

COMPAÑÍA PESQUERA CAMANCHACA S.A. AND SUBSIDIARIES

Consolidated financial statements

As of December 31, 2019



CONTENTS

Consolidated statements of financial position
Consolidated statements of changes in equity
Consolidated statements of net income by function
Consolidated statements of comprehensive income
Consolidated statements of direct cash flow
Notes to the consolidated financial statements

ThUS\$ - Thousands of US dollars
UF - Unidades de fomento (a Chilean peso based inflation linked currency unit)
ThCh\$ - Thousands of Chilean pesos



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Independent Auditors' Report

Dear Shareholders and Directors of
Compañía Pesquera Camanchaca S.A.

We have audited the accompanying consolidated financial statements of Compañía Pesquera Camanchaca S.A. and subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2019 and the related consolidated statements of comprehensive income, changes in equity, and cash flow for the year then ended, and the related notes to the consolidated financial statements.

Management's responsibility for the consolidated financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement in the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant for the preparation and fair presentation of the consolidated financial statements of the entity 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 entity's internal control. Accordingly, we do not express such an opinion. An audit also includes evaluating the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.



We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Compañía Pesquera Camanchaca S.A. and subsidiaries as of December 31, 2019 and the results of their operations and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Other matters - Report of other auditors on the consolidated financial statements as of December 31, 2018

The consolidated financial statements of Compañía Pesquera Camanchaca S.A. and subsidiaries for the years ended December 31, 2018 and 2017 (the financial statements as of December 31, 2017 provided the basis for presenting the consolidated statement of financial position as of January 1, 2018), prior to the restatement adjustments described in Note 3, were audited by other auditors, who expressed an unqualified opinion thereon in their report dated March 26, 2019.

Restatement of the consolidated financial statements as at December 31, 2018 and January 1, 2018

As mentioned in Note 3 to the consolidated financial statements as of December 31, 2019, the Company changed its accounting policy for calculating the fair value of biological assets. This change involved restating the consolidated financial statements as at December 31, 2018 and the consolidated statement of financial position as at January 1, 2018.

We audited the restatement adjustments described in Note 3 that restated the 2018 consolidated financial statements, during our audit of the 2019 consolidated financial statements. In our opinion, these adjustments are appropriate and have been correctly applied. We were not engaged to audit, review or apply any procedures to the 2018 consolidated financial statements other than the restatement adjustments. Accordingly, we do not express an opinion or provide any other assurance regarding the 2018 consolidated financial statements taken as a whole. This matter does not change our opinion.

Concepción, March 18, 2020

Francisco Avendaño U.
EY Audit SpA

CONTENTS

Consolidated statements of financial position	
Consolidated statements of changes in equity	
Consolidated statements of net income by function	
Consolidated statements of comprehensive income	
Consolidated statements of direct cash flow	
Notes to the consolidated financial statements	
NOTE 1 - General information	2
NOTE 2 - Summary of significant accounting policies	3
2.1 Period covered	3
2.2 Basis of preparation	3
2.3 New pronouncements	4
2.4 Basis of consolidation.....	6
2.5 Segment reporting.....	8
2.6 Foreign currency transactions.....	8
2.7 Property, plant and equipment.....	9
2.8 Biological assets.....	10
2.9 Intangible assets other than goodwill	11
2.10 Interest costs.....	12
2.11 Impairment losses on non-financial assets.....	12
2.12 Financial assets and liabilities	12
2.13 Derivative financial instruments and hedge activities	13
2.14 Inventories	14
2.15 Statement of cash flow	15
2.16 Classification of current and non-current balances	15
2.17 Earnings per share.....	15
2.18 Trade and other receivables.....	15
2.19 Cash and cash equivalents	16
2.20 Share capital	16
2.21 Trade and other payables.....	16
2.22 Income and deferred taxes.....	16
2.23 Employee benefits	17
2.24 Provisions.....	18
2.25 Revenue recognition.....	18
2.26 Dividend policy.....	19
2.27 Distributable net income.....	19
2.28 Leases	19
2.29 The environment	21
NOTE 3 - Changes in accounting policies and estimates	21
NOTE 4 - Financial risk management.....	27
4.1. Credit risk	27
4.2. Liquidity risk.....	27

4.3. Market risk.....	28
NOTE 5 - Financial instruments	29
NOTE 6 - Significant accounting estimates and judgments	30
NOTE 7 - Segment reporting	32
NOTE 8 - Cash and cash equivalents	35
NOTE 9 - Other current and non-current financial assets	36
NOTE 10 - Trade and other receivables	36
NOTE 11 - Related party balances and transactions	37
NOTE 12 - Inventories	39
NOTE 13 - Biological assets.....	40
NOTE 14 - Other current and non-current non-financial assets	41
NOTE 15 - Equity method investments.....	42
NOTE 16 - Tax assets and rights receivable.....	42
NOTE 17 - Intangible assets other than goodwill	43
NOTE 18 - Property, plant and equipment	52
NOTE 19 - Income and deferred taxes	55
NOTE 20 - Other current and non-current financial liabilities	56
NOTE 21 - Operating lease liabilities	61
NOTE 22 - Trade and other payables.....	62
NOTE 23 - Other provisions.....	64
NOTE 24 - Current tax liabilities.....	64
NOTE 25 - Employee benefit provisions	64
NOTE 26 - Equity	65
NOTE 27 - Earnings per share	68
NOTE 28 - Operating revenue	68
NOTE 29 - Administrative expenses.....	68
NOTE 30 - Distribution costs	69
NOTE 31 - Financial costs.....	69
NOTE 32 - Exchange differences	70
NOTE 33 - Other income (losses).....	71
NOTE 34 - Assets and liabilities in foreign currencies	72
NOTE 35 - Guarantees and contingencies.....	74
NOTE 36 - Sanctions.....	80
NOTE 37 - The environment	81
NOTE 38 - Employee distribution	82
NOTE 39 - Subsequent events	82

COMPAÑÍA PESQUERA CAMANCHACA S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2019, DECEMBER 31, 2018 (RESTATED) AND JANUARY 1, 2018
(RESTATED)

Assets	Note	As of December 31, 2019 ThUS\$	As of December 31, 2018 Restated ThUS\$	As of January 1, 2018 Restated ThUS\$
Current assets				
Cash and cash equivalents	8	41,873	30,748	10,205
Other financial assets, current	9	361	327	646
Other non-financial assets, current	14	15,798	19,301	17,256
Trade and other receivables, current	10	95,777	77,339	75,817
Related party receivables, current	11	116	92	176
Inventories	12	76,669	55,297	71,853
Biological assets, current	13	150,742	138,415	110,704
Tax assets, current	16	6,726	2,672	3,319
Total current assets		388,062	324,191	289,976
Non-current assets				
Other financial assets, non-current	9	701	701	762
Other non-financial assets, non-current	14	17,149	18,869	21,010
Rights receivable, non-current	16	1,252	1,349	5,520
Related party receivables, non-current	11	2,208	2,314	2,544
Equity method investments	15	4,871	4,699	5,565
Intangible assets other than goodwill	17	50,313	50,313	50,894
Intangible assets		1,214	1,214	834
Property, plant and equipment	18	287,683	255,462	232,356
Deferred tax assets	19	29,202	24,645	26,331
Total non-current assets		394,593	359,566	345,816
Total assets		782,655	683,757	635,792

The accompanying notes 1 to 39 are an integral part of these consolidated financial statements.

COMPAÑÍA PESQUERA CAMANCHACA S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2019, DECEMBER 31, 2018 (RESTATED) AND JANUARY 1, 2018
(RESTATED)

Liabilities	Note	As of December 31, 2019 ThUS \$	As of December 31, 2018 Restated ThUS \$	As of January 1, 2018 Restated ThUS\$
Current liabilities				
Other financial liabilities, current	20	31,575	1,306	18,144
Operating lease liabilities, current	21	2,964	-	-
Trade and other payables, current	22	100,953	99,823	106,420
Related party payables, current	11	375	784	1,441
Other provisions, current	23	7,129	7,459	561
Current tax liabilities	24	346	6,874	2,112
Employee benefit provisions, current	25	3,520	2,708	2,434
Total current liabilities		146,862	118,954	131,112
Non-current liabilities				
Other financial liabilities, non-current	20	116,928	80,406	153,819
Operating lease liabilities, non-current	21	10,299	-	-
Trade and other payables, non-current		671	302	728
Deferred tax liabilities	19	20,188	16,126	14,357
Employee benefit provisions, non-current	25	1,027	1,108	1,149
Total non-current liabilities		149,113	97,942	170,053
Equity				
Subscribed and paid share capital	26	284,134	284,134	217,742
Share premium	26	-	-	155,006
Retained earnings (losses)	26	35,210	20,728	(93,949)
Other reserves	26	50,527	50,784	7
Equity attributable to owners of the parent company		369,871	355,646	278,806
Non-controlling interests	26	116,809	111,215	55,821
Total equity		486,680	466,861	334,627
Total equity and liabilities		782,655	683,757	635,792

The accompanying notes 1 to 39 are an integral part of these consolidated financial statements.

COMPAÑÍA PESQUERA CAMANCHACA S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (RESTATED)

	Share capital ThUS\$	Share premium ThUS\$	Foreign currency translation reserve ThUS\$	Cash flow hedge reserve ThUS\$	Other reserves ThUS\$	Total other reserves ThUS\$	Retained earnings (losses) ThUS\$	Equity attributable to owners of the parent company ThUS\$	Non-controlling interests ThUS\$	Total equity ThUS\$
Opening balance as of January 1, 2019	284,134	-	(420)	(32)	51,236	50,784	20,728	355,646	111,215	466,861
Changes in equity							(6,138)	(6,138)	(6,644)	(12,782)
Dividends										
Comprehensive income							20,620	20,620	12,300	32,920
Net income for the year										
Other comprehensive income			(319)	62		(257)		(257)	(62)	(319)
Closing balance as of December 31, 2019	284,134	-	(739)	30	51,236	50,527	35,210	369,871	116,809	486,680

	Share capital ThUS\$	Share premium ThUS\$	Foreign currency translation reserve ThUS\$	Cash flow hedge reserve ThUS\$	Other reserves ThUS\$	Total other reserves ThUS\$	Retained earnings (losses) ThUS\$	Equity attributable to owners of the parent company ThUS\$	Non-controlling interests ThUS\$	Total equity ThUS\$
Opening balance as of January 1, 2018 (restated)	217,742	155,006	(1)	8	-	7	(93,949)	278,806	55,821	334,627
Capitalization of earnings	66,392	(155,006)					88,614			
Changes in equity										
Dividends							(9,974)	(9,974)	(4,279)	(14,253)
Comprehensive income										
Net income for the year							34,438	34,438	14,997	49,435
Other comprehensive income			(419)	(40)	51,236	50,777		50,777	(100)	50,677
Increase (decrease) for changes in interest in subsidiaries that do not involve loss of control							1,599	1,599	44,776	46,375
Closing balance as of December 31, 2018 (restated)	284,134	-	(420)	(32)	51,236	50,784	20,728	355,646	111,215	466,861

The accompanying notes 1 to 39 are an integral part of these consolidated financial statements.

COMPAÑÍA PESQUERA CAMANCHACA S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF NET INCOME BY FUNCTION
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (RESTATED)

	Note	For the years ended December 31,	
		2019 ThUS\$	2018 Restated ThUS\$
Operating revenue	28	620,030	626,480
Cost of sales	12	(504,774)	(491,766)
Gross margin		115,256	134,714
Net fair value adjustments to biological assets	13	311	2,327
Administrative expenses	29	(19,272)	(31,230)
Distribution costs	30	(28,528)	(28,550)
Financial costs	31	(8,081)	(10,171)
Share of net income of equity method associates		1,654	1,650
Exchange differences	32	(3,074)	(2,993)
Other income (losses)	33	(13,923)	1,722
Financial income		37	53
Net income before tax		44,380	67,522
Income tax expense	19	(11,460)	(18,087)
Net income from continuing operations		32,920	49,435
Net income (loss) from discontinued operations		-	-
Net income for the year		32,920	49,435
Net income attributable to:			
Owners of the parent company		20,620	34,438
Non-controlling interests		12,300	14,997
Net income for the year		32,920	49,435
Earnings per share:			
Basic earnings per share (US\$/share)	27	0.0050	0.0083
Earnings per share on discontinued operations (US\$/share)		0.0000	0.0000
Basic earnings per share		0.0050	0.0083

The accompanying notes 1 to 39 are an integral part of these consolidated financial statements.

COMPAÑÍA PESQUERA CAMANCHACA S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (RESTATED)

	For the years ended December 31	
	2019 ThUS\$	Restated 2018 ThUS\$
Net income for the year	32,920	49,435
Gain (loss) from cash flow hedge	62	(40)
Gain (loss) from foreign currency translation	(381)	(519)
Gain from change in ownership		51,236
Total comprehensive income	32,601	100,112
Total comprehensive income (loss) attributable to:		
Owners of the parent company	20,363	85,215
Non-controlling interests	12,238	14,897
Total comprehensive income	32,601	100,112

The accompanying notes 1 to 39 are an integral part of these consolidated financial statements.

COMPAÑÍA PESQUERA CAMANCHACA S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF DIRECT CASH FLOW
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	As of December 31, 2019 ThUS\$	As of December 31, 2018 ThUS\$
CASH FLOW FROM (USED BY) OPERATING ACTIVITIES		
Receipts		
Receipts from selling goods and providing services	643,035	675,767
Other receipts from operating activities		
Payments		
Payments to suppliers for goods and services	(534,929)	(522,116)
Payments to and on behalf of employees	(71,820)	(82,114)
Dividends received	1,203	2,077
Interest paid	(5,171)	(9,557)
Interest received	37	54
Income taxes refunded (paid)	(5,866)	(3,616)
Other receipts (payments)	682	93
Net cash flow from (used by) operating activities	27,171	60,588
CASH FLOW FROM (USED BY) FINANCING ACTIVITIES		
Receipts from issuing shares	-	100,975
Receipts from short-term loans	82,622	6,000
Loan repayments	(16,026)	(95,913)
Dividends paid	(17,114)	(1,006)
Net cash flow from (used by) financing activities	49,482	10,056
CASH FLOW FROM (USED BY) INVESTING ACTIVITIES		
Receipts from sales of property, plant and equipment	1,640	533
Purchases of property, plant and equipment	(65,672)	(49,216)
Other receipts (payments)		(339)
Net cash flow from (used by) investing activities	(64,032)	(49,022)
Net increase (decrease) in cash and cash equivalents, before the effect of changes in exchange rates	12,621	21,622
Effect of exchange rate changes on cash and cash equivalents	(1,496)	(1,079)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	11,125	20,543
CASH AND CASH EQUIVALENTS AT THE START OF THE YEAR	30,748	10,205
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	41,873	30,748

The accompanying notes 1 to 39 are an integral part of these consolidated financial statements.

COMPAÑÍA PESQUERA CAMANCHACA S.A. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2019

NOTE 1 - General information

Compañía Pesquera Camanchaca S.A. is a publically listed company registered on the Securities Registry of the Financial Market Commission (FMC), formerly the Superintendent of Securities and Insurance, under registration number 1060. The Company is domiciled at Avenida El Golf No. 99, Floor 10, Las Condes, Santiago, Chile. Its Chilean identification number is 93,711,000-6.

Compañía Pesquera Camanchaca S.A. was incorporated as a privately held company by public deed dated December 3, 1976. The business objective of Compañía Pesquera Camanchaca S.A. is fishing in general, including research-related fishing and, particularly, capturing, catching, collecting and harvesting hydro-biological resources; engaging in aquaculture of all species, including all living marine organisms and algae; conserving, freezing, and applying preservation techniques to hydro-biological species; creating products originating from any hydro-biological species through partial or complete processing of Company catches or third-party catches obtained during the extraction or harvesting phases; building, maintaining, repairing, operating, and leasing ships suitable for extractive fishing or processing, or other support vessels; and industrializing, creating, selling, distributing and exporting products originating from its activities.

Infrastructure and equipment

The group has processing plants for each business in Iquique, Caldera, Tomé, Talcahuano, Coronel, Calbuco and Chonchi. It also has salmon hatcheries, pre-smolt units and salmon grow-out sites in the tenth and eleventh regions. The group also has abalone farming sites in the third region, mussel farming sites in the tenth region, and a significant fishing fleet distributed across the northern and central-southern areas of the country.

Marketing

The group sells its products both in Chile and abroad, mainly in the US, Asian, Latin American and European markets.

Compañía Pesquera Camanchaca S.A. is the parent company for its subsidiaries Salmenes Camanchaca S.A., Camanchaca Cultivos Sur S.A., Transportes Interpolar Ltda., Camanchaca Pesca Sur S.A., Camanchaca SpA and Aéreo Interpolar Ltda. Furthermore, its subsidiary Camanchaca SpA owns Camanchaca Inc., Inmobiliaria Camanchaca S.A. and Kabushiki Kaisha Camanchaca; Camanchaca Pesca Sur S.A. owns Cannex S.A.; and Salmenes Camanchaca S.A. owns Fiordo Blanco S.A. and Fiordo Azul S.A.

The group has direct and indirect holdings in Sociedad Inmobiliaria Cabilantago Ltda., Surproceso S.A. and New World Currents Inc.

Salmenes Camanchaca S.A. has participated in a joint venture partnership since 2016, to produce and market trout. It has contributed maritime concessions to this partnership. The "Manager" of this joint venture partnership is Caleta Bay S.A. and the other partner is Kabsa S.A. The partnership earnings are divided equally between these three companies and are reflected in Other income (losses) in the statement of net income by function.

An IPO for primary and secondary shares of Salmones Camanchaca S.A. took place on February 2, 2018. Accordingly, Compañía Pesquera Camanchaca S.A.'s direct and indirect interest in this subsidiary fell from 100% to 70%.

The group's consolidated financial statements for the year ended December 31, 2019 were approved at a Board of Directors meeting held on March 18, 2020.

NOTE 2 - Summary of significant accounting policies

The principal accounting policies used to prepare these consolidated financial statements have been applied in a uniform manner, and are described as follows.

2.1 Period covered

These consolidated financial statements cover the following periods:

- Consolidated statements of financial position as of December 31, 2019, December 31, 2018 and January 1, 2018.
- Consolidated statements of net income by function for the years ended December 31, 2019 and 2018.
- Consolidated statements of comprehensive income for the years ended December 31, 2019 and 2018.
- Consolidated statements of changes in equity for the years ended December 31, 2019 and 2018.
- Consolidated statements of direct cash flow for the years ended December 31, 2019 and 2018.

2.2 Basis of preparation

These consolidated financial statements for Compañía Pesquera Camanchaca S.A. have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

The consolidated financial statements present comparative information for the previous year, and the group presents an additional statement of financial position referring to the beginning of the previous year, when there was a retroactive application of an accounting policy, a retroactive restatement or a reclassification of items within the financial statements. The consolidated financial statements include a consolidated statement of financial position as of January 1, 2018, due to the retroactive application of a change in accounting policy regarding the valuation of biological assets (see Note 3).

The preparation of consolidated financial statements in accordance with IFRS requires the use of specific accounting estimates and also requires management to exercise its judgment when implementing the Company's accounting policies. Note 6 of these consolidated financial statements discloses the areas which involve a higher degree of judgment and complexity, and where assumptions and estimates are significant to the consolidated financial statements.

These consolidated financial statements have been prepared from accounting records held by the Company and the other companies within the group. The figures in these consolidated financial statements are expressed in thousands of US dollars, which is the Company's functional currency.

The consolidated financial statements have been prepared on a historical cost basis, except for items recognized at fair value in accordance with International Financial Reporting Standards. The book values of assets and liabilities hedged with transactions that qualify for hedge accounting are adjusted to reflect changes in the fair value in relation to the hedged risks.

2.3 New pronouncements

New accounting pronouncements covering standards, interpretations and amendments that must be applied to annual periods beginning on or after January 1, 2020.

The new standards, interpretations, improvements and amendments to IFRS that have been issued but have not yet taken effect as of the date of these financial statements are detailed below. The Company has not adopted these standards early:

	Standards and Interpretations	Mandatory application date
Conceptual Framework	Conceptual Framework (revised)	January 1, 2020
IFRS 17	Insurance Contracts	January 1, 2021

Conceptual Framework (Revised)

The IASB issued the revised Conceptual Framework in March 2018. It includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.

The changes to the Conceptual Framework may affect the application of IFRS in situations where no standard applies to a particular transaction or event. The revised Conceptual Framework is effective for annual periods beginning on or after January 1, 2020.

IFRS 17 Insurance Contracts

The IASB issued IFRS 17 Insurance Contracts in May 2017, which is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. When effective, IFRS 17 will replace IFRS 4 Insurance Contracts that was issued in 2005. The new standard applies to all insurance contracts, regardless of the entities that issue them.

IFRS 7 applies to reporting periods starting on or after January 1, 2021, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15.

	Amendments	Mandatory application date
IFRS 3	Definition of a business	January 1, 2020
IAS 1 and IAS 8	Definition of material	January 1, 2020
IFRS 9, IAS 9 and IFRS 7	Reference interest rate reform	January 1, 2020
IFRS 10 & IAS 28	Consolidated Financial Statements - sale or contribution of assets between an investor and an associate or joint venture	To be determined

IFRS 3 Business Combinations - Definition of a Business

The IASB issued amendments in terms of the definition of a business in IFRS 3 Business Combinations to help entities determine whether an acquired set of activities and assets is a business or not. The IASB clarifies the minimum requirements for a business, removes the assessment of whether market participants are capable of replacing any missing elements, adds guidance to help entities assess whether an acquired process is substantive, narrows the definitions of a business and of outputs, and introduces an optional fair value concentration test.

The amendments must be applied to transactions that are either business combinations or asset acquisitions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. Consequently, entities do not have to revisit such transactions that occurred in prior periods. Earlier application is permitted and must be disclosed.

Since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, most entities will likely not be affected by these amendments on transition. However, entities considering the acquisition of activities and assets after first applying the amendments should promptly update their accounting policies.

The amendments could be relevant in other areas of IFRS. For example, the definition of a business may also be relevant where a parent loses control of a subsidiary and has early adopted Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 8).

IAS 1 Financial Statement Presentation and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Material

The IASB issued IAS 1 *Financial Statement Presentation* and IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* in October 2018, to align the definition of "material" across all standards and to clarify certain aspects of the definition. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

The amendments must be applied prospectively. Earlier application is permitted and must be disclosed. Although the amendments to the definition of material are not expected to have a significant impact on an entity's financial statements, the introduction of the term 'obscuring information' in the definition could potentially impact how materiality judgments are made in practice, by elevating the importance of how the information is communicated and organized in the financial statements.

IFRS 9, IAS 9 and IFRS 7 Reference Interest Rate Reform

The IASB issued amendments to IFRS 9, IAS 39 and IFRS 7 in September 2019, completing the first phase of its response to the effect of interbank offering rates (IBOR) reform on financial reporting. The amendments provide temporary exceptions that allow hedge accounting to continue during the period of uncertainty, prior to the replacement of current benchmark interest rates with nearly risk-free alternative interest rates.

The amendments must be applied retrospectively. However, any hedging relationship that has previously been discontinued cannot be reinstated with the application of these amendments, nor can a hedging relationship be assigned using the benefit of retrospective reasoning. Earlier application is permitted and must be disclosed.

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

Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) address an inconsistency between the requirements of IFRS 10 and IAS 28 (2011) in the treatment of a sale or contribution of assets between an investor and an associate or joint venture. The amendments were issued in September 2014 and recognize a full gain or a loss when the transaction involves a business (whether or not in a subsidiary). They recognize a partial gain or loss when the transaction involves assets that do not constitute a business, even if these assets are in a subsidiary. The date of mandatory application of these amendments is to be determined since IASB is waiting for the results of its research project on accounting using the equity method. These amendments must be applied retrospectively, and early adoption is permitted, which must be disclosed.

The entity will evaluate the impact of the amendments once they become applicable.

2.4 Basis of consolidation

a) Subsidiaries

Subsidiaries are all the entities over which the group has the power to direct its financial and operating policies. Such power is generally associated with an ownership interest of more than half of the voting rights. When evaluating whether group controls another entity, all its currently exercisable or convertible voting rights and their effects are considered. Subsidiaries are consolidated from the date on which control is transferred to the group, and they are excluded from consolidation on the date such control ceases.

The acquisition method is used to account for the acquisition of subsidiaries by the group. The acquisition cost is the fair value of the assets delivered, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets, liabilities and contingencies acquired in a business combination are initially valued at their fair value on the acquisition date, regardless of the extent of minority interests. At each acquisition, the group recognizes any minority interest at its fair value, or the proportional value of the minority interest over the fair value of the acquired net assets.

The surplus acquisition cost over the fair value of the group's share of the acquired net identifiable assets is recognized as purchased goodwill. If the purchase price is less than the fair value of the net assets of the acquired subsidiary, the difference is recognized directly in net income.

Intercompany transactions, balances and unrealized gains on transactions between group entities are eliminated. Unrealized losses are also eliminated, unless that transaction provides evidence that the transferred asset is impaired. The accounting policies at subsidiaries are amended as necessary, to ensure that group policies have been consistently adopted.

The following subsidiaries are included in these consolidated financial statements, together with their functional currency:

Consolidated company	Country	Functional currency	Ownership interest		12-31-2019	12-31-2018
			Direct %	Indirect %	Total %	Total %
Salmones Camanchaca S.A.	Chile	US dollars	70.00	-	70	70
Fiordo Blanco S.A.	Chile	US dollars	-	70.00	70	70
Fiordo Azul S.A.	Chile	US dollars	-	70.00	70	-
Camanchaca Cultivos Sur S.A.	Chile	US dollars	93.05	6.95	100	100
Transportes Interpolar Ltda.	Chile	Chilean peso	99.00	1.00	100	100
Camanchaca Inc.	USA	US dollars	0.05	99.95	100	100
Inmobiliaria Camanchaca S.A.	Chile	US dollars	3.06	96.94	100	100
Camanchaca SpA.	Chile	US dollars	100.00	-	100	100
Camanchaca Pesca Sur S.A.	Chile	US dollars	70.00	-	70	70
Kabushiki Kaisha Camanchaca	Japan	US dollars	0.50	99.50	100	100
Aéreo Interpolar Ltda.	Chile	US dollars	99.00	1.00	100	100
Cannex S. A.	Chile	Chilean peso	-	70.00	70	70

Salmones Camanchaca S.A. began a corporate restructuring process in September 2017. Accordingly, on September 11, 2017 that company transferred all the shares it held in Transportes Interpolar Ltda. to Compañía Pesquera Camanchaca S.A. and Camanchaca SpA leaving them with an interest of 99.95% and 1%, respectively, in Transportes Interpolar Ltda.

On February 2, 2018, 19,800,000 shares of its subsidiary Salmenes Camanchaca S.A., equal to 30% of that company were placed through the Santiago Stock Exchange using an Order Book Auction mechanism, where 9,181,992 shares were primary shares and 10,618,008 shares were secondary shares, at a price of Ch\$3,268 per share, which are traded on the Santiago, Chile and Oslo, Norway Stock Exchanges, using representative certificates.

The placement raised US\$109 million

Cannex S.A. is a company that sells canned jack mackerel. This company was CREATED ON November 10, 2017 and is owned by the subsidiary companies Camanchaca Pesca Sur S.A. with 99 % and Camanchaca SpA with 1%. Therefore, it is consolidated to form part of the consolidated Compañía Pesquera Camanchaca S.A. group. The subsidiary Camanchaca Pesca Sur began directly selling its canned products as of February 2019.

Fiordo Azul S.A. was created on January 31, 2019. Its business purpose is aquaculture in general, especially breeding, producing and farming salmon and other species. Salmenes Camanchaca S.A. directly and indirectly owns 100 % of the company and therefore consolidates it.

b) Non-controlling interests and transactions

The group considers transactions with non-controlling shareholders as if they were transactions with group shareholders. When acquiring a non-controlling interest, the difference between the amount paid and the share of the book value of that company's net assets is recorded in equity. Income and losses due to write-offs that benefit non-controlling interests are also recognized in equity, provided that control is maintained.

c) Associates

Associates are defined as all entities over which the group exercises significant influence, but over which it has no control, generally with an ownership interest between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method and are initially recognized at cost. The investment of the group in associates includes purchased goodwill, net of any accumulated impairment losses.

The group's share of net income or losses in associates subsequent to acquiring them are recognized in net income, and its share of equity movements that are not due to net income subsequent to their acquisition are recognized in reserves, and reflected as appropriate in the statement of comprehensive income. When the group's share of a subsidiary or associate's losses is equal to or greater than its share in that company, including any other unsecured receivables, the group does not recognize further losses unless it has incurred obligations or made payments on behalf of that subsidiary or associate.

Unrealized gains on transactions between the group and its associates are eliminated to the extent of the group's interest in the associate. Unrealized losses are also eliminated, unless the transaction provides evidence of impairment of the transferred asset. The accounting policies at associates are amended as necessary, to ensure that group policies have been consistently adopted.

Surproceso S.A provides aquaculture services. It has a commercial relationship with Salmenes Camanchaca S.A. and provides it with slaughtering and gutting services. Compañía Pesquera Camanchaca S.A. owned 33.3 % of this company, but under the corporate restructuring in September 2017, all these shares were transferred to Salmenes Camanchaca S.A., who now owns that percentage.

Sociedad Inmobiliaria Cabilantago Ltda. is a company that administers its own real estate, where Compañía Pesquera Camanchaca S.A. directly owns a 46.78% interest AS of December 31, 2019.

New Worlds Currents Inc. was incorporated in Hong Kong to establish, process and operate businesses associated with marketing salmon in China. The subsidiary Salmones Camanchaca S.A. owns 5% of this company.

2.5 Segment reporting

Financial information by segment is presented consistently with internal reports provided to those responsible for taking the relevant operating decisions. This information is detailed in Note 6.

The business segments used by Compañía Pesquera Camanchaca S.A. and subsidiaries are:

- Industrial Fishing
- Salmon Farming
- Other Seafood

2.6 Foreign currency transactions

a) Functional and presentation currency

The entries included in the financial statements of each of the group's companies are valued using the currency of the primary economic environment in which that company operates ("functional currency"). The consolidated financial statements are expressed in US dollars, which is both the functional and presentation currency of the Camanchaca group.

b) Transactions and balances

Transactions in foreign currencies other than the functional currency are translated to the functional currency using the exchange rate in effect as of the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates prevailing as of the reporting date.

All differences that arise from settling or translating monetary items are recognized in the statement of net income, except for monetary items that form part of the hedge for the group's net investment in a foreign business. These differences are recognized in other comprehensive income until the net investment is sold, at which time they are reclassified to the statement of net income.

Non-monetary items that are valued at historical cost in a foreign currency are translated using the prevailing exchange rate on the initial transaction date. Non-monetary items that are valued at fair value in a foreign currency are translated using the prevailing exchange rate at the date when the fair value was determined.

The assets and liabilities of foreign businesses are translated on consolidation into U.S. dollars at the exchange rate in effect on the closing date, and their transactions are translated at the average monthly exchange rate. Exchange differences arising on translation are recognized in other comprehensive income. When a foreign investment is sold, the component of other comprehensive income relating to that investment is reclassified to the statement of net income.

Exchange rates

The exchange rates of foreign currencies and the Unidad de Fomento (a Chilean peso based inflation-indexed monetary unit) compared to the US dollar as of the reporting dates were as follows:

Date	Ch\$ / US\$	UF / US\$	Euro / US\$	Yen / US\$	Nok / US\$
12-31-2019	748.74	0.0264	0.8918	108.90	8.7907
12-31-2018	694.77	0.0252	0.8742	110.38	8.7272
01-01-2018	614.75	0.0229	0.8317	112.59	8.1739

2.7 Property, plant and equipment

The group's property, plant and equipment is made up of land, building, infrastructure, machinery, equipment and other fixed assets. The main fixed assets are offshore fishing vessels (PAM), naval equipment (pontoons), fishmeal and oil plants, canning and freezing plants, hatcheries, grow-out sites and primary and value-added processing plants.

Property, plant and equipment are recognized at their cost less accumulated depreciation and any impairment losses. Cost includes the purchase price of the assets and the following items, if any, as permitted by IFRS.

- The financial cost of loans to finance constructions in progress is capitalized during construction.
- Employee costs directly related to the constructions in progress.
- Expansion, modernization and improvement costs that represent an increase in productivity, capacity or efficiency or a longer useful life are capitalized as an increase in the cost of the corresponding assets.
- Replacement or overhaul of whole components that increase the asset's useful life, or its economic capacity, are recorded as an increase in value of the corresponding assets, while the replaced or overhauled components are derecognized.

Construction in progress are transferred to operating property, plant and equipment once the testing period has been completed, at which time depreciation begins.

Regular maintenance, conservation and repair expenses are expensed in the period they are incurred.

Subsequent costs are included in the asset's initial value or recognized as a separate asset only when it is probable that the future economic benefits associated with the items of fixed asset will flow to the group and the cost of the item can be reliably measured. The value of the replaced component is expensed.

Land is not depreciated. Depreciation is calculated using the straight-line method over the assets' economic useful lives, until it reaches its residual value.

	Minimum useful life in years	Maximum useful life in years
Buildings	10	50
Plant and equipment	5	20
Vessels	35	40
Vehicles	7	10
Machinery and other assets	3	20

Residual values, useful lives and of depreciation methods for property, plant and equipment assets are reviewed and adjusted prospectively at each year-end.

The gain or loss on the disposal of an asset is the difference between the net proceeds from its disposal and the asset's book value, and is recognized in the statement of net income when the asset is derecognized.

The Company recognizes right-of-use leased assets based on the lease payments for the remaining lease term, in accordance with IFRS 16 "Leases", using the option to record the asset at a value equal to the liability, as permitted by the standard. Right-of-use leased assets recorded at the date of initial application will incur depreciation over the remaining contract term.

2.8 Biological assets

Biological assets include the following.

Biological assets include groups of breeders, eggs, smolts and fish at marine grow-out sites. They are evaluated at initial recognition and subsequently.

Live fish inventories at all their freshwater stages, which are breeders, eggs, fry and smolts. These are valued at accumulated cost at the reporting date.

The fair value valuation criteria for fish at marine grow-out sites includes the value of the concession as a component of the farming risk, in accordance with the definition in IAS 41. Therefore, a valuation model has been adopted that calculates the Fair Value Adjustment (FVA) by applying a risk factor to the expected biomass margin at each marine grow-out site. An exponential model is used and the risk factor discounts the expected biomass margin.

The estimated fair value of fish biomass is based on the volume of fish biomass, average biomass weights, cumulative biomass costs for each site, estimated remaining costs and estimated sales prices.

Volume of fish biomass

The volume of fish biomass is an estimate based on the number of smolts in the sea, an estimate of their growth, identified mortality in the period, average weights, and other factors. Uncertainty with respect to the volume of biomass is normally lower in the absence of bulk mortality events during the cycle, or if the fish catch acute diseases.

The biomass is the weight when it is calculated for each farming site. The target harvest weight depends on each site.

Cumulative Costs

Cumulative costs for farming sites at the date of the fair value calculation are obtained from the company's accounts.

Remaining Costs

Estimated remaining costs are based on the forecast direct and indirect costs that will affect the biomass at each site through to final harvest.

This estimate is refined at each calculation, and uncertainty reduces as the harvest approaches.

Operating revenue

Revenue is calculated using several sales prices forecast by the company for each month based on future price information from public sources, adjusted to historical price behavior from the main destination market for our fish. This is reduced by the costs of harvesting, processing, packaging, distribution and sale.

A Fair Value Adjustment is applied to all fish at marine grow-out sites, under the current model.

Changes in the fair value of biological assets are recorded in the statement of net income for the period.

All biological assets are classified as current biological assets, as they form part of the normal farming cycle that concludes with harvesting the fish.

The gain or loss on the sale of these assets may vary in comparison to their calculated fair value at the reporting date.

The Company uses the following method.

Stage	Asset	Valuation
Fresh water	Eggs, fry, smolts and breeders	Direct and indirect cumulative costs at their various stages.
Sea water	Salmon, mussels and abalone	Fair Value, as there is a market with reference prices and companies that sell these assets. If no market can be identified, then cumulative cost is used.

Hierarchy

Fair value hierarchy is determined according to the data source, according to IFRS 13. The Company's valuation model uses hierarchy level III. The most significant unobserved variables are the sales price and the average weight.

2.9 Intangible assets other than goodwill

Individually acquired intangible assets are initially measured at cost. The cost of intangible assets acquired in a business combination is their fair value as of the date of acquisition. After initial recognition, intangible assets are recorded at cost less any accumulated amortization and any accumulated impairment loss. Internally generated intangible assets, excluding capitalized development expenditure, are not capitalized and the related expense is recognized in the statement of net income for that year.

a) Tradable fishing licenses

Tradable fishing licenses acquired from third parties are presented at historical cost. The useful life of these rights is indefinite, as fishing licenses have an indefinite useful life. Therefore, they are not amortized. This status of indefinite useful life is reviewed at each reporting date, in order to assess whether events and circumstances continue to support an indefinite useful life for that asset.

b) Aquaculture concessions

Aquaculture concessions have an indefinite useful life, because they have no expiry date nor a measurable useful life. Therefore, they are not amortized. This status of indefinite useful life is reviewed at each reporting date, in order to assess whether events and circumstances continue to support an indefinite useful life for that asset.

Gains or losses that may arise upon de-recognizing an intangible asset are the difference between the net income from the sale and the asset's book value, and are recognized in the statement of net income when the asset is de-recognized.

2.10 Interest costs

Interest costs directly attributable to the acquisition, construction or production of an asset whose start-up or sale requires an extended period of time are capitalized as part of the cost of the asset. Other interest costs are expensed when they are incurred. Interest costs include interest and other costs incurred by the group in connection with its financing.

2.11 Impairment losses on non-financial assets

The Company evaluates whether there is any indication of impairment of any asset as of each reporting date. If any indication is found, then the Company will estimate the asset's recoverable value. The Company tests each intangible asset with an indefinite useful life for impairment every year, regardless of whether there is any indication of impairment. An impairment loss is recognized for the amount that the asset's book value exceeds its recoverable value. The recoverable value is the greater of the fair value of an asset less the costs to sell it, or its value in use. Value in use is the present value of forecast cash flow produced by an asset or cash-generating unit.

Impairment is assessed by grouping assets at the lowest levels at which they generate separately identifiable cash flows (cash-generating units).

The Company uses value in use to calculate the recoverable value. Value in use is based on forecast cash flows that are discounted to present value using a before-tax discount rate that reflects current market assessments of the time value of money and any asset specific risks.

All non-financial assets are evaluated at each closing date to determine whether there is any indication that the impairment loss recorded in previous years no longer exists or has decreased. If such an indication is found, the Company estimates the recoverable value of the asset or the cash-generating units. A previously recorded impairment loss is reversed only if there has been a change in the assumptions used to determine the recoverable value since the last impairment loss was recorded. The reversal is limited to ensuring that the book value of the asset does not exceed its recoverable value, nor does it exceed its original book value net of depreciation had no impairment loss been recognized in prior years. This reversal is recorded in the statement of net income unless the asset is carried at a revalued value, in which case the reversal is recorded as an increase in the revaluation.

Intangible assets with an indefinite useful life as of December 31 are tested annually for impairment. This applies to both individual assets and cash-generating units, as appropriate, and when circumstances indicate that the book value may be impaired.

2.12 Financial assets and liabilities

Financial assets

The group initially measures a financial asset at its fair value plus transaction costs, in the case of a financial asset not valued at fair value through profit or loss, in accordance with IFRS 9.

Financial assets are subsequently measured at fair value through profit or loss (FVPL), amortized cost, or fair value through other comprehensive income (FVOCI), in accordance with IFRS 9.

The classification is based on two criteria. These are the group's business model for managing the assets, and whether the contractual cash flows of the financial instruments represent "solely payments of principal and interest" on the outstanding principal amount (the 'SPPI criterion').

The classification and measurement of the group's financial assets are as follows:

- Financial assets measured at amortized cost, for financial instruments that are held within a business model whose objective is to hold financial assets and collect the contractual cash flows that meet the SPPI criterion. This category includes the group's trade and other receivables.
- Financial assets measured at fair value through other comprehensive income (FVOCI), with gains or losses recognized in the statement of net income upon settlement. Financial assets in this category are group instruments that meet the SPPI criterion and are held within a business model for both cash flow collection and sale.

Other financial assets are classified and subsequently measured as follows:

- Equity instruments measured at fair value through other comprehensive income (FVOCI), with no recognition of gains or losses in the statement of net income upon settlement. This category only includes equity instruments that the group intends to hold in the foreseeable future and which the group has irrevocably chosen to classify in this category upon initial recognition or transition.
- Financial assets measured at fair value through profit or loss (FVPL), comprise derivative instruments and listed equity instruments that the group had not irrevocably chosen to classify at FVOCI upon initial recognition or transition. This category also includes debt instruments whose cash flow characteristics do not meet the SPPI criterion, or are not held within a business model whose objective is to recognize contractual cash flows or sales.

Financial liabilities

Equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of a company after deducting all of its liabilities. Equity instruments are recorded at the value of the consideration received, net of direct issuance costs.

Financial liabilities. Financial liabilities are classified either as financial liabilities “at fair value through profit and loss”, or as “other financial liabilities”.

a) Financial liabilities are classified at fair value through profit and loss when these are held for sale or are designated as such.

b) Other financial liabilities, including loans, are valued initially at the amount of cash received, net of transaction costs. Other financial liabilities are subsequently valued at amortized cost using the effective interest method, recognizing the interest expense based on the effective interest rate.

The effective interest rate method is a method of calculating the amortized cost of a financial liability and of allocating interest expense throughout the corresponding period. The effective interest rate is the rate that exactly discounts the estimated cash flows payable over the expected life of the financial liability, or when appropriate, a shorter period when the associated liability has a prepayment option that it expects to exercise.

2.13 Derivative financial instruments and hedge activities

Derivatives are initially recognized at fair value on the date on which the derivative contract is signed and are subsequently re-measured at fair value. The method used to record the resulting gain or loss depends on whether it is a hedging instrument and, if so, the nature of the underlying item.

The Company does not hold any cash flow hedges as of the close of these consolidated financial statements.

The effective portion of changes in fair value hedges that are designated and qualify as cash flow hedges are recognized in equity. Any loss or gain related to the ineffective portion is recognized immediately in the consolidated statement of net income within "financial costs". The all fair value hedges are classified as Other non-current financial assets or liabilities.

When a hedge instrument matures or is sold or when it does not meet hedge accounting requirements, any gain or loss accumulated in net equity until that point remains in equity and is recognized when the forecasted transaction is finally recognized in the consolidated statement of net income. When the forecasted transaction is not expected to occur, any accumulated gain or loss in equity is recognized immediately in the consolidated statement of net income within "other net gains (losses)".

2.14 Inventories

Inventories are valued at the lower of cost or net realizable value. Cost is calculated using the average cost method.

The cost of finished goods and products in-process includes the costs of raw materials, direct labor, other direct costs and general manufacturing expenses, based on normal operating capacity, but excluding interest.

Net realizable value is the estimated sales price during the normal course of business, less any variable costs to sell them.

Obsolete or slow-moving products are recognized at their recoverable value.

Inventory valuation policy

i) The group values its inventories as follows.

- a) The production cost of manufactured inventory includes all costs related to the units produced such as labor and fixed and variable costs required to transform raw materials into finished products.

The production cost of fresh and frozen salmon is based on the last fair value of biological asset when harvested, plus direct and indirect production costs.

- b) The acquisition cost of purchased inventory includes its purchase cost, customs fees, transport, storage and other costs attributable to its acquisition.

ii) Inventory cost calculation formula

Inventories of finished products are valued using the weighted average cost, ie. the cost of each product unit is based on the weighted average cost at the beginning of the period, and the cost of items purchased or produced during the period.

Inventories of raw materials, packaging materials are valued at weighted average cost.

Subsequent storage costs or costs incurred in delivering products to customers are not included in inventory costs.

Commercial discounts, rebates and other similar adjustments are deducted to arrive at the purchase cost.

Net realizable value is the estimated sales price less all estimated finishing costs and sales and marketing costs.

The Company evaluates the net realizable value of inventories at the end of each period and adjusts their book value if necessary.

2.15 Statement of cash flow

The Company has defined the following policies in order to prepare the statement of cash flow:

Cash and cash equivalents include cash on hand, at banks, term deposits with financial institutions, mutual funds and other short-term, highly liquid investments that are readily realizable, with a low risk of changes in value and an original maturity of up to three months. Bank overdrafts are classified as third-party resources within current liabilities in the statement of financial position.

- i. **Operating Activities:** These are the group's principal source of operating revenue as well as other activities that cannot be classified as investing or financing.
- ii. **Investing Activities:** These are the acquisition and disposal by any means of long-term assets and other investments not included in cash and cash equivalents.
- iii. **Financing Activities:** These bring about changes in the size and composition of equity and financial liabilities.

2.16 Classification of balances as current and non-current

Balances in the consolidated statement of financial position are classified by maturity with current balances maturing in less than 12 months and non-current balances in more than 12 months. Should the Company have any obligations that mature in less than twelve months, but can be refinanced over the long term at management's discretion, using unconditionally available credit agreements with long-term maturities, such obligations may be classified as non-current liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.17 Earnings per Share

Basic earnings per share is calculated as the ratio between net income for the period attributable to the parent company divided by the weighted average number of ordinary shares in circulation during that period.

2.18 Trade and other receivables

Trade receivables are initially recognized at fair value (nominal value including implicit interest), and they are subsequently recognized at their amortized cost according to the effective interest rate method, less provisions for impairment losses. A provision is established for impairment losses on trade receivables when there is objective evidence that the group will not be able to collect all amounts owed in accordance with the original terms of the trade receivable.

Implicit interest must be disaggregated and recognized as financial income to the extent that such interest has accrued.

The provision is the difference between the asset's book value and the present value of its estimated future cash flows, discounted using the effective interest rate.

However, if the difference between the nominal value and the fair value is not significant, the nominal value is used.

Doubtful debt provisions on trade and other receivables are based on a stratification of the customer portfolio and the age of those debts. An individual analysis is performed for those cases that have exceeded the normal collection period and the Company believes that collection is doubtful.

2.19 Cash and cash equivalents

Cash and cash equivalents include cash on hand, term deposits with financial institutions, other highly liquid short-term investments that can be readily converted into known amounts of cash that are subject to a negligible risk of changes in value and have a maturity of three months or less on their acquisition date.

Bank overdrafts are included in current financial liabilities in the consolidated statements of financial position, when appropriate.

2.20 Share capital

Share capital is represented by ordinary shares.

Incremental costs directly attributable to new share issues or options are presented in net equity as a deduction from their proceeds.

The issue premium is the excess price on placing shares during the IPO in 2010.

Legal minimum dividends on ordinary shares are recognized as a reduction in equity when they are accrued.

2.21 Trade and other payables

Trade payables are initially recognized at fair value and subsequently at amortized cost using the effective interest rate method.

However, similarly to trade receivables, if the difference between the nominal value and the fair value is not significant, the nominal value is used.

2.22 Current and deferred income taxes

Income tax expense for the year includes both current and deferred taxes.

Current tax assets and liabilities are measured at the values expected to recover from or pay to the tax authorities. Income tax expense for the year includes both current and deferred taxes.

Current income taxes are based on the tax laws at the reporting date, in the countries where each subsidiary operates and generates taxable income.

Deferred taxes are calculated using the liability method on temporary differences that arise between the tax value of assets and liabilities and their book values. However, if deferred taxes arise from the initial recognition of a liability or an asset in a transaction other than a business combination, which at the time of the transaction do not affect accounting net income nor taxable profit, then they are not accounted for.

Deferred tax is calculated using the current tax rates and laws, or those about to be approved at the reporting date, which are likely to be applicable when the corresponding deferred tax asset is collected or deferred tax liability is settled.

Deferred tax assets are recognized to the extent that it is likely that future tax benefits are available to offset such temporary differences.

The Company does not record deferred taxes on temporary differences that arise from investments in subsidiaries, associates and investments in joint control agreements, provided the Company can control when those temporary differences will reverse and the temporary differences are not likely to reverse in the foreseeable future.

An entity must offset deferred tax assets with deferred tax liabilities only if the tax authority recognizes that it has the legal right to offset the amounts recognized in those items; and the deferred tax assets and liabilities arise from income taxes levied by the same tax authority on the same entity or taxpayer, or on different entities or taxpayers that intend either to settle current tax assets and liabilities on a net basis or to simultaneously recover the assets and pay the liabilities in each of the future periods in which significant amounts of deferred tax assets or liabilities are expected to be paid or recovered.

Current and deferred income taxes are recognized in the consolidated statement of net income, except taxes arising on items recognized in other comprehensive income, or directly in equity, or on a business combination, or as mentioned in the following paragraph. In which case, the corresponding tax is also recognized in other comprehensive income, directly in the statement of net income, or in commercial goodwill, respectively.

2.23 Employee benefits

Employee severance indemnity

This liability is the present value of defined benefit obligations at the reporting date. It is calculated annually using actuarial assumptions and by discounting the corresponding estimated cash flows. Gains and losses arising from adjustments due to changes in trends of actuarial assumptions are recognized immediately in the statement of financial position with a charge or credit, as appropriate, to reserves through other comprehensive income in the period in which they occur. These changes are not reclassified to the statement of net income in subsequent periods.

The parameters used in the actuarial valuation model are as follows: mortality and invalidity rates, discount rates, salary growth rates, staff turnover rates due to resignations and staff turnover rates due to severance.

Employee vacations

The Company recognizes employee vacation expenses on an accrual basis. This benefit is provided to all employees and is a fixed amount based on each employee's employment contract, in accordance with IAS 19.

2.24 Provisions

Provisions are recognized when:

- i) The Company has a legal or implicit obligation, as a result of past events.
- ii) It is likely that a disbursement will be necessary to settle the obligation.
- iii) The amount can be reliably estimated.
- iv) Provisions are measured at the present value of Management's best estimate of the expenditures required to settle the obligation. The discount rate used to calculate the present value reflects current market assessments at the reporting date of the time value of money, as well as any specific risks related to the particular liability.

2.25 Revenue recognition

Operating revenue is recorded at the fair value of the consideration received or receivable derived from that revenue. The Company takes into consideration all the relevant facts and circumstances when applying each step of the model established by IFRS 15 regarding customer contracts: (i) identify the contract, (ii) identify the performance obligations, (iii) determine the transaction price, (iv) assign the transaction price to the performance obligations, and (v) revenue recognition.

The Company also assesses any incremental costs that arise from winning a contract and any costs directly related to fulfilling a contract. The Company recognizes revenue when the steps set out in this IFRS have been successfully completed.

(i) Operating revenue recognition from the sale of goods

Operating revenue from the sale of goods is recognized when the Company has transferred control over the goods sold to the buyer; when revenue can be reliably measured; when the Company cannot influence how the goods sold are managed; when the Company is likely to receive the financial benefits of the transaction; and when the transaction costs can be reliably measured.

Operating revenue is based on the price established in the sale agreement, net of volume discounts as of the sale date. There is no significant funding component, as sales proceeds are collected within a reduced average period, which is in line with market practice.

Operating revenue from export sales is based on Incoterms 2010, which are official regulations for interpreting trade terms, and they are issued by the International Chamber of Commerce.

The principal Incoterms used by the Company are as follows:

"CFR (Cost and Freight)", where the Company is responsible for all costs, including principal transport costs, until the goods arrive at the destination port. Risk is transferred to the buyer when the goods are loaded onto the ship, in the country of origin.

"CIF (Cost, Insurance and Freight)", where the Company arranges and pays the foreign transportation costs and other costs, such as insurance. Compañía Pesquera Camanchaca S.A. ceases to be responsible for the goods once they have been delivered to the maritime or air carrier, in accordance with the corresponding deadline.

The sale is complete when the goods are delivered to the carrier. This service is arranged by the seller.

FOB (Free on Board) and similar, where the buyer arranges and pays the transport costs. Therefore, the sale is complete when the goods are delivered to the carrier arranged by the buyer.

(ii) Operating revenue recognition for providing services

Operating revenue from services is recognized when the performance obligation has been satisfied. Operating revenue is accounted for considering the degree of service completion as of the closing date, and whether the Company has an enforceable right to payment for providing those services.

2.26 Dividend policy

The Company is obliged to distribute a mandatory minimum dividend equivalent to 30% of net distributable income, in accordance with Corporate Law, unless unanimously agreed otherwise by the shareholders.

Under IFRS, this obligation to shareholders must be recognized before the closing date of the annual financial statements with the resulting decrease in equity.

2.27 Net distributable income

A meeting of the Board of Directors of Compañía Pesquera Camanchaca S.A. ON November 15, 2010 agreed to apply the following general policies to calculate the Company's net distributable income, in accordance with the provisions of Title I of Circular 1,945 dated September 29, 2009 issued by the Financial Market Commission:

The calculation of the Company's net distributable income to determine the minimum obligatory dividend will be based on its net income less any changes in the unrealized gains and losses on assets and liabilities during the respective period. Those changes must be added back to this calculation when the gains and losses are realized.

Consequently, the Board of Directors agreed that the calculation of the Company's net distributable income to determine the minimum obligatory dividend should exclude the unrealized gains and losses on the fair value of biological assets governed by IAS 41, the unrealized gains and losses arising on the acquisition of other entities, and the unrealized gains and losses arising from applying paragraphs 34, 42, 39 and 58 of the Revised IFRS 3, which refers to business combinations.

The effects of deferred taxes related to the items indicated in i) and ii) will be treated in the same way as the item that gave rise to the deferred tax.

2.28 Leasing

The Company has applied IFRS 6 "Leases" using the amended retrospective approach since January 1, 2019. Therefore, comparative information has not been restated and continues to be reported in accordance with IAS 17 "Leases" and IFRIC 4 "Determining whether an arrangement contains a lease".

a) Policy as of January 1, 2019

When a contract begins, the Company assesses whether the contract contains a lease, defined as whether the contract gives the right to control the use of an identified asset for a period of time in exchange for consideration. A contract gives Compañía Pesquera Camanchaca S.A. the right to control the use of an identified asset if:

- i) The contract involves the explicit or implicit use of an identified asset. If the supplier has a substantial right of substitution, then the asset is not identified;
- ii) The Company has the right to receive substantially all the financial benefits from using the asset during the period; and
- iii) The Company has the right to direct the use of the asset. This right is exercised when significant decisions are taken, for example how and why the asset is used. In exceptional cases, the decision on how and why the asset is used is predetermined. It has the right to direct the use of the asset if it has the right to operate the asset, or if it designed the asset in a manner that predetermines how and why it will be used.

At the beginning or revaluation of a contract containing a lease component, the Company assigns the consideration in the contract to each lease component on the basis of its independent relative prices, by separately allocating the associated cost of capital.

b) Lessee

Compañía Pesquera Camanchaca S.A. recognizes a right-of-use asset and a lease liability when the lease begins. The right-of-use asset is initially valued at cost, which comprises the initial lease liability adjusted for any lease payments made on or before the start date, plus any initial direct costs and an estimate of the costs to dismantle and eliminate the underlying asset or to restore the underlying asset or the site where it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the start date to the end of its estimated useful life according to the contract term. The estimated useful lives of right-of-use assets are determined by considering future renewals according to the contract term. The value of a right-of-use asset is regularly evaluated and reduced by any impairment losses, and adjusted for specific new valuations of the lease liability.

The lease liability is initially valued at the present value of future payments, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's borrowing rate, incorporating additional adjustments considering the risk of the country and each of the subsidiaries.

Lease payments included in valuing the lease liability comprise the following:

- Fixed payments, included in the contract.
- The exercise price under a purchase option that the Company may reasonably exercise.
- Lease payments on an optional renewal period if the Company is reasonably certain to exercise the renewal option.
- Penalties for early termination of a lease, unless the Company is reasonably certain that it will not terminate the lease early.

The lease liability is valued at amortized cost using the effective interest method. It is revalued when there is a change in future lease payments due to a change in an index or rate.

When the lease liability is accordingly revalued, the book value of the right-of-use asset is adjusted, unless this reaches zero, in which case the adjustment is recognized in the statement of net income.

The Company presents right-of-use assets in “Property, plant and equipment” and the associated obligations in “Operating lease liabilities, current and non-current” within the consolidated statement of financial position.

The Company has elected not to recognize right-of-use assets and lease liabilities for contracts with a term of 12 months or less, and for contracts whose assets have a value under US\$5,000. The Company recognizes the lease payments associated with these transactions as a straight-line expense over the contract term.

Treatment under IAS 17

The Company as a lessee classified as finance leases all those leases that transfer substantially all the risks and rewards of ownership, during the comparative period.

Assets held under other leases were classified as operating leases and were not recognized in the consolidated statement of financial position. Payments for operating leases were recognized in the statement of net income on a straight-line basis over the contract term.

The lease incentives received were recognized as an integral part of the total lease expense during the contract term.

c) Lessor

The Company as a lessor determined whether each contract was a finance lease or an operating lease when the lease contract began.

The Company’s accounting policies as lessor in the comparative period are as stipulated by IFRS 16.

2.29 The environment

The disbursements associated with improvements and investments in productive processes that improve environmental conditions are recorded as an expense or investment in the for the year in which they arise. When these disbursements are part of investment projects, they are recorded as increases to property, plant and equipment.

The group has established the following disbursements types for environmental protection projects.

- a) Disbursements relating to improvements and investments in productive processes that improve environmental conditions.
- b) Disbursements relating to verifying and monitoring regulations and laws covering industrial processes and facilities.
- c) Other disbursements that affect the environment.

NOTE 3 - CHANGES IN ACCOUNTING POLICIES AND ESTIMATES

Changes in policies

3.1 Change in fair value calculation of biological assets

Compañía Pesquera Camanchaca S.A. for Salmones Camanchaca S.A. reviewed its accounting policy to calculate the fair value of biological assets during 2019, in line with changes in the Chilean salmon industry in recent years. Previously, fair value was the market price less estimated processing and sales costs for fish at grow-out sites that weighed over 4 kg for Atlantic salmon and 2.5kg for Pacific salmon. The market price was adjusted appropriately for each marine group at the reporting date, from which the harvesting, processing, packaging, distributing and selling costs were deducted, and the volume was adjusted for process yields.

Smaller fish were valued at cost and were subject to impairment testing. Market prices were obtained from international reference price publications for the Atlantic salmon published by Urner Barry Publications Inc. in its report "Urner Barry's Seafood Price-Current" and for Pacific salmon from DataSalmon for the Japanese market.

The Company has chosen to migrate to the valuation method detailed in Note 2.8, with effect from these financial statements. This model values all fish at marine grow-out sites at fair value, where the value of the concession has been incorporated as part of the farming risk, in accordance with the definition in IAS 41. Therefore, a valuation model has been adopted that calculates the Fair Value Adjustment (FVA) by applying a risk factor to the expected biomass margin at each marine grow-out site. Changes in the fair value of biological assets are recorded in the consolidated statement of net income for the period. All biological assets are classified as current biological assets, as they form part of the normal farming cycle that concludes with harvesting the fish. The Company has applied the new valuation model retroactively for comparison purposes to its financial statements as of December 31, 2018.

As of December 31, 2019, the subsidiary Salmones Camanchaca had a one third interest in a trout joint venture. However, as this is not a separate legal entity from the joint venture Manager, Caleta Bay, the Company does not exercise joint control or significant influence over the key decisions of this business. The Manager is fully responsible for the entire value chain, it operates this business in its own name and its own risk, and is liable to the aquaculture, sanitary, environmental or other authorities. The only assets that Salmones Camanchaca contribute to this trout joint venture are the concessions where the fish are farmed, and it receives variable compensation associated with this contribution. Therefore, it does not comply with the definition of a joint venture for accounting purposes, nor can it be measured at fair value as a financial asset under IFRS 9, since the Company's accounting policy is to value concessions at cost. As the concessions contributed by Salmones Camanchaca to the trout joint venture have never been legally transferred to the Manager, these concessions cannot be valued at fair value, according to IAS 10. Therefore, the Company's accounting policy is to recognize one third of the trout joint venture earnings in Other income and losses within the consolidated statement of net income by function and not within operating income, which is recycled annually. This was a change with respect to the financial statements as of December 31, 2018.

The Company has restated the financial statements as of December 31, 2018, in accordance with International Financial Reporting Standards, recording these changes of accounting policies with a decrease in biological assets of ThUS\$157, a decrease in the deferred tax liability of ThUS\$43 and a decrease in equity of ThUS\$114. All the biological assets were amended were reclassified as current, as the normal farming cycle concludes with harvesting the fish. These effects are as follows.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (December 31, 2018 restated)

Assets	Original presentation	Differences		Restated
	As of December 31, 2018	Change in Accounting Policy	Reclassification	As of December 31, 2018
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Current assets				
Other non-financial assets, current	9,860	-	9,441	19,301
Trade and other receivables, current	88,046	-	(10,707)	77,339
Biological assets, current	117,990	(157)	20,582	138,415
Other assets, current	89,136	-	-	89,136
Total current assets	305,032	(157)	19,316	324,191
Non-current assets				
Biological assets, non-current	20,582	-	(20,582)	-
Other assets, non-current	359,566	-	-	359,566
Total non-current assets	380,148	-	(20,582)	359,566
Total assets	685,180	(157)	(1,266)	683,757
Liabilities	Original presentation	Differences		Restated
	As of December 31, 2018	Change in Accounting Policy	Reclassification	As of December 31, 2018
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Current liabilities				
Trade and other payables, current	108,548	-	(8,725)	99,823
Other provisions		-	7,459	7,459
Employee benefit provisions, current	2,556	-	152	2,708
Other current liabilities	8,964	-	-	8,964
Total current liabilities	120,068	-	(1,114)	118,954
Non-current liabilities				
Deferred tax liabilities	16,168	(43)	1	16,126
Employee benefit provisions, non-current	1,261	-	(153)	1,108
Other liabilities, non-current	80,708	-	-	80,708
Total non-current liabilities	98,137	(43)	(152)	97,942
Equity				
Retained earnings (accumulated losses)	20,808	(114)	34	20,728
Equity attributable to owners of the parent company	355,726	-	(34)	355,692
Other equity	90,441	-	-	90,441
Total equity	466,975	(114)	-	466,861
Total equity and liabilities	685,180	(157)	(1,266)	683,757

The effect of the change in policy on net income is ThUS\$ 5,221 for the positive fair value adjustment, and for ThUS\$ 1,931 for the negative taxes, with the trout joint venture reclassified as previously explained. This information is shown as follows.

CONSOLIDATED STATEMENTS OF NET INCOME BY FUNCTION (December 31, 2018 restated)

	For the year ended December 31, 2018 Original presentation ThUS\$	Change in accounting policy ThUS\$	Reclassifications ThUS\$	As of December 31, 2018 Restated ThUS\$
Operating revenue	629,370		(2,890)	626,480
Cost of sales	(491,766)			(491,766)
Gross margin	137,604	-	(2,890)	134,714
Net fair value adjustments to biological assets	(4,825)	7,152	-	2,327
Administrative expenses	(31,230)			(31,230)
Distribution costs	(28,550)			(28,550)
Financial costs	(10,171)			(10,171)
Share of net income of equity method associates	1,650			1,650
Exchange differences	(2,993)			(2,993)
Other income (losses)	(1,168)		2,890	1,722
Financial income	53			53
Net income before taxes	60,370	7,152	-	67,522
Income tax (expense) income	(16,156)	(1,931)		(18,087)
Net income (loss) from continuing operations	44,214	5,221	-	49,435
Net income (loss) from discontinued operations				
Net income (loss) for the year	44,214	5,221	-	49,435

The consolidated statement of comprehensive income was amended as follows.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (December 31, 2018 restated)

	Original presentation	Differences		Restated
	As of December 31, 2018	Change in Accounting Policy	Reclassifications	As of December 31, 2018
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Net income for the year	44,214	5,221	-	49,435
Gain (loss) from cash flow hedge	(40)	-	-	(40)
Gain (loss) from foreign currency translation	(519)	-	-	(519)
Gain from change in ownership	51,236	-	-	51,236
Total comprehensive income	94,891	5,221	-	100,112
Total comprehensive income (loss) attributable to:				0
Owners of the parent company	81,559	3,656	-	85,215
Non-controlling interests	13,332	1,565	-	14,897
Total comprehensive income	94,891	5,221	-	100,112

Biological assets as of January 1, 2018 have decreased due to the fair value adjustment and deferred tax liabilities of ThUS\$7,308 and ThUS\$1,973 respectively and a decrease in equity due to the reduced earnings of ThUS\$5,335. Biological assets were reclassified as current as already explained by the fish cycle.

CONSOLIDATED STATEMENTS OF FINANCIAL SITUATION (January 1, 2018 restated)

Assets	Original presentation	Differences		Restated
	As of December 31 2017	Change in Accounting Policy	Reclassifications	As of January 1 2018
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Current assets				
Other non-financial assets, current	13,052	-	4,204	17,256
Trade and other receivables, current	80,021	-	(4,204)	75,817
Biological assets, current	101,979	(7,308)	16,033	110,704
Other assets, current	86,199	-	-	86,199
Total current assets	281,251	(7,308)	16,033	289,976
Non-current assets				
Biological assets, non-current	16,033	-	(16,033)	0
Other assets, non-current	345,816	-	-	345,816
Total non-current assets	361,849	-	(16,033)	345,816
Total assets	643,100	(7,308)	-	635,792

Liabilities	Original presentation	Differences		Restated
	As of December 31, 2017	Change in Accounting Policies	Reclassifications	As of January 1, 2018
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Current liabilities				
Trade and other payables, current	106,981	-	(561)	106,420
Other provisions, current	-	-	561	561
Other liabilities, current	24,131	-	-	24,131
Total current liabilities	131,112	-	-	131,112
Non-current liabilities				
Deferred tax liabilities	16,330	(1,973)	-	14,357
Other liabilities, non-current	155,696	-	-	155,696
Total non-current liabilities	172,026	(1,973)	0	170,053
Equity				
Retained earnings (accumulated losses)	(88,614)	(5,335)	-	(93,949)
Equity attributable to owners of the parent company	284,141	-	-	284,141
Other equity	144,435	-	-	144,435
Total equity	339,962	(5,335)	-	334,627
Total equity and liabilities	643,100	(7,308)	-	635,792

These changes made do not affect the company's statement of cash flow because they are changes in fair value and deferred taxes.

3.2 New standards, interpretations and amendments

The Company applied specific standards, interpretations and amendments for the first time, which are effective for periods beginning on or after January 1, 2019.

The standards, interpretations and amendments to IFRS that became effective at the date of the financial statements, their nature and impacts are as follows:

	Standards and Interpretations	Mandatory Effective Date
IFRS 16	Leasing	January 1, 2019
IFRIC 23	Uncertainty over Income Tax Treatments	January 1, 2019

IFRS 16 Leases

IFRS 16 replaces IAS 17 Leases, IFRIC 4 Determining whether an Arrangement Contains a Lease, SIC-15 Operating Leases - Incentives, and SIC-27 Evaluating the Substance of Transactions involving the Legal Form of a Lease. The standard establishes the recognition, measurement, presentation and disclosure principles for leases and requires lessees to account for most leases using a single model.

The lessor's accounting under IFRS 16 remains substantially unchanged from IAS 17.

Lessors shall continue to classify leases as operating or finance leases using principles similar to those in IAS 17.

IFRS 6 requires that lease contracts that were classified as operating leases with a contract term greater than 12 months have a similar accounting treatment to finance leases. In general terms, this means that right-of-use assets subject to operational lease contracts must be recognized, together with a liability for the present value of the payments associated with the contract.

Monthly lease payments in the statement of net income will be replaced by asset depreciation, together with the corresponding finance charges. If lease contracts are amended, such as the lease value, term, inflation indexation, associated interest rate, etc., the lessee shall recognize any change to the revalued lease liability as an adjustment to the value of the right-of-use asset.

The method adopted by the Company is the simplified retrospective approach.

The Company has determined the following changes in lease commitments that fall within the scope of IFRS 16, as of June 30, 2019.

	ThUS\$
Total current assets	-
Total non-current assets	12,992
Deferred tax assets	73
Total current liabilities	(2,964)
Total non-current liabilities	(10,298)
Total equity	(197)
Lease expense	4,274
Interest	(947)
Depreciation	(3,597)
Gain (loss) on deferred taxes	73
Net income (loss)	(197)

IFRIC 23 Uncertainty over Income Tax Treatments

The Interpretation addresses accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12 Income Taxes. It does not apply to taxes or levies that are outside the scope of IAS 12, nor does it specifically include requirements related to interest and penalties associated with uncertain tax treatment. The Interpretation specifically addresses the following:

- Whether an entity treats uncertain tax positions separately
- An entity's assumptions about the tax authority's assessment of tax treatments
- How an entity determines taxable income (tax losses), tax bases, unused tax losses, unused tax credits, and tax rates.
- How an entity treats changes in facts and circumstances.

The entity must determine whether to treat each uncertain tax position separately, or in conjunction with one or more treatments of uncertain tax positions. The entity should select the approach that best anticipates how to resolve the uncertainty.

IFRIC 23 clarifies how to apply the recognition and measurement requirements of IAS 12 when there is uncertainty regarding income tax treatments. The Company has determined that this standard has no impact on the consolidated financial statements.

The standards, interpretations and amendments to IFRS effective as of the date of the financial statements and detailed below had no impact on these financial statements.

	Amendments	Mandatory effective date
IFRS 3	Business combinations – previously held interests in a joint operation	January 1, 2019
IFRS 9	Financial instruments – payments with negative compensation	January 1, 2019
IFRS 11	Joint arrangements – previously held interests in a joint operation	January 1, 2019
IAS 12	Income taxes – tax consequences of payments related to financial instruments classified as equity	January 1, 2019
IAS 23	Borrowing costs – borrowing costs eligible for capitalization	January 1, 2019
IAS 28	Investments in associates – long-term investments in associates or joint ventures	January 1, 2019
IAS 19	Employee benefits - plan amendments, curtailments or settlements	January 1, 2019

NOTE 4 - Financial risk management

The fishing and aquaculture businesses are exposed to various financial risks: credit risk, liquidity risk, interest rate risk and market risk.

4.1. Credit risk

a) Customer portfolio risk

The Company has no customers in arrears, but not impaired, as of the reporting date.

b) Sales risk

The Company uses the usual agreements operating in the industry to market its products. These are contracted with recognized and qualified insurance companies and financial institutions. These agreements are insurance policies covering credit, transport and cargo, confirmation of letters of credit, etc. Where collection is directly performed by the Company, this is substantiated by a long-term business relationship, a full record of payment behavior and recognized financial solvency.

The group has established policies to ensure that product sales on credit are made to customers with an appropriate credit history, to mitigate sales risks. The group mostly sells into the wholesale market, and export sales are supported by letters of credit. Domestic sales are preferably to customers with an appropriate credit history.

4.2. Liquidity risk

The group's liquidity risks arise from a shortfall of funds for operating costs, financial costs, investments, debt repayments and dividends, compared its sources. This risk is mitigated through prudent liquidity management, which involves holding sufficient cash and marketable securities, together with balanced bank financing.

The group has cash and short-term cash equivalents to date that match investment terms to its obligations, thus respecting its investment holding policy, which on average may not exceed the average payment terms for its obligations.

Capital and interest commitments over the terms of bank loans and other commitments are as follows.

a) As of December 31, 2019

Description	Between 1 and 3 months ThUS\$	Between 3 and 12 months ThUS\$	Between 1 and 5 years ThUS\$	Over 5 years ThUS\$	ThUS\$
Interest-bearing loans	305	36,469	125,747	-	162,521
Finance lease liabilities	991	2,866	10,092	2,105	16,054
Trade and other payables	85,852	15,101	671	-	101,624
Related party payables	375	-	-	-	375

b) As of December 31, 2018

Description	Between 1 and 3 months ThUS\$	Between 3 and 12 months ThUS\$	Between 1 and 5 years ThUS\$	Over 5 years ThUS\$	ThUS\$
Interest-bearing loans	246	4,848	90,806	-	95,900
Trade and other payables	99,171	9,377	302	-	108,850
Related party payables	784	-	-	-	784

4.3. Market risk

a) Exchange rate risk

The group has selected the US dollar as its functional currency. Therefore, it is exposed to exchange rate risk on transactions in Chilean pesos. The exchange rate risk arises on planned commercial transactions, and on assets and liabilities held in Chilean pesos.

The company's consolidated statement of financial position as of December 31, 2019 has a net asset in Chilean pesos totaling ThUS\$ 16,281 (ThUS\$ 21,378 as of December 31, 2018). Therefore, an increase of 5% in the exchange rate generates an exchange loss of ThUS\$ 814, (ThUS\$ 1,069 as of December 31, 2018) while a 5% decrease in the exchange rate generates a gain of the same amount.

b) Interest rate risk

Movements in interest rates amend the expected cash flows for assets and liabilities that are subject to variable interest rates.

The companies are exposed to interest rate risks, since their long-term financing is at a variable interest rate, which is amended every six months.

The group has ThUS\$ 148,503 in bank liabilities in US dollars as of December 31, 2019 (ThUS\$ 81,712 as of December 31, 2018). Sensitivity analysis on the interest rates for bank loans reveal that a 1% pa movement in interest rates at the reporting date would result in additional or lower interest costs of ThUS\$ 1,469, as appropriate (ThUS\$ 817 as of December 31, 2018).

NOTE 5 - Financial Instruments

The Company has financial instruments as of December 31, 2019 and December 31, 2018 valued at their fair value according to the IFRS 9 classification as shown in the following table, and there are no differences between their fair value and book value.

Description	12-31-2019		12-31-2018	
	Book value ThUS\$	Fair value ThUS\$	Book value ThUS\$	Fair Value ThUS\$
Financial assets at fair value through profit and loss				
Cash and cash equivalents				
Cash balances	204	204	147	147
Bank balances	41,669	41,669	30,601	30,601
Financial assets at amortized cost				
Other financial assets (ii)	361	361	327	327
Trade and other receivables (i)	95,777	95,777	77,339	77,211
Related party receivables (i)	116	116	92	92
Recoverable rights, non-current (ii)	1,252	1,252	1,349	1,349
Financial liabilities at amortized cost				
Other financial liabilities (iv)	31,575	31,575	1,306	1,306
Operating lease liabilities (iii)	2,964	2,964	-	-
Other financial liabilities, non-current (iv)	116,928	116,928	80,406	80,406
Trade and other payables, current (iv)	100,953	100,953	99,823	99,823
Related party payables (iv)	375	375	784	784
Operating lease liabilities, non-current (iii)	10,299	10,299	-	-
Payables, non-current	671	671	302	302

(i) Trade and other receivables

Trade and other receivables are amounts owed by customers for goods sold or services rendered in the ordinary course of business. They are usually settled within a period of 30 days, so are classified as current. Trade and other receivables are initially recognized at the value of the unconditional commitment, unless they contain significant financing components, in which case they are recognized at fair value. The group accepts trade and other receivables with the objective of collecting the corresponding contractual cash flows and subsequently values them at amortized cost using the effective interest method. The details of group impairment policies and calculations of impairment loss provisions are included in Note 10 (Trade and other receivables).

The book values of trade and other receivables are treated as equal to their fair values, due to their short-term nature.

Information about the impairment of trade and other receivables and the group's exposure to credit risk, exchange rate risk and interest rate risk can be found in Note 4 (b) Financial Risk Management.

(ii) Other financial assets at amortized cost

The group classifies its financial assets at amortized cost provided they meet the following two criteria:

- The asset is held within a business model that aims to receive contractual cash flows.
- The contractual terms give rise to cash flows that are solely receipts of principal and interest.

These amounts generally come from transactions outside the normal course of business for the group.

(iii) Operating lease liabilities

The corresponding lease obligations, net of finance charges, are included in lease liabilities. The interest element of the finance cost is charged to the statement of net income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(iv) Trade and other payables

Trade and other payables are not guaranteed and are generally paid within 60 days of recognition.

The book values of trade and other payables are treated as equal to their fair values, due to their short-term nature.

NOTE 6 - Significant accounting estimates and judgments

The estimates and judgments used are continually evaluated and are based on historical experience and other factors, including expectations of future events that are considered reasonable based on the circumstances.

Significant accounting estimates and judgments

The group produces estimates and judgments about the future. The main accounting estimates are as follows.

a) Useful lives of plant and equipment

Group management determines the estimated useful lives and corresponding depreciation charges for its plant and equipment. Likely changes in estimates could occur as a result of technical innovations and competitor's measures in response to severe industry cycles. Management will increase the depreciation charge when the actual useful lives are less than previously estimated useful lives, and depreciate or eliminate technically obsolete or non-strategic assets that have been abandoned or sold.

b) Biological assets

The fair valuation of biological assets is based on the reference value of salmon in its current biomass condition.

The fish biomass estimate will always be based on assumptions, even though the Company has ample experience with these factors. The estimates take into account the following components: volume of fish biomass, average biomass weights, distribution of fish weights and market prices.

The volume of fish biomass estimate is based on the number of smolts in the sea, their estimated growth and their mortality during the period, etc. Uncertainty with respect to the volume of biomass is normally lower in the absence of mass mortality events or acute diseases during the cycle.

Fish grow at various rates and even though average weights can be accurately estimated, there is always a wide variation in the quality and size of the fish. The distribution of fish quality and size is important, as these attract different prices on the market.

The value of fish biomass is based on a normal weight distribution.

c) Employee severance indemnity provision

Management recognizes in its financial statements the obligation to pay employee severance benefits in the future, as established by IAS 19, based on the corresponding actuarial calculation.

d) Asset impairment

The recoverable amount of property, plant and equipment is revalued annually according to IAS 36, as the company has intangible assets with indefinite lives. Factors that are considered an indication of impairment are declining market values, significant changes in the technological environment, obsolescence or physical deterioration, changes in the way the item is used or expected to be used, including ceasing to use it, etc. The group evaluates whether there is evidence of impairment at each reporting date, and whether the book value of an item of property, plant and equipment or an intangible asset is greater than its value in use.

It evaluates each Cash Generating Unit (CGU), which are Salmon Business, Northern Fishing Business, Southern Fishing Business and Other Seafood Business.

The group has used a cash flow forecasting model to calculate the value in use of its assets, based on the following assumptions.

1. Ten year evaluation horizon. Investments in the industry are long-term, as are the cycles and risks that affect the biomass. Therefore, a horizon of less than 10 years does not reflect the company's long term situation.
2. Residual value. The residual value at the end of the horizon.
Forecast cash flows. Cash flows used in the methodology are based on budget data, best estimates and reasonable and substantiated assumptions that represent Management's best estimates, taking into account the prevailing economic conditions during the remaining useful life of the evaluated assets. The most important assumptions are:
 - 2.1. Sales and production volumes.
 - 2.2. Estimated annual inflation of 3% and its impact on prices, sales and administration costs, and other costs.
3. Cash flow forecasts are brought to present value using a discount rate that reflects the time value of money and the risks specific to the asset. The Weighted Average Cost of Capital (WACC) rate is used, calculated on the basis of the following variables: The company or industry beta; the risk-free rate of return; the market rate of return; the cost of the Company's financial debt; and the long-term target debt/equity ratio.

This evaluation resulted in no indications of asset impairment in any CGU.

Except for the estimated biomass fair value of the biological assets, Management believes that these consolidated financial statements do not contain any assumptions about the future or other uncertain estimates that risk causing significant adjustments to this accounting period and the next.

NOTE 7 - Segment reporting

The group segments its financial information by business, which is aligned with how Management operate the business, since Management and the Board of Directors manage the business using the same classification.

a) Fishing Business

- Fishmeal
- Fish oil
- Canned Jack mackerel
- Frozen langostino lobster
- Frozen Jack mackerel

The group is involved in the extractive fishing business, and holds a significant position in the two main fishing areas in Chile. It operates in the 15th, 1st and 2nd regions in northern Chile, while the central-southern zone covers the rest of Chile, with the exception of the 11th and 12th region that are based in Coronel in the 8th region.

Market

Fishmeal is mainly sold on the Asian markets, especially China, which represents an average of about 60% of the group's sales, and to the Chilean salmon farming feed industry. Fish oil for human consumption is mainly sold into the European market, where it is used in the feed additive and pharmaceutical industry.

Canned fish is a product made mainly from Jack mackerel in a one-pound can. Its high protein and omega 3 content and low cost make it a product in high demand for human consumption. Frozen Jack mackerel is a product for human consumption that is mostly sold to emerging markets. The langostino lobster is a highly appreciated crustacean for its taste and nutritional characteristics. It is sold in IQF format in various packages, including institutional packaging and retail format. This product is mainly exported to the United States.

b) Salmon business

The group aims to participate in every stage of the production process, and introduce the latest technology to each link in the value chain.

Market

Atlantic salmon is sold as Trim C, D, and E, HG and Hon fillets, in 4, 5, 6, and 8 oz. fresh and frozen portions. The group prepares its products in plants in Tomé and Puerto Montt. They are mainly sold into the North American, Japanese and Brazilian markets.

c) Seafood business

This business comprises:

- Mussel farming
- Abalone farming

The mussel concessions are concentrated in three large farming areas. They are all operational and located in the 10th region. They all have their own land-based facilities and direct access to their farms, which improves supply logistics.

The group has two land farming sites that produce Abalone, located in the 3rd region, and a frozen abalone processing plant.

Markets

The group produces and markets mussels as frozen mussel flesh and whole frozen vacuum-packed mussels. The group's comprehensive distribution network grants it to access several markets around the world and first class customers.

The group mainly markets its abalone products to Japan, United States, Hong Kong, China, Vietnam and Singapore, through IQF products and cans.

The segment operating results for the year ended December 31, 2019 are as follows:

	Industrial Fishing ThUS\$	Salmon Farming ThUS\$	Other Seafood ThUS\$	Total ThUS\$
Operating revenue	157,621	435,576	26,833	620,030
Cost of sales	(140,003)	(343,998)	(20,773)	(504,774)
Net fair value adjustments to biological assets	-	311	-	311
Administrative expenses	(7,426)	(9,331)	(2,515)	(19,272)
Distribution costs	(12,307)	(13,125)	(3,096)	(28,528)
Financial costs	(2,969)	(4,901)	(211)	(8,081)
Share of profit (loss) of associates	50	1,604	-	1,654
Exchange differences	(2,103)	(1,082)	111	(3,074)
Other income (losses)	(7,200)	(6,717)	(6)	(13,923)
Financial income	-	37	-	37
Income tax benefit (expense)	3,601	(15,126)	65	(11,460)
	=====	=====	=====	=====
Net income	(10,736)	43,248	408	32,920
	=====	=====	=====	=====
Net income attributable to the parent company	(10,330)	30,542	408	20,620
Net income attributable to non-controlling interests	(406)	12,706	-	12,300
	=====	=====	=====	=====
Net income	(10,736)	43,248	408	32,920

The segment operating results for the year ended December 31, 2018 are as follows:

	Industrial Fishing ThUS\$	Salmon Farming ThUS\$	Other Seafood ThUS\$	Total ThUS\$
Operating revenue	163,167	433,406	29,907	626,480
Cost of sales	(127,635)	(338,215)	(25,916)	(491,766)
Net fair value adjustments to biological assets	-	2,327	-	2,327
Administrative expenses	(13,687)	(13,928)	(3,615)	(31,230)
Distribution costs	(11,124)	(13,665)	(3,761)	(28,550)
Financial costs	(3,513)	(6,470)	(188)	(10,171)
Share of profit (loss) of associates	21	1,629	-	1,650
Exchange differences	(2,108)	(1,310)	425	(2,993)
Other income (losses)	(110)	1,820	12	1,722
Financial income	4	49	-	53
Income tax benefit (expense)	(1,295)	(17,547)	755	(18,087)
	=====	=====	=====	0
Net income	3,720	48,096	(2,381)	49,435
	=====	=====	=====	=====
Net income attributable to the parent company	3,493	33,326	(2,381)	34,438
Net income attributable to non-controlling interests	227	14,770	-	14,997
	=====	=====	=====	=====
Net income	3,720	48,096	(2,381)	49,435

The segment assets, liabilities and cash flow as of December 31, 2019 are as follows.

	Industrial Fishing ThUS\$	Salmon Farming ThUS\$	Other Seafood ThUS\$	Other ThUS\$	Total ThUS\$
Current assets	66,325	301,255	20,482	-	388,062
Non-current assets	201,464	135,410	27,351	30,368	394,593
Current liabilities	28,627	113,835	4,400	-	146,862
Non-current liabilities	37,641	109,440	2,483	(451)	149,113
Cash flows from (used by) operating activities	8,027	19,206	(62)	-	27,171
Cash flows from (used by) financing activities	23,630	24,630	1,222	-	49,482
Cash flows from (used by) investing activities	(21,752)	(40,509)	(1,771)	-	(64,032)

The segment assets, liabilities and cash flow as of December 31, 2018 are as follows.

	Industrial Fishing ThUS\$	Salmon Farming ThUS\$	Other Seafood ThUS\$	Other ThUS\$	Total ThUS\$
Current assets	56,621	247,967	19,603	-	324,191
Non-current assets	195,155	114,809	26,657	22,945	359,566
Current liabilities	21,510	92,756	4,688	-	118,954
Non-current liabilities	30,491	65,015	2,400	36	97,942

Cash flows by segment AS of December 31, 2018 are as follows.

	Industrial Fishing ThUS\$	Salmon Farming ThUS\$	Other Seafood ThUS\$	Other ThUS\$	Total ThUS\$
Cash flows from (used by) operating activities	3,104	55,628	1,856	-	60,588
Cash flows from (used by) financing activities	6,050	1,988	2,018	-	10,056
Cash flows from (used by) investing activities	(15,442)	(31,675)	(1,905)	-	(49,022)

Segment operating revenue by market for the year ended December 31, 2019 are as follows.

Market	Industrial Fishing ThUS\$	Salmon Farming ThUS\$	Other Seafood ThUS\$	Total ThUS\$
USA	16,821	209,021	12,068	237,910
Europe + Eurasia	3,392	62,493	9,243	75,128
Asia, except Japan	36,485	24,802	1,114	62,401
Japan	8,820	37,913	3,260	49,993
LATAM, except Chile	9,201	69,727	303	79,231
Chile	49,283	26,936	695	76,914
Others	33,619	4,684	150	38,453
Total	157,621	435,576	26,833	620,030

Segment operating revenue by market for the year ended December 31, 2018 are as follows.

Market	Industrial Fishing ThUS\$	Salmon Farming ThUS\$	Other Seafood ThUS\$	Total ThUS\$
USA	15,585	194,341	13,451	223,377
Europe + Eurasia	5,720	97,376	10,302	113,398
Asia, except Japan	53,574	28,188	1,241	83,003
Japan	6,046	16,500	3,634	26,180
LATAM, except Chile	8,994	74,037	338	83,369
Chile	43,657	20,067	774	64,498
Others	29,591	2,897	167	32,655
Total	163,167	433,406	29,907	626,480

The company has no foreign final customers that represent more than 10% of sales. The company has no foreign assets representing the 10% or more of the total.

NOTE 8 - Cash and cash equivalents

Cash and cash equivalents are as follows.

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Cash balances	204	147
Bank balances	41,669	30,601
Total cash and cash equivalents	41,873	30,748

Balances by currency are shown in Note 33 (Foreign currency assets and liabilities).

NOTE 9 - Other current and non-current financial assets

Other financial assets held to maturity are as follows.

	12-31-2019		12-31-2018	
	Current ThUS\$	Non-current ThUS\$	Current ThUS\$	Non-current ThUS\$
Lease guarantees	251	-	213	-
Performance bonds	110	-	112	-
Others	-	-	2	-
Investments in other companies	-	701	-	701
Total	361	701	327	701

NOTE 10 - Trade and other receivables

Trade and other receivables are as follows.

	12-31-2019			12-31-2018		
	Trade receivables	Doubtful debt provision	Net trade receivables	Trade receivables	Doubtful debt provision	Net trade receivables
Customers	92,170	(528)	91,642	73,712	(514)	73,198
Insurance claims	-	-	-	941	-	941
Miscellaneous receivables	3,751	-	3,751	1,676	-	1,676
Staff receivables	384	-	384	364	-	364
Notes receivable	-	-	-	1	(1)	-
Others	-	-	-	1,160	-	1,160
Total Current Assets	96,305	(528)	95,777	77,854	(515)	77,339

Compañía Pesquera Camanchaca S.A. does not have any receivables that are guaranteed or renegotiated or any payments that have been rejected and have entered a judicial collection process. It has not factored any of its receivables during 2019 and 2018.

The company has no financial assets as of the reporting date that are in arrears and not impaired.

The classification of debtors by maturity, net of the impairment provision, is as follows.

Overdue ranges	12-31-2019				12-31-2018			
	Number of customers non- renegotiated portfolio	Gross non- renegotiated portfolio ThUS\$	Impairment provision ThUS\$	Net trade receivables ThUS\$	Number of customers non- renegotiated portfolio	Gross non- renegotiated portfolio ThUS\$	Impairment provision ThUS\$	Net trade receivables ThUS\$
Not yet due	333	47,930	-	47,930	795	66,762	-	66,762
1-30 days	221	11,192	-	11,192	201	8,485	-	8,485
31-60 days	87	2,422	-	2,422	21	1,490	-	1,490
61-90 days	41	589	-	589	17	88	(37)	51
91-120 days	28	993	-	993	2	250	(100)	150
121-150 days	38	396	-	396	5	95	(1)	94
151-180 days	45	933	(122)	811	5	21	1	22
181-210 days	29	88	(7)	81	1	51	(27)	24
211-250 days	29	557	(48)	509	9	11	(6)	5
>250 days	31	2,089	(351)	1,738	66	601	(345)	256
Total	882	67,189	(528)	66,661	1,122	77,854	(515)	77,339

Movements in the non-collectable portfolio were as follows:

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Opening balance	(515)	(206)
Reversal for payments received	712	145
Increases	(725)	(454)
Closing balance	(528)	(515)

NOTE 11 - Related party balances and transactions

1) Related party receivables are as follows:

1.1 Current

	Chilean ID number	Country	Transaction term	Currency	12-31-2019 Current ThUS\$	12-31-2018 Current ThUS\$
Scallop Chile S.A.	76,515,665-3	Chile	Under 30 days	Ch\$	97	73
Jorge Fernández Valdés	3,189,057-8	Chile	Under 30 days	Ch\$	19	19
Total					116	92

1.2 Non-current

	Chilean ID number	Country	Transaction term	Currency	12-31-2019 Non-current ThUS\$	12-31-2018 Non-current ThUS\$
Soc. Inmobiliaria Cabilantago Ltda.	79,845,260-6	Chile	No defined term	Ch\$	2,208	2,314
Total					2,208	2,314

* The non-current receivable from Sociedad Inmobiliaria Cabilantago Ltda. arose from loans to the latter to acquire land. The company's intention is to keep this land. Therefore, this receivable does not have a defined term. It is linked to changes in the CPI.

2) Related party payables are as follows:

	Chilean ID number	Country	Transaction term	Currency	12-31-2019	12-31-2018
					Current ThUS\$	Current ThUS\$
Frigorífico Pacífico S.A.	77,858,550-2	Chile	Under 30 days	Ch\$	202	428
Inversiones Los Fresnos Ltda.	78,172,330-4	Chile	Under 30 days	Ch\$	53	129
Surproceso S.A.	76,346,370-2	Chile	Under 30 days	Ch\$	-	97
Scallop Chile S.A.	76,515,665-3	Chile	Under 30 days	Ch\$	20	20
Serv y Asesoría CxW Chile Ltda.	76,049,608-1	Chile	Under 30 days	Ch\$	-	5
Codepack S.A.	96,974,100-8	Chile	Under 30 days	Ch\$	21	22
Méndez y Fernández Ltda.	78,022,530-0	Chile	Under 30 days	Ch\$	22	23
Alessandri y Cia. Ltda.	79,784,430-6	Chile	Under 30 days	Ch\$	-	2
Transporte Pacifico Ltda	79,874,550-6	Chile	Under 30 days	Ch\$	-	2
Servicios de Gestión Ambiental S.A.	78,431,420-0	Chile	Under 30 days	Ch\$	2	-
Soc. Inmobiliaria Cabilantago Ltda.	79,845,260-6	Chile	Under 30 days	Ch\$	-	56
New World Currents	96,974,100-8	Hong Kong	Under 30 days	US\$	55	-
Total					375	784

3) Transactions with related companies and entities for over ThUS\$20 are as follows.

Company	Chilean ID number	Country	Relationship	Description	Currency	12/31/2019		12/31/2018	
						Amount ThUS\$	Effect on net income (charge)/ credit ThUS\$	Amount ThUS\$	Effect on net income (charge)/ credit ThUS\$
Frigorífico Pacifico S.A.	77,858,550-2	Chile	Director and subsidiary shareholder	Leased refrigerators	Ch\$	2,732	(2,296)	3,697	(3,107)
Inversiones Los Fresnos Ltda.	78,172,330-4	Chile	Shareholder	Office leases	Ch\$	854	(733)	967	(813)
Surproceso S.A.	76,346,370-2	Chile	Associate	Salmon processing	Ch\$	2,488	-	3,094	-
Soc. Inmobiliaria Cabilantago Ltda.	79,845,260-6	Chile	Associate	Real estate lease	Ch\$	271	(228)	105	(88)
Servicios y Asesorías CXW Chile Ltda.	76,049,608-1	Chile	Related Associate	Commissions	Ch\$	94	(79)	89	(75)
Jorge Fernández Valdés	3,189,057-8	Chile	Shareholder	Product sales	Ch\$	54	45	107	90
Codepack S.A.	96,974.100-8	Chile	Related Director	Packaging	Ch\$	246	(207)	134	(113)
Scallop Chile S.A.	76,515,665-3	Chile	Related shareholder	Real estate lease	Ch\$	44	44	47	47
Scallop Chile S.A.	76,515,665-3	Chile	Related shareholder	Seed purchases	Ch\$	24	17	4	-
Scallop Chile S.A.	76,515,665-4	Chile	Related shareholder	Product purchases	Ch\$	51	-	-	-
Comercial Panamericana	85,714,200-4	Chile	Related shareholder	Product sales	Ch\$	627	198	1,167	169
New World Currents Inc.	Foreign	Hong Kong	Associate	Commissions	Ch\$	98	(98)	-	-

Remuneration and benefits received by the Board and group senior executives.

The group are managed by their respective boards of directors, who have received fees of ThUS\$ 1,146 during 2019 (ThUS\$ 1,060 in 2018).

Remuneration of group senior executives during 2019 was ThUS\$2,515 (ThUS\$ 3,411 in 2018).

NOTE 12 - Inventories

Inventories as of each reporting date are as follows.

	Unit of Measure	12/31/2019		12/31/2018	
		Quantity	ThUS\$	Quantity	ThUS\$
Atlantic and Pacific salmon*	Kilo	5,707,903	44,782	3,692,319	22,894
Fishmeal*	Tons	5,304	5,755	5,003	6,538
Canned fish*	Box (24 cans)	366,938	4,185	293,179	3,608
Mussels*	Kilo	1,563,588	2,804	1,227,586	2,765
Frozen Jack mackerel*	Tons	473	295	3,549	1,859
Langostino lobster*	Kilo	130,194	1,750	137,079	1,606
Abalone*	Kilo	56,913	1,068	22,236	573
Fish oil*	Tons	1,411	1,581	459	431
Other products*	N/A	-	90	-	8
Fair value of salmon harvested but not sold*	N/A	-	2,639	-	4,299
Production supplies	N/A	N/A	14,056	N/A	11,860
Net realizable value provision*	N/A	N/A	(1,403)	N/A	(362)
Decrease in provisions			(933)		(782)
Total			76,669		55,297

* Total finished product inventory at net realizable value plus fair value.

Quantities are for finished products and differences in processes, qualities or value added are not distinguished.

Group inventories are valued at the lower of cost or net realizable value.

12.1 Information on finished products

The Company has not written off any finished products at the reporting dates.

12.2 Reconciliation of finished products

Movements in finished products are as follows.

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Opening balance	44,219	60,912
Increases for production costs	261,057	259,152
Increases for harvested biological assets	210,240	165,466
Cost of sales	(448,908)	(438,619)
Fair value of harvested biological assets in inventory	79,520	97,950
Fair value of harvested biological assets sold	(81,179)	(100,280)
Net realizable value provision	(1,403)	(362)
Closing balance	63,546	44,219

Cost of sales is composed as follows.

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Cost of products sold	448,908	438,619
Cost of services	2,046	5,798
Cost of smolts sold	2,157	-
Cost of fallow periods	50,347	46,380
Mortality costs	1,316	969
TOTAL	504,774	491,766

NOTE 13 - Biological assets

Biological assets are as follows.

	12-31-2019	12-31-2018
Item	ThUS\$	ThUS\$
Salmon	142,615	131,687
Abalone	2,828	2,501
Mussels	5,299	4,227
Total	150,742	138,415

Movements in biological assets are as follows.

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Opening balance as of January 1	138,415	110,704
Increases due to growing-out, production and purchasing	226,671	189,366
Decreases due to sales and harvesting	(212,397)	(165,466)
Fair value adjustment for the period	81,491	95,299
Fair value of harvested biological assets, transferred to inventories	(79,520)	(90,642)
Fish mortality	(3,920)	(969)
Reverse (increase) in net realizable value adjustment provision	2	123
Closing balance	150,742	138,415

Biological assets are as follows:

Biomasses as of 12/31/2019	Thousand units	Final biomass Ton	Production costs ThUS\$	Fair value adjustments ThUS\$	Total Cost ThUS\$
Fish in sea water	12,337	32,368	113,385	15,631	129,016
Fish in fresh water	21,276	643	13,599	-	13,599
Farmed mussels	-	32,651	5,298	-	5,299
Farmed abalone	4,453	-	2,828	-	2,828
Total			135,110	15,631	150,742

Biomasses as of 12/31/2018	Thousand units	Final biomass Ton	Production costs ThUS\$	Fair value adjustments ThUS\$	Value provision (*) ThUS\$	Total Cost ThUS\$
Fish in sea water	12,985	24,670	107,438	13,659	-	121,097
Fish in fresh water	23,190	578	10,590	-	-	10,590
Farmed mussels	-	29,709	4,227	-	-	4,227
Farmed abalone	4,522	-	2,503	-	(2)	2,501
Total			124,758	13,659	(2)	138,415

(*) The net realizable value provision is for farmed fish and aquaculture that are ready to be harvested but are still being farmed.

Movements in the fair value adjustment of biological assets and inventories are as follows.

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Opening fair value of biological assets and inventories	17,959	15,633
Biological increase in the year	81,490	95,299
Less: Sales of biological assets in fair value adjustment	(81,179)	(92,973)
Closing balance	18,270	17,959

Sensitivity analysis on the effect on fair value, due to an increase or decrease in price at the reporting date is as follows.

Species	Change in ThUS\$			
	Increase US\$0.1	Decrease US\$0.1	Increase US\$0.2	Decrease US\$0.2
Salmon	1,235	(1,223)	2,480	(2,431)

NOTE 14 - Other current and non-current non-financial assets

Other current and non-current non-financial assets are as follows.

	12-31-2019		12-31-2018	
	Current ThUS\$	Non-current ThUS\$	Current ThUS\$	Non-current ThUS\$
Artisanal Fishermen (*)	-	17,010	-	18,730
Insurance policies	2,469	-	4,806	-
Fishing licenses	885	-	-	-
Langostino lobster fishing permits	1,341	-	1,360	-
Recoverable taxes	8,545	-	9,441	-
Water supply agreement	-	-	338	-
Prepaid rent	4	-	2	-
Prepaid expenditure at sites	853	-	1,590	-
Other prepaid expenditure	1,701	139	1,764	139
Total	15,798	17,149	19,301	18,869

(*) Resources for artisanal fishermen, which are paid for with supplies of fish.

NOTE 15 - Equity method investments

Investments in associates as of December 31, 2019 are as follows.

Chilean ID number	Name	Country	Investments in associate ThUS\$	Interest %
79,845,260-6	Soc Inmobiliaria Cabilantago Ltda.	Chile	66	46.78
76,346,370-2	Surproceso S.A.	Chile	4,750	33.33
Foreign	New World Currents Inc.	Hong Kong	55	25.00
Total			4,871	

Investments in associates as of December 31, 2018 are as follows.

Chilean ID number	Name	Country	Investments in associate ThUS\$	Interest %
79,845,260-6	Soc Inmobiliaria Cabilantago Ltda.	Chile	17	46.78
76,346,370-2	Surproceso S.A.	Chile	4,681	33.33
Foreign	New World Currents Inc.	Panama	1	25.00
Total			4,699	

The assets and liabilities of associated companies are as follows.

	12-31-2019		12-31-2018	
	Assets ThUS\$	Liabilities ThUS\$	Assets ThUS\$	Liabilities ThUS\$
Current	7,370	2,282	5,204	1,821
Non-current	9,382	14,469	15,487	18,870
Total	16,752	16,751	20,691	20,691

The operating income and expenses of associated companies are as follows.

	As of 12/31/2019	As of 12/31/2018
Operating revenue	21,586	19,991
Net income of associates	4,823	4,933

NOTE 16 - Tax assets and rights receivable

Current tax assets are as follows.

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Monthly provisional tax payments	4,436	292
Provisional payment for absorbed profits	985	905
Training expenses, Sence	508	526
Donations	183	199
Labor bonus tax	-	117
Other recoverable taxes	614	633
Total	6,726	2,672

Non-current rights receivable are as follows.

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Tax incentive for investment (1)	1,252	1,349
Total	1,252	1,349

(1) The tax incentive for investment is owned by Fiordo Blanco, a subsidiary of Salmones Camanchaca S.A., for investments made in the Aysén Region, in accordance with Law 19,606 (Austral Law). The deadline to recover this incentive is 2045, by discounting it from corporate income tax.

NOTE 17 - Intangible assets other than goodwill

Tradable Fishing Licenses

Camanchaca holds several fishing authorizations as owner of various fishing vessels, and exercised the option in the second transitional article of Law 20,657, to request that these authorizations be changed for a Class A tradable fishing license for the same hydro-biological resources and fishing vessels, which was accepted by various Resolutions dated August 8, 2013 issued by the Undersecretary of Fisheries and Aquaculture.

Tradable fishing licenses are divisible, transferable, transmissible and applicable to any legal business, provided they are registered in the Public Registry maintained by the Undersecretary of Fisheries and Aquaculture, since the date that the amendments introduced by Article 30 of Law 20.657 to the General Law on Fisheries and Aquaculture came into effect, as opposed to the previous authorizations that attached them to a vessel.

These licenses are granted for a period of 20 years and can be renewed according to the Article 26 A of the Fisheries Act, and they are equivalent to Camanchaca's participation, which may decrease if one or more public auctions are held in accordance with Article 27 of the law. Such a decrease cannot exceed the original participation by more than 15%.

Fishing authorizations originally acquired from third parties have now been exchanged for Class A tradable fishing licenses and are presented at historical cost. As these fishing licenses can be renewed every 20 years, they have an indefinite useful life and are not amortized. This status of indefinite useful life is reviewed at each reporting date, in order to assess whether events and circumstances continue to support an indefinite useful life for that asset.

Non-internally created intangible assets are as follows.

	Useful life	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Fishing licenses	Indefinite	38,460	38,460
Aquaculture concessions and water rights	Indefinite	11,853	11,853
Total		50,313	50,313

Movements in intangible assets as of December 31, 2019 are as follows.

	Tradable Fishing Licenses ThUS\$	Aquaculture concessions and water rights ThUS\$	Total ThUS\$
Opening balance as of January 1, 2019	38,460	11,853	50,313
Closing balance as of December 31, 2019	38,460	11,853	50,313

Movements in intangible assets as of December 31, 2018 are as follows.

	Tradable Fishing Licenses ThUS\$	Aquaculture concessions and water rights ThUS\$	Total ThUS\$
Opening balance as of January 1, 2018	38,460	12,434	50,894
Disposals	-	(581)	(581)
Closing balance as of December 31, 2018	38,460	11,853	50,313

Water rights

N°	DGA Resolution	Water source	Location	Owner	Status
1	494/1990	Superficial and Current	Puerto Varas	Salmones Camanchaca	Granted
2	046/2011	Underground	Puerto Varas	Salmones Camanchaca	Granted
3	200/1998	Superficial and Current	Purranque	Salmones Camanchaca	Granted
4	154/2008	Superficial and Current	Puerto Varas	Salmones Camanchaca	Granted
5	184/2001	Underground	Puerto Varas	Salmones Camanchaca	Granted
6	318/2003	Underground	Puerto Varas	Salmones Camanchaca	Granted
7	235/2009	Underground	Puerto Varas	Salmones Camanchaca	Granted
8	91/2013	Underground	Puerto Varas	Salmones Camanchaca	Granted
9	263/2008	Superficial and Detained	Frutillar	Salmones Camanchaca	Granted
10	356/1998	Superficial and Current	Frutillar	Salmones Camanchaca	Granted
11	001/2010	Underground	Frutillar	Salmones Camanchaca	Granted
12	468/2004	Superficial and Current	Cochamo	Salmones Camanchaca	Granted
13	468/2004	Superficial and Current	Puerto Montt	Salmones Camanchaca	Granted
14	468/2004	Superficial and Current	Puerto Montt	Salmones Camanchaca	Granted
15	468/2004	Superficial and Current	Puerto Montt	Salmones Camanchaca	Granted
16	468/2004	Superficial and Current	Cochamo	Salmones Camanchaca	Granted
17	134/2006	Superficial and Current	Cochamo	Salmones Camanchaca	Granted
18	N/A	Superficial and Current	Antuco	Salmones Camanchaca	Granted
19	N/A	Superficial and Current	Antuco	Salmones Camanchaca	Granted
20	390/2007	Underground	Calbuco	Salmones Camanchaca	Granted
21	150/2015	Superficial and Current	Chaitén	Salmones Camanchaca	Granted
22	Denied	Superficial and Current	Chaitén	Salmones Camanchaca	Denied
23	109/2015	Superficial and Current	Chaitén	Salmones Camanchaca	Granted
24	149/2015	Superficial and Current	Chaitén	Salmones Camanchaca	Granted
25	In process	Superficial and Current	Puerto Varas	Salmones Camanchaca	Requested
26	In process	Superficial and Current	Purranque	Salmones Camanchaca	Requested
27	012/1998	Superficial and Current	Chaitén	Fiordo Blanco	Granted
28	183/1998	Superficial and Current	Chaitén	Fiordo Blanco	Granted
29	126/1999	Superficial and Current	Chaitén	Fiordo Blanco	Granted
30	360/1998	Superficial and Current	Chaitén	Fiordo Blanco	Granted

Nº	DGA Resolution	Water source	Location	Owner	Status
31	1239/1998	Superficial and Current	Chaitén	Fiordo Blanco	Granted
32	124/1999	Superficial and Current	Chaitén	Fiordo Blanco	Granted
33	429/1998	Superficial and Current	Chaitén	Fiordo Blanco	Granted
34	269/1998	Superficial and Current	Chaitén	Fiordo Blanco	Granted
35	692/2000	Superficial and Current	Chaitén	Fiordo Blanco	Granted
36	137/1998	Superficial and Current	Chaitén	Fiordo Blanco	Granted
37	161/2001	Superficial and Current	Chaitén	Fiordo Blanco	Granted
38	356/1997	Superficial and Current	Chaitén	Fiordo Blanco	Granted
39	685/1997	Superficial and Current	Purranque	Fiordo Blanco	Granted
40	246/2006	Superficial and Current	Chaitén	Fiordo Blanco	Granted
41	397/2004	Superficial and Current	Chaitén	Fiordo Blanco	Granted
42	496/2004	Superficial and Current	Chaitén	Fiordo Blanco	Granted
43	In process	Superficial and Current	Puerto Varas	Fiordo Blanco	Request
44	74/05-22-2007	Unnamed spring	Chonchi	Compañía Pesquera Camanchaca S.A.	Recorded
45	75/05-22-2007	Unnamed spring	Chonchi	Compañía Pesquera Camanchaca S.A.	Recorded
46	153/07-03-2007	Unnamed spring	Chonchi	Compañía Pesquera Camanchaca S.A.	Recorded
47	77/05-22-2007	Unnamed spring	Chonchi	Compañía Pesquera Camanchaca S.A.	Recorded
48	78/05-22-2007	Unnamed spring	Chonchi	Compañía Pesquera Camanchaca S.A.	Recorded
49	79/05-22-2007	Unnamed spring	Chonchi	Compañía Pesquera Camanchaca S.A.	Recorded
50	018/01-24-2007	Underground	Chonchi	Compañía Pesquera Camanchaca S.A.	Recorded
51	019/01-24-2007	Underground	Chonchi	Compañía Pesquera Camanchaca S.A.	Recorded
52	196/09-12-2008	Estero Rauco	Chonchi	Compañía Pesquera Camanchaca S.A.	Recorded
53	169/09-24-2009	Unnamed spring	Curaco de Velez	Camanchaca Cultivos Sur S. A.	Recorded
54	170/09-24-2009	Unnamed spring	Curaco de Velez	Camanchaca Cultivos Sur S. A.	Recorded
55	035/02-16-2010	Unnamed stream	Curaco de Velez	Camanchaca Cultivos Sur S. A.	Recorded
56	036/02-16-2010	Unnamed spring	Quinchao	Camanchaca Cultivos Sur S. A.	Recorded
57	472/08-28-1995	Unnamed 1 (Estero Castro)	Chonchi	Compañía Pesquera Camanchaca S.A.	Recorded
58	842/08-27-2010	Unnamed 2 (Estero Castro)	Chonchi	Compañía Pesquera Camanchaca S.A.	Recorded
59	472/08-28-1995	Unnamed 4 (Estero Castro)	Chonchi	Compañía Pesquera Camanchaca S.A.	Recorded
61	337/12-15-2008	Unnamed stream	Chonchi	Compañía Pesquera Camanchaca S.A.	Recorded
62	193/09-12-2008	Estero Rauco	Chonchi	Compañía Pesquera Camanchaca S.A.	Recorded

Salmonid Concessions

Name	Region	Macro zone	Number Concession district Neighborhood	Municipality	Sea water or fresh water	Surface area	Status (Use, Fallow, Other)
Maqui Beach (Lake C.)	X	6	1	Frutillar	Fresh	7.5	Fallow
Chaiquen	X	1	1	Puerto Varas	Sea Water	3.74	Use
Pucheguin	X	1	1	Cochamo	Sea Water	3	Fallow
Pucheguin coast	X	1	1	Cochamo	Sea Water	9	Use
Farellones	X	1	1	Cochamo	Sea Water	21.06	Use
Marimelli	X	1	1	Cochamo	Sea Water	24.98	Fallow
Chilco River 1	X	1	1	Cochamo	Sea Water	6	Use
Chilco River 2	X	1	1	Cochamo	Sea Water	6.75	Use
Cascajal	X	1	1	Cochamo	Sea Water	9	Use
Factoría	X	1	1	Cochamo	Sea Water	9	Fallow
Puelche	X	1	2	Hualaihue	Sea Water	7.54	Fallow
Manihueico	X	1	2	Hualaihue	Sea Water	15	Use
Contao	X	1	2	Hualaihue	Sea Water	15	Use
Chagual River	X	1	2	Hualaihue	Sea Water	7.2	Fallow
Aulen	X	1	2	Hualaihue	Sea Water	3.25	Fallow
San José	X	1	3b	Calbuco	Sea Water	3.75	Fallow
Penasmo	X	1	3b	Calbuco	Sea Water	28.56	Fallow
Pilpilehue	X	3	10b	Chonchi	Sea Water	32	Use
Ahoni	X	3	10b	Queilen	Sea Water	33.45	Use
Pumalín	X	5	14	Chaitén	Sea Water	5.58	Use
Islets	X	5	14	Chaitén	Sea Water	36	Use
Edwards	X	0	15	Chaitén	Sea Water	9.04	Fallow
Yelcho	X	5	16	Chaitén	Sea Water	4.5	Fallow
Chilco	X	5	16	Chaitén	Sea Water	6.5	Fallow
Fiordo Largo	X	5	16	Chaitén	Sea Water	6	Fallow
Cabudahue	X	5	16	Chaitén	Sea Water	6	Fallow

Name	Region	Macro zone	Number Concession district Neighborhood	Municipality	Sea water or fresh water	Surface area	Status (Use, Fallow, Other)
Pillán	X	5	16	Chaitén	Sea Water	19.63	Fallow
Isla Nieves	X	5	16	Chaitén	Sea Water	6.5	Fallow
Puerto Argentino	X	5	16	Chaitén	Sea Water	6.5	Use
Reñihue 3	X	5	16	Chaitén	Sea Water	6,32	Fallow
Loncochagua	X	5	17	Hualaihue	Sea Water	8	Use
Porcelana	X	5	17	Chaitén	Sea Water	18.54	Use
Leptepu	X	5	17	Chaitén	Sea Water	24.5	Use
Cahuelmó	X	5	17	Hualaihue	Sea Water	8	Fallow
Piedra Blanca	X	5	17	Hualaihue	Sea Water	2	Fallow
Marilmó	X	5	17	Chaitén	Sea Water	3	Use
Arbolito	XI	6	18b	Cisnes	Sea Water	12.5	Fallow
Lamalec	XI	6	18b	Cisnes	Sea Water	12.5	Fallow
Noreste Garrao 1	XI	6	18b	Cisnes	Sea Water	12.5	Fallow
Piure Stream	XI	6	18b	Cisnes	Sea Water	12.5	Fallow
Filomena 2	XI	6	18b	Cisnes	Sea Water	12.5	Fallow
East Lamalec	XI	6	18b	Cisnes	Sea Water	12.5	Fallow
East Filomena	XI	6	18b	Cisnes	Sea Water	12.5	Fallow
Chonos	XI	6	18c	Cisnes	Sea Water	12.5	Use
Licha	XI	6	18c	Cisnes	Sea Water	12.5	Fallow
Garrao	XI	6	18c	Cisnes	Sea Water	12.5	Fallow
Gallo Stream	XI	6	18c	Cisnes	Sea Water	12.5	Fallow
Suroeste Leucayec	XI	6	18c	Guaitecas	Sea Water	11.08	Use
Piure Channel	XI	6	18c	Cisnes	Sea Water	12.5	Use
Noreste Francisco	XI	6	18d	Cisnes	Sea Water	12.5	Fallow
East Jechica	XI	6	18d	Cisnes	Sea Water	12.5	Fallow
South Garrao	XI	6	18d	Cisnes	Sea Water	12.5	Fallow
South Jechica	XI	6	18d	Cisnes	Sea Water	12.5	Fallow
West Filomena	XI	6	18d	Cisnes	Sea Water	12.5	Fallow

Name	Region	Macro zone	Number Concession district Neighborhood	Municipality	Sea water or fresh water	Surface area	Status (Use, Fallow, Other)
SWest Filomena	XI	6	18d	Cisnes	Sea Water	12.5	Fallow
Carmencita	XI	6	18d	Cisnes	Sea Water	6.06	Fallow
Forsyth	XI	6	19a	Cisnes	Sea Water	8.45	Use
Johnson 1	XI	6	19a	Cisnes	Sea Water	10.6	Use
Johnson 2	XI	6	19a	Cisnes	Sea Water	6.35	Use
Midhurst	XI	6	19a	Cisnes	Sea Water	N/A	Fallow
Tahuenahuec	XI	6	20	Cisnes	Sea Water	5,52	Fallow
Benjamin	XI	6	20	Cisnes	Sea Water	50.88	Fallow
King	XI	6	20	Cisnes	Sea Water	29.38	Fallow
Punta Alta	XI	6	20	Cisnes	Sea Water	26.56	Fallow
No Name	XI	6	20	Cisnes	Sea Water	17.84	Fallow
South Izaza	XI	6	20	Cisnes	Sea Water	8.96	Fallow
Martita	XI	6	20	Cisnes	Sea Water	17.57	Fallow
Paso Lautaro	XI	6	20	Cisnes	Sea Water	9.8	Fallow
SWeste Tahuenahuec	XI	6	20	Cisnes	Sea Water	14.64	Fallow
Southeast Izaza	XI	6	20	Cisnes	Sea Water	6.62	Fallow
Port Róbaló	XI	6	20	Cisnes	Sea Water	14.07	Fallow
Williams 1	XI	6	21d	Cisnes	Sea Water	11.95	Fallow
Williams 2	XI	6	21d	Cisnes	Sea Water	10.28	Fallow
Williams Sector 2	XI	6	21d	Cisnes	Sea Water	N/A	Fallow
James Sector 2	XI	6	21d	Cisnes	Sea Water	N/A	Fallow

Mytilid Concessions

Name	Region	Municipality	Sea water or fresh water	Surface area	Status (Use, Fallow, Other)
Sur Factoría 3	X	Cochamo	Sea Water	2.5	Fallow
Norte Cascajal 1	X	Cochamo	Sea Water	6.5	Fallow
Norte Cascajal 2	X	Cochamo	Sea Water	6.5	Fallow
Pangalito River West	X	Cochamo	Sea Water	2.5	Fallow
Northwest Punta Ahoni	X	Queilen	Sea Water	5.68	Use
Southeast Punta Terao 1	X	Chonchi	Sea Water	43.87	Fallow
South Punta Terao 2	X	Chonchi	Sea Water	49.15	Fallow
Chilco 3	X	Chaitén	Sea Water	9	Fallow
ESTE PUNTA CHOHEN	X	Quemchi	Sea Water	39.54	Use
SUR MORRO QUINTERQUEN	X	Quemchi	Sea Water	59.82	Use
OESTE PUNTA CHOHEN	X	Quemchi	Sea Water	17.56	Fallow
OESTE PUNTA TELIUPA	X	Quemchi	Sea Water	12.32	Use
NORTE PUNTA QUECHUCO 1	X	Quemchi	Sea Water	30.72	Use
SECTOR QUEUDE	X	Quemchi	Sea Water	17.73	Use
SUR PUNTA QUECHUCO	X	Quemchi	Sea Water	20.24	Use
OESTE ESTERO PUNIE	X	Quemchi	Sea Water	15.58	Use
NORTE PUNTA QUECHUCO 2	X	Quemchi	Sea Water	19.86	Use
NOROESTE CHOHEN 1	X	Quemchi	Sea Water	38.78	Use
NOROESTE CHOHEN 2	X	Quemchi	Sea Water	20.07	Use
PUNTA QUECHUCO	X	Quemchi	Sea Water	20	Fallow
SURESTE PUNTA QUECHUCO	X	Quemchi	Sea Water	20	Use
SUR PUNTA CACHIHUE	X	Quemchi	Sea Water	56.29	Fallow
SUROESTE PUNTA CACHIHUE 1	X	Quemchi	Sea Water	57.31	Fallow
SUROESTE PUNTA CACHIHUE 2	X	Quemchi	Sea Water	57.85	Fallow
SUROESTE PUNTA CACHIHUE 3	X	Quemchi	Sea Water	38.34	Fallow
SUROESTE PUNTA CACHIHUE 4	X	Quemchi	Sea Water	21.78	Fallow
RILAN A	X	Castro	Sea Water	102	Use
RILAN B	X	Castro	Sea Water	44.93	Use
RILAN C	X	Castro	Sea Water	49.34	Use
PUNTA PULLAO	X	Castro	Sea Water	35.35	Fallow
ESTERO RILAN	X	Castro	Sea Water	12.2	Use
NORTE ESTERO RILAN 1	X	Castro	Sea Water	3.89	Fallow
NORTE ESTERO RILAN 2	X	Castro	Sea Water	4	Use
NORTE ESTERO RILAN 3	X	Castro	Sea Water	4.03	Fallow

Name	Region	Municipality	Sea water or fresh water	Surface area	Status (Use, Fallow, Other)
HUENAO 1	X	Curaco de Velez	Sea Water	21.09	Use
HUENAO 2	X	Curaco de Velez	Sea Water	9.03	Use
HUENAO 3	X	Curaco de Velez	Sea Water	20	Use
LA PLANCHADA	X	Curaco de Velez	Sea Water	13.5	Use
TANECUHE 1	X	Curaco de Velez	Sea Water	26.08	Use
TANECUHE 2	X	Curaco de Velez	Sea Water	31.1	Fallow
CHANGUITAD	X	Curaco de Velez	Sea Water	21.72	Fallow
CHEQUIAN 2	X	Quinchao	Sea Water	47.99	Fallow
CHEQUIAN 1	X	Quinchao	Sea Water	29.19	Use
PUNTA MACHACO-ISLA QUEHUI	X	Castro	Sea Water	27.13	Use
NORTE PELDEHUE-ISLA QUEHUI	X	Castro	Sea Water	40.94	Use
PUNTA PINDO-ISLA CHELIN	X	Castro	Sea Water	27.93	Use
ALDACHILDO	X	Curaco de Velez	Sea Water	49.85	Use
PALQUI	X	Quinchao	Sea Water	75.8	Use
QUENAC 1	X	Quinchao	Sea Water	58.15	Fallow
QUENAC 2	X	Quinchao	Sea Water	39.17	Fallow
QUENAC 3	X	Quinchao	Sea Water	49.07	Fallow
QUENAC 4	X	Quinchao	Sea Water	42.67	Fallow
TANECUHE, SECTOR 1	X	Curaco de Velez	Sea Water	10	Use
SECTOR CHOHEN	X	Quemchi	Sea Water	18.76	Fallow
PUNTA MATAO 3	X	Quinchao	Sea Water	18.92	Fallow
TANECUHE, SECTOR 3	X	Curaco de Velez	Sea Water	9	Use
PUNTA PULLAO 2	X	Castro	Sea Water	17.79	Fallow
PUNTA MATAO 1	X	Quinchao	Sea Water	24.46	Fallow
PUNTA MATAO 2	X	Quinchao	Sea Water	14.58	Fallow
OESTE ISLA CHELIN	X	Castro	Sea Water	40.96	Fallow
LIN-LIN	X	Quinchao	Sea Water	28.48	Fallow
LLINGUA	X	Quinchao	Sea Water	42.82	Fallow
ESTERO RILAN 2	X	Castro	Sea Water	33.98	Fallow

Oyster, Abalone and Microalgae Concessions

Name	Region	Municipality	Sea water or fresh water	Surface Area	Status (Use, Fallow, Other)
Macroalgae expansion BI	III	Caldera	Sea Water	30.0	Fallow
Macroalgae expansion BI	III	Caldera	Sea Water	15.0	Being renounced
Macroalgas Corchetes	III	Caldera	Sea Water	9.32	Fallow
Hatchery Caldereta	III	Caldera	Sea Water	20.083	Use
Bahía Inglesa (ExCMI)	III	Caldera	Sea Water	524.47	Fallow
Bahía Inglesa (BI 5)	III	Caldera	Sea Water	13.98	Being renounced
Abalone Extension BI	III	Caldera	Sea Water	9.26	Fallow
Bahía Inglesa (BI 4) islotes Copiapinos	III	Caldera	Sea Water	12.72	Being renounced
Obispito	III	Caldera	Sea Water	265.88	Being renounced
Macroalgas Ramada	III	Caldera	Sea Water	40.8	Being renounced
Macroalgas Corchetes	III	Caldera	Sea Water	37.14	Being renounced
Macroalgas Corchetes	III	Caldera	Sea Water	25.1	Being renounced
Punta Pescadores 2 Tierra Ex CMI	III	Caldera	Sea Water	0.37	Being renounced
Punta Pescadores 1 Tierra Camanchaca	III	Caldera	Sea Water	0,541	Being renounced

Property, plant and equipment as of December 31, 2019 is as follows.

	Gross value ThUS\$	Accumulated depreciation ThUS\$	Net value ThUS\$
Land	16,843	-	16,843
Buildings	128,065	(51,972)	76,093
Plant and equipment	337,318	(208,634)	128,684
Vessels	140,237	(88,137)	52,100
Vehicles	6,485	(4,837)	1,648
Other property, plant and equipment	9,319	(9,264)	55
Right-to-use assets	15,857	(3,597)	12,260
Total	654,124	(366,441)	287,683

Property, plant and equipment as of December 31, 2018 is as follows.

	Gross value ThUS\$	Accumulated Depreciation ThUS\$	Net value ThUS\$
Land	17,061	-	17,061
Buildings	122,219	(48,621)	73,598
Plant and equipment	304,232	(194,367)	109,865
Vessels	132,510	(81,792)	50,718
Vehicles	5,178	(4,498)	680
Other property, plant and equipment	11,845	(8,305)	3,540
Total	593,045	(337,583)	255,462

a) Valuation

Management has chosen the cost model as its accounting policy, and has applied this policy to all items in property, plant and equipment.

b) Depreciation method

The depreciation method applied to all items of property, plant and equipment (excluding land) is the straight line method, which produces a constant expense over their useful life.

The distribution of the depreciation expense is as follows.

	2019 ThUS\$	2018 ThUS\$
Administrative expenses	503	1,880
Distribution costs	291	146
Production	28,064	22,405
Total	28,858	24,431

c) Property, plant and equipment subject to guarantees or restrictions

The group has mortgaged and pledged property, plant and equipment, to guarantee the syndicated loan for Compañía Pesquera Camanchaca S.A. and Salmones Camanchaca S.A. (Note 35).

d) Insurance

The group has insurance policies to cover the risks to items of property, plant and equipment, including in some cases loss of profit or loss due to strikes.

The group constantly analyzes its insurance cover to ensure that it is reasonable when compared to the risks inherent to its business.

- e) The gross value of property, plant and equipment that are fully depreciated and still in use are as follows.

	12-31-2019 Gross value ThUS\$	12-31-2018 Gross value ThUS\$
Buildings	15,328	17,936
Plant and equipment	96,750	90,539
Vessels	27,478	33,795
Motor vehicles	1,182	472
Other property, plant and equipment	3,267	3,438
Total	144,005	146,180

- f) The characteristics of the fishing business means that the extent that these assets are used depends on multidimensional factors, which include.
- i) The seasonality of schools of pelagic biomasses in the oceans. This factor significantly affects the utilization of the fishing fleet and productive assets at any given moment. When fish appear for a few months, utilization increases at that moment, but then reduces during other months, compared to uniformly distributed appearances throughout the year. This factor varies over time and cannot be forecast. Therefore, utilization rates must be analyzed on a multi-year basis.
 - ii) The geographical location of schools when they appear, specifically their distance from base stations and processing plants. This factor significantly affects the utilization of the fishing fleet and productive assets. This factor is variable and unpredictable from one year to the next, and the greater this distance, the lower the capacities may appear with respect to those times when schools are closer to the processing facilities, so this analysis must cover several seasons.
 - iii) The raw material utilization strategy from fishing, whether the company processes it into frozen or canned products for human consumption, or for fish meal and oil. This factor significantly affects the utilization of the fishing fleet and productive assets. These decisions on how best to utilize the raw material depend on multiannual margin trends, which define each strategy. This factor determines the organoleptic preservation status, freshness and other characteristics of the raw material once it has been captured and until it reaches its destination on land, which heavily impacts the utilization of each vessel's hold. For example, producing frozen products for human consumption reduces the available capacity of each vessel's hold to about two thirds, compared to the available capacity for producing fishmeal. Therefore, the analysis should consider the trend over several years to establish the utilization trend.
 - iv) The Authority defines variations in overall fishing quotas of each species year by year, which depend on the sustainability of the species according to the new Fishing Law. These increases and decreases are aimed at preserving each species. These variations directly influence the utilization of the fishing fleet and its productive assets. Chile has joined various ORP (Regional Fishing Organizations), for example the Jack mackerel ORP, which set overall quotas to protect the sustainability of a species that has been subject to strong quota reductions in previous years. These quotas have shown a positive multi-year trend consistent with species sustainability. Therefore, catches may be predicted and the utilization of fishing assets could follow a similar trend.

Therefore, the company defines its fishing asset utilization cycles on a multi-year basis, and depending on the combinations of factors mentioned above, it plans the utilization of its offshore fishing vessels (PAM), which are operative and ready for use according to the matrix of factors described above, whenever necessary. The company does not keep such assets if they are not operative, which means they have not been fully maintained, their hulls cleaned, repaired or lack associated insurance, which limits their use during the year.

- g) There are no items of property, plant and equipment that are no longer actively used, but not classified as held for sale, in accordance with IFRS 5.
- h) Management believes that all items of property, plant and equipment have fair values that are not significantly different from their book values.
- i) The cost of maintenance and repairs to offshore fishing vessels during 2019 was ThUS\$ 3,179, which ensures that these vessels are in optimal conditions to continue operating, and the capitalization criteria only addresses the highest expenditure and work that extends the life of the vessel.

NOTE 19 - Income and deferred taxes

Law 20,780 was published in the Official Gazette on September 29, 2014 amending the Chilean tax regime. Subsequently, Law 0,899 was enacted on February 1, 2016, which amended it, by simplifying it and clarifying some aspects. The essential changes to the income tax regimes were that corporations must adopt the "partially integrated system". The former Law gave them the option to alternatively adopt the "attributed income system", but this option was withdrawn by the latter Law.

Deferred tax assets and liabilities are as follows.

	12-31-2019		12-31-2018	
	Deferred tax assets ThUS\$	Deferred tax liabilities ThUS\$	Deferred tax assets ThUS\$	Deferred tax liabilities ThUS\$
Tax losses	29,503	2,018	25,163	1,976
Inventory provisions	1,105	354	916	110
Staff vacation provisions	313	488	254	436
Staff severance indemnity provision	65	240	123	229
Doubtful debt provisions	122	119	116	135
Prepaid income	319	2,593	98	2,061
Right-of-use leases	75	(3)	-	-
Property, plant and equipment	(2,387)	(5,339)	(1,749)	(5,630)
Manufacturing expenses	-	(14,208)	(179)	(9,161)
Fishing rights and concessions	52	(34)	21	(1,638)
Biological assets	116	(6,903)	-	(4,849)
Other provisions	57	701	69	492
Other property, plant and equipment	(138)	(214)	(187)	(287)
Total	29,202	(20,188)	24,645	(16,126)
Net total		9,014		8,519

Income taxes are as follows.

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Current tax expense	(13,168)	(17,028)
Tax expense adjustment (prior period)	1,213	38
Effect of deferred tax assets and liabilities for the period	495	(1,097)
Total	(11,460)	(18,087)

Reconciliation of tax expense using statutory rate to tax expense using effective rate.

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Income tax expense using the statutory rate	(11,983)	(18,231)
Income tax on salaries and wages	(76)	(86)
Tax effect of non-taxable revenue	776	445
Tax effect of non-deductible expenses	(205)	(174)
Rate effect on foreign subsidiaries	28	41
Total	(11,460)	(18,087)
Effective rate	25.2%	26.79%

NOTE 20 - Other current and non-current financial liabilities

Other financial liabilities are as follows.

Current

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
a) Interest-bearing loans	31,575	1,306
Total current	31,575	1,306

Non-current

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
a) Interest-bearing loans	116,928	80,406
Total non-current	116,928	80,406

a) Interest-bearing loans

Compañía Pesquera Camanchaca and its subsidiary Salmones Camanchaca S.A. agreed a rescheduling agreement, a financing commitment and a joint and several guarantee for a loan from the banks DNB Bank ASA, Cooperative Rabobank U.A. and Banco Santander Chile S.A. ON November 27, 2017, according to a public deed. This agreement enabled these companies to reschedule liabilities of US\$ 165 million. The rescheduling covers three financing tranches.

- ✓ Tranche A conditions
 - Debtor: Compañía Pesquera Camanchaca S.A.
 - Quantity: US\$ 25 million. Prepaid in February 2018.
 - Maturity: November 2019, Line Availability, Six-monthly repayments: four equal installments from May 27, 2018 to November 27, 2019, unless the IPO for Salmenes Camanchaca S.A. is approved, in which case the loan will be fully repaid from these funds.
 - Rate: Applicable Margin + Libor for the defined period

- ✓ Tranche B conditions
 - Debtor: Compañía Pesquera Camanchaca S.A.
 - Quantity: US\$ 40 million.
 - Maturity: November 2022.
 - Minimum six-monthly repayments: six equal installments from May 27, 2020 to November 27, 2022.
 - Rate: Applicable Margin + Libor for the defined period

- ✓ Tranche C conditions
 - Debtor: Salmenes Camanchaca S.A.
 - Quantity: US\$ 100 million.
 - Maturity: November 2022.
 - Six-monthly repayments: two equal installments of 10% of the loan from November 27, 2020 and November 27, 2021, plus a final repayment for the remaining 80% of the loan on November 27, 2022.
 - Rate: Applicable Margin + Libor for the defined period

The costs of tranches A, B and C are represented by a margin over LIBOR, which depends on the extent of borrowing measured every six months as the ratio between Net Borrowing and the previous twelve months EBITDA, and this margin will fluctuate between 2.25% and 3.25%.

Salmenes Camanchaca S.A. has guaranteed the obligations of Compañía Pesquera Camanchaca S.A. with respect to tranches A and B, whereas Compañía Pesquera Camanchaca S.A. has guaranteed the obligations of its subsidiary in respect of tranche C. The guarantees associated with these tranches consist of pledged shares owned by the parent company in Subsidiaries Camanchaca Pesca Sur S.A., Camanchaca Cultivos Sur S.A. and the shares of Salmenes Camanchaca S.A. that were not part of the IPO. The most representative and significant assets of the respective borrowers are also pledged in guarantee. However, the IPO for Salmenes Camanchaca S.A. was completed on February 2, 2018 and the full repayment of Tranche A, then Salmenes Camanchaca S.A. ceased to guarantee the obligations of its parent company, while Compañía Pesquera Camanchaca S.A. also ceased to guarantee the obligations of its subsidiary, all in accordance with the Financing Agreement.

The current loan has the following financial covenants:

- a) The debt ratio must not exceed 4 times, defined as the ratio of Net Financial Debt to EBITDA for the last 12 calendar months.
- b) The equity ratio must be at least 40%, defined as the ratio of Total Equity to Total Assets.

These ratios must be measured every quarter, and they have both been met.

On February 12, 2018, Compañía Pesquera Camanchaca S.A. had to repay the entire Tranche A of US\$25 million. On March 15, 2018, Company Pesquera Camanchaca S.A. voluntarily repaid part of Tranche B by US\$10 million and Salmenes Camanchaca S.A. voluntarily repaid part of Tranche C by US\$20 million. On September 13, 2018 Salmenes Camanchaca S.A. voluntarily repaid another US\$10 million.

On November 9, 2018, Salmenes Camanchaca S.A. voluntarily repaid another US\$10 million and on November 27, 2018 it voluntarily repaid another US\$10 million.

On April 23, 2019, Salmenes Camanchaca S.A. requested US\$ 44 million, as a disbursement of Tranche C.

Furthermore, Compañía Pesquera Camanchaca S.A. has uncommitted short-term lines of credit with Chilean banks totaling US\$ 23 million as of December 31, 2019.

Leasing: The subsidiary Inmobiliaria Camanchaca S.A. has a loan from Banco Scotiabank (formerly BBVA Chile) that matures in September 2020 of ThUS\$ 2,026.

Interest-bearing loans

Obligations that mature in under 12 months

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Banco de Chile	-	433
DNB Bank ASA	2,493	-
Rabobank Cooperate U.A.	3,373	-
Banco Santander	11,467	-
Banco Crédito e Inversiones	8,000	-
Banco Estado	5,131	-
Scotiabank Chile	529	485
Interest payable	582	388
Total	31,575	1,306

Obligations that mature in over 12 months

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
DNB Bank ASA	39,667	27,200
Rabobank Cooperate U.A.	53,667	36,800
Banco Santander	23,333	16,000
Banco Estado	261	-
Scotiabank Chile	-	406
Total	116,928	80,406

The group's loans are as follows.

a) As of December 31, 2019

Debtor Chilean ID	Debtor	Country	Creditor Chilean ID	Creditor	Country	Currency	Repayments	Nominal rate	Effective rate	Guarantees	Current			Non-current			
											Maturity		Total Current	Maturity			Total Non-Current
											Under 90 days	Over 90 days to 1 year		Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	
93,711,000-6	Camanchaca S.A.	Chile	Foreign	DNB Bank ASA	Norway	US\$	Semi-annual and at maturity	5.17	5.17	% of assets	-	1,183	1,183	9,067	-	-	9,067
93,711,000-6	Camanchaca S.A.	Chile	97,036,000-K	Banco Santander	Chile	US\$	Semi-annual and at maturity	5.17	5.17	% of assets	-	696	696	5,333	-	-	5,333
93,711,000-6	Camanchaca S.A.	Chile	Foreign	Rabobank Cooperate U.A.	Holland	US\$	Semi-annual and at maturity	5.17	5.17	% of assets	-	1,601	1,601	12,267	-	-	12,267
93,711,000-6	Camanchaca S.A.	Chile	97,030,000-7	Banco del Estado	Chile	US\$	Semi-annual and at maturity	2.88	2.88	% of assets	-	5,004	5,004	-	-	-	-
93,711,000-6	Camanchaca S.A.	Chile	97,030,000-8	Banco Santander	Chile	US\$	Semi-annual and at maturity	2.99	2.99	% of assets	-	10,019	10,019	-	-	-	-
93,711,000-6	Camanchaca S.A.	Chile	97,006,000-6	Banco de Crédito e	Chile	US\$	Semi-annual and at maturity	2.81	2.81	% of assets	-	4,021	4,021	-	-	-	-
76,065,596-1	Salmones Camanchaca S.A.	Chile	Foreign	Inversion DNB Bank ASA	Norway	US\$	Semi-annual and at maturity	4.17	4.17	% of assets	-	1,486	1,486	30,600	-	-	30,600
76,065,596-1	Salmones Camanchaca S.A.	Chile	97,036,000-K	Banco Santander	Chile	US\$	Semi-annual and at maturity	4.17	4.17	% of assets	-	874	874	18,000	-	-	18,000
76,065,596-1	Salmones Camanchaca S.A.	Chile	Foreign	Rabobank Cooperate U.A.	Holland	US\$	Semi-annual and at maturity	4.17	4.17	% of assets	-	2,010	2,010	41,400	-	-	41,400
76,065,596-2	Salmones Camanchaca S.A.	Chile	97,006,000-6	Banco de Crédito e Inv	Chile	US\$	Semi-annual and at maturity	2.81	2.81	% of assets	-	4,021	4,021	-	-	-	-
96,786,700-4	Inmobiliaria Camanchac S.A.	Chile	97,018,000-1	Scotiabank Chile	Chile	US\$	Quarterly	6.20	6.20	% of assets	265	264	529	-	-	-	-
77,970,900-0	Transportes Interpol Ltda	Chile	97,030,000-7	Banco del Estado	Chile	US\$	Monthly	3.00	3.00	% of assets	33	98	131	261	-	-	261
											298	31,277	31,575	116,928	-	-	116,928

b) As of December 31, 2018

Debtor Chilean ID	Debtor	Country	Creditor Chilean ID	Creditor	Country	Currency	Repayments	Nominal rate	Effective rate	Guarantees	Current			Non-current			
											Maturity		Total Current	Maturity			Total Non-Current
											Under 90 days	Over 90 days to 1 year		Over 1 to 3 years	Over 3 years to 5 years	Over 5 years	
93,711,000-6	Camanchaca S.A.	Chile	Foreign	DNB Bank ASA	Norway	US\$	Semi-annual and at maturity	5.14	5.14	% of assets	-	49	49	6,800	3,400	-	10,200
93,711,000-6	Camanchaca S.A.	Chile	97,036,000-K	Banco Santander	Chile	US\$	Semi-annual and at maturity	5.14	5.14	% of assets	-	29	29	4,000	2,000	-	6,000
93,711,000-6	Camanchaca S.A.	Chile	Foreign	Rabobank Cooperative U.A.	Norway	US\$	Semi-annual and at maturity	5.14	5.14	% of assets	-	67	67	9,200	4,600	-	13,800
76,065,596-1	Salmones Camanchaca S.A.	Chile	Foreign	DNB Bank ASA	Norway	US\$	Semi-annual and at maturity	5.14	5.14	% of assets	-	82	82	3,400	13,600	-	17,000
76,065,596-1	Salmones Camanchaca S.A.	Chile	97,036,000-K	Banco Santander	Chile	US\$	Semi-annual and at maturity	5.14	5.14	% of assets	-	49	49	2,000	8,000	-	10,000
76,065,596-1	Salmones Camanchaca S.A.	Chile	Foreign	Rabobank Cooperative U.A.	Norway	US\$	Semi-annual and at maturity	5.14	5.14	% of assets	-	112	112	4,600	18,400	-	23,000
96,786,700-4	Inmobiliaria Camanchaca S.A.	Chile	97,032,000-8	BBVA Banco Bhif	Chile	US\$	Three monthly	6.20	6.20	% of assets	110	375	485	406	-	-	406
96,786,700-4	Inmobiliaria Camanchaca S.A.	Chile	97,004,000-5	Banco de Chile	Chile	US\$	Three monthly	6.20	6.20	% of assets	109	324	433	-	-	-	-
Foreign	Kabushiki Kaisha Camanchaca	Japan	Foreign	Shoko Chukin	Japan	Yen	Monthly	1.30	1.30	Unsecured	-	-	-	-	-	-	-
											219	1,087	1,306	30,406	50,000	-	80,406

Reconciliation of financial obligations for the statement of cash flows:

i) As of December 31, 2019

Other financial liabilities	Balance as of January 1, 2019 ThUS\$	Cash Flows			Accrued ThUS\$	Others ThUS\$	Balance as of December 31, 2019 ThUS\$
		Payments		Acquisitions ThUS\$			
		Capital ThUS\$	Interest ThUS\$				
Current							
Bank loans	1,306	(15,620)	(5,171)	38,622	4,951	7,487	31,575
Total other financial liabilities, current	1,306	(15,620)	(5,171)	38,622	4,951	7,487	31,575
Non-current							
Bank loans	80,406	(406)	-	44,000	-	(7,072)	116,928
Total other financial liabilities, non-current	80,406	(406)	-	44,000	-	(7,072)	116,928
Total other financial liabilities	81,712	(16,026)	(5,171)	82,622	4,951	415	148,503

ii) As of December 31, 2018

Other financial liabilities	Balance as of January 1, 2018 ThUS\$	Cash Flows			Accrued ThUS\$	Others ThUS\$	Balance as of December 31, 2018 ThUS\$
		Payments		Acquisitions ThUS\$			
		Capital ThUS\$	Interest ThUS\$				
Current							
Bank loans	18,144	(23,413)	(6,334)	6,000	5,996	913	1,306
Total	18,144	(23,413)	(6,334)	6,000	5,996	913	1,306
Bank loans							
Total	153,819	(72,500)	-	-	-	(913)	80,406
	153,819	(72,500)	-	-	-	(913)	80,406
Total other financial liabilities	171,963	(95,913)	(6,334)	6,000	5,996	-	81,712

NOTE 21 - Operating lease liabilities

These include obligations arising from commercial operating leases with third parties, which were signed in the normal course of business.

The obligations associated with operating leases as of December 31, 2019 and December 31, 2018 are as follows.

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Operating lease liabilities, current	2,964	-
Operating lease liabilities, non-current	10,299	-
Total	13,263	-

These liabilities by maturity as of December 31, 2019 are as follows.

	Maturities of Operating Lease Liabilities					Total ThUS\$
	Under 90 days ThUS\$	91 days to 1 year ThUS\$	1 to 3 years ThUS\$	3 to 5 years ThUS\$	Over 5 years ThUS\$	
Operating lease liabilities	400	2,564	2,900	4,350	3,049	13,263
Total	400	2,564	2,900	4,350	3,049	13,263

The effects on the statement of net income of operating lease contracts are as follows:

	ThUS\$
Lease expense	909
Interest	(947)
Depreciation	(3,100)
Gain (loss) on deferred taxes	847
Net income (loss)	(2,291)

Operating lease contracts that have not been included because they cover variable rents, total ThUS\$1,205 per year.

NOTE 22 - Trade and other payables

Trade and other payables are as follows.

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Trade payables	80,599	75,359
Notes payable	2,165	4,195
Miscellaneous payables	302	82
Retentions	2,607	2,722
Dividends payable	9,930	14,253
Other	5,350	3,212
Total	100,953	99,823

Trade payables by supplier as of December 31, 2019 are as follows.

SUPPLIERS WITH PAYMENTS NOT OVERDUE

Supplier	Amount by payment terms in days						Total ThUS\$	Average payment period (days)
	Under 30	31-60	61-90	91-120	121-365	Over 366		
Products	10,771	21,222	11,201	8,905	1,936	-	54,035	45
Services	8,745	13,309	251	-	132	-	22,437	38
Grand Total	19,515	34,531	11,452	8,905	2,068	-	76,471	

SUPPLIERS WITH PAYMENTS OVERDUE

Supplier	Amount by overdue range in days						Total ThUS\$
	Under 30	31-60	61-90	91-120	121-180	Over 181	
Products	521	1,390	1,113	23	7	154	3,208
Services	755	146	-	13	-	6	920
Grand Total	1,276	1,536	1,113	36	7	160	4,128

Trade payables by business segment as of December 31, 2019 are as follows.

SUPPLIERS WITH PAYMENTS NOT OVERDUE

Supplier	Amount by payment terms in days						Total ThUS\$	Average payment period (days)
	Under 30	31-60	61-90	91-120	121-365	Over 366		
Industrial Fishing	4,636	6,521	762	-	-	-	11,919	42
Salmon Farming	14,310	27,405	10,406	8,905	2,068	-	63,094	29
Other Seafood	570	605	284	-	-	-	1,459	45
Grand Total	19,515	34,531	11,452	8,905	2,068	-	76,471	

SUPPLIERS WITH PAYMENTS OVERDUE

Supplier	Amount by overdue range in days						Total ThUS\$
	Under 30	31-60	61-90	91-120	121-180	Over 181	
Industrial Fishing	661	112	16	-	7	160	956
Salmon Farming	604	1,422	1,097	32	-	-	3,155
Other Seafood	11	2	-	4	-	-	17
Grand Total	1,276	1,536	1,113	36	7	160	4,128

Trade payables by supplier as of December 31, 2018 are as follows.

SUPPLIERS WITH PAYMENTS NOT OVERDUE

Supplier	Amount by payment terms					Total ThUS\$	Average payment period (days)
	Under 30	31-60	61-90	91-120	121-365		
Products	16,412	10,403	7,925	7,698	-	42,438	52
Services	26,601	4,625	16	-	-	31,242	43
Grand Total	43,013	15,028	7,941	7,698	-	73,680	

SUPPLIERS WITH PAYMENTS OVERDUE

Supplier	Amount by overdue range in days						Total ThUS\$
	Under 30	31-60	61-90	91-120	121-180	Over 181	
Products	244	25	9	3	-	235	516
Services	586	104	69	22	81	301	1,163
Grand Total	830	129	78	25	81	536	1,679

Trade payables by business segment as of December 31, 2018 are as follows.

SUPPLIERS WITH PAYMENTS NOT OVERDUE

Supplier	Amount by payment terms in days				Total ThUS\$	Average payment period (days)
	Under 30	31-60	61-90	91-120		
Industrial Fishing	9,063	1,054	17	-	10,134	42
Salmon Farming	31,051	13,756	7,846	7,698	60,351	51
Other Seafood	2,899	218	78	-	3,195	43
Grand Total	43,013	15,028	7,941	7,698	73,680	

SUPPLIERS WITH PAYMENTS OVERDUE

Supplier	Amount by overdue range in days						Total ThUS\$
	Under 30	31-60	61-90	91-120	121-180	Over 181	
Industrial Fishing	408	49	38	9	41	349	894
Salmon Farming	345	61	23	1	12	121	563
Other Seafood	77	19	17	15	28	66	222
Grand Total	830	129	78	25	81	536	1,679

The Company has no confirming transactions.

NOTE 23 - Other provisions

The items that comprise Other provisions at the reporting date are as follows:

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Provisions for legal proceedings*	406	480
Site closure costs	6,197	6,583
Decommissioning Iquique plant	526	396
Total	7,129	7,459

* Legal proceedings are described under Note 35 f) on contingencies

Movements in provisions are as follows:

	Provisions for legal proceedings		Site closure costs		Decommissioning Iquique plant	
	12-31-2019 ThUS\$	12-31-2018 ThUS\$	12-31-2019 ThUS\$	12-31-2018 ThUS\$	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Opening balance	455	286	6,608	-	396	-
Increases	15	185	6,197	6,608	43	396
Decreases or payments	(64)	(16)	(6,608)	-	87	-
Closing balance	406	455	6,197	6,608	526	396

NOTE 24 - Current tax liabilities

These are as follows.

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Income taxes	13,168	17,028
Austral law credits	(4,288)	(6,871)
Provisional monthly tax payments	(8,534)	(3,313)
Other taxes	-	30
Total	346	6,874

NOTE 5 - Employee benefit provisions

These provisions are as follows:

	Current		Non-current	
	12-31-2019 ThUS\$	12-31-2018 ThUS\$	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Vacation provision	2,968	2,130	-	-
Employee severance indemnity provision	552	578	1,027	1,108
Total	3,520	2,708	1,027	1,108

Movements in the employee benefit provisions are as follows.

	Current				Non-current	
	Vacation provision		Employee severance indemnities		Employee severance indemnities	
	12-31-2019 ThUS\$	12-31-2018 ThUS\$	12-31-2019 ThUS\$	12-31-2018 ThUS\$	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Opening balance	2,130	1,812	578	544	1,108	971
Increase (decrease)	838	318	(26)	34	(81)	137
Closing balance	2,968	2,130	552	578	1,027	1,108

NOTE 6 - Equity

- a) The controlling entities' shareholdings in Compañía Pesquera Camanchaca S.A. as of December 31, 2019 are as follows.

Chilean ID number	Shareholders	Number of shares	% Ownership
76,076,557-0	Inversiones HFG Ltda.	1,376,846,422	33.17%
78,172,330-4	Inversiones LOS FRESNOS Ltda.	815,613,373	19.65%
76,076,548-1	Inversiones HCL Ltda.	321,644,260	7.75%
78,172,320-7	Inversiones CIFCO Ltda.	107,520,160	2.59%
-	Others	1,529,047,785	36.84%
	Total	4,150,672,000	100.00%

- b) Capital management

Capital management aims to safeguard its ability to continue as a going concern, to generate returns for its shareholders, to generate benefits for other stakeholders, and to maintain an optimal structure that reduces its cost of capital.

It forms part of the company's Investment and Financing Policy, which establishes that investments must have appropriate project-specific financing, to maintain its productive assets in optimal operating conditions as well as those that increase its productive capacity to comply with the company's strategic development plan, and other matters. Therefore, financing should provide the funds required for its existing assets to operate well, and for new investments, in accordance with the investment policy. Financing includes using its own resources and external resources up to a limit that does not compromise the company's equity position or limit its growth. The company will maintain several financing options open, such as short and long-term bank loans, supplier credit and other sources.

Camanchaca reports compliance with its commitments to financial institutions every quarter. There are covenants related its profitability and equity, which are presented in Note 8. As of December 31, 2019 and 2018, the Company has complied with the financial indicators required by those commitments.

c) Share capital

The Company's issued, subscribed and paid share capital is as follows.

Series	As of December 31, 2019	
	Subscribed capital ThUS\$	Paid capital ThUS\$
Single	284,134	284,134
Total	284,134	284,134

Series	As of December 31, 2018	
	Subscribed capital ThUS\$	Paid capital ThUS\$
Single	284,134	284,134
Total	284,134	284,134

Common Shares	Total number of shares
Balance as of December 31, 2019 and December 31, 2018	4,150,672,000

d) Share premium

An Extraordinary Shareholders Meeting was held on April 26, 2018 and agreed to capitalize the "share premium" account in the audited statement of financial position as of December 31, 2017 of US\$ 155,005,775. It also agreed to reduce the authorized, subscribed and paid capital by absorbing in full the accumulated losses that were recorded in the "retained earnings (accumulated losses)" account in the audited statement of financial position as of December 31, 2017 of US\$ 88,613,763. Consequently, the company's share capital increased from US\$ 217,741,755.44 to US\$ 284,133,767.44. This left the company with no accumulated losses as of that date.

e) Dividend provision

A dividend of ThUS\$ 6,138 was provided in the consolidated financial statements. A dividend of ThUS\$ 9,974 was provided as of December 31, 2018, which was approved at the Ordinary Shareholders' Meeting held on April 26, 2019 and paid on May 15, 2019 (table attached).

Description	As of 12-31-2019	As of 12-31-2018	As of 12-31-2018
	ThUS\$	Original ThUS\$	Restated ThUS\$
Net income	20,620	30,782	34,438
Reduction in net distributable income			
Fair value adjustment for the year*	218	(3,378)	1,630
Deferred taxes (27%)	(59)	912	(440)
Net fair value adjustment loss (gain)	159	(2,466)	1,190
Net distributable income	20,461	33,248	33,248
Dividends equivalent to 30%	6,138	9,974	9,974

* The fair value adjustment for the year arises at the subsidiary Salmones Camanchaca S.A., where the parent company holds a 70% interest, so that percentage is applied to the fair value adjustment.

f) Other reserves

Other reserves are as follows.

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Hedge reserves	30	(32)
Translation of other companies reserves	(739)	(420)
Change in participation reserves	51,236	51,236
Total	50,527	50,784

The change in participation reserves are mainly composed of ThUS\$ 34,762 from the gain on the sale of shares in the subsidiary Salmones Camanchaca S.A. and of ThUS\$ 18,832 shares issued and sold by that subsidiary.

g) Retained earnings

Movements in retained earnings are as follows.

	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Opening balance	20,728	(93,949)
Capitalization of earnings	-	88,614
Increase for changes in the participation in subsidiaries	-	1,599
Dividends paid or provided	(6,138)	(9,974)
Net income for the period	20,620	34,438
Closing balance	35,210	20,728

h) Non-controlling interests

The composition of non-controlling interests as of December 31, 2019 and December 31, 2018 are as follows.

	Equity participation as of 12-31-2019 ThUS\$	Earnings participation as of 12-31-2019 ThUS\$
Camanchaca Pesca Sur S.A.	55,694	(405)
Salmones Camanchaca S.A.	61,115	12,705
Total	116,809	12,300

	Equity participation as of 12-31-2018 ThUS\$	Earnings participation as of 12-31-2018 ThUS\$
Camanchaca Pesca Sur S.A.	56,079	227
Salmones Camanchaca S.A.	55,136	14,770
Total	111,215	14,997

NOTE 27 - Earnings per share

Earnings per share are as follows.

Description	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Net income (loss) attributable to equity holders of parent company	20,620	34,438
Weighted average number of shares	4,150,672,000	4,150,672,000
Basic earnings per share (US\$/share)	0.0050	0.0083

Basic earnings per share is net income attributable to shareholders divided by the number of single series shares. The Company has not issued convertible debt or other equity securities. Consequently, there are no potentially diluting effects on earnings per share.

NOTE 28 - Operating revenue

Group operating revenue is as follows.

	For the years ended December 31	
	2019 ThUS\$	2018 ThUS\$
Industrial Fishing sales	157,621	163,167
Salmon Farming sales	435,576	433,406
Other Seafood sales	26,833	29,907
Total	620,030	626,480

The group's operating revenue is mainly of the sale of finished products from the capture of pelagic species and revenue from the sale of finished products from the harvesting biological assets.

NOTE 29 - Administrative expenses

Administrative expenses are as follows.

	For the years ended December 31	
	2019 ThUS\$	2018 ThUS\$
Remuneration	8,456	15,282
Communications	1,578	4,045
Leases	382	1,183
Depreciation	940	1,752
Audit and consultancy	659	540
Travel and traveling allowances	576	804
Legal expenses	754	946
Overhead expenses	2,832	3,333
Stock market expenses	503	430
Membership fees	1,396	1,429
Other administrative expenses	1,196	1,486
Total	19,272	31,230

NOTE 30 - Distribution costs

Distribution costs are as follows.

	For the years ended December 31	
	2019 ThUS\$	2018 ThUS\$
Remuneration	8,054	7,972
Storage expenses	5,913	5,682
Commissions	2,720	4,169
Haulage costs	2,574	2,932
Maritime freight	3,134	2,165
Insurance	949	615
Shipment costs	443	899
Travel and traveling allowances	526	548
Samples and analysis	252	165
Export certificates	763	601
Leases	215	184
Sales and marketing expenses	789	818
Other expenses	2,196	1,800
Total	28,528	28,550

NOTE 31 - Financial costs

Financial costs are as follows.

	For the years ended December 31	
	2019 ThUS\$	2018 ThUS\$
Financial interest	6,264	6,017
Financial commissions	693	734
Interest on leases - IFRS 16	947	-
Gain (loss) on foreign exchange hedges	-	3,223
Other expenses	177	197
Total	8,081	10,171

NOTE 32 - Exchange differences

Exchange differences are as follows.

		For the years ended December 31	
Description	Currency	2019 ThUS\$	2018 ThUS\$
Assets (charge) / credit			
Banks	Ch\$	(1,485)	(941)
Banks	Euros	(11)	(104)
Domestic customers	Ch\$	(391)	(1,456)
Foreign customers	Euros	58	128
Foreign customers	GBP	10	(30)
Notes receivable	Ch\$	-	(1)
Miscellaneous receivables	Ch\$	(169)	(181)
Commercial current accounts with related companies	Ch\$	(88)	(110)
Associated related companies	Ch\$	(169)	(295)
Recoverable taxes	Ch\$	(1,369)	(1,814)
Prepaid expenses	Ch\$	(5)	(36)
Other non-current non-financial assets	Ch\$	(1,491)	(2,552)
Other non-current non-financial assets	UF	(13)	(27)
Others	Ch\$	60	(175)
Total		(5,063)	(7,594)
Liabilities (charge) / credit			
Trade payables	Ch\$	2,134	3,643
Trade payables	Euros	(33)	16
Trade payables	NOK	(4)	(2)
Trade payables	JPY	(1)	1
Trade payables	GBP	(2)	3
Notes payable	Ch\$	(87)	92
Notes payable	UF	-	8
Notes payable	Euros	(4)	4
Provisions and withholdings	Ch\$	(142)	842
Provisions and retentions	UF	128	(6)
Total		1,989	4,601
(Loss) gain on exchange differences		(3,074)	(2,993)

NOTE 33 - Other income (losses)

Other net income and losses for the period are as follows.

	For the years ended December 31	
	2019 ThUS\$	2018 ThUS\$
Net loss on selling assets	(5,259)	(391)
Gain (loss) on insurance claims	(2,245)	65
Costs of disposing of property, plant and equipment	(3,952)	(912)
Earnings from the trout joint venture	(2,536)	2,890
Others	69	70
Total	(13,923)	1,722

The net loss on selling assets is mainly the sale of offshore fishing vessels that were not in use. The subsidiary Camanchaca Pesca Sur sold the offshore vessel Yagán, which resulted in a loss of US\$ 1.9 million, while the sale of the offshore vessel Loa 4 produced a gain of US\$ 0.2 million. The subsidiary Camanchaca Pesca Sur sold rights, concessions and movable property in Cabilantago to the parent company in December 2019, which produced a loss of US\$ 2.5 million.

The gain (loss) on insurance claims is the deductible for extraordinary fish mortality and for expenses not covered by insurance at events that occurred in the first half of the year due to oxygen deficits.

The costs of disposing of property, plant and equipment is mainly the replacement of assets in the salmon farming segment that still had a remaining useful life, and disused assets at the fishmeal and oil plant in Talcahuano in the southern industrial fishing segment.

The subsidiary Salmones Camanchaca had a one third interest in a trout joint venture. However, as this is not a separate legal entity from the joint venture Manager, Caleta Bay, the subsidiary does not exercise joint control or significant influence over the key decisions of this business. The Manager is fully responsible for the entire value chain, it operates this business in its own name and its own risk, and is liable to the aquaculture, sanitary, environmental or other authorities. The only assets that Salmones Camanchaca contribute to this trout joint venture are the concessions where the fish are farmed, and it receives variable compensation associated with this contribution. Therefore, it does not comply with the definition of a joint venture for accounting purposes, nor can it be measured at fair value as a financial asset under IFRS 9, since the company's accounting policy is to value concessions at cost. As the concessions contributed by Salmones Camanchaca to the trout joint venture have never been legally transferred to the Manager, these concessions cannot be valued at fair value, according to IAS 8.10. Therefore, the company's accounting policy is to recognize one third of the trout joint venture earnings in Other income and losses within the statement of net income by function and not within operating income, which is recycled annually. This was a change with respect to the financial statements as of December 31, 2018.

NOTE 34 - Assets and liabilities in foreign currencies

Assets and liabilities in foreign currencies are as follows:

Description	Currency	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Current assets			
Cash and cash equivalents	US\$	25,314	13,220
Cash and cash equivalents	Ch\$	12,239	11,967
Cash and cash equivalents	Euros	1,112	1,867
Cash and cash equivalents	Yen	3,208	3,694
Other financial assets, current	Ch\$	74	19
Other financial assets, current	UF	264	83
Other financial assets, current	Yen	-	225
Other financial assets, current	US\$	23	-
Other non-financial assets, current	US\$	8,284	9,847
Other non-financial assets, current	Ch\$	7,306	9,454
Other non-financial assets, current	JPY	208	-
Trade and other receivables, current	US\$	86,373	69,294
Trade and other receivables, current	Ch\$	6,195	4,556
Trade and other receivables, current	Euros	665	1,058
Trade and other receivables, current	Yen	2,451	2,249
Trade and other receivables, current	GBP	93	182
Related party receivables, current	US\$	50	50
Related party receivables, current	Ch\$	66	42
Inventories	US\$	71,126	53,076
Inventories	Yen	5,543	2,221
Biological assets, current	US\$	150,742	138,415
Tax assets, current	Yen	10	12
Tax assets, current	Ch\$	6,716	2,660
Total		388,062	324,191

Description	Currency	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Non-current assets			
Other financial assets, non-current	US\$	701	701
Other non-financial assets, non-current	US\$	126	126
Other non-financial assets, non-current	Ch\$	17,010	18,730
Other non-financial assets, non-current	Yen	13	13
Rights receivable, non-current	US\$	1,252	1,349
Related party receivables, non-current	Ch\$	2,208	2,314
Equity method investments	US\$	4,871	4,699
Intangible assets other than goodwill	US\$	50,313	50,313
Property, plant and equipment	US\$	287,683	255,462
Goodwill	US\$	1,214	1,214
Deferred tax assets	US\$	29,177	24,577
Deferred tax assets	Yen	25	68
Total		394,593	359,566

Description	Currency	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Current liabilities			
Other financial liabilities, current	US\$	31,575	1,306
Other financial liabilities, current	Yen	-	-
Operating lease liabilities, current	UF	2,429	-
Operating lease liabilities, current	US\$	153	-
Operating lease liabilities, current	Ch\$	382	-
Trade and other payables, current	US\$	65,463	75,392
Trade and other payables, current	Ch\$	33,509	20,773
Trade and other payables, current	UF	1,652	846
Trade and other payables, current	Euro	216	2,638
Trade and other payables, current	NOK	5	-38
Trade and other payables, current	Yen	86	195
Trade and other payables, current	GBP	22	17
Related party payables, current	US\$	55	-
Related party payables, current	Ch\$	320	784
Other provisions, current	US\$	6,723	7,004
Other provisions, current	Ch\$	406	455
Tax liabilities, current	US\$	-	6,509
Tax liabilities, current	Ch\$	346	332
Employee benefit provisions, current	Yen	133	33
Employee benefit provisions, current	US\$	3,387	2,708
Total		146,862	118,954

Description	Currency	12-31-2019 ThUS\$	12-31-2018 ThUS\$
Non-current liabilities			
Other financial liabilities, non-current	US\$	116,928	80,406
Operating lease liabilities, non-current	UF	9,932	-
Operating lease liabilities, non-current	US\$	189	-
Operating lease liabilities, non-current	Ch\$	178	-
Trade and other payables, non-current	US\$	201	302
Trade and other payables, non-current	UF	470	-
Deferred tax liabilities	US\$	20,188	16,126
Employee benefit provisions, non-current	Ch\$	952	960
Employee benefit provisions, non-current	Yen	75	148
Total		149,113	97,942

NOTE 35 - Guarantees and contingencies

a) Guarantees

There are performance guarantees issued by:

Bank	Value ThUS\$
Banco de Chile	1,187
Total	1,187

b) Bank loan conditions

On November 27, 2017 the parent company and its subsidiary Salmones Camanchaca S.A. signed a debt rescheduling, financing commitment and joint and several guarantee contract with DNB, Rabobank and Banco Santander that constituted guarantees and cross-guarantees. An Initial Public Offering of shares in Salmones Camanchaca S.A. took place on February 2, 2018, and in accordance with the debt rescheduling agreement, the cross guarantees granted by the parent company and its other subsidiaries were lifted, leaving only the assets of each company pledged in guarantee.

a) Guarantees of Compañía Pesquera Camanchaca and subsidiaries other than Salmones Camanchaca:

- i. Mortgages on plots of land, including everything built on them. The parent company and other subsidiaries mortgaged 3 properties in Caldera, 9 in Tome, 3 in Coronel and 1 in Chonchi.
- ii. Twenty-one marine mortgages over fishing vessels and naval crafts belonging to the parent company and other subsidiaries.
- iii. Pledge
 - a. Non-possessory pledge Direct over the fishmeal plant in Iquique and mussel processing plant in Chiloé.
 - b. Compañía Pesquera Camanchaca S.A. as holder of shares of Salmones Camanchaca S.A., together with Inmobiliaria Camanchaca S.A., owner of 1 share, which total 70% of Salmones Camanchaca S.A.
 - c. Compañía Pesquera Camanchaca S.A. as owner of shares in Camanchaca Pesca Sur S.A., together with Camanchaca SpA., as owner of 100 shares, which sum to a 70% interest in that company.
 - d. Compañía Pesquera Camanchaca S.A. as owner of 58,670 shares in Camanchaca Cultivos Sur S.A., together with Inmobiliaria Camanchaca S.A. as owner of 19,318 shares.
 - e. Non-possessory pledge over Class A tradable fishing licenses owned by Compañía Pesquera Camanchaca S.A. and its subsidiary Camanchaca Pesca Sur.

b) Salmones Camanchaca guarantees:

- i. Mortgage on six plots including everything built on them, four in Tome, one in Puerto Varas and one in Calbuco.
- ii. One mortgage on a fishing vessel and four naval crafts owned by Salmones Camanchaca.

iii. Pledge

- a. Non-possessory pledge over the salmon processing plant in Tome, Calbuco and the Fish Hatchery in Petrohue.
- b. Salmones Camanchaca S.A. and subsidiary mortgaged to the Banks all the aquaculture concessions that it owns for salmon and trout.

c) Direct Guarantees

Debtor		Assets Guarantee	Property	Book value ThUS\$
Name	Relationship			
Camanchaca S.A.	Commercial	Property mortgage	Iquique real estate	1,640
Camanchaca S.A.	Commercial	Property mortgage	Caldera real estate	7,229
Camanchaca S.A.	Commercial	Property mortgage	Tome real estate	1,225
Camanchaca S.A.	Commercial	Property mortgage	Vessels in Iquique	12,466
Camanchaca S.A.	Commercial	Pledge	Machinery and equipment	10,845

d) Indirect guarantees

Debtor		Assets Guarantee	Property	Book value ThUS\$
Name	Relationship			
Salmones Camanchaca S.A.	Commercial	Property mortgage	Tome real estate	3,876
Salmones Camanchaca S.A.	Commercial	Property mortgage	Puerto Varas real estate	2,215
Salmones Camanchaca S.A.	Commercial	Property mortgage	Calbuco real estate	214
Salmones Camanchaca S.A.	Commercial	Property mortgage	Salmon vessels	1,665
Salmones Camanchaca S.A.	Commercial	Pledge	Machinery and equipment	10,737
Salmones Camanchaca S.A.	Commercial	Pledge	Buildings and construction	13,511

e) Guarantees from third parties

The guarantees from third parties are financing operations with fish suppliers. Details of guarantees as of December 31, 2019 are as follows.

Chilean ID number	Debtor	Pledge or Mortgage	Vessels	Value ThUS\$	Relationship
1,488,630	Anibal Méndez Rodríguez	1 Vessel	Juanita	160	Suppliers
3,362,676	Sergio Duran Saavedra	Promissory	Yolanda	15	Suppliers
4,036,951	Manuel Ricardo Torres	1 Vessel	Master	500	Suppliers
4,519,519	Sergio Cabrera Silva	1 Vessel	Abraham	276	Suppliers
4,564,997	Manuel Bustos Molina	1 Vessel	La Ruty II	160	Suppliers
4,585,309	Mario Alberto Gomez Vega	1 Vessel	El Yeye	200	Suppliers
5,214,974	Anastasio Segundo Vásquez	2 Vessels	Cayumanqui,Santa Carmen	425	Suppliers
5,253,152	Neira Dominguez Miguel	1 Vessel	Gloria Primera I	300	Suppliers
5,408,694	Luis Monares Moya	1 Vessel	Yolanda S	329	Suppliers
5,408,694	Luis Monares Moya	Promissory 1	Yolanda S	138	Suppliers
5,564,010	Adolfo Segundo Chaparro Monsalves	Vessel	Don Adolfo II	400	Suppliers
5,998,936	Jóse García Muñoz	1 Vessel	José Sebastián	250	Suppliers
5,998,936	Jose Israel Garcia Muñoz	1 Vessel	Punta Maule II	400	Suppliers
6,100,065	Carlos San Martín Pinchera	1 Vessel	Poseidon II	560	Suppliers
6,135,537	Moisés Espinoza Roa	1 Vessel	Don Miguel II	400	Suppliers
6,329,914	Julio Torres Vergara	Promissory	Santa Elena	18	Suppliers
6,331,533	María Elia Agurto Bustos	2 Vessels	José Enrique Galilea I	398	Suppliers
6,458,130	Juan Nova Rojas	1 Vessel	Nagasaki	480	Suppliers
6,665,647	Fernando Monsalves Silva	1 Vessel	Don Humberto	400	Suppliers
6,748,011	Manuel Bravo Vera	Promissory	Santa Elvita	20	Suppliers
6,822,000	Fernando Pradel Elgueta	1 Vessel	Noemi Simoney	500	Suppliers
6,836,899	Arturo Valenzuela	Promissory	Ulises	30	Suppliers
7,327,121	Francisco Zapata Gutierrez	1 Vessel	Buena fe III	400	Suppliers
7,384,937	Virgilio Nova Rojas	1 Vessel	Shimane	480	Suppliers
7,481,718	Julio Alveal Flores	1 Vessel	Constitución	500	Suppliers
7,487,933	Veronica Ruiz Quiñan	1 Vessel	Veronica Alejandra	324	Suppliers
7,487,933	Veronica Ruiz Quiñan	Promissory	Veronica Alejandra	472	Suppliers
7,609,249	Jorge Enrique Cofré Reyes	1 Vessel	Tomé y Tomé II	1,130	Suppliers
8,099,348	Antonio Bastias Macaya	1 Vessel	El Acuario I	160	Suppliers
8,277,898	Manuel Espinoza Garrido	1 Vessel	Reina del Mar II	100	Suppliers
8,416,133	Alejandro Nova Rojas	1 Vessel	Yoshira	480	Suppliers
8,727,526	Alejandro Vidal Carrillo	1 Vessel	Monte Everest	120	Suppliers

Chilean ID number	Debtor	Pledge or Mortgage	Vessels	Value ThUS\$	Relationship
8,730,467	Juan Garcés Ramírez	1 Vessel	Sixto Abranham	560	Suppliers
8,784,320	Juan Rosales Parra	1 Vessel	Silvia Eliana	150	Suppliers
8,901,579	Justo Macaya Silva	1 Vessel	Bill	500	Suppliers
8,901,579	Justo Macaya Silva	1 Vessel	Don Alex	275	Suppliers
8,901,579	Justo Macaya Silva	Promissory	Bill	216	Suppliers
8,912,682	Juan San Martin	Promissory	Lazaro II	17	Suppliers
9,063,718	Oscar Gutierrez	Promissory	Santa Patricia	32	Suppliers
9,184,130	Jacob Exequiel Muñoz	1 Vessel	Domenica	381	Suppliers
9,419,692	Eduardo Joaquin Suazo Saldaña	1 Vessel	Paulina	239	Suppliers
9,645,621	Eduardo Jaime Villaroel Leal	1 Vessel	Andrés	300	Suppliers
9,927,786	Cáceres Rojas Lorena	Promissory	El Yeye	28	Suppliers
10,041,980	Muñoz Pizarro Mauricio Javier	1 Vessel	Barlovento	500	Suppliers
10,113,541	Sergio Edgardo Duran Silva	1 Vessel	Don Fernando I	400	Suppliers
10,222,373	Ernesto Manuel Valenzuela Vasquez	1 Vessel	Gilda Heidy	150	Suppliers
10,255,858	Rubén Moya	1 Vessel	Don Rubén	263	Suppliers
10,255,858	Rubén Moya	1 Vessel	Saray Esmeralda	269	Suppliers
12,323,409	Cristian Aquiro Vallejos Salas	1 Vessel	Siloe	290	Suppliers
10,294,247	José Escobar Roca	1 Vessel	Don Matias " J "	200	Suppliers
10,294,247	José Escobar Roca	Promissory	Don Matias " J "	98	Suppliers
10,428,125	Marcos Romero Barrera	1 Vessel	Ana Belén	150	Suppliers
10,820,867	Manuel Bustos Rodríguez	Promissory	Perla Negra	44	Suppliers
10,824,619	Manuel Reyes Neira	1 Vessel	Doña Candelaría	500	Suppliers
10,843,418	Jorge Soto Macaya	1 Vessel	Marbella II	160	Suppliers
10,843,652	Julio Reyes Garrido	1 Vessel	Babilonia	179	Suppliers
10,860,160	Manuel Garrido Maripangue	1 Vessel	Linares	400	Suppliers
10,879,303	Ibarra Tejerina Julio César	2 Vessels	Concepción. Borney	900	Suppliers
11,202,246	Omar Gómez Almonte	2 Vessels	Vilos	850	Suppliers
11,376,018	Hernández Palacios Francisco Fernando	2 Vessels	II.Humboldt II Valencia y Chenco	650	Suppliers
11,791,674	Juan Martinez Manriquez	1 Vessel	Rio Loa I	520	Suppliers
11,902,809	Juan Alberto Saenz	1 Vessel	Doña Sandra	197	Suppliers
12,320,818	Walter Sebastian Reyes Garrido	1 Vessel	Mesana	560	Suppliers
12,979,597	Hector Monsalves	1 Vessel	Don Hernán M	315	Suppliers
12,979,597	Hector Monsalves	Promissory	Don Hernán M	335	Suppliers
13,619,520	Jose Acuña	1 Vessel	Amparito I	197	Suppliers

Chilean ID number	Debtor	Pledge or Mortgage	Vessels	Value ThUS\$	Relationship
14,235,833	John Poblete Pedreros	1 Vessel	Santa Anita	260	Suppliers
14,235,833	John Poblete Pedreros	Promissory	Santa Anita	170	Suppliers
14,390,236	Alex Cordero Urzua	1 Vessel	Don Leonel	560	Suppliers
14,706,506	Igor Sovenko	1 Vessel	Eben-Ezer II	400	Suppliers
15,911,090	Gonzalo Alberto Araya	Promissory	Chico Risso	30	Suppliers
16,767,429	Carlos Riquelme Alarcon	1 Vessel	Nelly Nicole	400	Suppliers
16,767,429	Carlos Riquelme Alarcon	Promissory	Nelly Nicole	149	Suppliers
52,003,186	Viviana Bernardette Quezada Martinez E.I.R.L	1 Vessel	Delia Rosa	400	Suppliers
53,310,793	Comunidad Espinoza Jenó y Compañía	1 Vessel	Macedonia I	400	Suppliers
76,006,325	Sociedad Pesquera Guacolda	1 Vessel	Cristian Guillermo	500	Suppliers
76,202,609	Fernando Martínez Carmona	1 Vessel	Doña Carmela	400	Suppliers
77,136,760	Pesquera FamCord Ltda	1 Vessel	Don Patricio	630	Suppliers
77,780,330	Pesquera Bahía Coliumo	1 Vessel	Don Pedro M	560	Suppliers
78,454,630	Jiménez y Santibáñez Ltda	1 Vessel	Jefté	400	Suppliers
78,454,630	Jiménez y Santibáñez Ltda	Promissory	Jefté	138	Suppliers
79,822,090	Pesquera Pez Maule	1 Vessel	Margarita del Mar	239	Suppliers
79,822,090	Pesquera Pez Maule	Promissory	Margarita del Mar	152	Suppliers

The guarantees from third parties are financing operations with fish suppliers. Details of guarantees as of December 31, 2018 are as follows.

Chilean ID number	Debtor	Pledge or Mortgage	Vessels	Value ThUS\$	Relationship
1,488,630	Anibal Méndez Rodríguez	1 Vessel	Juanita	160	Suppliers
4,036,951	Manuel Ricardo Torres	1 Vessel	Master	500	Suppliers
4,519,519	Sergio Cabrera Silva	1 Vessel	Abraham	276	Suppliers
4,564,997	Manuel Bustos Molina	1 Vessel	La Ruty II	160	Suppliers
4,585,309	Mario Alberto Gomez Vega	1 Vessel	El Yeye	200	Suppliers
5,214,974	Anastasio Segundo Vásquez	2 Vessels	Cayumanqui, Santa Carmen	425	Suppliers
5,253,152	Neira Dominguez Miguel	1 Vessel	Gloria Primera I	300	Suppliers
5,408,694	Luis Monares Moya	1 Vessel	Yolanda S	329	Suppliers
5,564,010	Adolfo Segundo Chaparro Monsalves	1 Vessel	Don Adolfo II	400	Suppliers
5,998,936	Jóse García Muñoz	1 Vessel	José Sebastián	250	Suppliers
5,998,936	Jose Israel Garcia Muñoz	1 Vessel	Punta Maule II	400	Suppliers
6,100,065	Carlos San Martín	1 Vessel	Poseidon II	560	Suppliers
6,135,537	Pinchera Moisés Espinoza	1 Vessel	Don Miguel II	400	Suppliers
6,331,533	Roa María Elía Agurto	2 Vessels	José Enrique, Galilea I	398	Suppliers
6,458,130	Bustos Juan Nova Rojas	1 Vessel	Nagasaki	480	Suppliers
6,665,647	Fernando Monsalves Silva	1 Vessel	Don Humberto	400	Suppliers
6,822,000	Fernando Pradel Elgueta	1 Vessel	Noemi Simoney	500	Suppliers
7,327,121	Francisco Zapata Gutierrez	1 Vessel	Buena fe III	400	Suppliers
7,384,937	Virgilio Nova Rojas	1 Vessel	Shimane	480	Suppliers
7,481,718	Julio Alveal Flores	1 Vessel	Constitución	500	Suppliers
7,487,933	Veronica Ruiz Quiñan	1 Vessel	Veronica Alejandra	324	Suppliers
7,609,249	Jorge Enrique Cofré Reyes	1 Vessel	Tomé y Tomé II	1,130	Suppliers
8,099,348	Antonio Bastias Macaya	1 Vessel	El Acuario I	160	Suppliers
8,277,898	Manuel Espinoza Garrido	1 Vessel	Reina del Mar II	100	Suppliers
8,416,133	Alejandro Nova Rojas	1 Vessel	Yoshira	480	Suppliers
8,727,526	Alejandro Vidal Carrillo	1 Vessel	Monte Everest	120	Suppliers
8,730,467	Juan Garcés Ramírez	1 Vessel	Sixto Abranches	560	Suppliers
8,784,320	Juan Rosales Parra	1 Vessel	Silvia Eliana	150	Suppliers
8,901,579	Justo Macaya Silva	1 Vessel	Bill	500	Suppliers
8,901,579	Justo Macaya Silva	1 Vessel	Don Alex	275	Suppliers
9,184,130	Jacob Exequiel Muñoz	1 Vessel	Domenica	381	Suppliers

Chilean ID number	Debtor	Pledge or Mortgage	Vessels	Value ThUS\$	Relationship
9,419,692	Eduardo Joaquin Suazo Saldaña	1 Vessel	Paulina	239	Suppliers
9,645,621	Eduardo Jaime Villaroel Leal	1 Vessel	Andrés	300	Suppliers
10,041,980	Muñoz Pizarro Mauricio Javier	1 Vessel	Barlovento	500	Suppliers
10,113,541	Sergio Edgardo Duran Silva	1 Vessel	Don Fernando I	400	Suppliers
10,222,373	Ernesto Manuel Valenzuela Vasquez	1 Vessel	Gilda Heidy	150	Suppliers
10,255,858	Rubén Moya	1 Vessel	Don Rubén	263	Suppliers
10,255,858	Rubén Moya	1 Vessel	Saray Esmeralda	269	Suppliers
10,294,247	José Escobar Roca	1 Vessel	Don Matias " J "	200	Suppliers
10,428,125	Marcos Romero Barrera	1 Vessel	Ana Belén	150	Suppliers
10,824,619	Manuel Reyes Neira	1 Vessel	Doña Candelaria	500	Suppliers
10,843,418	Jorge Soto Macaya	1 Vessel	Marbella II	160	Suppliers
10,843,652	Julio Reyes Garrido	1 Vessel	Babilonia	179	Suppliers
10,860,160	Manuel Garrido Maripangue	1 Vessel	Linares	400	Suppliers
10,879,303	Ibarra Tejerina Julio César	2 Vessels	Concepción. Borney	900	Suppliers
11,202,246	Omar Gómez Almonte	2 Vessels	Vilos II.Humboldt II	850	Suppliers
11,376,018	Hernández Palacios Francisco Fernando	2 Vessels	Valencia y Chenco	650	Suppliers
11,791,674	Juan Martínez Manriquez	1 Vessel	Rio Loa I	520	Suppliers
11,902,809	Juan Alberto Saenz	1 Vessel	Doña Sandra	197	Suppliers
12,320,818	Walter Sebastian Reyes Garrido	1 Vessel	Mesana	560	Suppliers
12,323,409	Cristian Aquiro Vallejos Salas	1 Vessel	Siloe	290	Suppliers
12,979,597	Hector Monsalves	1 Vessel	Don Hernán M	315	Suppliers
13,619,520	Jose Acuña	1 Vessel	Amparito I	197	Suppliers
14,235,833	John Poblete Pedreros	1 Vessel	Santa Anita	260	Suppliers
14,390,236	Alex Cordero Urzua	1 Vessel	Don Leonel	560	Suppliers
14,706,506	Igor Sovenko	1 Vessel	Eben-Ezer II	400	Suppliers
16,767,429	Carlos Riquelme Alarcon	1 Vessel	Nelly Nicole	400	Suppliers
52,003,186	Viviana Bernardette Quezada Martínez E.I.R.L	1 Vessel	Delia Rosa	400	Suppliers
53,310,793	Comunidad Espinoza Jenó y Compañía	1 Vessel	Macedonia I	400	Suppliers
76,006,325	Sociedad Pesquera Guacolda	1 Vessel	Cristian Guillermo	500	Suppliers
76,202,609	Fernando Martínez Carmona	1 Vessel	Doña Carmela	400	Suppliers
77,136,760	Pesquera FamCord Ltda	1 Vessel	Don Patricio	630	Suppliers
77,780,330	Pesquera Bahía Coliumo	1 Vessel	Don Pedro M	560	Suppliers
78,454,630	Jiménez y Santibáñez Ltda	1 Vessel	Jefte	400	Suppliers
79,822,090	Pesquera Pez Maule	1 Vessel	Margarita del Mar	239	Suppliers

Chilean ID number	Debtor	Pledge or Mortgage	Vessels	Value ThUS\$	Relationship
3,362,676	Sergio Duran Saavedra	Promissory	Yolanda	15	Suppliers
5,408,694	Luis Monares Moya	Promissory	Yolanda S	138	Suppliers
6,329,914	Julio Torres Vergara	Promissory	Santa Elena	18	Suppliers
6,748,011	Manuel Bravo Vera	Promissory	Santa Elvita	20	Suppliers
6,836,899	Arturo Valenzuela	Promissory	Ulises	30	Suppliers
7,487,933	Veronica Ruiz Quiñan	Promissory	Veronica Alejandra	472	Suppliers
8,901,579	Justo Macaya Silva	Promissory	Bill	216	Suppliers
8,912,682	Juan San Martin	Promissory	Lazaro II	17	Suppliers
9,063,718	Oscar Gutierrez	Promissory	Santa Patricia	32	Suppliers
9,927,786	Cáceres Rojas Lorena	Promissory	El Yeye	28	Suppliers
10,294,247	José Escobar Roca	Promissory	Don Matias " J "	98	Suppliers
10,820,867	Manuel Bustos Rodríguez	Promissory	Perla Negra	44	Suppliers
12,979,597	Hector Monsalves	Promissory	Don Hernán M	335	Suppliers
14,235,833	John Poblete	Promissory	Santa Anita	170	Suppliers
15,911,090	Gonzalo Alberto Araya	Promissory	Chico Risso	30	Suppliers
16,767,429	Carlos Riquelme Alarcon	Promissory	Nelly Nicole	149	Suppliers
78,454,630	Jiménez y Santibáñez Ltda	Promissory	Jefté	138	Suppliers
79,822,090	Pesquera Pez Maule	Promissory	Margarita del Mar	152	Suppliers

f) Contingencies

The company regularly evaluates the likelihood of loss on its litigations and contingencies, in accordance with estimates provided by its legal advisers. Detailed information relating to these processes is available, provided it does not compromise the company's defense. As of the date of these consolidated financial statements, Compañía Pesquera Camanchaca S.A. and its subsidiaries have lawsuits or administrative issues pending before courts of law or administrative bodies, as applicable, and have recorded provisions as of December 31, 2019 as follows.

Proceedings	12-31-2019		12-31-2018	
	Number of cases	Accounting provision ThUS\$	Number of cases	Accounting provision ThUS\$
Civil	22	251	24	219
Employment	10	46	7	100
Administrative	8	109	11	161
Criminal	2	-	1	-
Total	42	406	43	480

NOTE 36 - Sanctions

Compañía Pesquera Camanchaca S.A. and subsidiaries, its Directors and Managers have not been subject to sanctions of any kind by the Financial Market Commission or other administrative authorities as of the date these consolidated financial statements were issued.

NOTE 37 - The environment

Compañía Pesquera Camanchaca S.A. and its subsidiaries continuously renew their commitment to the environment, by implementing new processes and technologies at their production plants. This has enabled them to achieve a sustainable business, and to further develop their fishing businesses and farm species in an efficient manner, while minimizing their impact on the environment.

Investments were made in the following environmental mitigation projects DURING THE PERIOD January 1 to December 31, 2019.

Project name	12-31-2019 Investment ThUS\$
Waste management	1,164
Environmental services	425
Total	1,589

Investments were made in the following environmental mitigation projects DURING THE PERIOD January 1 to December 31, 2018.

Project name	12-31-2018 Investment ThUS\$
Waste management	1,363
Environmental services	643
Total	2,006

The parent company and its subsidiaries are committed to complying with all environmental regulations. In particular they will continue to actively participate in discussions regarding projects that involve amendments and improvements to environmental and health regulations, to ensure that these can be implemented from a technical, financial, social and environmental perspective. They are dedicated to supporting the best proposal for the environment and developing the industry.

NOTE 38 - Employment distribution

The number of group employees by category at the reporting date is as follows.

Company	Laborers	Professionals and Technicians	Senior Executives	Total 12-31-2019
Compañía Pesquera Camanchaca S.A	293	195	13	501
Salmones Camanchaca S.A.	1,492	326	13	1,831
Transportes Interpolar Ltda.	40	12	-	52
Aéreo Interpolar Ltda.	-	7	-	7
Camanchaca Cultivos Sur	321	53	2	376
Camanchaca Pesca Sur S.A.	870	156	2	1,028
Foreign Commercial Offices	-	19	5	24
Total	3,016	768	35	3,819

Company	Laborers	Professionals and Technicians	Senior Executives	Total 12-31-2018
Compañía Pesquera Camanchaca S.A	308	182	13	503
Salmones Camanchaca S.A.	1,045	277	13	1,335
Transportes Interpolar Ltda.	29	10	-	39
Aéreo Interpolar Ltda.	-	9	-	9
Camanchaca Cultivos Sur	294	55	2	351
Camanchaca Pesca Sur S.A.	510	143	2	655
Foreign Commercial Offices	-	20	5	25
Total	2,186	696	35	2,917

NOTE 39 - Subsequent events

The first cases of Coronavirus began to appear in China during January 2020, but as of the date of this report, it had spread to almost the entire world and over 200 cases had been detected in Chile. This situation has affected Camanchaca's target export markets, leading the company to implement measures that reduce the health risks for its employees that secure operational continuity for its production facilities and that open up new target markets. So far there are no Camanchaca employees diagnosed with the virus, nor has the operation of any of its production facilities been suspended. Its supply of consumables and export chains have continued to function, although under new sanitary protocols. However, as the pandemic is still spreading, there are risks that production or logistics could yet be disrupted.

During February, the Russian authority imposed export restrictions on many Chilean processing plants, including the two Camanchaca processing plants that had been previously authorized. This will require diverting product to other markets in successive months. The Russian market represents around 5% of world consumption of farmed Atlantic salmon, and it purchased 8% of Chilean Atlantic salmon exports in 2019. (Source: Kontali). The Russian market received 18% of Salmones Camanchaca S.A.'s Atlantic salmon sales in 2019. The company believes that it can divert these sales to other markets, as it usually does when relative conditions change, so does not expect to change any of its farming or investment plans.

On February 28, 2020, Compañía Pesquera Camanchaca extended the repayment schedule of its long-term credit line (Tranche B), which totals US\$ 40 million, by 2 years. To date it has drawn down US\$ 30 million from this facility from Rabobank, DNB and Santander banks. Consequently, repayments originally scheduled to begin in May 2020 will now begin in May 2022, and the credit facility scheduled to end in November 2022 will now end in November 2024.

No subsequent events have occurred between December 31, 2019 and the date on which these consolidated financial statements were issued, which might have a significant effect on their interpretation.