



SALMONES CAMANCHACA S.A. AND SUBSIDIARY

Interim consolidated financial statements

As of March 31, 2018

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ThUS\$ - Thousands of United States dollars

UF - Unidades de fomento (a Chilean peso based inflation indexed currency unit)

ThCh\$ - Thousands of Chilean pesos

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SALMONES CAMANCHACA S.A. AND SUBSIDIARY
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF MARCH 31, 2018 (UNAUDITED) AND DECEMBER 31, 2017 (AUDITED)

Assets	Note	As of March 31 2018 ThUS\$	As of December 31 2017 ThUS\$
Current assets			
Cash and cash equivalents	6	13,811	846
Other financial assets, current		32	31
Other non-financial assets, current	11	6,003	7,041
Trade and other receivables, current	7	23,236	28,196
Related party receivables, current	8	25,353	25,585
Inventories	9	29,847	38,170
Biological assets, current	10-34	112,266	97,522
Current tax assets	13	1,866	1,584
Total current assets		212,414	198,975
Non-current assets			
Other financial assets, non-current		27	27
Other non-financial assets, non-current	11	112	260
Rights receivable, non-current	13	5,548	5,520
Related party receivables, non-current		564	0
Equity method investments	12	5,986	5,565
Intangible assets other than goodwill	14	7,083	7,083
Property, plant and equipment	15	77,720	73,646
Biological assets, non-current	10-34	17,420	14,472
Long-term deferred taxes	16	430	456
Total non-current assets		114,890	107,029
Total assets		327,304	306,004

The accompanying notes numbered 1 to 34 are an integral part of these interim consolidated financial statements.

Note 34 describes the assumptions used to calculate the fair value of biological assets using the model suggested by the Norwegian Financial Supervisory Authority. The effects on the statement of financial position are as follows.

Biological assets within current assets increased by ThUS\$29,906.

SALMONES CAMANCHACA S.A. AND SUBSIDIARY
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF MARCH 31, 2018 (UNAUDITED) AND DECEMBER 31, 2017 (AUDITED)

Liabilities	Note	As of March 31 2018 ThUS\$	As of December 31 2017 ThUS\$
Current liabilities			
Other financial liabilities, current	17	165	439
Trade and other payables, current	18	47,497	71,729
Related party payables, current	8	7,842	4,198
Current tax liabilities	16	5,508	1,829
Employee benefit provisions, current	19	769	1,020
Total current liabilities		61,781	79,215
Non-current liabilities			
Other financial liabilities, non-current	17	80,000	100,000
Trade and other payables, non-current		70	102
Related party payables, non-current	8	99	4,572
Deferred tax liabilities	16-34	14,765	13,280
Employee benefit provisions, non-current	19	162	157
Total non-current liabilities		95,096	118,111
Net equity			
Share capital	20	91,786	73,422
Share premium	20	27,539	0
Accumulated losses	20	27,436	11,695
Other reserves	20	23,666	23,561
Total equity		170,427	108,678
Total equity and liabilities		327,304	306,004

The accompanying notes numbered 1 to 34 are an integral part of these interim consolidated financial statements.

Note 34 describes the assumptions used to calculate the fair value of biological assets using the model suggested by the Norwegian Financial Supervisory Authority. The effects on the statement of financial position are as follows.

Deferred tax liabilities increased by ThUS\$8,075.

Retained earnings within equity increased by ThUS\$21,831.

SALMONES CAMANCHACA S.A. AND SUBSIDIARY
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2018 AND 2017 (UNAUDITED) AND DECEMBER 31, 2017 (AUDITED)

	Share capital	Share premium	Foreign currency conversion reserve	Other reserves	Total other reserves	Retained earnings (accumulated losses)	Equity attributable to owners of the parent company	Total equity
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Opening balance as of January 1, 2017	34,843		75		75	-16,672	18,246	18,246
Changes in equity								
Comprehensive income								
Net income for the period						6,479	6,479	6,479
Other comprehensive income			-1		-1		-1	-1
Closing balance as of March 31, 2017	34,843	-	74	0	74	-10,193	24,724	24,724

	Share capital	Share premium	Foreign currency conversion reserve	Other reserves	Total other reserves	Retained earnings (accumulated losses)	Equity attributable to owners of the parent company	Total equity
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Opening balance as of January 1, 2017	34,843		75		75	-16,672	18,246	18,246
Capital increase	38,579			23,471	23,471		62,050	62,050
Changes in equity								
Dividends accrued						-3,354	-3,354	-3,354
Comprehensive income								
Net income for the period						31,721	31,721	31,721
Other comprehensive income			15		15		15	15
Closing balance as of December 31, 2017	73,422	-	90	23,471	23,561	11,695	108,678	108,678

	Share capital	Share premium on placement	Foreign currency conversion reserve	Other reserves	Total other reserves	Retained earnings (accumulated losses)	Equity attributable to owners of the parent company	Total equity
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Opening balance as of January 1, 2018	73,422	-	90	23,471	23,561	11,695	108,678	108,678
Capital increase	18,364	27,539			-		45,903	45,903
Changes in equity								
Comprehensive income								
Net income for the period						15,741	15,741	15,741
Other comprehensive income			105		105		105	105
Closing balance as of March 31, 2018	91,786	27,539	195	23,471	23,666	27,436	170,427	170,427

The accompanying notes numbered 1 to 34 are an integral part of these interim consolidated financial statements.

SALMONES CAMANCHACA S.A. AND SUBSIDIARY
INTERIM CONSOLIDATED STATEMENTS OF NET INCOME BY FUNCTION
FOR THE THREE MONTHS ENDED MARCH 31, 2018 AND 2017 (UNAUDITED)

	Note	For the period ended March 31	
		2018 ThUS\$	2017 ThUS\$
Operating revenue	22	80,560	51,757
Cost of sales	11	-59,049	-31,309
Gross profit before fair value		21,511	20,448
Gain (loss) on fair value of biological assets	10	26,855	10,168
Fair value adjustment to biological assets harvested and sold	10	-20,731	-16,438
Gross profit		27,635	14,178
Administrative expenses	23	-3,143	-3,091
Distribution costs	24	-2,501	-1,280
Financial costs	25	-1,193	-933
Share of net income (losses) of equity method associates		316	5
Exchange differences	26	-211	-202
Other gains (losses)	27	11	11
Financial income		17	12
Net income before tax		20,931	8,700
Income tax (expense) income	16	-5,190	-2,221
Net income from continuing operations		15,741	6,479
Net income from discontinued operations			
Net income for the period		15,741	6,479
Earnings per share			
Basic earnings per share (US\$/share)	21	0.2385	31.4422
Earnings per share on discontinued operations (US\$/share)		0.0000	0.000
Basic earnings per share		0.2385	31.4422

The accompanying notes numbered 1 to 34 are an integral part of these interim consolidated financial statements.

Note 34 describes the assumptions used to calculate the fair value of biological assets using the model suggested by the Norwegian Financial Supervisory Authority. The effects in the statement of net income by function are as follows.

Gain (loss) on fair value of biological assets increased by ThUS\$29,906.

Income tax (expense) increased due to a loss of ThUS\$8,075.

Net income for the period increased by ThUS\$21,831.

SALMONES CAMANCHACA S.A. AND SUBSIDIARY
INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2018 AND 2017 (UNAUDITED)

	For the three months ended March 31	
	2018	2017
	ThUS\$	ThUS\$
Net income for the period	15,741	6,479
Gain (loss) from cash flow hedge		
Gain (loss) from foreign currency conversion	105	-1
Other income and expenses charged or credited to equity		
Total comprehensive income	15,846	6,478

The accompanying notes numbered 1 to 34 are an integral part of these interim consolidated financial statements.

SALMONES CAMANCHACA S.A. AND SUBSIDIARY
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW, DIRECT METHOD
FOR THE THREE MONTHS ENDED MARCH 31, 2018 AND 2017 (UNAUDITED)

	As of March 31, 2018 ThUS\$	As of March 31, 2017 ThUS\$
CASH FLOWS PROVIDED BY (USED BY) OPERATING ACTIVITIES		
Receipts		
Receipts from the sale of goods & provision of services	94,338	76,949
Payments		
Payments to suppliers for goods and services	-85,575	-36,389
Payments to and on behalf of employees	-8,597	-6,358
Interest paid	-1,396	-83
Interest received	15	12
Other cash receipts (payments)	-	10
Net cash flows provided by (used by) operating activities	-1,215	34,141
CASH FLOWS PROVIDED BY (USED BY) FINANCING ACTIVITIES		
Proceeds from issuing shares	45,903	-
Loan repayments	-20,000	-
Payments to related parties	-4,939	-6,980
Net cash flows provided by (used by) financing activities	20,964	-6,980
CASH FLOWS USED BY INVESTING ACTIVITIES		
Receipts from the sale of property, plant and equipment	155	-
Purchases of property, plant and equipment	-6,831	-2,129
Net cash flows used by investing activities	-6,676	-2,129
Net increase (decrease) in cash and cash equivalents, before the effect of changes in exchange rates	13,073	25,032
Effect of exchange rate changes on cash and cash equivalents	-108	-237
NET INCREASE IN CASH AND CASH EQUIVALENTS	12,965	24,795
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	846	1,642
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	13,811	26,437

The accompanying notes numbered 1 to 34 are an integral part of these interim consolidated financial statements.

SALMONES CAMANCHACA S.A. AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2018 (UNAUDITED)

NOTE 1 - GENERAL INFORMATION

Salmones Camanchaca S.A. was constituted as a private limited company when Compañía Pesquera Camanchaca S.A. split on January 1, 2009, in accordance with a public deed dated June 26, 2009 legalized before the Public Notary Mr. Félix Jara Cadot. The purpose of the Company is breeding, producing, marketing and farming salmon and other species or organisms whose normal and most frequent environment is water, including research and development of salmonidae genetics, farming, cultivating, processing, producing and marketing sea-food. An Extraordinary General Shareholders' Meeting held on October 23, 2009 agreed that Salmones Camanchaca S.A. should become a direct subsidiary of Compañía Pesquera Camanchaca S.A. following a reorganization of the salmon business within the Group. Therefore, the latter company increased its share capital. This increase was paid for by all the shareholders in Salmones Camanchaca S.A. contributing all their shares, except one, to Compañía Pesquera Camanchaca S.A. The remaining share belonged to Inmobiliaria Camanchaca Ltda.

An Ordinary General Shareholders' Meeting held on September 14, 2017 agreed to a reorganization where the company acquired all the shares of Fiordo Blanco S.A. and Surproceso S.A., which were owned by the parent company Compañía Pesquera Camanchaca S.A. The value of the capital contribution for these shares was ThUS\$38,579. In return, all the rights of Transportes Interpolate Ltda. were transferred to its parent company.

This reorganization means that Salmones Camanchaca S.A. will consolidate Fiordo Blanco S.A. as it owns 99.99% of its shares from that day.

An Extraordinary Shareholders' Meeting of Salmones Camanchaca S.A. was held on November 6, 2017. The minutes were legalized in a public deed with the same date at the Santiago Notary of Mr. Felix Jara Cadot and an extract was recorded in the Santiago Trade Register on November 8, 2017 on page 83,700 at number 45,024 for 2017. It was published in the Official Journal on November 9, 2017. The following resolutions were approved at this extraordinary shareholders' meeting:

To increase the number of shares in the company from 546,327 shares to 56,818,008 shares. This increase will take place by replacing each share currently held with 104 new shares.

Furthermore, to increase the share capital from US\$ 73,422,406.08 divided into 56,818,008 equal single series shares with no par value, to US\$ 91,786,390.08 divided into 66,000,000 equal single series shares with no par value, by issuing 9,181,992 shares with no par value, at a price of US\$ 2 per share.

On February 2, 2018, 19,800,000 Company shares, which represent 30% of the Company, were placed through the Santiago Stock Exchange, using a mechanism known as an order book auction. These represent 9,181,992 first issue shares and 10,618,008 second issue shares, at a price of Ch\$ 3,268 per share, and these are now traded on the Santiago, Chile and the Oslo, Norway Stock Exchanges.

The Company is a major market player in the salmon farming business. The principal characteristic of Salmones Camanchaca is its fully integrated value chain, including the genetic development of breeders and all the facilities required to produce fry, smolts and marine grow-out sites; primary and value-added processing plants; and sales and marketing using its own overseas sales channels or those belonging to its parent company, Compañía Pesquera Camanchaca S.A., in the USA, Japan, China and representation agencies in Mexico.

The main formats for selling Atlantic Salmon are Trim C, D, and E, HG and Hon fillets, in 4, 5, 6, and 8 oz. portions. The company prepares its products in plants located in the VIII and X regions. They are mainly sold into the North American, Japanese and Brazilian markets.

Since 2016 Salmones Camanchaca S.A. has participated as a "participant" in a joint venture partnership 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. Partnership net income is divided in equal parts between these three companies.

The financial statements of Salmones Camanchaca S.A. for the period ended March 31, 2018 were approved by the Board of Directors at a meeting held on May 14, 2018.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies used to prepare the financial statements of Salmones Camanchaca S.A. have been applied in a uniform manner, and are described as follows.

2.1 Period covered

These financial statements cover the following periods:

- Interim consolidated classified statements of financial position as of March 31, 2018 and December 31, 2017.
- Interim consolidated statements of net income by function for the three month periods ended March 31, 2018 and 2017.
- Interim consolidated statements of comprehensive income for the three month periods ended March 31, 2018 and 2017.
- Interim consolidated statements of cash flows, direct method for the three month periods ended March 31, 2018 and 2017.
- Interim consolidated statements of changes in equity for the periods from January 1, to March 31, 2018 and 2017 and to December 31, 2017.

2.2 Basis of preparation

These financial statements of Salmones Camanchaca S.A. as of March 31, 2018, were prepared in accordance with International Financial Reporting Standards (IFRS). In accordance with the standards and instructions issued by the Financial Market Commission (FMC), they include additional disclosures in the notes to the interim consolidated financial statements. These are in addition to and not deviations from IFRS.

The presentation of the 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 5 of these financial statements discloses the areas which involve a higher degree of judgment and complexity, where the assumptions and estimates have a significant effect on the financial statements.

These interim consolidated financial statements of Salmones Camanchaca S.A. have been prepared from accounting records held by the Company. The figures in these interim consolidated financial statements are expressed in thousands of US dollars, which is the Company's functional currency.

There are no significant uncertainties regarding events or conditions as of the reporting date that may cast doubt on the Company's ability to continue functioning normally as a going concern.

2.3 New accounting pronouncements

- a) Standards, interpretations and amendments that are mandatory for the first time for financial periods beginning on January 1, 2018.

Amendments and improvements

Amendments to IAS 7 "Statement of Cash Flow" - issued in February 2016. The amendment introduces additional disclosure that enables users of financial statements to evaluate changes in obligations from financing activities.

Amendment to IAS 12 "Income Tax" - issued in February 2016. The amendment clarifies how to account for deferred tax assets relating to debt instruments valued at fair value.

Amendment to IFRS 12 "Disclosures of Interests in Other Entities" - issued in December 2016. The amendment clarifies the scope of this standard. These amendments must be applied retroactively to annual periods beginning on or after January 1, 2018.

The adoption of these standards, amendments and interpretations do not have a significant impact on the Company's consolidated financial statements.

b) Standards, interpretations and amendments issued, but not yet mandatory and which have not been adopted early.

Standards and Interpretations	Mandatory for annual periods beginning
IFRS 9 "Financial Instruments" - issued in July 2014. The IASB has issued the full version of IFRS 9, which replaces the guidance in IAS 39. This final version includes the classification and valuation requirements of financial assets and liabilities and a model of expected credit losses that replaces the current impairment loss model. The part relating to hedge accounting within this final version of IFRS 9 had already been issued in November 2013. Early adoption is permitted.	01/01/2018
IFRS 15 "Revenue from Contracts with Customers" - issued in May 2014. It establishes the principles applicable to information disclosures in financial statements in relation to the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The basic principle is that an entity recognizes revenue that represents the transfer of goods or services promised to customers for an amount that reflects the consideration, which the entity expects to receive in exchange for those goods or services. It replaces IAS 11 Construction Contracts; IAS 18 Revenue; IFRIC 13 Customer Loyalty Programs; IFRIC 15 Agreements for the Construction of Real Estate; IFRIC 18 Transfers of Assets from Customers, and SIC-31 Revenue – Barter Transactions Involving Advertising Services. Early adoption is permitted.	01/01/2018
IFRS 16 "Leases" - issued in January 2016. Establishes the standards to recognize, measure, present and disclose leases. IFRS 16 replaces IAS 17 and introduces a unique lessee accounting model that requires a lessee to recognize the assets and liabilities of all rental contracts with a term of over 12 months, unless the underlying asset is of low value. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, and early application is permitted for entities that apply IFRS 15 or before the date that IFRS 16 is initially applied.	01/01/2019
IFRS 17 "Insurance Contracts" - issued in May 2017, replaces the current IFRS 4. IFRS 17 will change the accounting for all entities that issue insurance contracts and investment contracts with discretionary participation features. The standard applies to annual periods beginning on or after 1 January 2021, and early adoption is permitted for entities that apply IFRS 15, "Revenue from contracts with customers" and IFRS 9, "Financial Instruments".	01/01/2021

IFRIC 22 "Transactions in Foreign Currency and Advance Payments" - issued in December 2016. This Interpretation applies to a foreign currency transaction (or part of it) when an entity recognizes a non-financial asset or liability that arises from the payment or collection of an advance payment before the entity recognizes the related asset, expense or income (or part of it). The interpretation provides a guide for a unique payment / receipt, and for situations involving multiple payments / receipts. Its purpose is to reduce practical diversity.	01/01/2018
IFRIC 23 "Uncertainty over Income Tax Treatments". -issued in June 2016. This interpretation clarifies how to apply the recognition and measurement requirements of IAS 12 when there is uncertainty regarding income tax treatment.	01/01/2019
Amendment to IFRS 2 "Share-based Payments" - issued in June 2016. The amendment clarifies the measurement of share-based payments settled in cash and the accounting of changes to such payments when they are settled with equity instruments. Additionally, it introduces an exception to the principles of IFRS 2 that will require accounting for these awards as if they were fully settled as equity instruments, when the employer is obliged to withhold tax related to share-based payments.	01/01/2018
Amendment to IFRS 15 "Revenue from Contracts with Customers" - issued in April 2016. The amendment introduces clarifications to the guide that identifies performance obligations in contracts with customers, accounting for intellectual property licenses and the evaluation of principal versus agent (gross versus net income presentation). It includes new and amended illustrative examples as a guide, as well as practical examples related to the transition to the new revenue standard.	01/01/2018
Amendment to IFRS 4, "Insurance Contracts", with regard to applying IFRS 9 "Financial Instruments". - issued in September 2016. The amendment introduces two approaches: (1) Overlay approach, which gives all companies that emit insurance contracts the option to recognize in other comprehensive income, instead of gains and losses the volatility that could arise when IFRS 9 is applied under the new insurance contracts standard; and (2) Temporary waiver of IFRS 9, that enables companies whose business is predominantly related to insurance, to optionally waive IFRS 9 until 2021, and continue applying IAS 39 until then.	01/01/2018
Amendment to IAS 40 "Investment properties", relating to investment property transfers. - issued in December 2016. The amendment clarifies that there must be a change in use to transfer to or from an investment property. To conclude, a change in use of a property must be supported by an evaluation and evidence to ensure that the property change complies with the definition.	01/01/2018
Amendment to IFRS 1 "First-time adoption of IFRS" regarding suspending short-term exceptions for first time adopters with respect to the IFRS 7, IAS 19 and IFRS 10. - issued in December 2016.	01/01/2018
Amendment to IAS 28 "Investments in Associates and Joint Ventures", relating to measuring the associate or joint venture at fair value - issued in December 2016.	01/01/2018
Amendment to IFRS 9 "Financial Instruments". -issued in October 2017. The amendment allows more assets to be valued at amortized cost than in the previous version of IFRS 9, in particular some prepaid financial assets with negative compensation. The qualifying assets include some loans and debt securities, which otherwise would have been measured at fair value through profit and loss (FVTPL). To qualify as amortized cost, this negative compensation should be "reasonable compensation for early contract termination".	01/01/2019

Amendment to IAS 28 "Investments in Associates and Joint Ventures". -issued in October 2017. This amendment clarifies that companies that account for long-term interests in an associate or joint venture, where the equity method is not applied - should use IFRS 9. The Council has published an example that illustrates how companies should apply the requirements of IFRS 9 and IAS 28 to long-term interests in an associate or joint venture.	01/01/2019
Amendment to IFRS 3 "Business Combinations" - issued in December 2017. The amendment clarifies that gaining control of a joint operation company is a business combination that is achieved in stages. The acquirer should revalue its previous interest in the joint operation at fair value on the acquisition date.	01/01/2019
Amendment to IFRS 11 "Joint Arrangements" - issued in December 2017. The amendment clarifies that the entity that gains joint control of a joint operation company must not revalue its previous interest in the joint operation.	01/01/2019
Amendment to IAS 12 "Income Taxes" - issued in December 2017. The amendment clarifies that the income tax consequences of dividends on financial instruments classified as equity must be recognized according to where the transactions or past events that generated those distributable profits were recognized.	01/01/2019
Amendment to IAS 23 "Borrowing Costs" - issued in December 2017. The amendment clarifies that if a specific loan remains outstanding after the qualifying asset is ready for its intended use or sale, that loan becomes part of general loans.	01/01/2019
Amendment to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" - issued in September 2014. This amendment addresses an inconsistency between the requirements of IFRS 10 and IAS 28 in the treatment of the sale or provision of goods between an investor and its associate or joint venture. The main consequence of these amendments is that they recognize a full gain or a loss when the transaction involves a business (whether or not in a subsidiary) and a partial gain or loss when the transaction involves assets that do not constitute a business, even if these assets are in a subsidiary.	Undetermined
Management is particularly analyzing the effects of adopting IFRS 9 and 16.	

2.4 Basis of Consolidation

a) Subsidiaries

An entity is a subsidiary when the Company can exercise control over its financial and operational policies, which usually involves owning over half its voting rights. When evaluating whether the Company controls another entity, all its currently exercisable or convertible voting rights and their effects are considered. A subsidiary is consolidated from the date on which control is transferred to the Company and is excluded from consolidation on the date on which it ceases to be controlled.

The acquisition method is used to account for the acquisition of subsidiaries by the Company. 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 Company's share of the acquired net identifiable assets is recognized as purchased goodwill. If the acquisition cost is less than the fair value of the net assets of the acquired subsidiary, the difference is recognized directly in the income statement.

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.

Salmones Camanchaca S.A. began a corporate restructuring process in September 2017. Accordingly, on September 11, 2017 the 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% and 1%, respectively, in Transportes Interpolar Ltda.

An Extraordinary Shareholders Meeting was held on September 14, 2017, which agreed to increase the share capital, in order to consolidate ownership of all the assets used in salmon smolt stocking, harvesting and processing by Salmones Camanchaca S.A. This capital increase was completed when Compañía Pesquera Camanchaca S.A. (Parent Company) contributed all the shares that it owned in Fiordo Blanco S.A. and Surproceso S.A.

The previously mentioned reorganization means that Salmones Camanchaca S.A. will consolidate Fiordo Blanco S.A. as it owns 99.99% of its shares as of September 14, 2017.

This meeting also agreed to adopt new by-laws that meet the regulations governing publically-owned corporations, as soon as the Company and its shares have been registered in the Securities Registry of the FMC (formerly Superintendent of Securities and Insurance). The purpose was to arrange an IPO for such shares, which took place on February 2, 2018 and those issued in the future or their representative certificates.

b) Associates

Associates are defined as entities over which the Company exercises significant influence but does not control the financial and operational policies. It generally has an interest in the voting rights of between 20% and 50%. Investments in associates are accounted for using the equity method and are initially recognized at cost.

Salmones Camanchaca S.A.'s share in net income or losses subsequent to acquiring its associates are recognized in net income, and its share of equity movements (that are not due to net income) subsequent to the acquisition are recognized in reserves, and reflected as appropriate in the statement of comprehensive income. When the Company's share of an associate's losses is equal to or greater than its share in that company, including any other unsecured receivables, the Company does not recognize further losses unless

it has incurred obligations or made payments on behalf of that associate.

Unrealized gains on transactions between Salmones Camanchaca S.A. and its associates are eliminated according to the Company's percentage interest in them. Unrealized losses are also eliminated, unless the transaction provides evidence of impairment of the transferred asset.

Surproceso S.A is a company that provides aquaculture services. It has a commercial relationship with Salmones Camanchaca S.A. providing 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 Salmones Camanchaca S.A., who now owns that percentage.

New Worlds Currents Inc. is a company incorporated in Panama to establish, process and operate businesses associated with marketing salmon in China. The Company owns 25% of New Worlds Currents Inc.

2.5 Operating segment reporting

IFRS 8 requires entities to adopt "Management's approach" when disclosing information about the outcome of their operating segments. In general, this is the information that Management uses internally to evaluate segment performance and to allocate resources to segments.

Salmones Camanchaca S.A. has only one operating segment, according to this standard.

2.6 Foreign currency transactions

a) Presentation currency

The items included in the Company's financial statements are valued using the currency of the principal economic environment in which the entity operates (functional currency), which is also the presentation currency for the statements of financial position.

b) Functional currency

Based on the instructions and definitions provided in IAS 21, functional currency is the currency of the primary economic environment in which the entity operates.

Therefore, the Company has established that the conditions that support the functional currency are as follows.

Factors	Currency
The currency that primarily influences the selling prices of goods and services; normally the price used to describe and pay for them.	US dollar ¹
The currency that principally affects the costs of labor, materials and other costs to produce goods or provide services, normally the price used to describe and pay for such costs.	US dollar and Chilean peso ²
The currency used to collect receipts for billed operational activities.	US dollar

The following aspects were also considered when selecting the Company's functional currency.

- The currency used by the Company's financing activities, such as bank obligations and equity, is the US dollar.
- The currency primarily used to invest the receipts from the Company's billed operational activities is the US dollar.

Therefore, the Company considers that under the current circumstances the functional currency of Salmenes Camanchaca S.A. is the US dollar.

c) Transactions and balances

Transactions in foreign currencies other than the functional currency are converted to the functional currency using the exchange rate in effect as of the transaction date. Gains and losses on foreign currencies resulting from settling these transactions, and the conversion of monetary assets and liabilities denominated in foreign currencies at closing rates, are recognized in the statement of net income.

d) Exchange rates

The company has converted its monetary assets and liabilities, using the following exchange rates to the US dollar.

Date	Ch\$ / US\$	UF / US\$	Euro / US\$	Yen / US\$	Nok / US\$
3/31/2018	603.39	0.0224	0.8133	106.4000	7.8450
12/31/2017	614.75	0.0229	0.8317	112.590029	8.1739
3/31/2017	663.97	0.0251	0.9360	111.4044	8.5773

2.7 Property, plant and equipment

The Company's property, plant and equipment is made up of land, building, infrastructure, machinery, equipment and other fixed assets. The main types of property, plant and equipment are: Production plants, marine equipment (pontoons), hatchery centers and grow-out centers.

Land, buildings, plants, equipment and machinery are recognized at their historical cost less depreciation. Historical cost includes the fair value considered to be attributed cost according to IFRS 1. This historical cost includes expenditure that is directly attributed to acquiring the asset.

Subsequent costs are included in the initial value of the asset, or recognized as a separate asset, only when it is likely that the future financial benefits associated with these components will flow to the Company and the cost of these components can be determined reliably. The value of the replaced component is expensed.

¹ US dollar

² Chilean peso

Land is not depreciated.

Depreciation of other items of property, plant and equipment is calculated using the straight-line method, in order to allocate their cost over their estimated technical useful lives.

	Years
Constructions	10 - 50
Infrastructure	10
Machinery	3 - 20
Equipment	5 - 20
Vehicles	7 - 10
Furniture and fittings	3 - 10

The residual value and useful life of these assets are reviewed and adjusted when necessary at each reporting date.

When the book value of an asset is greater than its estimated recoverable value, its book value is immediately reduced to its recoverable value.

Losses and gains on sales of assets are calculated by comparing the proceeds with the book value, and presented in the statement of net income.

2.8 Biological assets

Biological assets include the following.

Biological assets include groups or families of breeders, such as eggs, smolts, fish being fattened at sea. They are valued at initial recognition and subsequently at their fair value less estimated selling costs, except where their fair value cannot be reliably measured, in accordance with IAS 41. Therefore, an active market for these assets is sought in the first instance.

As there is no active market for live fish at all their stages, they are valued as freshwater fish, such as breeders, eggs, fry and smolts, using their cumulative costs at the reporting date.

The valuation criteria for fish that are being fattened is fair value. This is understood to be their market price less their estimated processing and selling costs. There is a market for fish being fattened that are over a certain size, which is 4.00kg for Atlantic Salmon. The market price is adjusted appropriately for each marine group at the reporting date, from which the harvesting, processing, packaging, distributing and selling costs are deducted. The volume is adjusted for process wastage.

Smaller fish are valued at cost, and are subject to impairment testing.

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

Biological assets that will be harvested in the next 12 months are classified as current biological assets.

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	Fair Value, as there is a market with reference prices and companies that sell these assets. In the absence of a market, accumulated cost at the reporting date, net of impairment, (which is applied and recorded if appropriate.)

- Valuation model

Each group of fish is valued and uses the biomass of fish at the end of each month. The detail includes the total number of fish being fattened, their estimated average weight and the cost of fish biomass. The value is estimated from the average weight in that biomass, which in turn is multiplied by the market price per kilo. The market price is normally obtained from published international prices.

- Assumptions used to calculate the fair value of fish being fattened

The estimated fair value of fish biomass is based on the following items: volume of fish biomass, average biomass weight, weight distribution at harvest and market prices.

- Volume of fish biomass

The volume of fish biomass 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.

- Distribution of harvest weights

Fish grow at various rates, so there is always a wide variation in the quality and size of the fish around the average. 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.

- Market Prices

Salmones Camanchaca S.A. calculates fair value using the price of products in representative markets that can be obtained from frequently published independent external sources.

Therefore, the reference prices for Atlantic salmon are published by Urner Barry Publications Inc. in their report "Urner Barry's Seafood Price-Current" based on transactions of at least 3,500 pounds. The price used is the FOB price of "Trim D" fresh fillet, from Chile to Miami (USA).

Urner Barry is a business editor specializing in timely, reliable and impartial news and market quotations for customers in segments related to the food industry, through a variety of printed and virtual media.

- Hierarchy

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

In note 34 there is a comparison between the Chilean and Norwegian practice for evaluation of the biological asset.

2.9 Intangible assets other than goodwill

a) Aquaculture concessions

Aquaculture concessions acquired from third parties are presented at historical cost. The useful life of concessions is indefinite, because they have no expiry date or a foreseeable lifetime, so 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. These assets undergo impairment testing on a yearly basis.

b) Research and development expenses

Research expenses are expensed when incurred. The directly attributable costs of development projects relate to the design and testing of new or improved products. These are recognized as intangible assets when the following criteria are met.

- It is technically feasible to fully produce the intangible asset, to the point where it can be used or sold.
- Management intends to complete the intangible asset, and to use or sell it.
- The Company has the ability to use or sell it.
- The Company can demonstrate how the intangible asset is likely to generate financial benefits in the future.
- The Company has sufficient technical, financial or other resources, to complete development and to use or sell the intangible asset.
- The expenditure attributable to developing it can be reliably measured.

2.10 Interest costs

Interest costs incurred in the construction of any qualified asset are capitalized over the period of time needed to complete and prepare the asset for its intended use. Other interest costs are expensed.

2.11 Impairment losses on non-financial assets

Assets with indefinite useful lives are not amortized and are tested yearly for impairment losses. Amortized assets are tested for impairment whenever an event or change in circumstances indicates that their book value may not be recoverable. An impairment loss is recognized for the amount by which the asset's book value exceeds its recoverable value. The recoverable value is the greater of the fair value of an asset less selling costs, or its value in use. Impairment is assessed by grouping assets at the lowest levels at which they generate separately identifiable cash flows (cash-generating units). Non-financial assets that have been impaired are reviewed at every reporting date to identify whether any reversals have occurred.

2.12 Financial assets

The Company classifies its financial assets into the following categories: at fair value through profit and loss, loans and receivables, assets held-to-maturity and assets held-for-sale. The classification depends on why the financial assets were acquired. Management determines the classification of its financial assets upon initial recognition.

Classification of financial assets

a) Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss are financial assets held for trading. A financial asset is classified in this category if it is acquired primarily for the purpose of being sold in the short term. Assets in this category are classified as current assets.

The Company records the following financial assets in this category:

- Mutual funds
- Investment agreements
- Term deposits

b) Trade and other receivables

Receivables are recognized at their nominal value and are non-derivative financial assets with a fixed or determinable value and without a market price. Those assets that will mature in less than 12 months are classified as current assets. Those assets that will mature in greater than 12 months are classified as non-current assets.

The Company records sales receivables and other receivables in this category. They are initially recognized at fair value, recognizing a financial result for the period between their recognition and subsequent valuation. Sales receivables and other receivables are valued at their nominal value, as the Company collects these over a short period of time.

c) Valuation of financial assets

Purchases and sales of financial assets are recognized as of the transaction date, i.e. the date when the Company commits to purchase or sell the asset.

- Initial recognition: Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit and loss. Financial assets at fair value through profit and loss are initially recognized at fair value and transaction costs are expensed.
- Subsequent valuation: Financial assets at fair value through profit and loss are subsequently recorded at fair value.

Investments are derecognized when the rights to receive cash flows from an investment have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets may be impaired.

2.13 Inventories

Inventory is valued at its cost or net realizable value, whichever is lower. Cost is calculated using the average cost method.

The cost of finished and in-process products 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 selling costs.

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

Inventory valuation policy

a) The Company values its inventories as follows.

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.

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

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.

2.14 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.

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.

2.15 Cash and cash equivalents

Cash and cash equivalents include cash balances, time deposits with financial institutions, and other highly-liquid, short-term investments originally maturing in less than three months.

2.16 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.

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

2.17 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.

2.18 Interest-bearing loans

Obligations to banks and financial institutions are initially recognized at fair value, net of transaction costs. Subsequently, loans are valued at their amortized cost. Any difference between the proceeds, net of any transactions costs, and their repayable value, is recognized in the statement of net income during the loan term, in accordance with the effective interest rate method. The effective interest rate method applies the interest rate that exactly matches the discounted future repayments to the initial net value of the liability.

2.19 Income and deferred taxes

The tax expense on net income for the period includes current income tax and deferred tax.

Current income taxes are based on the tax laws at the reporting date.

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.

Current and deferred income taxes are recognized in the statement of net income, except for taxes arising on items recognized in other comprehensive income, directly in equity, or on a business combination. 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.

2.20 Employee benefits

a) Staff vacations

The Company recognizes the expense for staff vacations using the accrual method, which is recorded at its nominal value. The staff vacation benefit does not represent a significant amount in the statement of comprehensive income.

b) Severance indemnities

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 that arise from adjustments that reflect experience and changes in actuarial assumptions are charged or credited to the statement of net income or equity, depending on their nature, in the period in which they arise.

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

2.21 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.

2.22 Revenue recognition

Revenue includes the fair value of consideration received or to be received for the sale of goods and services in the ordinary course of the Company's business. Revenue is presented net of value added tax, and any refunds, rebates and discounts.

The Company recognizes revenue when its value can be reliably measured, it is probable that future financial benefits will flow to the Company, and conditions specific to each of the Company's businesses have been met, as follows.

a) Sales of goods

Sales of goods are recognized when the Company has transferred the risks and rewards of owning those products to the customer, who has accepted them, their value can be reliably calculated and it is likely that this amount will be collected.

b) Interest income

Interest income is recognized on the proportion of elapsed time, using the effective interest rate method.

c) Services provided

Revenue from services are recorded when the service has been provided. A service is considered as provided when the customer confirms satisfactory completion.

2.23 Leasing

a) When the Company is the lessee - Operating leases

Leases in which the lessor conserves a significant part of the risks and rewards of ownership of the good are classified as operating leases. Payments for operating leases, net of any incentive received from the lessor, are charged to the statement of net income on a straight-line basis over the lease term.

b) When the Company is the lessor - Operating leases

Assets leased to third parties under operating lease contracts are included in property, plant and equipment or investment property, as appropriate.

Income from operating leases is recognized in the statement of net income on a straight-line basis over the lease term.

2.24 Dividend policy

The Company has defined the following dividend policy, in accordance with its by-laws.

Financial statements shall be prepared as of December thirty-one each year.

Net income for the year will be distributed as follows.

a) No less than thirty percent to be distributed as a dividend in cash to shareholders, in proportion to their shares.

b) The balance to be used to form reserves, as agreed by an Annual General Shareholders' Meeting.

Distributions of dividends to shareholders are recognized as a liability as of each reporting date, in accordance with the dividend policy agreed upon by shareholders at the ordinary general shareholders' meeting.

2.25 Environment

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

The Company has established the following disbursements 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 - FINANCIAL RISK MANAGEMENT

The Company's business activities are exposed to various financial risks: credit risk, liquidity risk, interest rate risk and market risk.

3.1. Credit risk

a) Customer portfolio risk

The company at the closing date of the period does not register customers in default and not deteriorated

b) Sales risk

The Company uses the usual tools operating in the industry to market its products. These are contracted with recognized and qualified insurance companies and financial institutions. These tools 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 Company has established policies to ensure that product sales on credit are made to customers with an appropriate credit history. The Company 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.

3.2. Liquidity risk

The Company's liquidity risks arise from a shortfall of funds for operating costs, finance 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.

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

a) As of March 31, 2018

Item	1 to 3 months ThUS\$	3 to 12 months ThUS\$	1 to 5 years ThUS\$	More than 5 years ThUS\$	ThUS\$
Interest-bearing loans	775	1,861	93,770		96,406
Trade and other payables	40,959	6,538	70	-	47,567
Related party payables, current	7,842	-	-	-	7,842
Related party payables, non-current	-	-	-	99	99
Total	49,576	8,399	93,840	99	151,914

b) As of December 31, 2017

CONCEPT	1 to 3 months ThUS\$	3 to 12 months ThUS\$	1 to 5 years ThUS\$	More than 5 years ThUS\$	ThUS\$
Interest-bearing loans	-	4,652	117,213	-	121,865
Trade and other payables	64,413	7,316	102	-	71,831
Related party payables, current	4,198	-	-	-	4,198
Related party payables, non-current	-	-	-	4,572	4,572
Total	68,611	11,968	117,315	4,572	202,466

3.3. Market risk

a) Exchange rate risk

The Company has defined 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 has a net liabilities balance in Chilean pesos as of March 31, 2018 totaling ThUS\$16,761. Therefore, an increase of 5% in the exchange rate results in an exchange gain of ThUS\$838, while a decrease of 5% in the exchange rate results in an exchange loss of the same amount.

b) Interest rate risk

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

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

The Company has a total of ThUS\$80,165 in bank liabilities denominated in US dollars as of March 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\$802, as appropriate.

NOTE 4 – FINANCIAL INSTRUMENTS

The Company has financial instruments as of March 31, 2018 and December 31, 2017 valued at their fair value as shown in the following table, and there are no differences between their fair value and book value.

Item	3/31/2018		12/31/2017	
	Book value	Fair value	Book value	Fair value
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Cash and cash equivalents				
Cash balances	42	42	56	56
Bank balances	13,769	13,769	790	790
Other financial assets	32	32	31	31
Trade and other receivables	23,236	23,236	28,196	28,196
Related party receivables	25,353	25,353	25,585	25,585
Recoverable rights, non-current	5,548	5,548	5,520	5,520
Other financial liabilities	165	165	439	439
Trade and other payables, current	47,497	47,497	71,729	71,729
Related party payables	7,842	7,842	4,198	4,198
Other financial liabilities, non-current	80,000	80,000	100,000	100,000
Payables, non-current	70	70	102	102
Related party payables, non-current	99	99	4,572	4,572

Financial instruments as of March 31, 2018, according to the categories specified in IAS 39, are as follows.

	Financial assets at fair value through profit and loss ThUS\$	Financial assets held to maturity ThUS\$	Cash and cash equivalents, loans and receivables ThUS\$	Financial assets held for sale ThUS\$	Total ThUS\$
Cash and cash equivalents					
Cash balances	-	-	42		42
Bank balances	-	-	13,769		13,769
Other financial assets, current	-	-	32		32
Trade and other receivables	-	-	23,236		23,236
Related party receivables	-	-	25,353		25,353
Other financial assets, non-current	-	-	5,548		5,548

	Fair value through profit and loss ThUS\$	Hedging instruments ThUS\$	Financial liabilities at amortized cost ThUS\$	Total ThUS\$
Other financial liabilities, current	-	-	165	165
Trade and other payables	-	-	47,497	47,497
Related party payables, current	-	-	7,842	7,842
Other financial liabilities, non-current	-	-	80,000	80,000
Payables, non-current	-	-	70	70
Related party payables, non-current	-	-	99	99

Financial instruments as of December 31, 2017, according to the categories specified in IAS 39, are as follows.

	Financial assets at fair value through profit and loss ThUS\$	Financial assets held to maturity ThUS\$	Cash and cash equivalents, loans and receivables ThUS\$	Financial assets held for sale ThUS\$	Total ThUS\$
Cash and cash equivalents					
Cash balances	-	-	56	-	56
Bank balances	-	-	790	-	790
Other financial assets, current	-	-	31	-	31
Trade and other receivables	-	-	28,196	-	28,196
Related party receivables	-	-	25,585	-	25,585
Other financial assets, non-current	-	-	5,520	-	5,520

	Fair value through profit and loss ThUS\$	Hedging instruments ThUS\$	Financial liabilities at amortized cost ThUS\$	Total ThUS\$
Other financial liabilities, current	-	-	439	439
Trade and other payables	-	-	71,729	71,729
Related party payables, current	-	-	4,198	4,198
Other financial liabilities, non-current	-	-	100,000	100,000
Trade and other payables, non-current	-	-	102	102
Related party payables, non-current	-	-	4,572	4,572

NOTE 5 - 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.

The Company's main accounting estimates as follows.

a) Biomass of biological assets

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.

b) Asset impairment

The recoverable amount of property, plant and equipment is revalued annually according to IAS 36, as the Company has intangible assets. 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 Company evaluates whether there is evidence of impairment at each reporting date, ie. 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).

CGUs are identified for impairment testing. IAS 36 defines a CGU as "the smallest identifiable group of assets that generates receipts for the Company, which are largely independent of the receipts generated by other assets or groups of assets."

Therefore, given the Company as a whole, the characteristics of its assets and its productive and marketing processes, the Company has defined a policy that the CGU value to compare with future cash flows generated by using its assets, based on the non-current assets at the reporting date of the financial statements, less those assets that are not: Property plant and equipment and intangible assets other than goodwill.

The Company 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.

Except for the estimated biomass of the biological assets, Management believes that these 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 6 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents are as follows.

	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Cash balances	42	56
Bank balances	13,769	790
Total cash and cash equivalents	13,811	846

NOTE 7 - TRADE AND OTHER RECEIVABLES

Trade and other receivables are as follows.

	3/31/2018			12/31/2017		
	Trade receivables	Doubtful debt provision	Net trade receivables	Trade receivables	Doubtful debt provision	Net trade receivables
Customers	18,240	-57	18,183	23,395	-111	23,284
Notes receivable	-	-	-	20	-	20
Recoverable VAT	3,867	-	3,867	3,710	-	3,710
Receivables from property sales	200	-	200	200	-	200
Staff receivables	16	-	16	23	-	23
Insurance claims	970	-	970	959	-	959
Total	23,293	-57	23,236	28,307	-111	28,196

Salmones 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 2018 and 2017.

The Company has no financial assets at the reporting date that are in arrears and not impaired.

Classification of receivables by due date.

Overdue ranges	3/31/2018				12/31/2017			
	Number of customers non-renegotiated portfolio	Gross non-renegotiated portfolio ThUS\$	Doubtful debt provision	Net trade receivables	Number of customers non-renegotiated portfolio	Gross non-renegotiated portfolio ThUS\$	Doubtful debt provision	Net trade receivables
Not yet due	132	11,872	-	11,872	165	20,322	-	20,322
1-30 days	398	6,475	-	6,475	342	4,327	-	4,327
31-60 days	33	1,377	-	1,377	29	2,318	-	2,318
61-90 days	9	1,624	-	1,624	3	457	-	457
91-120 days	5	573	-	573	-	-	-	-
121-150 days	4	444	-	444	8	383	-	383
151-180 days	1	1	-	1	3	216	-114	102
181-210 days	2	178	-6	172	2	200	1	201
211-250 days	5	464	-1	463	2	1	-1	-
>250 days	3	285	-50	235	2	83	3	86
Total	592	23,293	-57	23,236	556	28,307	-111	28,196

NOTE 8 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Related parties include the following entities and individuals.

- Shareholders that can exercise control
- Subsidiaries and their members
- Parties with sufficient interest to give them significant influence
- Parties with joint control
- Associates
- Interests in joint ventures
- Senior management of the entity or of its parent company
- Close relatives of individuals described in the previous points
- An entity that controls, or jointly controls, and is significantly influenced by any of the individuals described in the two previous points.

Generally transactions with related companies are not subject to special conditions. These transactions are in accordance with Law 18,046 governing Corporations and with IAS 24.

Transferring current and non-current funds between related companies, which do not relate to the collection or payment of services, are structured using commercial current accounts.

a) Current related party receivables are as follows:

	Chilean ID Number:	Country	Payment terms	Currency	3/31/2018		12/31/2017	
					Current ThUS\$	Non-current ThUS\$	Current ThUS\$	Non-current ThUS\$
Camanchaca Inc.	Foreign	USA	up to 30 days	US\$	17,827	-	16,956	-
Kabushiki Kaisha Camanchaca Ltd.	Foreign	Japan	up to 30 days	US\$	6,472	-	7,933	-
Cia. Pesquera Camanchaca S.A.	93,711,000-6	Chile	up to 30 days	Ch\$	233	564	162	-
Camanchaca Cultivos Sur S.A.	96,633,150-K	Chile	up to 30 days	Ch\$	206	-	193	-
Camanchaca Pesca Sur S.A.	76,143,821-2	Chile	up to 30 days	Ch\$	431	-	341	-
Transportes Interpolar Ltda.	77,970,900-0	Chile	up to 30 days	Ch\$	184	-	-	-
Total					25,353	564	25,585	0

b) Current related party payables are as follows:

	Chilean ID Number:	Country	Payment terms	Currency	3/31/2018		12/31/2017	
					Current ThUS\$	Non-current ThUS\$	Current ThUS\$	Non-current ThUS\$
Cia. Pesquera Camanchaca S.A.	93,711,000-6	Chile	up to 30 days	Ch\$	4,607	99	1,412	4,572
Transportes Interpolar Ltda.	77,970,900-0	Chile	up to 30 days	Ch\$	1,209	-	1,528	-
Kabushiki Kaisha Camanchaca Ltd.	Foreign	Japan	up to 30 days	US\$	162	-	204	-
Inmobiliaria Camanchaca S.A.	96,786,700-4	Chile	up to 30 days	Ch\$	724	-	510	-
Camanchaca Pesca Sur S.A.	76,143,821-2	Chile	up to 30 days	Ch\$	510	-	267	-
Camanchaca Cultivos Sur S.A.	96,633,150-K	Chile	up to 30 days	Ch\$	12	-	0	-
Frigorífico Pacífico S.A.	77,858,550-2	Chile	up to 30 days	Ch\$	260	-	188	-
Surproceso S.A.	76,346,370-2	Chile	up to 30 days	Ch\$	355	-	86	-
Codepack S.A.	96,974,100-8	Chile	up to 30 days	Ch\$	3	-	3	-
Total					7,842	99	4,198	4,572

c) Transactions with related companies for over ThUS\$20 and their effects on net income for the periods ended March 31, 2018 and 2017 are as follows.

Company	Chilean ID Number:	Country	Relationship	Transaction	Currency	3/31/2018		3/31/2017	
						Amount ThUS\$	Effect on net income (Charge) Credit ThUS\$	Amount ThUS\$	Effect on net income (Charge) Credit ThUS\$
Camanchaca Inc.	Foreign	USA	Common shareholder	Products sold	US\$	27,707	4,426	15,759	1,186
Kabushiki Kaisha Camanchaca Ltd.	Foreign	Japan	Common shareholder	Products sold	US\$	4,837	689	2,841	1,012
Kabushiki Kaisha Camanchaca Ltd.	Foreign	Japan	Common shareholder	Commissions	US\$	125	-125	75	-75
Cía. Pesquera Camanchaca S.A.	93,711,000-6	Chile	Parent company	Administrative services	US\$	1,205	-1,205	1,278	-1,278
Cía. Pesquera Camanchaca S.A.	93,711,000-6	Chile	Parent company	Product sales	Ch\$	69	3	85	4
Cía. Pesquera Camanchaca S.A.	93,711,000-6	Chile	Parent company	Payment, mercantile current account	US\$	4,939	-	6,980	-
Camanchaca Pesca Sur S.A.	76,143,821-2	Chile	Common shareholder	Product sales	Ch\$	88	4	95	4
Camanchaca Pesca Sur S.A.	76,143,821-2	Chile	Common shareholder	Plant lease	US\$	238	-	-	-
Camanchaca Cultivos Sur S.A.	96,633,150-K	Chile	Common shareholder	Product sales	Ch\$	10	-	23	1
Camanchaca Cultivos Sur S.A.	96,633,150-K	Chile	Common shareholder	Product purchases	Ch\$	12	-	12	-
Transportes Interpolar Ltda.	77,970,900-0	Chile	Common shareholder	Transport service	Ch\$	1,302	-1,094	558	-468
Transportes Interpolar Ltda.	77,970,900-0	Chile	Common shareholder	Sales of property, plant and equipment	US\$	184	-	-	-
Inmobiliaria Camanchaca S.A.	96,786,700-4	Chile	Common shareholder	Leased services	US\$	345	-290	345	-290
Fiordo Blanco S.A.	96,540,710-3	Chile	Common shareholder	Leased concessions	US\$	-	-	369	-
Surproceso S.A.	76,346,370-2	Chile	Associate	Salmon processing	Ch\$	441	-	292	-
Frigorífico Pacífico S.A.	77,858,550-2	Chile	Director and subsidiary shareholder	Leased refrigerators	Ch\$	550	-462	-	-

d) Remuneration and benefits received by the Board and Senior Management.

The Company is managed by a Board of Directors, whose members received fees totaling ThUS\$40 during 2018 (ThUS\$41 in 2017).

The remuneration of Senior Management during 2018 amounted to ThUS\$621 (ThUS\$368 in 2017).

NOTE 9 – INVENTORIES

Inventories as of each reporting date are as follows.

	Unit of Measure	3/31/2018		12/31/2017	
		Quantity	ThUS\$	Quantity	ThUS\$
Atlantic salmon fillets	Kg	3,440,647	25,960	5,143,345	33,608
Other products	Kg	2,382	6	1,893	8
Production supplies	N/A	-	5,296	-	6,049
Net realizable value provision	N/A	-	-1,415	-	-1,495
Total			29,847		38,170

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

9.1 Information on finished products

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

The Company has not pledged inventories of finished products in guarantee as of March 31, 2018 and December 31, 2017.

The Company has insurance covering its inventories of finished products (Stock Throughput), which includes raw materials (at agreed value or cost), consumables (cost value) and work-in-process and finished products (agreed value).

9.2 Reconciliation of finished products

Movements in finished products are as follows.

	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Opening balance	38,170	23,344
Production	48,548	151,001
Cost of sales	-56,871	-136,175
Closing balance	29,847	38,170

Cost of sales is composed as follows.

	3/31/2018 ThUS\$	3/31/2017 ThUS\$
Cost of products sold	56,871	28,819
Cost of services	1,425	1,726
Cost of fallow periods	459	764
Mortality costs	294	-
TOTAL	59,049	31,309

NOTE 10 - BIOLOGICAL ASSETS

Current and non-current biological assets are as follows.

Item	3/31/2018			12/31/2017		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Salmon	112,266	17,420	129,686	97,522	14,472	111,994
Total	112,266	17,420	129,686	97,522	14,472	111,994

Movements in biological assets are as follows.

	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Opening balance as of January 1	111,994	78,176
Increases due to fattening, production and purchasing	39,667	147,412
Decreases due to sales and harvesting	-48,536	-167,956
Fair value adjustment for the period	26,855	54,362
Mortality	-294	-
Closing balance	129,686	111,994

Biological assets are as follows:

Biomass as of 3/31/2018	Thousand units	Final biomass Ton.	Production costs ThUS\$	Fair value adjustments ThUS\$	Total cost ThUS\$
Fish in sea water	10,852	24,204	95,244	24,526	119,770
Fish in fresh water	23,758	480	9,916	-	9,916
Total			105,160	24,526	129,686

Biomass as of 12-31-2017	Thousand units	Final biomass Ton.	Production costs ThUS\$	Fair value adjustments ThUS\$	Total cost ThUS\$
Fish in sea water	11,174	23,500	86,072	16,311	102,383
Fish in fresh water	17,382	447	9,611	-	9,611
Total			95,683	16,311	111,994

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

	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Opening balance fair value of biological assets	22,941	17,640
Biological increase adjustment in the period	26,855	54,362
Less: Fair value adjustment for sales of inventories	-20,731	-49,061
Closing balance	29,065	22,941

The balance relates to the fair value adjustment of biological assets of ThUS\$24,526 (ThUS\$9,284 as of March 31, 2017) and the fair value adjustment of biological assets in finished product inventories of ThUS\$4,539 (ThUS\$2,086 as of March 31, 2017).

Sensitivity analysis on the effect on fair value due to an increase or decrease in the unobservable average weight of biomass in the water at the reporting date is as follows.

Species	Variation in ThUS\$			
	1% increase	1% reduction	5% increase	5% reduction
Atlantic salmon	596	-603	2,957	-3,477

NOTE 11 - OTHER CURRENT AND NON-CURRENT NON-FINANCIAL ASSETS

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

	3/31/2018		12/31/2017	
	Current ThUS\$	Non-current ThUS\$	Current ThUS\$	Non-current ThUS\$
Insurance policies	3,112	-	4,929	-
Prepaid expenditure at centers	1,578	-	377	-
Prepaid rent	40	-	40	-
Other prepaid expenditure	1,273	-	1,695	-
Other non-financial assets	-	112	-	260
Total	6,003	112	7,041	260

NOTE 12 - EQUITY METHOD INVESTMENTS

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

Chilean ID Number	Name	Country	Investments in associates ThUS\$	Interest %
77,970,900-0	Surproceso S.A.	Chile	5,985	33.33
Foreign	New World Currents Inc.	Panama	1	25.00
Total			5,986	

Investments in associates as of December 31, 2017 are as follows.

Chilean ID Number	Name	Country	Investments in associates ThUS\$	Interest %
77,970,900-0	Surproceso S.A.	Chile	5,564	33.33
Foreign	New World Currents Inc.	Panama	1	25.00
Total			5,565	

A summary of these associate's assets and liabilities are as follows.

	3/31/2018		12/31/2017	
	Assets ThUS\$	Liabilities ThUS\$	Assets ThUS\$	Liabilities ThUS\$
Current	6,852	1,648	5,751	1,621
Non-current	12,749	17,953	12,561	16,691
Total	19,601	19,601	18,312	18,312

Revenue and net income for the period for these associated are as follows.

	As of 3/31/2018 ThUS\$	As of 3/31/2017 ThUS\$
Revenue	4,996	964
Net associate income for period (1)	948	10

(1) Salmones Camanchaca S.A. acquired shares in Surproceso S.A. under the corporate restructuring on September 14, 2017, and Compañía Pesquera Camanchaca S.A. acquired Transportes Interpolar Limitada on September 11, 2017. Therefore, the net income earned by these associates were reflected in the financial statements of the owners of those shares as of the reporting date.

NOTE 13 - TAX ASSETS

Current tax assets are as follows.

	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Monthly provisional tax payments	232	-
Provisional payment for absorbed profits	1,183	1,085
Training expenses, Sence	172	167
Labor bonus tax	47	-
Other recoverable taxes	232	332
Total	1,866	1,584

Non-current tax assets are as follows.

	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Investment tax incentive (1)	5,548	5,520
Total	5,548	5,520

(1) The tax incentive is for investments in the Aysen Region, in accordance with Law 19,606. The deadline to recover this incentive is 2045, by discounting it from corporate income tax.

NOTE 14 - INTANGIBLE ASSETS OTHER THAN GOODWILL

Non-internally created intangible assets are as follows.

	Useful life	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Aquaculture concessions and water rights	Indefinite	7,083	7,083
Total		7,083	7,083

Movements of intangible assets as of March 31, 2018 and December 31, 2017, are detailed as follows:

	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Opening balance as of January 1	7,083	4,216
Increases	-	2,867
Closing balance	7,083	7,083

Water rights

No	DGA Resolution No	Water source	Location	Owned	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	931/2013	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 S.A	Granted
28	183/1998	Superficial and Current	Chaitén	Fiordo Blanco S.A	Granted
29	126/1999	Superficial and Current	Chaitén	Fiordo Blanco S.A	Granted
30	360/1998	Superficial and Current	Chaitén	Fiordo Blanco S.A	Granted
31	1239/1998	Superficial and Current	Chaitén	Fiordo Blanco S.A	Granted
32	124/1999	Superficial and Current	Chaitén	Fiordo Blanco S.A	Granted
33	429/1998	Superficial and Current	Chaitén	Fiordo Blanco S.A	Granted
34	269/1998	Superficial and Current	Chaitén	Fiordo Blanco S.A	Granted
35	692/2000	Superficial and Current	Chaitén	Fiordo Blanco S.A	Granted
36	137/1998	Superficial and Current	Chaitén	Fiordo Blanco S.A	Granted
37	161/2001	Superficial and Current	Chaitén	Fiordo Blanco S.A	Granted
38	356/1997	Superficial and Current	Chaitén	Fiordo Blanco S.A	Granted
39	685/1997	Superficial and Current	Purranque	Fiordo Blanco S.A	Granted
40	246/2006	Superficial and Current	Chaitén	Fiordo Blanco S.A	Granted
41	397/2004	Superficial and Current	Chaitén	Fiordo Blanco S.A	Granted
42	496/2004	Superficial and Current	Chaitén	Fiordo Blanco S.A	Granted
43	In process	Superficial and Current	Puerto Varas	Fiordo Blanco S.A	Requested

Salmon concessions

Name	Region	Macro zone	Number of concessions (District)	Municipality	Sea water or fresh water	Surface area	Status (Use, Fallow, Other)
Maqui Beach (Lake Center)	X	6	1	Frutillar	Fresh Water	7.5	Use
Chaiquen	X	1	1	Puerto Varas	Sea Water	3.74	Fallow
Pucheguin	X	1	1	Cochamo	Sea Water	3	Use
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	Use
Chilco River 1	X	1	1	Cochamo	Sea Water	6	Fallow
Chilco River 2	X	1	1	Cochamo	Sea Water	6.75	Fallow
Cascajal	X	1	1	Cochamo	Sea Water	9	Fallow
Factoría	X	1	1	Cochamo	Sea Water	9	Use
Puelche	X	1	2	Hualaihue	Sea Water	7.54	Use
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	Fallow
Ahoni	X	3	10b	Queilen	Sea Water	33.45	Fallow
Pumalín	X	5	14	Chaitén	Sea Water	5.58	Use
Islotes	X	5	14	Chaitén	Sea Water	36	Use
Edwards	X	0	15	Chaitén	Sea Water	9.04	Use
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	Use
Cabudahue	X	5	16	Chaitén	Sea Water	6	Use
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	Fallow
Reñihue 3	X	5	16	Chaitén	Sea Water	6.32	Fallow
Loncochagua	X	5	17a	Hualaihue	Sea Water	8	Fallow
Porcelana	X	5	17a	Chaitén	Sea Water	18.54	Fallow
Leptepu	X	5	17a	Chaitén	Sea Water	24.5	Fallow
Cahuelmó	X	5	17a	Hualaihue	Sea Water	8	Fallow
Piedra Blanca	X	5	17a	Hualaihue	Sea Water	2	Fallow
Marilmó	X	5	17a	Chaitén	Sea Water	3	Fallow
Arbolito	XI	6	18b	Cisnes	Sea Water	12.5	Fallow
Lamalec	XI	6	18b	Cisnes	Sea Water	12.5	Fallow
Northeast 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

Name	Region	Macro zone	Number of concessions (District)	Municipality	Sea water or fresh water	Surface area	Status (Use, Fallow, Other)
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
Southwest Leucayec	XI	6	18c	Guaitecas	Sea Water	11.08	Use
Piure Channel	XI	6	18c	Cisnes	Sea Water	12.5	Fallow
Northeast 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
Southwest 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	Use
King	XI	6	20	Cisnes	Sea Water	29.38	Fallow
Punta Alta	XI	6	20	Cisnes	Sea Water	26.56	Use
No Name	XI	6	20	Cisnes	Sea Water	17.84	Fallow
South Izaza	XI	6	20	Cisnes	Sea Water	8.96	Use
Martita	XI	6	20	Cisnes	Sea Water	17.57	Fallow
Paso Lautaro	XI	6	20	Cisnes	Sea Water	9.8	Fallow
Southwest Tahuenahuec	XI	6	20	Cisnes	Sea Water	14.64	Fallow
Southeast Izaza	XI	6	20	Cisnes	Sea Water	6.62	Fallow
Port Róbal	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

NOTE 15 - PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment and its movements are as follows.

	Land ThUS\$	Buildings ThUS\$	Plant and equipment ThUS\$	Vessels ThUS\$	Vehicles ThUS\$	Other Property, Plant and Equipment ThUS\$	Total properties plant and equipment ThUS\$
Opening balance as of January 1, 2018							
Cost or valuation	5,322	39,397	121,460	2,715	149	3,338	172,381
Accumulated depreciation	-	-16,326	-77,737	-2,465	-94	-2,113	-98,735
Net balance as of January 1, 2018	5,322	23,071	43,723	250	55	1,225	73,646

Additions	-	153	6,445	-	-	233	6,831
Disposals	-	-10	-133	-1	-	-	-144
Transfers	-	-	62	-	-	-62	-
Depreciation	-	-456	-2,020	-9	-2	-126	-2,613
Closing balance as of March 31, 2018	5,322	22,758	48,077	240	53	1,270	77,720

	Land ThUS\$	Buildings ThUS\$	Plant and equipment ThUS\$	Vessels ThUS\$	Vehicles ThUS\$	Other Property, Plant and Equipment ThUS\$	Total properties plant and equipment ThUS\$
Opening balance as of January 1, 2017							
Cost or valuation	5,142	35,950	110,593	2,707	149	2,519	157,060
Accumulated depreciation	-	-14,544	-69,283	-2,431	-86	-1,711	-88,055
Net balance as of January 1, 2017	5,142	21,406	41,310	276	63	808	69,005

Additions	-	2,141	13,310	8	-	797	16,256
Disposals	-	-150	-1,947	-	-	-22	-2,119
Transfers	-	1,449	-1,490	-	-	41	-
Contributed assets	180	7	994	-	-	3	1,184
Depreciation	-	-1,782	-8,454	-34	-8	-402	-10,680
Closing balance as of December 31, 2017	5,322	23,071	43,723	250	55	1,225	73,646

Property, plant and equipment as of March 31, 2018 are as follows.

	Gross value ThUS\$	Accumulated depreciation ThUS\$	Net value ThUS\$
Land	5,322	-	5,322
Buildings	39,668	-16,910	22,758
Plant and equipment	133,088	-85,011	48,077
Vessels	2,717	-2,477	240
Motor vehicles	149	-96	53
Other property plant and equipment	3,449	-2,179	1,270
Total	184,393	-106,673	77,720

Property, plant and equipment as of December 31, 2017 are as follows.

	Gross value ThUS\$	Accumulated depreciation ThUS\$	Net value ThUS\$
Land	5,322		5,322
Buildings	39,397	-16,326	23,071
Plant and equipment	121,460	-77,737	43,723
Vessels	2,715	-2,465	250
Motor vehicles	149	-94	55
Other property plant and equipment	3,338	-2,113	1,225
Total	172,381	-98,735	73,646

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.

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

The Company has mortgaged and pledged some items, to guarantee the syndicated loan for Compañía Pesquera Camanchaca S.A. and Salmones Camanchaca S.A. (Note 29).

d) Insurance

The Company 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 Company 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 properties, plant and equipment items that are fully depreciated and still in use are as follows.

	3/31/2018 Gross value ThUS\$	12/31/2017 Gross value ThUS\$
Buildings	6,405	6,540
Plant and equipment	40,454	48,339
Vessels	2,369	2,369
Motor vehicles	86	86
Other property plant and equipment	1,041	1,007
Total	50,355	58,341

- f) 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.
- g) Management believes that all items of property, plant and equipment have fair values that are not significantly different from their book values.

NOTE 16 - INCOME AND DEFERRED TAXES

The corporate income tax rate is 25.5% for 2017 and from 2018 onwards it is 27%, according to the law.

Deferred tax assets and liabilities are as follows.

	3/31/2018		12/31/2017	
	Deferred tax assets ThUS\$	Deferred tax liabilities ThUS\$	Deferred tax assets ThUS\$	Deferred tax liabilities ThUS\$
Tax losses	1,152	-	1,178	-
Inventory provisions	-	988	388	-
Staff vacation provisions	-	259	275	-
Staff severance indemnity provision	-	44	42	-
Doubtful debt provisions	-	15	30	-
Prepaid income	-	-	1,017	-
Property, plant and equipment	63	-225	-	-117
Manufacturing expenses	-	-8,985	-	-8,985
Concessions	-785	20	-	-765
Income from compensation claims	-	-	-	-55
Biological assets	-	-7,847	-	-6,194
Other provisions	-	1,308	362	-
Capitalized prepaid costs	-	-342	-	-
Total	430	-14,765	3,292	-16,116
Net Total		-14,335		-12,824

Income taxes are as follows.

Tax (expense) benefit

	3/31/2018 ThUS\$	3/31/2017 ThUS\$
Current tax expense	-3,679	-4
Effect of deferred tax assets and liabilities for the period	-1,511	-2,217
Total	-5,190	-2,221

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

	3/31/2018 ThUS\$	3/31/2017 ThUS\$
Income tax expense using the statutory rate	-5,651	-2,218
Second category tax (on salaries and wages)	-3	-
Tax effect of non-taxable revenue	85	-
Tax effect of non-deductible expenses	0	-
Tax effect on changes in rates for deferred taxes	379	-3
Total	-5,190	-2,221

Current tax liabilities are as follows:

	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Income tax benefit (expense)	5,508	1,829
Total	5,508	1,829

NOTE 17 - OTHER CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

Other financial liabilities are as follows.

Current

	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Interest-bearing loans	165	439
Total current	165	439

Non-current

	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Interest-bearing loans	80,000	100,000
Total non-current	80,000	100,000

On November 27, 2017 Compañía Pesquera Camanchaca and its subsidiary Salmones Camanchaca S.A. signed a debt rescheduling, financing commitment and joint and several guarantee contract with DNB Bank ASA, Cooperative Rabobank U.A. and Banco Santander Chile S.A., in order for these companies to reschedule their liabilities. The rescheduling covers three financing tranches.

- Tranche A conditions
 - Borrower: Compañía Pesquera Camanchaca S.A.
 - Amount: US\$ 25 million
 - Maturity: November 2019, fully prepaid on February 12, 2018
 - Repayments: four equal installments from May 27, 2018 to November 27, 2019, unless the IPO for Salmones 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
 - Borrower: Compañía Pesquera Camanchaca S.A.
 - Amount: 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
 - Borrower: Salmones Camanchaca S.A.
 - Amount: US\$ 100 million
 - Maturity: November 2022.
 - Repayments: two equal installments of 10% of the debt on May 27, 2020 and on November 27, 2021, plus a final installment for the remaining 80% of the debt on November 27, 2022.
 - Rate: Applicable Margin + Libor for the defined period

Salmones Camanchaca S.A. has guaranteed the obligations of Compañía Pesquera Camanchaca S.A. with respect to tranches A and B, whereas Compañía Pesquera Camanchaca has guaranteed the obligations of its subsidiary in respect of tranche C. However, Salmones Camanchaca S.A. completed its IPO on February 2, 2018 and according to the Financing Agreement, it then ceased to guarantee the obligations of its parent company while the latter also ceased to guarantee the obligations of the subsidiary. This process is being documented as of the reporting date.

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 the previous twelve months EBITDA and Net Borrowing, and this margin will fluctuate between 2.25% and 3.25%.

The guarantees associated with these tranches consist of pledged shares owned by the parent company in its subsidiaries Camanchaca Pesca Sur S.A., Camanchaca Cultivos Sur S.A. and its subsidiary's shares that are not part of the IPO. The most representative and significant assets of the respective borrowers are also pledged in guarantee. The loan has financial covenants: a) Borrowing Ratio, which shall not exceed 4, defined as the ratio between Net Financial Borrowing and EBITDA for the previous 12 months, and (b) Equity Ratio, which should be at least 40%, defined as the ratio between Total Equity and Total Assets.

On March 15, 2018, Salmones Camanchaca S.A. voluntarily repaid ThUS\$20,000 of tranche C.

Interest-bearing loans

Obligations that mature in under 12 months

	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Interest payable	165	439
Total	165	439

Obligations that mature in over 12 months

	3/31/2018 ThUS\$	12/31/2017 ThUS\$
DNB Bank ASA	27,200	34,000
Rabobank Cooperate U.A.	36,800	46,000
Banco Santander	16,000	20,000
Total	80,000	100,000

The Company's loans are as follows.

a) As of March 31, 2018

											Current			Non-Current			
											Maturity		Total current	Maturity			Total non current
											Under 90 days	90 days to 1 year		1 to 3 years	3 to 5 years	Over 5 years	
Debitor ID Number	Debitor	Country	Creditor ID Number	Creditor	Country	Currency	Repayments	Nominal rate	Effective rate	Guarantees							
76-065.596-1	Salmones Camanchaca S.A.	Chile	0-E	DNB Bank ASA	Netherlands	US\$	Semiannually and at maturity	4,65	4,65	% of assets	56		56	2.720	24.480		27.200
76.065.596-1	Salmones Camanchaca S.A.	Chile	97.036.000-k	Banco Santander	Chile	US\$	Semiannually and at maturity	4,65	4,65	% of assets	33		33	1.600	14.400		16.000
76-065.596-1	Salmones Camanchaca S.A.	Chile	0-E	Rabobank Cooperate U.A.	Holland	US\$	Semiannually and at maturity	4,65	4,65	% of assets	76		76	3.680	33.120		36.800
											165	-	165	8.000	72.000	-	80.000

b) As of December 31, 2017

											Current			Non-Current			
											Maturity		Total current	Maturity			Total non-current
Debitor ID Number	Debitor	Country	Creditor ID Number	Creditor	Country	Currency	Repayments	Nominal rate	Effective rate	Guarantees	Under 90 days	90 days to 1 year		1 to 3 years	3 to 5 years	Over 5 years	
76-065.596-1	Salmones Camanchaca S.A.	Chile	0-E	DNB Bank ASA	Netherlands	US\$	Semiannually and at maturity	4,65	4,65	% of assets	-	149	149	4.600	29.400	-	34.000
76.065.596-1	Salmones Camanchaca S.A.	Chile	97.036.000-k	Banco Santander	Chile	US\$	Semiannually and at maturity	4,65	4,65	% of assets	-	88	88	2.000	18.000	-	20.000
76-065.596-1	Salmones Camanchaca S.A.	Chile	0-E	Rabobank Cooperate U.A.	Holland	US\$	Semiannually and at maturity	4,65	4,65	% of assets	-	202	202	3.400	42.600	-	46.000
											-	439	439	10.000	90.000	-	100.000

Reconciliation of financial obligations for the statement of cash flows:

a) As of March 31, 2018

Other financial liabilities	Balance as of December 31, 2017 ThUS\$	Cash Flows			Accrual ThUS\$	Other ThUS\$	Balance as of March 31, 2018 ThUS\$
		Payments		Acquisitions ThUS\$			
		Capital ThUS\$	Interest ThUS\$				
Current							
Bank loans	439	-	-1,396	-	1,122	-	165
Total other financial liabilities, current	439	-	-1,396	-	1,122	-	165
Non-current							
Bank loans	100,000	-20,000	-	-	-	-	80,000
Total other financial liabilities, non-current	100,000	-20,000	-	-	-	-	80,000
Total other financial liabilities	100,439	-20,000	-1,396	-	1,122	-	80,165

b) As of December 31, 2017

Other financial liabilities	Balance as of December 31, 2016 ThUS\$	Cash Flows			Accrual ThUS\$	Other ThUS\$	Balance as of December 31, 2017 ThUS\$
		Payments		Acquisitions ThUS\$			
		Capital ThUS\$	Interest ThUS\$				
Current							
Bank loans	10,554	-10,407	-3,683	-	4,058	-83	439
Total other financial liabilities, current	10,554	-10,407	-3,683	0	4,058	-83	439
Non-current							
Bank loans	99,917	-	-	-	-	83	100,000
Total other financial liabilities, non-current	99,917	-	-	-	-	83	100,000
Total other financial liabilities	110,471	-10,407	-3,683	-	4,058	-	100,439

NOTE 18 – TRADE AND OTHER PAYABLES

Trade and other payables are as follows:

	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Trade payables	38,600	49,220
Notes payable	3,984	16,402
Retentions	1,150	1,361
Dividends payable	1,006	3,354
Other	2,757	1,392
Total	47,497	71,729

Trade payables as of March 31, 2018 by suppliers are as follows.

- Suppliers with payments not overdue

Supplier	Amount by payment terms in days				Total ThUS\$	Average Payment Days
	Under 30	31-60	61-90	91-120		
Products	9,807	8,874	7,225	6,538	32,444	53
Services	3,425	2,393	-	-	5,818	34
Total	13,232	11,267	7,225	6,538	38,262	

- Suppliers with payments overdue

Supplier	Amount by overdue range in days						Total ThUS\$
	Under 30	31-60	61-90	91-120	121-180	Over 180	
Products	1	2	22	-	-	133	158
Services	65	1	16	5	4	89	180
Total	66	3	38	5	4	222	338

Trade payables as of December 31, 2017 by suppliers are as follows.

- Suppliers with payments not overdue

Supplier	Amount by payment terms in days						Total ThUS\$	Average Payment Days
	Under 30	31-60	61-90	91-120	121-365	Over 365		
Products	11,456	8,236	7,720	6,425	-	-	33,837	59
Services	12,608	1,878	6	6	201	-	14,699	43
Total	24,064	10,114	7,726	6,431	201	-	48,536	

- Suppliers with payments overdue

Supplier	Amount by overdue range in days						Total ThUS\$
	Under 30	31-60	61-90	91-120	121-180	Over 180	
Products	160	-	-	-	-	131	291
Services	243	53	39	12	10	36	393
Grand Total	403	53	39	12	10	167	684

The Company has no confirming transactions.

NOTE 19 - EMPLOYEE BENEFIT PROVISIONS

The current portion of these provisions cover staff vacations as follows:

	Current	
	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Opening balance	1020	681
Increase (decrease)	-251	339
Closing balance	769	1,020

The non-current portion of these provisions cover staff severance indemnities as follows:

	Non-current	
	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Opening balance	157	136
Increases	5	21
Closing balance	162	157

NOTE 20 – EQUITY

a) Capital

The Company's share capital is as follows.

	3/31/2018 Subscribed capital ThUS\$	12/31/2017 Paid capital ThUS\$
Series		
Single	91,786	73,422
Total	91,786	73,422

Common Shares	Total number of shares	
As of March 31, 2018 and December 31, 2017	66,000,000	56,818,008

b) Share premium

	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Share premium	27,539	-
Total	27,539	-

Share premium is the difference between the IPO proceeds from placing 9,181,992 shares on February 2, 2018 (US\$5 per share) and the book value of those shares (US\$2 per share).

c) Dividend policy

The Company has defined the following dividend policy, in accordance with its by-laws.

Financial statements shall be prepared as of December thirty-first each year.

Net income for the year will be distributed as follows.

- i. a) No less than thirty percent to be distributed as a dividend in cash to shareholders, in proportion to their shares.
- ii. b) The balance to be used to form reserves, as agreed by an Annual General Shareholders' Meeting.

d) Dividend provision

The Company proposed a final dividend of US\$3,354, as of December 31, 2017, which was approved at the Annual General Shareholders' Meeting held on April 26, 2018 and will be paid on May 25, 2018.

e) Other reserves

Other reserves are as follows.

	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Conversion in other companies reserves	195	90
Corporate reorganization reserves (*)	23,471	23,471
Total	23,666	23,561

(*) These reserves include the difference between the book value and the proceeds from the capital increase in Fiordo Blanco S.A. and Surproceso S.A. shares, as this transaction was carried out between companies under common control.

f) Retained earnings are as follows.

	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Opening balance	11,695	-16,672
Dividends	-	-3,354
Net profit (loss) for the period	15,741	31,721
Closing balance	27,436	11,695

NOTE 21 - EARNINGS PER SHARE

Earnings per share are as follows.

Detail	3/31/2018 ThUS\$	3/31/2017 ThUS\$
Net income (loss) for the period (ThUS\$)	15,741	6,479
Weighted average number of shares	66,000,000	206,061
Basic earnings per share (US\$/share)	0.2385	31.4422

Basic earnings per share takes the net income for the period and divides it 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 22 - OPERATING REVENUE

Operating revenue is as follows.

	3/31/2018 ThUS\$	3/31/2017 ThUS\$
Fresh salmon sales	30,322	18,826
Frozen salmon sales	45,038	24,899
Services	1,907	2,599
Share of trout production	2,510	4,913
Other products	783	520
Total	80,560	51,757

Operating revenue by destination market is as follows:

DESTINATION	3/31/2018 %	3/31/2017 %
Export	94,68	81,23
National	5,32	18,77
Total	100.00	100.00

DESTINATION	3/31/2018 %	3/31/2017 %
USA	30,77	28,37
Europe + Eurasia	27,54	14,51
Asia, except Japan	6,52	4,84
Japan	8,51	13,18
LATAM, except Chile	20,70	19,85
Chile	5,32	18,77
Others	0,64	0,48
Total	100.00	100.00

NOTE 23 - ADMINISTRATIVE EXPENSES

Administrative expenses are as follows.

	For the periods ended March 31	
	2018 ThUS\$	2017 ThUS\$
Corporate support services	1,008	1,113
Remuneration	1,365	1,353
Communications	140	63
Leases	135	126
Depreciation	46	44
Audit and consultancy	2	95
Travel and travelling allowances	5	45
Legal expenses	47	30
Overhead expenses	209	100
Other administrative expenses	186	122
Total	3,143	3,091

NOTE 24 - DISTRIBUTION COSTS

Distribution costs are as follows.

	For the periods ended March 31	
	2018 ThUS\$	2017 ThUS\$
Distribution services	163	166
Remuneration	467	323
Storage expenses	587	139
Commissions	36	141
Haulage costs	495	137
Maritime freight	162	38
Shipment costs	171	62
Travel and Traveling allowances	26	3
Samples and analysis	33	16
Export certificates	57	36
Other expenses	304	219
Total	2,501	1,280

NOTE 25 - FINANCIAL COSTS

Financial costs are as follows.

	For the periods ended March 31	
	2018 ThUS\$	2017 ThUS\$
Financial interest	1,122	814
Commercial current account interest	-	83
Financial commissions	68	22
Other expenses	3	14
Total	1,193	933

NOTE 26 – EXCHANGE DIFFERENCES

Exchange differences are as follows.

Item	Currency	3/31/2018 ThUS\$	3/31/2017 ThUS\$
Assets (charge) / credit			
Banks	Ch\$	-123	-246
Banks	Euros	15	9
Domestic customers	Ch\$	26	7
Foreign customers	Euros	60	10
Foreign customers	GBP	6	-
Other receivables	Ch\$	146	4
Recoverable taxes	Ch\$	-	65
Others	Ch\$	33	8
Total		163	-143
Liabilities (charge) / credit			
Trade payables	Ch\$	-329	-44
Payables	Euros	4	-
Notes payable	Ch\$	-12	27
Notes payable	UF	-2	-
Notes payable	Euros	-3	-32
Provisions and withholdings	Ch\$	-29	-10
Provisions and withholdings	NOK	-3	-
Total		-374	-59
Gain (loss) on foreign currency conversion		-211	-202

NOTE 27 - OTHER INCOME (LOSSES)

Other income for the period is as follows.

	For the periods ended March 31	
	2018 ThUS\$	2017 ThUS\$
Net gain on selling assets	11	-
Gain (loss) on insurance claims	-	8
Others	-	3
Total	11	11

NOTE 28 - ASSETS AND LIABILITIES IN FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are as follows:

Item	Currency	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Current assets			
Cash and cash equivalents	US\$	8,698	531
Cash and cash equivalents	Ch\$	4,764	-121
Cash and cash equivalents	Euros	349	436
Other financial assets, current	Ch\$	32	31
Other non-financial assets, current	US\$	6,003	7,041
Trade and other receivables, current	US\$	26,172	21,297
Trade and other receivables, current	Ch\$	-6,442	4,259
Trade and other receivables, current	Euros	3,505	2,429
Trade and other receivables, current	GBP	-	211
Related company receivables, current	US\$	25,121	25,076
Related company receivables, current	Ch\$	233	509
Inventories	US\$	29,847	38,170
Biological assets, current	US\$	112,266	97,522
Current tax assets	Ch\$	1,866	1,584
Total		212,414	198,975

Item	Currency	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Non-current assets			
Other financial assets, non-current	US\$	27	27
Other non-financial assets, non-current	US\$	112	-
Other non-financial assets, non-current	Ch\$	-	260
Rights receivable, non-current	US\$	5,548	5,520
Related company receivables	Ch\$	11,385	-
Related company receivables	US\$	-9,715	-
Related company receivables	Euro	-1,106	-
Equity method investments	US\$	5,986	5,565
Intangible assets other than goodwill	US\$	7,083	7,083
Property, plant and equipment	US\$	77,720	73,646
Biological assets, non-current	US\$	17,420	14,472
Deferred tax assets	US\$	430	456
Total		114,890	107,029

Item	Currency	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Current liabilities			
Other financial liabilities, current	US\$	165	439
Trade and other payables, current	US\$	32,790	43,803
Trade and other payables, current	Ch\$	16,817	28,250
Trade and other payables, current	UF	81	412
Trade and other payables, current	Euro	-2,462	-738
Trade and other payables, current	NOK	258	-
Trade and other payables, current	DKK	-	-10
Trade and other payables, current	GBP	13	12
Related party payables	US\$	7,457	2,393
Related party payables	Ch\$	385	1,805
Current tax liabilities	Ch\$	12	1,829
Current tax liabilities	US\$	5,496	-
Employee benefits provision	Ch\$	769	1,020
Total		61,781	79,215

Item	Currency	3/31/2018 ThUS\$	12/31/2017 ThUS\$
Non-current liabilities			
Other financial liabilities, non-current	US\$	80,000	100,000
Trade and other payables, current	Ch\$	70	102
Related party payables	US\$	-	9,703
Related party payables	Ch\$	99	-6,213
Related party payables	Euro	-	1,082
Deferred tax liabilities	Ch\$	14,765	13,280
Employee benefit provisions, non-current	Ch\$	162	157
Total		95,096	118,111

NOTE 29 - GUARANTEES AND CONTINGENCIES

a) Bank loan conditions

On November 27, 2017 Compañía Pesquera Camanchaca and its subsidiary Salmones Camanchaca S.A. signed a debt rescheduling, financing commitment and joint and several guarantee contract with DNB Bank ASA, Cooperative Rabobank U.A. and Banco Santander Chile S.A., which contains the following cross guarantees.

- 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. Direct mortgages over properties owned by Salmones Camanchaca covering 4 in Tome, 1 in Puerto Varas and 1 in Calbuco.
- ii. Twenty-two marine mortgages over fishing vessels and naval crafts belonging to the parent company and other subsidiaries, and 5 direct mortgages over vessels belonging to Salmones Camanchaca.

iii. Pledges

- a. Non-possessory pledges. Indirect pledges over a fishmeal plant in Iquique and mussel processing plant in Chiloé, and direct pledges over salmon processing plants in Tome and Calbuco, and a hatchery in Petrohué.
- b. Compañía Pesquera Camanchaca S.A. as owner of shares in Salmenes Camanchaca S.A., together with to Inmobiliaria Camanchaca S.A. as owner of 1 share.
- 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.
- d. Compañía Pesquera Camanchaca S.A. as owner of 258,670 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.
- f. Salmenes Camanchaca S.A. and subsidiary have mortgaged to the Banks all the salmon and trout aquaculture concessions that they own.

b) Direct guarantees

Debtor		Guarantee	Property	Book value ThUS\$
Name	Relationship			
Salmenes Camanchaca S.A.	Commercial	Property mortgage	Tome real estate	4.473
Salmenes Camanchaca S.A.	Commercial	Property mortgage	Puerto Varas real estate	2.215
Salmenes Camanchaca S.A.	Commercial	Property mortgage	Calbuco real estate	214
Salmenes Camanchaca S.A.	Commercial	Property mortgage	Salmon vessels	1.665
Salmenes Camanchaca S.A.	Commercial	Pledge	Machinery and equipment	10.737
Salmenes Camanchaca S.A.	Commercial	Pledge	Buildings and construction	13.511

c) Indirect guarantees

Debtor		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	6.714
Camanchaca S.A.	Commercial	Property mortgage	Tome real estate	1.412
Camanchaca S.A.	Commercial	Property mortgage	Vessels in Iquique	12.599
Camanchaca S.A.	Commercial	Pledge	Machinery and equipment	11.241
Camanchaca Pesca Sur S.A.	Commercial	Property mortgage	Coronel real estate	11.514
Camanchaca Pesca Sur S.A.	Commercial	Property mortgage	Tome real estate	1.966
Camanchaca Pesca Sur S.A.	Commercial	Property mortgage	Vessels in Coronel	19.334
Camanchaca Pesca Sur S.A.	Commercial	Property mortgage	Maritime artifacts in Coronel	914
Camanchaca Cultivos Sur S.A.	Commercial	Property mortgage	Chonchi/Chiloé real estate	6.846
Camanchaca Cultivos Sur S.A.	Commercial	Pledge	Machinery and Equipment	3.342

The guarantees affecting the assets of Camanchaca Pesca Sur S.A. will be lifted when the debt scheduling agreement and its associated contracts mentioned previously have been registered with the competent authorities, which will be formalized during the first half of 2018.

An Initial Public Offering of shares in Salmenes Camanchaca S.A. took place on February 2, 2018, and in accordance with the debt scheduling agreement, the cross guarantees granted by the parent company and its other subsidiaries will be lifted, which is still in progress, leaving only the assets of Salmenes Camanchaca S.A. and subsidiaries pledged in guarantee.

d) Contingencies

The Company regularly evaluates the likelihood of loss on its litigation 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. Salmones Camanchaca S.A. has litigation or administrative proceedings before the Courts of Justice or administrative bodies at the reporting date. Therefore, it had created the following provisions as of March 31, 2018.

Proceedings	Number of cases	Accounting provision ThUS\$
Civil	7	60
Administrative	2	5
Total	9	65

NOTE 30 - SANCTIONS

The Company, its Directors and Managers have not been subject to sanctions of any kind by the FMC (formerly the Superintendent of Securities and Insurance) or other administrative authorities as of the date these financial statements were issued.

NOTE 31 – THE ENVIRONMENT

Salmones Camanchaca S.A. continuously renews its commitment to the environment, by implementing new processes and technologies at its production plants. This has enabled it to achieve a sustainable business, and to further cultivate species in an efficient manner, while minimizing its impact on the environment.

The Company invested in the following environmental mitigation projects during the period January 1 to March 31, 2018.

Project	3/31/2018 Investment ThUS\$
Waste management	157
Environmental services	215
Total	372

The Company invested in the following projects during the period January 1 to March 31, 2017.

Project	3/31/2017 Investment ThUS\$
Waste management	354
Environmental services	209
Total	563

The Company is committed to complying with all environmental regulations. In particular it 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. It is dedicated to supporting the best proposal for the environment and developing the industry.

NOTE 32 - SUBSEQUENT EVENTS

Between the reporting date and the date these financial statements were issued, Management was not aware of any other subsequent events that could significantly impact their interpretation.

NOTE 33 - OTHER INFORMATION

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

Laborers	Professionals and Technicians	Senior Executives	Total 3/31/2018
1,045	264	13	1,322

Laborers	Professionals and Technicians	Senior Executives	Total 3/31/2017
733	269	14	1,016

NOTE 34 - BIOLOGICAL ASSETS BASED ON BIOMASS VALUATIONS ACCORDING TO NORWEGIAN REGULATIONS

The Company began trading securities that represent the Company's shares on the Oslo Stock Exchange during 2018. This situation required a study that compared the fair valuation model for biological assets used in Chile, with the industry model used in Norway. The purpose being to prepare and provide public financial information in Norway that is comparable with the information provided by companies that trade their shares on the Oslo Stock Exchange.

The Norwegian Financial Supervisory Authority has carried out research to assess the comparability of models used to measure biomass fair value for biological assets in the salmon industry. Since 2015 it has encouraged the industry to develop a common valuation model, in order to increase the comparability of financial information prepared by companies in this industry. The Financial Supervision Authority has encouraged the industry to change to a cash flow model (net present value model) to calculate the fair value of biological assets. Therefore, companies in the salmon industry evaluated this proposal in Autumn 2016, and agreed to migrate to the proposed model. By the end of 2016 they had agreed the principal elements of the new valuation model.

The Company has developed a valuation model that incorporates the recommendations issued by the Norwegian Financial Supervisory Authority, in order to comply with its proposed guidelines.

The valuation model contains the following points.

- a) Biological assets are governed by IAS 41 "Agriculture". The principal standard is that biological assets should be measured at fair value less selling costs, unless fair value cannot be measured reliably. Fair value measurement is determined by IFRS 13. "Fair value" refers to the price that would have been achieved by selling the asset in an orderly transaction between market participants on the measurement date at prevailing market conditions.

- b) For eggs, fry and smolts, historical cost is considered a reasonable approach to estimating fair value, as there is little biological transformation at these stages (IAS 41.24). As smolts are transferred to the sea when their weight is still relatively low. Furthermore, this group represents a limited proportion of the Group's biological assets by both volume and value.
- c) Breeding stock are also valued at cost
- d) The net present value of cash flow model is used. In a hypothetical market with perfect competition, the maximum that a hypothetical live fish buyer would be willing to pay is the net present value of estimated future benefits from selling fish when it is ready to be harvested. The estimated future benefit is cash flow receipts, after taking into account all price adjustments and harvesting costs incurred at the end of the productive cycle.

In accordance to the principle of greater and better use the Company believes that fish have an optimal harvesting weight when their live weight is equal to or greater than 4 kg. Fair value has been determined for all fish that have a weight equal to or greater than 1 Kg at the reporting date, in accordance with recommendations issued by the Financial Supervisory Authority to calculate the fair value of biological assets Fish that are under this weight are valued at historical cost. The same criteria is used for breeding stock. Fish valued at historical cost are subject to quarterly impairment testing.

Estimated cash flow receipts are based on the estimated biomass multiplied by the estimated price. The costs required to bring small fish to their harvest weight are estimated. Cash flow is discounted on a monthly basis using an estimated discount rate of 0.8% per month.

- e) The estimated biomass (volume) is based on the actual number of fish in the sea at the reporting date, adjusted to cover projected mortality through to harvest, multiplied by their estimated weight at harvest. The unit of measure is individual fish. The live weight of fish in the sea is converted to gutted weight, as this is the unit of measure used for sales prices.
- f) The price is based on future prices.
- g) The costs associated with abnormal mortality are recognized immediately in the statement of net income and are classified under "Other expenses by function". Normal mortality during the production process is treated as part of production costs. Whether mortality is considered normal or abnormal requires an evaluation using mortality criteria. The Group uses a common indicator and threshold for all cultivation units. If local mortality during one month due to a single event exceeds 2% of fish numbers at that locality, this is an indication of abnormal mortality. This is followed by a detailed evaluation to establish whether this was abnormal mortality. These mortality evaluations examine the cause and the size of the fish.
- h) Changes in the estimated fair value of biological assets, in accordance with IAS 41, are recognized in the statement of net income under "Gain (loss) on fair value of biological assets". It may potentially comprise two components; (1) Changes in the fair value of inventories of fish in the sea, (2) Estimated impairment of fish valued at cost at the end of the reporting period.
- i) Cash flow receipts are generated by product sales. The analysis is simplified by assigning all the remaining costs to the same period as revenue, to leave only one cash flow by locality. Cash receipts are assigned to the month when the harvest is expected to take place. All cash flows at all the the Group's marine fish farms will be distributed throughout the period it takes to grow fish at sea at the reporting date. Estimated future cash flows are discounted on a monthly basis.

Salmon farming is not a market with free competition and no entry barriers. Due to limited access to salmon farming concessions, these licenses currently have a very high value. If a hypothetical live fish buyer should wish to take control and continue farming fish, he would need a license, a site and other obligatory production permits. It must be assumed that this would be possible within a hypothetical market for buying and selling live fish. Such a mortgage buyer would claim a significant discount in order to assign an appropriate proportion of profitability to cover the cost of the buyer's own licenses or the rental cost of leased aquaculture concessions.

This model described has the following effects on these financial statements for the period ended March 31, 2018.

- a) An increase in net income for the period of US\$21,831, net of deferred tax effects.
- b) An increase in “Gain (loss) on fair value of biological assets” within the statement of net income by function of ThUS\$29,906.
- c) An increase in biological assets within current assets of ThUS\$29,906, and an increase in deferred tax liabilities of ThUS\$8,075 and equity of ThUS\$21,831.

The interim consolidated statements of financial position and the interim consolidated statements of net income by function including these effects are as follows.

SALMONES CAMANCHACA S.A. AND SUBSIDIARY
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF MARCH 31, 2018 (UNAUDITED)

Assets	Note	As of March 31 2018 ThUS\$
Current assets		
Cash and cash equivalents	6	13,811
Other financial assets, current		32
Other non-financial assets, current	11	6,003
Trade and other receivables, current	7	23,236
Related party receivables, current	8	25,353
Inventories	9	29,847
Biological assets, current	10	142,172
Current tax assets	13	1,866
Total current assets		212,414
Non-current assets		
Other financial assets, non-current		27
Other non-financial assets, non-current	11	112
Rights receivable, non-current	13	5,548
Related party receivables, non-current		564
Equity method investments	12	5,986
Intangible assets other than goodwill	14	7,083
Property, plant and equipment	15	77,720
Biological assets, non-current	10	17,420
Long-term deferred taxes	16	430
Total non-current assets		114,890
Total assets		357,210

SALMONES CAMANCHACA S.A. AND SUBSIDIARY
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF MARCH 31, 2018 (UNAUDITED)

Liabilities	Note	As of March 31 2018 ThUS\$
Current liabilities		
Other financial liabilities, current	17	165
Trade and other payables, current	18	47,497
Related party payables, current	8	7,842
Current tax liabilities	16	5,508
Employee benefit provisions, current		769
Total current liabilities		61,781
Non-current liabilities		
Other financial liabilities, non-current	17	80,000
Trade and other payables, non-current		70
Related party payables, non-current	8	99
Deferred tax liabilities	16-34	22,840
Employee benefit provisions, non-current	19	162
Total non-current liabilities		103,171
Net equity		
Share capital	20	91,786
Share premium	20	27,539
Accumulated losses	20	49,267
Other reserves	20	23,666
Total equity		192,258
Total equity and liabilities		357,210

SALMONES CAMANCHACA S.A. AND SUBSIDIARY
INTERIM CONSOLIDATED STATEMENTS OF NET INCOME BY FUNCTION
FOR THE THREE MONTHS ENDED MARCH 31, 2018 (UNAUDITED)

	Note	For the period ended March 31 2018 ThUS\$
Operating revenue	22	80,560
Cost of sales	9	-59,049
Gross profit before fair value		21,511
Gain (loss) on fair value of biological assets	10	56,761
Fair value adjustment to biological assets harvested and sold	10	-20,731
Gross profit		57,541
Administrative expenses	23	-3,143
Distribution costs	24	-2,501
Financial costs	25	-1,193
Share of net income (losses) of equity method associates		316
Exchange differences	26	-211
Other gains (losses)	27	11
Financial income		17
Net income before tax		50,837
Income tax (expense) income	16	-13,265
Net income from continuing operations		37,572
Net income from discontinued operations		
Net income for the period		37,572
Net Income attributable to:		
Net income attributable to owners of the parent company		37,572
Net income (loss) attributable to non-controlling interests		0
Net income for the period		37,572
Earnings per share		
Basic earnings per share (US\$/share)	21	0.5693
Earnings per share on discontinued operations (US\$/share)		0.0000
Basic earnings per share		0.5693