Financial Statements
TERMINAL PACIFICO SUR VALPARAISO S.A.

Valparaíso, Chile
As of December 31, 2020 and 2019

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As of December 31, 2020 and 2019

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Independent Auditor's Report

To Shareholders and Directors of
Terminal Pacífico Sur Valparaíso S.A.

We have performed an audit of the accompanying Financial Statements of Terminal Pacífico Sur Valparaíso S.A., which comprise the statement of financial position as of December 31, 2020 and 2019, and the comprehensive income statements, statements of changes in equity and statement of cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with International Financial Reporting Standards; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Terminal Pacífico Sur Valparaíso S.A. as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis on a matter - Distribution of interim dividends for 2016

As indicated in Note 17 of these financial statements, at the Extraordinary Shareholders' Meeting dated December 22, 2016, it was unanimously agreed to ratify the agreement made during the Extraordinary Board meeting N° 22 held on that same date, to pay an interim dividend in the amount of ThUS$ 31,500, and of which the charge to profits for the year and retained earnings was carried on April 25, 2017. As a result of the payment of the mentioned interim dividend, as of December 31, 2020 and 2019, the Company presents a negative balance in “Other Miscellaneous Reserves” in the amount of ThUS$ (24,385) and ThUS$ (25.649) respectively , which includes the amount distributed as interim dividend over the results of 2016 and retained earnings which the Company presented at the date of the agreement. Management and their legal advisors considered that this transaction and its presentation are adjusted in conformity with the law and the provisions of Law 18,046, even when there are no specific pronunciations with regard to the distribution and presentation of interim dividends over the results of the Company at the date of the agreement. Our opinion regarding this matter is not modified.

Cristopher Reveco V.
EY Audit SpA

Valparaíso, January 29, 2020

CONTENT

ThUS$: Figures expressed in thousands of dollars

Statements of Financial Position
As of December 31, 2020 and 2019
(Translation of Financial Statements originally issued in Spanish – see note 2.1)

Assets	**Notes**	**12-31-2020 ThUS$**	**12-31-2019 ThUS$**
Cash and cash equivalent	4	12,759	12,110
Other current financial assets	10	-	2
Other current non-financial assets	5	2,553	2,169
Trade receivables and other current accounts receivable	6	9,631	17,417
Current accounts receivable from related parties	7	133	2,677
Inventory	8	2,193	2,055
Current tax assets	9	274	228
Total Current Assets		**27,543**	**36,658**
Other non-current financial assets	10	16,005	14,823
Other non-current non-financial assets	5	355	86
Intangible assets other than goodwill	11	80,774	88,944
Property, plant and equipment	12	59,254	66,746
Total Non-Current Assets		**156,388**	**170,599**
Total Assets		**183,931**	**207,257**

The accompanying notes 1 to 28 are an integral part of the Financial Statements.

Statements of Financial Position
As of December 31, 2020 and 2019
(Translation of Financial Statements originally issued in Spanish – see note 2.1)

Liabilities and Equity	**Notes**	**12-31-2020 ThUS$**	**12-31-2019 ThUS$**
Other current financial liabilities	13	21,198	20,470
Current trade payables and other accounts payable	14	6,145	14,591
Current accounts payable to related parties	7	2,441	3,320
Total Current Liabilities		29,784	38,381
Other non-current financial liabilities	13	101,056	113,069
Deferred tax liabilities	15	5,770	6,340
Allowance for employee benefits	16	4,514	4,146
Total Non-Current Liabilities		111,340	123,555
Total Liabilities		**141,124**	**161,936**
Paid-in capital	17	67,000	67,000
Other reserves	17	(27,381)	(25,649)
Accumulated profits	17	3,188	3,970
Total Equity		**42,807**	**45,321**
Total Liabilities and Equity		**183,931**	**207,257**

The accompanying notes 1 to 28 are an integral part of the Financial Statements.

Statements of Income by Function
For the years ended December 31, 2020 and 2019
(Translation of Financial Statements originally issued in Spanish – see note 2.1)

	Notes	12-31-2020 ThUS$	12-31-2019 ThUS$
Revenue from ordinary activities	18	66,037	79,576
Sales costs	19	(52,821)	(61,643)
Gross profits		**13,216**	**17,933**
Administrative expenses	20	(7,864)	(7,631)
Finance revenue		707	1,118
Finance costs	21	(5,295)	(6,964)
Foreign currency translation	25	168	227
Other expenses		(1)	(3)
Pre-tax profit (loss)		**931**	**4,680**
Income tax expense	15	(283)	(661)
Profit (loss)		**648**	**4,019**
Profit per share (dollars per share)			
Basic profit per share in continued operations		194	1,206
Basic profit per share in discontinued operations			-
Basic profit per share		**194**	**1,206**
Diluted profit from continued operations		194	1,206
Diluted profit from discontinued operations			-
Diluted profit per share		**194**	**1,206**

The accompanying notes 1 to 28 are an integral part of the Financial Statements.

Statements of Comprehensive Income
For the years ended December 31, 2020 and 2019
(Translation of Financial Statements originally issued in Spanish – see note 2.1)

	Notes	12-31-2020 ThUS$	12-31-2019 ThUS$
Profit		**648**	**4.019**
Components of other comprehensive income, before taxes:			
Other comprehensive income, before taxes, actuarial profits (losses) for defined benefits plans	16	117	116
Profits (losses) for cash flow hedging, before taxes	13	(3,094)	(2,037)
Other components of other comprehensive income, before taxes		(2,977)	(1,921)
Income tax related to other comprehensive income:			
Income tax related to defined benefits plans of other comprehensive income	16	(32)	(31)
Income tax related to hedge instruments of equity of other comprehensive income		835	
Income tax related to components of other comprehensive income		803	(31)
Other comprehensive income		**(2,174)**	**(1,952)**
Total comprehensive income		**(1,526)**	**2,067**

The accompanying notes 1 to 28 are an integral part of the Financial Statements.

Statements of Changes in Equity
For the years ended December 31, 2020 and 2019
(Translation of Financial Statements originally issued in Spanish – see note 2.1)

2020	Paid-in Capital ThUS$	Cash flow hedge reserve ThUS$	Profit and (loss) reserve for defined benefits plans ThUS$	Other Miscellaneous Reserves ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Total equity ThUS$
Balances as of 1-1-2020	67.000	(1.074)	(190)	(24.385)	(25.649)	3.970	**45.321**
Previous period adjustments (2)		442			442	(442)	
Restated beginning balance	67.000	(632)	(190)	(24.385)	(25.207)	3.528	**45.321**
Comprehensive income						1.206	**1.206**
Increase (Decrease)						648	**648**
Other comprehensive income		(2.259)	85		(2.174)		**(2.174)**
Comprehensive income		(2.259)	85		(2.174)	1.854	**(320)**
Dividends (1)						(2.194)	**(2.194)**
Others							
Increase (Decrease) in net Equity							
Total changes in equity		(2.259)	85		(2.174)	(340)	**(2.514)**
Balances as of 31-12-2020	67.000	(2.891)	(105)	(24.385)	(27.381)	3.188	**42.807**

(1) See Note 17 c)
(2) Restatement of the starting balance corresponds to the deferred tax carried to income for the year from previous periods. This concept, which is accumulated with said deferred tax, must be disclosed in Equity under the item Cash flow hedge reserve.

The accompanying notes 1 to 28 are an integral part of the Financial Statements.

Statements of Changes in Equity
For the years ended December 31, 2020 and 2019
(Translation of Financial Statements originally issued in Spanish – see note 2.1)

2019	Paid-in Capital ThUS$	Cash flow hedge reserve ThUS$	Profit and (loss) reserve for defined benefits plans ThUS$	Other Miscellaneous Reserves ThUS$	Other reserves ThUS$	Retained earnings ThUS$	Total equity ThUS$
Balances as of 1-1-2019	67,000	963	(275)	(24,385)	(23,697)	3,656	**46,959**
Profit (loss) for the period						4,019	**4,019**
Other comprehensive Income		(2,037)	85		(1,952)		**(1,952)**
Comprehensive income		(2,037)	85		(1,952)	4,019	**2,067**
Dividends (1)						(3,705)	**(3,705)**
Others							
Increase (Decrease) in net equity							
Total changes in equity		(2,037)	85		(1,952)	314	**(1,638)**
Balances as of 12-31-2019	67,000	(1,074)	(190)	(24,385)	(25,649)	3,970	**45,321**

(1) See Note 17 c)

The accompanying notes 1 to 28 are an integral part of the Financial Statements.

Statements of Cash Flows (direct)
For the years ended December 31, 2020 and 2019
(Translation of Financial Statements originally issued in Spanish – see note 2.1)

	Notes	12-31-2020 ThUS$	12-31-2019 ThUS$
Types of billing for operating activities			
Billing from the sales of goods and services.		74,717	76,342
Types of payments:			
Payments to suppliers of goods and services		(48,575)	(51,266)
Payment to and from employees		(8,995)	(9,632)
Interest paid		(3,254)	(4,897)
Interest received		65	150
Income taxes (paid)		(32)	2,611
Other cash inflows (outflows)		88	(2,166)
Cash flows provided by (used in) operating activities		**14,014**	**11,142**
Amounts provided by the sale of property, plants and equipment, classified as investment property			-
Purchase of property, plant and equipment	12	(823)	(1,418)
Purchases of intangible assets	11	-	(286)
Cash flows provided by (used in) investing activities		**823**	**(1,704)**
Amount from long term loans	13	-	-
Loan payments		(10,324)	(8,239)
Dividends paid, classified as financing activities	17	(2,000)	(2,500)
Cash flows provided by (used in) financing activities		**(12,324)**	**(10,739)**
Effects of variation in exchange rate on cash and cash equivalent	**26**	**(218)**	**(227)**
Increase (decrease) in cash and cash equivalent		**649**	**(1,528)**
Cash and cash equivalent (Beginning balance)		12,110	13,638
Cash and cash equivalent (End balance)	4	**12,759**	**12,110**

The accompanying notes 1 to 28 are an integral part of the Financial Statements.

Index of Notes to the Financial Statements

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1. Corporate information

Terminal Pacífico Sur Valparaíso S.A. ("the Company"), Tax Identification Number 96.908.870-3, is a Privately held Corporation constituted on October 25, 1999, and the concessionaire of the Berthing Facility No. 1 of the Port of Valparaíso, according to the Concession Contract for the development, maintenance and exploitation of Berthing Facility No. 1 of the Port of Valparaíso, held with Empresa Portuaria Valparaíso by public documentation on November 12, 1999 signed in Valparaíso in the notary's office of Ricardo Maure Gallardo.
The corporate purpose of the Company is the development, maintenance and exploitation of Berthing Facility No. 1 of Empresa Portuaria Valparaíso; as well as to perform the business of wharfage and stowage.

The Company's legal address is Antonio Varas No. 2, 3rd floor, Valparaíso.

According to Article 14 of Law 19,542, which regulates port concessions, the Company must follow the regulations that govern open corporations and must be listed in the Securities Registry of the Superintendence of Securities and Insurance (currently Commission for the Financial Market). The Company was registered with this authority in 2000 under number 712. With the change made to Law 20,382, in October 2009 it was transferred to the Reporting Entities Registry and registered under number 56.

According to the terms of the Concession Contract signed with Empresa Portuaria Valparaíso, the Company received from the Authority the abovementioned Berthing Facility on January 1, 2000, when it began its operating activities. The term for the concession is 20 years from the mentioned date with the option of an extension of 10 more years for the Company if: (i) the execution of the construction project stated in Appendix VII of the Bidding Bases is completed before the beginning of the 19th Contract Year pursuant to the terms and conditions established in Appendices VII and VIII of the Bidding Bases; (ii) the Company declares its intention to extend the Term before the 19th Contract Year begins."

On June 2, 2014, Terminal Pacífico Sur Valparaíso S.A. introduced to Empresa Portuaria Valparaíso the Major Investment Project called "Extensión Sitio 3 y Reforzamiento Sitios 4 y 5 del Frente de Atraque Nº 1 del Puerto de Valparaíso Etapa I" ("Site 3 Extension and Sites 4 and 5 Reinforcement of Berth Location No. 1 in the Port of Valparaíso Stage I") that comprises all works related to the optional project described in Appendix VII referred to above. In addition, the Company formally announced its intention to extend the concession term.

On November 7, 2014, the project received its initial approval by Empresa Portuaria Valparaíso. Therefore, the contracting company initiated the works relating to the project execution. Once the works concluded, the Concession Term was extended according to the abovementioned conditions.

The extension was confirmed on December 27, 2018, when Empresa Portuaria Valparaíso granted the final approval of the project and ratified the extension of the Concession term for 10 additional years. To this date and according to the Concession Contract, Empresa Portuaria Valparaíso and TPS are still auditing the actual cost of the works, in order to determinate the residual value of the project that should be restored at the end of the concession.

1. Corporate information (cont.)

The shareholders of Terminal Pacífico Sur Valparaíso S.A. as of December 31, 2020 and 2019, are:

Shareholders	*No. of shares*	*Participation*
Neltume Ports S.A.	2,000	60.01%
ConTug Terminals S.A.	1,333	39.99%

From this information it is concluded that the controller of the Company is Neltume Port S.A., which is controlled by Inversiones Ultramar Limitada, which is controlled by Marítima Choshuenco Limitada.

According to Exempt Resolution DRE 674 of the Internal Tax Service (SII), of July 6, 2001, the Company is authorized to perform its accounting in U.S. dollars.

2. Basis of preparation of the Financial Statements

2.1 Declaration of compliance

The Financial Statements have been prepared in accordance with International Accounting Standard IAS 1, entitled "Presentation of Financial Statements". Hereinafter, the terms NIC, NIIF and IAS can be used indistinctly.

These Financial Statements accurately reflect the financial position of Terminal Pacífico Sur Valparaíso S.A. as of December 31, 2020 and 2019, and the results of its operations, the changes in equity and the cash flows for the years ended December 31, 2020 and 2019.

For the convenience of the reader, these Financial Statements and their accompanying notes have been translated from Spanish into English.

2.2 Financial Statements model under IFRS

The Company has included the following models to prepare its Financial Statements:

Statements of Financial Position,
Statements of Income (by function)
Statements of Comprehensive Income
Statements of Cash Flows (direct method)
Statements of Changes in Equity
Notes to the Financial Statements

2. Basis of preparation of the Financial Statements (cont.)

2.3 Accounting period

The Financial Statements cover the periods ended on December 31, 2020 and 2019.

2.4 Basis of measurement

The Financial Statements have been prepared under the principle of historical cost, except for the items that are reported at fair value in accordance with IFRS.

2.5 Functional and presentation currency

The Financial Statements have been prepared in U.S. dollars, which is the Company's functional and presentation currency, and all values presented herein are rounded to the nearest thousands, except when indicated otherwise.

2.6 Cash and cash equivalents

The cash and cash equivalents presented in the Statements of Financial Position include the bank balances and term deposits which qualify as cash and cash equivalent according to IAS 7.

2.7 Responsibility for the information and use of judgments and estimates

The Company's directors must review the Financial Statements of Terminal Pacífico Sur Valparaíso S.A. as of December 31, of each year and assume responsibility that the information contained therein corresponds to the information in the Company's accounting books, according to the information received from the respective deparments. The present Financial Statements were approved by the Board of Directors at its meeting held on January 29, 2021.

The preparation of the Financial Statements requires that the Management make judgments, estimates and assumptions that affect the application of the accounting policies, asset, liability, revenue and expense amounts presented. The real results may differ from these estimates.

Relevant estimates and assumptions are reviewed regularly using the best information possible. These accounting estimates are recognized in the period in which they are reviewed and in the future period affected.

In particular the main estimates of uncertainties and critical judgments in the application of accounting policies that have a significant effect on the amounts recognized in the Financial Statements, are the following:

- Estimate of provisions for contingencies.
- Estimate of the useful life of property, plant and equipment.
- Calculation of the fair value of financial instruments.
- Discount rates used for the purposes of IFRIC 12.
- Obligations for employee severance pay benefits for years of service.

2. Basis of preparation of the Financial Statements (cont.)

2.8 Foreign currency

Transactions in foreign currency (defined as any currency other than the Company's functional currency) are converted to the functional currency according to the effective exchange rate at the date of transaction.

Monetary assets and liabilities in foreign currency are converted to the functional currency by applying the effective exchange rate at the close of each period, while non-monetary assets and liabilities are converted to the functional currency by applying the effective exchange rate at the date of transaction.

The exchange rate applied by the Company at the close of the years are indicated below:

Exchange rate	*12-31-2020*	*12-31-2019*
Chilean peso	710.95	748.74
EURO	0.8141	0.8918

2.9 Income from indexed units

Assets and liabilities controlled in Unidades de Fomento have been converted to U.S. dollars at the equivalent of each unit at the date of closing of the Financial Statements, and readjustments are recorded under the category of Income from indexed units in the Statement of Income.

The value of the Unidad de Fomento applied by the Company at the close of each period is shown below:

Exchange rate	*12-31-2020*	*12-31-2019*
Unidad de Fomento	40,88	37.81

2.10 Inventory

Inventory is valued at its acquisition cost or net realizable value (A), whichever is the lowest. The cost of inventory is determined using the Weighted Average Cost method.

The acquisition cost comprehends the price of purchase, import duties and other taxes (that cannot be recovered later from the tax authority), transportation, storage and other costs directly attributable to the acquisition of the inventory. Commercial discounts, rebates and other similar items are deducted in order to determine the acquisition cost.

(A) Net realizable value: The estimated sale price during the normal course of operations minus the estimated costs of finalizing production and those necessary to carry out the sale.

2. Basis of preparation of the Financial Statements (cont.)

2.11 Property, plant and equipment

Recognition

Property, plant and equipment include goods used by the Company in the provision of services and for administrative use in the activities that support business management. They are measured at acquisition cost, minus accumulated depreciation and losses for impairment of value.

The acquisition cost includes costs directly attributable to the acquisition of the asset and any other cost directly attributable to ensuring that the asset is ready to operate, including the costs of disassembling and removing the items and restoring the area where they are located. After the acquisition, only expenses incurred that increase the useful life of the good or its economic or productive capacity shall be capitalized.

The costs for loans which are directly attributable to the acquisition, construction or production of a component of Property, plant and equipment form part of the cost of said assets. Other costs for loans are recognized as expenses during the period in which they are accrued.

The significant components or parts of a property, plant and equipment item that have different useful lives, when it is probable that future economic benefits associated with asset's elements will be perceived by the Company and whose cost can be reliably determined, are recorded as separate items within the Property, plant and equipment book.

Subsequent costs

The costs incurred for major maintenance are recognized as Property, plant, and equipment when these meet the requirements defined in IAS 16. These assets are amortized linearly with an effect on income, in the period remaining until the next scheduled major maintenance. Expenses derived from the periodic maintenance of property, plant and equipment assets are recorded with an effect on income in the period in which they are incurred.

The Company has determined residual values for the Property, plant and equipment assets based on the estimate of the recoverable value of the assets at the end of their useful life.

Depreciation and useful lives

Depreciation is recognized with an effect on income on a linear basis upon the useful lives, expressed in years, of each component of a property, plant and equipment item.

The useful life estimates and residual values are reviewed at least once a year. The following chart shows a description of the useful life estimates for the Property, plant and equipment categories:

		Minimum	*Maximum*
Plant and equipment	Years	1	20
IT equipment	Years	2	13
Fixed installations and accessories	Years	1	20
Motor vehicles	Years	2	10
Other Property, plant and equipment	Years	3	12

2. Basis of preparation of the Financial Statements (cont.)

2.12 Intangible Assets

Recognition

This category presents the costs associated with the "Concession Contract for the Development, Maintenance and Exploitation of Berthing Facility Number One of the Port of Valparaíso" signed on November 12, 1999 by the Company and Empresa Portuaria Valparaíso. It is classified as an intangible asset in accordance with IFRIC 12, because the Company receives the right to charge the users of this public service.

The intangible is determined by the payment of the obligations established in the abovementioned Concession Contract, amount to be paid as an up-front payment (ThUS$ 100,600 nominal value) and the payment of minimum rental (total of ThUS$ 112,920 nominal value). Both were expressed as the present value at the date of the contract, using a proper discount rate. These payments are subject to readjustment based on the PPI (United States Producer Price Index). Obligations are presented in Other current and non-current financial liabilities.

Additionally, it includes intangible assets generated from infrastructure contributions which the Company has made in accordance with the construction contract. These contributions correspond to the infrastructure or offices constructed in the concession area, and according to the Concession Contract, Empresa Portuaria Valparaíso must reimburse the Company at the end of the concession, at its residual value (cost of construction approved by Empresa Portuaria Valparaíso, minus the accumulated amortization at the end of the concession).

Intangible assets have been recorded at the cost of construction, and the respective account receivable is initially recorded at present value using the appropriate discount rate, and at the close of each Financial Statement is recorded using the amortized cost method, at the closing of each Financial Statement.

This intangible asset has a finite useful life determined in accordance with the concession term stated in the referred contract whose original maturity date is December 31, 2019.

On December 27, 2018, through letter GDC/103/2017, Empresa Portuaria Valparaíso gave the final approval to the investment project "Extension site 3 and Reinforcement Site 4 and 5 of berthing front No. 1 of the Port of Valparaíso", granting the 10 additional years of exploitation of the concession, in accordance with the provisions of Section 2.4 and Annex VII of the Tender Conditions of the Concession Contract and the request made by TPS. This 10 year extension has consequently increased the useful life of the abovementioned asset.

In accordance with the provisions of section 12.1 letter G of letter a) of the Contract, Empresa Portuaria Valparaíso will proceed to carry out an audit, which, based on the pertinence, proportionality and compliance with the contractual procedures, allows to determine amounts of investment and period of useful lives of the work, which could generate that in the future they will have to change the calculation bases of the projects for these contributions, generating some variations in the current values of assets and amortization.

The intangible suffered an increase for the payment of the minimum annual amounts for the concept of canon (increase of ThUS $ 57,000 nominal value), all of which were expressed at present value at the date of the authorization of the 10-year extension, using an appropriate discount rate.

2. Basis of preparation of the Financial Statements (cont.)

2.12 Intangible Assets (cont.)

Subsequent costs

Any other intangible asset shall be initially recognized as its acquisition or production cost and then valued at its lower costs, as applicable, its corresponding accumulated amortization and the losses for any impairment experienced.

Amortization and useful lives

The amortization is recognized with an effect on income based on the linear amortization method according to the estimated useful life of each of the intangible assets, from the date on which they are available for use.

The estimate useful lives and residual values (when applicable) shall be reviewed at least once a year.

The following chart shows a description of the useful lives estimates for intangible assets:

		Minimum	*Maximum*
Port concession	Years	-	30
IT programs	Years	1	5
Port infrastructure contributions	Years	1	30
Expansion of the Port Concession Contract	Years	-	10

2.13 Leases

Lease contracts that substantially transfer to the Company all risks and benefits inherent to the property of leased assets are classified and valued as financial leases or are otherwise recorded as operating leases.

At the beginning of the financial lease term, an asset and a liability are recognized as the fair value of the leased asset or as the actual value of the minimum lease payments, whichever is the lowest. The minimum payments are divided among the financial expense and the reduction of the unpaid debt.

The operating lease payments are recognized linearly as expenses during the lease term.

Regarding IFRS 16 Leases for 2020, there are no contracts that have been affected by the application of the mentioned standard.

2. Basis of preparation of the Financial Statements (cont.)

2.14 Impairment of assets

Financial assets

At the end of every year, it will be evaluated whether there is an objective evidence that suggests that one or more financial assets, measured by their depreciable amount, have suffered a loss of value. If that's the case, the appropriate value adjustment must be recorded.

If there is any sign of loss of value (impairment), an estimate will be made of the recoverable amount of those assets in order to determine, as is the case, the amount of the necessary write-off.

For establishing the value after the initial recognition, an entity will measure its financial assets, including those derivatives that are assets, as the fair value without deducting transactions expenses that may result from the sale or disposal by other means of the assets, except for the following financial assets:

- Loans or accounts receivable; these will be amortized through the effective interest rate method;
- Investments held to maturity; the amortized cost will be measured through the effective interest rate method;
- Investments in equity instruments that do not have the price quoted in an active market, and of which the fair value cannot be reliably measured; and
- The derivative instruments connected to those unquoted equity instruments and which must be settled through their delivery; are measured at cost.

For trade accounts receivable, the Company applies a simplified approach to calculate expected credit losses (ECL). Therefore, it does not monitor changes in credit risk, but recognizes a provision for losses based on ECL for life on each reporting date. The Company has established a model or matrix of provisions based on its historical experience of credit losses in recent years, adjusted for specific future factors for its debtors, industry and the economy. (See note 6).

Non-financial assets

At each reporting date, the Company evaluates whether there are any signs that an asset could be impaired. If such a sign exists, or when there is an annual requirement of proof of an asset's impairment, the Company makes an estimation of the asset's recoverable amount. The recoverable amount of an asset is the highest value between the fair value of an asset or cash generating unit minus the sales cost and its use value and is determined for an individual asset unless the asset does not generate any cash flow that is largely independent of other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is reduced to its recoverable amount. When evaluating the use value, the future estimated cash flows shall be discounted from its present value using the pre-tax discount rate that reflects the current market evaluations of the money's time value and the risks specific to the asset. To determine the fair value minus the sales costs, an appropriate valuation method shall be used.

Impairment losses from continuing operations are recognized in the Income Statement in the expense categories consistent with the function of the impaired asset, except for previously revalued properties where the value has been taken to equity.

2. Basis of preparation of the Financial Statements (cont.)

2.14 Impairment of assets (cont.)

Non-financial assets (cont.)

For assets excluding goodwill, at each reporting date the Company evaluates whether there is any sign that a previously recognized impairment may have diminished or disappeared. If such a sign exists, the Company estimates the recoverable amount. A previous recognition of loss for impairment will be reversed only if there has been a change in the estimation used to determine the recoverable amount of the asset since the last loss for impairment recognition. If this is the case, the carrying amount of the asset will be increased to its recoverable amount. This increased amount may not exceed the carrying amount that would have been determined, net of depreciation, if a loss for impairment had not been recognized in previous years. Losses for impairment recognized in relation to goodwill are not reversed for later increases in its recoverable amount.

2.15 Provisions

A provision is recognized when there are legal or implicit obligations as the result of a past event, when it is probable that future economic benefits will be generate and the amount of the obligation can be reliably measured.

Provisions are reverted against income when there is a lower possibility that resources will need to be used to pay the obligation.

If the effect of the money over time is material, provisions are discounted using the current pre-tax rate that reflects, as applicable, the specific risks of the liability. The increase in the provision, due to the pass of time, is recognized as a finance cost.

2.16 Employee benefits

The actuarial variation of the employee severance payment benefits obligation for years of service is recognized directly in income. What corresponds to costs for current services, costs for interest and, the actuarial profits and losses are recognized with debit/credit to equity during the period in which these arise. Other short-term benefits, for example bonuses, etc., are recognized using the accrual method.

2.17 Income tax and Deferred taxes

The Income tax result is composed of current taxes and deferred taxes. The income tax result is recognized in the income for the year, except when related to items directly recognized in Equity.

The Company's current tax result comes from the application of the income tax rate on the taxable base for the period, calculated in accordance with the Income Tax Law (DL N°824).

The Company records deferred taxes for all temporary differences generated from the calculation of first category net income using the accounting and tax base of assets, liabilities and equity. Deferred tax assets and liabilities are recognized using the balance sheet method.

Deferred taxes are measured considering the tax rates that are expected to be applied on the temporary differences when they are reversed, based on the laws that have been approved or are about to be approved at the date of close of each Financial Statement.

2. Basis of preparation of the Financial Statements (cont.)

2.18 Ordinary revenue and operating costs

Ordinary revenue and operating costs derived from the provision of port services are recognized in income considering the degree of completion of the service provision at the date of close, as long as the result of these can be reliably estimated.

When the results of the services provided cannot be reliably estimated, the revenue is recognized only when the expenses made can be recovered.

Ordinary revenue and operating costs derived from other services related to the port business are recognized in income on an accrued basis.

2.19 Finance revenue and costs

The Company records finance revenue according to its accrual in the Finance revenue item in non-operating income.

In relation to finance costs, these are carried to expenses when they are incurred, and are found in the finance expense item presented in non-operating income. This classification does not include costs to finance the construction or development of assets requiring a substantial period to prepare the asset for use according to the operating conditions established by Management. Finance costs related to an asset are capitalized from the date on which the asset to be built is known. The amount of capitalized finance costs (before taxes) for the year is determined by applying the effective interest rate to the loans effective during the year in which the finance expenses are capitalized.

2.20 Derivative financial instruments

a) Financial assets at fair value with effect on income.

The financial assets as fair value with effect on income are financial assets held for negotiation. A finance asset is classified under this category if it is acquired primarily for the purpose of selling in the short term. Derivatives are also classified as acquired for negotiation unless they are designated as hedges. The assets in this category are classified as current assets.

Investments in negotiable securities are initially recorded at cost and then their value is updated based on their market value (fair value).

b) Derivative financial instruments

Derivatives are initially recognized at fair value on the date of the derivative contract and then they are valued again at their fair value. The method for recognizing the resulting loss or profit depends on whether the derivative has been classified as a hedge or not and, if so, the nature of the item it is hedging. The Company primarily uses cash flow hedges for highly probable expected cash flows.

The Company documents the relationship between the hedge instrument and hedged items at the beginning of the transaction, as well as its risk management objectives and the strategy for performing different hedge operations. The Company also documents its evaluation, both at the beginning and on a permanent basis, of whether the derivatives used in hedge transactions are highly effective for compensating the changes in fair value or in the cash flows of the hedged items.

2. Basis of preparation of the Financial Statements (cont.)

2.20 Derivative financial instruments (cont.)

b) Derivative financial instruments (cont.)

The total fair value of hedge derivatives are classified as Other non-current assets or financial liabilities if the remaining expiration of the hedged item is greater than 12 months and as other current assets or financial liabilities if the remaining expiration of the hedged item is less than or equal to 12 months. Derivatives not recorded as hedges are classified as Other assets or financial liabilities.

The effective part of changes in the fair value of derivatives that are designated and classified as cash flow hedges are recognized in the Statement of other Comprehensive Income. The loss or profit related to the non-effective part is immediately recognized in the Statement of Consolidated Income within “other profits (losses)”.

When a hedge instrument expires or is sold, or when the hedge accounting requirements are not met, any accumulated profit or loss in the Statement of other Comprehensive Income up until that moment remains in other comprehensive income and is finally recognized in the Statement of Consolidated Income. When it is expected that the foreseen transaction will not occur, the accumulated profit or loss in the Statement of other Comprehensive Income is immediately carried to the Statement of Income under “Other profits (losses)”.

The Company evaluates the existence of implicit derivatives in financial and non-financial instrument contracts to determine whether their characteristics and risks are closely related to the main contract. If not, they are recorded separately, recording the variations in fair value under income.

The interest rate risk management strategy attempts to fix cash flows generated from financing at a US$ Libor 180 variable rate, through the implementation of a cash flow hedge, in which a hedge instrument (derivative instrument) is designated to compensate the exposure of the future cash flows (interest payments) that depend on the future or forward US$ Libor 180 rates (estimated using the Libor zero coupon curves), hedging a foreseen future transaction whose execution is highly probable.

The interest rate risk management strategy was approved by the Board of Directors and carried out by the Company’s management.

The detail of the Company’s hedge strategy is presented below:

Interest flow hedge of a bank obligation at a variable rate

This hedge strategy is aimed at hedging financing at US$ Libor 180, transforming that variable rate to a fixed rate during the entire life of the operation. Likewise, the derivatives were taken with the same debt characteristics at a US$ Libor 180 rate, in order to avoid ineffectiveness on the hedges.

At the beginning of the hedge, the Company documented the hedge relationship (hedge instrument and hedged object), the hedge objectives, the risk management strategy and the effectiveness tests, recognizing the portions corresponding to the hedge in equity and in income.

The hedges must have a high degree of effectiveness from the beginning, and at any time during the period for which it is structured. Effectiveness is understood as the degree to which variations in the cash flows of the hedge instrument compensate the variations in cash flows of the hedged object attributable to the hedged risk.

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2. Basis of preparation of the Financial Statements (cont.)

2.20 Derivative financial instruments (cont.)

b) Derivative financial instruments (cont.)

Interest flow hedge of a bank obligation at a variable rate (cont.)

The subsequent accounting of the Company's cash flow hedge is done by recording the hedged item at its amortized cost and the hedge instrument as fair value according to IFRS, the effective portion of the hedge instrument is carried to equity and the ineffective portion to income for the year.

It should be noted that upon expiration of the hedging strategies, the deferred income in equity is transferred to the income for the year.

The Company's hedging can only be interrupted in the following cases:

A position of the designated hedge instrument expires, and no situation or renewal has been foreseen, it is sold or liquidated, or it is exercised or closed.

The hedge no longer meets one of the necessary requirements in order to apply the special accounting of hedges. If there is any evidence that a foreseen future transaction to be hedged will not be carried out, the Company shall suspend the designation of the hedge.

c) Non-derivative financial instruments

c.1) Financial liabilities

c.1.1) Trade receivables and other accounts receivable

This item includes pending payment amount from commercial purchases and related expenses, which are registered as nominal value. These items are not subject to interest.

c.1.2) Loans that accrue interest

These loans are generally recorded as the cash received, net of costs incurred in the transaction. They shall be valued at amortized cost, using the effective interest rate method.

Finance expenses, including premiums payable in the liquidation or the reimbursement and direct costs of issue, shall be recorded according to the accrual criteria in income using the effective interest rate method and shall be added to the instrument carrying amount when not liquidated during the period in which they are generated.

2.21 Direct Statement of Cash Flows

The Statement of Cash Flows considers the cash movements occurred during each year, determined using the direct method, and considers:

a) Cash flows as the entry and outflow of cash in banking accounts, highly liquid investments with a term of less than three months and low risk of alterations in their value.
b) As operating activities, those that constitute the main source of ordinary income, as well as other activities not classified as investment or financing.
c) As investing activities, the acquisitions, transfers or other types of disposals of non-current assets and other investments not included in cash and cash equivalent.
d) As financing activities, those that produce changes in the size and composition of net equity and financial liabilities.

2. Basis of preparation of the Financial Statements (cont.)

2.22 Classification of the current and non-current balances

In the Statement of Financial Position, the balances are classified based on their expiration, that is, current balances are those that expire within twelve months and non-current balances expire beyond that period.

2.23 New Standards, Improvements and changes in the International Financial Reporting Standards

The rules, interpretations and amendments to IFRS that entered into force as of the date of the Financial Statements, their nature and impacts are detailed below:

	Norms and Interpretations	Mandatory effective date
Conceptual Framework	Conceptual Framework (revised)	January 1, 2020
IAS 1 and IAS 8	Definition of 'Material'	January 1, 2020
IFRS 9, IAS 39 and IFRS 7	Interest Rate Benchmark Reform	January 1, 2021

Conceptual Framework

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

Changes to the Conceptual Framework may affect the application of IFRS when no rule applies to a particular transaction or event. The revised Conceptual Framework is effective for periods beginning on or after January 1, 2020.

The Company carried out the evaluation of the impact that the mentioned norm will generate, and it is considered that there is no impact by this norm in the Financial Statements.

IAS 1 Financial Statements Reporting and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

In October 2018, the IASB issued the amendment for IAS 1 Finan*cial Statements Reporting* and IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors,* to clarify the definition of 'material' and to align the definition used in the Conceptual Framework and the standards themselves. The definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

The amendments must be applies prospectively. Early application is allowed and must be disclosed.

Even thought the amendment of 'Material' definitions are not expected to have a significant impact in the Financial Statements of the entity, the introduction of the word 'Obscuring' in the definition may

2. Basis of preparation of the Financial Statements (cont.)

impact in making materiality judgements, increasing the importance of how to communicate and organize the Financial Statements information.

The Company carried out the evaluation of the impact that the mentioned norm will generate, and it is considered that there is no impact by this norm in the Financial Statements.

IFRS 9, IAS 39 and IFRS 7 Interest Rate Benchmark Reform

In September 2019, The IASB has published 'Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)' as a first reaction to the potential effects the IBOR reform could have on financial reporting. The amendments gives temporary exceptions that allows the hedge accounting continuous during the uncertainty period, before replacing the benchmark interest rates to free risk interest rates.

The amendments must be applied retrospectively. However, if any hedge were previously discontinued, it cannot be refunded using these amendments, nor can a hedge relation be assigned, using the retrospective reasoning. Applying in advance is allowed and must be disclosed.

The Company carried out the evaluation of the impact that the mentioned norm will generate, and it is considered that there is no impact by this norm in the Financial Statements.

3. Accounting changes

3.1 New standards, interpretations and amendments

The rules, interpretations and amendments to IFRS that entered into force as of the date of the Financial Statements, their nature and impacts are detailed below:

	New Standards	Mandatory effective date
IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Benchmark Interest Rates – Phase 2	January 1, 2021
IFRS 16	Property, Plant and Equipment: Proceeds before Intended Use	January 1, 2022
IAS 37	Onerous Contracts — Cost of Fulfilling a Contract	January 1, 2022
IAS 1	Classification of Liabilities as Current or N006Fn-current	January 1, 2023

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Benchmark Interest Rates – Phase 2

In August 2020, the IASB published the second phase of Benchmark Interest Rates Reform that comprehends amendments to standards IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. According to this publication, the IASB complete their job to answer to interbank offered rates in financial information.

The amendments give temporary exceptions for financial information when Interbank Offered Rates are replaced by free risk alternative rates.

The Company carried out the evaluation of the impact that the mentioned norm will generate, and it is considered that there is no impact by this norm in the Financial Statements.

IFRS 16 Property, Plant and Equipment: Proceeds before Intended Use

Amends the standard to prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

The amendments published today are effective for annual periods beginning on or after 1 January 2022. Early application is permitted. An entity applies the amendments retrospectively only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The Company carried out the evaluation of the impact that the mentioned norm will generate, and it is considered that there is no impact by this norm in the Financial Statements.

IAS 37 Onerous Contracts — Cost of Fulfilling a Contract

In May 2020, the IASB published the amendment IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* to specify the costs the entity must account whether the contract is onerous or generating loss.

The amendments are effective for annual periods beginning on or after 1 January 2022. The amendment must be applied retrospectively to existing contracts to the beginning of the annual period reported and in which the Company applies this amendment of the first time (initial application date). Early application is permitted and must be disclosed.

The amendments are destined to clarify and guarantee consistency appliance of the standards. The entities that already applied the incremental cost focus will find an increase in provisions to reflect the inclusion of cost directly related to contract activities, while the entities which accounted contract loss provisions in advance using the previous standards (IAS 11 *Construction Contracts*) must exclude indirect costs in their provisions.

The Company carried out the evaluation of the impact that the mentioned norm will generate, and it is considered that there is no impact by this norm in the Financial Statements.

IAS 1 Classification of Liabilities as Current or Non-current

In June 2020, the IASB issued amendments for paragraphs 69 to 76 of IAS 1 to clarify the requirements of current and non-current liabilities classification.

The amendments published today are effective for annual periods beginning on or after 1 January 2023. The entities must carefully consider whether there is any aspect in the amendments that suggest the terms of current loans should be renegotiated. In this case, the amendments must be applied retrospectively.

The Company carried out the evaluation of the impact that the mentioned norm will generate, and it is considered that there is no impact by this norm in the Financial Statements.

4. Cash and cash equivalent

Cash and cash equivalents are detailed as follows:

	12-31-2020 ThUS$	12-31-2019 ThUS$
Available cash	2	1
Balances in banks	8,599	8,799
Short-term deposits	4,158	3,310
Total cash and cash equivalents	12,759	12,110

Available cash and bank checking accounts are available resources and their fair value is equal to their carrying amount. The bank balances include bank accounts in Chilean pesos and U.S. dollars.

The short-term deposits are composed of investments in financial instruments held until their expiration that are not subject to any type of restriction and are reflected at the initial value in dollars, plus the portion of accrued interest at the date of close. The maximum term of these instruments does not exceed 90 days from the date of investment, and they are not subject to significant variations in their value.

4. Cash and cash equivalent (cont.)

The type of currency is detailed as follows:

	12-31-2020 ThUS$	12-31-2019 ThUS$
Cash and cash equivalents in Ch$	1,111	1,650
Cash and cash equivalents in US$	11,648	10,460
Total cash and cash equivalents	12,759	12,110

5. Other non-financial assets

Other non-financial assets are detailed as follows:

	12-31-2020			12-31-2019		
	Current ThUS$	Non-current ThUS$	Total ThUS$	Current ThUS$	Non-current ThUS$	Total ThUS$
Prepaid insurance payments	2,109	-	2,109	1,972	-	1,972
Other prepayments (1)	444	355	799	197	86	283
Total	2,553	355	2,908	2,169	86	2,255

(1) Other advance payments include annual maintenance of licenses and other small expenses in both portions, current and non-current.

6. Trade receivables and other accounts receivable

Trade receivables and other accounts receivable are detailed as follows:

	12-31-2020			12-31-2019		
	Current ThUS$	Non-current ThUS$	Total ThUS$	Current ThUS$	Non-current ThUS$	Total ThUS$
Trade receivables (1)	9,004	-	9,004	16,952	-	16,952
Other accounts receivable (2)	758	-	758	480	-	480
Bad debts estimation	(131)	-	(131)	(15)	-	(15)
Total accounts receivable	9,631	-	9,631	17,417	-	17,417

(1) It corresponds to current accounts receivable from clients for port services provided.
(2) It corresponds mainly to advances to employees.

The billing policies applied by the Company are in cash or credit with a maximum of 30 days for clients that have guarantees for payment fulfillment or trade agreements.

6. Trade receivables and other accounts receivable (cont.)

The aging of the gross trade receivables and other accounts receivable is detailed as follows:

	12-31-2020 ThUS$	12-31-2019 ThUS$
Receivables - not overdue	6,363	10,317
Receivables - 31 to 90 overdue	3,241	7,100
Receivables - 91 to 365 overdue	27	-
Total	9,631	17,417

The activity experienced by the impairment of trade receivables and other accounts receivable is detailed as follows:

	12-31-2020 ThUS$	12-31-2019 ThUS$
Balance at the beginning of the year	15	2
Increases (reversals) of provisions	198	14
Write-offs	(118)	(1)
Exchange rate effect	36	-
Balance at the end of the year	131	15

For trade accounts receivable, the Company applies a simplified approach to calculate expected credit losses (ECL). Therefore, it does not monitor changes in credit risk, but recognizes a provision for losses based on ECL for life on each reporting date. The Company has established a model or matrix of provisions based on its historical experience of credit losses in recent years, adjusted for specific future factors for its debtors, industry and the economy.

7. Related party disclosures

A summary of the accounts receivable from related parties' balances is provided in the following chart:

	12-31-2020			12-31-2019		
	Current ThUS$	Non-current ThUS$	Total ThUS$	Current ThUS$	Non-current ThUS$	Total ThUS$
Accounts receivable	133	-	133	2,677	-	2,677
Accounts payable	(2,441)	-	(2,441)	(3,320)	-	(3,320)
Accounts receivable (payable) net	(2,308)	-	(2,308)	(643)	-	(643)

All current pending balances with related parties are valued under conditions of mutual independence and shall be paid within twelve months after the date of the balance. These balances are not subject to interest and are controlled in U.S. dollars and in Chilean pesos.

7. Related party disclosures (cont.)

The balances pending at the close of the year are not guaranteed, do not accrue interest and are liquidated in cash. There have been no guarantees provided or received for accounts receivables or payable with related parties. For the years included in the present Financial Statements, the Company has recorded no impairment of accounts receivables related to amounts owed by related parties. This evaluation is performed every financial year through the examination of the financial position of the related party in the market in which it operates. Receivable and payable balances are less than a year old.

a) Accounts receivable with related parties are detailed as follows:

RUT	Company	Country of origin	Nature of the relationship	Currency	12-31-2020 Current ThUS$	12-31-2020 Non-current ThUS$	12-31-2019 Current ThUS$	12-31-2019 Non-current ThUS$
80992000-3	Ultramar Agencia Marítima Ltda.	Chile	Common shareholder	Dollars	12	-	43	-
96500950-7	Sitrans, Servicios integrados de transportes Ltda.	Chile	Common shareholder	Pesos	8	-	4	-
96707720-8	Mediterranean Shipping Company (Chile) S.A.	Chile	Common shareholder	Dollars	36	-	2,507	-
77938830-1	Sitrans almacenes Extraportuarios Ltda.	Chile	Common shareholder	Pesos	6	-	122	-
76317650-9	Agencia Maritima Kenrick Ltda.	Chile	Common shareholder	Dollars	5	-	1	-
78558840-1	Remolcadores Ultratug Ltda.	Chile	Common shareholder	Pesos	12	-	-	-
96707720-8	Mediterranean Shipping Company (Chile) S.A.	Chile	Common shareholder	Pesos	1	-	-	-
76899452-8	Evergreen Shipping Agency SpA	Chile	Common shareholder	Dollars	53	-	-	-
	Total				133	-	2,677	-

There are no guarantees for these amounts and none of them is considered as doubtful account. For 2020, the amounts presented are with rebate discounted.

b) Accounts payable with related parties are detailed as follows

RUT	Company	Country of origin	Nature of the relationship	Currency	12-31-2020 Current ThUS$	12-31-2020 Non-current ThUS$	12-31-2019 Current ThUS$	12-31-2019 Non-current ThUS$
96500950-7	Sitrans, Servicios integrados de transportes Ltda.	Chile	Common shareholder	Pesos	207	-	265	-
88056400-5	Servicios Marítimos y transportes Ltda.	Chile	Common shareholder	Pesos	1,444	-	1.344	-
96898290-7	Servicios Ultramar Ltda.	Chile	Common shareholder	Pesos	-	-	1	-
76079857-6	Asesorías Ultramar Limitada	Chile	Common shareholder	Pesos	-	-	2	-
					-	-		
76237330-0	Neltume Ports S.A. (1)	Chile	Parent	Dólares	617	-	1.226	-
59236520-0	Contug Terminals S.A. (2)	Switzerland	Shareholder	Dolares	78	-	482	-
96707720-8	Mediterranean Shipping Co. (Chile) S.A.	Chile	Common shareholder	Dollars	11	-	-	-
76197328-2	Terminal Puerto Coquimbo S.A.	Chile	Common shareholder	Dollars	82	-	-	-
77938830-1	Sitrans, Almacenes Extraportuarios Ltda.	Chile	Common shareholder	Pesos	2	-	-	-
	Total				2,441		3.320	-

(1) Includes a provisional dividend accrued of ThUS$ 117.
(2) Includes a provisional dividend accrued of ThUS$ 78.

7. Related party disclosures (cont.)

c) Transactions with related parties:

Transactions between related parties consist primarily of the buying and selling of port services. The payment conditions in the case of sales are within 30 days and in dollars, and for purchases within 30 days with no interest. Buying and selling with related parties are performed at normal market prices.

For the year ended December 31, 2020

RUT	Company	Country of origin	Nature of the relationship	Transaction	Amount ThUS$	Credit (debit) to income ThUS$
80992000-3	Ultramar Agencia Marítima Ltda.	Chile	Common shareholder	Sales of operational services (Third Party Rep.) Purchase of operational services	1,612 3	1,612 (3)
88056400-5	Servicios Marítimos y Transportes Ltda.	Chile	Common shareholder	Purchase of operational services	9,111	(9,111)
96500950-7	Sitrans, Servicios Integrados de transportes Ltda.	Chile	Common shareholder	Sales of operational services Purchase of operational services	28 1,134	28 (1,134)
96898290-7	Servicios Ultramar Ltda.	Chile	Common shareholder	Purchase of operational services	14	(14)
96707720-8	Mediterranean Shipping Company (Chile) S.A.	Chile	Common shareholder	Sales of operational services (Related Rep.) Purchase of operative services	20,257 12	20,257 (12)
77938830-1	Sitrans almacenes Extraportuarios Ltda.	Chile	Common shareholder	Sales of operative services Purchase of operative services	239 15	239 (15)
76899452-8	Evergreen Shipping Agency SpA	Chile	Common shareholder	Sales of operative services Purchase of operative services	1,447 1,313	1,447 (1,313)
76172595-5	Medlog Chile S.A	Chile	Common shareholder	Sales of operative services	13	13
76237330-0	Neltume Ports S.A.	Chile	Common shareholder	Purchase of operative services	500	(500)
76146282-2	Navegación del Pacifico AM Ltda	Chile	Common shareholder	Sales of operative services	3	3
76317650-9	Agencia Maritima Kenrick Ltda.	Chile	Common shareholder	Sales of operative services	19	19
96712570-9	Ulog Soluciones Logisticas Integrales Ltda	Chile	Common shareholder	Sales of operative services	11	11
78558840-1	Remolcadores Ultratug Ltda.	Chile	Common shareholder	Purchase of operative services	39	(39)

All transactions presented net of value added tax.

7. Related party disclosures (cont.)

c) Transactions with related parties (cont.)

For the year ended December 31, 2019

RUT	Company	Country of origin	Nature of the relationship	Transaction	Amount ThUS$	Credit (debit) to income ThUS$
80992000-3	Ultramar Agencia Marítima Ltda.	Chile	Common shareholder	Sales of operational services (Third Party Rep.)	2,333	2.333
88056400-5	Servicios Marítimos y Transportes Ltda.	Chile	Common shareholder	Sales of operational services (Related Rep.)	26	26
				Sales of operational services	4	4
				Purchase of operational services	9,980	(9.980)
96500950-7	Sitrans, Servicios Integrados de transportes Ltda.	Chile	Common shareholder	Sales of operational services	33	33
				Purchase of operational services	1.624	(1.624)
96898290-7	Servicios Ultramar Ltda.	Chile	Common shareholder	Purchase of various services	42	(42)
				Sales of operational services (Related Rep.)	7.203	7.203
96707720-8	Mediterranean Shipping Company (Chile) S.A.	Chile	Common shareholder	Purchase of operational services	1	(1)
77938830-1	Sitrans almacenes Extraportuarios Ltda.	Chile	Common shareholder	Sales of operational services	256	256
96983220-8	Inversiones Green Andes Ltda.	Chile	Common shareholder	Sales of operational services	1,336	1,336
76079857-6	Asesorías Ultramar Ltda.	Chile	Common shareholder	Purchase of various services	198	(198)
76237330-0	Neltume Ports S.A	Chile	Parent	Purchase of various services	500	(500)

All transactions presented net of value added tax.

7. Related party disclosures (cont.)

d) Board of Directors and key directive staff

As of December 31, 2020 and 2019, the Board is conformed by 6 members, whose do not receive any salaries for their labor, as agreed in the Board Committee:

12-31-2020

Name	*Position*
Richard von Appen Lahres	Chairman of the Board
Pablo Ihnen de la Fuente	Director
Pier-Paolo Fernando Zaccarelli Fasce	Director
Alejandra Mehech Castellón	Director
Gregory Gottlieb	Director
Antonio Jose de Mattos Patricio Junior	Director

12-31-2019

Name	*Position*
Richard von Appen Lahres	Chairman of the Board
Pablo Ihnen de la Fuente	Director
Pier-Paolo Fernando Zaccarelli Fasce	Director
Alejandra Mehech Castellón	Director
Gregory Gottlieb	Director
Antonio Jose de Mattos Patricio Junior	Director

Terminal Pacífico Sur Valparaíso S.A. considers its key staff as those who fill positions of authority and accountability for the organization, and control and planning of the Company's activities. The following executives are considered in this area:

12-31-2020

Name	*Position*
Oliver Weinreich R.	General Manager
Maria Loreto Giacaman V.	Admin and Finance Manager
Rodrigo Cabrera E.	HR Deputy manager
Andrés Repetto B.	Operations Manager
Camilo Jobet W.	Commercial Deputy manager
Mariela Morales A.	IT Deputy manager
Laura Chiuminatto	HSE Deputy manager

(1) Deputy managers depending directly from the General Manager.

12-31-2019

Name	*Position*
Oliver Weinreich R.	General Manager
Maria Loreto Giacaman V.	Admin and Finance Manager
Rodrigo Cabrera E.	HR Deputy manager
Gabriel Tumani K.	Operations Manager
Camilo Jobet W. (1)	Commercial Deputy manager
Mariela Morales A. (1)	IT Deputy manager
Laura Chiuminatto F. (1)	HSE Deputy manager

(1) Deputy managers depending directly from the General Manager.

7. Related party disclosures (cont.)

a) Board of Directors and key directive staff (cont.)

These professionals received salaries and other benefits during the year ended December 31, 2020 and 2019 that amounted to ThUS$ 1,120 and ThUS$ 1,011, respectively.

At the end of the year, there are no payments for termination benefits to key managerial staff, and there are also no guarantees.

	12-31-2020 ThUS$	**12-31-2019 ThUS$**
Salaries and wages	680	541
Accrual of expenses for employee benefits	31	26
Participation in profits and bonuses	149	228
Other employee expenses	260	216
Total expenses of the directive staff	1,120	1,011

There are no post-employment benefits, payments based on shares or any other long-term benefits.

8. Inventory

The inventory balance is detailed as follows:

	12-31-2020 ThUS$	**12-31-2019 ThUS$**
Spare parts for operations	2,059	1,932
Other	134	123
Total	2,193	2,055

At the date of closing of the Financial Statements, it has not been necessary to generate an allowance for the obsolescence of inventory.

There is no inventory that has been committed to guarantee liabilities at the date of closing of the Financial Statements.

The consumption of inventory during 2020 was ThUS$ 1,021 (ThUS$ 1,503 in 2019).

9. Current tax assets/liabilities

The net balance of the current income tax payable account is detailed as follows:

	12-31-2020 ThUS$	12-31-2019 ThUS$
Current income tax	-	9
Provisional monthly payments	-	-
Credits for training expenses (Sence)	(174)	(141)
Other credits to income tax	(100)	(96)
Net liability (asset) for current income tax	(274)	(228)

10. Other financial assets

These are detailed as follows:

	12-31-2020 Current ThUS$	12-31-2020 Non-current ThUS$	12-31-2020 Total ThUS$	12-31-2019 Current ThUS$	12-31-2019 Non-current ThUS$	12-31-2019 Total ThUS$
Accounts receivable from Empresa Portuaria Valparaíso (1)	-	15,270	15,270	-	14,581	14,581
Loans to employees (2)	-	735	735	-	172	172
Non-current cash flow hedge asset (3)	-	-	-	2	70	72
Total accounts receivable	-	16,005	16,005	2	14,823	14,825

(1) Non-current accounts receivable from Empresa Portuaria Valparaíso correspond to the right of the Company to receive at the end of the Concession Contract an amount in cash equivalent to the residual value of the contributions in infrastructure built under the Valparaíso Port Terminal 1 Concession Contract. This account receivable was initially valued at the present value of the account at the end of the concession term (extended term 12-31-2029) using a BCP or BCU discount rate, as appropriate, of 4.51% and 1.78%. Implicit interest derived from this account receivable is recorded in income on an accrual basis.

(2) It is the long-term portion of loans associated with a collective bargaining signed in 2016.

(3) Note 13 c contains further details of flows hedging.

11. Intangible assets other than goodwill

a) Intangibles by type of asset are detailed as follows:

Intangible assets	12-31-2020 ThUS$	12-31-2019 ThUS$
Types of Intangible asset, Net		
Port concessions contracts, net	44,480	49,822
Port infrastructure contributions, net	35,173	38,236
IT programs, Net	761	886
Total Intangible assets, Net	**80,774**	**88,944**
Types of Intangible assets, Gross		
Port concessions contracts, Gross	197,564	197,564
Port infrastructure contributions, Gross	54,195	54,195
IT programs, Gross	10,812	10,103
Total Intangible assets, Gross	**262,571**	**261,862**
Types of Accumulated Amortization and Impairment of Value, Intangible assets		
Type of Accumulated Amortization and Impairment of Value, Port concessions contracts	152,724	147,742
Type of Accumulated Amortization and Impairment of Value, Port infrastructure contributions	19,022	15,959
Type of Accumulated Amortization and Impairment of Value, IT programs	10,051	9,217
Total Accumulated Amortization and Impairment of Value, Intangible assets	**181,797**	**172,918**

b) Reconciliation of changes in intangible assets by type for the years 2020 and 2019:

2020	Port Concession Contracts, net ThUS$	Port Infrastructure Contributions, net ThUS$	IT Programs, net ThUS$	Identifiable Intangible assets, net ThUS$
Beginning balance, net value 1-1-2020	49,822	38,236	886	89,944
Additions	-	-	709	709
Amortization	(4,982)	(3,063)	(834)	(8,879)
Other	-	-	-	-
Changes, Total	(4,982)	(3,063)	(125)	(8,170)
Ending balance, net value 12-31-2020	44,840	35,173	761	80,774

2019	Port Concession Contracts, net ThUS$	Port Infrastructure Contributions, net ThUS$	IT Programs, net ThUS$	Identifiable Intangible assets, net ThUS$
Beginning balance, net value 1-1-2019	54,804	42,150	1,953	98,907
Additions	-	247	39	286
Amortization	(4,982)	(4,121)	(1,105)	(10,208)
Other	-	(40)	(1)	(41)
Changes, Total	(4,982)	(3,914)	(1,067)	(9,963)
Ending balance, net value 12-31-2019	49,822	38,236	886	88,944

In 2020 and 2019, the amortization recognized in sales cost was ThUS$ 8,879 and ThUS$ 10,208, respectively.

12. Property, plant and equipment

a) The types of assets included in Property, plant and equipment are detailed as follows:

Property, Plant and Equipment	12-31-2020 ThUS$	12-31-2019 ThUS$
Type of Property, Plant and Equipment, Net		
Plant and Equipment, Net	54,799	61,150
IT Equipment, Net	109	276
Fixed Installations and Accessories, Net	3,245	3,209
Motor Vehicles, Net	81	109
Others Property, Plant and Equipment, Net	1,020	2,002
Net Total	**59,254**	**66,746**
Type of Property, Plant and Equipment, Gross		
Plant and Equipment, Gross	119,608	119,776
IT Equipment, Gross	3,610	3,543
Fixed Installations and Accessories, Gross	10,810	10,348
Motor Vehicles, Gross	394	411
Others Property, Plant and Equipment, Gross	3,016	3,932
Gross Total	**137,446**	**138,010**
Type of Accumulated Depreciation and Impairment of Value, Property, Plant and Equipment		
Accumulated Depreciation and Impairment of Value, Plant and Equipment	64,809	58,626
Accumulated Depreciation and Impairment of Value, IT Equipment	3,501	3,267
Accumulated Depreciation and Impairment of Value, Fixed Installations and Accessories	7,573	7,139
Accumulated Depreciation and Impairment of Value, Motor Vehicles	313	302
Accumulated Depreciation and Impairment of Value, Others	1,996	1.930
Total	**78,192**	**71,264**

b) Reconciliation of changes in Property, plant and equipment:

2020	Plant and Equipment, net ThUS$	IT equipment, net ThUS$	Fixed installations and accessories, net ThUS$	Motor vehicles, net ThUS$	Other Property plant and equipment, net ThUS$	Identifiable non-current assets, net ThUS$
Beginning balance (net value) 1-1-2020	61,150	276	3,209	109	2,002	66,746
Additions	494	68	530	13	55	1,160
Additions due to transfer	-	-	-	-	-	-
Disposal	(1)	-	-	-	-	(1)
Depreciation	(6,753)	(235)	(494)	(41)	(70)	(7,593)
Other	(91)	-	-	-	(967)	(1,058)
Changes, Total	(6,351)	(167)	36	(28)	(982)	(7,492)
Ending balance (net value) 12-31-2020	54,799	109	3,245	81	1,020	59,254

The total depreciation for the year was ThUS$ 7,593 and is classified under Administrative Expenses in the amount of ThUS$ 153 and Sales costs in the amount of ThUS$ 7,440 in the Statement of Income.

12. Property, plant and equipment (cont.)

b) Reconciliation of changes in Property, plant and equipment: (cont.)

2019	Plant and Equipment, net ThUS$	IT equipment, net ThUS$	Fixed installations and accessories, net ThUS$	Motor vehicles, net ThUS$	Other Property plant and equipment, net ThUS$	Identifiable non-current assets, net ThUS$
Beginning balance (net value) 1-1-2019	68,878	262	3,470	152	1,444	74,206
Additions	131	306	291	-	867	1,595
Additions due to transfer						
Disposal	(3)	-	-	-	-	(3)
Depreciation	(7,842)	(281)	(543)	(43)	(308)	(9,017)
Other	(14)	(13)	(9)	-	(1)	(35)
Changes, Total	(7,728)	12	(261)	(43)	558	(7,460)
Ending balance (net value) 12-31-2019	61,150	276	3,209	109	2,002	66,746

(1) In other property, plant and equipment, the ThUS$ 9,434 corresponds to the change of classification of assets under construction to fixed assets (mostly plant and equipment).

The total depreciation for the year was ThUS$ 9,017 and is classified under Administrative Expenses in the amount of ThUS$ 161 and Sales costs in the amount of ThUS$ 8,856 in the Statement of Income.

c) Guarantees

As of December 31, 2020, and 2019, all Property, plant and equipment assets are in a pledge to guarantee the Company's bank loans (see Note 24).

d) Impairment

There are no other indicators of impairment of the values of the assets with long useful lives.

13. Other current and non-current financial liabilities

The balance of current and non-current financial liabilities is detailed as follows:

	12-31-2020			12-31-2019		
	Current ThUS$	Non-current ThUS$	Total ThUS$	Current ThUS$	Non-current ThUS$	Total ThUS$
Loans that accrue interest (a)	10,476	61,944	72,420	10,461	72,268	82.729
Obligation minimum Concession fees (b)	9,385	36,490	45,875	9,640	40,234	49.874
Derivative contracts (c)	1,337	2,622	3,959	369	567	936
Total	21,198	101,056	122,254	20,470	113,069	133,539

13. Other current and non-current financial liabilities (cont.)

a) Loans that accrue interest

The financial debt by type of loan is detailed as follows:

	12-31-2020 Current ThUS$	12-31-2020 Non-current ThUS$	12-31-2020 Total ThUS$	12-31-2019 Current ThUS$	12-31-2019 Non-current ThUS$	12-31-2019 Total ThUS$
Bank Loans	10,324	61,044	72,268	10,324	72,268	82,592
Other Obligations	152	-	152	137	-	137
Total	10,476	61,944	72,420	10,461	72,268	82,729

On December 31, 2019, the Company refinanced its loan, with Scotiabank as the only creditor. Its main conditions are detailed as follows:

Rut	Financial Institution	Country	Currency	Interest rate	Effective interest rate	Expiration date	Amount ThUS$	Type of amortization
97018000-1	Scotiabank	Chile	US$	Libor (US $)180+ Spread 1.92%	4.31%	12-15-2026	72,268	Semi-annual starting 06-15-2021

The payments of capital to be made during the next few years are detailed as follows:

	12-31-2020 ThUS$	12-31-2019 ThUS$
Up to 90 days	-	-
From 90 days to 1 year	10,476	10,461
From 1 year to 3 years	30,972	30,972
From 3 years to 5 years	20,648	20,648
Over 5 years	10,324	20,648
Total bank loans (gross)	72,420	82,729

The Company has a six-monthly payment schedule, with expiration dates on June 15 and December 15 of each year, both for the payment of the principal as well as the payment of interest. The next payment of principal and interest is June 15, 2021.

The loan establishes certain prohibitions and obligations "of things not to do". By the end of each year, there are no non-compliances,

Covenants	Condition	Real 2020	Real 2019
1. Financial debt / Equity	< 3.3	1,69	1,82

13. Other current and non-current financial liabilities (cont.)

The Company has hedged the interest rates for this loan. The description of the derivative contracts is presented in the present note, letter c).

There are no financing costs capitalized in 2020 and 2019.

b) Minimum annual concession fee obligation:

The balance of current and non-current financial liabilities regarding the minimum annual concession fee is shown below:

12-31-2020	Current ThUS$	Non-current ThUS$	Total ThUS$
Financing concession contract	9,385	36,490	45,875
Total annual minimum concession fee	9,385	36,490	45,875

12-31-2019	Current ThUS$	Non-current ThUS$	Total ThUS$
Financing concession contract	9,640	40,234	49,874
Total annual minimum concession fee	9,640	40,234	49,874

The financing of the Concession Contract is an implicit financing held by Terminal Pacífico Sur Valparaíso S.A. with Empresa Portuaria Valparaíso (EPV), (see Note 23), and it corresponds to the minimum amount of fixed annual fees in dollars in the Concession Contract for each contractual year. This obligation has been initially recorded at present value using an interest rate of 6.59%, which was defined at the beginning of the Concession. After the initial valuation, this obligation is valued at amortized cost using the effective interest rate. The amortizations of capital are annual and divided quarterly.

13. Other current and non-current financial liabilities (cont.)

b) Minimum concession fee obligation: (cont.)

After receiving the final approval of investment project called “Site 3 Extension and Sites 4 and 5 Reinforcement of Berth Location No. 1 in the Port of Valparaíso” from Empresa Portuaria Valparaíso (EPV), the Company recalculated the minimum annual payments in dollars established in the concession contract per each contractual year until the new maturity date, that is, December 31, 2029 with a new interest rate of 4.39% (Wacc). This triggered a new obligation value and its was valued at amortized cost using this new interest rate (Wacc).

The minimum payments to be made during the next few years are detailed as follows:

	12-31-2020			12-31-2019		
	Minimum future payments ThUS$	Interest ThUS$	Current value of minimun future payments ThUS$	Minimum future payments ThUS$	Interest ThUS$	Current value of minimun future payments ThUS$
Up to 90 days	5,110	463	4,647	5,365	504	4,860
From 91 days to 1 year	4,275	1,325	2,950	4,275	1,451	2,824
From 1 year to 3 years	17,100	4,286	12,814	17,100	4,833	12,267
From 3 years to 5 years	17,100	2,493	14,607	17,100	3,117	13,983
Over 5 years	11,400	543	10,857	17,100	1,160	15,940
Total minimum lease fees	54,985	9,110	45,875	60,940	11,065	49,874

c) Derivative contracts:

The following chart shows the fair value of the hedge contracts:

	12-31-2020		12-31-2019	
	Assets ThUS$	Liabilities ThUS$	Assets ThUS$	Liabilities ThUS$
Current Interest Rate Swap				
Current Exchange Rate Forward	-	1,337	2	369
Non-current Interest Rate Swap	-	2,622	70	567
Total hedge liability		3,959	72	936

The Company has different derivative instruments that meet the hedge accounting criteria established by IFRS 9, to cover the risk associated with the current interest rate of the loan. Four Swap hedges of interest rates have been taken on different occasions interest or IRS. First the year 2015, then two during the year 2018 and finally one during the year 2019. The latter is valid until 2026.

For the exchange rate effects associated with result items that TPS wants to hedge, 12 exchange rate hedges (Forward) were taken at the end of each month. The efficient part of the hegdes has been verified and confirmed and, therefore, the effective part of it has been recognized in equity. (See Note 17).

13. Other current and non-current financial liabilities (cont.)

c) Derivative contracts, (cont.)

The effects and variations in other hedge reserves within hedge equity are shown below:

	12-31-2020 ThUS$	12-31-2019 ThUS$
Beginning balance Other hedge reserves	(1,074)	963
Beginning balance adjustment	442	-
Changes in fair value	(2,259)	(2,037)
Ending balance Other hedge reserves	(2,891)	(1,074)

The following chart shows the characteristics of the existing derivatives, and the fair value relationship at the date of each close:

Derivate	Item Covered	Agreement Date	Expiration Date	Currency	Amount	12-31-2020 Fair Value ThUS$	12-31-2019 Fair Value ThUS$
FSIRS	Libor Rate – Scotiabank Loan	01-15-2015	06-15-2023	Dollar	77.293	-	(59)
FSIRS	Libor Rate – Scotiabank Loan	01-15-2015	06-15-2023	Dollar	18.471	(1,611)	(489)
FSIRS	Libor Rate – Scotiabank Loan	01-15-2015	06-15-2023	Dollar	20.000	(457)	(179)
FSIRS	Libor Rate – Scotiabank Loan	12-16-2019	06-15-2026	Dollar	8.239	(1,891)	71
FXFWD	Exchange rate	11-04-2019	01-31-2020	Dollar / CLP	710	-	(16)
FXFWD	Exchange rate	11-04-2019	02-28-2020	Dollar / CLP	750	-	(18)
FXFWD	Exchange rate	11-04-2019	03-31-2020	Dollar / CLP	800	-	(20)
FXFWD	Exchange rate	11-04-2019	04-30-2020	Dollar / CLP	760	-	(19)
FXFWD	Exchange rate	11-04-2019	05-29-2020	Dollar / CLP	720	-	(19)
FXFWD	Exchange rate	11-04-2019	06-30-2020	Dollar / CLP	730	-	(19)
FXFWD	Exchange rate	11-04-2019	07-31-2020	Dollar / CLP	680	-	(18)
FXFWD	Exchange rate	11-04-2019	08-31-2020	Dollar / CLP	650	-	(17)
FXFWD	Exchange rate	11-04-2019	09-30-2020	Dollar / CLP	670	-	(17)
FXFWD	Exchange rate	11-04-2019	10-30-2020	Dollar / CLP	640	-	(16)
FXFWD	Exchange rate	11-04-2019	11-30-2020	Dollar / CLP	630	-	(16)
FXFWD	Exchange rate	11-04-2019	12-30-2020	Dollar / CLP	690	-	(17)
Total						(3,959)	(868)

13. Other current and non-current financial liabilities (cont.)

c) Derivative contracts, (cont.)

The estimated probable flows payable for compensation in the interest rate swap and forward are detailed as follows:

	12-31-2020 ThUS$	12-31-2019 ThUS$
Up to 90 days	-	(54)
From 91 days to 1 year	(1,338)	(315)
From 1 year to 3 years	(1,857)	(647)
From 3 years to 5 years	(764)	148
Total	(3,959)	(868)

14. Trade payables and other accounts payable

Trade payables and other current accounts payable balance are detailed as follows:

	12-31-2020 ThUS$	12-31-2019 ThUS$
Trade payables	4,817	13,788
Other accounts payable	1,328	803
Total	6,145	14,591

Other accounts payable are detailed as follows:

	12-31-2020 ThUS$	12-31-2019 ThUS$
Withholdings	619	441
Miscellaneous payables (Monthly tax and others)	709	362
Total	1,328	803

15. Deferred taxes and income tax

Deferred taxes

Deferred taxes correspond to the amount of income taxes that the Company will have to pay (liabilities) or recover (assets) in future years, in relation to temporary differences between the tax base and the accounting carrying amount of certain assets and liabilities.

a) Deferred taxes are detailed as follows:

12-31-2020 Types of temporary differences	**Deferred tax asset ThUS$**	**Deferred tax liability ThUS$**	**Net ThUS$**
Intangible assets	-	(10,722)	(10,722)
Termination benefits	1,219	-	1,219
Depreciation of Property, plant and equipment	-	(4,130)	(4,130)
Tax losses (1)	5,980	-	5,980
Other Concession Assets (2)	1,702	-	1,702
Others	294	(113)	181
Total	9,195	(14,965)	(5,770)

(1) The Company has estimated the recovery of its tax losses considering estimations of the future evolution of its business and the generation of future taxable profits that allow the recovery of this asset.
(2) Corresponds to the difference in the extension project included as infrastructure contribution.

12-31-2019 Types of temporary differences	**Deferred tax asset ThUS$**	**Deferred tax liability ThUS$**	**Net ThUS$**
Intangible assets	-	(11,613)	(11,613)
Termination benefits	1,120	-	1,120
Depreciation of Property, plant and equipment	-	(1,984)	(1,984)
Tax losses (1)	3,487	-	3,487
Other Concession Assets (2)	2,553	-	2,553
Others	190	(93)	97
Total	7,350	(13,690)	(6,340)

(1) The Company has estimated the recovery of its tax losses considering estimations of the future evolution of its business and the generation of future taxable profits that allow the recovery of this asset.
(2) Corresponds to the difference in the extension project included as infrastructure contribution.

15. Deferred taxes and income tax (cont.)

Deferred taxes (cont.)

b) The activity in deferred tax liabilities recognized during the year is detailed as follows:

Types of temporary differences	**Balance as of 1-1-2020 ThUS$**	**Effect on income ThUS$**	**Effect on equity ThUS$**	**Balance as of 12-31-2020 ThUS$**
Intangible assets	(11,613)	891	-	(10,722)
Termination benefits	1,120	131	(32)	1,219
Vacation accrual	98	19	-	117
Impairment of receivables	4	31	-	35
Tax losses	3,487	1,658	835	5.980
Depreciation of fixed assets	(1,984)	(2,146)	-	(4,130)
Deferred expenses	(93)	(20)	-	(113)
Control of written-off accounts	24	-	-	24
Assets held for sale	-	-	-	-
Other Concession Assets (1)	2,553	(851)	-	1,702
Other	64	54	-	118
Total	(6,340)	(233)	803	(5,770)

(1) Corresponds to the difference in the extension project included as infrastructure contribution.

Types of temporary differences	**Balance as of 1-1-2019 ThUS$**	**Effect on income ThUS$**	**Effect on equity ThUS$**	**Balance as of 12-31-2019 ThUS$**
Intangible assets	(12,749)	1,136	-	(11,613)
Termination benefits	1,048	103	(31)	1,120
Vacation accrual	147	(49)	-	98
Impairment of receivables	1	3	-	4
Tax losses	2,201	1,286	-	3.487
Depreciation of fixed assets	247	(2,231)	-	(1,984)
Deferred expenses	(64)	(29)	-	(93)
Control of written-off accounts	24	-	-	24
Assets held for sale	(46)	46	-	-
Other Concession Assets (1)	3,404	(851)	-	2,553
Other	63	1	-	64
Total	(5,724)	(585)	(31)	(6,340)

(1) Corresponds to the difference in the extension project included as infrastructure contribution.

15. Deferred taxes and income tax (cont.)

Deferred tax (cont.)

c) Reconciliation of income tax rate

The following chart shows the reconciliation between the income tax resulting from the application of the current general tax rate to pre-tax profits in the Statement of Comprehensive Income and the Income tax expense recorded in the Statement of Income.

		12-31-2020 ThUS$		12-31-2019 ThUS$
Pre-tax profits		930		4,680
Income tax expense		(282)		(661)
Net profit		648		4,019
Reconciliation of the effective tax rate:				
Tax expenses using legal base	27%	(251)	27%	(1,264)
Previous year tax expense	1.65%	(15)		(35)
Tax effect of rejected expenses	3.58%	(33)		(41)
Permanent difference				
Other variations for legal taxes	(1.82%)	17	14.5%	679
Tax expenses using the effective rate	30.32%	(282)	14.12%	(661)

d) Income tax expense is detailed as follows:

	12-31-2020 ThUS$	12-31-2019 ThUS$
Current income tax expense (1)	(50)	(76)
Effect of deferred taxes (2)	(232)	(585)
Loss due to income tax	(282)	(661)

16. Termination benefits

a) Employee termination benefits

As of December 31, 2020, and 2019, the entity's responsibility to all of its employees is determined using the criteria established in IAS 19.

The obligation of employee termination benefits for years of service represents the benefit to be paid to all of the Company's employees upon termination of the concession.

The actuarial valuation is based on the following assumptions:

	12-31-2020	12-31-2019
Nominal discount rate (1)	2.65%	3.17%
Turnover rate based on company's needs (2)	5.40%	5.20%
Future salary increases (3)	0.8%	2.5%
Use of mortality chart	RV-2014	RV-2014
Retirement age for Men	65	65
Retirement age for Women	60	60

(1) Corresponds to risk-free discount rate in Chile
(2) Corresponds to internal employee turnover rate
(3) Corresponds to nominal salary increase rate

The assumptions regarding future mobility are based on public statistics charts.

The changes in the value of the obligation are shown below:

	12-31-2020 ThUS$	12-31-2019 ThUS$
Beginning balance as of January 1	4,146	4,301
Current cost of the service	198	173
Finance cost	66	98
Actuarial profit/loss	54	777
Benefits paid by the plan	(170)	(893)
Foreign currency translation	220	(310)
Ending balance as of December 31	4,514	4,146

The effect carried to income during 2020 is ThUS$ 94 and ThUS$ (40) in 2019.

b) Employee expenses are detailed as follows:

	12-31-2020 ThUS$	12-31-2019 ThUS$
Salaries and wages	6,823	8,857
Expenses for employee benefits obligation	1,577	1,581
Participation in profits and bonuses	2,725	635
Other employee expenses (1)	815	1,167
Total employee expenses	11,940	12,240

(1) Corresponds to fees about security, capacitation and others.

17. Equity and reserves

a) Capital subscribed, paid and number of shares.

As of December 31, 2020, and 2019, the authorized corporate capital equals ThUS$ 67,000, and is represented by 3,333 shares. All shares have been fully paid.

Series	*Period*	*No. shares subscribed*	*No. shares paid*	*No. shares with voting rights*
Single		3,333	3,333	3,333

These shares have no nominal value and the Company has none of its own shares in its portfolio.

b) Others reserves

This equity category shows the effective portion of the cumulative effect (net of deferred taxes) of the fair value of hedge instruments and actuarial profit or loss associated with termination benefits. In addition, the category Other Reserves includes the amount distributed as interim dividends over the income of 2016 and retained earnings of the Company as of the agreement date.

Pursuant to article 56 of Law No. 18046 on Corporations, the Ordinary Shareholders Meeting is charged with the responsibility of reviewing the position of the Company and the reports of the account inspectors or external auditors, as appropriate, and approving or rejecting the Annual Report, Balance Sheet, Financial Statements and demonstrations presented by the administrators or liquidators of the Company. Then, the account "Other Reserves" has been recorded as approved at Meeting of shareholders held in 2017 for ThUS$ 24,385 pending the decision of the Ordinary Shareholders Meeting regarding the intended use of the income for the year ended December 31, 2017.

c) Dividends

According to the by-laws, the Company will distribute at least 30% of profits for the year unless all voting shares agree otherwise.

On December 18, 2019, an essential event was sent for the eventual dividend payment of US$750,075007 per share, which was paid on December 27, 2019, to the shareholders and charged to retained earnings.

On December 17, 2020, an essential event was sent for the eventual dividend payment of US$600.060006 per share, which was paid on December 28, 2020, to the shareholders and charged to retained earnings.

Due to recognition of the company bylaws and Chilean stock companies' regulations, 30% of the profits for the year are accrued as provisional dividends as of December 31, 2019.

d) Capital management

The Company's objective in terms of capital management is to maintain an adequate level of capitalization, which will allow it access to financial markets for the development of its medium and long-term objectives, optimizing the return to its shareholders and maintaining a solid financial position.

18. Ordinary revenue

The ordinary revenue is detailed as follows:

	12-31-2020 ThUS$	12-31-2019 ThUS$
Wharfage services for cargo	5,332	5,913
Wharfage services for ships	4,555	5,411
Transfer services	36,721	40,991
Yard services	19,286	27,137
Others	143	124
Total Ordinary Revenue	66,037	79,576

19. Sales costs

The sales cost is detailed as follows:

	12-31-2020 ThUS$	12-31-2019 ThUS$
Concession costs (1)	(14,022)	(15,040)
Fixed costs	(12,859)	(14,932)
Depreciation of fixed asset (See Note 12)	(7,440)	(8,856)
Variable costs (2)	(18,770)	(22,815)
Total sales costs	(52,821)	(61,643)

(1) Includes the amortization amounts indicated in Note 11
(2) Variable costs are mainly associated to the container and general cargo loading and unloading services provided to ships.

20. Administrative expenses and by function

a) Administrative expenses are detailed as follows:

Administrative expenses	12-31-2020 ThUS$	12-31-2019 ThUS$
Employee salary expenses	(4,110)	(2,982)
External and advisory services expenses	(2,578)	(3,135)
Communications expenses	(21)	(40)
Travel expenses	(6)	(43)
Overhead expenses	(546)	(546)
Depreciations (See Note 12)	(153)	(161)
Other administrative expenses	(450)	(724)
Total administrative expenses	(7,864)	(7,631)

21. Finance Costs

Finance costs are detailed as follows:

	12-31-2020 ThUS$	12-31-2019 ThUS$
Finance interest and interest rate swap	3,236	4,719
Interest for Concession Contract financing	1,955	2,115
Bank guarantee letters	37	32
Employee benefits (See note 16)	67	98
Total finance costs	5,295	6,964

22. Service concession contract

Grantor : Empresa Portuaria Valparaíso (EPV)
Concessionaire : Terminal Pacífico Sur Valparaíso S.A. (TPS)

The Concession Contract of Berth No.1 of the port of Valparaíso was executed with Empresa Portuaria Valparaíso on November 12, 1999.

The Company is awarded by means of this contract the exclusive concession to develop, maintain and exploit Valparaíso Port Berth Location No. 1, including the right to charge users basic fees for basic services and special fees for special services provided in the concession area.

Under the terms of this contract, TPS is required to pay Empresa Portuaria Valparaíso the following:

(a) Initial payment amounting to ThUS$ 25,100, which was made to Empresa Portuaria Valparaíso on December 31, 1999;

(b) Additional Payment amounting to ThUS$ 75,500, which was made to Empresa Portuaria Valparaíso in 5 annual instalments of ThUS$ 15,100 each, beginning in 2001;

(c) The annual fee during the first contract year corresponded to a fixed amount of ThUS$ 4,620, which was paid in four quarterly instalments of ThUS$ 1,155 each. The annual fee from the second contract year and each subsequent year of the contract corresponds to an annual amount that needs to be determined on the basis of the cargo transferred during the prior contract year; however, it may not be less than ThUS$ 5,700 each year.

The payments mentioned in letter c) must be adjusted according to the Producer Price Index (PPI) of the United States of America for finished goods (adjustment is not seasonal), determined by the United States Bureau of Statistics. This annual fee must be paid in US dollars or the equivalent in Chilean pesos according to the observed exchange rate informed by the Chilean Central Bank on the date of payment, in four equal quarterly instalments.

The original term of the concession is 20 years from the delivery date of the berthing front, occurred on January 1, 2000. The Concessionaire had the option to extend the term for a period of 10 additional years if the execution and operation phases of the construction project set forth in Annex VII of the Concession Contract are complete before the 19th contract year begins and has complied with some terms and conditions stated in the contract. The 10 additional years extension were ratified by the Empresa Portuaria Valparaíso at the time of granting the final approval to the respective project.

In accordance with the provisions of Section 12.1, letter G of letter a) of the Contract, as of December 31, 2019, Empresa Portuaria Valparaíso and Terminal Pacífico Sur Valparaíso S.A. are still auditing the effective cost of the works, for the purposes of determining the residual value that must be returned to Terminal Pacífico Sur Valparaíso S.A. at the end of the concession.

As of the concession expiration date both the Berth Location and all infrastructure contributions must be presented in good working conditions, save for the normal tear and wear.

As of closing of the period ended December 31, 2020, the obligations arising out of the Concession Contract have been complied with in all respects.

23. Financial instruments and risk management

23.1 Hierarchy of valuation

Under IFRS 7, there is a hierarchy for the determination of the value of a financial instrument. This hierarchy prioritizes price quotes available in active markets. In the absence of an active market, the fair value is estimated according to observations of transactions in the market of similar instruments. If no such transactions exist, then valuation techniques are used. Finally, if none of the above apply, the fair value of the financial instrument is close to its amortized cost minus impairment.

23.2 Guarantees granted and received

At the date of this report, Terminal Pacífico Sur Valparaíso S.A. has granted the following direct guarantees and received the following guarantees from third parties:

23.2.1 Direct Guarantees

			Outsanding Balances		Guarantees Realese	
Guarantee Creditor	**Name**	**Currency of Origin**	**31-12-2020**	**31-12-2019**	**12-07-1905**	**2021 and following**
Banco Scotiabank	Empresa Portuaria Valparaíso	USD	-	3,939,561	3,939,561	-
Banco Scotiabank	Empresa Portuaria Valparaíso	USD	-	3,939,561	3,939,561	-
Banco Scotiabank	Empresa Portuaria Valparaíso	USD	-	3,939,561	3,939,561	-
Banco Scotiabank	Empresa Portuaria Valparaíso	USD	-	3,939,561	3,939,561	-
Banco Itaú	Servicio Nacional de Aduanas	UF	-	18,000	18,000	-
Banco Crédito e Inversiones	Inspección del Trabajo	UF	-	11,327	11,327	-
Banco Santander	Empresa Portuaria Valparaíso	UF	-	134	134	-
Banco Santander	Empresa Portuaria Valparaíso	UF	-	58	58	-
Banco Crédito e Inversiones	Zeal Concesionaria S.A.	UF	-	100	100	-
Banco Scotiabank	Empresa Portuaria Valparaíso	USD	3,684,992	-	0	3,684,992
Banco Scotiabank	Empresa Portuaria Valparaíso	USD	3,684,992	-	0	3,684,992
Banco Scotiabank	Empresa Portuaria Valparaíso	USD	3,684,992	-	0	3,684,992
Banco Scotiabank	Empresa Portuaria Valparaíso	USD	3,684,992	-	0	3,684,992
Banco Itaú	Servicio Nacional de Aduanas	UF	18,000	-	0	18,000
Banco Crédito e Inversiones	Inspección del Trabajo	UF	10,973	-	0	10,973
Banco Itaú	Empresa Portuaria Valparaíso	UF	134	-	0	134
Banco Itaú	Empresa Portuaria Valparaíso	UF	58	-	0	58
Banco Crédito e Inversiones	Zeal Concesionaria S.A.	UF	100	-	0	100
Banco Itaú	Empresa Portuaria Valparaíso	UF	3	-	0	3
Banco Itaú	Empresa Portuaria Valparaíso	UF	16	-	0	16
Banco Itaú	Empresa Portuaria Valparaíso	UF	24	-	0	24
Banco Itaú	Empresa Portuaria Valparaíso	UF	11	-	0	11
Banco Itaú	Servicio Nacional de Aduanas	USD	5,000	-	0	5,000

Likewise, by virtue of the long-term credit line contract signed by the Company and Scotiabank, Terminal Pacífico Sur Valparaíso S.A. constituted in favor of that institutions a special pledge on the port concession that involves the right to the port concession belonging to the Company, all tangible assets of the Company of over ThUS$ 50 and all revenue that corresponds to the Company as a result of the exploitation of the Concession Contract.

23. Financial Instruments and risk management (cont.)

23.2 Guarantees granted and received (cont.)

23.2.2 Guarantees obtained from third parties

At the date of this report, Terminal Pacífico Sur Valparaíso S.A. has received guarantees from some of its clients for services provided to guarantee the payment of invoices according to the 5+ day credit conditions.

		Amount	
Third parties guarantees	**Currency of Origin**	**12-31-2020**	**12-31-2019**
Securities in guarantees for sales	CLP	60,634	36,990
	USD	20,000	1,006

23.3 Implicit derivatives in host contracts

At the date of the report, Terminal Pacífico Sur Valparaíso S.A. has not constituted positions with implicit derivatives in host contracts.

23.4 Non-compliance with financial liabilities

At the date of the report, Terminal Pacífico Sur Valparaíso S.A. has not incurred in any non-compliance in terms of financial liabilities.

23.5 Presentation of exposure to financial risks

The Management uses the term “risk” to refer to situations in which it is exposed to propositions show elements of uncertainty, classifying these according to the sources of uncertainty and the associated video transmission mechanisms. Specifically, the Management uses the term “financial risk” to refer to financial uncertainty, in different time limits, generated by the operations of Terminal Pacífico Sur Valparaíso S.A.

23.6 Exposure to credit risk

The Management uses the concept “credit risk” to refer to financial uncertainty, in different time limits, related to the compliance of obligations assumed by counterparties, upon exercise of contractual rights to receive cash or other financial assets.

Regarding “trade receivables and other accounts receivable”, the counterparties are primarily customs agents, cargo agents and transportation companies with high solvency. The risk is managed by each business unit subject to the policy, procedures and controls established by Terminal Pacífico Sur Valparaíso S.A., in relation to the credit risk management of clients. The credit limits are established for all clients based on internal policies, which are evaluated periodically. Similarly, trade receivables are regularly monitored, and the impairment is analyzed individually on each reporting date for all relevant clients. The maximum exposure to credit risk at the date of this report is the current value of “trade receivables and other accounts payable”.

23. Financial Instruments and risk management (cont.)

23.6 Exposure to credit risk (cont.)

Regarding "financial assets at fair value", these are executed with local and foreign entities with national and international rating equal to or greater than A- according to S&P and within the credit limits assigned by the counterparty. The credit limits for each counterparty are reviewed by the Board of Directors once a year and can be updated during the year subject to the approval of the financial committee. The limits are established in order to minimize the concentration of risks, and therefore mitigate the losses due to potential default by the counterparties.

23.7 Characterization and concentration of counterparties

The exposure to credit risk corresponds to the risk that operations are concentrate on any client. Terminal Pacífico Sur Valparaíso S.A. is not exposed to this risk.

23.8 Exposure to liquidity risk

Management uses the term "liquidity risk", to refer to financial uncertainty, in different time limits, related to the entity's capacity to respond to net cash requirements that support its operations, under both normal and exceptional operating conditions. Terminal Pacífico Sur Valparaíso S.A. permanently evaluates the concentration of risk regarding debt refinancing.

23.9 Characterization and expiration profile

Th US$	12-31-2020								
	Amortized Cost - carrying value	0 to 15 days	16 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	181 to 360 days	1 to 2 years	2 + years
Financial liabilities at amortized cost	**104,111**	**3,286**	**5,718**	**196**	**-**	**14,903**	**18,064**	**10,324**	**51,620**
Obligations with financial institutions	82,774	-	-	-	-	10,476	10,324	10,324	51,620
Related entities payables	2,460	1,261	893	92	-	214	-	-	-
Trade creditors and other accounts payable	8,628	2,025	2,46	104	-	4,213	2,040	-	-
Miscellaneous payable	9,385	-	3,685	-	-	-	5,700	-	-
Others	894	-	-	-	-	-	-	-	-
Financial hedge assets and liabilities	**3,959**	**-**	**-**	**-**	**-**	**696**	**642**	**1,113**	**1,508**
Derivatives	**3,959**	-	-	-	-	696	642	1,113	1,508

23.10 Exposure to market risk

The Management uses the term "market risk" to refer to financial uncertainty, in different time limits, related to the future evolution of market variables relevant to the financial yield of a financial instrument or group of them.

The financial instruments exposed to market risk are primarily bank loans and obligations, term deposits and mutual funds, accounts payable and receivable and derivative financial instruments.

23. Financial Instruments and risk management (cont.)

23.11 Exposure to exchange rate risk

A primary risk factor is the exposure to currencies other than the functional currency, in this case the U.S. dollar. When risk factors are similar, these are typically classified into three categories, according to their transmission mechanism:

a. Transmission by transaction, which refers to the translatability of cash flows to their equivalent in functional currency and vice versa.
b. Transmission by translation, which refers to the consolidation of Financial Statements of subsidiaries denominated in currencies other than the function currency of the Parent Company, and.
c. Transmission by economic value, which refers to the translatability at its equivalent in functional currency of the present value of future cash flows denominated in foreign currencies.

It is company policy that financial risk management activities shall primarily concentrate on transmissions by transaction from a prospective point of view, using the sensitivity of the future value equivalent in functional currency of all open exposure as a means for monitoring.

23.12 Exposure to interest rate risks

The interest rate risk is the risk generated by changes in the fair value of cash flows in the financial instruments of the Statement of Financial Position, given variations in the market interest rates. For Terminal Pacífico Sur Valparaíso S.A., the LIBOR 180-day interest rate underlying its long-term bank debt has been identified as a risk factor.

The Company manages the interest rate risk through hedges with Interest Rate Swaps (IRS), with which the Company agrees to exchange semesterly an amount generated from the differences between a fixed rate and a variable rate calculated using the established notional. As such, this Interest Rate Swaps qualify as hedges according to effectiveness tests according to IFRS 9. The fair value of the hedging contracts will increase/decrease in accordance with the increase/decrease the LIBOR 180-day interest rate.

23.13 Mechanisms of financial risk management

In general terms, the Corporate Financial Risk Policy specifies the defined management guidelines in relation to all components of financial uncertainty that have been proven relevant to the operations of Terminal Pacífico Sur Valparaíso S.A., and it determines how the Company is organized for these purposes. Simultaneously, it defines the objective of the financial risk management activities as the permanent protection of the financial stability and sustainability of Terminal Pacífico Sur Valparaíso S.A., under both normal and exceptional conditions.

23. Financial Instruments and risk management (cont.)

23.14 Strategy

The financial risk management strategy is aimed at protecting the stability and sustainability of Terminal Pacífico Sur Valparaíso S.A. in relation to all components of financial uncertainty or relevant events.

The financial risk management process is based on:

a. Roles and responsibilities for all agents regarding the financial risk management activities;
b. Methodologies and systems of generation and publication of information;
c. Specification of overall and specific financial objectives for all operations of Terminal Pacífico Sur Valparaíso S.A.;
d. Specification of financial risks identified and evaluated in relation to the operations of Terminal Pacífico Sur Valparaíso S.A.;
e. Specification of levels of risk tolerance that Terminal Pacífico Sur Valparaíso S.A. is in the condition to financially support;
f. Specification of overall and specific objectives for all decisions and/or activities in terms of financial risk management; and
g. Mechanisms to evaluate the effectiveness of all decisions and/or activities in terms of financial risk management.

23.15 Main roles and responsibilities

The Board of Directors shall be responsible for:

a. To understand the financial risks identified and evaluated in relation to Terminal Pacífico Sur Valparaíso S.A.
b. To validate the financial risk management policy; and
c. To Stay adequately informed by the Executive president of all events regarding financial risk management activities.

Management is responsible for the process of risk management, particularly the Finance and Administration and the Commercial Departments.

24. Contingent assets and liabilities

24.1 Contingent Liabilities

a) Direct guarantees:

As stipulated in Section 14.1 of the Concession Agreement, the Company maintains, in favor of Empresa Portuaria Valparaíso (EPV), guarantees of faithful compliance with the Contract, through the delivery of four Guarantee Bonds (N º 0178895, N º 0178896, N °0178897, N ° 0178898 of Scotiabank) for an individual amount of ThUS $ 3,685, due on April 30, 2021.
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24. Contingent assets and liabilities (cont.)

24.1 Contingent Liabilities (cont.)

a) Direct guarantees: (cont.)

As stipulated in Section 14.1 of the Concession Agreement, the Company maintains, in favor of Empresa Portuaria Valparaíso (EPV), guarantees of faithful compliance with the Contract, through the delivery of four Guarantee Bonds (N º 0178895, N º 0178896, N °0178897, N ° 0178898 of Scotiabank) for an individual amount of ThUS $ 3,685, due on April 30, 2021

The Company maintains the Guarantee Bond No. 4334113 from Banco Itaú, in favor of Servicio Nacional de Aduanas, to guarantee full compliance with the obligations as stockholders, for UF 18,000 equivalent to ThUS $ 736, due on March 31, 2021.

The Company holds the Guarantee Bond No. 417643 from Banco de Crédito e Inversiones, in favor of Valparaíso Labor Inspectorate for the faithful compliance with the payment of labor and social security obligations for an amount of UF10,973, equivalent to ThUS$449, maturing on March 31, 2021.

On the basis of the long-term credit line contract signed by the Company with the bank Scotiabank, the Company gave that bank a special pledge on the port concession, which includes the port concession right the Company owns, plus all the movable tangible property of the Company over ThUS$50 and all revenue corresponding to the Company from the operation of the Concession Contract.

b) Lawsuits or other legal proceedings that affect the Company:

- **National Economic Prosecution Investigation**
  Registry F135-2018. Investigation about compliance of vertical and horizontal limits and possible differences between Concession Contract and Dictum N°1045 of Preventive Central Committee.
  Current Status: initiated on September 11, 2017, and is still in investigation.

- **Arbitration Case (Registry CAM 3323-2018), claimant, PMI Energy Services S.A., defendant Terminal Pacífico Sur Valparaíso S.A**. Matter: damage compensation due to Contractual Liability. Current status: Finished due to expiration of the jurisdiction period. The compliant is still pending. The demanded amount in the main claim is Ch$ 636,167,674 plus readjustments and interests. For the counterclaim, the amount is still undetermined.

- **Lawsuit filed by worker Luis Enrique González against Report and TPS RIT O-1175-2019 of the Labor Court of Valparaíso (Ref.:2019/125/FPC).** This is a lawsuit filed by a port worker who alleges that for more than 17 years he served in the Terminal granted to TPS as a crane operator and other port tasks, developing a professional disease consisting of bilateral sensorineural hearing loss, derived from exposure to noise. It is alleged that the defendant companies did not adopt safety measures to protect the worker, by not providing him with the necessary protective elements, which would have been the cause of the disease.

  The defendants did answer the demand and the preparatory hearing was set for 08-02-2020 at 9:00.

  The amount demanded by the worker is Ch$ 100,000,000 as moral damage.

24. Contingent assets and liabilities (cont.)

24.1 Contingent Liabilities (cont.)

According to the information collected and given that it is a worker who served for many years in the Terminal, it has been difficult to reconstruct all the measures, therefore, this is considered to be a complex trail.

According to medical history is not clear if the disease is produced due to noise exposure in the terminal or other causes. Mutual IST declares that is a common disease.

In any case, it seems to us that the amount demanded is very high, so that even in the event of a conviction, the amount should be substantially less. The defendants are exploring an agreement with the claimant about Ch$ 4,000,000 (in that case, Ch$ 2,000,000 each one).

- **Judicial Recovery initiated by Viña del Mar Clinical Hospital against Terminal Pacífico Sur Valparaíso. Civil Court of Valparaíso, Registry C-3330-2018 (Nta. Ref.:2019/093/FPC):**
  Judicial recovery of an invoice for a medical attention to a daughter TPS worker (Luis Cartagena).
  The invoice is for an amount of Ch$3,351,411. The invoice was not claimed at time, then its losses executive title.
  However, TPS never requested this medical service and did not endorse this payment. This guarantee was promoted by TPS Union (different entity).

  With the term, exceptions were presented, and the (ideological) falsehood of the title was argued, as well as the fact that these do not comply with the legal requirements and that, therefore, the obligation should be null. Even though our exceptions are reasonably founded, it must be considered that the recovery of the credit titles is fundamentally based on the "formality of the title" and the fact that the invoice has not been dunned within the term, it is not very probable that our defense is accepted.

  The Court received the exceptions, opening an approval term of ten days, which will start after the Covid19 Constitutional State of Exception.

- **Lawsuit filed by ex-worker Viviana Vergara Cuello, RIT O-1578-2020 of Labour Court of Valparaíso (Nta. Ref.: 2020/177/FPC):**
  The ex-worker claims an unfairly firing. The dismissal is due a serious non-compliance of the contract, the ex-worker installed a software to provide company internet to third parties, making profit.
  The demand is for an amount of Ch$ 13,893,849 of which Ch$ 902,198 correspond to one-month notice, Ch$ 7,217,584 severance pay for years of service and Ch$ 5,774,067 an 80% increase of severance payment.
  Previous to the dismissal, the company released a report of an internal investigation to sustain the decision.
  With regard to the expectations of the trial, even when is known the ex-worker installed the software and the Labor Court criteria, the lawsuit has a hard forecast. The ex-worker has a good record and on many occasions, the Courts decides that it is an error of the employee that deserves an admonition, not a dismissal.
  A preparatory hearing is set for 03-11-2021 at 9:00 and the deadline for answer the demand expires in 03-04-2021.

24. Contingent assets and liabilities (cont.)

24.1 Contingent Liabilities (cont.)

c) Long-term credit line contract.

On December 16, 2013, the Company signed a contract with Banco BBVA (now Scotiabank) and Banco Estado. After that date, this contract has had a series of modifications, the last one being signed on December 16, 2019. In this modification, a transfer and restructuring of the credit agreement is made, leaving Scotiabank as the sole creditor. Within the obligations of the contract it is established that:

- If this information is not available through the Financial Market Commission (CMF) website, its audited individual Financial Statements must periodically be provided to creditor, on the same date that this information must be presented by the Debtor to the Financial Market Commission.
- To provide each year a certificate issued by the debtor's general manager or his replacement, that certifies that, to the best knowledge and understanding of that executive, no cause of Non-Compliance or Non-Compliance has occurred;
- To inform the Creditor in writing, as soon as possible, but no longer than five bank business days from when a Debtor's executive is aware of the occurrence of any Cause of Non-Compliance or Non-Compliance, etc.
- To provide to the creditor financial, tax, accounting, economic and/or legal information and all other relevant information of the Debtor;
- To provide to the creditor, upon their request, any information necessary to apply regulations on individual credit limits established in number one of Article 84 of the General Law of Banks correctly;
- To inform the Bank of any statutory modifications of the Debtor;
- To establish and maintain an adequate accounting system based on IFRS;
- To maintain the effectiveness of contracts, rights, trademarks, licenses, authorizations, franchises, concessions and patents, related to the development of its activities.
- To preserve and maintain its existence, validity and legal structure, as well as its current lines of business;
- To fulfill all of its obligations by virtue of any act, contract or convention, whose non-fulfillment would or could mean, individually or as a whole, an Important Adverse Effect;
- To comply with legislation and current regulations that are applicable to the development of its activities;
- To pay on time its tax, social security and labor obligations and other legal obligations that are applicable, except for those discussed via the proper procedure and regarding which all corresponding provisions have been established, according to IFRS;
- To maintain all goods necessary for the execution of its business and operations in good conditions of conservation and maintenance, except for normal wear and tear. Specifically, the Debtor must hold insurance with adequate coverage to reasonably protect the Concession site and other assets, for amounts, terms, risks and with top-rate insurance companies in accordance with the Insurance Program;
- To ensure that all operations performed with Related Parties, whether directly or through other Related Parties, conform to similar conditions as those that normally prevail in the market;
- To use all resources from the Credits for the sole purposes referred to in the present Contract.
- To ensure that, at all times, its obligations under the Credit Documents, shall have the same payment preference and priority under law as its other current or future payment obligations, except for those obligations that take preference according to law;
- To meet all obligations by virtue of the present Contract and all other Credit Documents;

24. Contingent assets and liabilities (cont.)

24.1 Contingent Liabilities (cont.)

c) Long-term credit line contract (cont.)

- To allow the Creditor' executives to inspect the property of the Debtor and the Concession along with the debtor's executives, etc.
- To allow and collaborate with the Independent Construction Engineer and Independent Equipment Engineer in the examination and inspection of its facilities;
- To keep assets insured for the amounts, terms, risks and with top-rate insurance companies, in compliance with the Insurance Programs;
- To Endorse the Insurance Policies within thirty days following the date of the present Contract;
- To comply with the terms and conditions of the Insurance Policies, especially the payment of premiums, installments and other payable amounts in relation to the mentioned policies and with the reporting obligations imposed therein;
- To present, with the frequency indicated by the Superintendency of Banks and Financial Institutions, or upon request by the Bank no less than once a year, and at the cost of the Debtor, an appraisal of physical assets provided in guarantee in favor of the Creditors, done by an expert appraiser designated by the Bank;
- To constitute a pledge on the assets that it acquires in the future and which have an individual value equal to or greater than one hundred thousand dollars;
- To ensure that the Guarantees remain fully valid and enforceable, in the first degree of preference, and to grant and subscribe all additional documents for these purposes;
- In the event that any Cause for Non-Compliance, or any Non-Compliance, may occur, to reimburse the Bank, or directly pay the reasonable and duly documented fees, costs and expenses of any advisor or consultant that the Bank deems necessary upon request by the Bank to prepare and submit a report on the revenue, operating system and maintenance of the Project, and any other technical and legal aspects relevant to the Project;
- To perform the Expansion Works, and the additional works that must be executed within the framework of the Economic Equilibrium of the Works, in compliance with the Concession Contract and the Expansion Works Budget.
- To obtain the final approval of the expansion works before the thirtieth of June of two thousand seventeen.
- To formally manifest to EPV interest in expanding the concession term by ten years, under the terms and conditions indicated in Appendix VII of the Concession Contract, before the thirtieth of June of two thousand seventeen.
- To comply with certain financial ratios, yearly measured on the debtor's Financial Statements.

d) Sanctions

During the years ended December 31, 2020 and 2019, the Company, or its Directors and Managers have not been subject to sanctions of any kind by the Commission for the Financial Market (previously called Superintendencia de Valores y Seguros) or any other administrative authority.

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24. Contingent assets and liabilities (cont.)

24.2 Guarantees obtained from third parties

As of December 31, 2020 and 2019, the Company received guarantees from some of its clients for the services provided, which consisted in guaranteeing the payment of invoices according to the credit conditions of 5 days and more, and for guarantees received for the purchase of equipment and other items.

As of December 31, 2020, the guarantee bills received from customers and held by Terminal Pacífico Sur Valparaíso S.A. amounted to ThUS$ 81.

As of December 31, 2019, the guarantee bills received from customers and held Terminal Pacífico Sur Valparaíso S.A. amounted to ThUS$ 1,006.

25. Foreign currency translation and monetary position in foreign currency

The differences for foreign currency translation during the years ended December 31, 2020 and 2019 for items in foreign currency (other than the U.S. dollar), were credited (debited) to the income for the year according as follows:

	12-31-2020 ThUS$	12-31-2019 ThUS$
Cash and cash equivalent	168	8
Trade receivables and other accounts receivable	-	(1)
Current taxes	43	(79)
Other current assets	(1)	(63)
Current Assets	210	(135)
Net trade receivables and other non-current accounts receivable	147	38
Non-current Assets	147	38
Total Assets	357	(97)
Trade payables and other current accounts payable	31	14
Other current liabilities	-	-
Current Liabilities	31	14
Termination Benefits	(220)	310
Non-current Liabilities	(220)	310
Total Liabilities	(189)	324
Credit (debit) to income for foreign currency translation	168	227

25. Foreign currency translation and monetary position in foreign currency (cont.)

The following chart shows the monetary position of items in foreign currency which are exposed to the variation of the exchange rate corresponding to the years ended December 31, 2020 and 2019.

Monetary Position

ASSETS		**12-31-2020 ThUS$**	**12-31-2019 ThUS$**
Current			
Cash and cash equivalent	Pesos	1,110	1,650
Cash and cash equivalent	Dollars	11,649	10,460
Other current financial assets	Dollars	-	2
Other current non-financial assets	Pesos	299	139
Other current non-financial assets	Dollars	2,254	2,030
Net trade receivables and other accounts receivable	Pesos	1,842	2,366
Net trade receivables and other accounts receivable	Dollars	7,789	15,051
Accounts receivable from related parties	Pesos	32	127
Accounts receivable from related parties	Dollars	101	2,550
Inventory	Dollars	2,193	2,055
Current tax assets	Pesos	174	-
Current tax assets	Dollars	100	228
Total current assets other than assets or groups of assets held for sale or held for distribution to the owners.		**27,543**	**36,658**
Non-current assets or groups of assets held for sale.	Dollars	**-**	**-**
Total Current assets		**27,543**	**36,658**
Non-current			
Net trade payables and other accounts receivable	Dollars	16,005	14,823
Other non-current non-financial assets	Dollars	55	86
Net intangible assets other than goodwill	Dollars	80,774	88,944
Property, plant and equipment	Dollars	59,254	66,746
Total Non-current assets		**156,388**	**170,599**
Total Assets protected from exchange rate variation (dollar)		**180,474**	**202,975**
Total Assets protected from exchange rate variation (pesos)		**3,457**	**4,282**
Total Assets		**183,931**	**207,257**

25. Foreign currency translation and monetary position in foreign currency (cont.)

Monetary Position (cont.)

LIABILITIES		**12-31-2020 ThUS$**	**12-31-2019 ThUS$**
Current			
Other current financial liabilities	Dollars	21,198	20,470
Trade payables and other accounts payable	Pesos	4,023	3,006
Trade payables and other accounts payable	Dollars	2,122	11,585
Accounts payable to related parties	Pesos	1,746	2,114
Accounts payable to related parties	Dollars	695	1,206
Total Current liabilities		**29,874**	**38,381**
Non-current			
Other non-current financial liabilities	Dollars	101,056	113,069
Deferred tax liabilities	Dollars	5,770	6,340
Provision for employee benefits	Dollars	4,514	4,146
Other non-current provisions	Dollars	-	-
Total Non-current liabilities		**111,340**	**123,555**
Equity	Dollars	**42,807**	**45,321**
Total Liabilities protected from exchange rate variation (dollar)		**178,162**	**202,137**
Total Liabilities protected from exchange rate variation (pesos)		**5,769**	**5,120**
Total Liabilities		**183,931**	**207,257**

26. Environment

Expenses incurred during the year ended December 31, 2020, amount to ThUS$ 62. (ThUS$ 42 in 2019)

Company	**Expenditure concept detail**	**Costs/Expenses**	**Supplier**	**MUS$**
TPS	Hazardous solid waste management plan	Costs	Alejandro Coronel	4
TPS	Hazardous solid waste management plan	Costs	Comercial Vicmar	36
TPS	Clean spots	Costs	Umwel Chile	2
TPS	Carbon footprint	Costs	ABS Quality Consulting	13
TPS	Attention to emergencies	Costs	Suatrans	7
			TOTAL	62

27. Relevant facts

There are no relevant facts in the period.

28. Subsequent events

The present Financial Statements were approved and authorized for issue by the Board of Directors of the Company in the meeting held on January 29, 2021.

Between December 31, 2020, and the authorization date of the present Financial Statements, there have been no other events that could significantly affect the Financial Statements.