-	-
Net income to EECL's shareholders…….	**(17.6)**	**47.6**	**8.7**	**8.7**	**47.4**	**3.8**
Earnings per share…………………….. (US$/share)	**(0.017)**	**0.045**	**0.008**	**0.008**	**0.045**	**0.004**

Quarterly Balance Sheet

Quarterly Balance Sheet (in U.S.$ millions)

	2021 December	2022 March
Current Assets		
Cash and cash equivalents	215.7	87.6
Accounts receivable	171.4	208.8
Recoverable taxes	23.9	22.9
Current inventories	158.3	193.7
Other non financial assets	46.9	60.7
Total current assets	**616.2**	**573.7**
Non-Current Assets		0
Property, plant and equipment, net	2,746.1	2,765.4
Other non-current assets	636.5	662.0
TOTAL ASSETS	**3,998.9**	**4,001.1**
Current Liabilities		0
Financial debt	106.2	144.8
Other current liabilities	291.3	237.7
Total current liabilities	**397.5**	**382.5**
Long-Term Liabilities		
Financial debt	1,152.4	1,163.2
Other long-term liabilities	277.0	272.9
Total long-term liabilities	**1,429.4**	**1,436.0**
Shareholders' equity	2,172.0	2,182.5
Equity	**2,172.0**	**2,182.5**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**3,998.9**	**4,001.1**

Main Balance Sheet Variations

The main balance-sheet variations between December 31, 2020, and March 31, 2022, are the following:

Cash and cash equivalent: The company’s cash balances decreased by US$131 million to US$88 million mainly because of (i) net operating cash outflows (US$94 million), (ii) interest payments (US$17.2 million), (iii) income tax payments (US$3.1 million), (iv) and capital expenditures (US$77 million). In addition, the company reimbursed a US$30 million duplicated payment received from a client on the last business day of 2021. These expenditures were partly offset by the proceeds of the sale of accounts receivable from distribution companies related to the price stabilization mechanism (US$9.6 million), insurance compensations (US$6 million) and proceeds of new short-term bank loans (US$80 million).

Accounts receivable: The US$37.9 million increase comprises changes in two different accounts: On the one hand, accounts receivable from third parties reported a US$38 million increase mainly due to higher tariffs and because certain relevant invoices were collected ahead of their maturity in December 2021. On the other hand, intercompany receivables decreased by US$0.1 million, mainly due to net variations in the balance of accounts receivable from companies such as Engie Gas, Engie Perú, and Transmisora Eléctrica del Norte (TEN).

Current inventories: The US$35.4 million increase in this item is explained by an increase in LNG inventory in transit (+US$41.7 million) combined with a decrease in coal inventory (-US$6.9 million).

Recoverable taxes: The US$1 million decrease in this item is explained by lower monthly provisional tax payments.

Other non-financial assets – current: The US$13.8 million increase in this item is explained by a US$17.4 million increase in the VAT fiscal credit balance due to increased capital expenditures in new projects and a US$2.2 million increase in advances to suppliers, partly offset by a US$5.9 million decrease in US$4.0 million increase in anticipated expenses.

Property, plant and equipment, net: The US$19.3 million increase in PP&E was explained by capital expenditures related to investments in renewable energy and transmission projects (US$59.6 million), which were offset by depreciation of US$40.3 million.

Other non-current assets: The net increase in this item resulted primarily from a US$26 million increase in long-term accounts receivable due to the sale of receivables associated to the enactment of the price stabilization law, and a US$1.7 million decrease in the recognition of assets by right of use, mainly onerous concessions on land for the renewable projects (IFRS16).

Financial debt – current: This item reported a US$37.1 million increase. Short-term bank debt increased by US$80 million due to the new loans with Banco de Crédito del Perú and Banco Santander. This increase was offset by (i) the reimbursement of the duplicated payment of a US$29.8 million invoice on the last business day of last year, which had to be reported as financial debt at year-end 2021; (ii) an US$8.2 million decrease in accrued interest explained by the interest payment on 144-A bonds, which are due in January (US$16.4 million); and (iii) a US$5.5 million decrease in the mark-to-market of derivatives to hedge our exposure to foreign-currency risks.

Other current liabilities: The US$53.6 million net decrease in this item is explained by (i) a US$49.8 million drop in accounts payable to suppliers due to the deferral of certain payments for fuel and energy purchases to early January; (ii) a US$4.2 million decrease in provisions related to employee benefits following the payment of annual performance bonuses in 1Q22; and (iii) a US$1.9 million decrease in VAT payables. A US$2.3 million increase was observed in current tax provisions.

Long-term financial debt: The US$11.2 million increase in this account is mainly explained by the exchange difference adjustment of financial lease liabilities associated primarily with onerous concessions on land for the development of renewable energy generation projects.

Other long-term liabilities: Other long-term liabilities, which amounted to US$273 million, reported a US$4.2 million decrease due to a US$3 million decrease in deferred tax liabilities and a US$1.1 million reduction in the plant dismantling provision attributed to the dismantling works carried out at the coal-based units 12 and 13 in Tocopilla, which were decommissioned in 2019.

Shareholders' equity: The US$10.5 million increase in shareholders' equity is made up of the US$3.7 million net income reported in 1Q22, and an increase in the mark-to-market valuation of financial derivatives taken to hedge against foreign-exchange risk (US$6.8 million net of taxes).

APPENDIX 2

Financial information

	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22
EBITDA*	99.1	103.0	135.8	117.5	65.9	121.7	55.6	71.3	68.5
Net income attributed to the controller	25.6	40.6	57.0	40.3	-17.6	47.6	8.7	8.7	3.8
Interest expense	28.5	10.6	10.5	9.9	52.2	16.8	8.9	10.9	15.7

* Operating income + Depreciation and Amortization for the period

	Dec/20	Dec/21	Mar/22
LTM EBITDA	455.3	314.5	317.1
LTM Net income attributed to the controller	163.5	47.4	68.8
LTM Interest expense	59.5	88.8	52.3
Financial debt	1,032.9	1,258.6	1,308.0
Current	68.6	106.2	144.8
Long-Term	964.3	1,152.4	1,163.2
Cash and cash equivalents	235.3	215.7	87.6
Net financial debt	797.6	1,042.9	1,220.3

Financial Ratios

	FINANCIAL RATIOS		Dec/21	Mar/22	Var.
LIQUIDITY	Current ratio (current assets / current liabilities)	(times)	1.55	1.50	***-3%***
	Quick ratio ((current assets - inventory) / current liabilities)	(times)	1.15	0.99	***-14%***
	Working capital (current assets – current liabilities)	MMUS$	218.7	191.2	***-13%***
LEVERAGE	Leverage ((current liabilities + long-term liabilities) / networth)	(times)	0.84	0.83	***-1%***
	Interest coverage * ((EBITDA / interest expense))	(times)	3.54	6.06	***71%***
	Financial debt –to- LTM EBITDA*	(times)	4.00	4.12	***3%***
	Net financial debt – to - LTM EBITDA*	(times)	3.32	3.85	***16%***
PROFITABILITY	Return on equity* (LTM net income attributed to the controller / net worth attributed to the controller)	%	2.2%	3.2%	***43%***
	Return on assets* (LTM net income attributed to the controller / total assets)	%	1.2%	1.7%	***43%***

*LTM = Last twelve months

As of March 31, 2021, the current ratio and the quick ratio were 1.50x and 0.99x, respectively, reflect the decrease in current assets and in current liabilities; specifically, the decrease in cash balances and the increase in financial debt, partly offset by the drop in trade payables. As a result, working capital, as measured by total current assets minus total current liabilities, decreased.

The leverage ratio, as measured by total liabilities-to-equity, remained virtually unchanged.

The interest coverage ratio for the 12 months ended on March 31, 2022, was 6.06x, which represents an improvement compared to 3.54x reported at year-end 2021, mainly due to the reduction in interest expense related to the discount applied to the sale of long-term accounts receivable from regulated customers related to the price stabilization law, which had its heaviest impact in the first quarter of last year.

The leverage ratio, as measured by Gross financial debt-to-EBITDA, increased to 4.12 times due to the increase in debt combined with the drop in EBITDA. Net financial debt-to-EBITDA increased to 3.85x as a result of the decrease in cash balances.

Return on equity and return on assets reached 3.2% and 1.7%, respectively, an increase compared to the ratios reported at year-end 2021.

CONFERENCE CALL 1Q22

ENGIE Energía Chile is pleased to inform you that it will conduct a conference call to review its results for the quarter ended March 31, 2022, on Wednesday May 4, 2022
at 12:00 p.m. (EST) – 12:00 p.m. (Chile)

hosted by:
Eduardo Milligan, CFO ENGIE Energía Chile S.A.

To participate, please dial:
+1(412) 317-6378, international or
+**56 44 208 1274** Chile or
+1(844) 686-3841 (toll free US)
https://hd.choruscall.com/?calltype=2&info=company&r=true

To join the conference, please state the name of the conference (**ENGIE ENERGIA**; no other Conference ID will be requested.
Please connect approximately 10 minutes prior to the scheduled starting time.

To access the phone replay, which will be available until May 11, 2022, please dial
+**1 (877) 344-7529** / +**1 (412) 317-0088**
Passcode I.D.: 10165843