SALMONES CAMANCHACA S.A. AND SUBSIDIARIES

Earnings Report on the Consolidated Financial Statements

For the period ended March 31, 2022

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 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 65,000-70,000 MT WFE, which the Company expects to reach within three years. Salmones Camanchaca 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 value-added plant. Atlantic salmon target markets are led by the USA, Mexico and Japan.

Highlights for the first quarter 2022 (Q1 2022)

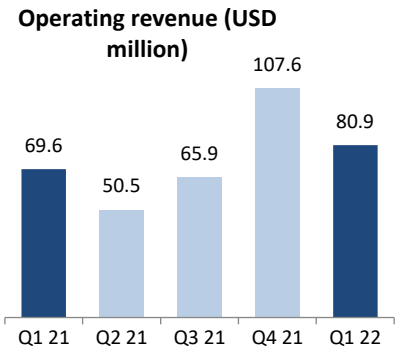
- **Gross margin** improved from negative USD 6.9 million in Q1 2021 to positive USD 4.3 million in Q1 2022, while **EBITDA improved from negative USD 7.4 million to positive USD 3.7 million**, driven by increased selling prices and lower extraordinary mortalities.
- **Q1 2022 Atlantic salmon harvest volumes fell 11.5% to 8,108 MT WFE**, affected by site with low oxygen levels that forced early harvesting when fish were smaller (4.2 kg). Coho salmon harvest volumes were 663 MT WFE, which completed the 2021 cycle.
- **Operating revenue grew by 16.3% in the quarter to USD 80.9 million,** mainly due to a 34% increase in the price of Atlantic salmon, which reached record prices. Sales volumes fell 12.4% to 10,566 MT WFE, although this was 30% higher than the quarter's harvest volumes, due to raw material purchased from third parties and a reduction in inventories.
- **The cost of Atlantic salmon** (ex-cage live weight) harvested in the quarter was **USD 4.36/kg**, which was 11.4% above Q1 2021 as a result of harvesting fish that survived the April 2021 Comau algae bloom, and early harvests due to low oxygen levels, which represented 45% of total harvest volumes. There were also inflationary pressures on feed costs and other input factors.
- **Total processing costs including harvesting were USD 1.29/kg WFE, which was higher than the long-term target of USD 1/kg,** and USD 0.09 higher than Q1 2021, due to lower processing volumes and lower average fish weights.
- **EBIT/kg WFE of Atlantic salmon was negative USD 0.25** for Q1 2022, compared to negative USD 0.99 in Q1 2021, due to the costs described above. EBIT/Kg includes a direct loss of USD 3.7 million for mortalities associated with low oxygen events.
- **EBIT/kg WFE of Coho salmon was USD 1.8** in Q1 2022 with sales of 1,207 MT, compared to USD 0.37 in Q1 2021, driven by good production performance, market diversification and high prices.
- **Net income for Q1 2022 was USD 1.6 million,** which was USD 16.8 million higher than the net loss of USD 15.2 million for Q1 2021, driven by higher market prices that affected both operating revenue and the fair value of biological assets.
- **Cash balance as of March 31, 2022 was USD 29.4 million** and **net interest-bearing debt** decreased to **USD 114.7 million**, USD 7.2 million lower than at the end of 2021 as a result of USD 21 million positive operating cash flow, much higher than the USD 10.8 million negative operating cash flow in Q1 2021.
- Salmones Camanchaca's total **estimated harvest volumes** for 2022 remain between 51,000 and 54,000 MT WFE, comprising **45,000-47,000 MT WFE of Atlantic salmon** and **6,000-7,000 MT WFE of Coho salmon.**

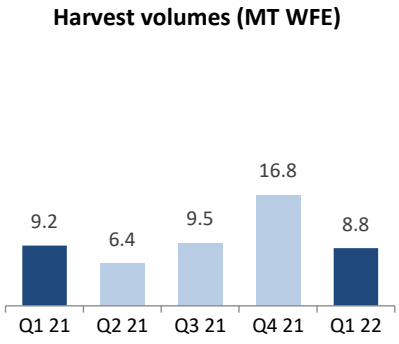
Key Figures

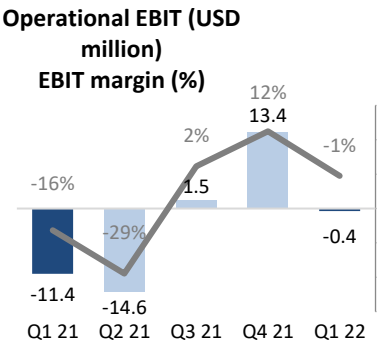
(USD'000).	Q1 2022	Q1 2021	Δ%
Operating revenue	80,946	69,620	16.3%
EBITDA* before fair value adjustments	3,727	(7,391)	-
EBIT** before fair value adjustments	(425)	(11,377)	-
EBIT margin %	-0.5%	-16.3%	1,582 bp
Net fair value adjustments to biological assets	2,759	(3,400)	-
Net income (loss) for the period	1,621	(15,159)	-
Earnings per share (USD)	0.0218	(0.2297)	-
Atlantic salmon			
Harvest volumes (MT WFE)	8,108	9,163	(11.5%)
Sales volumes (MT WFE)	10,566	12,064	(12.4%)
% sales of fillets and portions	83.7%	87.6%	(391 pb)
Atlantic salmon ex-cage harvesting costs (USD/kg live weight)	4.36	3.91	11.4%
Atlantic salmon ex-cage harvesting costs (USD/kg WFE)	4.68	4.20	11.4%
Processing costs (USD/kg WFE)	1.29	1.20	7.3%
Price (USD/kg WFE)	6.77	5.06	33.9%
EBIT/kg WFE (USD)	(0.25)	(0.99)	-
Coho salmon			
Harvest volumes (MT WFE)	663	0	-
Sales volumes (MT WFE)	1,207	1,375	(12.2%)
EBIT/kg WFE (USD)	1.80	0.37	387.1%
Financial Debt	144,089	141,545	1.8%
Net Financial Debt	114,672	128,235	(10.6%)
Equity Ratio	44.4%	41.8%	261 bp
Net Financial Debt / LTM EBITDA	8.00	(4.99)	-

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

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







Financial Performance

First quarter 2022 results

Salmones Camanchaca harvested 8,108 MT WFE of Atlantic salmon in Q1 2022, which was 11.5% less than the harvest volume in Q1 2021 of 9,163 MT WFE. This decrease was due to early harvesting while the fish weighed 4.2kg, compared to 4.7kg in Q1 2021, due to low oxygen level events at one site. Atlantic sales volumes were 10,566 MT WFE, which were 12.4% lower than the same period in 2021, but 30% higher than harvest volumes, due to raw material purchased from third parties and processed in the Company's own plants.

The 2021 Coho salmon season concluded in this quarter, by harvesting the last 663 MT WFE, which compares to no harvest in Q1 2021 as the 2020 season was harvested within that year. Sales in Q1 2022 were 1,207 MT WFE, slightly lower than sales of 1,375 MT in Q1 2021.

The average selling price of Atlantic salmon was USD 6.77/kg WFE, which was 34% higher than Q1 2021, or USD 1.71/kg WFE in twelve months. The Company captured the price increases on the spot market during the quarter, which produced a favorable price effect of USD 21 million during the period compared to Q1 2021., Despite the lower sales volumes, operating revenue therefore increased by USD 11.3 million to total USD 80.9 million, which was 16.3% higher than in Q1 2021.

Ex-cage costs in the quarter reached USD 4.36/kg live weight, which were 11.4% higher than in the same period last year. They were affected by the lower harvest weights caused by early harvests, due to low oxygen levels at a site that represented 45% of the quarter's harvest volumes. Ex-cage costs were also affected by harvest volumes from sites affected by the Comau fjord algae bloom in April 2021, and by higher feed costs that rose 30% compared to Q1 2021. Lower average harvest weights also impacted processing costs, which exceeded the long-term target (USD1/kg) by USD 0.29, but they were still USD 0.09 higher than in Q1 2021, helped by the third-party raw material purchase in the quarter that provided scale to the operation
Extraordinary mortalities in the quarter due to low oxygen levels caused losses of USD 3.7 million, although this figure is significantly lower than the losses of USD 7.3 million in Q1 2021 caused by algae blooms in the Comau and Reñihue fjords. Expenses on fallow sites with no biomass, or only the minimum required to avoid the concession lapsing, were USD 2.9 million in the quarter, slightly higher than in Q1 2021 due to their increase in number and associated costs.

Consequently, gross margin was positive USD 4.3 million, which was USD 11.1 million higher than in Q1 2021.

The Company's administrative and selling expenses increased by 4% compared to Q1 2021, but decreased as a proportion of operating revenue from 6.5% to 5.8%.

EBIT before fair value adjustments for Q1 2022 increased by almost USD 11 million to reach negative USD 0.4 million, where higher market prices offset the extraordinary mortalities, higher costs and lower volumes described above. This resulted in an EBIT/kg WFE improvement of USD 0.74 for Atlantic salmon. EBIT/kg WFE for Coho salmon was USD 1.8/kg, and during the season (Q4 2021 and Q1 2022) EBIT/kg exceeded USD 2, as a result of higher sales prices and market diversification.

The resulting net fair value adjustment for Q1 2022 was positive USD 2.8 million, compared to negative USD 3.4 million in Q1 2021, giving a favorable variation of USD 6.2 million, attributable to higher market prices.

Financial expenses rose from USD 1.1 million to USD 1.5 million in Q1 2022, due to debt increasing to USD 144 million as of the end of March, as well as increased borrowing costs.

Other gains/losses were positive USD 0.6 million due to the Trout joint venture result, which left Salmones Camanchaca with a gain in Q1 2022 of USD 0.8 million, much higher than the loss of USD 0.3 million in Q1 2021. A negative result of USD 5.2 million was further recorded in Q1 2021, due to the direct impact of algae bloom mortalities, which caused a loss of USD 4.9 million.

Consequently, the Company had net income after tax of USD 1.6 million for Q1 2022, a favorable result compared to the net loss of USD 15.2 million for Q1 2021, mainly attributable to higher market prices and lower extraordinary mortalities.

Cash flow in Q1 2022

Net cash flow in Q1 2022 was negative USD 2.8 million, compared to positive USD 4.3 million in Q1 2021, explained by:

- Cash flow from operating activities was positive USD 21 million in Q1 2022, compared to negative USD 10.8 million in Q1 2021, due to collections in Q1 2022 of the higher sales volumes and higher sales prices in Q4 2021.
- Cash flow for investing activities was USD 14.2 million in Q1 2022, much higher than the USD 2.7 million in Q1 2021, reflecting an activation of the plan to geographically diversify farming towards the Aysén region, incorporating new algae and low oxygen risk mitigation technologies, and species diversification by increasing the smolt stocking of Coho salmon.
- Cash flow for financing activities in the quarter were negative USD 10 million, due to reduced use of credit facilities, compared to the positive USD 18 million in Q1 2021, generated by drawing down USD 22 million of additional debt, which financed both operating activities while prices were still low, and the effects of the previous year's algae blooms.

Financial position

Assets

The Company's total assets decreased by 3.5% to USD 411 million as of the end of Q1 2022.
Current assets decreased by USD 22.6 million, as Q4 2021 receivables decreased by USD 27.8 million, which included collecting the insurance claims for algae blooms in summer 2021 of USD 10 million. Furthermore, inventories decreased by USD 2.9 million and cash decreased by USD 2.8 million. Biological assets increased by 9.4% or USD 10.9 million, consistent with biomass recovery under the smolt stocking and harvesting plan.

Non-current assets increased by USD 7.8 million net or 5.9%, driven by increases in property, plant and equipment associated with the investment plan mentioned above.

Liabilities and Equity

Total liabilities decreased by USD 16.7 million or 6.8%, compared to December 2021 to reach USD 228.5 million as of the end of Q1 2022. Current liabilities decreased by a similar proportion due to a USD 7.7 million decrease in trade payables to USD 105.3 million. Similarly, non-current liabilities decreased by USD 9.4 million to USD 123.2 million, mainly due to the reduction in long-term debt, which decreased by USD 10 million.

Net financial debt decreased by USD 7.2 million during Q1 2022 to USD 114.7 million. Consequently, the Company has total liquidity including available credit facilities of USD 39 million.

Equity was USD 182.6 million, an increase of USD 1.9 million compared to December 31, 2021, due to earnings for the period. Accordingly, the equity to total assets ratio was 44.4%, slightly higher than 42.4% as of year-end 2021.

Operating Performance

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

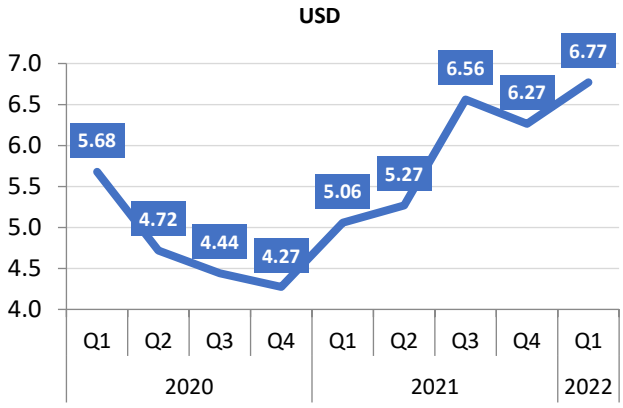
1. **The price of Atlantic salmon**, which is sensitive to Norwegian and Chilean supply conditions and North American demand.

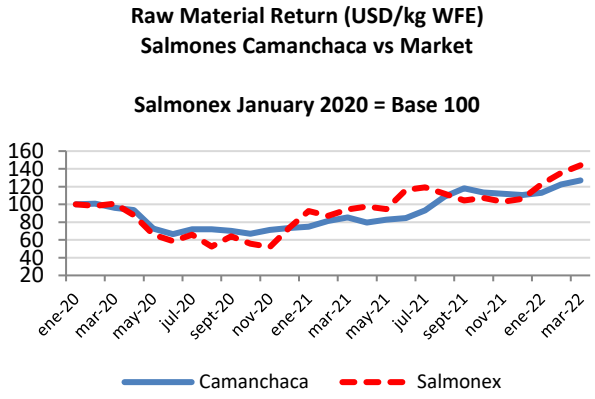
2. **Farming practice and sanitary conditions for Atlantic salmon**, which affect survival ratios, conversion ratios, the use of pharmaceuticals to improve fish health, all of which affect total farming costs.

3. **The cost of feed**, which represents approximately half of the live weight unit cost at harvest.

I. Product Prices

The average price of Atlantic salmon sold by Camanchaca during Q1 2022 was USD 6.77/kg WFE, which was 34% or USD 1.71 higher than Q1 2021. This increase was explained by the reactivation of the principal economies affected by the pandemic. The improved price stability was explained by the Company's value-added strategy. During Q1 2022 Salmones Camanchaca has followed the upward price trends in the supermarket, hotel and restaurant segments, which were also influenced by reduced Chilean supplies. However, the value-added strategy is associated with medium-term commercial contracts, so the Company has not yet fully captured these sharp rises, which explains somewhat lower average prices relative to the benchmark market index, Salmonex[1].





[1]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.

Harvest Volumes

Atlantic salmon		Q1 2022	Q1 2021	Δ %
Harvest volumes	MT WFE	8,108	9,163	-11.5%
Production volumes [1]	MT WFE	9,414	9,502	-0.9%
Sales volumes	MT WFE	10,566	12,064	-12.4%
Sales	ThUSD	71,533	61,013	17.2%
Average sales price	**USD/kg WFE**	**6.77**	**5.06**	**33.9%**

Coho salmon		Q1 2022	Q1 2021	Δ %
Harvest volumes	MT WFE	663	0	-
Sales volumes	MT WFE	1,207	1,375	-12.2%
Sales	ThUSD	7,475	4,967	50.5%
Average sales price	**USD/kg WFE**	**6.19**	**3.61**	**71.4%**

1 Includes third party raw material purchases

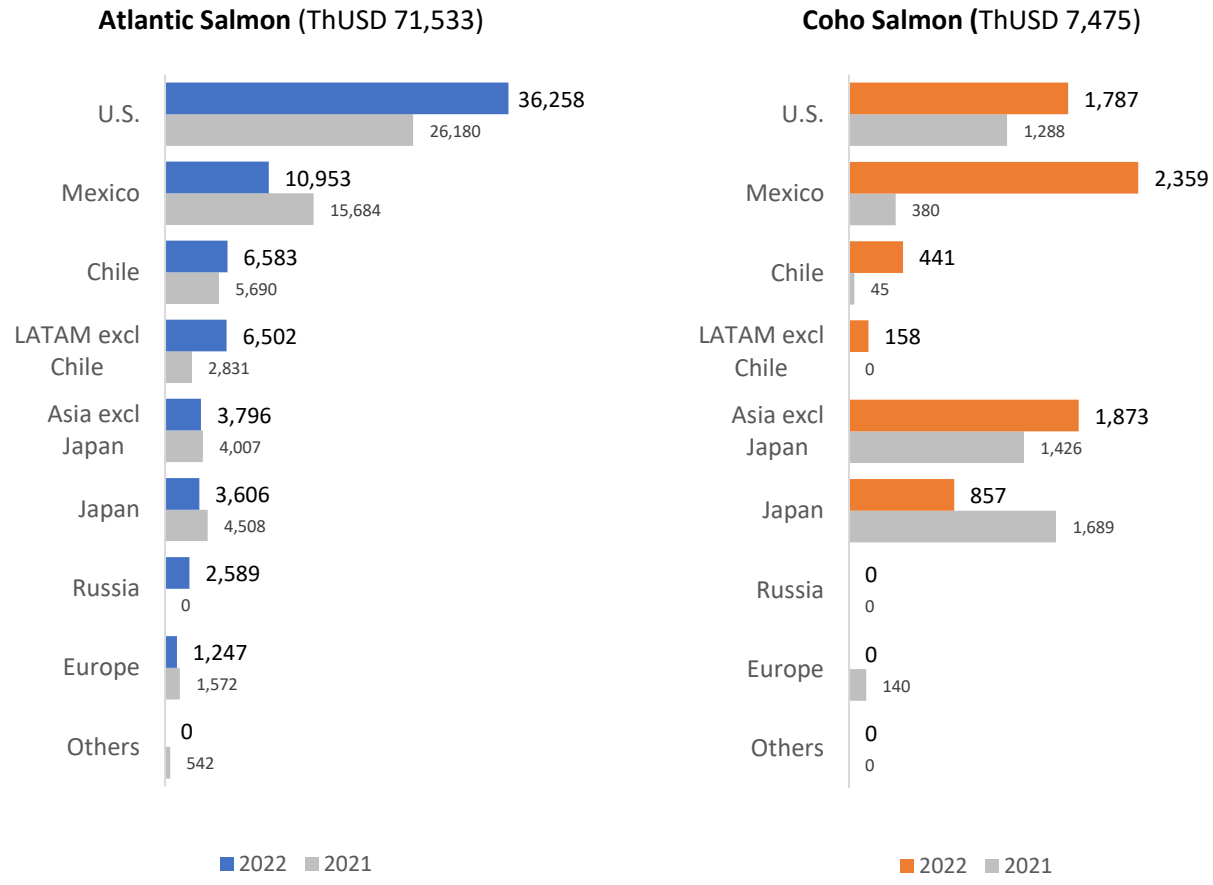
Salmones Camanchaca harvested 8,108 MT WFE of Atlantic salmon during Q1 2022, which was 12% less than in Q1 2021, at an average harvest weight of 4.2 kg WFE (open cycle). The Company also purchased 1,506 MT WFE of raw material from other farmers that it processed at its plants. This compensated for the effect on its economies of scale of reduced harvest volumes. The Coho salmon harvest was 663 MT WFE in this quarter, which concluded the 2021 cycle with 2,505 MT WFE, which represents a decrease of 31% compared to the 2020 cycle.

Atlantic and Coho salmon sales volumes were 11,773 MT WFE during Q1 2022, which was 12.4% less than in Q1 2021, but at higher prices, so sales increased by USD 79 million or 19.7%.

Operating revenue

The Company's marketing and sales strategy is to diversify and be sufficiently flexible to change its target markets, in order to focus on the most attractive markets for its raw materials over the medium-term, while preserving stable relationships with important customers in its principal markets.

Sales by market segment



The Company defines its value-added products as those that process whole salmon, which represented 83.7% of Atlantic salmon sales in Q1 2022, down from 87.6% in Q1 2021. The remaining sales are head-on gutted whole salmon for the South American, Russian, and Chinese markets, which all increased this quarter.

Sales to North America grew strongly from 39.3% to 47.5% of total sales, while sales to Latin America excluding Chile declined slightly from 27.2% to 24.9% 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 sales of USD 1.9 million and operating margins of USD 0.8 million for the quarter.

Other Businesses

Salmones Camanchaca has six sea farming concessions that are leased for trout farming in the Reloncaví Estuary in the Tenth Region. These leases are the Company's contribution to a trout joint venture. These concessions have a mandatory fallow period in the first quarter of odd-numbered years when harvest volumes are smaller. The trout joint venture had harvest volumes of 10,486 MT WFE in Q1 2022, compared to 4,032 MT WFE in Q1 2021 in line with expected production cycles. It had sales volumes of 3,644 MT WFE in the quarter, which was 32% higher than Q1 2021, at prices 23% higher. While costs rose by 8%. Thus, Salmones Camanchaca's one third interest in this

result was net income of USD 0.8 million for Q1 2022, compared to its net loss of USD 0.3 million in Q1 2021, which is disclosed under Other gains (losses).

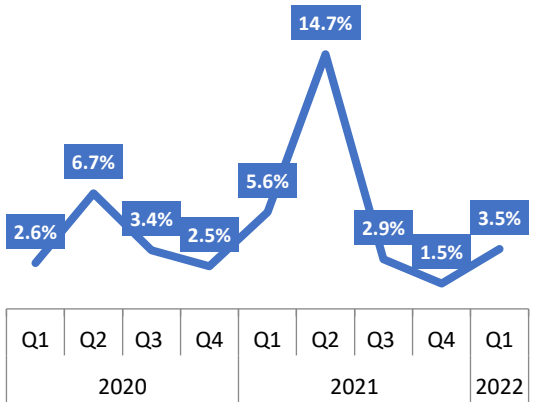
The joint venture operator Caleta Bay maintain its estimated average annual harvest volume of 12,000 MT until 2022, and then expects it to decrease to 8,000-9,000 MT until 2028, in line with the renewed contract, which is based on using only four of Salmones Camanchaca's current concessions as of January 2023. Consequently, the remaining two concessions that can farm approximately 3 million fish will be used by Salmones Camanchaca's to farm the species it prefers from 2023 onwards.

Salmones Camanchaca began farming Coho salmon in 2019, to gain specific experience with these productive and commercial processes and to improve the use of its estuarine aquaculture concessions in the Tenth region, which complement its trout joint venture. Coho salmon are less susceptible to biological and environmental risks, such as algae blooms in summer, and have additional sustainability attributes.

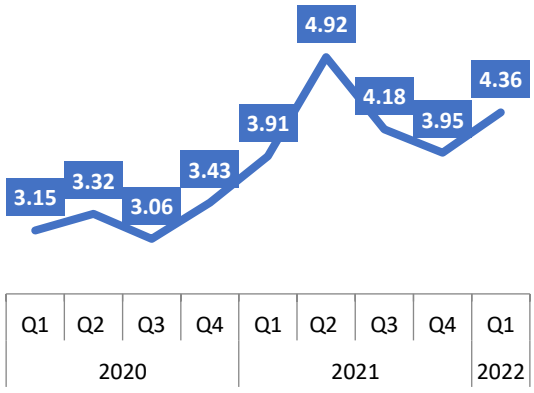
II. Sanitary and Productive Conditions

The total marine biomass mortality of Atlantic salmon during Q1 2022 was 3.5%, slightly higher than the mortality for the same quarter in the previous cycle in 2020, and a return to normal mortality ranges after the algae blooms in summer 2021.

Atlantic salmon mortality* (%)



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



* Total mortality (number of fish) on a quarterly basis includes closed and open sites and sites affected by the HAB in 2021.

The Atlantic salmon ex-cage cost in Q1 2022 was USD 4.68/kg WFE, equivalent to USD 4.36/kg live weight. This was 11% higher than in Q1 2021, and 38% higher than in Q1 2020 at the same sites for the previous cycle. The increase in costs is mainly due to the low average harvest weights, which were influenced by early harvesting due to low oxygen levels at one site. This site represented about 45% of harvest volumes for the period at an average weight of 3.79 kg WFE. It also includes surviving fish harvested from the last Comau fjord site affected by the HAB in 2021. Finally, costs were affected by price increases in salmon feed ingredients, which have risen by nearly 30% compared to Q1 2021.

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

	Biological Indicators					Sustainability Indicators				
Atlantic salmon	**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 2018	1.20	4.7	5.1	553.5	7.9	2.5	7.9	0	17/7	0.66
LTM 2019	1.16	4.8	5.3	513.5	6.3	2.5	6.3	0	17/7	0.59
LTM 2020	1.19	4.8	5.2	532.7	12.3	1.8	12.2	0	16/8	0.57
LTM 2021	1.15	4.7	5.5	539.9	7.0	2.4	7.0	37,150	16/8	0.60
LTM 2022	1.14	3.2	4.1	725.4	10.4	2.8	10.4	0	16/8	0.57

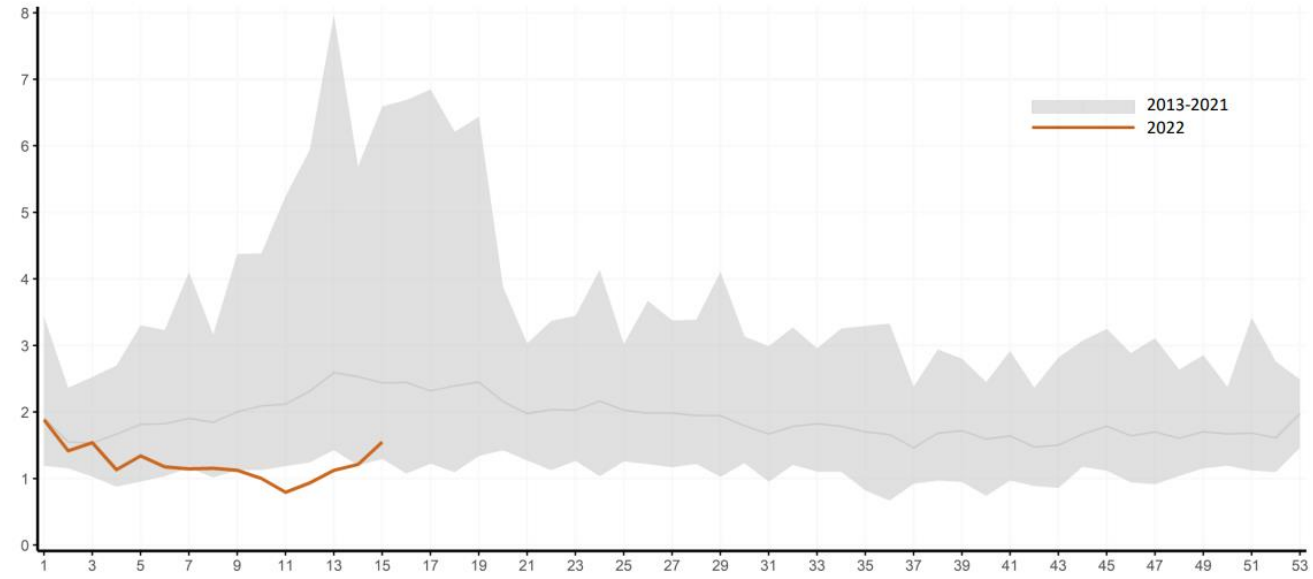
The biological conversion ratio consistently improved to reach 1.14 LTM as of Q1 2022, its best ever.

The algae blooms in summer 2021 and earlier harvesting at some sites adversely affected several indicators, including smolt productivity measured as weight of biomass harvested/number of smolts, which dropped 30% to 3.2 kg WFE/smolt in 2022. This event also reduced the average closed cycle harvest weight to 4.1 kg WFE, which was 27% lower than in 2021 and 21% lower than the previous cycle in 2020.

Antibiotics use increased by 34% in the last twelve months compared to the same period for the previous year, and it was 36% higher than the previous production cycle, due to the lower biomass harvested from the Reñihue and Comau fjords. There was a greater number of antibiotic treatments compared to the previous cycle +15%.
However, the volume of antiparasitic drugs consumed fell by 15% compared to the previous cycle for LTM 2020 and same sites.

As of the date of this report, Salmones Camanchaca had one farming site classified as a sea lice High Propagation Site (HPS), where more than 3 incubating females on average have been spotted. This site represents 6% of the total biomass by number of fish and it is already being harvested.

Figure 1: Weekly abundance comparison for breeding females



Source: Aquabench

Accordingly, Atlantic salmon costs in Q1 2022 were as follows.

Costs (USD/kg WFE)	Q1 2020	Q1 2021	Q1 2022
Ex cage (WFE)	3.39	4.20	4.68
Harvest and primary processing (WFE)	0.34	0.36	0.42
Value-added processing (WFE)	0.57	0.84	0.87
Processing cost (WFE)	0.91	1.20	1.29
Total cost of finished product (WFE)	**4.30**	**5.40**	**5.97**

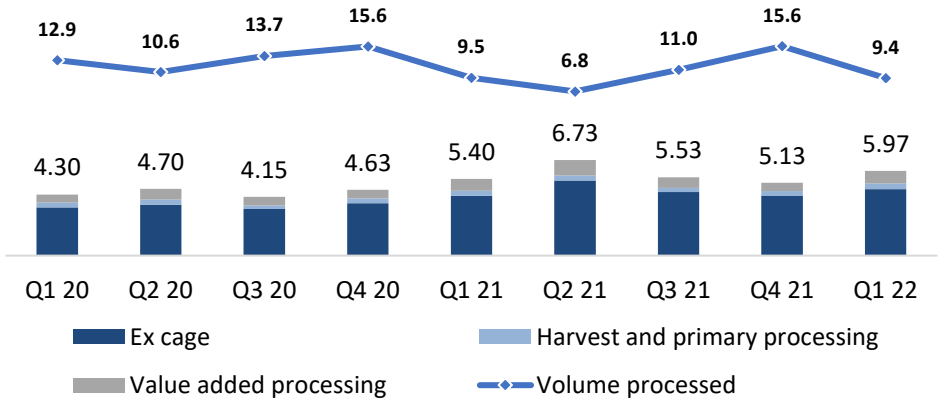
Approximately half of the increase in ex-cage farming costs was the result of salmon feed price increases, while the remainder is associated with the effects of the HAB in April 2021 on harvests this quarter, plus the low oxygen level impact at one of the harvested sites.

Primary and secondary processing costs totaled USD 1.29/kg WFE, which was USD 0.09 higher than in Q1 2021 (+7.3%), due to the distance of some sites from production plants, the smaller volumes processed, and an increase in value added products.

As a result, the total cost of finished products climbed to USD 5.97/kg WFE, which was USD 0.57 higher than Q1 2021 and USD 1.67 higher than the previous cycle.

The Company expects that costs will improve over the next quarters in 2022, as it has completed harvesting the last site affected by the HAB in April 2021, and environmental conditions have improved, which will benefit the biological performance of the biomass.

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

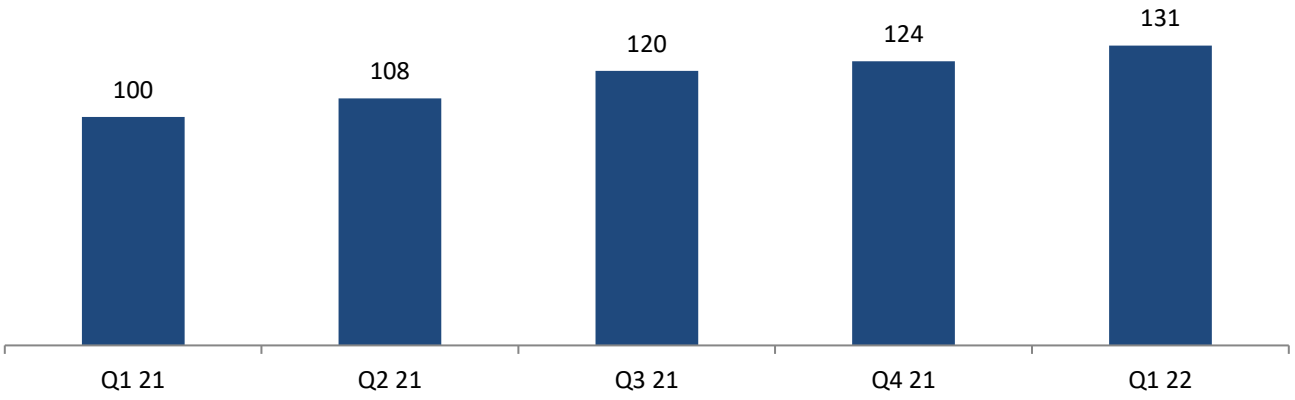


* Q3 2021 and Q1 2022 include raw materials purchased from third parties.

III. Feed Costs

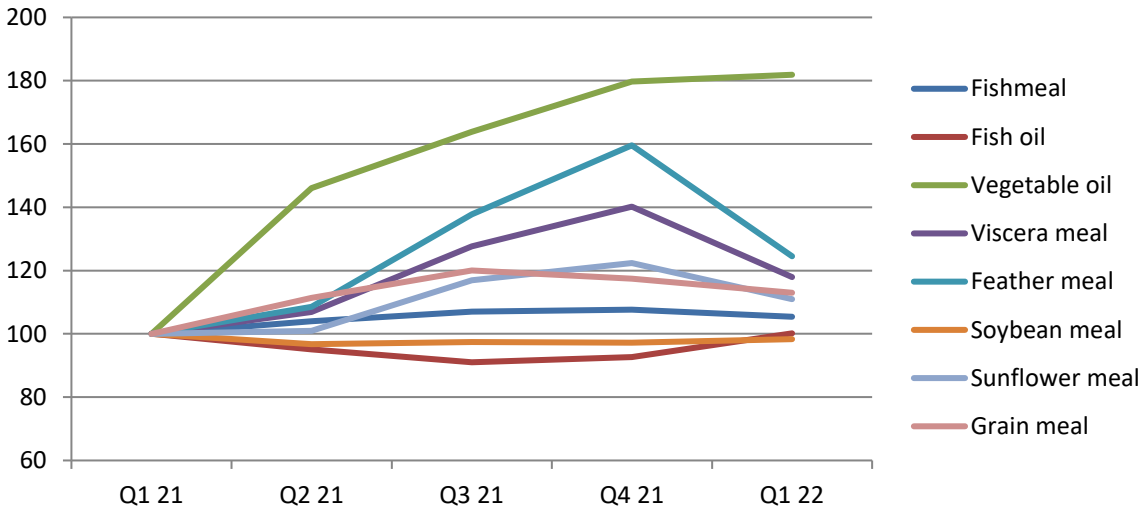
The price of feed for fish weighing more than 2.5 kg, which represents approximately 40% of the Company's total feed cost, increased by 30% during the quarter compared to Q1 2021, mainly due to price increases for vegetable ingredients. Global commodity prices for raw materials are pressuring these costs, particularly vegetable oils.

Fish feed prices for the marine grow-out stage (Salmones Camanchaca) USD/kg
Base 100 Q1 2021



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

Price of main ingredients USD/MT (Base 100: Q1 2021)



Source: Internal data, Salmones Camanchaca

Subsequent Events

No subsequent events occurred after March 31, 2022, that materially affect Salmones Camanchaca's operations or its financial results.

Company's Outlook

COVID-19 status

Salmones Camanchaca remains attentive to the public health crisis. It aims to reduce the risk of infection at its facilities and mitigate the impact on employees, in order to protect their health and secure the company's operational continuity. As of the date of this report, the Company has operated without interruptions. However, the recent handling of the pandemic in China has caused disruption to global container shipping, which has put pressure on exporters' logistics costs.

Russia – Ukraine conflict

The geopolitical situation in Eastern Europe changed on February 24, 2022 when Russia invaded Ukraine. This war has resulted in sanctions being applied to Russia, which have limited the potential target markets for the Company's products. This situation is also affecting raw material markets, including vegetable feed and energy costs, which puts pressure on farmed salmon costs.

Historically, the Russian market has not been significant for Salmones Camanchaca as it has represented less than 10% of sales, which have all been redirected to other markets.

The duration and impact of these events is difficult to forecast, and the Company is paying special attention to this situation and optimizing its production and commercial decisions accordingly.

Industry forecasts

As of the date of this report, the world supply of Atlantic salmon in 2022 will contract by 1% compared to 2021, with slight growth in Norway offsetting declines in other countries, according to Kontali. This institution expects the salmon supply in Chile to remain the same, composed of a fall during the first half of 2022 (-7%), then a gradual recovery during the second half of the year.

Salmones Camanchaca expects its harvest volumes of Atlantic salmon to be 45,000-47,000 MT WFE for 2022 and 6,000-7,000 MT WFE for Coho salmon, which represents an increase of 20% over 2021.

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 variable affecting costs is the sanitary and environmental status of farming sites, which affects feed conversion ratios.

Salmon farming is exposed to various risks that Salmones Camanchaca manages using 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 indicate priorities; iii) implement an internal control plan based on the risk map that focuses resources on the most vulnerable areas; iv) generate strategies to reduce their probability and impact, including insurance wherever this is feasible and financially attractive. These risk maps guide management to continuously mitigate each risk and establish the corresponding responsibilities, as well as review the frequency and severity of internal controls to validate the effectiveness of its mitigating measures.

a. Phytosanitary Risks

The Company is exposed to the risk that disease or parasites can affect the biomass, increase mortality or reduce growth, and thereby affect costs, production volumes and sales. Examples of these risks are increases in parasitic concentrations, outbreaks of SRS or ISA in 2008-2009. Salmones Camanchaca has adopted standards to reduce these risks and comply with the requirements of the authority, such as fallow periods, fish density in cages, monitoring and reporting the biomass and its biological condition, vaccinations against ISA and SRS, smolt production in closed hatcheries, harvests in wellboats, coordinated anti-parasite baths, net cleaning, and supplemental oxygen for stocked sea-sites.

The risks associated with increased concentrations of parasites can result in early harvests, under certain circumstances, with consequent lower harvest weights that may limit their usability. The Company rigorously applies anti-parasitic treatments and diversifies its treatment options to mitigate these risks.

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 Q4 2020 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 May 2020 that affected the Punta Islotes site. Furthermore, it is exposed to external risks that affect people working in aquaculture, 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.
The Company is constantly monitoring these variables and seeking the best available sites, the latest risk prevention technologies and tools available in Chile, developing contingency plans, and negotiating 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 gain from sale prices fluctuations in the future.

Prices are highly dependent on supplies from Norway and Chile and on fluctuations in exchange rates used by the Company's major trading partners, which affects demand in these markets. Demand may also fall for external reasons, such as in the restaurant and hotel segment in 2020 due to the COVID-19 pandemic. Salmones 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 may be limited as a result of tariff, para-tariff, war or sanitary measures, such as limited access to the Russian or Chinese markets. 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. Salmones 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 (the fish in-fish out ratio) to less than 1:1. The Company has feed contracts with prices adjusted quarterly, on an ingredient cost plus defined margin basis. During the last few years, the prices of the main consumables used in production have remained stable, but raw material prices and global inflation began to rise during the second half of 2021.

e. Regulatory Risks

Aquaculture is strictly regulated by laws and regulations, so significant changes could have an impact on the Company's results. 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, enabling the Company to increase its smolt stocking and harvesting as it recovers farming sites leased to third parties, without affecting optimum density or smolt stocking in these areas. Therefore, as leased concession contracts expire, the Company expects Atlantic salmon harvests to grow to 55,000-60,000 MT WFE at its own farming sites, plus another 15,000-20,000 MT WFE of other species.

Most of the concessions held by Salmones Camanchaca for farming fish are of indefinite duration. However, in order to retain the concession, the current regulation requires a minimum amount of use to avoid their expiry. This has led the Company to operate some of its sites under risk of expiration at minimum capacity, which results in unproductive expenditure and generates a contradiction between the regulations requiring concessions to be used and regulations that restrict smolt stocking growth to retain favorable sanitary conditions.

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.

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 and logistical 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 or protests. These situations can affect and delay harvests and export shipments. For example, the social unrest during the second half of 2019.

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.

Salmones Camanchaca conservatively and prudently manages this risk by preparing cash flow forecasts that meet the expected conditions and maintain sufficient liquidity with access to third-party financing facilities, while carefully ensuring that it complies with all its financial obligations. Accordingly, it restructured 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 and aligned with market conditions. The Company evaluates its hedging options, but has not used them during the last five years. Exposure to this risk has increased as a result of its increased borrowing, which it expects to reduce in 2022.

i. Foreign Exchange Risks

A substantial proportion of Salmones 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 close to 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. The Company does not habitually hedge against local currency appreciation to cover Chilean peso expenses paid from export proceeds.

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. Its policy has been to reduce the use of credit when it has cash surpluses.

2. Sales Risks

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 a long history of good payment performance.

Operational stoppages at ports or by customs or other facilities, as well as protests, marches or road blockages, may delay shipments of our products to the markets where they are sold. Therefore, the Company maintains surplus liquidity to cover these circumstances.

k. **Business Continuity Risks**

The Company operates an ERP platform called SAP version HANA, which produces the financial statements and is fed by specific peripheral systems, such as Mercatus, BUK, Innova, etc. These databases contain cloud security systems and protocols, firewalls, continual monitoring systems, the latest antivirus software that prevents and detects attacks in a timely manner, and other security measures. The Company continually tests this security by conducting Ethical Hacking and Ethical Phishing to identify any vulnerabilities. However, despite these precautions, the Company is subject to attacks that may affect its data security leading to the potential risk of operational interruption, which could have financial consequences.

Financial Statements

Statement of Net Income

Consolidated (USD'000)	Q1 2022	Q1 2021
Operating revenue	80,946	69,620
Cost of sales	(76,696)	(76,500)
Gross margin	**4,250**	**(6,880)**
Administrative expenses	(2,299)	(2,053)
Distribution costs	(2,376)	(2,444)
Sales and administrative expenses	**(4,675)**	**(4,497)**
EBIT* before fair value adjustments	**(425)**	**(11,377)**
EBITDA before fair value adjustments**	**3,727**	**(7,391)**
Gain (loss) on fair value of biological assets	5,740	(7,619)
Cost of biological assets harvested and sold	(2,981)	4,219
Net fair value adjustments to biological assets	2,759	(3,400)
EBIT after fair value	**2,334**	**(14,777)**
EBITDA after fair value adjustments	**6,486**	**(10,791)**
Financial costs	(1,518)	(1,068)
Share of net income of equity method associates	110	336
Exchange differences	587	(224)
Other income (losses)	575	(5,230)
Financial income	90	0
Total non-operating expenses	**(156)**	**(6,186)**
Net income (loss) before taxes	**2,178**	**(20,963)**
Income tax (expense) income	(557)	5,804
Net income for the period	**1,621**	**(15,159)**

Statement of Financial Position

(USD'000).	03/31/2022	12/31/2021	03/31/2021
Cash and cash equivalents	29,417	32,169	13,310
Other financial assets, current	56	12	327
Other non-financial assets, current	12,980	13,526	8,085
Trade and other receivables, current	14,117	29,305	28,726
Related party receivables, current	37,515	50,119	37,519
Inventories	36,829	39,745	34,496
Biological assets, current	126,443	115,561	96,079
Tax assets, current	13,231	12,702	13,529
Assets held for sale	0	0	0
Total current assets	**270,588**	**293,139**	**232,071**
Other financial assets, non-current	27	27	27
Other non-financial assets, non-current	112	112	112
Tax assets, non-current	2,587	2,507	2,696
Related party receivables, non-current	0	0	0
Equity method investments	4,464	4,061	5,151
Intangible assets other than goodwill	6,972	6,972	6,972
Property, plant, and equipment	124,058	116,506	115,593
Deferred tax assets	2,234	2,462	2,892
Total non-current assets	**140,454**	**132,647**	**133,443**
Total assets	**411,042**	**425,786**	**365,514**
Other financial liabilities, current	23,850	24,118	38,741
Lease liabilities, current	105	179	408
Trade and other payables, current	70,169	75,956	53,411
Related party payables, current	1,375	3,262	8,531
Tax liabilities, current	0	0	0
Employee benefits provisions, current	1,368	1,489	1,291
Other provisions, current	8,418	7,546	6,730
Total current liabilities	**105,285**	**112,550**	**109,112**
Other financial liabilities, non-current	120,239	129,956	102,804
Lease liabilities, non-current	0	7	99
Trade and other payables, non-current	0	0	0
Related party payables, non-current	0	0	0
Long-term provisions	0	0	0
Deferred tax liabilities	2,928	2,602	644
Employee benefit provisions, non-current	38	32	73
Total non-current liabilities	**123,205**	**132,597**	**103,620**
Total Liabilities	**228,490**	**245,147**	**212,732**
Share capital	139,810	139,810	91,786
Share premium	2,284	2,284	27,539
Retained earnings	17,961	16,340	10,545
Interim dividends	0	0	0
Other reserves	22,497	22,205	22,912
Total equity	**182,552**	**180,639**	**152,782**
Total equity and liabilities	**411,042**	**425,786**	**365,514**

Statement of Cash Flows

(USD'000).	Q1 2022	Q1 2021
CASH FLOW FROM (USED BY) OPERATING ACTIVITIES		
Receipts		
Receipts from selling goods and providing services	124,998	78,176
Payments		
Payments to suppliers for goods and services	(95,214)	(81,669)
Payments to and on behalf of employees	(7,445)	(7,161)
Dividends received	0	0
Interest paid	(1,346)	(151)
Interest received	0	0
Income taxes refunded (paid)	0	0
Other cash receipts (payments)	0	0
Net cash flow from (used by) operating activities	**20,993**	**(10,805)**
CASH FLOW FROM (USED BY) INVESTING ACTIVITIES		
Receipts from sales of property, plant and equipment	14	8
Purchases of property, plant and equipment	(14,177)	(2,745)
Other receipts (payments)	0	0
Net cash flow from (used by) investing activities	**(14,163)**	**(2,737)**
CASH FLOW FROM (USED BY) FINANCING ACTIVITIES		
Receipts from issuing shares	0	0
Receipts from loans	0	22,000
Loan repayments	(10,000)	(4,000)
Payments to related parties	0	0
Dividends paid	0	0
Net cash flow from (used by) financing activities	**(10,000)**	**18,000**
Effects of exchange rate changes on cash and cash equivalents	418	(186)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,752)	4,272
CASH AND CASH EQUIVALENTS AT THE START OF THE PERIOD	32,169	9,038
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**29,417**	**13,310**

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, 2021	91,786	27,539	-529	23,515	22,986	25,704	168,015
Changes in equity							
Comprehensive income							
Net loss for the period						-15,159	-15,159
Other comprehensive income			-74		-74		-74
Closing balance as of March 31, 2021	**91,786**	**27,539**	**-603**	**23,515**	**22,912**	**10,545**	**152,782**
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							
Comprehensive income							
Net loss for the period						-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**
Opening balance as of January 1, 2022	139,810	2,284	-1,310	23,515	22,205	16,340	180,639
Changes in equity							
Comprehensive income							
Net income for the period						1,621	1,621
Other comprehensive income			292		292		292
Closing balance as of March 31, 2022	**139,810**	**2,284**	**-1,018**	**23,515**	**22,497**	**17,961**	**182,552**

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.

	03/31/2022	12/31/2021
Liquidity Indicators		
1) Current Liquidity	2.57	2.60
2) Acid Ratio	1.02	1.22
3) Working Capital (USD million)	165.3	180.6
Debt Indicators		
4) Net debt ratio	1.09	1.18
5) Current Liabilities / Total Liabilities	0.46	0.46
6) Non-Current Liabilities / Total Liabilities	0.54	0.54
Profitability Indicators	(3 months)	(12 months)
7) Return on Equity	0.89%	-5.18%
8) Return on Assets	1.03%	1.03%

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 margin before fair value adjustment / Total assets

The slight decrease in the current liquidity ratio by 1.3% is mainly due to the decrease of USD 22.6 million in current assets, although current liabilities decreased by USD 7.3 million, which was insufficient to offset the decrease in current assets. These variations have already been explained in the financial position analysis. Consequently, working capital decreased by 8.5% or USD 15.3 million.

Furthermore, the acid ratio decreased by 16.8% compared to year-end 2021 mainly due to the decrease in current assets net of inventory and biological assets of USD 30.5 million. These changes have already been explained in the financial position analysis.

The net debt ratio decreased to 1.09 from 1.18 as of December 2021, mainly due to the decrease in net liabilities of USD 30.5 million or 22.1%. Furthermore, equity increased slightly by USD 1.9 million or 1.1%. These changes have already been explained in the financial position analysis. The long-term liabilities ratio remains at 0.46 due to the

renegotiation of the syndicated loan during the last quarter of 2021, which left the ratio of long-term to short-term liabilities the same as of the end of Q1 2022. These changes have already been explained in the financial position analysis.

Return on Equity was 0.89% for the first three months of 2021, mainly due to the slight performance recovery.

Cumulative Indicators

		03/31/2022	03/31/2021
a.	Atlantic salmon sites harvested during the period	5	4
b.	Atlantic salmon harvested during the period (MT WFE) / Site	1,622	2,290
c.	Atlantic Salmon farming density (kg/m3)	7.90%	9.26%
d.	Atlantic Salmon group survival rate in sea water at harvest	76.3%	70.8%
e.	Coho salmon sites harvested during the period	1	-
f.	Coho salmon harvested during the period (MT WFE) / Site	663	-
g.	Coho Salmon farming density (kg/m3)	8.40%	-
h.	Coho Salmon group survival rate in sea water at harvest	92.8%	-
i.	Operational EBIT before fair value adjustments (USD million)	-0.4	-11.4
j.	Atlantic salmon EBIT/kg WFE before fair value adjustments	-0.25	-0.99
k.	Coho salmon EBIT/kg WFE before fair value adjustments	1.80	0.37

Notes:

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

b and f. Harvest volumes 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 margin before fair value adjustment - administrative expenses - distribution costs for the salmon farming division

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

Biomass Fair Value

For the period ended March 31, 2022 (ThUSD)

	Gain (loss) on fair value of biological assets		Cost of biological assets harvested and sold	
	As of 03·31·2022	As of 03·31·2021	As of 03·31·2022	As of 03·31·2021
Salmonids	5,740	-7,619	-2,981	4,219

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

a. "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. A gain of USD 5.7 million was recorded for the fair value adjustment of the live and harvested biomass as of March 31, 2022, compared to a loss of USD 7.6 million as of the same date for the previous year.

b. "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 March 31, 2022 was a negative margin of USD 3.0 million, which reversed a positive margin in prior periods, in contrast to a positive margin of USD 4.2 million as of March 31, 2021.

The net effect of the fair value adjustments on the salmon biomass as of March 31, 2022 was positive USD 2.8 million, as opposed to negative USD 3.4 million as of March 31, 2021.

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 as of 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.