



SALMONES CAMANCHACA S.A. AND SUBSIDIARIES

Quarterly Earnings Report on the Consolidated Financial Statements

For the period ended December 31, 2021

Salmones Camanchaca

Salmones Camanchaca S.A. is a vertically integrated salmon producer engaged in breeding, egg production, recirculating hatcheries for Atlantic salmon and pass-through or lake hatcheries for Pacific salmon (Coho) salmon and Trout, fish farming sites in estuary, fjord and oceanic waters used mainly for Atlantic salmon, primary and secondary processing, and marketing and sales of Atlantic and Coho salmon through five sales offices in its main markets.

The production target for both 2022 and 2023 is in the range of 50-55,000 MT WFE. The total production capacity for both Atlantic and Coho salmon is 65-70,000 MT WFE. The Company participates in trout farming through a one third share of a joint venture, which uses Salmones Camanchaca farming sites in coastal-estuarine waters, and currently plans to harvest an average of 9,000 MT WFE per year until 2028.

Salmones Camanchaca has 1,900 employees on average, 60% of whom work in its secondary processing and value-added plant. Markets for Atlantic salmon are led by the USA, Mexico and Japan, with approximately 30% of sales going to emerging markets in a variety of fresh and frozen formats.

Highlights for the fourth quarter 2021 (Q4 2021)

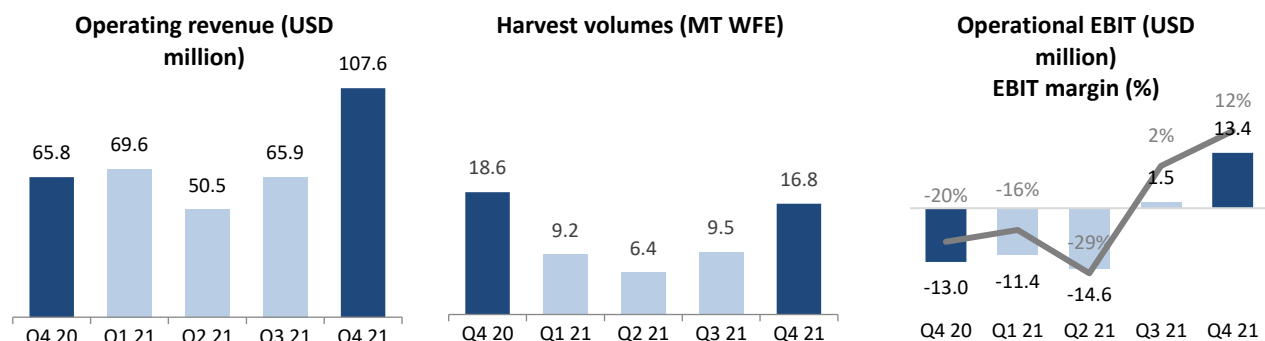
- **Recovery of EBITDA in Q4 2021 reaching USD 17.6 million**, compared to negative USD 8.8 million in Q4 2020. Improvement driven by higher volumes and sales prices, continued normalized cost development with effects of the algae blooms of Q1 and Q2 2021 now reduced.
- **Harvest volume of Atlantic salmon in Q4 2021 was 15,002 MT WFE**, 5.1% lower than Q4 2020, but higher than the 9,508 MT WFE in Q3 2021. Harvest volume in Q4 2021 was still affected by lower average harvest weights of 4.5 kg. Harvest volume of Coho was 1,842 MT WFE, 34.7% lower than Q4 2020.
- **2021 harvest volume of Atlantic salmon was 40,095 MT WFE**, which is 24% lower than the previous year but in line with the guidance provided in Q3 earnings report, affected by mortalities and lower growth because of the algae bloom and low oxygen events in the Reñihue and Comau fjords during the first half of the year. Total 2021 harvest volume of Coho season was 1,842 MT WFE for the year and 2,505 MT WFE, including the volume harvested in January 2022.
- **2022 estimated harvest volume** at 51,000 to 55,000 MT WFE, of which **45-48,000 MT WFE of Atlantic salmon** and **6,000-7,000 MT WFE of Coho**.
- **Operating revenue for the quarter increased to USD 107.6 million, 63.4% higher** than in Q4 2020, due to a 46.6% increase in the price of Atlantic salmon and a 17.9% increase in sales volume.
- **Atlantic salmon cost** (ex-cage live weight) in the quarter was **USD 3.95/kg**, which was 14.9% higher than in Q4 2020 due to the harvest of sites from the Comau Fjord affected by algae blooms. Ex-cage costs decreased by USD 0.23 per kilo during the quarter, compared to Q3 2021 and are expected to decrease further in Q1 2022.
- **Total harvesting and processing costs were USD 0.89/kg WFE, lower than the long-term target of USD 1/kg** and USD 0.15 lower than the previous quarter, due to a recovery in volume, and 6.2% lower than in Q4 2020.
- **EBIT/kg WFE for Atlantic salmon was positive USD 0.75** in Q4 2021, compared to negative USD 0.74 in Q4 2020 and near-zero in the immediately preceding quarter, due to increase in sales prices and volumes.
- **Net income for Q4 2021 was USD 9.7 million**, which was USD 17.2 million higher than the net loss of USD 7.5 million for Q4 2020, driven by higher market prices.
- On November 18, the company restructured its long-term banking facility by signing a **"Sustainability Linked Loan "**, the first one of its kind in Chile sector for USD 135 million, which requires linking interest margins to delivering in five specific sustainability indicators agreed with the banks. This loan has a 3-year grace period, 10% repayment at end of year 3 and 4, and 80% repayment at maturity, which provides significant financial leeway for the next 5 years.
- Salmones Camanchaca **successfully concluded** the preferential period for its **capital increase** on December 29 with more than 96% of the offer subscribed and paid, raising approximately USD 23 million and as a result **increasing equity by 15%** versus September 2021.
- **Cash balances as of December 31, 2021 were USD 32.2 million** and **net interest-bearing debt was USD 121.9 million**, which is USD 8.2 million higher than as of December 31, 2020.

Key Figures

(USD'000).	Q4 2021	Q4 2020	Δ%	2021	2020	Δ%
Operating revenue	107,610	65,847	63.4%	293,662	255,363	15.0%
EBITDA* before fair value adjustments	17,600	(8,752)	-	3,213	(3,170)	-
EBIT** before fair value adjustments	13,427	(13,042)	-	(13,042)	(18,648)	-
EBIT margin %	12.5%	-19.8%	-	-4.4%	-7.3%	-
Net income (loss) for the year	9,663	(7,548)	-	(9,364)	(31,627)	-
Earnings per share (USD)	0.1302	(0.1144)	-	(0.1419)	(0.4792)	-
Atlantic salmon						
Harvest volume (MT WFE)	15,002	15,801	(5.1%)	40,095	52,982	(24.3%)
Sales volume (MT WFE)	16,273	13,805	17.9%	46,386	48,289	(3.9%)
% sales of fillets and portions	82.5%	84.6%	(207 pb)	86.6%	83.4%	325 bp
Atlantic salmon ex-cage harvesting costs (USD/kg live weight)	3.95	3.43	14.9%	4.15	3.25	27.8%
Atlantic salmon ex-cage harvesting costs (USD/kg WFE)	4.24	3.69	14.9%	4.46	3.49	27.8%
Processing costs (USD/kg WFE)	0.89	0.95	(6.2%)	1.08	0.96	13.4%
Price (USD/kg WFE)	6.27	4.27	46.6%	5.83	4.80	21.4%
EBIT/kg WFE (USD)	0.75	(0.74)	-	(0.33)	(0.23)	42.6%
Coho salmon						
Harvest volume (MT WFE)	1,842	2,819	(34.7%)	1,842	3,614	(49.0%)
Sales volume (MT WFE)	510	1,092	(53.3%)	2,277	3,591	(36.6%)
EBIT/kg WFE (USD)	2.53	(2.57)	-	1.07	(2.04)	-
Financial Debt				154,074	122,779	25.5%
Net Financial Debt				121,905	113,741	7.2%
Equity Ratio				42.4%	44.8%	(237 pb)
Net Financial Debt / LTM EBITDA				37.95	(35.88)	-

* EBITDA: Gross profit before fair value adjustments + depreciation – administrative expenses – distribution costs

** EBIT: Gross profit before fair value adjustment – administrative expenses – distribution costs



Financial Performance

Fourth Quarter 2021 Results

Salmones Camanchaca harvested 15,002 MT WFE of Atlantic salmon in Q4 2021. This was 5.1% less than the 15,801 MT WFE harvest volume in Q4 2020. The average harvest weight was lower at 4.5 kg vs. 5.6 kg in Q4 2020. However, inventory levels allowed for higher sales volume reaching 16,273 MT WFE, 18% higher than for the same period last year. Inventory built up at the end of 2020, due to lower market prices that were strongly affected by the pandemic, were sold during 2021. Coho harvest volume during Q4 2021 were 1,842 MT WFE, which were 34.7% lower than harvest volume in Q4 2020 as one less farming site was stocked, leaving a remaining volume of 663 MT WFE that was harvested in January 2022. Coho salmon sales volume for the quarter was 510 MT WFE, also lower than the 1,092 MT sold in Q4 2020.

The average Atlantic salmon sales price was 46.6% higher during the quarter than in Q4 2020, increasing almost USD 2/kg WFE. The Company realized the price increase on the spot market during the quarter, resulting in a favorable price effect of USD 27 million during the period versus the same quarter for the previous year. Accordingly, operating revenue increased by USD 41.8 million to total USD 107.6 million, which was 63.4% higher than in Q4 2020.

Ex-cage farming costs for the quarter were USD 3.95/kg live weight, which were 14.9% higher than the same period last year, due to harvesting sites in the Comau fjord that were affected by a harmful algae bloom in April 2021. However, costs were lower than the immediately preceding quarter of USD 4.18/kg live weight, which confirms the improved cost trend. Despite a higher proportion of value-added products, processing costs were USD 0.11 below the long-term target of USD 1/kg and USD 0.60 below Q4 2020.

Extraordinary mortality costs during the quarter added to USD 0.7 million, due to the final settlement from the insurance claim from the Comau Fjord algae bloom that has already been paid by the insurers as of the date of this report. Expenses on fallow sites, those with no biomass or only the minimum required level to avoid the concession lapsing, were USD 3.1 million in the quarter, similar to Q4 2020. Consequently, the gross profit was USD 18 million, which is USD 25.9 million higher than in Q4 2020.

The Company's administrative and selling expenses decreased by 11.2% or USD 0.58 million, compared to Q4 2020 and totaled USD 4.6 million, so reduced from 7.9% to 4.3% of operating revenue in Q4 2020.

Consequently, the higher sales volume and higher prices drove EBIT before Fair Value for Q4 2021 up to USD 13.4 million, which restored positive figures after the effects of the algae blooms from the beginning of the year. This was USD 26.5 million higher than the negative USD 13 million in Q4 2020, resulting in an EBIT/kg WFE for Atlantic salmon of USD 0.75, which was USD 1.49 higher than the negative USD 0.74/kg WFE in Q4 2020. The EBIT/kg WFE for Coho was positive at USD 2.53, due to increased sales prices and farming at normal densities.

The resulting net Fair Value adjustment for Q4 2021 was negative USD 1 million, compared to positive USD 1.9 million in Q4 2020, giving an unfavorable difference of USD 2.9 million, mainly attributable to lower biomass volume after the effects of the algae blooms at the beginning of the year.

Refinancing long-term loans generated financial income of USD 2.7 million, due to the application of IFRS 9. This was the result of a decrease in the present value of future repayments under the new loans compared to the old loans that were about to mature. This positive effect will be amortized over the years until the loan maturity date. Financial costs increased from USD 0.9 million in Q4 2020 to USD 1.6 million in Q4 2021, due to new debt that totaled USD 154 million.

Other gains/losses were negative USD 0.5 million, due to fixed asset write-offs and a negative result from the trout joint venture of USD 0.2 million, which compares to a positive result of USD 0.8 million in Q4 2020.

Consequently, the Company had net income after tax of USD 9.7 million for Q4 2021, a favorable result compared to the net loss of USD 7.5 million for Q4 2020, mainly attributable to higher market prices and higher Atlantic salmon sales volume.

Cash Flow in Q4 2021

Positive net cash flow of USD 23.3 million in Q4 2021 compared to USD 1.4 million in Q4 2020, explained by:

- Negative operating cash flow of USD 5.9 million, compared to negative USD 3.7 million in Q4 2020, as higher collections associated with increased sales will be reflected in next quarter's operating cash flow.
- Negative investing cash flow of USD 5.1 million in Q4 2021, down from USD 6.2 million in Q4 2020, which reflects a reduction in investment plans as a consequence of lower financial results.
- Positive financing cash flow of USD 34.8 million, which includes a capital increase of USD 22.8 million and draw-downs from the Company's long-term loan facility of USD 12 million. Both initiatives provided the Company with a robust financial position and a net cash balance of USD 32.2 million by year end which will allow Salmenes Camanchaca to meet its growth plan,

Results for 2021

Salmenes Camanchaca harvested 40,095 MT WFE of Atlantic salmon during 2021, which was 24.3% lower than the harvest volume for 2020 of 52,982 MT WFE. The volume reduction was caused by algae blooms and low oxygen events during the summer of 2021 in the Reñihue and Comau fjords, which caused mortalities and limited fish growth. A significant proportion of harvest volume for 2021 came from the affected farming sites. The third cycle of Coho farming was harvested during the year, with harvest volume of 1,842 MT WFE for 2021, 49% lower than prior year, and 663 MT WFE harvested during January 2022 to complete de season.

Operating revenue for 2021 of USD 293.7 million, higher than the USD 255.4 million for 2020, driven by higher prices. Atlantic salmon sales volume was 3.9% lower at 46,386 MT WFE, and the average sales price was USD 5.83/kg WFE, which was 21.4% or USD 1.03 higher than in 2020. The difference between harvest and sales volume was due to inventory built up towards the end of 2020 when prices reached historic lows.

Atlantic salmon cost of sales was severely affected by high ex-cage costs from sites in the Reñihue and Comau fjords, reaching USD 4.15/kg live weight on average, or USD 4.46/kg WFE, which was USD 0.9/kg higher than the previous year. Processing costs were adversely affected by lower processing volume and totaled USD 1.08 /kg WFE during 2021, which is 8% higher than the Company's long-term target and 13.4% higher than in 2020.

Extraordinary mortality direct costs during 2021 caused by blooms added to USD 14.8 million, which was mainly comprised of: (i) extraordinary biomass mortality not covered by insurance deductible; (ii) salvage and mitigation costs to temporarily transfer fish to other farming sites; (iii) mortality removal expenses; (iv) mitigation and remediation expenses associated with events in the Comau fjord and to a lesser extent in the Reñihue fjord.

Fallow cost on sites with no biomass, or only the minimum required to avoid the concession lapsing, were USD 11.6 million for 2021, which was USD 2.3 million lower than for 2020. This reduction was due to the introduction of seaweed farming at several of the sites that required activities to avoid the concession lapsing.

Accordingly, gross profit for 2021 was positive USD 4.4 million, compared to zero profit for 2020.

Administrative expenses for 2021 decreased by 1.8% or USD 0.16 million, and distribution and selling expenses were reduced by USD 1.3 million, due to lower sales volume and lower freight and warehousing expenses, despite significant increases in maritime transport costs. The Company's combined sales and administrative expenses decreased from 7.4% in 2020 to 5.9% of 2021 operating revenue.

Consequently, operating EBIT before FV adjustments was negative USD 13 million for 2021, which was USD 5.6 million better than previous year. EBIT was affected by higher costs associated with extraordinary mortalities and lower harvest weights in 2021, while in 2020 it was affected by falling market prices brought on by the closure of hotels and restaurants around the world caused by the pandemic.

Atlantic salmon sales, therefore generated a negative EBIT/kg WFE of USD 0.33 in 2021, which was USD 0.10 lower than in 2020. Coho sales generated a positive EBIT/kg WFE of USD 1.07 in 2021, a substantial improvement compared to 2020, mainly due to higher prices and lower costs from normal stocking densities.

The net Fair Value adjustment for 2021 was USD 6.1 million, compared to negative USD 19 million in 2020, a positive difference of USD 25.1 million, attributable to different price trends from one year to the next, as prices were falling at the end of 2020, and this year they have recovered and have now stabilized at high levels.

Other gains/(losses) were negative USD 3.9 million, mainly due to the insurance deductibles that applied to the events at the Reñihue and Comau fjords, which resulted in a net loss of USD 2.9 million. The Trout farming joint venture had a loss of USD 0.2 million, which compares negatively with the gain of USD 2.3 million for 2020. This is normal for an odd numbered year, as Trout farming sites have a mandatory fallow period during the first three months.

The depreciation of the Chilean peso against the US dollar generated an unrealized exchange loss of USD 1.4 million, attributable to the US dollar devaluation of assets in Chilean pesos that include tax credits.

Accordingly, the net loss after taxes for 2021 was USD 9.4 million, which was better than the loss of USD 31.6 million of 2020 mainly attributable to lower prices. This year's loss was due to the impact of algae blooms in the Region X fjords, partially offset by higher prices, which also triggered a positive fair value adjustment of USD 6.1 million, compared to negative USD 19.0 million for 2020.

Cash flow for 2021

Net cash flow in 2021 was USD 23.1 million compared to negative cash flow of USD 4.8 million in 2020. This was explained by:

Negative **operating cash flow** of USD 18.9 million in 2021, compared to positive USD 10.2 million in 2020, due to lower sales volume and collections in 2021, partially offset by higher prices. Part of Q4 2021 sales receivables will be collected in the first quarter of 2022. Furthermore, there were higher cash outflows associated with extraordinary mortalities during 2021.

Negative **investing cash flow** of USD 14.5 million in 2021, down 36% from USD 22.8 million in 2020, which reflects the reduction in investment plans in accordance with the lower financial results.

Positive **financing cash flow** of USD 57.8 million in 2021, due to the capital increase of USD 22.8 million during the last quarter and increased debt of USD 35 million to finance the business. This compares to a positive cash flow of USD 8.2 million during 2020 when dividends of USD 16.9 million were paid from 2019 earnings and net financing of USD 25 million was received.

Salmones Camanchaca has net cash of USD 32.2 million as of December 31, 2021.

Financial position

Assets

The Company's total assets increased by 13.5% or USD 50.7 million during 2021, reaching USD 425.8 million. This increase was mainly explained by USD 28.3 million higher trade receivables, due to higher sales prices, and USD 10 million in insurance company receivables for the claim associated with the algae bloom, which has been settled as of the date of this report. Additionally, cash balances increased by USD 23.1 million, due to the capital increase. By year end there is USD 7.2 million inventory reduction versus prior year, with 3,581 MT of finished product, versus 6,076 MT year-end 2020.

Non-current assets remained similar to values as of year-end 2020.

Liabilities and Equity

The Company's total liabilities increased by 18.4% or USD 38.1 million compared to year-end 2020, to reach USD 245.1 million as of year-end 2021.

On November 18, the Company signed a "Sustainability Linked Loan", the first of its kind for its industry in Chile, which totaled USD 135 million. The agreement consists of a rescheduling of the existing revolving credit facility with DNB Bank, Rabobank and Santander, and is the first to meet the five characteristics to be recognized as a "Sustainability Linked Loan" by the Loan Market Association (LMA) and the Loan Syndications and Trading Association (LSTA), which requires linking interest margins or spreads to performance targets in five specific sustainability indicators agreed with the banks. Commitments include reducing greenhouse gas emissions to achieve Carbon Neutrality by 2025, increasing the recycled fraction of non-hazardous solid waste, and progress with occupational safety targets. The loan provides significant financial leeway for the next 5 years, since it has a 3-year grace period, with 10% reduction at the end of years 3 and 4, and full repayment at the end of 2026.

Current liabilities decreased by USD 7.9 million or 6.5% compared to year-end 2020, reaching USD 112.6 million, mainly due to the bank loan rescheduled agreement that moved short-term liabilities to long-term, which is reflected in a decrease of USD 18.9 million in current financial liabilities. Furthermore, there was a USD 9.4 million increase in trade payables driven by the higher biomass that resulted in increased payment terms for feed suppliers.

Non-current liabilities increased by USD 46 million or 53.1%, to USD 132.6 million, mainly due to rescheduling the syndicated loan that moved short-term liabilities to long-term, which is reflected as an increase of USD 50.2 million in other financial liabilities, non-current.

Net financial debt increased by USD 8.2 million during 2021 to reach USD 121.9 million.

A capital increase was successfully concluded during Q4 2021 with more than 96% of the shares subscribed. This process placed 8,193,660 shares of the 8,500,000 shares offered, raising approximately USD 23 million, which increased shareholder's equity as of September 30, 2021 by 15%.

Equity was USD 180.6 million at December 31, 2021, an increase of USD 12.6 million compared to December 31, 2020, due to the capital increase, offset by the loss for the year of USD 9.4 million. Accordingly, the equity to total assets ratio was 42.4%, slightly lower than 44.8% as of year-end 2020.

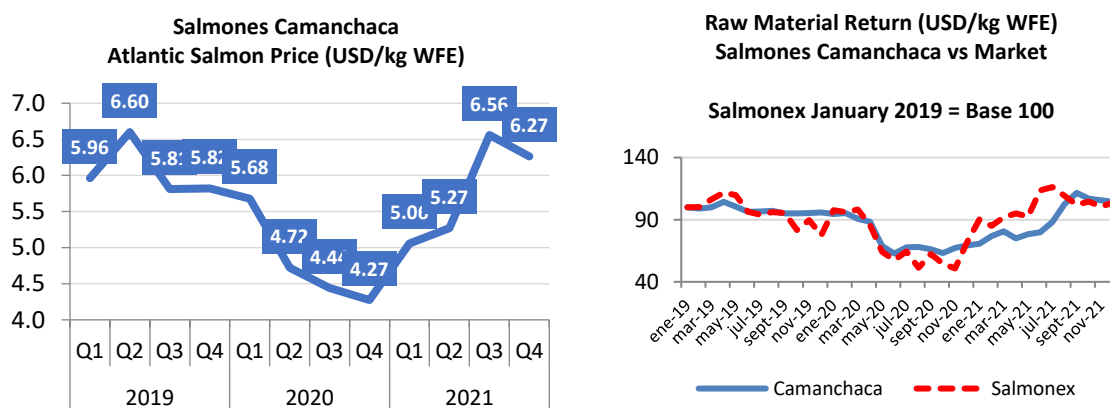
Operating Performance

Salmones Camanchaca's performance is driven by three key factors:

1. **The price of Atlantic salmon**, which is sensitive to Norwegian and Chilean supply conditions and demand from the main markets for its products.
2. **Farming practice and sanitary conditions for Atlantic salmon**, which affect conversion ratios, the use of pharmaceutical and mechanical means to improve fish health and welfare and the surviving biomass that absorbs total farming costs.
3. **The cost of feed**, which represents approximately half of the live fish unit cost at harvest.

I. Product Prices

The average price of Atlantic salmon sold by Salmones Camanchaca during Q4 2021 was USD 6.27/kg WFE, which was 46.6% or USD 1.99/kg higher than in Q4 2020. This significant market price increase is a consequence of the recovery of economies affected by the pandemic in Q4 2020. The Company's value-added strategy cushioned price volatility in 2020 and allowed the company to achieve a higher average raw material return (RMR)¹ for Atlantic salmon than its benchmark market index, Salmonex². However, during the first six months of 2021 when market prices recovered strongly, the Company's response lagged behind, which was a normal consequence of the commercial agreements signed at the end of 2020, and lower production volumes caused by lower average harvest weights. However, the Company's prices once again exceeded the Salmonex reference index from September 2021, and closed Q4 2021 at USD 0.5/kg above this index.



¹ Raw Material Return is the final product price less distribution and specific secondary processing costs. It is a price measurement before selecting the final destination for harvested fish and provides a homogeneous aggregate indicator for the Company's products.

² The market Index or "Salmonex" is based on the price of fresh fillet trim D exported by Chilean firms, net of Salmones Camanchaca's processing and distribution costs, in order to eliminate cost differences and isolate marketing differences.

Volumes

Atlantic salmon		Q4 2021	Q4 2020	Δ	Δ %	2021	2020	Δ	Δ %
Harvest volume	MT WFE	15,002	15,801	-799	-5.1%	40,095	52,982	-12,887	-24.3%
Production volumes	MT WFE	15,602	16,194	-592	-3.7%	42,964	52,744	-9,780	-18.5%
Sales volume	MT WFE	16,273	13,805	2,469	17.9%	46,386	48,289	-1,904	-3.9%
Sales	ThUSD	101,956	59,006	42,950	72.8%	270,237	231,730	38,507	16.6%
Average sales price	USD/kg WFE	6.27	4.27	1.99	46.6%	5.83	4.80	1.03	21.4%

Coho salmon		Q4 2021	Q4 2020	Δ	Δ %	2021	2020	Δ	Δ %
Harvest volume	MT WFE	1,842	2,819	-977	-34.7%	1,842	3,614	-1,772	-49.0%
Sales volume	MT WFE	510	1,092	-582	-53.3%	2,277	3,591	-1,314	-36.6%
Sales	ThUSD	2,921	3,381	-460	-13.6%	10,541	13,163	-2,622	-19.9%
Average sales price	USD/kg WFE	5.72	3.10	2.63	84.9%	4.63	3.67	0.96	26.3%

Salmones Camanchaca harvested 40,095 MT WFE of Atlantic salmon during 2021, 24% lower than 2020, 37% of the volume was harvested in Q4 2021, at an average annual harvest weight of 4.7 kg WFE (open cycle). The Company also purchased raw material from other farmers for processing at its plants, which totaled 2,443 MT WFE in 2021. This compensated for the reduction in harvest volume caused by the algae blooms. The Coho harvest volume for 2021 was 1,842 MT WFE, while an additional 663 MT WFE was harvested in January 2022 to complete the cycle with 2,505 MT WFE, a decrease of 11% compared to 2020.

Atlantic and Coho salmon sales were 16,784 MT WFE during Q4 2021, a 13% increase over Q4 2020, although 4% lower than production due to the raw material purchases to third parties. Sales of both species for 2021 added to 48,662 MT WFE, which is 7.5% higher than production volumes, although 6% lower than 2020. This is a consequence of accumulating inventories during 2020 when sales prices were very low, and then selling them during 2021 after prices had recovered.

Sales volume fell by 1,904 MT WFE in 2021, which is less than the 12,000 MT WFE reduction in harvest volume and reflects: (i) significant sales from inventories at better prices than when it was produced towards the end of 2020, (ii) sales of raw materials farmed by third parties, which has contributed to containing processing costs and increasing margins.

Operating revenue

The Company's marketing and sales strategy is to build its capacity and flexibility in order to diversify its products and target markets and focus on the most attractive markets for its raw material, based on medium-term conditions, and preferring stable customer relationships.

Sales by market segment as of December 2021

Product or Species	U.S. ThUSD	Europe + Eurasia ThUSD	Asia ex Japan ThUSD	Japan ThUSD	LATAM ex Chile ThUSD	National Market ThUSD	Others ThUSD	TOTAL ThUSD
Atlantic Salmon	121,298	19,204	16,594	19,001	73,284	19,463	1,392	270,237
Coho	2,219	226	1,953	3,412	2,594	136	0	10,541
Others	0	0	0	0	0	12,884	0	12,885
TOTAL	123,518	19,430	18,547	22,413	75,878	32,484	1,392	293,662
Market share %	42.1%	6.6%	6.3%	7.6%	25.8%	11.1%	0.5%	100.0%

Sales by market segment as of December 2020

Product or Species	U.S. ThUSD	Europe + Eurasia ThUSD	Asia ex Japan ThUSD	Japan ThUSD	LATAM ex Chile ThUSD	National Market ThUSD	Others ThUSD	TOTAL ThUSD
Atlantic Salmon	114,478	16,441	13,599	25,793	48,172	10,040	3,207	231,730
Coho	1,136	1,349	2,017	6,474	2,072	115	0	13,163
Others	0	0	0	0	0	10,470	0	10,470
TOTAL	115,614	17,790	15,616	32,267	50,244	20,625	3,207	255,363
Market share %	45.3%	7.0%	6.1%	12.6%	19.7%	8.1%	1.3%	100.0%

The Company defines its value-added products as those that require more processing than gutted whole salmon, which represented 94% of Atlantic salmon sales in 2021, up from 90% in 2020. The remaining sales are head-on gutted whole salmon for the South American, Russian and Chinese markets.

. The Russian authorities allowed imports from Salmones Camanchaca and other Chilean plants from June onwards, which had been blocked since February 2020. Sales to Latin America excluding Chile grew strongly from 19.7% to 25.8% led by Mexico, where the parent company, Camanchaca S.A., opened a distribution subsidiary in 2021.

The Company's other businesses, such as processing services for third parties, leasing farming sites and sales of smolts and byproducts, resulted in an operating profit of USD 6.1 million for 2021.

Other Businesses

Salmones Camanchaca has six seawater farming concessions that are leased for Trout farming in the Reloncaví Estuary in Region X. These leases are the Company's contribution to a Trout joint venture. The neighborhood where these concessions are located has a mandatory fallow period in the first quarter of odd-numbered years when harvest volume are smaller, such as in 2021. Trout harvest volume were 5,000 MT WFE in 2021, compared to the previous even year where these were 15,000 MT WFE. The forecast is for average harvest volume of 10-12,000 MT from the joint venture. Trout sales in Q4 2021 were 1,465 MT WFE, which were 54% lower than in Q4 2020, and at 6% lower prices. Costs were 13% higher, so the one third share of the results from this joint venture produced a net loss of USD 0.19 million in Q4 2021 for Salmones Camanchaca, totaling a net loss of USD 0.23 million for 2021, which compares with a net gain of USD 2.3 million for 2020 and is included under Other gains (losses).

The development expectations for this joint venture business have not changed, and the operator Caleta Bay continues to expect an average annual harvest of 12,000 MT until 2022, when the initial agreement ends. This was extended for 6 years from January 2023, with only 4 concessions and smolt stocking reduced by one third, equivalent to approximately 6 million fish each two-year cycle (2023-2028), which should result in average annual harvest volume of 7-9,000 MT in successive years. The remaining approximately 3 million fish and 2 sites will be used by Salmones Camanchaca's to farm the species of choice from 2023 onwards.

Salmones Camanchaca began farming Coho in 2019, to improve the use of its estuarine concessions in the Tenth region and complement the Trout joint venture. This initiative provides the Company with specific experience in farming and selling this species, which will improve the use of its concessions, diversify its risks by farming a specie with lower biological and environmental risk, which would reduce the impact of algae blooms in summer. Salmones Camanchaca expected negative margins during the first 2 production years in 2019 and 2020, due to the reduced smolt stocking density required by regulations. From 2021 onwards, smolt stocking can be at an optimal densities and as such improving costs. The later together with increased sales prices, should increase business profitability.

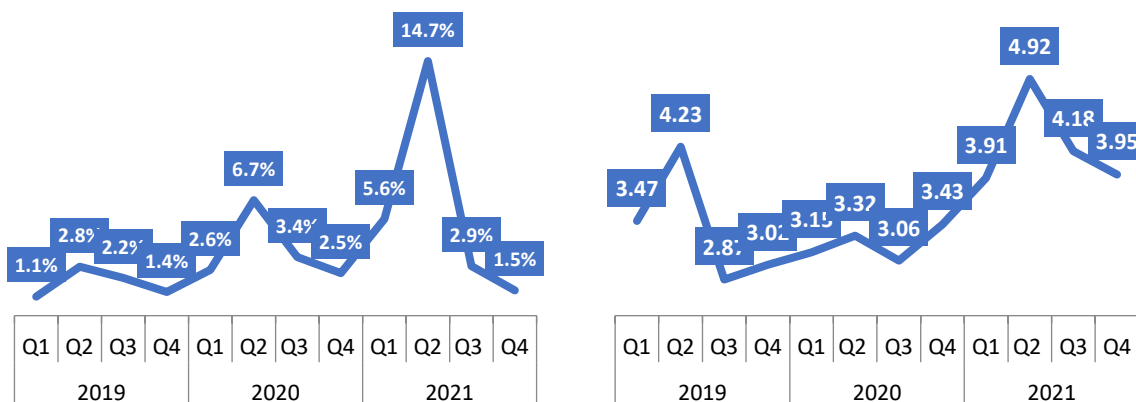
II. Sanitary and Production Conditions

The total open cycle biomass mortality of Atlantic salmon during Q4 2021 was 1.5%, slightly higher than the mortality for the same quarter in the previous cycle in 2019, and a return to normal mortalities after the algae bloom events in the summer.

Mortality at sites that completed their cycle (closed cycle) in Q4 2021 was 17.3%, which was much higher than the historical average, due to the closure of sites affected by the algae bloom events in Comau fjord.

Atlantic salmon mortality* (%)

Atlantic salmon ex-cage live weight cost (USD/kg)



* Total quarterly mortality (number of fish) including both closed and open sites. Closed sites affected by the HAB are included.

As a consequence of the algae bloom events, the Atlantic salmon ex-cage cost in Q4 2021 was USD 4.24/kg WFE, equivalent to USD 3.95/kg live weight. This was 15% higher than in Q4 2020, and 31% higher than in Q4 2019 at the same sites for the previous cycle. There was harvest volume from two Comau fjord sites, both affected by the algae bloom and an outbreak of SRS.

The following table shows the trends in the principal closed cycle Atlantic salmon production and sanitary variables for the last twelve months (LTM).

Atlantic salmon	Biological Indicators					Sustainability Indicators				
	FCRb (Live weight)	Productivity kg WFE/smolt	Average harvest weight kg WFE	Antibiotic use Gr/MT	Antiparasitic treatments Gr/MT	Number of antibiotic treatments	Medicinal treatments (baths) Gr/MT	Number of escaped fish	Cycle duration / Fallow periods	FIFO Ratio
LTM 2017	1.21	4.8	5.1	593.0	6.6	2.7	6.4	0	17/7	0.68
LTM 2018	1.17	4.8	5.3	531.2	6.4	2.7	6.4	0	17/7	0.60
LTM 2019	1.19	4.7	5.1	521.5	10.9	1.7	10.8	0	16/8	0.56
LTM 2020	1.17	4.9	5.4	506.9	10.1	2.2	10.1	37,150	17/7	0.57
LTM 2021	1.14	3.2	4.3	694.8	9.8	2.7	9.7	0	16/8	0.63

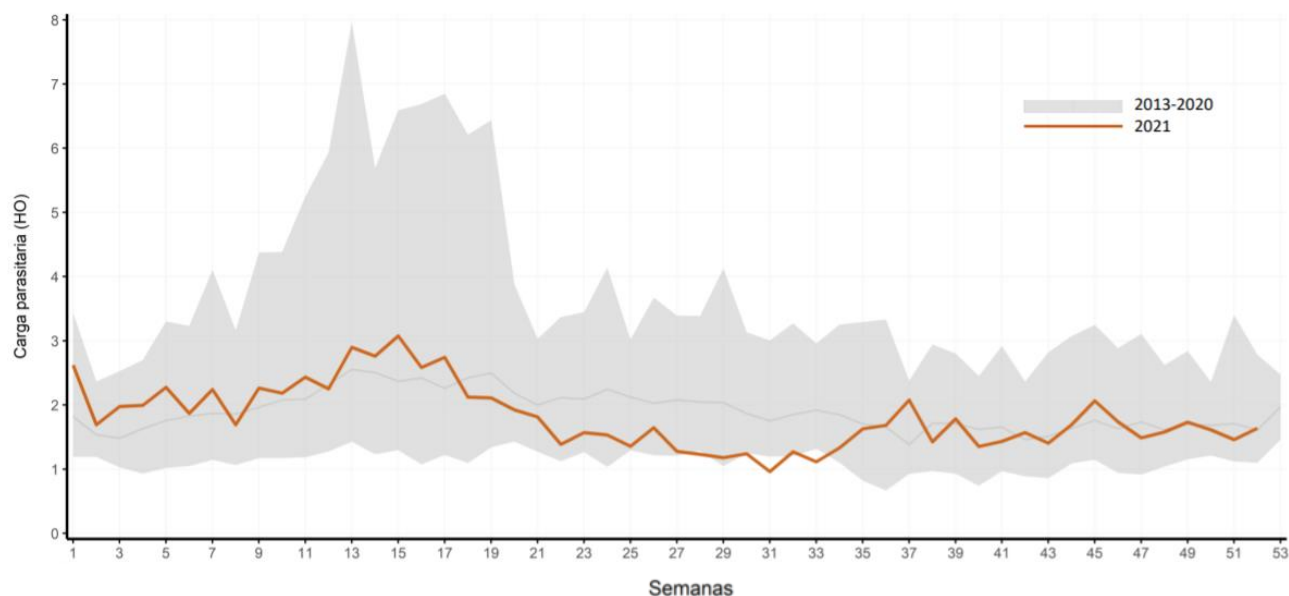
The biological conversion ratio consistently improved to reach 1.14 as of year-end 2021, the lowest ever.

As expected, several indicators were affected by the algae bloom incidents and the associated mortalities and lower harvest weights, such as smolt productivity measured as biomass harvested in kg/number of smolts, which dropped 35% to 3.2 kg WFE/smolt in 2021. Average closed-cycle harvest weight was 4.3 kg WFE, which was 20% lower than 2020 and 15% lower than the previous cycle in 2019.

Antibiotic use in 2021 increased by 37% compared to last year and was 33% higher than the previous production cycle, due to the lower biomass harvested from the Reñihue and Comau fjords. However, the total consumption of antibiotics in grams was similar to previous cycles. The number of antiparasitic treatment baths decreased by 4% compared to 2020, and decreased by 10% compared to the previous production cycle in 2019, as a result of using alternative treatments to combat sea lice, such as peroxide.

As of the date of this report, Salmones Camanchaca has five farming sites classified as sea lice High Propagation Sites (HPS), where more than 3 incubating females on average have been spotted. These represent 36% of the total biomass by number of fish, although two of these sites are already being harvested.

Figure 1: Weekly abundance comparison for breeding females



Source: Aquabench

Accordingly, Atlantic salmon costs in Q4 2021 were as follows.

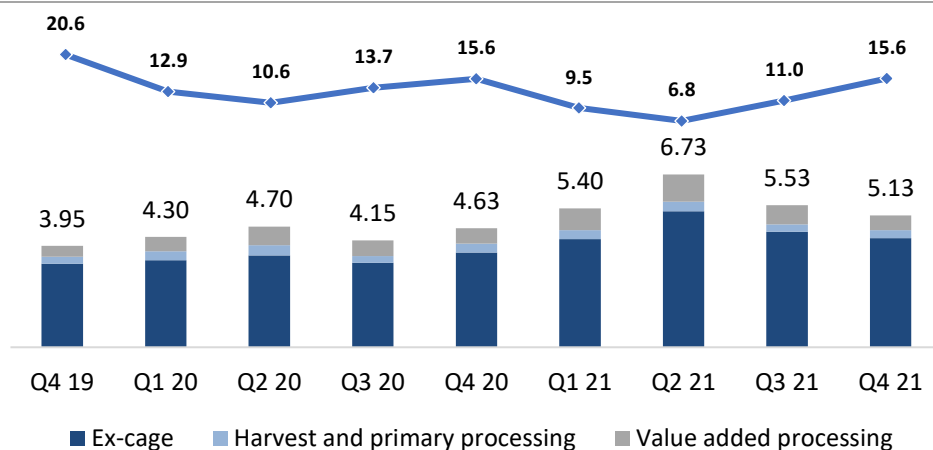
Costs (USD/kg WFE)	Q4 2019	Q4 2020	Q4 2021
Ex-cage (WFE)	3.25	3.69	4.24
Harvest and primary processing (WFE)	0.27	0.34	0.31
Value-added processing (WFE)	0.43	0.60	0.58
Processing cost (WFE)	0.70	0.95	0.89
Total cost of finished product (WFE)	3.95	4.64	5.13

Primary and secondary processing costs were USD 0.89/kg WFE, which was USD 0.06 or 6.2% lower than Q4 2020. This decrease was caused by an increase in processing volume, despite a significant fraction of added value products.

As a result, the total finished product cost increased to USD 5.13/kg WFE, which was USD 0.49 cents higher than Q4 2020, USD 1.18 higher than the previous cycle and USD 0.90 higher than the long-term target of USD 4.23/kg WFE, and was attributable to an extraordinary situation.

The downward trend in costs that began in September was also reflected in Q4 2021, after the effect of the incidents during the first half of the year subside. The Company's response plan means that costs are expected to return to normal in 2022.

Total cost of Atlantic salmon finished products (USD/kg WFE) and processed volume* (MT WFE) by quarter



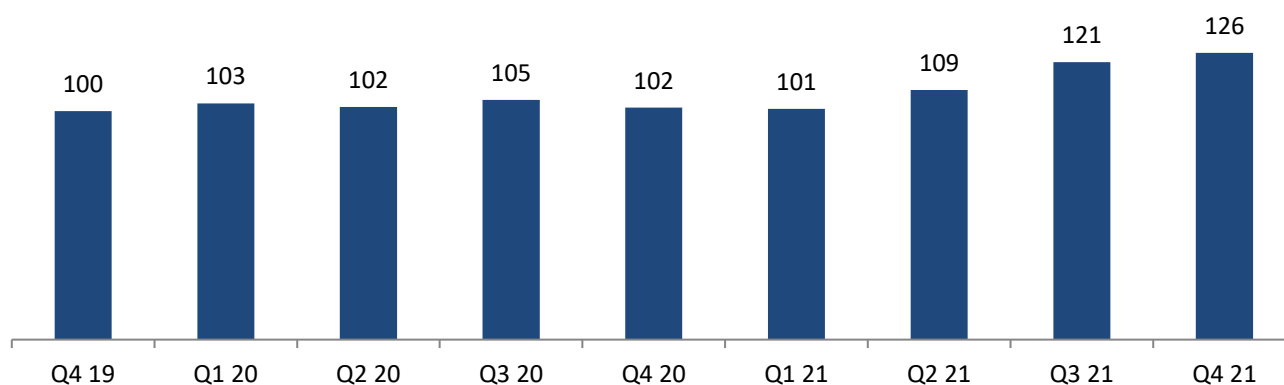
* Q3 2021 includes raw materials from third parties.

III. Feed Cost

The price of feed for fish weighing more than 2.5 kg, which represents approximately 40% of the Company's total feed cost, increased by 24% during Q4 2021 versus same period last year, mainly due to price increases for vegetable oils and proteins. Global commodity prices for raw materials are pressuring these costs.

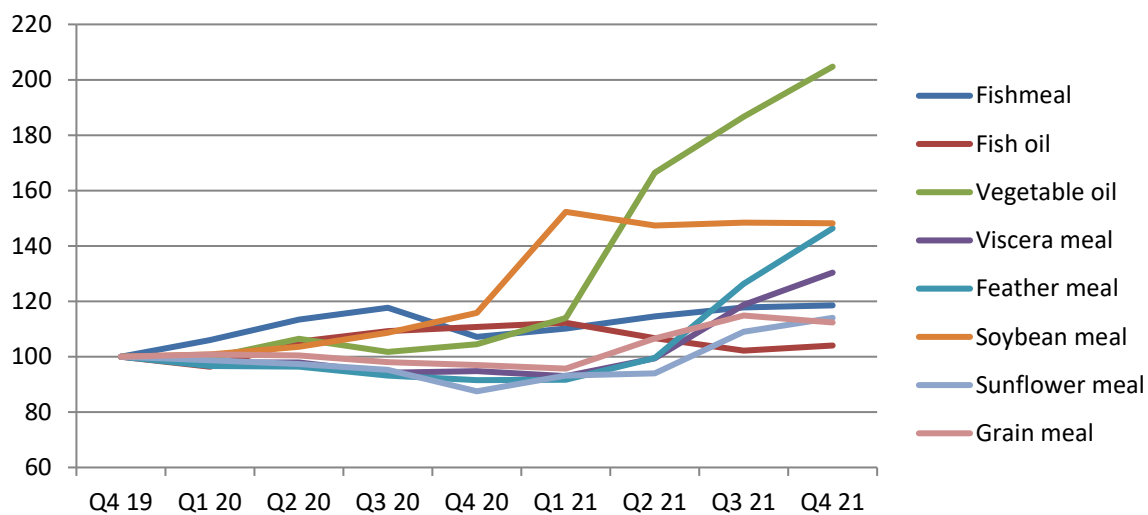
Price for seawater growing diets (Salmones Camanchaca) USD/kg

Base 100 Q4 2019



Source: Internal data, Salmones Camanchaca price including pigment. Excludes medicated feed, feed additives and supplements

Price of main ingredients USD/MT (Base 100: Q4 2019)



Source: Internal data, Salmones Camanchaca

Subsequent Events

No subsequent events occurred after December 31, 2021, that materially affect Salmones Camanchaca's operations or its financial results.

The COVID-19 Situation and the Outlook for the Company

Salmones Camanchaca continues to apply the measures adopted to address the global pandemic that is affecting Chile, and thus reduce infection risks and mitigate the impact on its employees, business and financial situation. The Company has set the combined objectives of protecting employees' health while preserving the Company's operational continuity.

As of the date of this report, the Company has operated without interruption.

Kontali's later report estimates that the world supply of Atlantic salmon will not grow in 2022 compared to 2021. Any slight growth in Norway would be offset by decreases in other countries, with no growth expected for Chile, where supply is expected to fall by 12% in the first half of 2022 and recover in the second half of the year.

Salmones Camanchaca expects harvest volume of Atlantic salmon of 45-48,000 MT WFE for 2022, and approximately 6-7,000 MT WFE of Coho.

Main Risks and Uncertainties

External variables might materially impact the Company's annual performance. The main variable affecting revenue is the price of Atlantic salmon, while the main variables affecting costs are the environmental conditions at farming sites, and the sanitary status of the salmon biomass, including the biological conversion of feed.

Individually and in aggregate, aquaculture businesses are exposed to various risks. Consequently, Salmenes Camanchaca uses a risk matrix that guides the Company in order to: i) review and update the critical risk inventory and generate a map that helps manage risks; ii) assess these risks on the basis of impact and probability parameters that helps with prioritizing; iii) implement an internal audit and control plan based on the risk map that focuses resources on the most vulnerable areas; iv) generate a set of strategies to reduce the probability and impact, including insurance wherever this is feasible and financially attractive. These risk maps guide management to continuously manage and mitigate each risk and establish the corresponding responsibilities, as well as review the frequency and severity of internal controls to validate the effectiveness of mitigating measures.

The factors used to detect critical risks are the Company's mission, vision and values; short and long-term strategic planning; known risks inherent to the business; the knowledge and experience of key personnel; and other factors.

a. Phytosanitary Risks

The Company is exposed to risk of disease or parasites that can affect the biomass, increasing mortality or reducing the growth of specific species, and thereby, affecting production and sales volume. Examples of these risks are increases in parasitic concentrations, outbreaks of SRS or even ISA in 2008. Salmenes Camanchaca has adopted strict control standards to minimize those risks, and comply with regulatory requirements with respect to coordinated fallow periods for the concessions in each neighborhood. These standards cover the maximum fish density in cages, constant monitoring and reporting of the biomass and its biological status and health, total fish vaccination against ISA and SRS, smolt production in closed recirculating sites fed by groundwater, transport of breeders and fish for harvest in wellboats, coordinated anti-parasitic washing by neighborhood, identifying new parasitic treatments, frequent net cleaning, oxygen plants to supplement pronounced shortfalls in the water, vaccinations at the freshwater stage, and other standards. The risks associated with increased concentrations of parasites can result in early harvests, under certain circumstances, with the consequent lower harvest weights. In the extreme, they can result in unusable products. The Company is mitigating these risks by rigorously applying current treatments, diversifying the anti-parasitic treatments it applies to sites affected by higher concentrations.

b. Natural Risks

The Company is exposed to natural hazards that may affect its business, such as pronounced low oxygen events or harmful algae blooms, such as those seen in the Reñihue and Comau fjords between the end of Q1 2021 and the beginning of Q2 2021. It is also exposed to volcanic eruptions such as the Calbuco volcano in 2015, storm surges, tsunamis, earthquakes, natural predators, water pollution and other factors that can threaten the biomass and production infrastructure, such as the severe currents produced by heavy rains in 2020 that affected the Islotes site. Furthermore, it is exposed to non-aquaculture risks that affect people working in this industry, such as highly contagious diseases that limit normal production, intermediate or final logistic chains that can limit production and sales, such those imposed by the COVID-19 pandemic during 2020 and 2021. The Company is constantly monitoring these variables and seeking the best available locations, the latest risk prevention technologies and tools available in Chile, and appropriate insurance coverage for these risks, where available.

c. Product Sale Price Risks

The Company mainly exports its products to numerous markets and evaluates the prices it obtains using a broad commercial network. The Company adjusts the speed of its sales in accordance with production and market conditions, which are constantly in flux. However, it does not accumulate inventory in order to speculate on better sale prices in the future.

Prices are highly dependent on the supply from Norway and Chile and on fluctuations in exchange rates used by the Company's major trading partners, which affects demand conditions in these markets. Furthermore, demand may fall due as consumption patterns weaken, for example in the restaurant and hotel segment in 2020 as a result of the COVID-19 pandemic, which could continue well into 2021. Salmenes Camanchaca has sought to safeguard against this risk through diversifying its commercial network and flexing its range of products to enable its raw material to be sent to any market.

The Company complies with production standards and protocols applied by the country with the strictest requirements in the world, in order to take advantage of all available commercial opportunities. However, there is a risk that occasionally some markets will be limited as a result of tariff, para-tariff or sanitary measures, such as the limitations imposed by Russian and Chinese markets during 2020. Should this occur, the Company believes that it is sufficiently diversified across various markets to divert trade elsewhere, although this may result in price decreases in the short-term depending on market conditions.

d. Purchase Price Risks

The Company is exposed to changes in the price of salmon feed, which represents about half the cultivation cost. Salmenes Camanchaca ensures its diets achieve a balance between feed cost and nutritional quality at each fish development stage. The Company aims to produce a final product that contains the same amount of Omega 3 as wild salmon, as well as keeping the marine sourced feed compared to farmed fish feed (the fish in-fish out ratio) to no more than 1:1. The Company has feed contracts with prices adjusted quarterly, on a cost-plus basis. During the last few years, the prices of the main consumables used in production have remained stable, but began to rise during the second half of 2021.

e. Regulatory Risks

Aquaculture is strictly regulated in Chile by laws, standards and regulations issued by the corresponding authorities. Significant changes in these could impact the Company's performance. These regulations are mainly established by the General Law on Fisheries and Aquaculture, and its associated regulations that assign concessions, manage the biomass and set preventive sanitary standards. The Company is constantly monitoring changes in regulations in order to anticipate and mitigate any potential impact.

The regulations governing salmon farming densities were changed with effect from Q4 2016, and a smolt stocking reduction program was introduced (SRP) as an alternative to the general density regime. This program requires stocking and farming densities to be reduced when sanitary performance has fallen, or when smolt stockings are expected to grow in the area. The SRP mechanism gives producers the option to replace a reduction in density, when appropriate, with a smolt stocking plan that considers growth containment with respect to the previous cycle, so maintaining densities at maximum permitted levels.

Since the Company's policy has been to use its assets to provide services to third parties/producers, it has routinely leased out several farming sites. Regulations attribute the history of concession use to the concession owner, allowing the Company to use the history of smolt stocking at farming sites leased to third parties in its smolt stocking plans, without affecting the growth of smolt stocking in the areas involved. Therefore, as lease contracts expire, the Company expects Atlantic salmon harvests of 60,000 MT WFE at its own farming sites, plus another 15,000 to 16,000 MT WFE of other species.

Most of the concessions held by Salmenes Camanchaca for farming fish are of indefinite duration. However, in order to retain the concession, the current regulation requires a minimum amount of use. If minimum use is not achieved, the concession may be revoked. This has led the Company to operate some of its farming sites at minimum capacity where they are at risk of revocation, which results in additional expenses. This situation generates a regulatory contradiction between an obligation to use the concession, and legislation that prefers smolt stocking growth containment, in order to preserve a healthy sanitary situation.

Examples of these risks are limitations on smolt stocking due to anaerobic marine conditions in the concessions, the obligatory use of concessions to avoid them lapsing, and changes in anchoring requirements, all of which can materially impact costs. Congress is discussing the introduction of regulations to mitigate the impacts of marine farming. However, these discussions are still at an early stage, so their impact cannot be estimated.

The financial statements could be affected by changes in economic policies, specific regulations and other standards introduced by authorities.

f. Social and Political Risks

Specific social conditions and/or political situations, such as riots, violence or protests, can generate temporary operational interruptions that affect the continuity of processing plants, primary and/or secondary logistics at export ports, access to specific public services, such as customs or health authorities, availability of labor or security of onshore facilities when faced with strikes, protests, etc. These situations can affect and delay harvests, production or shipments of products to target markets. For example, the social unrest in Chile during the second half of 2019, which interrupted logistics chains. The Company continuously monitors these situations to ensure that its staff, facilities and products are safe, and regularly evaluates mitigating measures, including whether insurance policies are cost-effective.

g. Liquidity Risks

Liquidity risk is the risk of potential mismatches between the funds needed for investments in assets, operating expenses, finance costs, repayment of debt as it matures and dividend payments, and funding sources such as product sales revenue, collections from customers, disposal of financial investments and access to financing.

Salmenes Camanchaca conservatively and prudently manages this risk by preparing cash flow forecasts for at least the next 12 months and by maintaining sufficient liquidity and access to third-party financing facilities, while carefully ensuring that it complies with all its financial obligations. These were the reasons for restructuring its debt in 2013, 2017, 2020 and 2021.

h. Interest Rate Risks

The Company is exposed to interest rate risk since its long-term financing includes a variable interest rate component, which is adjusted every six months. The Company continually evaluates its hedging opportunities, which depend on market conditions. However, it has not used them in the last five years given the interest rate trends and the expansive monetary policies adopted by the main economies since 2008. Exposure to this risk has increased as a result of its increased borrowing.

i. Foreign Exchange Risks

A substantial proportion of Salmenes Camanchaca's revenue arises from contracts and commercial agreements in US dollars. However, given the diversity and importance of markets other than the North American market, which have historically represented approximately 50% of total exports, any devaluation of the US dollar against these markets' currencies and/or the Chilean Peso, could have an impact on market demand and consequently on prices, which would affect the financial performance of the Company.

Corporate policy is to agree income, cost and expenses in US dollars whenever possible. When that is not possible, expenses in Chilean pesos are converted to US dollars, which may appear higher if the Chilean peso appreciates. The Company occasionally evaluates exchange rate hedging instruments for its peso-denominated expenses, based on market conditions, which results in non-operating income or loss, respectively, for any operational loss or income produced.

The Company borrows from financial institutions in U.S. dollars.

j. Credit Risks

1. Surplus cash investment risk

The Company has a highly conservative policy for investing its cash surpluses. This policy covers the quality of both financial institutions and their financial products.

2. Sales risk

The Company has credit insurance policies covering most sales that do not require immediate payment. The remaining sales are backed by letters of credit, advance payments, or are sales to customers with good payment performance.

Operational stoppages at ports or by customs or other institutions, as well as protests, marches or road blockages, may affect and delay shipments of our products to the markets where they are sold. Therefore, the Company continuously monitors these variables in order to anticipate any issues and identify alternatives to minimize the impact.

Financial Statements

Statement of Net Income

Consolidated (USD'000)	Q4 2021	Q4 2020	2021	2020
Operating revenue	107,610	65,847	293,662	255,363
Cost of sales	(89,582)	(73,706)	(289,294)	(255,149)
Gross profit	18,028	(7,859)	4,368	214
Administrative expenses	(2,330)	(2,300)	(8,828)	(8,992)
Distribution costs	(2,271)	(2,883)	(8,582)	(9,870)
Sales and administrative expenses	(4,601)	(5,183)	(17,410)	(18,862)
EBIT* before fair value adjustments	13,427	(13,042)	(13,042)	(18,648)
EBITDA** before fair value adjustments	17,600	(8,752)	3,213	(3,170)
Net fair value adjustments to biological assets	(977)	1,948	6,125	(18,991)
EBIT after fair value adjustments	12,450	(11,094)	(6,917)	(37,639)
EBITDA after fair value adjustments	16,623	(6,804)	9,338	(22,161)
Financial costs	(1,623)	(888)	(4,816)	(3,982)
Share of net income of equity method associates	663	740	1,388	1,856
Exchange differences	(397)	159	(1,383)	(488)
Other income (losses)	(493)	687	(3,886)	(3,509)
Financial income	2,658	0	2,658	0
Total non-operating expenses	808	698	(6,039)	(6,123)
Net income (loss) before tax	13,258	(10,396)	(12,956)	(43,762)
Income tax expense (income)	(3,595)	2,848	3,592	12,135
Net income (loss) for the year	9,663	(7,548)	(9,364)	(31,627)
Non-controlling interests	0	0	0	0
Net income (loss) for the year attributable to owners of the parent company	9,663	(7,548)	(9,364)	(31,627)

* EBIT: Gross profit before fair value adjustment - administrative expenses - distribution costs

** EBITDA: Gross profit before fair value adjustments + depreciation - administrative expenses - distribution costs

Statement of Financial Position

(USD'000).	12/31/2021	12/31/2020
Cash and cash equivalents	32,169	9,038
Other financial assets, current	12	341
Other non-financial assets, current	13,526	7,422
Trade and other receivables, current	29,305	15,386
Related party receivables, current	50,119	35,704
Inventories	39,745	46,963
Biological assets, current	115,561	113,756
Tax assets, current	12,702	13,691
Assets held for sale	0	0
Total current assets	293,139	242,301
Other financial assets, non-current	27	27
Other non-financial assets, non-current	112	112
Tax assets, non-current	2,507	2,168
Related party receivables, non-current	0	0
Equity method investments	4,061	4,889
Intangible assets other than goodwill	6,972	6,972
Property, plant, and equipment	116,506	115,618
Deferred tax assets	2,462	2,963
Total non-current assets	132,647	132,749
Total assets	425,786	375,050
Other financial liabilities, current	24,118	43,040
Lease liabilities, current	179	483
Trade and other payables, current	75,956	58,426
Related party payables, current	3,262	11,431
Tax liabilities, current	0	0
Employee benefits provisions, current	1,489	1,573
Other provisions	7,546	5,479
Total current liabilities	112,550	120,432
Other financial liabilities, non-current	129,956	79,739
Lease liabilities, non-current	7	187
Trade and other payables, non-current	0	0
Related party payables, non-current	0	0
Long-term provisions	0	0
Deferred tax liabilities	2,602	6,519
Employee benefit provisions, non-current	32	158
Total non-current liabilities	132,597	86,603
Total liabilities	245,147	207,035
Subscribed and paid share capital	139,810	91,786
Share premium	2,284	27,539
Retained earnings	16,340	25,704
Interim dividends	0	0
Other reserves	22,205	22,986
Total equity	180,639	168,015

Statement of Cash Flows

(USD'000).	Q4 2021	Q4 2020	2021	2020
CASH FLOW FROM (USED BY) OPERATING ACTIVITIES				
Receipts				
Receipts from selling goods and providing services	87,474	60,721	304,134	304,566
Payments				
Payments to suppliers for goods and services	(83,693)	(56,640)	(292,794)	(256,858)
Payments to and on behalf of employees	(7,748)	(7,614)	(27,680)	(27,912)
Dividends received	0	1,267	1,435	1,856
Interest paid	(1,968)	(1,468)	(3,980)	(3,639)
Interest received	0	0	0	0
Income taxes refunded (paid)	0	0	(38)	(7,825)
Other receipts (payments)	0	0	0	0
Net cash flow from (used by) operating activities	(5,935)	(3,734)	(18,923)	10,188
Net cash flow from (used by) investing activities	(5,062)	(6,171)	(14,536)	(22,795)
CASH FLOW FROM (USED BY) FINANCING ACTIVITIES				
Receipts from issuing shares	22,769	0	22,769	0
Receipts from loans	12,000	11,000	39,000	29,000
Loan repayments	0	0	(4,000)	(4,000)
Payments to related parties	0	0	0	0
Dividends paid	0	0	0	(16,850)
Net cash flow from (used by) financing activities	34,769	11,000	57,769	8,150
Effects of exchange rate changes on cash and cash equivalents	(435)	353	(1,179)	(372)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	23,337	1,448	23,131	(4,829)
CASH AND CASH EQUIVALENTS AT THE START OF THE YEAR	8,832	7,590	9,038	13,867
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	32,169	9,038	32,169	9,038

Statement of Changes in Equity

(USD'000).	Share capital	Share premium	Foreign currency translation reserve	Other reserves	Total other reserves	Retained earnings (accumulated losses)	Total equity
Opening balance as of January 1, 2020	91,786	27,539	-668	23,515	22,847	61,543	203,715
Changes in equity							
Dividends accrued						-4,212	-4,212
Comprehensive income							
Net loss for the year						-31,627	-31,627
Other comprehensive income			139		139		139
Closing balance as of December 31, 2020	91,786	27,539	-529	23,515	22,986	25,704	168,015
Opening balance as of January 1, 2021	91,786	27,539	-529	23,515	22,986	25,704	168,015
Capitalized issue premiums	27,539	-27,539					
Shares issued	20,485	2,284					22,769
Changes in equity							
Dividends							
Comprehensive income							
Net loss for the year						-9,364	-9,364
Other comprehensive income			-781		-781		-781
Closing balance as of December 31, 2021	139,810	2,284	-1,310	23,515	22,205	16,340	180,639

Additional Information

Analysis of Key Financial Indicators

This section compares the Company's key financial indicators based on its consolidated financial statements as of December 31, 2021, compared to December 31, 2020.

	12/31/2021	12/31/2020
Liquidity Indicators		
1) Current Liquidity	2.60	2.01
2) Acid Ratio	1.22	0.68
3) Working Capital (USD million)	180.6	121.9
Debt Indicators		
4) Net debt ratio	1.18	1.18
5) Current Liabilities / Total Liabilities	0.46	0.58
6) Non-Current Liabilities / Total Liabilities	0.54	0.42
Profitability Indicators	(12 months)	(12 months)
7) Return on Equity	-5.18%	-18.82%
8) Return on Assets	1.03%	0.06%

Notes:

1) Current Liquidity: Current Assets / Current Liabilities

2) Acid Ratio Current Assets Net of Inventory and Biological Assets / Current Liabilities

3) Working Capital: Current Assets - Current Liabilities

4) Net Debt Ratio Total Liabilities - Available Cash / Total Equity

7) Return on Equity: Net income (loss) attributable to owners of the parent company / Total equity

8) Return on Assets: Gross profit before fair value adjustment / Total assets

The increase of 29.5% in the current liquidity ratio is mainly caused by a USD 50.8 million increase in current assets, which was accentuated by a USD 4.9 million decrease in current liabilities, as explained in the financial position analysis. Consequently, working capital increased by USD 58.7 million or 48.2%.

Furthermore, the acid ratio increased by 80.8% compared to year-end 2020 mainly due to the increase in current assets net of inventory and biological assets of USD 56.3 million. These changes have already been explained in the financial position analysis.

The net debt ratio decreased to 1.18 from 1.55 previous quarter due to the combined effect of the USD 12.6 million increase in equity and the USD 15.0 million increase in liabilities net of cash. These changes have already been explained in the financial position analysis. The increase in the proportion of long-term liabilities from 0.42 to 0.54

is due to an increase in non-current financial liabilities of USD 46.0 million. These changes have already been explained in the financial position analysis.

The return on Equity and Assets was -5.18% for the last 12 months, mainly due to the fall in volumes associated with extraordinary mortalities during the first half of the year, which impacted the results.

Cumulative Indicators

	12/31/2021	12/31/2020
a. Atlantic salmon sites harvested during the period	11	13
b. Atlantic salmon harvested during the period (MT WFE) / Site	3,645	4,076
c. Atlantic Salmon farming density (kg/m3)	8.5	10.7
d. Atlantic Salmon group survival rate in sea water at harvest	72.1%	84.1%
e. Coho salmon sites harvested during the period	1	2
f. Coho salmon harvested during the period (MT WFE) / Site	1,841	1,427
g. Coho Salmon farming density (kg/m3)	6.0	3.3
h. Coho Salmon group survival rate in sea water at harvest	86.0%	96.0%
i. Operational EBIT before fair value adjustments (USD million)	-13.0	-18.6
j. Atlantic salmon EBIT/kg WFE before fair value adjustments	-0.33	-0.23
k. Coho salmon EBIT/kg WFE before fair value adjustments	1.07	-2.04

Notes:

a and e. Atlantic and Coho salmon sites harvested during the period

b and f. Harvest volume during the period (MT WFE) / Number of harvested sites, expressed in MT WFE / Site.

c and g. Average farming density, expressed in kg per cubic meter for sites harvested during the corresponding period.

d and h. Survival rate for harvested fish groups compared to smolt stocking. A harvest group is fish of a similar origin and strain.

i. Gross profit before fair value adjustment - administrative expenses - distribution costs for the salmon farming division

j and k. (Gross profit before fair value adjustment - administrative expenses - distribution costs) / kg WFE of own Atlantic/Coho salmon sold

Biomass Fair Value

For the period ended December 31, 2021 (ThUSD)

	Gain (loss) on fair value of biological assets		Cost of biological assets harvested and sold	
	As of 12/31/2021	As of 12/31/2020	As of 12/31/2021	As of 12/31/2020
Salmonids	1,285	7,306	4,840	-26,297

The net effect of the fair value adjustment of the salmon biomass is reflected in two accounts:

- “Gain (loss) on fair value of biological assets” records the estimated gain or loss for the period from valuing the biomass of live and harvested fish at the end of each month that will be sold in future periods. It can be positive or negative based on changes in the biomass, its cost, the quality of concessions and the market price. The fair value adjustment to the live and harvested biomass as of December 31, 2021 was a positive of USD 1.3 million, compared to a gain of USD 7.3 million as of the same date last year.
- “Cost of biological assets harvested and sold” records the realized gain or loss on the live biomass, and the biomass harvested in current and prior periods that was sold in the current period. This account reverses the estimated gain or loss for the current and prior periods and the result of the transaction is recorded in operating revenue and cost of sales. The net effect on the biomass sold as of December 31, 2021 was a profit of USD 4.8 million, which reversed a negative profit estimated in prior periods, in contrast to a negative effect of USD 26.3 million as of December 31, 2020.

The net effect of the fair value adjustments on the salmon biomass as of December 31, 2021 was positive USD 6.1 million, as opposed to negative USD 19.0 million as of December 31, 2020.

Differences between the market and book values of principal assets

Biological assets include the following:

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

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

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

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

Volume of fish biomass

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

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

Cumulative Costs

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

Remaining Costs

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

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

Operating revenue

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

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

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

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

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

The Company uses the following method.

Stage	Asset	Valuation
Fresh water	Eggs, fry, smolts and breeders	Direct and indirect cumulative costs at their various stages.
Sea water	Salmon	Fair value includes prices, costs and volumes that are estimated by the Company.