



CHAPTER 07

MOLIBDENOS Y METALES S.A. AND SUBSIDIARIES

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**MOLIBDENOS Y METALES S.A.
AND SUBSIDIARIES**

**CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2019**

In thousands of United States Dollars (THUSD)

This document has 2 sections:
Consolidated financial statements
Notes to the Consolidated Financial Statements



REPORT OF INDEPENDENT AUDITORS

(Free translation from the original in Spanish)

Santiago, January 28, 2020

To the Shareholders and Directors Molibdenos y Metales S.A.

We have audited the accompanying consolidated financial statements of Molibdenos y Metales S.A. and subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2019 and 2018 and the consolidated statements of profit or loss, of comprehensive income, changes in equity and cash flows for the years then ended and the related notes to the consolidated financial statements.

Management's responsibility for the consolidated financial statements

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

Auditor's responsibility

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

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 misstatements 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 consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for purpose of expressing an opinion on the effectiveness of the entity's internal control. Consequently, we do not express such an 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 consolidated financial statements.

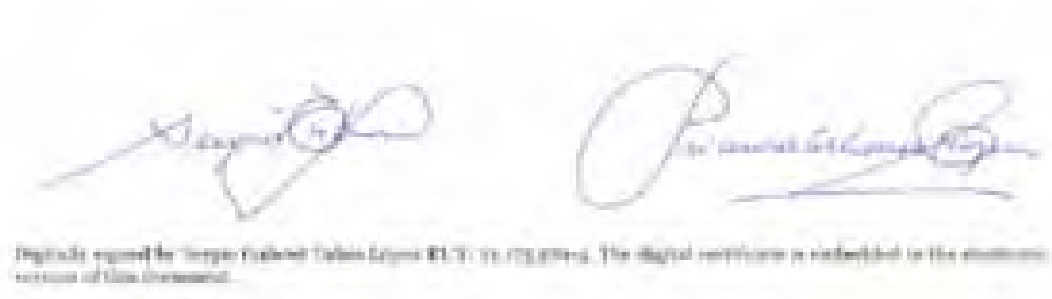
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Santiago, January 28, 2020
Molibdenos y Metales S.A.
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Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Molibdenos y Metales S.A. and subsidiaries as of December 31, 2019 and 2018, and the results of their operations and cash flows for the years then ended in accordance with International Financial Reporting Standards.



Digitally signed by Sergio Valdovinos Valdes (RN: 11.173.079-4). The digital certificate is embedded in the electronic version of this document.

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2019 AND 2018. (In thousands of United States Dollars)

ASSETS	Note	12-31-2019 THUSD	12-31-2018 THUSD
CURRENT ASSETS			
Cash and cash equivalents	5	199.824	192.584
Other financial assets, current	6	145	22.268
Other non-financial assets, current	7	4.445	7.441
Trade and other receivables, current	8	139.757	140.824
Intercompany receivables, current	9	316	147
Inventories	10	389.579	448.787
Biological assets, current	11	526	533
Tax assets, current	12	21.045	2.661
Current assets different from assets classified as held for sale		755.637	815.245
Assets classified as held for sale	13	-	7.277
Total current assets		755.637	822.522
NON-CURRENT ASSETS			
Other financial assets, non-current	6	301	-
Other non-financial assets, non-current	7	24	161
Trade and other receivables, non-current	8	54	217
Intercompany receivables, non-current	9	-	316
Inventories, non-current	10	85.329	88.430
Intangible assets	16	2.988	3.504
Property, Plant and Equipment	17	459.764	430.915
Deferred tax assets	18	15.086	15.040
Total non-current assets		563.546	538.583
Total assets		1.319.183	1.361.105

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2019 AND 2018. (In thousands of United States Dollars)

EQUITY AND LIABILITIES	Note	12-31-2019 THUSD	12-31-2018 THUSD
CURRENT LIABILITIES			
Other financial liabilities, current	19	43.878	81.910
Trade and other payables, current	20	135.368	154.964
Current tax liabilities	22	11.445	9.109
Employee benefit obligations, current	23	19.265	23.359
Other non-financial liabilities	24	25.944	39.688
Total current liabilities		235.900	309.030
NON-CURRENT LIABILITIES			
Other financial liabilities, non-current	19	235.178	238.146
Trade and other payables, non-current	20	1.648	-
Other provisions, non-current	21	439	521
Deferred tax liabilities	18	92.093	94.719
Employee benefit obligations, non-current	23	19.487	17.677
Total non-current liabilities		348.845	351.063
Total liabilities		584.745	660.093
EQUITY			
Share capital	25	501.952	501.952
Retained earnings	25	249.363	211.820
Other reserves	25	(18.269)	(16.799)
Total Equity attributable to owners of the parent		733.046	696.973
Total Equity attributable to non-controlling interests	25	1.392	4.039
Total equity		734.438	701.012
Total equity and liabilities		1.319.183	1.361.105

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

CONSOLIDATED

STATEMENTS OF PROFIT OR LOSS FOR THE YEAR ENDED

DECEMBER 31, 2019 AND 2018 (In thousands of United States Dollars)

STATEMENT OF PROFIT OR LOSS	Note	ACCUMULATED	
		01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Revenue	26	1.170.148	1.192.261
Cost of sales	10	(1.012.274)	(966.979)
Gross profit		157.874	225.282
Other incomes, by function	29	1.198	1.306
Distribution costs	29	(14.229)	(13.327)
Administrative expenses	29	(50.523)	(56.727)
Other expenses, by function	29	(7.867)	(8.336)
Other gains (losses)	29	10.745	(1.463)
Income from operating activities		97.198	146.735
Finance incomes	19	6.640	10.274
Finance expenses	19	(19.094)	(21.922)
Share of income (losses) from equity method associates and joint ventures	15	-	(982)
Foreign exchange loss		(1.090)	(1.365)
Profit before income taxes		83.654	132.740
Income tax expense	18	(20.445)	(34.792)
Profit for the period from continuing operations		63.209	97.948
Profit for the period		63.209	97.948
Profit attributable to owners of the parent	25	62.573	96.785
Profit attributable to non-controlling interests	25	636	1.163
Profit for the period		63.209	97.948
Earnings (loss) per basic share from continuing operations (USD-share)	25	0,47	0,73
Earnings (loss) per basic share		0,47	0,73
Earnings (loss) per diluted share from continuing operations (USD-share)	25	0,47	0,73
Earnings (loss) per diluted share		0,47	0,73

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

CONSOLIDATED

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED

DECEMBER 31, 2019 AND 2018 (In thousands of United States Dollars)

STATEMENT OF COMPREHENSIVE INCOME	Note	ACCUMULATED	
		01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Profit for the period		63.209	97.948
Items not to be reclassified to the statement of income in subsequent periods:			
Retirement plan actuarial gains (losses)	23	(3.449)	(1.084)
Net items not to be reclassified to the statement of income in subsequent periods		(3.449)	(1.084)
Items that have or may be reclassified to the statement of income in subsequent periods			
Exchange gain on foreign currency adjustments	25	(1.455)	(1.111)
Other comprehensive income, before tax, foreign currency adjustments		(1.455)	(1.111)
Cash flow hedges			
(Losses)/gains on cash flow hedges, before tax	25	4.882	10.318
Other comprehensive income, before tax, cash flow hedges		4.882	10.318
Other comprehensive income that will be reclassified to profit or loss, before tax		3.427	9.207
Other components of other comprehensive income, before tax		(22)	8.123
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss			
Income tax related to deferred benefit plans of other comprehensive result	18	924	324
Income taxes related to components of other comprehensive result that will not be reclassified to the period result		924	324
Income taxes related to components of other comprehensive result that will be reclassified to the period result			
Income tax related to cash flow hedges of other comprehensive result	18	(1.318)	(2.786)
Income tax relating to components of other comprehensive income that will be reclassified to profit or loss		(1.318)	2.786)
Total other comprehensive income		(416)	5.661
Total comprehensive income		62.793	103.609
Comprehensive income attributable to			
Comprehensive income, attributable to owners of the parent		62.157	102.446
Comprehensive income, attributable to non-controlling interest	25	636	1.163
Total comprehensive income		62.793	103.609

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

CONSOLIDATED

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED

DECEMBER 31, 2019 AND 2018 (In thousands of United States Dollars)

STATEMENT OF CASH FLOWS – DIRECT METHOD	Note	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Cash flow statement			
Cash flow from (used in) operating activities			
Charges classes by operational activity:			
Charges from sales of goods and services		1.241.164	1.144.461
Other charges for operational activities	5	140.721	140.933
Payment classes:			
Payment to suppliers for goods and services		(1.164.404)	(1.189.236)
Payment to and for employees		(81.980)	(81.490)
Payment for premiums and benefits, annuity and other obligations from subscribed policies		(3.256)	(1.820)
Other payments for operational activities		(241)	-
Interests received, classified as operational activities		706	-
Repayments (paid) income taxes		(18.826)	(5.433)
Other cash incomes (expenses)	5	(7)	2.209
Cash flow from (used in) operating activities		113.877	9.624
Cash flow from (used in) investing activities			
Cash flow used for gaining control of subsidiaries or other companies, classified as investment activities		(3.339)	-
Other charges for sales of equity or debt instruments from other entities		65.495	223.882
Other payments to acquire equity or debt instruments from other entities		(43.837)	(65.851)
Other charges for sales of joint ventures participation, classified as investment activities		17.356	-
Cash receipts from sales of properties, plant and equipment		207	339
Cash paid for purchase of properties, plant and equipment		(58.191)	(41.961)
Payments from future contracts, puts, options and financial swaps		-	(2.092)
Charges from future contracts, puts, options and financial swaps, classified as investment activities		609	136
Charges to related entities		140	7
Dividends received, classified as investment activities		-	3
Interests received, classified as investment activities	5	5.741	11.037
Income taxes paid (repayments), classified as investment activities		-	(89)
Other cash incomes (expenses), classified as investment activities		(60)	-
Net cash flow from (used in) investing activities		(15.879)	125.411

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Cash flow from (used in) financial activities			
Borrowings of long-term debt	5	3.312	68.847
Borrowings of short-term debt	5	371.012	410.000
Loans repayments	5	(411.417)	(608.125)
Charges from government subsidy, classified as financial activities		-	292
Payments of dividends	25	(39.603)	(40.943)
Interests received, classified as financial activities		6	-
Paid interests	5	(14.930)	(17.129)
Income taxes paid (repayments), classified as financial activities		-	(110)
Other cash entries (exits)	5	(246)	(1.079)
Net cash flows from (used in) financial activities		(91.866)	(188.247)
Increase (decrease) cash and cash equivalent, before foreign exchanges rate effect		6.132	(53.212)
Effects of foreign exchanges rate on cash and cash equivalents			
Effects of foreign exchanges rate on cash and cash equivalents		1.108	2.943
Increase (decrease) cash and cash equivalent		7.240	(50.269)
Cash and cash equivalents at the beginning of the period	5	192.584	242.853
Cash and cash equivalents at the end of the period	5	199.824	192.584

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.



CONSOLIDATED

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED

31 DECEMBER 2019 AND 2018 (In thousands of United States Dollars)

(a) Between January 1st and December 31st, 2019.

Statement of changes in net equity	Issued capital	Reserves for exchange rate differences	Reserves for cash flow hedge	Reserves for defined benefit plans actuarial gains or loss	Other various reserves	Total Other reserves	Accumulated gains (losses)	Equity attributable to interests controllers	Non-controlling interests	Total equity
	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD
Balance to January 01, 2019	501.952	(4.048)	(9.474)	(3.277)	-	(16.799)	211.820	696.973	4.039	701.012
Changes in equity										
Comprehensive income										
Profit for the period							62.573	62.573	636	63.209
Other comprehensive income		(1.455)	3.564	(2.525)		(416)	-	(416)	-	(416)
Comprehensive income		(1.455)	3.564	(2.525)		(416)	62.573	62.157	636	62.793
Dividends							(25.030)	(25.030)		(25.030)
Increase (decrease) for transfers and other changes					(1.054)	(1.054)		(1.054)	(3.283)	(4.337)
Total of changes in equity		(1.455)	3.564	(2.525)	(1.054)	(1.470)	37.543	36.073	(2.647)	33.426
Balance to December 31, 2019	501.952	(5.503)	(5.910)	(5.802)	(1.054)	(18.269)	249.363	733.046	1.392	734.438

(b) Between January 1st and December 31st, 2018.

Statement of changes in net equity	Issued capital	Reserves for exchange rate differences	Reserves for cash flow hedge	Reserves for defined benefit plans actuarial gains or loss	Other various reserves	Total Other reserves	Accumulated gains (losses)	Equity attributable to interests controllers	Non-controlling interests	Total equity
	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD
Balance to January 01, 2018	501.952	(2.937)	(17.006)	(2.517)	-	(22.460)	153.748	633.240	4.443	637.683
Changes in equity										
Comprehensive income										
Profit for the period							96.785	96.785	1.163	97.948
Other comprehensive income		(1.111)	7.532	(760)	-	5.661	-	5.661	-	5.661
Comprehensive income		(1.111)	7.532	(760)		5.661	96.785	102.446	1.163	103.609
Dividends							(38.713)	(38.713)		(38.713)
Increase (decrease) for transfers and other changes									(1.567)	(1.567)
Total of changes in equity		(1.111)	7.532	(760)	-	5.661	58.072	63.733	(404)	63.329
Balance to December 31, 2018	501.952	(4.048)	(9.474)	(3.277)	-	(16.799)	211.820	696.973	4.039	701.012

MOLIBDENOS Y METALES S.A. AND SUBSIDIARIES

01. Activities and general information on the company
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The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED

FINANCIAL STATEMENTS FOR THE YEAR ENDED

DECEMBER 31, 2019. (In thousands of United States Dollars)

1. Activities and general information on the company.

Molibdenos y Metales S.A. (the “Corporation” or “Parent Company” hereon) and its subsidiaries, together form the MolyMet Group (“MolyMet” or “Group” hereon).

Molibdenos y Metales S.A. is a publicly held company, with a head office located at Camino Nos a los Morros N° 66, commune of San Bernardo, Province of Maipo, Metropolitan Region, Chile. The Corporation is registered in the interests’ registry of the Chilean Securities and Insurance Supervisor, with N° 0191.

MolyMet has as corporate purpose of processing molybdenum concentrate, coming from copper mining in Chile and abroad, obtaining as final products molybdenum oxide on technical and pure grades, ferromolybdenum, molybdenum salts, metallic molybdenum, molybdenum dioxide, metallic rhenium, ammonium perrhenate, and pherrenic acid according to clients’ requirements. As consequence of its environmental control processes sulfuric acid, copper cements and cathodes are produced. Commercial activities are developed, in part, as roasting and leaching services for which a fee is applied, and on the other hand, purchasing raw material and selling manufactured goods abroad.

MolyMet products are traded mainly in the European, Asian and North American market, being used by hitech companies in industries such as aerospace, chemical, electronics and iron and steel sectors.

To December 31st 2019 and 2018 the Group has a total staffing of 1,411 and 1,360 employees, distributed as shown in the following table:

Staffing	Workers N° to 12-31-2019	Workers N° to 12-31-2018
Executives	74	73
Professionals and Technicians	669	662
Others	668	625

Average staffing during the exercise from January to December 2019 was 1,386 workers.

2. Significant accounting policies.

Following main accounting policies adopted on the preparation of these consolidated financial statements are described. These policies had been applied evenly to the periods presented on these consolidated financial statements.

2.1 Basis of presentation.

Molibdenos y Metales S.A. consolidated financial statements to December 31st 2019 had been prepared according to the International Financial Reporting Standards (IFRS) set by the International Accounting Standards Board (IASB).

These consolidated financial statements are presented in thousands of United States dollars, being the functional currency in the main economic environment that MolyMet operates.

The consolidated statement of financial position as of December 31st, 2019 is presented compared to the one corresponding to December 31st, 2018.

The consolidated statement of profit and loss and the consolidated statement of comprehensive income include the movements between January 1st and December 31st of 2019 and 2018, respectively.

The consolidated statement of cash flows shows movements between January 1st and December 31st of 2019 and 2018.

The consolidated statement of changes in equity refer to annual periods that began on January 1st and December 31st of 2019 and 2018

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Preparation of the consolidated financial statements, according to the aforementioned, demands the use of certain estimations and accounting criteria. It also demands the Administration to exercise its judgment in the process of applying the Corporation accounting policies. On note No 4 are disclosed the areas implying a major degree of judgment or complexity or the areas where hypothesis and estimations are significant.

To the date of the actual consolidated financial statements there are no uncertainties respect facts or conditions that may bring doubts over the possibility that the Corporation and its Subsidiaries keep their normal functioning as running companies.

The consolidated financial statements had been prepared under the historical cost criteria, except for certain financial instruments, which are reflected as fair market value.

2.2. New pronouncements.

(a) Accounting pronouncements effective from January 1st 2019:

To the date of these consolidated financial statement issuing, had been published amendments, improving and interpretations to the existing norms, being effective during 2019 fiscal year, that the company has adopted. These were mandatory from the dates indicated below:

Norms	Description	Mandatory application for yearly periods started on or after:
NIC 12	Income Taxes	January 1st, 2019
NIC 19	Employee Benefits	January 1st, 2019
NIC 23	Borrowing Costs	January 1st, 2019
NIC 28	Investments in Associates and Joint Ventures	January 1st, 2019
NIIF 3	Business Combinations	January 1st, 2019
NIIF 9	Financial Instruments	January 1st, 2019
NIIF 11	Joint Arrangements	January 1st, 2019
NIIF 16	Leases	January 1st, 2019
CINIIF 23	Uncertainty over Income Tax Treatments	January 1st, 2019

The adoption of these norms, according to the mandatory date of each one of them, had no significant impact on the financial statements.

(b) Accounting pronouncements effective after December 31st 2019:

Also, at the date of these consolidated financial statements issuing, the following changes were issued by the International Accounting Standards Board (IASB), but their use were not mandatory:

Norms	Description	Mandatory application for yearly periods started on or after:
NIIF 3	Business definition	January 1st, 2020
NIIF 7	Reform of the reference interest rate	January 1st, 2020
NIIF 9	Reform of the reference interest rate	January 1st, 2020
NIIF 17	Insurances Contracts (Replaces IFRS 4)	January 1st, 2021
NIC 1	Presentation of Financial Statements	January 1st, 2020
NIC 8	Accounting Policies, Changes in Accounting Estimates and Errors	January 1st, 2020
NIC 39	Reform of the reference interest rate	January 1st, 2020

The Corporation’s administration considers that the adoption of the standards, amendments and interpretations described above, will not have a significant impact on the Group’s consolidated financial statements for its applicable period.

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

2.3. Basis of Consolidation.

(a) Subsidiaries

Subsidiaries are all entities (including special purposes entities) over which the Corporation has control. It is considered that control is held when:

- There is power over the entity;
- There is exposure, or rights, to variable returns coming from its implication in the entity;
- There is capability to affect returns through its power over the entity.

It is considered that the Corporation has power over an entity when it has rights that allow it to direct relevant activities, that is, the activities that affect in a significant manner the returns of the entity. For the Corporation, in general, power comes from holding the majority of voting rights given by capital instruments from the subsidiaries.

When evaluating if the Corporation controls another entity, it is considered the existence and effect of potential voting rights that are currently executable or tradable. Subsidiaries are consolidated starting from the date in which the control is transferred and are excluded from the consolidation from the date the control ceases.

The following table shows the detail of companies forming the MolyMet Group, specifying: a) functioning currency, b) investment country and c) Parent Company's percentage of the interest on each company:

Company	Rut	Country	Consolidation	Local currency	Functional currency	Participation percentage to							
						December 31st, 2019			December 31st, 2018				
						Direct	Indirect	Total	Direct	Indirect	Total		
Molibdenos y Metales S.A.	93.628.000-5	Chile	Parent	CLP	USD								
MolyMet Trading S.A.	76.107.905-0	Chile	Direct	CLP	USD	99,000000	1,000000	100,000000	99,000000	1,000000	100,000000		
Inmobiliaria San Bernardo S.A.	96.953.640-4	Chile	Direct	CLP	USD	93,467896	6,487348	99,955244	93,467896	6,487348	99,955244		
MolyMex S.A. de C.V.	Foreign	México	Direct	MXN	USD	99,999000	0,001000	100,000000	99,999000	0,001000	100,000000		
MolyMet Corporation	Foreign	USA	Direct	USD	USD	99,950000	0,050000	100,000000	99,900000	0,100000	100,000000		
Strategic Metals B.V.B.A.	Foreign	Bélgica	Direct	EUR	USD	99,999900	0,000100	100,000000	99,999925	0,000075	100,000000		
Carbomet Industrial S.A.	96.103.000-5	Chile	Direct	CLP	USD	99,989482	-	99,989482	99,989482	-	99,989482		
Carbomet Energía S.A.	91.066.000-4	Chile	Direct	CLP	CLP	52,763385	-	52,763385	52,763385	-	52,763385		
MolyMet Do Brasil Representações e Serviços Ltda.	Foreign	Brasil	Direct	Real	USD	90,000000	10,000000	100,000000	90,000000	10,000000	100,000000		
MolyMet Services Limited	Foreign	Inglaterra	Indirect	GBP	USD	-	100,000000	100,000000	-	100,000000	100,000000		
MolyMet Perú Trading Company S.A.C.	Foreign	Perú	Direct	SOL	USD	90,000000	10,000000	100,000000	-	-	-		
Sadaci N.V.	Foreign	Bélgica	Indirect	EUR	USD	-	100,000000	100,000000	-	100,000000	100,000000		
Reintech GmbH	Foreign	Alemania	Indirect	EUR	USD	-	100,000000	100,000000	-	100,000000	100,000000		
Eastern Special Metals Hong Kong Limited	Foreign	China	Indirect	HKD	USD	-	100,000000	100,000000	-	100,000000	100,000000		
MolyMet Beijing Trading Co. Ltd.	Foreign	China	Direct	CNY	USD	100,000000	-	100,000000	100,000000	-	100,000000		
Chemietall GmbH	Foreign	Alemania	Indirect	EUR	USD	-	100,000000	100,000000	-	100,000000	100,000000		
Complejo Industrial MolyNor S.A.	76.016.222-1	Chile	Direct	CLP	USD	93,780354	6,219646	100,000000	93,780354	6,219646	100,000000		
Compañía Auxiliar de Electricidad del Maipo S.A. (1)	91.904.000-9	Chile	Indirect	CLP	CLP	-	-	-	-	35,175590	35,175590		

i) Carbomet Energía S.A. company, on June 24th, 2019, acquires 100.00% of Compañía Auxiliar de Electricidad del Maipo S.A., absorbing all its rights and obligations.

In order to account the acquisition of subsidiaries by the Corporation the equity method is used. The acquisition cost is the fair value of delivered assets, equity instruments issued and the incurred or assumed liabilities and contingencies at the date of exchange. The identifiable assets acquired and the incurred or assumed liabilities in a business combination are initially valued at its fair value to the date of acquisition, regardless the scope of minority interests. The excess of acquisition cost over the fair value on the Corporation interest over the identifiable net assets acquired, are recognized as goodwill or added value. If the cost of an acquisition is lower than the fair value of the net assets of the acquired subsidiary, the difference is directly recognized in the revenue statement.

On consolidation intercompany transactions are eliminated, as are unrealized profits/balances between Group companies. Unrealized losses are also eliminated, unless the transaction evidences a loss for transferred asset impairment.

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

(b) Intercompany transactions and minority interests

The Group applies the policy of considering the transactions with minority interests as third-party external to the Group transaction, disclosing transaction with minority interests, when they are not control losses, as equity transaction with no effect on the revenue statement.

(c) Affiliates or associates

Affiliates or associates are all entities over which the Corporation has significant influence but not the control, which generally means an interest between 20% and 50% of the voting rights, or representation of the board or participation in the policy fixation or relative significant transactions between the investor and the participant or change on the management personnel or technical supply information. Investments on affiliates or associated are accounted by the participation method and initially are recognized by its cost. These carries the recognition of identifiable business assets (including intangibles not recognized previously) and liabilities (including contingent liabilities) acquired at the fair value. Investments on affiliates or associates include goodwill or added value (net from any loss for accumulated impairment) identified in the acquisition.

The Corporation's interests on the losses or gains after the acquisition of its affiliates or associates are recognized on the revenue statements, and its participation on the other equity operations after the acquisition is recognized as reserves. Accumulated operations after the acquisition are adjusted to the investment's book value. When Group's interests on the losses of an affiliate or associate is equal or higher to its' participation, including any other non-insured retrievable account, the Corporation does not recognize additional losses, unless it has incurred in obligations or made payments on the affiliate or associate's behalf.

Dilution profits or losses in affiliates or associates are recognized in the consolidated revenue statement.

Unrealized profits by transactions between the Corporation and its affiliates or associates are eliminated in function of the percentage of the Corporation's interest over them. Unrealized losses are also eliminated, unless the transaction evidences a loss for transferred asset impairment.

2.4. Financial information by operating segments.

A business segment is a Group of assets and operations in charge of delivering products or services subject to risks and performances different to the other business segments. A geographical segment is in charge of delivering products and services in a concrete economic environment subject to risks and performances different to the other business segments that operate in other economical environments.

2.5. Foreign currency transactions.

(a) Functional currency

Items included in the financial statements of each of the Group's entities are valued using the currency of the primary economic environment in which the entity operates or «functional currency».

(b) Transactions and balances

Transactions on foreign currency are exchanged to functional currency using the exchange rate at the date of the transaction. Gains and losses in foreign currency resulting from liquidation of such transactions and the exchange rate of closure from currency assets and liabilities on foreign currency, are recognized on the revenue statements, except for transactions qualified as cash flow hedge and net investment hedge, which are deferred in equity.

(c) Presentation currency

Consolidated financial statements are presented in United States of North America's dollars, which is the functional and presentation currency of the Parent Corporation.

Revenues and financial statements of all entities of the Group (none of which has a functional currency of a hyperinflationary economy) which have a functional currency other than the presentation currency, are exchanged to presentation currency as follows:

- Assets and liabilities of each financial statement presented are converted to the exchange rate corresponding to the closing date of the financial statements;
- Incomes and expenses of each item of the revenue are converted to on the transactions dates exchange rate (for the cases where it cannot be determined in such manner the monthly average exchange rate is used as a reasonable approximation); and
- All differences resulting from currency exchanges are recognized as a component on equity, classified as other reserves.

In consolidation, differences arising from exchange of a net investment on a foreign entity, loans and other instruments in foreign currency designated as investments hedge, are registered as a separated component on equity.

Goodwill or added value and fair market value adjustments arising from foreign entity acquisition, are treated as assets and liabilities of the foreign entity and are exchanged to the end of period exchange rate.

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

2.6. Property, plant and equipment.

Property and constructions mainly constitute the industrial facilities used on the Group's corporate purpose.

(a) Valuation and update

Elements of the fixed asset included on "property, plant and equipment" are recognized by its cost minus depreciation and losses for corresponding accumulated impairment, with the exception of land property, which are presented at its cost net from impairment.

Land and buildings mainly comprise factories and offices. All property, plant and equipment are exposed to its historical cost minus depreciation. Historical cost includes expenses directly attributable to the assets' acquisition.

Subsequent costs are included in the initial asset value or are recognized as a separated asset, only when is probable that future economic benefits associated to the fixed asset would flow to the Group and the cost of the element can be determined in a reliable manner. The replaced component value is accountably writtenoff. The rest of reparations and maintenance are charged to the revenue period in which they were made.

(b) Depreciation method

Land property and art pieces are not depreciated.

Depreciation of other fixed assets are calculated using the straight-line method based on the estimated useful life of the assets and its residual value according to the following average per item classes:

Fix Asset Class	Useful life
Constructions	30 years
Machinery	10 years
Vehicles	4 years
Furnishings, accessories and equipment	8 years
Walnut tree plantations	45 years

The residual value and useful life of assets are reviewed and adjusted at each financial year-end, if expectations differ from previous estimates. When the book value of an asset is higher than its estimated recoverable amount, its' value is reduced immediately to the recoverable amount.

Gains and losses the disposal of fixed assets are calculated comparing the income obtained with the book amount and are included in the statement of profit or loss.

2.7. Biological assets.

Corporation's biological assets are related to agricultural products grown at the productive plant.

The Corporation considers as fair value the incurred costs between each agricultural period that is the time passed between one harvest and the other. This given the short period in which they are accumulated, the Corporation estimates that it represents a reasonable approximation of its value.

At harvesting time, such value is transferred to Inventories as initial cost.

2.8. Intangible assets.

(a) Software (computer programs)

Expenditures related to software maintenance are recognized as a cost when they are incurred. Costs directly related to unique and identifiable computer programs controlled by the Group, and that are likely to generate economic benefits over the costs longer than a year, are recognized as intangible assets. Direct costs include costs of software's developer personnel.

The developing costs of software, recognized as intangible assets, are paid off during its' estimated useful life (which are no longer than 4 years).

(b) Research and development expenditures

Expenditures in research are recognized when they are incurred. Costs incurred in development projects (related to new or improvement of product design and testing) are recognized as an intangible asset when they comply with the following requisites:

- Technically, it's possible to complete the intangible asset's production so it can be available for its use or sale;
- The administration intends to complete the mentioned intangible asset, to be used or sold;

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

- There's capability to use or sell the intangible asset;
- It is possible to demonstrate that the intangible asset will generate probable economic benefits in the future;
- There is availability of adequate technical, financial or other kind of resources, to complete the development and to use or sell the intangible asset; and
- It is possible to value, in a reliable way, the expenditure attributable to the intangible asset during its development.

Development costs previously recognized as expenditure are not recognized as an asset in a subsequent period.

Developments recognized as intangible assets are yearly tested for impairment losses.

(c) Emission rights

Emission rights given by National Environment Commission (CONAMA, from Spanish), necessary for factories normal operation, are registered at purchase value, in the event payments are made, from the moment the Corporation is in conditions to exercise control and measurement over them. These rights are not subject to amortization; nevertheless, it shall be tested for impairment at least annually.

2.9. Interest costs.

Costs for incurred interest for the construction of any asset are capitalized during the period time that is necessary to complete and prepare the asset for its intended use. Other costs for interest are registered as expenditures.

2.10. Losses for impairment of non-financial assets.

Assets with an undefined useful life, such as land or added value, are not subject to pay-off and are at least yearly tested for value impairment. Assets subject to pay-off are tested for impairment as long as a fact or change in the circumstances indicates that the book value cannot be retrievable. An impairment loss is recognized for the excess of the asset's book value over its retrievable value. The retrievable value is the fair value of an asset minus the costs for selling or using, the higher from both. To examine the losses for impairment assets are grouped to the lowest level in which there are separate identifiable cash flows (cash generating units). Non-financial assets, other than goodwill, that may have suffered an impairment loss are subject to examination at every date of the balance for it would be reviews of losses.

2.11 Financial assets.

2.11.1 Classification

The Group classifies its financial assets in the following categories:

- Amortized cost.
- At fair value with changes in other comprehensive income statement.
- At fair value with changes in profit or loss statement.

Classification depends on the contract cash flows and the business model in which they are managed. Management determines the classification of its financial assets at the moment of its initial recognition.

(a) Amortized cost

The financing instruments measured at amortized cost are those which are kept for collecting contract cash flows only for paying the principal and interests over the remaining principal amount. Among the financing instruments complying this definition according to IFRS 9 it can be found Trade and other receivables, Trade and other payables and borrowing included in Other financial liabilities.

(b) At fair value with changes in other comprehensive income statement

Financing instruments measured at fair value with changes in other comprehensive income statement are those kept within the business model and have the objective to collect contract cash flows only for principal and interests of the principal balance payment or for selling.

(c) At fair value with changes in profit or loss statement

Financing instruments measured at fair value with changes in profit or loss statement are those not measured at amortized cost or at fair value with changes in other comprehensive income statement and their effect are recognized in the profit or loss of the period.

2.11.2 Financial assets write-off

In general, financial assets are written-off when they are past due date or the contract rights to receive cash flows had been handed over or the entity had substantially transferred the whole of the risks and returns for its possession. On the other hand, financial liabilities are written-off when they are extinguished, in other words, when the obligation specified on the contract has been paid, cancelled or expired, or when the creditor legally releases from responsibility.

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

2.11.3 Recognition and measurement

Financing instruments are classified according to the aforementioned in 2.11.1 into Amortized cost, At fair value with changes in other comprehensive income statement or At fair value with changes in profit or loss statement.

(a) Amortized cost

Financial assets at amortized cost are accounted by its amortized cost according to the effective interest rate method. The amortized cost is reduced by impairment losses. Financing revenues and expenditures, exchange profits or losses and impairment are recognized in the statement of profit or loss. Any profit or loss in accounts write/off is recognized as profit or loss of the period.

Loans and collectable accounts are non-derivative financing instruments with fixed or determinable payments not quoted in an active market. Its recognition is made through the amortized cost, registering directly in the profit or loss statement the accruing of the agreed conditions.

((b) At fair value with changes in other comprehensive income statement

Financing instruments at fair market value with changes in other comprehensive income statement are then measured at fair value. Interests' incomes are calculated using the effective rate method and are recognized in the income statements. Other net profits and losses are recognized in equity.

(c) At fair value with changes in profit or loss statement

Financing instruments at fair value with changes in profit or loss statement are then measured at fair market value. Net profits or losses, including incomes for interests or dividends, are recognized in the profit or loss of the period.

2.11.4 Financial assets impairment

The Group evaluates on the date of each balance if there is objective evidence that a financial asset or a group of financial assets may have suffered from impairment losses. IFRS 9 requires the Corporation to register credit loss of all its debt titles, borrowings and trade receivables, for which it has been established a provision matrix based on the past 5 years of the Group's credit loss historical experience. Test of impairment of losses over the receivable accounts are described on Note 2.14.

2.12 Derivative financial instruments and hedge activities.

Derivative financial instruments are valued, as well as at the beginning as after to its fair value. Accounting the changes will depend on the following classification:

Derivatives not qualifying for hedge accounting

Derivatives that do not qualify for hedge accounting are recognized to its fair value with changes on the results.

Derivatives qualifying for hedge accounting

To this report date these contemplated Cross Currency Swaps and forward contracts designated in cash flow hedge. At all time they are recognized to its fair value in the Classified Financial Statement, with changes on its fair value recognized in the Equity changes, in "Hedge reserves". To the date of each report, it is reclassified from the change in equity statement to the revenue statement under the lines "Exchange rate difference" and "Financial Costs", the hedge amount that counterparts the difference between exchange rate and interest rate, respectively, originated by the hedge object related to the instrument, except for noneffective hedge, which in case of existing are directly recognized in the revenue.

2.13. Inventories.

(a) Inventories Policy

Inventories are valued to its lower of cost or net realizable value.

(b) Inventories measuring policy

The Group values its inventories according to the following:

The cost of inventories production comprises directly and indirectly costs related to the produced units, such as raw materials, labor, fixed and variable costs incurred for the transformation of raw material to finished product.

In the case of acquired inventory, the acquisition cost comprises the buying price, the importing rights, transport, storage and other costs attributable to goods and material acquisitions.

(c) Calculating Inventory cost

Raw material, products in process, finished products, containers and materials are valued to the purchase weighted average price.

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

2.14. Trade and other receivables.

Trade receivables are initially recognized for its fair value and after by its redeemed cost according to the effective interest rate method, minus the loss provision for its value impairment determined by the expected credit loss model, according to IFRS 9 requirements. In addition, a provision for losses by trading debtor accounts impairment is established when there is objective evidence that the Group will not be able to collect all the amounts owed to it according to the original terms of the collectable accounts. The existence of significant financial difficulties of the debtor, the probability that the debtor declares financial bankrupt or reorganization or the lack or lateness in payments are considered indicators that the collectable account has been deteriorated. The amount of the provision is the difference between the book amount and the present value of estimated future cash flow, discounted to the effective interest rate. The book amount is reduced as the provision account is being used and the loss is recognized in the revenue statement in "Sales costs". The latter recuperation of amounts written-off are recognized as credit in "Sales costs".

2.15. Cash and cash equivalents.

Cash and cash equivalents include the cash in hand, balances on bank accounts, term deposits in credit entities, other short-term investments of great liquidity and low risk with an original due period of three month or less. In the situation balance, overdrafts are classified as "other current financial liabilities".

2.16. Issued capital.

Ordinary shares are classified as equity.

Incremental costs directly attributable to new shares or options issuing are presented in equity as "Other reserves" until they are capitalized.

2.17. Trading creditors.

Suppliers or trading creditors are initially recognized to its fair value and alter they are valued by its redeemed amount using the effective interest rate method

2.18. Loans that accrue interests.

Financial liabilities are recognized initially by its fair value, net from costs incurred for the transaction. After, financial liabilities are valued for its redeemed amount; any difference between the amounts obtained (net from costs for obtaining it) and the refund payment, are recognized in the revenue statement during the useful life of the debt according to the effective interest rate method.

Financial liabilities are classified as current liabilities unless the Group has an unconditional right to differ its liquidation for at least 12 months after the date of the balance.

2.19. Income taxes and deferred taxes.

The exercise revenue tax expenditure comprehends the current tax and deferred taxes.

(a) Income taxes

Expenditures for income taxes from Parent Company and Chilean based subsidiaries, are calculated as a function of the profit before income taxes, increased or decreased, as applicable, by the temporary and permanent differences contemplated in the tributary legislation regarding the taxable base for the aforementioned tax.

Expenditures for income taxes of foreign subsidiaries it's determined according the current legislation at each country.

(b) Deferred taxes

Deferred taxes are calculated according to the liability method, over the temporary differences arising from the fiscal bases of assets and liabilities and their book amounts in the annual consolidated accounts. Nevertheless, if the deferred taxes arise from the initial recognition of a liability or asset in a transaction different from a business combination that, at the moment of the transaction, does not affect nor the accounting result nor the fiscal revenue or loss, it is not accounted. The deferred tax it's determined using tax rates (and laws) approved or on the edge of approval in the date of the balance and that it's expected to apply when the corresponding asset for deferred tax executes or the liability from deferred taxes are liquidated.

Assets for deferred taxes are recognized as the probability that future fiscal benefits may be available, which could compensate the temporary differences or existence of tax temporary differences enough to absorb them.

Deferred taxes are recognized from temporary differences arising from investments in subsidiaries and associates, except in the cases in which the Parent Company is able to control the date on which the temporary differences may be reverted, and it is probable that these may not be reverted for the foreseeable future.

At the closing of the current financial statements no deferred taxes had been recognized for investments in subsidiaries.

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

2.20. Employee benefits.

Years of service indemnity

The obligation for defined services it is calculated yearly according to the projected credit unit method. The present value of the obligation is determined discounting the future cash flow exits to State Bonds interest rates in the currency those services will be paid and with due periods similar to the corresponding obligations.

Actuarial losses and gains arising from the adjustments for experience and changes in the actuarial hypothesis are charged or paid on equity in the comprehensive revenue statement, recognized in the period in which they arise.

2.21. Provisions.

Provisions for environmental restoration, restructuring costs and lawsuits are recognized when: the Group has a present obligation, legally or implicit, as the result of past facts; it is probable that an exit of resources will be necessary to liquidate the obligation; and the amount has been estimated in a reliable manner.

Provisions for restructuring include sanctions for rent cancellation and payments for employees' layoffs. There are not provisions for losses of future exploitations.

When there are a similar number of obligations, the probability of necessity that an exit flow for its liquidation is determined considering the type of obligations as a whole. A provision is recognized even if the probability of exit flow respect of any item included in it may be small.

Provisions are valued to the actual value of expected expenditure necessary to liquidate the obligation using a before taxes interest rate that reflects the current market evaluations on the temporary value of money and the specific risks of the obligation. The increment on the provision as a consequence of time passing it is recognized as interest expenditure.

2.22. Income recognition.

Ordinary incomes include the fair value of received remunerations or to be received for the sale of assets and services in the course of Group's ordinary activities. Ordinary incomes are presented net from sales taxes, returns, reduction and discounts, after being eliminated sales from within the Group.

The Group recognizes incomes when the amount of them can be reliably valued, it is probable that the future economic benefits will flow to the entity and the specific conditions for each of the Group activities are met, as described further. It is considered that it is not possible to value an income amount in a reliable manner until all contingencies related to the sale are resolved. The Group bases its estimations in historical results, taking into account the kind of client, transaction and the concrete terms of each agreement.

Ordinary incomes are recognized as follows:

(a) Sales of goods

The Group produces and sales molybdenum, rhenium and copper products. Sales of goods are recognized when the entity of the Group has transferred the risks and benefits of products to the client, who accepts them unconditionally and trade accounts are reasonably secured to be collected.

(b) Services supply

The Group supply tolling services. These services are supplied over the base of a concrete date and material or else as a fixed price contract, for periods from one to ten years.

Incomes coming from services supply are recognized when these are supplied.

(c) Incomes for interests

Incomes for interests are recognized using the effective interest rate method. When a collectable account suffers a loss for value impairment, the Group reduces the book amount to its collectable amount, discounting the estimated future cash flows to the original instrument effective interest rate. Incomes for loans interests that had suffered losses for impairment are recognized using the effective interest rate method.

(d) Incomes for dividends

Incomes for dividends are recognized when the right to relieve the payment is established.

2.23. Leases.

Starting from 2019 the International Financial Reporting Standard N° 16 (IFRS 16) commenced to be effective, establishing a new recognition accounting model related to leases.

IFRS 16 establishes a sole accounting model for all leasing contracts that transfer the right to use an asset, dully identified, if and when the contract is for a period greater than 12 months.

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

At the beginning of the contract it shall be recognized an asset (Right of use asset) and the corresponding finance liability at its present value. Right of use asset is amortized during the period of the contract.

Interests of the financing liability are recognized in the statement of profit or loss. Leases not complying the aforementioned conditions are classified as services contracts and the expenditure is recognized in a linear manner.

For purposes of first implementation and according to IFRS 16, the prospective method was selected.

The effect of implementing IFRS 16 meant an increase in assets and liabilities to January 1st, 2019, according to the following:

	Amount THUSD
Right of use asset	4.175
Right of use obligations, current	(1.460)
Right of use obligations, non-current	(2.715)
Total	-

The effect of implementing IFRS 16 over financial statements as of December 31st, 2019, is presented as follows:

	Amount THUSD
Right of use asset	2.936
Right of Use obligations, current (Note 20)	1.346
Right of Use obligations, non-current (Note 20)	1.648
Financing Costs (Note 19)	140
Depreciation (Note 17)	1.239

(*) Right of Use asset is classified as "Property, Plants and Equipment" and the liability as "Trade and other payables" .

Assets rented by third parties under operational rent contracts are included in Property, plant and equipment in the statement of financial position.

Incomes coming from leases are recognized in a linear manner during the renting period.

2.24. Assets classified as held for sale.

Assets classified as assets held for sale are recognized to the lesser value between the book amount and the fair value minus sales costs.

2.25. Added value.

Added value represents the excess between the purchase cost and the fair value of the company interest's net identifiable assets of an acquired subsidiary, associate and/or joint venture. Added value related to acquire a subsidiary, associate and/or joint venture are not redeemable, but is periodically tested for value impairment.

2.26. Dividends distribution.

Dividends distribution to Corporation shareholders are recognized as a liability in the Group annual consolidated accounts in the period, as a function of the minimum legal dividend, corresponding to 30% of the result of the current period or in function to the established at the shareholders extraordinary meeting, if the percentage is higher.

2.27. Environment.

Payments related to environment care are recognized in the revenue statements as they occur.

3. Financial risks management.

Financial Risk Factors.

Molymet Group, through its Parent Company and subsidiaries, it is exposed to the following financial risks: credit risk, liquidity risk and market risk. The mentioned risks refer to situations in which there are propositions the evidence uncertainty in different time horizons.

The Company has a corporate policy of "Financial Risk Management", which defines as purpose to keep at all-time Molymet and its subsidiaries financial stability and sustainability, as well as in normal conditions as in exceptional ones. That policy was defined by the

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Board and has a simple, transparent and flexible management structure. In general terms, the aforementioned policy, specifies the defined management directions in relation to all components of financial uncertainty that had been proved as relevant to Molymet and its subsidiaries operations, as well as also determine how the Group is organized for such effects.

3.1. Credit risk

The concept of “credit risk” is employed by the administration to refer to that financial uncertainty, at different time horizons, related to the fulfilment of subscribed obligations by counterparties, at the moment of exercising contractual rights to receive cash or other financing assets.

In relation to the credit risk originated by financial activities, which include deposits in banks and financial institutions, derivatives instruments and others, the Company has a “Counterpart Risk Policy”, which has the objective to mitigate this risk. That policy considers: 1) counterparties with investment grade granted by Risk Classifying Agencies, 2) Minimum ratios for liquidity and solvency and, 3) maximum limit per institution.

The credit risk originated by the Company trading activities has direct relation with the client’s capability to fulfil the contractual commitments. The Group has a “General Policy for Client Evaluation”, where the maximum period and monetary limits for performing trading activities are determined. In addition, Molymet has insurance policies hired to decrease the risk of credit sales.

The following table shows the detail of counterparties and exposition:

Classification	Group	Type	Counterpart	Book Value THUSD	Not guaranteed exposition THUSD	% exposition over classification %	% exposition over total %
Total assets				340.397	340.397		100,00
At fair value with changes in other results				143	143	100,00	0,04
		Other Financial assets		143	143	100,00	0,04
		Options		58	58	40,56	0,02
		Forwards (Result)		85	85	59,44	0,02
Amortized Cost				340.254	340.254	100,00	99,96
		Cash and cash equivalents		199.824	199.824	58,73	58,72
		Bank deposit	Estado	17	17	-	-
			Bank of America	877	877	0,26	0,26
			China Construction Bank	1	1	-	-
			Deutsche Bank	40	40	0,01	0,01
			Commerzbank AG	6.931	6.931	2,04	2,04
			HSBC	3.732	3.732	1,10	1,10
			Santander	22	22	0,01	0,01
			Security	163	163	0,05	0,05
			Dexia	2.206	2.206	0,65	0,65
			Citibank	27.181	27.181	7,99	7,99
			Itaú-Corpbanca	203	203	0,06	0,06
			JP Morgan	2.117	2.117	0,62	0,62
			Banco Banamex	296	296	0,10	0,09
			BCI	2.723	2.723	0,80	0,80
			Banco de Chile	101	101	0,03	0,03
			KBC Bank	9.423	9.423	2,77	2,77
			ING	1.217	1.217	0,36	0,36

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Classification	Group	Type	Counterpart	Book Value THUSD	Not guaranteed exposition THUSD	% exposition over classification %	% exposition over total %	
			Banco de Crédito del Perú	9	9	-	-	
			Fortis	1	1	-	-	
			BNP Paribas	10.420	10.420	3,06	3,06	
			BCI Miami	50	50	0,01	0,01	
		Term deposit	Credicorp S.A. Capital	17.380	17.380	5,11	5,11	
			Bci	33.632	33.632	9,88	9,88	
			Security	1.101	1.101	0,32	0,32	
			Scotiabank	33.143	33.143	9,74	9,74	
			Santander	34.313	34.313	10,08	10,08	
			Corpbanca NY	12.500	12.500	3,67	3,67	
		Cash		25	25	0,01	0,01	
		Other financial assets		303	303	0,09	0,09	
		Loans to collect	Mutuo IACSA	303	303	0,09	0,09	
		Trade and other receivables		139.811	139.811	41,09	41,06	
			Clients	Mo Products Mo and derivates	111.774	111.774	32,85	32,83
				Tolling services	6.272	6.272	1,84	1,84
				Power service	583	583	0,17	0,17
				Agricultural products	73	73	0,02	0,02
		Other receivable accounts	Remaining VAT	18.329	18.329	5,39	5,38	
			Personnel receivable accounts	2.105	2.105	0,62	0,62	
			Other collectable taxes	8	8	-	-	
			Others	667	667	0,20	0,20	
		Intercompany receivables		316	316	0,09	0,09	
			Intercompany Indirect	316	316	0,09	0,09	

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

3.2. Liquidity risk

The concept of “liquidity risk” is employed by the Administration to refer to that financial uncertainty, at different time horizons, related to the capability to answer those net cash requirements that sustain its operations, as well as in normal conditions as in exceptional operational ones.

Due to the business nature, Molymet requires liquid funds to face the working capital necessities derived from operations, project investment and financial debt and interests' expiration.

Liquid fund balance to December 31st 2019 totals THUSD 199,969, which are invested according to the “Counterpart Risk Policy”. Net debt at the same date totals THUSD 79,087.

In order to face the financing necessities, the Company keeps committed and not-committed credit lines at several bank institutions.

The following table shows the committed financial liabilities:

Classification	Group	Type	Counterpart	Book Value THUSD	Term profile							
					0 to 15 days THUSD	16 to 30 days THUSD	31 to 60 days THUSD	61 to 90 days THUSD	91 to 180 days THUSD	181 to 360 days THUSD	1 to 2 years THUSD	2 years & + THUSD
Total financial liabilities				416.072	17.196	117.613	3.000	-	43.851	7.344	13.625	268.059
Amortized cost				369.302	16.461	117.606	2.959	-	43.851	7.344	13.625	222.072
Trade and other payables				137.016	16.416	117.606	-	-	-	1.346	1.648	-
Suppliers				117.606	-	117.606	-	-	-	-	-	-
Other liabilities												
Client advance				11.445	11.445	-	-	-	-	-	-	-
VAT				483	483	-	-	-	-	-	-	-
Other payable taxes				3.211	3.211	-	-	-	-	-	-	-
Right of Use obligation				2.994	-	-	-	-	-	1.346	1.648	-
Other payable accounts				1.277	1.277	-	-	-	-	-	-	-
Other financial liabilities				232.286	45	-	2.959	-	43.851	5.998	11.977	222.072
Public Oblig.												
BMOLY-C				73.092	-	-	-	-	1.590	1.590	3.180	96.293
SERIE D				60.951	-	-	1.061	-	1.061	2.121	4.243	64.315
MOLYMET 13				54.990	-	-	1.898	-	-	1.898	3.796	59.691
Bank Oblig.												
Banco del Estado de Chile				40.197	-	-	-	-	40.804	-	-	-
Bci				3.011	-	-	-	-	396	389	758	1.773
Accounting overdraft				45	45	-	-	-	-	-	-	-
At fair value with changes in other comprehensive revenue				46.760	725	7	41	-	-	-	-	45.987
Other financial liabilities				46.760	725	7	41	-	-	-	-	45.987
Derivatives												
Santander (CCS UF)				6.843	-	-	-	-	-	-	-	6.843
Scotiabank (CCS MXN)				30.801	-	-	-	-	-	-	-	30.801
BCP (CCS COP)				6.459	-	-	-	-	-	-	-	6.459
JP Morgan (IRS USD)				1.884	-	-	-	-	-	-	-	1.884
Forwards (Cobertura)				773	725	7	41	-	-	-	-	-
At fair value with changes in revenue				10	10	-	-	-	-	-	-	-
Other financial liabilities				10	10	-	-	-	-	-	-	-
Forwards Contracts				10	10	-	-	-	-	-	-	-

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

3.3. Market risk

The concept of “market risk” is employed by the Administration to refer to that financial uncertainty, at different time horizons, related to the future trajectory of those market variables relevant to the performance of a particular financial instrument or a group of them. Molymet Group, through its Parent Company and subsidiaries, is exposed to different market risks, such as 1) interest rate risk and 2) exchange rate risk.

To mitigate the market risks, the Company has a corporate policy for “Financial Risk Management”, which purpose is to safeguard at all-time Molymet and its subsidiaries financial stability and sustainability, as well as under normal conditions as in exceptional ones. Aligned with the mentioned policy, the Administration conducts permanent monitoring and evaluation of the market variables, in order to define the hedge strategy.

(1) Interest rate risk:

As part of the policy to mitigate liquidity risk, the Company take debt through bond issuing and bank credits. Such liabilities may be contracted at fixed rate, variable rate and/or in currencies different to functional currency. As part of the “Financial Risk Management Policy”, hedges are performed, through cross currency swaps, for all long-term liabilities in currencies different to functional. The objective is for the liabilities not to generate currency risk o rates that do not have direct relation with the functional currency.

The Group interest rate structure is administrated for decreasing the financial cost, being permanently evaluated for probable rate scenarios. Currently 70.70% of debt is nominated at fixed rate.

A rate increase will negatively impact the variable rate portion at which the Group is exposed. On the other hand, if rates decrease the impact would be positive. To sensitize on this effect, it can be set an example that if the floating rate has an increase or decrease of 10% over the current variable part, it would mean that annual financial expenses would increase or decrease in approximately THUSD 161.

The liability rate structure is the following:

(i) Obligations for debt titles (bonds)

Series	Type of currency	Redeemable	Placement rate	USD Hedge rate
BMOLY-C	U.F.	Half-year	4,20%	6,97%
SERIE D	COP	Quarterly	6,94%	3,91%
MOLYMET 13	MXN	Half-year	7,03%	4,43%

(ii) Loans that accrue interests

Creditor Name	Currency Type	Redeemable	Nominal rate	USD Hedge rate
Banco Estado	USD	Yearly	2,01%	-
BCI	CLP	Half-year	4,15%	-

(2) Currency exchange rate risk

United States dollar is the functional and presentation currency for the Corporation Financial Statements, given that is the relevant currency for great part of the Group operations. The risk arises because of the probability of currency Exchange rate fluctuations of currencies different to the functional, over which the Group make transactions and/or keep balances. Potential exposure to exchange rate risk are of various types, including,

- Exposure for conversion to the closure exchange type of financing assets and liabilities nominated in currencies different to the functional.
- Exposure for income and expenditure transactions in currencies different to the functional in the operations of every subsidiary.

The main currencies over which the exchange rate risk is managed are Chilean peso (CLP), Chilean inflation indexed currency unit (Unidad de Fomento, UF), euro (EUR), Mexican peso (MXN).

Molymet and its subsidiaries mitigate the risk based on the “Financial Risk Management Policy” and put it in practice by means of natural hedge or by contracting derivatives instruments.

In relation to the hedged items, main ones correspond to contracted liabilities in currencies different to functional, in order to mitigate the liquidity risk. In points C and D of note 19 “Financing Instruments Details” it is presented the detail of the main contracted derivatives for hedging the exchange rate risk.

In order to sensitize the effects of currency exchange rate fluctuation different to the functional, following balance exposures, a perturbation according to the recent market records, and its effect on the results are presented.

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Sensitivity analysis table of assets and liabilities to market variables (Million USD)

Variable	Lending position	Borrowing position	Net exposition (functional currency)	Reference value	Net exposition (nonfunctional currency)	Variable disturbance		Value of variable		Effect over result	
						Δ- (%)	Δ+ (%)	Δ-	Δ+	Δ-	Δ+
USD-CLP	46,82	(62,67)	(15,85)	748,74	(11.868)	(9%)	10%	679,8559	819,8703	(1,606)	1,375
USD-CLF	0,36	(73,26)	(72,90)	0,0264	(2)	-	1%	0,0265	0,0268	0,006	0,870
USD-EUR	6,67	(11,40)	(4,73)	0,8918	(4)	(7%)	9%	0,8320	0,9676	(0,340)	0,371
USD-MXN	11,83	(60,12)	(48,29)	18,8870	(912)	(12%)	14%	16,6961	21,5312	(6,337)	5,930
USD-RMB	-	-	-	6,9776	-	(7%)	6%	6,5101	7,4172	-	-
USD-COP	0,04	(60,95)	(60,91)	3.271,55	(199.270)	(10)	10%	2.934,5804	3.595,4335	(6,994)	5,487

Sensitivity analysis table of equity to market variables (Million USD)

Variable	Net exposition (functional currency)	Reference value	Net exposition (nonfunctional currency)	Variable disturbance		Value of variable		Effect over result	
				Δ- (%)	Δ+ (%)	Δ-	Δ+	Δ-	Δ+
USD-CLP	(22,87)	748,74	(17.124)	(9%)	10%	679,8559	819,8703	(2,32)	1,98
USD-CLF	(1,89)	0,0264	-	-	1%	0,0265	0,0268	-	0,02
USD-EUR	8,47	0,8918	8	(7%)	9%	0,8320	0,9676	0,61	(0,66)
USD-MXN	(4,70)	18,8870	(89)	(12%)	14%	16,6961	21,5312	(0,62)	0,58
USD-RMB	0,73	6,9776	5	(7%)	6%	6,5101	7,4172	0,05	(0,04)
USD-COP	(0,63)	3.271,55	(2.061)	(10%)	10%	2.934,5804	3.595,4335	(0,07)	0,06

3.4. Fair value estimation

Listed investment fair value is based on current purchase prices. If the market for a financial asset is no active (and for titles not listed), the Group establishes the fair value using valuation techniques that include the use of recent dully signed free transactions between interested parties, referred to other substantially equal instruments, the discounted cash flow analysis, and options fixation price models with maximum use of market inputs and relying as little as possible in the entity specific inputs.

To December 31st 2019 the Corporation keeps financial instruments that shall be registered to its fair value. These include:

- Forwards contracts
- Currency and interest rate derivatives contracts
- Options derivatives contracts

The Corporation has classified the fair value measure using a hierarchy that reflects the information level used in the valuation. This hierarchy is composed of 3 levels (I) fair value based on assets market listing for a similar class asset or liability, (II) fair value based on valuation techniques that use market price information or derivatives of the market price of similar financial instruments, and (III) fair value based on valuation models not using market information.

Fair value of financial instruments listed in active markets, such as acquired investments for negotiation or kept for sale, is based on market list at the period closure using the current buyer price. Fair value of financing assets not listed in active markets (derivatives contracts) is determined using valuation techniques that maximize the use of available market information. Valuation techniques usually utilized by the Corporation are: market price of similar instruments and/or estimation of the present value of the future cash flows using the curves of market future prices to the period's closure.

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Following, the detail of the items valued to fair value:

Description	Fair value to 12-31-2019 THUSD	Fair value measurement using values considered as		
		Level I THUSD	Level II THUSD	Level III THUSD
Asset				
Derivatives option contracts	58	-	58	-
Forward Contracts	85	-	85	-
Liability				
erivatives currency and interest rate contracts	45.987	-	45.987	-
Forward Contracts	783	-	783	-

In addition, to December 31st 2019 and 2018, the Corporation has financial instruments not registered at fair value. With the purpose to comply with the requirement of disclosing fair values, the Corporation had valued these instruments according to the following table:

Financial Instrument	12-31-2019 THUSD		12-31-2018 THUSD	
	Book Value	Fair value	Book Value	Fair value
Asset				
Cash in hand	25	25	27	27
Bank balance	67.730	67.730	63.394	63.394
Term deposits	132.069	132.069	148.748	148.748
Trade and other receivables	139.811	139.811	141.041	141.041
Related companies collectable accounts	316	316	463	463
Collectable loans	303	303		
Liability				
Other financial liabilities	232.286	274.725	270.165	352.162
Trade and other payables	137.016	137.016	154.964	154.964

The book amount of collectable and payable accounts is assumed to be proximate to its fair values, due the short-term nature of them. In the case of cash, bank balance, term deposits, the fair value is proximate to their book value.

Fair value of financial liabilities is estimated discounting the future contractual cash flows at the market current interest rate available for similar financial instruments.

4. Critical estimates and accounting criteria.

Used estimations and accounting criteria are continuously evaluated and are based on historical experience and other factors, including the expectative of future events occurring that are considered reasonable according to circumstances.

The Group makes estimations and suppositions regarding the future. Resulting accounting estimations by definition may differ from the actual results. Next, estimations and judgments that have a significant risk of generating a material adjustment in amounts of assets and liabilities in the book accounts of the next financial period are explained.

(a) Assets useful life

Value of property, plant and equipment investments considers performing estimations to determine as well as the residual values as the useful life to use for calculating each asset devaluation. These estimations consider operating, technological and alternative use factors of the assets, which may vary in the future.

(b) Assets impairment test

The Group, at every period closure or before if there is any sign of impairment, evaluates the recoverable value of property, plant and equipment, grouped in cash generating units (CGU), in order to check if there are losses in the assets value for impairment. Subsequent changes in the cash generating units, or the periodicity of the cash flows and interest rates may have an impact in the respective assets book values.

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Molymet periodically assesses (yearly or before if there are signs) if the goodwill, related to associates and joint ventures investments, has experienced any impairment. According to the accounting policy indicated in note 2.10, and IAS 36, the recoverable amount will be determined as the highest value between its fair value minus disposal costs and its utilization value.

(c) *Deferred taxes*

The Parent Company and its subsidiaries account assets for deferred taxes in consideration to the possibility of recuperating them, based in the existence of liabilities for deferred taxes with similar reverse period and in the possibility of generating sufficient future tributary profits. Deferred taxes are determined using tax rates (and laws) approved or about to be approved at the balance date and that is expected to apply when the corresponding asset for deferred tax is performed or the deferred tax liability is liquidated. All the above, based on internal projections made by the administration from the most recent or updated information available to them. Realization, or not, of such assets for deferred taxes will depend, among other things, on the compliance of the estimated projections, including aspects related to the legal taxation framework.

(d) *Dismantling, restoration and rehabilitation provisions*

Product of the inherent uncertainties to the accounting estimations registered at the closing of each period, real payments or expenditures may differ from the previously recognized as liabilities amounts, specifically, in the pertaining to costs for dismantling, restoration and rehabilitation of land property in Sadaci N.V. subsidiary.

Information regarding the origin of the uncertainty is disclosed in the note "Provisions".

(e) *Post-employment benefits*

The Corporation and its subsidiaries had established post-employment benefits, related to pension and compensations plans for years of service.

The amount of the obligations related to the main benefits for these concepts (obligation's fair value and effect on the results) is determined and recognized based on actuarial method and calculations. These evaluations imply making suppositions and judgments regarding parameters such as, discount rates and mortality, wages variation, among others. For determining the discount rate, according to the established in IAS 19, it was used bonds interest rates of high-quality companies.

5. Cash and cash equivalents.

The composition of the cash and cash equivalents item to December 31st, 2019 and 2018 is the following:

Cash and cash equivalents Classes	12-31-2019 THUSD	12-31-2018 THUSD
Cash	25	27
Banks balance Short-term investments	67.730	63.394
Depósitos a corto plazo	132.069	129.163
Total	199.824	192.584

To the date of this financial statement there are no differences between the cash and cash equivalents amount registered in the financial statement and the cash flow statement.

5.1 The composition of the term investments are as follows:

Term deposits detail	12-31-2019 THUSD	12-31-2018 THUSD
Banco Santander	34.313	5.523
Banco BCI	33.632	48.726
Banco Scotiabank	33.143	41.069
Corpbanca NY	12.500	-
Banco Security	1.101	2.532
Credicorp Capital S.A.	17.380	31.313
Total	132.069	129.163

In this item are classified short-term deposits which expiration date is three months or less from the date of acquisition and accrue the market interest for this type of short-term investment.

There are no restrictions for significant amounts to cash availability.

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

5.2. Detail on some items of the cash flow statement.

(a) *Reconciliation of liabilities derived from financial activities.*

i) Current period

Concept	Initial balance	Cash flows			Other movements that are not flow		Final balance
	01-01-2019	Loans	Loans payment	Paid interests	Accrued interests	Other	12-31-2019
Obligations for debt titles (Bonds)	190.689	-	-	(11.174)	12.643	(3.125)	189.033
Accrued interest loans	79.358	374.324	(411.417)	(3.756)	4.094	605	43.208
Derivative Hedging instruments	49.822	-	-	-	-	(3.835)	45.987
Forward contracts (Hedge)	69	-	-	-	-	704	773
Forward contracts (Results)	-	-	-	-	-	10	10
Others	118	-	-	-	-	(73)	45
Other financial liabilities current and non-current	320.056	374.324	(411.417)	(14.930)	16.737	(5.714)	279.056

ii) Past period

Concept	Initial balance	Cash flows			Other movements that are not flow		Final balance
	01-01-2018	Loans	Loans payment	Paid interests	Accrued interests	Other	12-31-2018
Obligations for debt titles (Bonds)	187.337	68.847	(78.125)	(9.483)	11.076	11.037	190.689
Accrued interest loans	198.506	410.000	(530.000)	(7.646)	7.545	953	79.358
Derivative Hedging instruments	69.857	-	-	-	-	(20.035)	49.822
Forward contracts (Hedge)	6.995	-	-	-	-	(6.926)	69
CCS Hedge term deposits	1.350	-	-	-	-	(1.350)	-
Others	-	-	-	-	-	118	118
Other financial liabilities current and non-current	464.045	478.847	(608.125)	(17.129)	18.621	(16.203)	320.056

b) *Payable and receivable interests.*

Cash Flow coming from investing activities	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Interests received for Investments in Term Deposits	5.741	11.037
Total	5.741	11.037

(c) *Other operational flows.*

Other cash incomes (expenditures), classified as operating activities	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
TGR devolution	-	3
Correspondent bank commission/fees	(83)	(121)
Other incomes	52	3
Insurance devolution	24	2.342
Donations and rejected expenses	-	(18)
Total	(7)	2.209

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Other cash incomes from operating activities	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Tax Refund	140.721	140.933
Total	140.721	140.933

(d) Other financing flows

Other cash incomes (expenditures), classified as financing activities	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Overdraft	(281)	94
Bank commissions and fees	-	(1)
Other financial incomes	446	369
Bond maintenance expenses	(411)	(1.541)
Total	(246)	(1.079)

6. Other current and non-current financial assets.

(a) Other current financial assets

Composition of other current financial assets, is the following:

Other current financial assets	12-31-2019 THUSD	12-31-2018 THUSD
Options	58	46
Loan interest	2	-
Forward contracts (see note 19)	85	3
Forward hedging contacts (see note 19)	-	2.037
Neo Performance Materials shares investment	-	597
Term deposits	-	19.585
Total	145	22.268

Term deposits

The detail of term deposits to December 31st 2018 is the following:

Initial date	Bank	Deposit currency	Expiration	Initial capital THUSD	Accounting Investment THUSD
12-06-2018	BANCO BTG PACTUAL	CLP	03-07-2019	10.000	9.792
12-06-2018	BANCO BTG PACTUAL	CLP	03-08-2019	10.000	9.793
Total				20.000	19.585

(b) Other non-current financial assets

Composition of other non-current financial assets, is the following:

Other non-current financial assets	12-31-2019 THUSD	12-31-2018 THUSD
Iacsa loan	301	-
Total	301	-

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

7. Other current and non-current non-financial assets.

(a) Other current non-financial assets.

Other current non-financial assets composition is the following:

Concept	12-31-2019 THUSD	12-31-2018 THUSD
Advanced payments	1.524	3.067
Customs rights	593	693
Guarantee letter	-	4
Deferred expenses (insurances)	1.281	2.372
Insurances, freight and other deferred expenses (goods in consignment)	1.047	1.305
Total	4.445	7.441

(b) Other non-current non-financial assets.

Other non-current non-financial assets composition is the following:

Concept	12-31-2019 THUSD	12-31-2018 THUSD
Guarantee deposits	24	161
Total	24	161

8. Current and non-current trade and other receivables.

(a) Current trade and other receivables composition to December 31st 2019 and 2018 is the following:

Concept	12-31-2019 THUSD	12-31-2018 THUSD
Debtors for sales of molybdenum, rhenium, copper and sulfuric acid	111.774	103.110
Debtors for tolling services	6.272	6.297
Debtors for sales of electrical power service	583	99
Debtors for agricultural products sales	73	1
Personnel collectable accounts	2.051	1.546
VAT remaining (credit)	18.329	29.301
Other collectable taxes	8	7
Others	667	463
Total	139.757	140.824

(b) Non-current trade and other receivables composition to December 31st 2019 and 2018 is the following:

Concept	12-31-2019 THUSD	12-31-2018 THUSD
Personnel collectable accounts	54	217
Total	54	217

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Distribution of trade and other receivables, in national and foreign currency, is as follows:

Concept	12-31-2019 THUSD	12-31-2018 THUSD
Functional	111.237	107.275
Foreign	28.574	33.766
Total	139.811	141.041

IFRS 9 requires the Corporation to register credit expected losses of all its debt titles, loans and trade receivables, for which a provision matrix has been established based on the historical experience of the past 5 years of the Group's credit losses. The aforementioned, plus the default criteria, where clients are periodically assessed according to an individual analysis and operations age, assigning an impairment percentage starting from the operation's expiration date.

If the debt has a delay higher than 75 days it is calculated a 20% impairment, over 90 days a 40% impairment, more than 180 days a 70% impairment and more than 270 days a 100% of the debt impairment.

Trading debt impairment movement is the following:

Trading account impairment	12-31-2019 THUSD	12-31-2018 THUSD
Initial balance	(945)	(1.010)
Impairment Provision to current holdings	(70)	(15)
Impairment Provision	8	(32)
Write-off	-	105
Exchange difference	1	7
Total	(1.006)	(945)

9. Balance and transactions with related parties.

9.1. Parent company.

Molibdenos y Metales S.A. is the ultimate parent company.

9.2. Shareholders.

The number of shareholders at Molibdenos y Metales S.A., to December 31st 2019, is 174

Detail on the main 12 shareholders and participation percentage is the following:

Shareholder	Shares %
Plansee Limitada	21,15
Nueva Carenpa S.A.	9,75
Fundación Gabriel y Mary Mustakis	9,60
Inversiones Lombardia S.A.	9,11
Phil White International Corp.	4,48
Ed Harvey Trust Corp.	4,48
Osvald Wagner Trust Co. Inc.	4,48
Marea Sur S.A.	3,97
Inversiones Octay Limitada	3,88
Whar Plot Corporation	3,58
Minera Valparaíso S.A.	3,49
Coindustria Limitada	2,76

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

9.3 Most relevant revelation between related parties.

(a) Upper management personnel remuneration.

The following are the categories and received remuneration by management key personnel:

Remuneration type	ACCUMULATED	
	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Salaries	11.094	11.986
Administrators fees	3	4
Employees short term benefits	453	377
Post-employment benefits	26	74
Termination benefits	1.575	1.964
Other benefits	78	309
Total	13.229	14.714

b) Transactions with related entities.

Transactions detail between related parties is the following:

RUT	Company	Country of origin	Relationship nature	Transaction nature	12-31-2019 THUSD	(charge) payment to revenue THUSD	12-31-2018 THUSD	(charge) payment to revenue THUSD
93.305.000-9	Provedora Industrial Minera Andina S.A.	Chile	Director in common	Product sales	1.506	142	711	84
				Current account collection	(1.335)	-	(585)	-
				Payments (collection)	3.337	-	(7)	-
				Accrued interests	-	-	6	-
90.269.000-K	Inversiones Agrícolas y Comerciales S.A	Chile	Subsidiary shareholder	CAEMSA shares purchase	(3.339)	-	-	-
				Mutual exchange difference	11	11	(31)	(31)
				Cesa absorption (Mutual)	(327)	-	-	-
				Supply sells	4	2	4	3
95.177.000-0	Compañía Eléctrica los Morros S.A.	Chile	Other related parties	Current account collection	(4)	-	(5)	-
				Product sales	-	-	550	326
EIN7720929	Global Tungsten & Powders Corp	EE.UU.	Related to shareholder	Current account collection	-	-	(787)	-

c) Intercompany receivables.

The detail of current intercompany receivables is as follows:

RUT	Company	Operation Nature	Term (Months)	Currency Type	Relation Type	Country of Origin	Balance to	
							12-31-2019 THUSD	12-31-2018 THUSD
93.305.000-9	Provedora Industrial Minera Andina S.A.	Trading	1	CLP	Director in common	Chile	316	145
90.269.000-K	Inversiones Agrícolas y Comerciales S.A.	Trading	6	CLP	Subsidiary shareholder	Chile	-	2
Total							316	147

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

To the informed period end, the detail of non-current intercompany receivables is as follows:

RUT	Company	Operation Nature	Term (Months)	Currency Type	Relation Type	Country of Origin	Balance to	
							12-31-2019 THUSD	12-31-2018 THUSD
90.269.000-K	Inversiones Agrícolas y Comerciales S.A.	Mutuo	60	UF	Subsidiary shareholder	Chile	-	316
Total							-	316

To the date of these financial statements there are no granted guarantees related to the balance between related entities, nor provisions for doubtful charges.

d) *Main transactions made between Parent Company and subsidiaries.*

Company	Transaction Nature	Transaction description	12-31-2019 THUSD	(charge) payment to revenue THUSD	12-31-2018 THUSD	(charge) payment to revenue THUSD
CM Chemiometall GmbH.	Sales	Pure molybdenum oxide Fluory grade	-	-	1	-
		Pure molybdenum oxide Sandy grade	36.357	3.182	40.240	6.495
Molymet Services Ltd.	Sales	Technical molybdenum oxide	-	-	1.680	106
		Ferromolybdenum	38.697	2.524	13.414	1.412
Molymex S.A. de C.V.	Purchases	Molybdenite	18.220	-	10.239	-
		Technical molybdenum oxide	-	-	22.305	-
		Rhenium	5.584	-	5.976	-
		Ammonium Dimolybdate	716	110	-	-
Sadaci N.V.	Sales	Ferromolybdenum	1.107	533	-	-
		Pure molybdenum oxide Sandy grade	106	29	-	-
		Molybdenite	59.407	74	99.416	7.634
		Technical molybdenum oxide	-	-	9.909	724
		Rhenium	4.646	-	-	-
Complejo Industrial Molynor S.A	Sales	Molybdenite	45.857	1.634	2.459	58
		Technical molybdenum oxide	12.938	2.524	-	-
	Purchases	Rhenium	4.454	-	1.684	-
		Technical molybdenum oxide	45.099	-	8.284	-
Molymet Corporation	Sales	Ferromolybdenum	-	-	753	52

10. Inventories.

(a) *Inventory classes.*

Current and non-current inventories composition to December 31st 2019 and 2018 is the following:

Current inventories	12-31-2019 THUSD	12-31-2018 THUSD
Raw material	97.610	144.499
Supplies for production	37.209	36.137
Work in progress	38.122	42.351
Finished goods	216.638	225.800
Total current inventories	389.579	448.787
Non-current inventories	12-31-2019 THUSD	12-31-2018 THUSD
Finished goods	85.329	88.430
Total non-current inventories	85.329	88.430

Finished goods mainly correspond to: molybdenum oxide on technical and pure grades, ferromolybdenum, molybdenum salts, metallic molybdenum, molybdenum dioxide, metallic rhenium, ammonium perrhenate, and perrhenic acid, sulfuric acid, copper cements and cathodes. To December 31st 2019 and 2018, it has not been accounted obsolescence provisions given that most of the finished products are fabricated according to clients and market requirements, not showing obsolescence indications.

Non-current inventory corresponds to rhenium products which are estimated to be sold after one year.

The Corporation has estimated the circumstance of obsolescence indication as a market function, inventories rotation and inventories status.

b) *Additional information on provisions and punishments.*

To December 31st 2019 and 2018, the Group has not made provisions or punishments for finished goods obsolescence. Molybdenum oxide and ferromolybdenum finished products include an adjustment for net realization value, to December 31st 2018 is THUSD 281. Inventories will be valued at cost or at its net feasible value, the lesser.

In addition, the Group does not keep guarantee pledge inventories for debts contracted to the end of each period.

Recognized concept in costs of sales to the end of each period are shown in the following table:

Concept	12-31-2019 THUSD	12-31-2018 THUSD
Product sales costs	(978.534)	(931.824)
Services costs	(33.740)	(35.155)
Total	(1.012.274)	(966.979)

11. Biological assets.

Composition of current biological assets to December 31st 2019 and 2018, is the following:

Concept	12-31-2019 THUSD	12-31-2018 THUSD
Harvest costs	526	533
Total	526	533

To December 31st 2019 and 2018 costs included in this item correspond to the costs of 2020 and 2019 harvests, respectively, accumulated to the end of each harvest or recollection.

Once finished such process, these assets are transferred to existences and taken to revenue at the moment the sale of such existences has been perfected.

12. Current tax assets.

Current tax assets are detailed in the following table:

Concept	12-31-2019 THUSD	12-31-2018 THUSD
Revenue tax to recover from last year	12	1.495
This period revenue tax net effect (Monthly Provisory Payments-Payable Taxes)	21.033	1.149
Provisional payments for absorbed profits (PPUA, from Spanish)	-	17
Total	21.045	2.661

13. Assets classified as held for sale.

Composition of assets classified as held for sale to December 31st 2019 and 2018, is as follows:

Concept	12-31-2019 THUSD	12-31-2018 THUSD
Luoyang Hi-tech Metals Co. Ltd. Investment	-	7.069
Machinery	-	208
Total	-	7.277

The balance of this item is presented at the lower value between its book value and the fair value minus cost of sales.

Luoyang Hi-tech Metals Co. Ltd. investment.

On December 27th 2018, the subsidiary Eastern Special Metals Hong Kong Limited, indirectly controlled by Molibdenos y Metales S.A., subscribed a sale contract with China Molybdenum Co. Ltd., for transferring the 100% of its shares participation in Luoyang Hi-Tech Metals Co. Ltd.

Sale of the 100% of Eastern Special Metals Hong Kong Limited shares participation in Luoyang Hi-Tech Metals Co. Ltd., was approved unanimously by Molibdenos y Metales S.A. board.

The execution of the aforementioned shares sale is subject to the usual suspensive conditions for this type of operations and it is forecasted compliance to such conditions occurred during 2019 first semester, generating a 11.637 THUSD effect in the Company revenue statements, registered in the item "Other gains (losses)".

To December 31st 2018, participation in Luoyang Hi-tech Metals Co. Ltd. was reclassified from the Investments accounted using the equity investment method item to assets held for sale.

Machinery

During 2018, an isostatic press was reclassified from Property, plant and equipment item to Assets held for sale.

During 2019 period, this machinery was sold.

14. Consolidated financial statements.

Molibdenos y Metales S.A. consolidated financial statements include all companies qualified as subsidiaries.

The table shows the summarized financial statements of each consolidated Company, to December 31st 2019 and 2018.

Company	Financial Information to December 31st 2019							Financial Information to December 31st 2018						
	Current Assets	Non-Current Assets	Current Liabilities	Non-Current Liabilities	Equity	Ordinary Income	Profit (Loss)	Current Assets	Non-Current Assets	Current Liabilities	Non-Current Liabilities	Equity	Ordinary Income	Profit (Loss)
Molybdenum Trading S.A.	22.055	1.839	7.212	4	16.678	117.185	(4.670)	28.223	509	10.081	-	18.651	99.448	905
Inmobiliaria San Bernardo S.A.	1.598	46.854	390	2.761	45.301	2.172	(1.230)	2.279	50.149	243	5.213	46.972	3.814	239
Molymex S.A. de C.V.	92.351	19.502	46.069	938	64.846	374.286	13.321	106.277	14.796	83.292	773	37.008	15.058	8.786
Molybdenum Corporation	1.593	143	124	47	1.565	2.578	291	1.388	335	1.261	-	462	2.829	(201)
Strategic Metals B.V.	13.229	159.443	19	1	172.652	-	16.768	21.473	113.799	6	82	135.184	-	9.745
Carbomet Industrial S.A.	568	26.317	20	-	26.865	467	2.011	125	23.897	126	-	23.896	477	1.155
Carbomet Energia S.A.	2.244	6.304	2.192	3.457	2.899	5.048	1.347	2.070	7.915	2.296	1.997	5.692	7.147	1.570
Molybdenum Brasil	176	3	24	-	155	134	(33)	293	4	62	-	235	155	(32)

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Company	Financial Information to December 31st 2019							Financial Information to December 31st 2018						
	Current Assets	Non-Current Assets	Current Liabilities	Non-Current Liabilities	Equity	Ordinary Income	Profit (Loss)	Current Assets	Non-Current Assets	Current Liabilities	Non-Current Liabilities	Equity	Ordinary Income	Profit (Loss)
Molybdenum Services Limited	1.094	72	901	94	171	3.211	634	828	4	863	33	(64)	4.310	767
Sadaci N.V.	75.632	92.863	24.879	33.030	110.586	204.734	3.528	62.261	58.590	28.467	8.202	84.182	170.331	9.550
Reintech GmbH	24	2	26	-	-	43	(1)	54	2	74	-	(18)	473	21
Eastern Special Metals Hong Kong Limited	423	-	73	-	350	-	11.472	851	8.515	75	-	9.291	-	2.032
Molybdenum Beijing Trading Co. Ltd.	1.387	106	468	-	1.025	914	369	763	-	244	-	519	702	293
Chemietal GmbH	18.906	14.265	3.371	2.570	27.230	49.519	1.474	19.155	10.096	3.311	366	25.574	37.262	1.880
Complejo Industrial Molynor S.A.	185.268	171.074	55.220	37.605	263.517	230.279	22.923	89.792	193.855	13.710	40.432	229.505	74.360	6.113
Molybdenum Perú Trading Company S.A.C.	28	-	66	-	(38)	-	(253)	200	-	-	-	200	-	-
Compañía Auxiliar Eléctrica del Maipo S.A.(*)	-	-	-	-	-	-	-	889	4.485	181	-	5.193	2.229	846

(*) Carbomet Energía S.A. and Compañía Auxiliar Eléctrica del Maipo S.A. merge.

Dated June 24th, 2019 it was formalized the fusion between Carbomet Energía S.A. and Compañía Auxiliar Eléctrica del Maipo S.A. (absorbed company), with which Carbomet Energía S.A. acquires the complete equity of Compañía Auxiliar Eléctrica del Maipo S.A.

15. Investments accounted for using the equity method.

Joint ventures

To December 31st 2018 the company holds investments valued using the equity method in the following company:

Investment	Effects in Revenue	
	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Luoyang Hi-Tech Metals Co. Ltd.	-	(982)
Total	-	(982)

Changes in associates and joint ventures are the following:

Transaction	Luoyang THUSD
Initial balance to January 1st 2018	8.515
Participation in profit (loss) accounted for using the equity method	(982)
Currency exchange effect	(464)
Investment transfer to Assets held for sale	(7.069)
Final balance to December 31st 2018	-

On December 27th 2018, the subsidiary Eastern Special Metals Hong Kong Limited, indirectly controlled by Molibdenos y Metales S.A., subscribed a sale contract with China Molybdenum Co. Ltd., for transferring the 100% of its shares participation in Luoyang Hi-Tech Metals Co. Ltd.

Sale of the 100% of Eastern Special Metals Hong Kong Limited shares participation in Luoyang Hi-Tech Metals Co. Ltd., was approved unanimously by Molibdenos y Metales S.A. board.

The execution of the aforementioned shares sale is subject to the usual suspensive conditions for this type of operations and it is forecasted compliance to such conditions occurred during 2019 first semester.

Investment in Luoyang Hi-Tech Metals Co. Ltd., was being registered according to the participation method, as noted in point 2.3 letter c, considering the revenue statements developed by the associate under IFRS norms for each reporting period. Given the sale transaction described before, on December 31st 2018, this investment was reclassified to Assets classified as held for sale item. The company is not listed.

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

16. Intangible assets.

Following, the balance of intangible assets to December 31st 2019 and 2018 is presented:

Intangible assets class, net (Presentation)	12-31-2019 THUSD	12-31-2018 THUSD
Net intangible assets	2.988	3.504
Finite useful life intangible assets, net	1.929	2.445
Undefined useful life intangible assets, net	1.059	1.059
Net identifiable intangible assets	2.988	3.504
Patents, Registered Brands and other Rights, net	1.059	1.059
Software, net	1.929	2.445

Intangible assets class, gross (Presentation)	12-31-2019 THUSD	12-31-2018 THUSD
Intangible assets, gross	6.868	6.572
Identifiable intangible assets, gross	6.868	6.572
Patents, Registered Brands and other Rights, gross	1.059	1.059
Software, gross	5.809	5.513

Accumulated amortization and impairment class, intangible assets (presentation)	12-31-2019 THUSD	12-31-2018 THUSD
Accumulated amortization and impairment class, identifiable intangible assets	(3.880)	(3.068)
Accumulated amortization and impairment, software	(3.880)	(3.068)

Movement in Intangible Assets to December 31st 2019 and 2018, is the following:

Movements in identifiable intangible assets	12-31-2019		12-31-2018	
	Patents, registered brands and other rights	software	Patents, registered brands and other rights	software
	THUSD	THUSD	THUSD	THUSD
Initial balance	1.059	2.445	1.059	237
Additions	-	296	-	2.895
Amortization	-	(812)	-	(687)
Final balance	1.059	1.929	1.059	2.445

Corporation's undefined useful life intangible assets correspond to Emission Rights and Water Rights, which are subject to review at each period in order to keep supporting the undefined useful life for such assets.

Defined useful life intangible assets correspond to computer software, for which the Corporation has defined a 4-year useful life. The Corporation values its intangibles at acquisition costs, amortizations performed over the base of the linear method, along the estimated useful life.

Each period amortization is recognized in the statement of profit or loss. Accumulated amortization for computer softwares as of December 31st, 2019 amounts to THUSD 3,880 (THUSD 3,068 as of December 31st, 2018).

17. Property, plant and equipment.

(a) *Property, plant and equipment classes.*

This item composition is as follows:

Property, plant and equipment classes, net (presentation)	12-31-2019 THUSD	12-31-2018 THUSD
Property, plant and equipment, net	459.764	430.915
Land	54.045	53.299
Buildings	133.150	137.245
Machinery	174.491	174.300
Transportation equipment	387	476
Basic tools and accessories	1.342	1.035
Office equipment	3.172	3.015
Ongoing constructions	72.837	43.532
Right of use	2.936	-
Plantations	17.300	17.909
Other Property, plant and equipment, net	104	104

Property, plants and equipment classes, gross (presentation)	12-31-2019 THUSD	12-31-2018 THUSD
Property, plant and equipment, gross	1.010.100	955.648
Land	54.045	53.299
Buildings	228.846	227.017
Machinery	606.459	589.203
Transportation equipment	2.031	2.139
Basic tools and accessories	5.455	4.996
Office equipment	14.656	13.867
Ongoing constructions	72.837	43.532
Right of use	4.175	-
Plantations	21.492	21.491
Other Property, plant and equipment, net	104	104

Accumulated amortization and impairment class, property, plants and equipment (presentation)	12-31-2019 THUSD	12-31-2018 THUSD
Accumulated amortization and impairment class, property, plants and equipment	550.336	524.733
Buildings	95.696	89.772
Machinery	431.968	414.903
Transportation equipment	1.644	1.663
Basic tools and accessories	4.113	3.961
Office equipment	11.484	10.852
Right of use	1.239	-
Plantations	4.192	3.582

To December 31st 2019 and 2018, according to the current legislation, the following is informed:

- Property, plants and equipment temporarily out of service gross value totals THUSD 4,138 and THUSD 7,118 respectively.
- Property, plants and equipment completely depreciated and being used totals THUS 258,279 and THUSD 256,597 respectively.
- Molymet has no property, plants and equipment that has been retired, therefore there are no assets held for sale.
- The Group has defined the cost model for valuing their properties, plants and equipment; determining these goods commercial value is extremely complex, due that in general they are machinery and equipment highly specific and sophisticated, no being usual their business transactions, therefore its realization value reference is unknown.

Which comprises constructions and infrastructure works specially conditioned for these elements, which also difficult determining its business value.

Economical value of properties, plant and equipment goods shall be evaluated in relation to the company functioning and its capability to generate incomes that allow to absorb the related cost, which in this company, at the management criteria, is highly accomplished.

(b) *Property, plant and equipment movements.*

(b.1.) *From January 1st to December 31st 2019.*

Detail	Land	Building	Machinery	Transport equipment	Basic tool and accessories	Office equipment	Ongoing construction	Right of use	Plantations	Other Property, plant and equipment, net	Property, plant and equipment, net
Balance to January 1st 2019	53.299	137.245	174.300	476	1.035	3.015	43.532	-	17.909	104	430.915
Additions	750	473	7.106	57	471	971	52.729	4.175	-	-	66.732
Disposals	-	-	(803)	(41)	(5)	(13)	(36)	-	-	-	(898)
Depreciation	-	(6.505)	(26.389)	(135)	(417)	(1.209)	-	(1.239)	(609)	-	(36.503)
Increment (Decrease) on Foreign Exchange	(4)	(37)	(353)	(4)	-	-	(4)	-	-	-	(402)
Other Increments (Decrements)	-	1.974	20.630	34	258	408	(23.384)	-	-	-	(80)
Changes, Total	746	(4.095)	191	(89)	307	157	29.305	2.936	(609)	-	28.849
Balance to December 31st 2019	54.045	133.150	174.491	387	1.342	3.172	72.837	2.936	17.300	104	459.764

(b.2.) *From January 1st to December 31st 2018.*

Detail	Land	Building	Machinery	Transport equipment	Basic tool and accessories	Office equipment	Ongoing construction	Plantations	Other Property, plant and equipment, net	Property, plant and equipment, net
Balance to January 1st 2018	53.306	143.741	181.275	475	1.001	2.605	24.558	18.519	104	425.584
Additions	-	370	11.894	197	242	1.178	35.144	-	-	49.025
Assets held for sale	-	-	(208)	-	-	-	-	-	-	(208)
Disposals	-	(348)	(159)	(82)	(2)	(34)	(1.467)	-	-	(2.092)
Depreciation	-	(7.745)	(28.062)	(143)	(486)	(1.132)	-	(610)	-	(38.178)
Increment (Decrease) on Foreign Exchange	(7)	(382)	(356)	(2)	1	(4)	(21)	-	-	(771)
Other Increments (Decrements)	-	1.609	9.916	31	279	402	(14.682)	-	-	(2.445)
Changes, Total	(7)	(6.496)	(6.975)	1	34	410	18.974	(610)	-	5.331
Balance to December 31st 2018	53.299	137.245	174.300	476	1.035	3.015	43.532	17.909	104	430.915

(c) *Insurances over fixed assets.*

The Group has contracted insurances policies to cover the risk at which the fixed asset elements are exposed. The Group considers that these policies cover is adequate for its activities inherent risks.

(d) *Loss in fixed assets for value impairment.*

For this period, no significant element of fixed asset has presented deteriorated value.

(e) *Assets subject to guarantees or restrictions.*

The Group has no title ship restrictions, as well as properties, plants and equipment are not subject of guarantees for obligations compliance.

(f) *Disposals.*

Amount involved in the "Disposals" line in the fixed assets movement, corresponds to the book value net from depreciation at the moment of disposal.

(g) *Other increments and decrements.*

Amounts involved in the line "Other increments and decrements" in the fixed assets table, mainly correspond to assets transfers, which has been added through ongoing works (projects) to the goods type related fixed assets account, which was definitively incorporated upon work completion.

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

(h) *Plantations.*

Biological assets are included in the property, plant and equipment item, under the plantation category according to IAS 16 and IAS 41.

Assigned goods useful life for such assets is 45 years.

18. Deferred taxes.

Detail on deferred taxes included in the financial statements to December 31st 2019 and 2018, is the following:

Concepts	Asset		Liability	
	12-31-2019 THUSD	12-31-2018 THUSD	12-31-2019 THUSD	12-31-2018 THUSD
Property, plant, equipment and others	696	3.397	60.382	65.236
Trade and other payables	5.482	2.579	-	114
Inventories	1.304	300	23.610	24.642
Loans that accrue interest	-	-	1.054	1.218
Tax losses	2.033	1.366	-	-
Post-employment benefit obligations	112	131	2.872	1.490
Financial assets	-	-	-	18
Trade and other receivables	939	1.665	181	-
Derivatives with effect to the comprehensive Revenue	2.186	3.504	-	-
Profit (actuarial losses)	2.180	1.256	136	-
Derivatives with effect in the Revenue	-	-	3.436	1.935
Relative to others	154	842	422	66
Totals	15.086	15.040	92.093	94.719

Deferred taxes movements to December 31st 2019 and 2018, are the following:

Deferred tax movements analysis (net)	Deferred Taxes (net) THUSD
To January 1st 2018	(59.627)
Payment to revenue for deferred taxes	(17.665)
Exchange difference effect	75
Charge to comprehensive revenue for deferred taxes	(2.462)
Period movement	(20.052)
To December 31st 2018	(79.679)
Payment to revenue for deferred taxes	3.183
Exchange difference effect	(117)
Charge to comprehensive revenue for deferred taxes	(394)
Period movement	2.672
To December 31st 2019	(77.007)

Net variations in deferred taxes, for each period, have a component with effect on the statement of profit or loss, one for exchange effect and other for effect in equity, related to the comprehensive results.

(a) *Tax expenditure.*

Detail on deferred taxes and revenue taxes expenditure to the closing of each period is the following:

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

(Expense) Income for Revenue Tax	ACCUMULATED	
	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Expense for current taxes	(22.968)	(19.468)
Adjustment for past period current tax	(443)	2.595
Other expenses for current tax	(217)	(254)
Expenditures for current taxes, net, total	(23.628)	(17.127)
Deferred expenditure for taxes related to creation and reverse of temporary differences	3.183	(17.665)
(Expense) Income for deferred tax, net, total	3.183	(17.665)
(Expense) Income for Revenue Tax	(20.445)	(34.792)

Deferred taxes related to items directly charged or deposited to the other equity comprehensive results are the following:

Deferred tax other comprehensive results	ACCUMULATED	
	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Deferred actuarial revenue tax (loss)	(924)	(324)
Deferred tax cash flow hedges	1.318	2.786
Charge (payment) to equity	394	2.462

The effect on revenues of taxes attributable to national and foreign part is detailed following:

(Expense) Income for Revenue Tax for foreign and national	ACCUMULATED	
	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Expense for current taxes, net, foreign	(9.042)	(9.907)
Expense for current taxes, net, national	(14.586)	(7.220)
Expense for current taxes, net, total	(23.628)	(17.127)
Expense for deferred taxes, net, foreign	2.417	93
Expense for deferred taxes, net, national	766	(17.758)
Expense for deferred taxes, net, total	3.183	(17.665)
(Expense) Income for Revenue Tax	(20.445)	(34.792)

Taxes from subsidiaries effects to revenue is the following:

Taxation Participation Attributable to Investors Accounted by the Participation Method	ACCUMULATED	
	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Participation in current tax expenditures attributable to Subsidiaries	(19.089)	(11.407)
Participation in deferred tax expenditures attributable to Subsidiaries	5.586	(4.175)
Taxation participation attributable to investors accounted by the participation method, total	(13.503)	(15.582)

(b) *Effective rate*

Revenue tax expenditure of the Corporation to December 31st 2019 and 2018, represents 24.45% and 26.21%, respectively, of the gains before taxes. Following, a conciliation between such effective revenue tax rate and the current Chilean statutory tax is presented:

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

	01-01-2019 12-31-2019 THUSD	Effective rate %	01-01-2018 12-31-2018 THUSD	Effective rate %
Profit before income taxes	83.654		132.740	
Tax expenditure using Legal Rate	(22.587)	27,00	(35.840)	27,00
Adjustment to reach effective rate:				
Effect of the tax rate of Other Rate jurisdictions	(1.151)	1,38	(1.247)	0,94
Other Increment (Decrement) in Charges for Legal Taxes	3.759	(4,49)	429	(0,32)
Deficit (excess) from past period tax	(466)	0,56	1.866	(1,41)
Revenue tax	(20.445)	24,45	(34.792)	26,21

In the other increment (decrement) item in charges for legal taxes, it is included the effect for non-taxable revenues and expenditures, as well as the effect of exchange rate.

Temporary differences that cause the deferred taxes, assets as well as liabilities, are produced mainly by:

- Differences between the "property, plant and equipment" goods useful life;
- Financial instruments valuation;
- Differences when treating the Benefit to personnel calculation (vacations provision, indemnity for years of service provision) and
- In subsidiaries where it applies:
 - i) Biological assets treatment,
 - ii) Tax loss.

19. Information to disclose on financial assets.

Financial instruments valuation.

- a. Valuation of derivative financial instruments: Molymet has internal methodologies formally documented on valuation subject for all kind of derivate financial instrument susceptible of regular financial operation. Development and periodic update of such methodologies is the responsibility of the Finance Vice-presidency. Additionally, valuations of this kind of instruments are centralized, given that all of them are valued at the Parent Company and the values are monthly informed to the corresponding subsidiaries. Adopted methodologies are aligned with the best international practices on the matter, following guidelines that privilege the use of historical as well as recent market information.
- b. Valuation of corporate Bonds: Valuation of corporate bonds classified as available for sale come from independent brokers specialized in fixed rent instruments valuation. In general terms, as well as in the derivate financial instruments' context, models used in valuation of different corporate bonds privilege the use of information and inputs from the market. Observations coming from active markets are used and complemented with valuation models that periodically issue prices estimations adequate for the different type of instruments to value. To estimate these prices all available market information is utilized, through day trades.
- c. Valuation of corporate Bonds kept to due date: Initial valuation of these bonds is to its fair value, in other words the asset's price of acquisition. Later valuations are to its paid-off cost, where accrue interests are registered into the revenues account.
- d. Valuation of own issue (for informational purposes): With the purpose to obtain a reliable estimation of the fair value of issued bonds, corporation turns to certain price suppliers specialized in the different national fixed rent markets. Methodologies used for obtaining these estimations are similar to those described for corporate bonds, where all the available market information is utilized, through day trades, as well as historical, which allow to estimate historical spreads and reference structures that allow obtaining valuations that adjust to the reality of relevant markets.
- e. Credits and loans that accrue interests (for informational purposes): The estimation of fair value of 6- month credits at Libor variable rate in USD assumed by Molymet is done internally. During this process are used as input the USD inter-temporary forward rates used for the valuation of derivative financial instruments. Contractual flows for each credit are brought to its present value discounting at risk free rates given that the spread component demanded by the financial counterpart is captured at the moment of calculating the flows.
- f. Collectable and payable accounts (for informational purposes): Given that in the case of collectable accounts, due periods are no longer than 60 days, the Administration adopts as methodological supposition that the redeemed cost of these instruments is a good approximation to the fair value of themselves. In the same manner, this supposition is used to value the payable accounts.

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Financial instrument by category.

(a) To December 31st 2019

Total Assets	Amortized cost	Fair value with changes in revenue	Hedging assets	Total
	THUSD	THUSD	THUSD	THUSD
Cash and cash equivalents	199.824	-	-	199.824
Other financial assets*	303	143	-	446
Trade and other receivables*	139.811	-	-	139.811
Intercompany receivables*	316	-	-	316
Total	340.254	143	-	340.397

Total Liabilities	Amortized cost	Hedging Liabilities	Fair value with changes in revenue	Total
	THUSD	THUSD	THUSD	THUSD
Other financial liabilities*	232.286	46.760	10	279.056
Trade and other payables*	137.016	-	-	137.016
Total	369.302	46.760	10	416.072

(b) To December 31st 2018

Total Assets	Amortized cost	Fair value with changes in revenue	Hedging assets	Total
	THUSD	THUSD	THUSD	THUSD
Cash and cash equivalents	192.584	-	-	192.584
Other financial assets*	19.585	646	2.037	22.268
Trade and other receivables*	141.041	-	-	141.041
Intercompany receivables*	463	-	-	463
Total	353.673	646	2.037	356.356

Total Liabilities	Amortized cost	Hedging Liabilities	Total
	THUSD	THUSD	THUSD
Other financial liabilities*	270.165	49.891	320.056
Trade and other payables*	154.964	-	154.964
Total	425.129	49.891	475.020

* Presented items include its Current and Non-current classification.

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Summary of financial liabilities.

Summary of other current and non-current financial liabilities to December 31st 2019 and 2018 is the following:

Other Current Financial Liabilities	Balance to	
	12-31-2019 THUSD	12-31-2018 THUSD
Obligations for debt titles (bonds)	2.180	2.365
Loans that accrue interests	40.870	79.358
Forward contracts (hedge)	773	69
Forward contracts (results)	10	-
Others	45	118
Total	43.878	81.910

Other Non-Current Financial Liabilities	Balance to	
	12-31-2019 THUSD	12-31-2018 THUSD
Obligations for debt titles (bonds)	186.853	188.324
Loans that accrue interests	2.338	-
Hedge derivatives instruments	45.987	49.822
Total	235.178	238.146

Detail of financial instruments.

(a) Obligations for debt titles (bonds)

Bond issuing in Chile

Dated on July 14th 2008, the Superintendence of Values and Securities authorized the inscription in the value registry, under N° 540, of one line of adjustable bonds, to the carrier and dematerialized of Moliibdenos y Metales S.A.

Current issuing is as follows:

Series	Nominal Issuing Date	Amount UF	Issuance Rate	Term	Amortization
BMOLY-C	06-01-2008	2.000.000	4,20%	20 Years	Half-yearly

Bond issuing in Mexico

Molibdenos y Metales S.A. concreted the collocation of corporate bonds in the Mexican market, charged to a revolving line approved by the Mexican Values National Banking Commission.

Current issuing is as follows:

Series	Nominal Issuing Date	Amount MXN	Issuance Rate	Term	Amortization
MOLYMET 13	02-26-2013	1.020.000.000	7,03%	10 Years	Half-yearly

Bond issuing in Colombia

Molibdenos y Metales S.A. concreted the collocation of corporate bonds in the Colombian market, sole series approved by the Colombian Finance Superintendence.

Current issuing is as follows:

Series	Nominal Issuing Date	Amount COP	Issuance Rate	Term	Amortization
SERIE D	08-02-2018	200.000.000.000	6,94%	4 Years	Quarterly

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

(i) To December 31st 2019, obligation for current and non-current debt titles (bonds) are shown in the following table.

Debtor RUT	Debtor Name	Debtor country	Series	Currency type	Amortization	Issuance rate	Hedge rate	2019		Total current	2019			Total non-current	Total debt 12-31-2019
								Up to 90 days	91 days to 1 year		From 1 to 3 years	From 3 to 5 years	More than 5 years		
93.628.000-5	Molibdenos y Metales S.A.	Chile	BMOLYC	U.F.	Half-yearly	4,20%	6,97%	-	469	469	-	-	72.623	72.623	73.092
93.628.000-5	Molibdenos y Metales S.A.	Chile	MOLYMET 13	MXN	Half-yearly	7,03%	4,43%	1.299	-	1.299	-	53.691	-	53.691	54.990
93.628.000-5	Molibdenos y Metales S.A.	Chile	SERIE D	COP	Quarterly	6,94%	3,91%	412	-	412	60.539	-	-	60.539	60.951
Total Amount THUSD								1.711	469	2.180	60.539	53.691	72.623	186.853	189.033

(ii) To December 31st 2018, obligation for current and non-current debt titles (bonds) are shown in the following table.

Debtor RUT	Debtor Name	Debtor country	Series	Currency type	Amortization	Issuance rate	Hedge rate	2018		Total current	2018			Total non-current	Total debt 12-31-2018
								Up to 90 days	91 days to 1 year		From 1 to 3 years	From 3 to 5 years	More than 5 years		
93.628.000-5	Molibdenos y Metales S.A.	Chile	BMOLYC	U.F.	Half-yearly	4,20%	6,97%	-	469	469	-	-	75.999	75.999	76.468
93.628.000-5	Molibdenos y Metales S.A.	Chile	MOLYMET 13	MXN	Half-yearly	7,03%	4,92%	1.454	-	1.454	-	51.410	-	51.410	52.864
93.628.000-5	Molibdenos y Metales S.A.	Chile	SERIE D	COP	Quarterly	6,94%	3,91%	442	-	442	-	60.915	-	60.915	61.357
Total Amount THUSD								1.896	469	2.365	-	112.325	75.999	188.324	190.689

(b) Loans that accrue interests

To December 31st 2019 and 2018, the Parent Corporation registers a syndicated credit destined to working capital needs.

In addition, one subsidiary Carbomet Energía S.A. registers a loan to finance obtaining control in its subsidiaries.

Following, details on the loans that accrue interests are shown:

(i) Banking obligations and debt titles as of December 31st 2019, current and non-current are shown following:

Debtor RUT	Debtor Name	Debtor country	Creditor RUT	Creditor Name	Creditor country	Currency type	Amortization type	Nominal rate	Hedge rate	2019		Total current	2019		Total non-current	Total debt
										Up to 90 days	91 days to 1 year		From 1 to 3 years	From 3 to 5 years		
93.628.000-5	Molibdenos y Metales S.A.	Chile	97.030.000-7	Banco del Estado de Chile	Chile	USD	Yearly	2,01%	-	-	40.197	40.197	-	-	-	40.197
91.066.000-4	Carbomet Energía S.A.	Chile	97.006.000-6	Banco de Crédito e Inversiones	Chile	CLP	Half-yearly	4,15%	-	-	673	673	1.335	1.003	2.338	3.011
Total Amount THUSD										-	40.870	40.870	1.335	1.003	2.338	43.208
Capital THUSD										-	40.667	40.667	1.335	1.003	2.338	43.005

(ii) Banking obligations and debt titles as of December 31st 2018, current and non-current for syndicated credit, net from deferred obtaining expenses, are shown following:

Debtor RUT	Debtor Name	Debtor country	Creditor RUT	Creditor Name	Creditor country	Currency type	Amortization type	Nominal rate	Hedge rate	2018		Total current	2018		Total non-current	Total debt
										Up to 90 days	91 days to 1 year		From 1 to 3 years	From 3 to 5 years		
			97.018.000-1	Scotiabank Chile	Chile					43	17.416	17.459	-	-	-	17.459
93.628.000-5	Molibdenos y Metales S.A.	Chile	-	Scotiabank & Trust (Cayman) Ltd.	Islas Caimán	USD	Semestral	3,64188%		95	37.997	38.092	-	-	-	38.092
			-	Banco Estado NY	EEUU					59	23.748	23.807	-	-	-	23.807
Total Amount THUSD										197	79.161	79.358	-	-	-	79.358
Capital THUSD										-	80.000	80.000	-	-	-	80.000

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

(c) Forward Contracts (hedge)

These contracts cover the risk of Exchange rate in term deposits, supplier's payments, client's collectables and operational expenditures that shall be paid or collected in currency different to the functional currency.

Details on hedge forward contracts to December 31st 2019, is as follows:

(i) Detail of hedge forward creditor position:

Institution	Initial date	Expiration date	Right	Obligation	Equity
HSBC	12-24-2019	01-31-2020	9.987	10.028	41
JP MORGAN	10-16-2019	01-24-2020	5.607	5.611	4
BANCO SANTANDER	12-02-2019	01-02-2020	6.018	6.448	430
BCI	12-09-2019	01-02-2020	7.012	7.215	203
BANCO SANTANDER	12-16-2019	01-02-2020	3.004	3.052	48
BCI	12-18-2019	01-08-2020	4.006	4.025	19
BCI	12-19-2019	01-21-2020	1.003	1.006	3
BCI	12-20-2019	01-15-2020	4.508	4.508	-
BANCO SANTANDER	12-24-2019	01-15-2020	4.006	4.011	5
BANCO SANTANDER	12-24-2019	01-15-2020	4.005	4.011	6
BCI	12-18-2019	01-09-2020	501	503	2
BCI	12-19-2019	01-09-2020	701	704	3
BCI	12-23-2019	01-09-2020	1.101	1.110	9
TOTAL			51.459	52.232	773

Details on hedge forward contracts to December 31st 2018, is as follows:

(ii) Detail of hedge forward debtor position:

Institution	Initial date	Expiration date	Right	Obligation	Equity
INTERNACIONAL	11-07-2018	01-07-2019	15.070	14.727	343
INTERNACIONAL	11-13-2018	01-14-2019	20.078	19.895	183
INTERNACIONAL	11-23-2018	01-07-2019	20.060	19.511	549
ITAU	12-06-2018	03-07-2019	10.042	9.828	214
ITAU	12-06-2018	03-08-2019	10.042	9.829	213
BANCO SANTANDER	11-14-2018	01-14-2019	5.521	5.470	51
BCI	12-04-2018	01-03-2019	3.005	2.895	110
CREDICORP	12-07-2018	01-07-2019	9.515	9.236	279
BCI	12-14-2018	01-15-2019	11.520	11.425	95
TOTAL			104.853	102.816	2.037

(iii) Detail of hedge forward creditor position:

Institution	Initial date	Expiration date	Right	Obligation	Equity
BANK OF AMERICA	12-27-2018	01-31-2019	6.084	6.152	68
BANK OF AMERICA	12-27-2018	01-31-2019	6.150	6.151	1
TOTAL			12.234	12.303	69

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

(d) Forward Contracts

Forward contracts details to December 31st 2019, is as follows:

(i) Forward detail debtor position:

Institution	Initial date	Expiration date	Right	Obligation	Equity
JP MORGAN	12-31-2019	01-03-2020	5.616	5.608	8
JP MORGAN	11-29-2019	01-03-2020	5.597	5.520	77
TOTAL			11.213	11.128	85

(ii) Forward detail creditor position:

Institution	Initial date	Expiration date	Right	Obligation	Equity
JP MORGAN	12-31-2019	02-04-2020	4.487	4.497	10
TOTAL			4.487	4.497	10

Forward contracts details to December 31st 2018, is as follows:

(iii) Forward detail debtor position:

Institution	Initial date	Expiration date	Right	Obligation	Equity
KBC	12-29-2018	01-31-2019	5.726	5.723	3
TOTAL			5.726	5.723	3

(e) Hedge derivatives instruments

Details of the derivative instruments to cover bond issuing and loans contracts to December 31st 2019 and 2018 is shown following:

Creditor RUT	97.036.000-K	97.032.000-8	97.036.000-K	97.036.000-K
Creditor name	Santander	Scotiabank	BCP	JP Morgan
Creditor country	Chile	Chile	Perú	Chile
Currency type	USD-UF	USD-MXN	USD-COP	USD
Amortization type	Half-yearly	Half-yearly	Quarterly	Quarterly
Nominal rate USD (Hedge)	6,97%	Libor 180 days +2,41%	Libor 90 days +1,23%	3,91%

Liability					
From 1 to 3 years	-	-	(6.459)	(1.884)	(8.343)
From 3 to 5 years	-	(30.801)	-	-	(30.801)
More than 5 years	(6.843)	-	-	-	(6.843)
Total to 12-31-2019	(6.843)	(30.801)	(6.459)	(1.884)	(45.987)

Period 2018	THUSD	THUSD	THUSD	THUSD	Total THUSD
De 3 a 5 años	-	(38.631)	(6.456)	(339)	(45.426)
Más de 5 años	(4.396)	-	-	-	(4.396)
Total to 12-31-2018	(4.396)	(38.631)	(6.456)	(339)	(49.822)

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Fair values, by derivative type, of the registered contracts under hedge methodology is presented following:

	Related to:	12-31-2019 THUSD	12-31-2018 THUSD
Swap rights for Bonds	Santander (CCS U.F.)	107.337	106.209
	Scotiabank (CCS MXN)	56.485	50.398
	BCP (CCS COP)	64.916	65.727
	JP Morgan (IRS USD)	71.370	72.189
	TOTAL	300.108	294.523
Swap obligations for Bonds	Santander (CCS U.F.)	114.180	110.605
	Scotiabank (CCS MXN)	87.286	89.029
	BCP (CCS COP)	71.375	72.183
	JP Morgan (IRS USD)	73.254	72.528
	TOTAL	346.095	344.345
Hedge Operations Reserve	Santander (CCS U.F.)	(6.843)	(4.396)
	Scotiabank (CCS MXN)	(30.801)	(38.631)
	BCP (CCS COP)	(6.459)	(6.456)
	JP Morgan (IRS USD)	(1.884)	(339)
	Total assets (liabilities)	(45.987)	(49.822)

Hedges

At disclosing date, Molymet performs hedges of the cash flows related to C Series bonds issued in Chile, bond issues in the Mexican market, bond issues in the Colombian market, investment in currencies different from the functional and future operational expenses in Mexican pesos and Euros in its subsidiaries Molydex and Sadaci, respectively. Notional corresponding to each bond are hundred per cent hedged for all the liability life. Hedges are as follows:

C series bond hedge

The issuing on July 2008 with due date in June 2028 was for UF 2,000,000 with a yearly effective rate of UF+4.85% calculated over the base of years of 360 days and composed by semester, over 180 days semester, which is equivalent to a semester interest rate of UD+2.425%. Two days after issuing it was subscribed a Cross Currency Swap (CCS) with Credit Suisse International, where the asset component correspond to a notional of UF 2,000,000 at a yearly coupon rate of UF+4.205779% which is equivalent to a UF+2.10289% semester rate due to market conventions. The liability component corresponds to a notional of USD 80,818,806 to a coupon rate of 6.97%. Effective payment and due date of the CCS met those from the bond, as well as the redeeming characteristics (bullet).

The objective defined for this hedge relation is to eliminate the uncertainty associated to the USD-CLP and CLP-UF relations at the moment of coupon payment and the final redeeming. This is accomplished with the subscribed instrument because with it the USD-UF relation is fixed for all the liability life, which results on the re-nomination of the debt to the functional currency and the elimination of the aforementioned uncertainty.

Dated December 2017, CCS novation occurred, changing the creditor counterpart but keeping the same current contract conditions. Product of this novation, the new swap creditor is Banco Santander (Chile).

Mexican market issuing to 10 years

The issuing on February 2013 with due date in February 2023 was for MXN 1,020,000,000 with a yearly coupon rate of 7.03% calculated over the base of years of 360 days and composed by semester, over 182 days semester. The same day of issuing it was subscribed a 10 years Cross Currency Swap (CCS) with Banco BBVA, where the asset component corresponds to a notional of MXN 1,020,000,000 at a yearly coupon rate of 7.03%. The liability component corresponds to a notional of USD 80,000,000 to a coupon rate of Libor (180 days) + 2.41% and it was subscribed a 5 years contract for Interest Rate Swap (IRS) with BBVA, where the USD rate floating component plus the spread (Libor (180 days) + 2.41%) is fixed to a dollar rate of 3.495%.

Effective payment and due date of the CCS met those from the bond, as well as the redeeming characteristics (bullet).

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

The objective defined for this hedge relation is to eliminate the uncertainty associated to the USD-MXN. This is accomplished with the subscribed instrument because with it the USD-MXN relation for all the liability life, which results on the re-nomination of the debt to the functional currency, the fixation of the interest rate during the first 5 years and the elimination of the aforementioned uncertainty. Colombian market issuing to 4 years

The issuing on August 2018 with due date in August 2022 was for COP 200,000,000,000 with a yearly coupon rate of 6.94% calculated over the base of years of 365 days and composed by quarters. The same day of issuing it was subscribed a 4 years Cross Currency Swap (CCS) with Banco Crédito del Perú (BCP), where the asset component corresponds to a notional of COP 200,000,000,000 at a yearly coupon rate of 6.94%. The liability component corresponds to a notional of USD 68,846,815.83 to a coupon rate of Libor 90 + 1.23%. On December 19, 2018 it was subscribed a contract for Interest Rate Swap (IRS) with J.P. Morgan, where the USD rate floating component plus the spread (Libor (90 days) + 1.23%) is fixed to a dollar rate of 3.914%.

Effective payment and due date of the CCS and IRS met those from the bond, as well as the redeeming characteristics (bullet).

The objective defined for this hedge relation is to eliminate the uncertainty associated to the USD-COP at the moment of coupon payment and final redeeming. This is accomplished with the subscribed instrument because with it the USD-COP relation for all the liability life, which results on the re-nomination of the debt to the functional currency and the elimination of the aforementioned uncertainty.

Hedge for Financial investments in currencies different to the functional currency

Molymet makes investments in currencies different to the functional, which it hedges with currency and interest rates forward instruments. The objective defined for this hedge is to eliminate the uncertainty related to the USD-CLP and USD-UF relations at the moment of expiration of the investments.

Operational expenses in Chilean pesos

Molymet and its subsidiary Molynor performs hedges of its expected operational expenses in Chilean pesos, in order to minimize the uncertainty in the results provoked by movements related to the USD-CLP relation.

Operational expenses in Mexican pesos hedge

Subsidiary Molymex performs hedge of its expected operational expenses in Mexican pesos, in order to minimize the uncertainty in the results provoked by movements related to the USD-MXN relation.

Operational expenses in Euros hedge

Subsidiary Sadaci performs hedge of its expected operational expenses in Euros, in order to minimize the uncertainty in the results provoked by movements related to the EUR-USD relation.

Hedge effectiveness evaluation

Molymet and its subsidiaries have developed internal prospective as well as retrospective methodologies to evaluate the effectiveness of the presented hedge relations. Evaluations are periodically made, at least quarterly or more frequent if necessary, before exceptional circumstances. Broadly speaking, the methodologies consist in the flow comparison coming from hedge object and instrument in each period. Due to the nature of the relation, these had resulted approximately 100% effective in all evaluations made to the date, which allows applying the special hedge accounting stipulated in IFRS 9 according to cash flow hedges.

Financial instruments effects in results.

The effects of the financial instruments in the results are shown in the following table:

Financial Incomes and Expenditures	ACCUMULATED	
	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Interest incomes	6.575	10.198
Derivative instruments charged to revenues	6	-
Other financial incomes	59	76
Financial incomes	6.640	10.274
Interests expenditures	(16,737)	(18,621)
Right of use interests expenditures	(140)	-
Other financial expenditures	(2.217)	(3.301)
Financial costs	(19.094)	(21.922)

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

20. Trade and other payables.

Composition of current and non-current trade and other payables to December 31st, 2019 and 2018 is as follows:

Current trade and other payables Classes	12-31-2019 THUSD	12-31-2018 THUSD
Debt for purchases or services	117.606	150.221
Obligations for right of use	1.346	-
Clients advance	11.445	2.127
Other payable taxes	3.211	871
VAT fiscal debit	483	1.089
Other payable accounts	1.277	656
Total current trade and other payables	135.368	154.964

Non-current trade and other payables Classes	12-31-2019 THUSD	12-31-2018 THUSD
Obligations for right of use	1.648	-
Total non-current trade and other payables	1.648	-

Distribution of current and non-current trade and other payables, in national and foreign currency, is as follows:

Currency	12-31-2019 THUSD	12-31-2018 THUSD
Functional	110.687	131.550
Foreigner	26.329	23.414
Total current and non-current trade and other payables	137.016	154.964

21. Provisions.

(a) Balances of non-current provisions are detailed following:

Provision Classes (presentation)	ACCUMULATED	
	12-31-2019 THUSD	12-31-2018 THUSD
Dismantling, restauration and rehabilitation costs, non-current	439	521
Total provision	439	521

Detail on provisions movements, between January 1st and December 31st 2019, is the following:

Provision movements	For dismantling, restauration and rehabilitation costs
Total provision, initial balance 01-01-2019	521
Additional provisions	595
Utilized provision	(668)
Increment (decrement) in the foreign currency exchange	(9)
Total provisions as of December 31st, 2019	439

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Following, information regarding the contracted obligation is presented:

Provision type	Affected Company	Description	Description of the expected date for economic benefits exit	Amount THUSD
Dismantling, restauration and rehabilitation costs, non-current	Sadaci N.V.	Restauration costs Femo waste	There is uncertainty over the date and final amount on which the economic exit is expected	203
Dismantling, restauration and rehabilitation costs, non-current	Sadaci N.V.	Asbestos in building restauration costs	There is uncertainty over the date and final amount on which the economic exit is expected	236
Total provisions as of December 31st 2019				439

On the other hand, lands belonging to the Belgium subsidiary Sadaci N.V. are registered in registry of land with historical contamination since 1996. Belgium authorities will request the company to perform a detailed soils investigation, from which result will depend if the Company will have to perform a soils remedy program. On July 31st 2019, Flandes Public Agency, received the descriptive investigation results of each involved property. On August 26th 2019, Flandes Public Agency ("OVAM"), informed the company that according to the informed it is no necessary to perform additional soils works.

Sadaci N.V. additional received a claim from neighbor company Kronos Europa N.V., for alleged soils contaminations problems in lands sold by Sadaci N.V. to Kronos Europa N.V. in 1992, eleven years before the acquisition of this subsidiary by Strategic Metals B.V.B.A. The administration estimates that Sadaci N.V. has no responsibility in this matter.

To December 31st 2019, it has not been recognized assets related to provisions reimbursement.

(b) *Trials and other legal actions*

- i. Lawsuit for leaving with all its uses, entrances and customs of approximately 32 hectares, allegedly of Ejido Villa de Cumpas, plus payment for occupation, damages and losses, filed by the aforementioned Ejido against the Mexican subsidiary Molymex S.A. of C.V., before the Agrarian Unit Court, District N° 28, Villa Cumpas village, Cumpas municipality, Sonora State, Mexico, File 42/2012.

On each instance and appeal, Mexico courts had dictated completely and in a favorable manner to Molymex S.A. of C.V. interests.

To December 31st 2019, definitive sentence is in compliance stage.

From the aforementioned, it was estimated that no provision is corresponding.

- ii. During February 2019, Mexico Tax Administration Service ("SAT", from Spanish) notified MOLYMEX S.A. de C.V. ("MOLYMEX") of a tax liquidation, for the 2014 period. Concepts contained in such liquidation correspond mainly to Revenue Tax and accreditation of certain expenditures. In the Administration's opinion, there is no legal justification that supports the charge of the aforementioned amounts. Considering the aforementioned and having in consideration that (i) such liquidation is not firm from the administration point of view; (ii) that it has been disputed in form and opportunity by the company, supplying written back-ups; and (iii) the evident lack of judicial support for charging the taxes contained in such liquidation, it has been considered not pertinent to make any provision for the aforementioned tax liquidation.

22. Current tax liabilities.

Composition of payable accounts for current taxes is as follows:

Concept	12-31-2019 THUSD	12-31-2018 THUSD
This period revenue tax net effect (Partial monthly payments - payable tax)	11.445	9.109
Total	11.445	9.109

23. Employee benefit obligations.

Employee benefit obligations' composition is the following:

Employee benefit obligations	12-31-2019 THUSD	12-31-2018 THUSD
Current employee benefit obligations	18.408	22.561
Current liabilities for post-employment benefits	857	798
Non-current liabilities for post-employment benefits	19.487	17.677
Total employee benefit obligations	38.752	41.036

(a) *Current employee benefit obligations*

The Group classifies under this concept the liabilities and benefits to personnel, different to post-employment (vacations, prevision participation and retention), which detail to December 31st 2019 and 2018, is the following:

Current employee benefit obligations	ACCUMULATED	
	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Participation liabilities	5.058	9.580
Personnel gratification and bonuses liabilities	6.926	7.050
Vacation and vacation bonuses liabilities	4.737	3.895
Prevision retentions	1.330	1.499
Payable wages	72	74
Personnel insurances	14	63
Other liabilities	268	364
Welfare-Union-Sport Club	3	36
Total current employee benefit obligations	18.408	22.561

(b) *Obligations for post-employment benefits*

The Group has certain benefits of compensations for years of service of their employees.

The liability recognized in the balance in respect of such benefits is yearly calculated according to the projected credit unit method. The present value of the obligation is determined discounting the cash exit flows at interest rates from State bonds nominated in the currency in which the benefits will be paid and with similar due dates to the corresponding obligations.

Defined Benefit plan	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Obligation Present Value, Initial Balance	18.475	21.404
Current service cost defined benefit plan obligation	808	906
Interests cost for defined benefit plan obligation	968	946
Defined benefit plan obligation actuarial profit (loss)	3.449	1.084
Defined benefit plan obligation foreign currency exchange increment (decrement)	83	(2.029)
Defined benefit plan obligation paid contributions	(3.439)	(3.836)
Defined benefit plan obligation present value, final balance	20.344	18.475
Employee benefit obligations, current	857	798
Employee benefit obligations, non-current	19.487	17.677
Total employee benefit obligations	20.344	18.475

The amounts registered in the comprehensive results are the following:

Total expenditure recognized in the revenue statement	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Current service cost defined benefit plan	808	906
Interests cost defined benefit plan	968	946
Defined benefit plan obligation foreign currency exchange increment (decrement)	83	(2.589)
Total expenditure recognized in the revenue statement	1.859	(737)

Actuarial suppositions:

Following are presented the main hypothesis and actuarial parameters used in determining the compensation benefit for years of service in the Parent Company and its subsidiaries as of December 31st 2019:

Parameter	Molymet	Molynor	Sadaci	Molymex	Carbomet Energia
Yearly discount nominal rate	3,66%	3,66%	0,25%	7,70%	3,66%
Inflation rate	2,90%	2,90%	1,75%	4,00%	2,90%
Yearly real wage increase rate by career	2,90%	2,90%	2,50% - 3,00%	5,85%	2,90%
Mortality Table	CB/RV-2014	CB/RV-2014	MR-FR-5 (Bélgica)	EMSSA 2009/2019	CB/RV-2014
Invalidity Table	PDT 1985 (III)	PDT 1985 (III)	-	RT IMSS	PDT 1985 (III)

Sensitivity:

When sensitizing this valorization, in the case that the considered nominal annual discount Rate by the Company was 100 base points higher, it would had been necessary to recognize in Other Reserves an actuarial profit for THUSD 1,246. On the other hand, if the considered nominal annual discount Rate was 100 base points lower it would had been necessary to recognize in Other Reserves an actuarial loss for THUSD 1,449.

Expenditures for employees

The Group incurred expenditures for employees during periods between January 1st to December 31st of 2019 and 2018, respectively be as follows:

Employee benefits and expenditures classes	ACCUMULATED	
	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Personnel expenditures	68.050	71.982
Wages and salary	45.381	48.888
Employee short term benefits	16.416	15.496
Expenditure for post-employment benefit obligation	2.969	3.747
Termination benefits	201	158
Other long-term benefits	328	530
Other personnel expenditures	2.755	3.163

24. Other current non-financial liabilities.

Composition of other current non-financial liabilities is as follows:

Concept	12-31-2019 THUSD	12-31-2018 THUSD
Payable dividends	25.605	39.504
Others	339	184
Other current non-financial liabilities	25.944	39.688

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

The payable dividend considers the provision for dividend payment equivalent to 40% of Molymet Net Profit Susceptible for Distribution and 100% of Carbomet Energía S.A. result, corresponding to minor interest.

25. Information to disclose on issued capital and gains per share.**25.1 Issued capital**

To December 31st 2019 and 2018, the Parent Company has a subscribed and paid capital of THUSD 501,952 over a total of 132,999,304 shares respectively.

Following, the capital class in ordinary shares for ended periods to December 31st 2019 and 2018 is presented.

Capital class in ordinary shares	12-31-2019	12-31-2018
Description of capital class in ordinary shares	Sole issuing, no nominative value	Sole issuing, no nominative value
Number of subscribed and paid shares	132.999.304	132.999.304
Amount of capital in shares for class of ordinary shares that constitute the capital in dollars	501.952.244	501.952.244

25.2 Gains per-share

Information to disclose on gains per share	ACCUMULATED	
	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Gains (loss) attributable to the Holders of participation instruments of net equity of the controller	62.573	96.785
Result available for common shareholders, basic	62.573	96.785
Weighted average number of shares, basic	132.999.304	132.999.304
Basic gains (loss) per share (USD/Share)	0,47	0,73
Result available for common shareholders, diluted	62.573	96.785
Weighted average number of shares, diluted	132.999.304	132.999.304
Diluted gains (loss) per share (USD/Share)	0,47	0,73

Calculation on gains per-share to December 31st 2019 and 2018 was based on the shareholder's attributable profit, based on the weighted average number of shares.

25.3 Net profit susceptible to distribution

Description	12-31-2019 THUSD	12-31-2018 THUSD
Period result	62.573	96.785
Distributable net profit	62.573	96.785
Dividends provision and payment	(25.029)	(38.714)
Distributable net profit balance	37.544	58.071

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

25.4 Paid dividends

Definitive dividends paid, ordinary shares	12-31-2019 USD	12-31-2018 USD
Description of paid dividend, ordinary share	Definitive Dividend N° 88, paid on May 02 2019	Definitive Dividend N° 86, paid on April 27 2018
Description of shares class for which there is paid dividend, ordinary shares	Sole emission shares	Sole emission shares
Date of paid dividend, ordinary shares	02-05-2019	27-04-2018
Dividend amount for ordinary shares	38.714.767	40.188.400
Number of issued shares over which dividend is paid, ordinary shares	132.999.304	132.999.304
Dividend per share, ordinary shares in dollars	0,29	0,30

The subsidiary Carbomet Energía S.A., paid dividends to minor shareholder according to the following detail:

Year 2019

- THUSD 818, corresponding to the dividend N° 88 of April 12th 2019.

Year 2018

- THUSD 655, corresponding to the dividend N° 87 of April 13th 2018.

The subsidiary Auxiliar de Electricidad del Maipo S.A., paid dividends to minor shareholder according to the following detail:

Year 2019

- THUSD 70, corresponding to the dividend N° 7 of April 11th 2019.

Year 2018

- THUSD 100, corresponding to the dividend N° 6 of April 10th 2018.

25.5 Other reserves

(a) Reserves for exchange differences.

The detail by companies of exchange differences from converting the financial statements from their functional currency to the Group presentation currency is as follows:

Accumulated exchange differences	12-31-2019 THUSD	12-31-2018 THUSD
Inmobiliaria San Bernardo S.A.	(14.726)	(14.726)
Strategic Metals B.V.	9.503	9.965
Carbomet Energía S.A.	(841)	(582)
Carbomet Industrial S.A.	514	514
Luoyang Hi-Tech Metals Co. Ltd.	-	725
Molymex S.A. de C.V.	25	25
Molymet Corporation	(1)	(1)
Molymet Beijing	23	32
Total	(5.503)	(4.048)

(b) Reserves for hedge operations.

Correspond to cash flow hedge transactions.

Accumulated hedge operations	12-31-2019 THUSD	12-31-2018 THUSD
Adjustment Chilean bond conversion	4.956	1.225
Chilean SWAP Bonds appreciation	(6.843)	(4.396)
Adjustment Mexican bond conversion	25.995	28.174
Mexican SWAP Bonds appreciation	(30.801)	(38.631)
Adjustment Colombian bond conversion	7.713	7.108
Colombian SWAP Bonds appreciation	(6.459)	(6.456)
Colombian IRS Bonds appreciation	(1.884)	(339)
Hedge forward conversion adjustment	-	(1.632)
I.D. Hedge Operations	2.186	3.504
Hedge forward	(773)	1.969
Total	(5.910)	(9.474)

(c) Reserves for actuarial earning or loss.

Actuarial gains or losses reserve	12-31-2019 THUSD	12-31-2018 THUSD
Actuarial reserves in defined benefit plans	(7.982)	(4.533)
I.D. Actuarial results in defined benefit plans	2.180	1.256
Total	(5.802)	(3.277)

(d) Other various reserves.

Actuarial gains or losses reserve	12-31-2019 THUSD	12-31-2018 THUSD
CESA fusion equity reserve	(1.054)	-
Total	(1.054)	-

25.6 Accumulated gains (losses)

Accumulated gains (losses)	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Initial balance	211.820	153.748
Dividends provision	(25.029)	(38.714)
(Excess) or deficit dividends payments	(1)	1
Period result	62.573	96.785
Total	249.363	211.820

25.7 Non-controlling participations

Corresponds to the recognition of the portion of the equity and result of subsidiaries which belong to persons that are no part of the Group.

Company	Percentage	Equity		Result	
		12-31-2019 THUSD	12-31-2018 THUSD	12-31-2019 THUSD	12-31-2018 THUSD
Carbomet Energía S.A.	47,237%	1.369	2.503	636	869
Carbomet Industrial S.A.	0,011%	3	3	-	-
Cia. Elect. del Maipo S.A.	-	-	1.512	-	294
Inmobiliaria San Bernardo S.A.	0,045%	20	21	-	-
Total non-controlling participations		1.392	4.039	636	1.163

25.8 Capital management

Entity considers as capital the equity of the corporation.

(a) *Information of objectives, policies and processes that the entity applies to manage capital.*

Molymet's objective is to maintain a solid capital base, which guarantees revenues for investors, performance for instruments holders, an optimal capital structure that reduces the cost of itself, and at the same time, keeps the confidence from investors, creditors and the market, sustaining the future development of the Company.

(b) *Qualitative information on objectives, policies and processes that the company applies to manage capital.*

To comply with the objectives of capital Management, Molymet may maintain or adjust its capital structure through and increase or decrease of the amount of dividends payment to shareholders, capital reimbursement to shareholders, issuing of new shares and/or sale of assets.

(c) *Quantitative information on how capital is managed.*

Molymet performs capital following according to the leverage index and credit rating.

The leverage index is calculated as the consolidated total liabilities, minus supplies, minus payable accounts for molybdenum products purchases, dividing all the above by equity plus minority participations.

Molymet strategy has been to maintain a leverage index lower than 1.75.

Leverage indexes to December 31st 2019 and 2018 were 0.23 and 0.33 respectively

Thousands of USD	12-31-2019	12-31-2018
Consolidated liabilities	584.745	660.093
Existences	474.908	537.217
Molybdenum payable accounts	56.939	105.320
Equity attributable to controllers	733.046	696.973
Non-controlling participation	1.392	4.039
Leverage index	0,23	0,33

Molymet's strategy in terms of credit rating is to maintain its condition of Investment Grade in the International market, meaning, equal or higher than BBB-; and a rating equal or higher than A in the national market.

At present Molymet has BBB (Fitch Ratings) and BBB- (S&P) ratings in the international market, in the Mexican market has AA+ (Fitch Ratings) and AA (S&P) ratings, in Colombia an internal rating AAA (Fitch Ratings) and in the national market has AA- (Fitch Ratings and Feller Rate) rating.

(d) *Changes from previous period.*

There are no changes registered for objectives, policies or processes applied by Molymet to manage capital.

(e) *External requirements of capital at which is subject during the present period.*

The Parent Company Molibdenos y Metales S.A. had issued bonds and bank long term financing contracts in the local and foreign market. As well as in bonds issuing as in bank financing contracts, covenants had been agreed-on according to the usual practices in the market, which are described following:

- MINIMUM CONSOLIDATED EQUITY.
- EBITDA / NET FINANCIAL EXPENDITURES: Relation of operational result plus depreciation over the net financial expenditures.
- DEBT LEVEL: Relation of comprehensive total liabilities minus existences, plus payable accounts for molybdenum product purchase, all of the above over minimum equity.

To December 31st 2019 and 2018, Molibdenos y Metales S.A. has satisfactorily complied with the financial indicators (covenants) and the restrictions set by its creditors. Fulfillment of these indicators and restrictions, their value and their respective calculation formulas are summarized following:

Covenants	Condition	12-31-2019	12-31-2018	Valid to
(i) Minimum consolidated Equity (THUSD)	≥ 300.000	734.438	701.012	01-06-2028
(ii) EBITDA / Net Financial Expenditures	≥ 5,00	10,8	15,93	01-06-2028
(iii) Debt Level	≤ 1,75	0,23	0,33	01-06-2028

Following, the detail with the calculation detail for each covenant (detail in quotation marks corresponds to the name of the accounts used in the calculation):

(i) *Minimum consolidated Equity*

Minimum consolidated Equity (thousands of USD)	12-31-2019	12-31-2018
"Total Equity" for reference period:	734.438	701.012
Minimum allowed "Total Equity":	300.000	300.000

(ii) *EBITDA / Net Financial Expenditures*

Consolidated (annualized) EBITDA (thousands of USD)	12-31-2019	12-31-2018
(+) "Gross Profit"	157.874	225.282
(+) "Other incomes, by function"	1.198	1.306
(+) "Distribution costs"	(14.229)	(13.327)
(+) "Administration expenses"	(50.523)	(56.727)
(+) "Other expenses, by function"	(7.867)	(8.336)
(+) "Other gains (losses)"	10.745	(1.463)
(-) "Depreciation expenditure"	(36.503)	(38.178)
(-) "Intangibles amortization"	(812)	(687)
Consolidated EBITDA (annualized):	134.513	185.600
Consolidated (annualized) net Financial Expenditures (thousands of USD)	12-31-2019	12-31-2018
(-) "Financial expenses"	(19.094)	(21.922)
(-) "Financial incomes"	6.640	10.274
Consolidated (annualized) net Financial Expenditures:	12.454	11.648
EBITDA / Net Financial Expenditures Ratio	12-31-2019	12-31-2018
EBITDA / Net Financial Expenditures Ratio for the reference period:	10,8:1,00	15,93:1,00
Minimum allowed Consolidated interests Hedge Ratio:	5,00:1,00	5,00:1,00

(iii) *Debt Level*

Total Consolidated Liabilities (thousands of USD)	12-31-2019	12-31-2018
(+) "Total Current Liabilities"	235.900	309.030
(+) "Total Non-current Liabilities"	348.845	351.063
(-) Positive difference between:	417.969	431.897
(i) "Inventories"	474.908	537.217
(ii) "Molybdenum Payable Accounts"	56.939	105.320
Total Net Consolidated Liabilities:	166.776	228.196

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Consolidated Equity (thousands of USD)	12-31-2019	12-31-2018
"Total Equity"	734.438	701.012
Total Consolidated Equity:	734.438	701.012
Total Liabilities to Consolidated Equity Ratio	12-31-2019	12-31-2018
Total Liabilities to Consolidated Equity Ratio for the reference period:	0,23:1,00	0,33:1,00
Minimum allowed Total Liabilities to Consolidated Equity Ratio:	1,75:1,00	1,75:1,00

In both periods, it has been verified and informed the fulfillment of the restrictions and covenants to the respective company creditors. This has been made along with the issuing of the Financial Statement to the Values and Securities Superintendence, together with all the public information that the company had delivered to the Superintendence.

All provision arising from adverse contingencies, that in company's judgment shall be reflected in its Financial Statement and/or of its subsidiaries, are registered in the Company's accounting books.

Insurances are kept to reasonably protect its operational assets, including headquarters, buildings, plants, supplies, furniture, office equipment and vehicles, according to the usual practices of the industries of the nature of the Corporation.

The Corporation safeguards that the operations that it performs with its subsidiaries or with other related natural or legal entities, are made in fair conditions similar to the prevailing in the market.

(f) *Consequences of failure to comply, when the entity has not accomplished the external requirements.*

The persistency in the failure to comply the external requirements by Molibdenos y Metales S.A., as well as in cases of financing contracts as in the bonds issuing, gives the right to the creditor or Meeting of Creditors, given the case, to accelerate the credit and its interests, making cashable the total of the debt as if the due period was finished.

To the date, MolyMet has accomplished all external requirements.

26. Revenue from ordinary activities.

(a) *Revenue from ordinary activities for the periods to December 31st 2019 and 2018 is the following:*

Ordinary Revenue Classes	ACCUMULATED	
	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Nos Plant Chile	437.153	521.412
Mejillones Plant Chile	161.950	80.858
Belgium Plant	88.135	109.522
Mexico Plant	313.268	295.525
Germany Plant	49.513	44.242
Others	120.129	140.702
Total	1.170.148	1.192.261

(b) *Detail on revenue from ordinary activities for the periods to December 31st 2019 and 2018 is the following:*

Revenue for trade lines	ACCUMULATED	
	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Revenue for molybdenum, rhenium, copper and sulfuric acid product sales	1.099.578	1.113.256
Revenue for tolling services	64.740	74.211
Revenue for electrical power service sales	3.222	1.862
Revenue for agricultural product sales	1.527	1.830
Other revenue	1.081	1.102
Total	1.170.148	1.192.261

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

27. Leases.

(a) *Information about operative leases, as lessee:*

Detail	Building	Machinery	Transport equipment	Office equipment	Assets for Right of use, net
Balance to January 1st, 2019	-	-	-	-	-
Changes					
Additions for IFRS 16 application	642	37	3.401	95	4.175
Depreciation	(186)	(18)	(1.000)	(35)	(1.239)
Changes, Total	456	19	2.401	60	2.936
Balance to December 31st 2019	456	19	2.401	60	2.936

Future payments from contracts recognized as financial leasing, are as follows:

Future payments	12-31-2019 THUSD
Future leasing minimum payments of leases, up to one year, lessee	1.346
Future leasing minimum payments of leases, more than one year and less than five, lessee	1.648
Future leasing minimum payments of financial leases, total	2.994

(b) *Information about short term and low value leasing, as lessee:*

Future payments	12-31-2019 THUSD	12-31-2018 THUSD
Future leasing minimum payments of leases, up to one year, lessee	70	119
Future leasing minimum payments of leases, more than one year and less than five, lessee	42	151
Total future leasing minimum payments of non-cancelable leases, lessee	112	270

These contracts correspond to computer equipment, which do not have special agreed contingent installments, nor special restrictions to the entity. These contracts, as they reach their expiration dates will not be renewed.

Effects of these contracts in the revenue statements are as follows:

Short term and low value leasing installments	ACCUMULATED	
	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Payments for leasing	125	162
Short term and low value leasing paid installments, total	125	162

(c) *Information on operational leases, as lessor.*

Future payments, lessor	ACCUMULATED	
	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Future leasing minimum payments of leases, up to one year	27	57
Future leasing minimum payments of leases, more than one year and less than five	-	116
Future leasing minimum payments of leases, more than five years	-	160
Future leasing payments, total	27	333

The Group leases building properties through one year subscribed contracts, automatically renewable for an equal period, additionally a property is kept in a 10-years revolving leasing.

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Effects of these contracts in the revenue statements are as follows:

Installments of leases and subleases recognized on the revenue statement, lessor	ACCUMULATED	
	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
	Leases recognized on the revenue statement	27
Installments of leases and subleases recognized on the revenue statement, lessor, total	27	57

28. Information to disclose on operating segments..

The Group's business is the treatment and processing of molybdenum concentrates (molybdenite) which is the main mineral source of molybdenum, with the intention to produce a wide range of molybdenum products and its derivatives. Segments are defined and managed by productive plants location; Chile - Molibdenos y Metales S.A., Molynor S.A. Industrial Complex, Belgium-Sadaci N.V., Mexico-Molymex S.A. of C.V. and Germany-CM Chemiemetall GMBH. Following, the main activities of each productive plant is summarized:

Molibdenos y Metales S.A. (Nos Plant - Chile), in Nos plant molybdenum concentrate is processed to produce molybdenum oxide, molybdic oxide briquettes and powder, ferromolybdenum, higher purity molybdenum chemicals, rhenium products, sulfuric acid, copper cathodes and copper cement.

Molynor S.A. Industrial Complex (Mejillones Plant - Chile), in this plant molybdenum concentrate is processed to produce molybdenum oxide, rhenium concentrate, sulfuric acid and copper cement.

Sadaci N.V. (Ghent Plant- Belgium), facilities of Ghent plant provide roasting to molybdenum concentrate to produce technical molybdic oxide, molybdic oxide briquettes, ferromolybdenum and sodium molybdate.

Molymex S.A. of C.V. (Cumpas Plant - Mexico), in Cumpas plant, it's mainly processed molybdenum concentrate from Mexican or North American origin, to produce molybdenum oxide and molybdic oxide briquettes.

CM Chemiemetall GMBH (Bitter Feld Plant- Germany), in Bitter Feld plant, the main processed product is metallic powder through oxides direct reduction with hydrogen and molybdenum dioxide.

The segment shown as Others, represents those activities that do not classify as molybdenum concentrate processing productive plants, in which the following activities are included:

- Production, trading and distribution of electric power.
- Commercial exploitation and administration of real estate.
- Molybdenum and its derivate products trading.

Information on operating segments.

(a) Current period from January 1st to December 31st 2019.

Period general information on revenue, assets and liabilities	Segment description							
	Nos Plant Chile	Mejillones Plant Chile	Belgium Plant	Mexico Plant	Germany Plant	Others	Write-off	Total
	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD
Incomes from ordinary activities coming from external clients, total	437.153	161.950	88.135	313.268	49.513	120.129		1.170.148
Incomes from ordinary activities between segments, total	195.300	68.329	116.600	61.018	49	11.579	(452.875)	-
Incomes for interests, total segments	4.051	2.282	133	581	17	1.204	(1.693)	6.575
Other financial incomes, total segments	13	50	1	1	-	-	-	65
Total financial incomes, total segments	4.064	2.332	134	582	17	1.204	(1.693)	6.640
Expenditures for interests, total segments	(16.230)	(216)	(642)	(1.202)	(43)	(97)	1.693	(16.737)
Expenditures for Right of use interests, total segments	(237)	(100)	(1)	(32)	(1)	(31)	262	(140)
Other financial expenditures, total segments	(2.055)	(44)	(15)	(28)	-	(75)	-	(2.217)
Total financial expenditures, total segments	(18.522)	(360)	(658)	(1.262)	(44)	(203)	1.955	(19.094)
Financial incomes, net, total segments	(14.458)	1.972	(524)	(680)	(27)	1.001	262	(12.454)

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Period general information on revenue, assets and liabilities	Segment description							
	Nos Plant Chile	Mejillones Plant Chile	Belgium Plant	Mexico Plant	Germany Plant	Others	Write-off	Total
	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD
Depreciation and amortization, total segments	(14.269)	(12.810)	(4.759)	(2.511)	(1.617)	(1.697)	348	(37.315)
Gains (loss) of the segment informed before revenue taxes, total	20.869	31.492	4.271	17.898	2.369	74.558	(67.803)	83.654
Participation in gains (loss) of associates accounted by the participation method	-	-	-	-	-	67.025	(67.025)	-
(Expenditure) income over revenue tax, total	(6.942)	(8.569)	(743)	(4.577)	(895)	1.281	-	(20.445)
Cash Flow coming from (use don) operation activities	30.198	25.619	14.962	29.452	6.918	7.846	(1.118)	113.877
Cash Flow coming from (use don) investment activities	3.470	(3.840)	(25.954)	(3.325)	(5.009)	14.257	4.522	(15.879)
Cash Flow coming from (use don) financing activities	(93.679)	29.784	9.262	(30.999)	1.978	(4.808)	(3.404)	(91.866)
Segment Assets, Total	625.073	356.342	168.496	111.853	33.171	854.613	(830.365)	1.319.183
Investments in associates accounted by the participation method	-	-	-	-	-	726.460	(726.460)	-
Segments liabilities	460.641	92.826	57.909	47.007	5.942	17.877	(97.457)	584.745

(b) Past period from January 1st to December 31st 2018.

Period general information on revenue, assets and liabilities	Segment description							
	Nos Plant Chile	Mejillones Plant Chile	Belgium Plant	Mexico Plant	Germany Plant	Others	Write-off	Total
	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD
Incomes from ordinary activities coming from external clients, total	521.412	80.858	109.522	295.525	44.242	140.702		1.192.261
Incomes from ordinary activities between segments, total	167.642	10.336	190.381	49.520	1.222	17.001	(436.102)	-
Incomes for interests, total segments	7.729	1.843	99	442	51	456	(422)	10.198
Other financial incomes, total segments	9	64	1	-	-	2	-	76
Total financial incomes, total segments	7.738	1.907	100	442	51	458	(422)	10.274
Expenditures for interests, total segments	(17.721)	-	(144)	(1.163)	-	(15)	422	(18.621)
Other financial expenditures, total segments	(2.579)	(38)	(18)	(621)	-	(45)	-	(3.301)
Total financial expenditures, total segments	(20.300)	(38)	(162)	(1.784)	-	(60)	422	(21.922)
Financial incomes, net, total segments	(12.562)	1.869	(62)	(1.342)	51	398	-	(11.648)
Depreciation and amortization, total segments	(12.844)	(15.893)	(4.837)	(2.329)	(1.383)	(1.579)	-	(38.865)
Gains (loss) of the segment informed before revenue taxes, total	74.809	15.107	11.299	22.061	496	59.806	(50.838)	132.740
Participation in gains (loss) of associates accounted by the participation method	-	-	-	-	-	51.436	(52.418)	(982)
(Expenditure) income over revenue tax, total	(19.210)	(4.216)	(1.245)	(7.583)	(266)	(2.272)	-	(34.792)
Cash Flow coming from (use don) operation activities	(9.994)	5.265	(5.246)	15.500	(1.572)	6.290	(619)	9.624
Cash Flow coming from (use don) investment activities	114.392	29.378	(21.602)	(1.980)	(1.908)	(410)	7.541	125.411
Cash Flow coming from (use don) financing activities	(146.253)	(29.725)	28.240	(11.374)	(26)	(22.188)	(6.921)	(188.247)
Segment Assets, Total	702.052	303.583	160.583	129.090	29.877	811.471	(775.551)	1.361.105
Investments in associates accounted by the participation method	-	-	-	-	-	682.727	(682.727)	-
Segments liabilities	524.941	61.703	53.268	77.553	4.099	25.663	(87.134)	660.093

Assets conciliation	12-31-2019 THUSD	12-31-2018 THUSD
Segments total assets conciliation	2.149.548	2.136.656
Conciliation of other assets	(747.166)	(689.120)
Write-off of collectable accounts from parent company to segments	(83.199)	(86.431)
Total Assets	1.319.183	1.361.105

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Liabilities conciliation	ACCUMULATED	
	12-31-2019 THUSD	12-31-2018 THUSD
Segments total assets conciliation	682.202	747.227
Conciliation of other assets	(33.560)	(15.812)
Write-off of collectable accounts from parent company to segments	(63.897)	(71.322)
Total Assets	584.745	660.093

Conciliation of total incomes from ordinary activities of segments	ACCUMULATED	
	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Conciliation of total incomes from ordinary activities of segments	1.623.023	1.628.363
Conciliation of elimination of ordinary activities between segments	(452.875)	(436.102)
Total Ordinary Incomes	1.170.148	1.192.261

Gains (loss) conciliation	ACCUMULATED	
	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Segments total gains (loss) conciliation	151.457	183.578
Conciliation of gains (loss) write-off between segments	(67.803)	(50.838)
Gains (loss) conciliation before taxes	83.654	132.740

29. Information about non-financial incomes and expenditures.

CONCEPT	ACCUMULATED	
	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Sales of materials and others	1.053	908
Other results from operation	145	398
Other incomes, by function	1.198	1.306
International freight for sales	(6.241)	(5.285)
National freight for sales	(1.683)	(1.338)
Insurances for sales	(727)	(750)
Shipment expenditures for sales	(469)	(458)
Other expenditures for sales	(3.952)	(4.242)
Other distribution costs	(1.157)	(1.254)
Distribution costs	(14.229)	(13.327)
Territorial taxes and commercial patents	(2.700)	(2.722)
Expenditures on trips	(607)	(600)
General expenditures	(8.277)	(9.079)
Maintenance expenditures	(743)	(734)
Fixed Remunerations	(17.986)	(18.709)
Variable participation	(8.572)	(12.980)
Insurances	(2.551)	(3.080)
External services	(8.432)	(8.173)

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

CONCEPT	ACCUMULATED	
	01-01-2019 12-31-2019 THUSD	01-01-2018 12-31-2018 THUSD
Remunerations	(566)	(526)
Other administration expenses	(89)	(124)
Administration expenses	(50.523)	(56.727)
Marketing	(2.223)	(2.504)
Sales Commissions	(771)	(532)
Research and development	(1.404)	(1.875)
Cost of sold materials	(1.230)	(883)
Other operating expenditures	(2.239)	(2.542)
Other expenses, by function	(7.867)	(8.336)
Loss on disposal of fixed assets	(811)	(1.267)
Profit for sale of Investment in subsidiary	11.637	-
Other gains (losses)	(81)	(196)
Other gains (losses)	10.745	(1.463)

30. Foreign currency.

(a) En cuadro adjunto se muestra la composición de los activos corrientes por tipo de moneda:

Assets class	ACCUMULATED	
	12-31-2019 THUSD	12-31-2018 THUSD
Current assets		
Cash and cash equivalents	199.824	192.584
Dollars	188.188	178.873
Euros	5.624	9.738
Chilean pesos	4.257	2.715
Mexican pesos	640	587
Other currencies	1.115	671
Other current financial assets	145	22.268
Dollars	143	22.222
Euros	-	46
Unidad de fomento (UF Chilean)	2	-
Other current non-financial assets	4.445	7.441
Dollars	3.392	5.918
Euros	278	129
Chilean pesos	180	1.010
Mexican pesos	498	343
Other currencies	97	41
Current trade and other receivables	139.757	140.824
Dollars	111.237	107.275
Euros	757	803
Chilean pesos	18.434	18.799
Mexican pesos	9.270	13.865
Other currencies	20	76

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Assets class	12-31-2019 THUSD	12-31-2018 THUSD
Unidad de fomento (UF Chilean)	4	4
Colombian pesos	35	2
Current intercompany receivables	316	147
Chilean pesos	316	147
Inventories	389.579	448.787
Dollars	389.424	448.561
Chilean pesos	155	226
Current biological assets	526	533
Dollars	526	533
Current tax assets	21.045	2.661
Dollars	1.303	-
Euros	8	7
Chilean pesos	18.297	2.654
Mexican pesos	1.419	-
Other currencies	18	-
Total current assets different from assets classified as held for sale or as held for distribution to owners	755.637	815.245
Assets classified as held for sale.	-	7.277
Euros	-	208
RMB	-	7.069
Total current assets	755.637	822.522

(b) In attached table it is shown the composition of non-current assets by type of currency:

Assets class	12-31-2019 THUSD	12-31-2018 THUSD
Non-current assets		
Other non-current financial assets	301	-
Unidad de fomento (UF Chilean)	301	-
Other non-current non-financial assets	24	161
Dollars	24	24
Chilean pesos	-	137
Non-current trade and other receivables	54	217
Chilean pesos	6	166
Unidad de fomento (UF Chilean)	48	51
Non-current intercompany receivables	-	316
Unidad de fomento (UF Chilean)	-	316
Non-current Inventories	85.329	88.430
Dollars	85.329	88.430
Intangible assets	2.988	3.504
Dollars	2.988	3.504
Property, plant and equipment	459.764	430.915
Dollars	454.686	425.106
Chilean pesos	5.078	5.809

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Deferred tax assets	15.086	15.040
Dollars	11.961	14.275
Chilean pesos	416	743
Other currencies	2.709	22
Total non-current assets	563.546	538.583
Total assets	1.319.183	1.361.105

(c) In attached table it is shown the composition of current liabilities by type of currency:

Liability class	12-31-2019			12-31-2018		
	Up to 90 days THUSD	91 days until 1 year THUSD	Total THUSD	Up to 90 days THUSD	91 days until 1 year THUSD	Total THUSD
Current liabilities						
Other current financial liabilities	2.539	41.339	43.878	2.280	79.630	81.910
Dollars	783	40.197	40.980	266	79.161	79.427
Chilean pesos	45	673	718	118	-	118
Mexican pesos	1.299	-	1.299	1.454	-	1.454
Unidad de fomento (UF Chilean)	-	469	469	-	469	469
Colombian pesos	412	-	412	442	-	442
Current trade and other payables	135.368	-	135.368	154.964	-	154.964
Dollars	110.640	-	110.640	131.550	-	131.550
Euros	5.307	-	5.307	3.487	-	3.487
Chilean pesos	17.165	-	17.165	17.471	-	17.471
Mexican pesos	1.821	-	1.821	2.227	-	2.227
Other currencies	293	-	293	121	-	121
Unidad de fomento (UF Chilean)	142	-	142	108	-	108
Current tax liabilities	10.905	540	11.445	9.055	54	9.109
Dollars	-	-	-	2.541	3	2.544
Euros	1.214	515	1.729	739	-	739
Chilean pesos	9.544	-	9.544	5.707	1	5.708
Other currencies	147	25	172	68	50	118
Current employee benefit obligations	16.369	2.896	19.265	23.100	259	23.359
Dollars	31	22	53	3.432	60	3.492
Euros	1.882	191	2.073	2.354	199	2.553
Chilean pesos	13.803	-	13.803	17.037	-	17.037
Mexican pesos	437	2.683	3.120	-	-	-
Other currencies	216	-	216	277	-	277
Other current non-financial liabilities	25.368	576	25.944	38.913	775	39.688
Dollars	25.021	-	25.021	38.727	-	38.727
Euros	347	-	347	186	-	186
Chilean pesos	-	576	576	-	775	775
Total current liabilities	190.549	45.351	235.900	228.312	80.718	309.030

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

(d) In attached table it is shown the composition of non-current liabilities by type of currency:

Liability class	12-31-2019				12-31-2018			
	More than 1 year up to 3 years	More than 3 years up to 5 years	More than 5 years	Total	More than 1 year up to 3 years	More than 3 years up to 5 years	More than 5 years	Total
	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD
Non-current liabilities								
Other non-current financial liabilities	70.217	85.495	79.466	235.178	-	157.751	80.395	238.146
Dollars	8.343	30.801	6.843	45.987	-	45.426	4.396	49.822
Chilean pesos	1.335	1.003	-	2.338	-	-	-	-
Mexican pesos	-	53.691	-	53.691	-	51.410	-	51.410
Unidad de fomento (UF Chilean)	-	-	72.623	72.623	-	-	75.999	75.999
Colombian pesos	60.539	-	-	60.539	-	60.915	-	60.915
Non-current trade and other payables	1.648	-	-	1.648	-	-	-	-
Dollars	47	-	-	47	-	-	-	-
Euros	43	-	-	43	-	-	-	-
Chilean pesos	1.316	-	-	1.316	-	-	-	-
Mexican pesos	189	-	-	189	-	-	-	-
Other currencies	27	-	-	27	-	-	-	-
Unidad de fomento (UF Chilean)	26	-	-	26	-	-	-	-
Other long-term provisions	439	-	-	439	521	-	-	521
Euros	439	-	-	439	521	-	-	521
Deferred tax liabilities	69.118	1.498	21.477	92.093	72.996	558	21.165	94.719
Dollars	69.118	1.496	21.477	92.091	72.996	196	21.165	94.357
Chilean pesos	-	2	-	2	-	362	-	362
Non-current employee benefit obligations	1.533	1.366	16.588	19.487	1.069	1.189	15.419	17.677
Dollars	-	749	-	749	-	546	-	546
Euros	1.466	-	-	1.466	1.021	-	-	1.021
Chilean pesos	-	617	16.588	17.205	-	643	15.419	16.062
Other currencies	67	-	-	67	48	-	-	48
Total non-current liabilities	142.955	88.359	117.531	348.845	74.586	159.498	116.979	351.063

31. Environment.

The Group has made expenditures related to the environment according to the following detail:

(1) To December 31st 2019.

Company making the expenditure	Project	Concept which originated (or will originate) the periods expenditure	Expenditure classification	Description of period's expenditure item	Expenditure to 12-31-2019 USD
Molymet	Environmental management	Expenditures	Concept was reflected as expenditure by the Company	Environmental management	168
Molymet	Monitoring	Expenditures	Concept was reflected as expenditure by the Company	Monitoring	620
Molymet	Equipment operations	Expenditures	Concept was reflected as expenditure by the Company	Emissions control	25.973
Molymet	Residues	Expenditures	Concept was reflected as expenditure by the Company	Expenditures for residue treatment	4.944

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

Company making the expenditure	Project	Concept which originated (or will originate) the periods expenditure	Expenditure classification	Description of period's expenditure item	Expenditure to 12-31-2019 USD
Molymet	Social Responsibility	Expenditures	Concept was reflected as expenditure by the Company	Social Responsibility	119
Molymet	Investment Project	Treat. Gases capture improvement and Chem. Lab. pressurization	Environmental Protection	Investment project	3
Molymet	Investment Project	Roasting oven 5 fuel change	Environmental Protection	Investment project	48
Molymet	Investment Project	Molybdenite drying stoves revamping	Environmental Protection	Investment project	42
Molymet	Investment Project	Ammonia dissolving process modernizing stage 1	Environmental Protection	Investment project	35
Molymet	Investment Project	Ammonia bicarbonate preparation system	Environmental Protection	Investment project	168
Molymet	Investment Project	Generation room n° 2 noise attenuator	Environmental Protection	Investment project	345
Molymet	Investment Project	Ammonia capture system improvements	Environmental Protection	Investment project	180
Molymet	Investment Project	Pure ammonium capture and reduction system	Environmental Protection	Investment project	929
Molymet	Investment Project	CO2 addition system for liquor reduction	Environmental Protection	Investment project	100
Molymet	Investment Project	Annoying odor mitigation with ecosorb technology	Environmental Protection	Investment project	75
Molymet	Investment Project	New packed tower for emissions reduction	Environmental Protection	Investment project	56
Molymet	Investment Project	Gas cleaning system modernization plan	Environmental Protection	Investment project	675
Molymet	Investment Project	Asbestos retirement and replacement program	Environmental Protection	Investment project	2
Molymet	Investment Project	Ammonia motoring net implementation	Environmental Protection	Investment project	40
Molymet	Investment Project	Ammonia emissions control in thickener treatment	Environmental Protection	Investment project	11
Molymex, S.A. de C.V.	Environmental management	Expenditures	Concept was reflected as expenditure by the Company	Environmental management	6
Molymex, S.A. de C.V.	Monitoring	Expenditures	Concept was reflected as expenditure by the Company	Monitoring	26
Molymex, S.A. de C.V.	Equipment operations	Expenditures	Concept was reflected as expenditure by the Company	Emissions control	1.538
Molymex, S.A. de C.V.	Residues	Expenditures	Concept was reflected as expenditure by the Company	Expenditures for residue treatment	256
Molymex, S.A. de C.V.	Social Responsibility	Expenditures	Concept was reflected as expenditure by the Company	Social Responsibility	6
Molymex, S.A. de C.V.	Others	Expenditures	Concept was reflected as expenditure by the Company	Others	1
Molymex, S.A. de C.V.	Investment Project	Process underground pipes replacement	Environmental Protection	Investment project	14
Molymex, S.A. de C.V.	Investment Project	Dust collection system (pmx1807)	Environmental Protection	Investment project	30
Molymex, S.A. de C.V.	Investment Project	e-110 gas exchanger replacement	Environmental Protection	Investment project	368
Molymex, S.A. de C.V.	Investment Project	e109b condensation tower module replacement	Environmental Protection	Investment project	389
Molymex, S.A. de C.V.	Investment Project	Water feed system replacement	Environmental Protection	Investment project	18
Molymex, S.A. de C.V.	Investment Project	Fine dust collection system replacement	Environmental Protection	Investment project	116
Molymex, S.A. de C.V.	Investment Project	Compabloc stand-by exchanger replacement	Environmental Protection	Investment project	121
Molymex, S.A. de C.V.	Investment Project	Control unit replacement	Environmental Protection	Investment project	112
Molymex, S.A. de C.V.	Investment Project	Sulfuric acid circuit adaption	Environmental Protection	Investment project	23
Molymex, S.A. de C.V.	Investment Project	k-112 ventilator replacement	Environmental Protection	Investment project	123
Sub-Total					37.680
Molymex, S.A. de C.V.	Investment Project	Slurry drying system replacement	Environmental Protection	Investment project	8
Sadaci	Environmental management	Expenditures	Concept was reflected as expenditure by the Company	Environmental management	100
Sadaci	Monitoring	Expenditures	Concept was reflected as expenditure by the Company	Monitoring	134
Sadaci	Equipment operations	Expenditures	Concept was reflected as expenditure by the Company	Emissions control	4.129
Sadaci	Residues	Expenditures	Concept was reflected as expenditure by the Company	Expenditures for residue treatment	268
Molynor	Monitoring	Expenditures	Concept was reflected as expenditure by the Company	Monitoring	432
Molynor	Equipment operations	Expenditures	Concept was reflected as expenditure by the Company	Emissions control	7.649
Molynor	Residues	Expenditures	Concept was reflected as expenditure by the Company	Expenditures for residue treatment	356
Total					50.756

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

(2) To December 31st 2018.

Company making the expenditure	Project	Concept which originated (or will originate) the periods expenditure	Expenditure classification	Description of period's expenditure item	Expenditure to 12-31-2018 USD
Molymet	Environmental management	Expenditures	Concept was reflected as expenditure by the Company	Environmental management	462
Molymet	Monitoring	Expenditures	Concept was reflected as expenditure by the Company	Monitoring	468
Molymet	Equipment operations	Expenditures	Concept was reflected as expenditure by the Company	Control equipment operations	24.146
Molymet	Residues	Expenditures	Concept was reflected as expenditure by the Company	Expenditures for residue treatment	3.767
Molymet	Social Responsibility	Expenditures	Concept was reflected as expenditure by the Company	Social responsibility	205
Molymet	Investment Project	Ammonia emissions capture	Environmental Protection	Investment project	127
Molymet	Investment Project	Sonic H3 gas cooler renovation	Environmental Protection	Investment project	165
Molymet	Investment Project	Treat. Gases capture improvement	Environmental Protection	Investment project	1.131
Molymet	Investment Project	Roasting oven 5 fuel change	Environmental Protection	Investment project	79
Molymet	Investment Project	Substances concentration normalization	Environmental Protection	Investment project	80
Molymet	Investment Project	Molybdenite drying stoves revamping	Environmental Protection	Investment project	125
Molymet	Investment Project	Ammonia dissolving process modernizing	Environmental Protection	Investment project	79
Molymex	Environmental management	Expenditures	Concept was reflected as expenditure by the Company	Environmental management	2
Molymex	Monitoring	Expenditures	Concept was reflected as expenditure by the Company	Monitoring	30
Molymex	Equipment operations	Expenditures	Concept was reflected as expenditure by the Company	Control equipment operations	1.431
Molymex	Residues	Expenditures	Concept was reflected as expenditure by the Company	Expenditures for residue treatment	253
Molymex	Social Responsibility	Expenditures	Concept was reflected as expenditure by the Company	Social responsibility	9
Molymex	Others	Expenditures	Concept was reflected as expenditure by the Company	Other environmental expenditures	3
Molymex	Investment Project	Major repair to condensator lower No. 1	Environmental Protection	Investment project	274
Molymex	Investment Project	Gas duct replacement	Environmental Protection	Investment project	69
Molymex	Investment Project	Compressed air pipe replacement	Environmental Protection	Investment project	11
Molymex	Investment Project	Wet precipitator major repair	Environmental Protection	Investment project	961
Molymex	Investment Project	PLG PLC's and computer migration	Environmental Protection	Investment project	146
Molymex	Investment Project	Process pipes replacement	Environmental Protection	Investment project	51
Molymex	Investment Project	Dust collection system	Environmental Protection	Investment project	20
Molymex	Investment Project	Cooling system restoration	Environmental Protection	Investment project	30
Molymex	Investment Project	Feeding system replacement	Environmental Protection	Investment project	22
Sadaci	Environmental management	Expenditures	Concept was reflected as expenditure by the Company	Environmental management	71
Sadaci	Monitoring	Expenditures	Concept was reflected as expenditure by the Company	Monitoring	108
Sadaci	Equipment operations	Expenditures	Concept was reflected as expenditure by the Company	Control equipment operations	4.760
Sadaci	Residues	Expenditures	Concept was reflected as expenditure by the Company	Expenditures for residue treatment	319
Sadaci	Investment Project	Water drainage	Environmental Protection	Investment project	103
Molynor	Monitoring	Expenditures	Concept was reflected as expenditure by the Company	Monitoring	402
Molynor	Equipment operations	Expenditures	Concept was reflected as expenditure by the Company	Control equipment operations	9.665
Molynor	Residues	Expenditures	Concept was reflected as expenditure by the Company	Expenditures for residue treatment	462
Total					50.036

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

(3) The Corporation and subsidiaries have future commitments for environmental concepts according to the following detail:

Company making the expenditure	Project	Concept which originated (or will originate) the periods expenditure	Expenditure classification	Description of period's expenditure item	Certain or estimated date on which future expenditures will be made, period expenditures	Expenditures THUSD
Molymex, S.A. de C.V.	Investment project	Sulfuric acid circuit adaption	Environmental Protection	Investment project	31-03-2020	67
Molymex, S.A. de C.V.	Investment project	k-112 ventilator replacement	Environmental Protection	Investment project	31-03-2020	127
Molymex, S.A. de C.V.	Investment project	Water storage cistern replacement	Environmental Protection	Investment project	31-03-2020	17
Total						211

32. Events after the reporting period.

On January 28th 2020, the Board of Directors approved these financial statements and has authorized its disclosure.

There are no subsequent events to be informed by the Corporation's administration that may affect in a significant manner the presented information.

The attached explanation notes, from 1 to 32, are part of these consolidated financial statements.

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I. EXECUTIVE SUMMARY

To December 31st 2019, the EBITDA reached US\$ 134.51 million, a 27.53% decrease respect the same period to 2018, which was US\$ 185.60 million. Profit attributable to Molymet shareholders to December 31st 2019 was US\$ 62.57 million, 35.35% lower than the US\$ 96.79 million for the same period to 2018. The aforementioned is mainly explained by lower sales volumes and trade margins.

Molymet shows a robust business model, a solid operational result, keeps a comfortable liquidity position and has strengthen its position as market world leader, where it can be observed a moderate activity in molybdenum consumption, as well as a stabilization in the price levels.

Regarding the international price of molybdenum oxide, in average it varied from US\$ 11.94 per pound at December 2018 to US\$ 11.35 per pound to December 2019, meaning a 4.94% decrease.

Molybdenum products volumes sold by Molymet in all its types to December 2019 reached 148.84 million pounds, compared to the 156.12 million pounds to December 2018.

To December 31st 2019, the Company's liquidity level reached US\$ 200.27 million, representing a US\$ 14.58 million decrease respect 2018 closure, product of new investments, debt amortization and dividends payment.

To December 2019, net debt was US\$ 78.79 million, representing a US\$ 26.41 million decrease respect the US\$ 105.20 million to 2018 closure.

At 2019 closure, Molymet keeps its Investment Grade rating in the international market, obtained in 2007. Standard & Poor's with a BBB- company rating, and Fitch Ratings with a BBB rating; in both cases with a stable forecast.

Regarding the current debt covenant, these are met to December 2019 closure.

Molymet shows a solid financial structure with high liquidity levels, an ample debt expiration date profile and an ample access to financing markets.

In the Shareholder Ordinary Meeting, held on April 23rd 2019, it was agreed to distribute the definitive dividend N°87 charged to 2018 profit, for a total of US\$ 38.71 million, equivalent to US\$ 0.29109 per share, which was paid on May 3rd 2019.

Dated December 27th 2018, subsidiary Eastern Special Metals Hong Kong Ltd. subscribed a sales contract with China Molybdenum Co. Ltd., for transferring the 100% of its shares participation in Luoyang Hi-Tech Metals Co. Ltd. This sale was approved unanimously by Molibdenos y Metales S.A. board. The operation was materialized on May 14th 2019, for an amount of US\$ 17.36 million. Further detail of this operation can be found in section IV.8. Assets Book Value and Economic Value of these Analysis of the Financial Statements.

Dated May 29th 2019, Molymet board approved the necessary investment for modernization of certain Molymet plant facilities located in Nos, San Bernardo, named "Roasting Gas Cleaning System Modernization", in order to modernize gases cleaning process, making them more efficient and robust. This project considers an approximate investment of US\$ 50.60 million in a 3-year period, which will be completely financed with own resources.

On June 13th 2019, Carbomet Energía S.A. (CESA), Molymet subsidiary, formalized the acquisition of 33% of Compañía Auxiliar de Electricidad del Maipo S.A. (CAEMSA) shares, from which it already possessed a 66.67%, therefore it holds a 100% interest of this last company for a total of \$2,500 million Chilean pesos, equivalent to approximately US\$ 3.7 million. Consequently, CESA acquired all CAEMSA assets and liabilities. To execute this operation, CESA acquired a bank loan for the operation amount.

On October 9th 2019, Colombia Stock Exchange approved the renewal of Molymet Issuer Recognition - IR, which will have a one year validity period from that date. This Recognition seeks to highlight Colombian market issuers that voluntarily adopt the best practices regarding information disclosure and investors relations.

II. ABOUT MOLYMET

Molybdenum is the world's main Molybdenum and Rhenium processor, with an approximated market share of 35% and 70% respectively. Currently, it has plants in four countries: Chile, Mexico, Belgium, and Germany; and commercial offices in England, China, United States, Brazil, Peru and Chile.

Molybdenum main use is steel special alloys, where the hardness is significantly improved, the high temperature and corrosion resistance is improved, increases durability and improves the machinery efficiency. Molybdenum uses can also be found in fertilizers, catalysts, lubricants, among others. The most relevant molybdenum products are: technical oxide, ferromolybdenum, ammonium dimolybdate, molybdenum pure oxide and metallic molybdenum. Within its processes it's also able to recuperate molybdenum by-products, being Rhenium the most important.

Molybdenum undisputed world market leadership is based on the continuous development of competitive advantages, through technological developments, efficiency and a coherent product portfolio and great quality service, which can satisfy the needs of our clients in the mining, industrial and rhenium areas. Likewise, its wide international presence has allowed it to get higher markets, suppliers and clients integration.

Molybdenum keeps an Investment Grade rating since 2007.

To December 2019 closure, Molybdenum total processing capacity is 207 million pounds per year, compared to a world demand of approximately 597 million pounds per year.¹

Molybdenum and Rhenium are considered minerals with a high strategic value at a global level, due to its valued technological applications and the important role they play in the global development of: mega constructions, urban development, environmental care, more efficient, safe and durable alloys.

Molybdenum keeps a long-term contract base that bring stability to the business. Among its Toll contracts, Sierra Gorda 10-years contract from 2014, Kennecott 3-years contract from 2018 and Codelco 3-years contract from 2020 are highlighted.

The Chemiemetall Plant Productive Capacity Increase Project, in Germany, is currently in execution. This investment project mainly considers incorporating a third production line, thus increasing its installed capacity in a 56%, equivalent to 645 metric tons of additional metallic molybdenum dust. The project considers an estimate investment of US\$ 9.20 million. Commissioning is expected to be in February 2020.

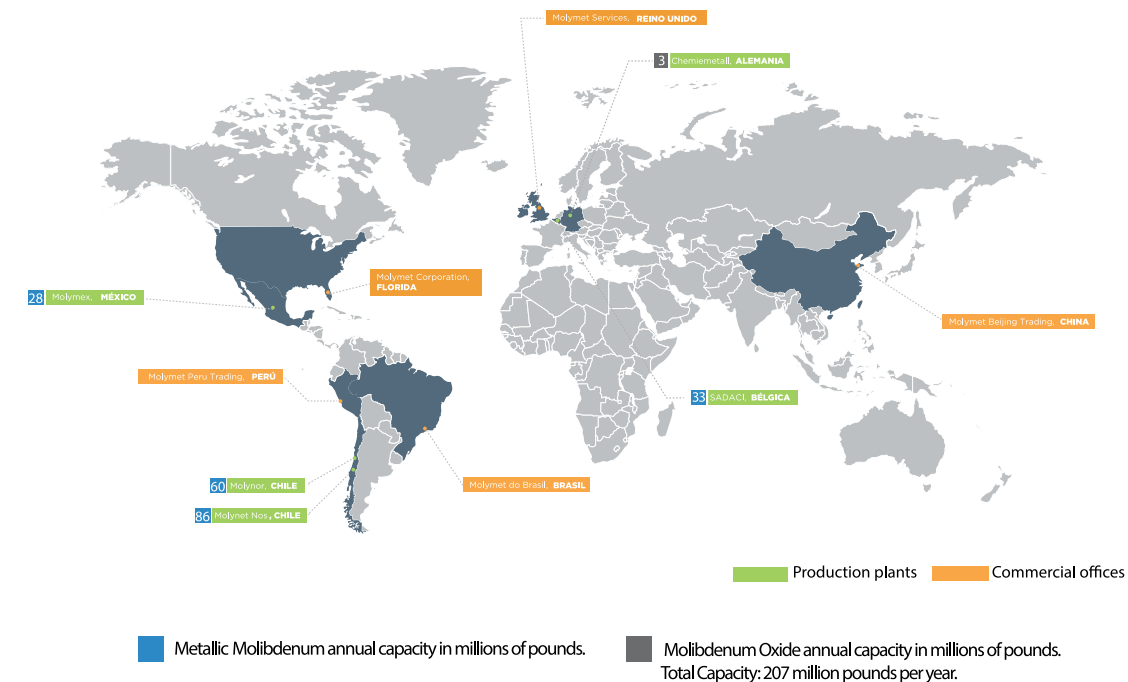
Chemical Plant Project, in Sadaci N.V., Belgium, is under development. This project that complements its current roasting operations, will allow elaboration of products with higher added value, as well as a greater flexibility in the molybdenum concentrate processing. This project considers commissioning during 2020 first semester; an estimated investment of US\$ 55.00 million; it will be carried out with own resources, without participant associates; and no financial effects are expected in the short term. At December 2019 closure, it had a 97% physical progress.

Dated May 29th 2019, Molybdenum board approved the necessary investment for modernization of certain Molybdenum plant facilities located in Nos, San Bernardo, named "Roasting Gas Cleaning System Modernization", in order to modernize gases cleaning process, making them more efficient and robust. This project considers an approximate investment of US\$ 50.60 million in a 3-year period, which will be completely financed with own resources.

At present, Molybdenum keeps current environmental permits, along with the basic engineering of its subsidiaries Molymex and Molynor expansion projects, which consider a productive capacity increase of 38.0 and 33.5 million pounds per year, respectively.

Molybdenum has a unique geographical diversification in the industry. The strategic location of its processing plants and commercial offices has allowed it to reach commercial and supply advantages through a more complete and efficient service to its clients.

The production plants and commercial offices to December 31st 2019:



Aiming to retain the company Know How, Molybdenum has reformulated its corporate Intellectual Property Policy incorporating the highest standards in protection, Intellectual Property rights management and compliance matters, thus adopting the adequate measures to avoid leak of this knowledge.

Molybdenum is a company which development and growth are based in the use of innovation as fundamental process for introducing processes and technologies that support its leadership role in the molybdenum industry. The same capability has led Molybdenum to innovate in other strategic metals industries, seeking business opportunities that allow increasing its product portfolio.

In this way, it succeeded in developing a process which invention patent request was published on March 09th 2017, by the World Intellectual Property Organization under the international publication number WO2017/035675 A1, for the process of arsenic removal from materials containing same. The request successfully completed the international patentability preliminary exam and entered the national phase on March 02nd 2018, for which it was selected the countries in which the request will be applied. Molybdenum entered the request in nine countries: Chile, Peru, Mexico, USA, Canada, Bulgaria, Namibia, China and Australia. From these countries, patent in Namibia was awarded.

In October 30th 2018, it was entered in Chile the patent request number 201803101. Such patent, which is following its normal process, seeks to protect the selective removal process of copper and other impurities from molybdenum and rhenium, from molybdenite concentrates. Additionally, the patent was applied in the United States and Australia.

The subsidiary Sadaci applied in 2016 the request PCT WO2017/202909 A1. This patent refers to the process that present modifications developed by Molybdenum to the multi-store roasting furnaces, to improve the roasting process efficiency. The request was granted in Belgium in August 2018 and it's in the national phase in the following countries: Canada, Chile, China, Korea, Mexico and the European Union. According to Belgian laws, the subsidiary Sadaci obtains taxing benefits for the awarded patent.

Dated April 18th 2018, Molybdenos y Metales S.A. Ordinary Shareholders Meeting agreed to renew the Company Board, naming misters Raúl Álamos L., George Anastassiou M., José Miguel Barriga G., Boris Buvinic G., Luis F. Cerón C., Hernán Cheyre V., Eduardo Guilisasti G., Jorge G. Larraín B., Bernhard Schretter y Karlheinz Wex. In the board session N°946, on April 18th 2018, Mr. George Anastassiou M. and Mr. Bernhard Schretter were appointed as Board President and Vice-president, respectively.

¹ Correspond to molybdenum content pounds.

Dated May 28th 2019, the board took notice of Director Mr. Jorge Gabriel Larraín Bunster resignation. The company Board agreed to appoint Mr. Juan Manuel Gutiérrez Philippi as replacement, until the next ordinary shareholders meeting, in which occasion the complete Board renewal shall proceed.

Molymet, through its subsidiary Inmobiliaria San Bernardo, has in its assets 133.6 hectares surface, from which 123 hectares contain walnut tree plantation. These hectares are around Molymet Nos plant, located in an additional land of 42.9 hectares. Jointly, both properties reach a combined total of approximately 176.5 hectares, which constitute a land of great economic interest with an important future potential.

III. RESULTS

i. Consolidated Revenue Statement Analysis

USD Millions	December 2018	December 2019	Dec. 2018 / Dec. 2019 Variation	
			US\$ Millions	%
Ordinary Revenue, Total	1,192.26	1,170.15	-22.11	-1.85%
Cost of sales	-966.98	-1,012.28	-45.30	4.68%
Gross profit	225.28	157.87	-67.41	-29.92%
Other operational costs and expenses	-79.85	-61.87*	17.98	-22.52%
Other incomes, by function	1.31	1.20	-0.11	-8.40%
Finance incomes	10.27	6.64	-3.63	-35.35%
Finance expenses	-21.92	-19.09	2.83	-12.91%
Share of income (losses) from equity method associates and joint ventures	-0.98	0.00	0.98	↑
Foreign exchange loss	-1.37	-1.09	0.28	-20.44%
Income tax expense	-34.79	-20.45	14.34	-41.22%
Profit for the period	97.95	63.21	-34.74	-35.47%
Profit attributable to non-controlling interests	1.16	0.64	-0.52	-44.83%
Profit attributable to owners of the parent	96.79	62.57	-34.22	-35.35%
EBITDA	185.60	134.51	-51.09	-27.53%

*Includes extraordinary profit from Luoyang Hi-Tech Metals sale.

To December 2019 closure, accumulated ordinary revenue were US\$ 1,170.15 million, which represents a 1.85% decrease respect the US\$ 1,192.26 million obtained at December 2018 closure.

Company incomes mainly depend of world molybdenum oxide world prices, processed and sold molybdenum products volumes, and the efficiency levels achieved during the period.

Regarding the international price of molybdenum oxide, in average it varied from US\$ 11.94 per pound at December 2018 to US\$ 11.35 per pound to December 2019, meaning a 4.94% decrease.

Molybdenum products volumes sold by Molymet in all its types to December 2019 reached 148.84 million pounds, compared to the 156.12 million pounds to December 2018.

Consolidated costs of sales to December 31st 2019, reached US\$ 1,012.28 million, representing a 4.68% increase respect the US\$ 966.98 million registered to December 2018 closure.

To December 31st 2019, gross profit reached US\$ 157.87 million, which represents a 29.92% decrease respect the US\$ 225.28 million registered to December 2018 closure. It is important to highlight that Molymet maintains a stable base of medium- and long-term clients for its Tolling, Own-products Selling and Rhenium businesses lines.

To 2019 closure, operational costs and expenses reached US\$ 61.87 million, which represents a 22.52% decrease respect the US\$ 79.85 million at 2018 closure. This decrease is mainly explained for higher other incomes for US\$ 12.21 million, and lower administration expenses for US\$ 6.20 million.

To December 2019, the financial result, corresponding to the difference between finance expenses and incomes, reached negative US\$ 12.45 million, while the result at 2018 closure reached negative US\$ 11.65 million. This result variation is generated by lower finance incomes for US\$ 3.63 million, in contrast with lower finance expenses for US\$ 2.83 million.

Regarding revenue taxes, these had a negative effect of US\$ 20.45 million to December 2019 closure, representing a US\$ 14.34 million decrease respect the negative effect of US\$ 34.79 million for taxes of the same period for 2018.

To December 31st 2019, the EBITDA reached US\$ 134.51 million, a 27.53% decrease respect the same period to 2018, which was US\$ 185.60 million. Mainly due to the gross profit decrease at the period closure for US\$ 67.41 million respect December 2018, which was compensated by higher other incomes and gains for US\$ 12.21 million.

Profit attributable to Molymet shareholders to December 31st 2019 was US\$ 62.57 million, compared to the results obtained at 2018 period closure for US\$ 96.79 million, mainly originated for a lower gross profit respect the previous period for US\$ 67.41 million.

ii. Operational Segments Analysis

For Molymet main operational segments, the variations of its incomes and expenditures were the following:

Individual Molymet (Nos Plant, Chile) had a gross margin, to December 31st 2019, of US\$ 73.46 million compared to the US\$ 133.15 million at December 2018 closure. The incomes for sales at December 2019 closure was US\$ 632.45 million, compared to the US\$ 689.05 million of 2018 exercise. At the same time, costs of sales to December 31st 2019 reached US\$ 558.99 million, while to December 31st 2018 were US\$ 555.90 million.

Molymex S.A. of C.V. (Mexico Plant) gross margin was US\$ 31.33 million to December 2019 closure, different from the US\$ 36.84 million of 2018 period. Incomes from sales to December 2019 were US\$374.29 million compared to the US\$ 345.05 million of 2018 period. At the same time, costs of sales to December 31st 2019 reached US\$ 342.96 million, while in 2018 exercise they reached US\$ 308.21 million.

Sadaci N.V. (Belgium Plant) had a gross margin, to December 31st 2019, of US\$ 13.03 million compared to the US\$ 19.98 million at December 2018 closure. The incomes for sales at December 2019 closure was US\$ 204.73 million, compared to the US\$ 299.90 million of 2018 exercise. At the same time, costs of sales to December 31st 2019 reached US\$ 191.70 million, while to December 31st 2018 were US\$279.92 million.

Molynor S.A. (Mejillones Plant, Chile) gross margin was US\$ 39.55 million to December 31st 2019, different from the US\$ 21.98 million of 2018 period. Incomes from sales to December 2019 closure were US\$ 230.28 million compared to the US\$ 91.19 million of 2018 period. At the same time, costs of sales to December 31st 2019 reached US\$ 190.73 million, different from the US\$ 69.21 million of 2018 period.

CM Chemiemetall GMBH (Germany Plant) had a gross margin of US\$ 4.55 million to December 31st 2019, different from the US\$ 3.00 million at December 2018 closure. The incomes for sales accumulated at December 2019 closure reached US\$ 49.52 million, while in 2018 exercise they were US\$ 45.46 million. At the same time, costs of sales to December 31st 2019 reached US\$ 44.97 million, different to the US\$ 42.46 million to December 2018.

Along with these segments there is also one denominated "others", which represents those activities that does not qualify as molybdenum concentrate processing plants, including the following activities:

- Production, sale and distribution of electrical power.
- Real estate commercial and administration exploitation.
- Molybdenum products and its by-products trader.

This segment presented at December 2019 closure a negative gross margin of US\$ 4.05 million, which represents a US\$ 14.38 million decrease compared to the positive gross margin of US\$ 10.33 million registered for the 2018 period.

IV. MOLYMET CONSOLIDATED FINANCIAL STATEMENT

USD Millions	December 2018	December 2019	Dec. 2018 / Dec. 2019 Variation	
			US\$ Million	%
Current Assets	822.52	755.64	-66.88	-8.13%
Non-current Assets	538.58	563.54	24.96	4.63%
Total Assets	1,361.10	1,319.18	-41.92	-3.08%
Current Liabilities	309.03	235.90	-73.13	-23.66%
Non-current Liabilities	351.06	348.84	-2.22	-0.63%
Net Equity	701.01	734.44	33.43	4.77%
Total Liabilities and Equity	1,361.10	1,319.18	-41.92	-3.08%

1. Assets

To December 31st 2019, company's total assets show a US\$ 41.92 million decrease in respect December 2018 closure. This is mainly due to:

Current assets decreased, to December 31st 2019, in US\$ 66.88 million in respect to December 2018 closure. This is mainly reflected by the decrease in inventories for US\$ 59.21 million and in other current finance assets for US\$ 22.12 million. This was partly compensated by the increase in assets for current taxes for US\$ 18.38 million, and in cash and cash equivalent for US\$ 7.24 million.

Non-current assets show an increase to December 2019, of US\$ 24.96 million in respect to December 2018, mainly explained by the increase in property, plant and equipment for US\$ 28.85 million. This was compensated by a decrease in non-current inventories for US\$ 3.10 million.

2. Liabilities

To December 2019 closure company's total of current and non-current liabilities decreased in US\$73.35 million in respect to December 2018. This is mainly due to:

The current liabilities decreased to December 2018 in US\$ 73.13 million respect 2018 closure, explained mainly by the decrease in other current finance liabilities for US\$ 38.03 million, in trade and other payable accounts for US\$ 19.60 million, in other current non-financial liabilities for US\$13.74 million and in employee benefit obligations for US\$ 4.09 million.

Non-current liabilities decreased to December 2019, in US\$ 2.22 million respect 2018 closure, mainly explained by the decrease in other non-current finance liabilities for US\$ 2.97 million and in deferred taxes liabilities for US\$ 2.63 million, which were compensated for the increase in employee benefit obligations for US\$ 1.81 million and non-current payable accounts for US\$ 1.65 million.

3. Equity

Net equity, to December 2019 closure, registered an increase of US\$ 33.43 million in respect to December 2018 closure, mainly explained by the increase in retained earnings for US\$ 37.54 million, compensated by a decrease in other reserves for US\$1.47 million.

4. Covenants

Regarding the company's Covenants, these are:

Creditors	Covenant	Condition	31/12/2018	31/12/2019	Validity
Bonds: Chile - México	Minimum equity (US\$ Millions)	≥ 300	701	734	01/06/2028
Bonds: Chile - México	EBITDA / Net Financial Expenditures	≥ 5.00	15.93	10.80	01/06/2028
Bonds: Chile - México	Debt level	≤ 1.75	0.33	0.23	01/06/2028

Covenants are met to December 31st 2019.

5. Financial Ratios and Metrics

A continuación se presentan los principales Ratios financieros al 31 de diciembre de 2019:

Index	December 2018	December 2019	Dec. 2018 / Dec. 2019 % Variation
Net Debt / EBITDA	0.57	0.59	3.51%
Debt Ratio ¹	0.94	0.80	-14.89%
% Short-Term Liability	46.82%	40.34%	-13.84%
% Long-Term Liability	53.18%	59.66%	12.19%
EBITDA / Financial Expenditures ²	8.47	7.04	-16.88%
Current Liquidity ³	2.66	3.20	20.30%
Acid test ratio ⁴	1.21	1.55	28.10%

¹ Corresponds to the total liabilities divided by the total net equity.

² Corresponds to the EBITDA divided by financial expenditures.

³ Corresponds to the total current assets divided by the total current liabilities.

⁴ Corresponds to the total current assets, minus the inventories, divided by the total current liabilities.

Regarding the aforementioned ratios, it can be mentioned that:

- Net Debt / EBITDA: it increased a 3.51% between December 2018 and December 2019, reaching a value of 0.59 times. This is due that the annualized EBITDA decreased in a 27.53%, while the net debt decreased in a 25.11% in respect to 2018 closure. In opinion of the administration, these levels are completely appropriate levels for the Company.
- Debt Ratio: it decreased in a 14.89% in respect to December 2018, reaching to December 2019 a value of 0.80 times. This is mainly explained to a decrease in total liabilities, while total equity increased.
- % Short Term Liability: it decreased from a 46.82% to December 2018 to 40.34% to December 2019, mainly due to the payment of US\$ 80.00 million corresponding to the fourth and fifth installments of the syndicated credit, the decrease of trade and other payable accounts for US\$ 19.60 million, in other current non-financial liabilities for US\$ 13.74 million, and in employees benefit obligations provisions for US\$ 4.09 million. In part compensated for the obtention of a short-term bank credit for US\$ 40.00 million.

- iv. % Long Term Liability: it increased from a 53.18% to December 2018 to a 59.66% to December 2019, due that the decrease of short-term liabilities was higher than the decrease of long-term liabilities, increasing the proportion of the latter.
- v. EBITDA / Financial Expenditures: it decreased in a 16.88%, from 8.47 times to December 2018 closure to 7.04 times to December 2019, explained by the EBITDA decrease in respect to 2018 closure.
- vi. Current Liquidity: to December 2019 reaches 3.20 times, increasing a 20.30% in respect to the 2.66 times to 2018 period closure. This explained by the decrease in current assets for US\$ 66.88 million.
- vii. Acid test ratio: it increased, from 1.21 times at 2018 closure to 1.55 times to December 2019, mainly due to a decrease in current liabilities for US\$ 73.13 million, greater than the decrease in the current assets for US\$ 66.88 million, and by the decrease of current inventories for US\$59.21 million.

Following, main Financial Metrics to December 31st 2019 are presented:

Index	December 2018	December 2019
Equity Profitability ¹	14.46%	8.72%
Asset Profitability ²	6.91%	4.67%
Operational Asset Profitability ³	17.44%	11.36%
Profit per Share (USD x Share) ⁴	0.73	0.47

¹ Corresponds to the annualized net profit divided by the average equity of the last two periods /exercises.

² Corresponds to the annualized net profit divided by the average total assets for the last two periods /exercises.

³ Corresponds to the annualized net profit divided by the average total non-current assets for the last two periods /exercises.

⁴ Corresponds to the annualized net profit divided by the total of subscribed and paid shares.

*Annualized: Refers to the last 12 months.

Regarding the aforementioned metrics, it can be mentioned that:

- i. Equity Profitability: it decreased from 14.46% at December 2018 closure to 8.72% to December 2019. The variation was due that the attributable profit to Molymet shareholders to December 2019 was US\$ 62.57 million, representing a US\$ 34.22 million decrease in respect to the profit of US\$ 96.79 million obtained to December 31st 2018. This variation is explained in great part by a lower gross profit in 2019 for US\$ 67.41 million compared to the 2018 period.
- ii. Asset Profitability: it decreased from 6.91% at December 2018 closure to 4.67% to December 2019. The variation was due that the attributable profit to Molymet shareholders to December 2019 was US\$ 62.57 million, representing a US\$ 34.22 million decrease in respect to the profit of US\$ 96.79 million obtained to December 31st 2018. This variation is explained in great part by a lower gross profit in 2019 for US\$ 67.41 million compared to the 2018 period.
- iii. Operational Asset Profitability: it decreased from 17.44% at December 2018 closure to 11.36% to December 2019, mainly due that the attributable profit to Molymet shareholders to December 2019 was US\$ 62.57 million, representing a US\$ 34.22 million decrease in respect to the profit of US\$ 96.79 million obtained to December 31st 2018. This variation is explained in great part by a lower gross profit in 2019 for US\$ 67.41 million compared to the 2018 period.
- iv. Profit per Share (USD x Share): it decreased from 0.73 at December 2018 closure to 0.47 to December 2019, mainly due that the attributable profit to Molymet shareholders to December 2019 was US\$ 62.57 million, representing a US\$ 34.22 million decrease in respect to the profit of US\$ 96.79 million obtained to December 31st 2018. This variation is explained in great part by a lower gross profit in 2019 for US\$ 67.41 million compared to the 2018 period.

6. Liquidity and Solvency

Working capital requirements, as well as incomes received or expenditures for terminations, mainly depend on the molybdenum price and its fluctuations. Due to this Molymet constantly evaluates the molybdenum price, so the variations, despite they have an influence in the company assets and liabilities, do not affect its results and equity.

Consolidated debt to December 2019 reached US\$ 279.06 million, lower than the one kept to December 2018 for US\$ 320.06 million.

At the same time, Molymet decreased its cash from US\$ 214.85 million to December 2018, to US\$200.27 million at December 2019, which is mainly explained by the amortization of US\$ 80.00 million corresponding to the syndicated credit subscribed in 2014, and the dividends payment for a total of US\$ 38.71 million, which was compensated by the obtention of a short-term bank credit for US\$ 40.00 million.

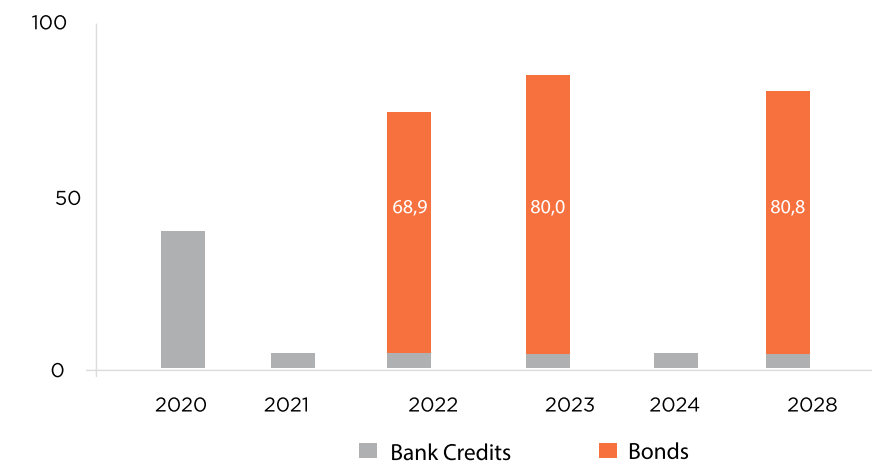
On June 13th 2019, Carbomet Energía S.A. (CESA), Molymet subsidiary, formalized the acquisition of 33% of Compañía Auxiliar de Electricidad del Maipo S.A. (CAEMSA) shares, from which it already possessed a 66.67%, therefore it holds a 100% interest of this last company for a total of \$2,500 million Chilean pesos, equivalent to approximately US\$ 3.7 million. Consequently, CESA acquired all CAEMSA assets and liabilities. To execute this operation, CESA acquired a bank loan for the operation amount.

Met consolidated debt to December 2019 decreased in a 25.11%, from US\$ 105.20 million in December 2018, to US\$ 78.79 million in December 2019. This is mainly explained due that the consolidated cash decreased in a 6.79%, while the debt decreased in a 12.81%.

Regarding the financing activities of the rest of subsidiaries consolidated by Molymet, these do not present relevant information at December 2019 closure. It should be noted that almost all financing is obtained by the parent company, Molibdenos y Metales S.A.

7. Financial Profile

Following, the expiration date profile at December 2019 closure (in USD million) is presented:



8. Assets Book Value and Economic Value

Book value of current assets do not defer significantly from its market value.

As indicated in the notes to the attached Financial Statement, term deposits are valued at investment cost plus the readjustments and accrued interests to December 31st 2019, value that does not exceed the market value.

Existences are valued to its costs or at its feasible net value; using the lesser of both. Cost is determined by the weighted average price. Cost of finished products and work in progress include the cost of raw materials, direct labor, other direct costs and general fabrication costs, based on a normal operational capacity. It does not include interests' costs. Net feasible value is the estimated selling price in a normal business operation, minus the applicable variable selling costs.

Determining the economic value of fixed assets in this type of companies is extremely complex for being generally very specific and sophisticated machinery and equipment, not being usual their commercial transactions, thus not having a reference for its realization value. Construction and infrastructure works are specifically conditioned for these elements, which also difficult its value determination.

Economic value of fixed assets goods shall be evaluated in respect to the business functioning and its capacity to generate incomes that allows it to absorb the involved costs, which in this Corporation, on the administration's opinion is widely accomplished.

On May 18th 2010, Molibdenos y Metales S.A. through its subsidiary Eastern Special Metals Hong Kong Ltd., subscribed an agreement with the Chinese company China Molybdenum Co. Ltd, for the acquisition of 50% interest of the company Luoyang Hi-Tech Metals Co. Ltd., dedicated to metallic molybdenum products elaboration, and located in Luoyang city, Henan Province, People's Republic of China. Purchasing price was US\$ 38.35 million (RMB 261,836,544.6), financed with own resources.

In November 2015, Luoyang Hi-Tech Metals Co. Ltd. materialized an equity decrease in a total amount of US\$ 29.70 million (decrease approved on September 10th 2015), distributing such decrease proportional to the partners participation, Eastern Special Metals Hong Kong Ltd. receiving US\$ 14.85 million.

On March 18th 2016, Eastern Special Metals Hong Kong Ltd. sold 0.25% of Luoyang Hi-Tech Metals Co. Ltd. property to China Molybdenum Co. Ltd, having a remaining participation of 49.75%. Selling price of this participation was US\$ 0.08 million.

Dated December 27th 2018, subsidiary Eastern Special Metals Hong Kong Ltd. subscribed a sales contract with China Molybdenum Co. Ltd., for transferring the 100% of its shares participation in Luoyang Hi-Tech Metals Co. Ltd. Selling price established for this participation was RMB 120,395,000, equivalent to US\$ 17.36 million. On May 14th 2019, shares sale was materialized by the agreed selling price transfer to Eastern Special Metals Hong Kong Ltd., ceasing to be a shareholder in Luoyang Hi-Tech Metals Co. Ltd.

Accounting value of this investment to March 31st 2019 totals US\$ 7.07 million, which represents the lower value between its book value and the fair value minus cost of sales, and it is included in current assets in Molibdenos y Metales S.A. Consolidated Financial Statements as "Assets classified as held for sale".

Before being defined as available for sale, this investment was valued under the Equity Value (EV) method, recognizing between 2010 and 2018 the following effects to the initial investment value:

- A total proportional (EV) loss of US\$ 16.09 million,
- exchange effect for a total of US\$ 1.35 million,
- an impairment loss of US\$ 1.62 million,
- an investment decrease for sale of 0.25% participation at a US\$ 0.07 million cost, and
- an equity decrease of US\$ 14.85 million, mentioned before.

Regarding the financial effects of this operation, for 2019 closure there was a profit of US\$ 11.64 million, including the exchange adjustment reverse registered in other reserves.

In terms of cash disbursement, this investment meant a contribution of US\$ 38.35 million and returns through equity decrease and sale for US\$ 32.29 million, which implied a greater cash disbursement for US\$ 6.06 million.

V. CONSOLIDATED CASH FLOWS

USD Million	December 2018	December 2019	Dec. 2018 / Dec. 2019 Variation	
			US\$ Millions	%
Cash flow from operating activities	9.62	113.88	104.26	↑
Cash flow from investing activities	125.41	-15.88	-141.29	↓
Cash flow from financial activities	-188.25	-91.87	96.38	-51.20%
Effects of foreign exchanges rate on cash and cash equivalents	2.94	1.11	-1.83	-62.24%
Cash flow Net final Variation	-50.27	7.24	57.51	↑

Operational activities generated to December 2019, a positive flow of US\$ 113.88 million, which represents a US\$ 104.26 million increase compared to 2018 period. This is mainly explained by higher charges coming from goods and services sales for US\$96.70 million and by lower payments for goods and services suppliers for US\$ 24.83 million, that were compensated by higher payments for revenue taxes for US\$ 13.39 million.

Investment activities generated to December 2019, a negative flow of US\$ 15.88 million, which represents a negative variation of US\$ 141.29 million compared to 2018 period. This is mainly due to lower surrenders of term deposits for US\$ 158.39 million, and the higher investment in property, plants and equipment for US\$ 16.23 million, which was compensated by Luoyang sale incomes for US\$ 17.36 million, and the lower investment in term deposits for US\$ 22.01 million.

Financing activities generated to December 2019, a negative flow of US\$ 91.87 million, which represents an increase of US\$ 96.38 million compared to 2018 period. This is mainly explained by lower loans repayments for US\$ 196.74 million, which was compensated by lower costs coming from loans for US\$ 104.52 million.

Net flow of the Company generated to December 2019, reached positive US\$ 7.24 million, US\$ 57.51 million more than 2018 period, which is mainly explained by the higher operational and financing flow, compensated in part by the lower investment flow during the period.

VI. MATERIAL EVENTS

Essential facts to December 31st 2019:

- Dated March 20th 2019, it was informed as material event, according to article 9 and the second paragraph of article 10 of law 18,045, and the Standard N°30 of General Character of the Commission, dully authorized for this, the following:

Company's Board of Directors, in Session N° 957, celebrated on March 19th 2019, agreed to call Molibdenos y Metales S.A. shareholder to an Ordinary Meeting, to be held on April 23rd 2019, 16:00 hours, in Molymet Nos Administration Building Auditorium, located in Camino Peñuelas N°0258, Nos, San Bernardo, to treat the following subjects:

- Submit to approval the Annual Report, Balance, Financial Statements and the External Auditors Report corresponding to the exercise completed on December 31st 2018.
- Submit to approval payment of Definitive Dividend N° 87 of US\$0.29109 per share, to be paid on May 3rd 2019.
- Set the Board of Director's remuneration.
- Set the Director's Committee remuneration and determine its budget.
- Designate the External Auditors for 2019 period.
- Designate Risk Classifiers for 2019 period.
- Determine the newspaper in which the publications will be issued.
- Information on intercompany operations as set forth in law 18,046 regarding Public Limited Companies.
- Discuss other subjects applicable to the Ordinary Meeting, according the law and Social statutes.

- Dated March 20th 2019, it was informed as material event, according to article 9 and the second paragraph of article 10 of law 18,045 regarding Stock Market, and Standard N°30 of General Character and Notice N° 660 both of the Commission, dully authorized for this, the following:

That Company's Board of Directors, in Ordinary Session N° 957, celebrated on March 19th 2019, agreed to propose in the next Shareholders Ordinary Meeting to be celebrated on April 23rd 2019, to pay the definitive dividend N° 87, ascending to US \$0.29109 per share, with charges to the profits of 2018 period, to be paid on May 3rd 2019.

Shareholder inscribed to April 26th 2019 will have the right to receive this dividend.

- Dated April 23rd 2019, the 43rd Shareholders Ordinary Meeting was held, in which:

- It was approved the Annual Report, Balance, Financial Statements and the External Auditors Report corresponding to the exercise completed on December 31st 2018.
- It was approved the definitive dividend payment N° 87 of US\$ 0.29109 per share proposed by the Board of Directors, to be paid on May 3rd 2019, taking into consideration the net profit of US\$ 96.8 million to 2018 exercise closure.
- The Board of Directors and Directors Committee remunerations for 2019 were approved.

- d) PricewaterhouseCoopers was designated as External Auditors for the 2019 period.
- e) It was agreed to empower the Board of Directors and the Administration to negotiate with the current risk classifiers, Feller Rate, Standard & Poor's y Fitch Ratings, the best conditions to be maintained as private risk classifiers for the 2019 period.
- f) It was agreed to maintain La Segunda newspaper to publish Shareholders Meeting calls and the Board of Directors was empowered to define the newspaper in which the rest of the Company's communications to its shareholders will be pushed.
- g) Intercompany transactions were approved with no comments.

4. Dated May 14th 2019, it was informed as material event, according to article 9 and the second paragraph of article 10 of law 18,045 and Standard N°30 of General Character of the Financial Market Commission, the following:

Dated December 27th 2018, Molibdenos y Metales S.A. (MolyMet) informed as essential fact, the subscription of a sales contract between Eastern Specials Metals Hong Kong Limited ("ESM"), indirectly controlled by MolyMet, and the corporation China Molybdenum Co. Ltd., to transfer 100% of its shares interest in Luoyang Hi-Tech Metals Co., Ltd. (LYHT).

At that opportunity, background regarding such operation were informed, indicating that materialization of the sale was subject to the usual suspensive conditions for this kind of contracts, informing also the financial effects for 2019 exercise.

On May 14th 2019, the sale process was completed, when the stipulated price was transferred to ESM, which in turn ceased to be LYHT shareholder.

Having concluded the operation, in addition the following was informed:

- a) Accounting value of LYHT investment to March 31st 2019 totals US\$ 7,069 thousand. Which represented the lower value between its book value and the fair value minus cost of sales, and it was included in current assets in Molibdenos y Metales S.A. Consolidated Financial Statements as "Assets classified as held for sale".
- b) Before being defined as available for sale, this investment was valued under the Equity Value (EV) method, recognizing between 2010 and 2018 the following effects to the initial investment value:
 - i) A total proportional (EV) loss of US\$ (16,094 thousand),
 - ii) exchange effect for a total of US\$ 1,350 thousand.
 - iii) an impairment loss of US\$ (1,622 thousand),
 - iv) an investment decrease for sale of 0.25% participation at a US\$ (66 thousand) cost, and
 - v) an equity decrease of US\$ (14,853 thousand).

Regarding the financial effects of this operation, for 2019 closure there will be a profit of US\$11,637 thousand, including the exchange adjustment reverse registered in other reserves.

In terms of cash disbursement, LYHT investment meant a contribution of US\$ (38,354 thousand) and returns (through equity decrease and sale) for US\$ 32,291 thousand, which implied a greater cash disbursement for US\$ (6,063 thousand).

5. Dated May 28th 2019, the board took notice of Director Mr. Jorge Gabriel Larraín Bunster resignation. According to the established in article 32 of law 18,046 regarding Public Limited Companies, the Board of Directors agreed to designate to appoint Mr. Juan Manuel Gutiérrez Philippi as replacement, until the next ordinary shareholders meeting, in which occasion the complete Board renewal shall proceed.
6. Dated May 29th 2019, it was informed as material event, according to article 9 and the second paragraph of article 10 of law 18,045 and Standard N°30 of General Character of the Financial Market Commission, dully authorized for this, the following:

Company Board, in session held on May 28th 2019, approved the necessary investment for modernization of certain MolyMet plant facilities located in Nos, San Bernardo, named "Roasting Gas Cleaning System Modernization", "The Project" here forth.

Background regarding the project are the following:

- a) The Project is part of MolyMet's proactive actions for environmental care, given that it will produce a substantial improvement in the roasting cleaning gases facilities performance.
- b) Project will mainly consist in (i) improve infrastructure, efficiency and reliability of the existing roasting gases cleaning facilities and (ii) incorporating a facility to minimize environmental impacts in contingency events.
- c) Project execution will be developed in stages, which will be materialized as soon as environmental and applicable sectorial permits are obtained.
- d) Total estimated period of execution for the project is 3 years, starting from the obtention of the aforementioned authorizations.
- e) Investment approximated amount for the Project's execution is US\$ 50,600,000.
- f) The Project will be fully financed with own resources.

7. Dated June 10th 2019, it was informed as material event, according to article 9 and the second paragraph of article 10 of law 18,045 regarding Stock Market and Standard N°30 of General Character of the Financial Market Commission, the following:

At 00:01 hours of today June 10th 2019, Syndicate N° 1 affiliated workers of MolyMetNos Plant, located in Nos, San Bernardo, paralyzed their activities and started a legal strike, after rejecting the Company proposal regarding the current collective negotiation process.

We make clear that the productive units are in maintaining operations, and that the Company has adopted measures to minimize impacts with suppliers and clients, for which no adverse effects regarding this matter are foreseen.

8. Dated July 12th 2019, it was informed as material event, according to article 9 and the second paragraph of article 10 of law 18,045 and Standard N°30 of General Character of the Financial Market Commission, the following:

Being public knowledge, during March 2018, Molibdenos y Metales S.A. (MolyMet) was selected by the Fomet Corporation (Corfo, from Spanish) as specialized producer for fabrication of lithium added value products, to be supplied by Rockwood Lítico Limitada (Albemarle).

Regarding this, it is informed as instructed by the Board of Directors, that all participation and involvement in this process has been completely terminated. It is also informed that there are no financial effects regarding the latter for the Company.

9. Dated July 18th 2019, it was informed as material event, according to article 9 and the second paragraph of article 10 of law 18,045 and Standard N°30 of General Character of the Financial Market Commission, the following:

- On July 17th 2019, Molibdenos y Metales S.A. and MolyMetNos Plant workers Syndicate N°1, located in Nos, San Bernardo, subscribed a new Collective Work Contract, which regulates working condition to the worker inscribed to this syndicate, for a 36 months period. For which, on the 18th the company has re-started its activities in MolyMetNos Plant, in the shift that started at 08:00 hours.

Having the adopted measures, the activities standstill did not produced relevant financial, nor contractual effects for the company.

Events after December 31st 2019:

1. The Board of Directors, on January 28th, 2020, has approved these financial statements and has authorized its disclosure.

There are no subsequent events to be informed by the Corporation's administration that may affect in a significant manner the presented information.

VII. RISK MANAGEMENT

The administration uses the term “risk” to refer to a situation in which is subject to propositions that evidence uncertainty components, classifying them according to the uncertainty sources, and the transmission associated mechanisms.

Specifically, Molymet and its subsidiaries are exposed to a group of markets, financial and operational risks inherent to its businesses, where the main risks are related to the exposure level in relation to the commodities prices, exchange rate, solvency and liquidity, interest rates, supply and environmental factors.

- **Market risks:**

Exposure level in relation to commodities prices.

Given the intrinsic exposure that present Molymet business lines to the products prices' volatility, Molymet keeps a limited percentage of its sales and supplies in short or spot terms, keeping most of its contracts covered through medium and long term.

Molymet keeps a strict control on this issue and for this it evaluates in a permanent basis the position of Molybdenum, rhenium and copper, in order to minimize possible effects in international prices abrupt variations of the aforementioned.

Competition in markets that Molymet participates in.

Molymet faces high levels of competition in the markets it participates and in the business lines it develops, given the other molybdenum processors throughout the world: Freeport McMoran and Thompson Creek in United States, Freeport McMoran in Europe, Codelco in Chile, besides other processors in Asia (mainly China).

Given this, the Corporation has taken measures as the development for the clients of higher added value products, incorporation of technologic advances and development of own technologies that give more operational efficiency, tailor made services for their tolling costumers, as well as for their own sales costumers, medium and long term supply contracts that ensure Molymet supply, and medium term contract with its final costumers.

Financial Risk.

Molymet Group, through its Parent Company and subsidiaries, is exposed to the following financing risks: credit risk, liquidity risk, risk for interest rate and exchange rate risk. These risks refer to situations in which there are proposals that evidence uncertainty components at different time frames.

The Company has a corporate “Financing Risk Management” policy, which defines as purpose to safeguard at all times Molymet and subsidiaries stability and sustainability, under normal as well as extraordinary conditions. This policy has been defined by the Board and has a simple, transparent and flexible management structure. In general terms, the aforementioned policy specifies the management guidelines defined relating to all those components of financial uncertainty that had been proved relevant to Molymet and its' subsidiaries operations, as well as also to determine how the Group is organized for such purposes. In addition, the administration permanently monitors and assesses market variables to define the hedge strategy.

Credit Risk.

“Credit Risk” concept is employed by the administration to refer to such financial uncertainty, at different time frames, related to the fulfillment of the obligations subscribed by counterparts at the moment of exercising their contractual rights to receive cash or other financial assets.

Related to the credit risk originated by financing activities, which include bank and financial institutions deposits, derivatives and other instruments, the Company has a “Counterpart Risk Policy”, with the purpose to mitigate this risk. This policy considers: 1) counterparts with investment grade classification, awarded by Risk Classifying Agencies, 2) minimum ratios for liquidity and solvency, and 3) maximum limits per institution.

Credit risk originated by Company trading activities has direct relation with the clients' capability to fulfill contractual commitments. The Group has a “Client Assessment General Policy”, where period extensions and monetary maximum limits are determined to perform trading activities. In addition, Molymet has in place insurances to decrease the risk of credit sales.

Liquidity Risk.

The “liquidity risk” concept is used by the Administration to refer such financial uncertainty, at different time frames, related to the capability of answering to those net cash requirements that support its operations under normal, as well as exceptional operational conditions.

Due to the business nature, Molymet require liquid funds to face the working capital needs coming from operations, project investments and debt and financing interests' maturity.

In order to confront financing requirements, the company keep committed and not-committed credit lines at several banking institutions.

It is worth mentioning that the good practices implemented by the corporation in its internal financial policies, at present Molymet has BBB (Fitch Ratings) and BBB- (S&P) ratings in the international market, AA+ (Fitch Ratings) and AA (S&P) ratings in the Mexican market, AAA (Fitch Ratings) internal rating in the Colombian market and an AA- rating (Fitch Ratings and Feller Rate) in the national market, which fulfills the objectives in Molymet credit rating terms, which aims to is to maintain its condition of Investment Grade in the International market, meaning, equal or higher than BBB-; and a rating equal or higher than A in the national market.

98.78% of the company debt is expressed in the functional currency, meaning, United States dollar.

Interest rate and financing exchange rate Risk.

As part of the liquidity mitigation risk policy, the company takes debt by issuing bonds and subscribing bank credits. These liabilities can be contracted at fixed or variable rates and/or currencies different to functional currency. As part of the “Financing Risk Management Risk”, hedging operations are made, through cross-currency swaps, for all long-term liabilities in currencies different to functional currency. The objective is that the liabilities do not generate currency or rate risk that are not directly related to the functional currency.

The debt interest rate structure of the Group is administrated to decrease the financing cost, being assessed permanently to probable rate scenarios. Currently 70.78% of the debt is nominated at fixed rate.

Exchange rate Risk.

The American dollar is the functional and presentation currency of the Parent Company Financial Statements, given that is the most relevant currency for most of the Group's operations. Risk arises due to the probability of fluctuations in the exchange rate of currencies different to the functional, over which the Group performs transactions and/or keep balances. Potential exposure to exchange rate varies, including,

- a. Exposure for conversion at the closure exchange rate of financing assets and liabilities in currencies different to the functional.
- b. Exposure for transactions of incomes and expenditures in currencies different to the functional, in the operations of each subsidiary.

Main currencies over which exchange rate risk is managed are Chilean peso (CLP), indexed currency unit (UF), Euro (EUR), Mexican peso (MXN) and Yuan (RMB).

Molymet and its subsidiaries mitigate the risk based in the “Financing Risk Management Risk” and they put in practice through natural hedges or contracting derivative instruments.

Operational Risk.

Molymet, for its molybdenum and rhenium businesses, has no mines and its supply depends on contracts with different suppliers.

Molymet has no mining deposits with which it could supply its needs of molybdenite, which represents a risk in case that a supply contract is renewed, or the supplier decreases the supplied amounts.

For this, Molymet has accomplished to develop strong relationships with its suppliers and contracts that allow it to maintain supply secured for long periods. These contracts are mainly long-term.

Risks related to environmental and community relationship factors.

Molymet operations are regulated by environmental norms in Chile and the other countries where it operates, for which the Corporation has developed control policies that prevent the infliction of such norms, given that it could affect the Corporation's operation. This strict environmental policy applied by Molymet in all its subsidiaries has been kept to date and adjusted to the needs of the different production and environmental requirement scenarios to which the Corporation's environmental management and performance are subject.

It is worth highlighting that Molymet keeps actively participating in the environmental surveillance plans required by the authorities.

At the same time, Molymet keeps investing in emissions control equipment renewal and update. Molymet maintains proactive relationships with the neighboring communities and representing institutions, permanently making CSR projects that go in direct benefit of the organized neighboring community.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS		2019	2018
		ThUS\$	ThUS\$
ASSETS			
Cash and marketable securities		199.969	214.852
Accounts receivable		139.757	143.652
Inventories		389.579	448.787
Others		26.332	15.231
TOTAL CURRENT ASSETS		755.637	822.522
Net property plant & equipment		459.764	430.915
Other assets		103.782	107.668
TOTAL ASSETS		1.319.183	1.361.105
LIABILITIES & CAPITAL ACCOUNTS			
Borrowed from banks		41.653	79.427
Short-term public bonds		2.180	2.365
Accounts payable & accrued liabilities		192.067	227.238
TOTAL CURRENT LIABILITIES		235.900	309.030
Borrowed from banks		48.325	49.822
Long-term public bonds		186.853	188.324
Long term debt		113.667	112.917
TOTAL LONG TERM LIABILITIES		348.845	351.063
CAPITAL ACCOUNTS			
Capital stock & reserves		483.683	485.153
Retained earnings		211.819	153.749
Year end net income		62.573	96.785
Provisional dividends		(25.029)	(38.714)
Minority Interest		1.392	4.039
TOTAL CAPITAL ACCOUNTS		734.438	701.012
TOTAL LIABILITIES & CAPITAL ACCOUNTS		1.319.183	1.361.105
STATEMENT OF EARNINGS			
REVENUES			
Net sales and operating revenues		1.170.148	1.192.261
GROSS EARNINGS		1.170.148	1.192.261
COST & EXPENSES			
Cost of sales		(1.012.274)	(966.979)
Selling, general expenses & other deductions		(74.220)	(92.542)
Net income taxes		(20.445)	(34.792)
TOTAL COSTS & EXPENSES		(1.106.939)	(1.094.313)
NET EARNINGS		63.209	97.948

ESTADOS FINANCIEROS

RESUMIDOS DE FILIALES

AL 31 DE DICIEMBRE DE 2019

Molymex S.A. de C.V.

Estado de situación financiera resumido

al 31 de diciembre de 2019 y 2018. (En miles de dólares estadounidenses)

ACTIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Activos Corrientes	92.351	114.332
Activos No Corrientes	19.502	14.757
Total Activos	111.853	129.089

PATRIMONIO Y PASIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Pasivos Corrientes	46.069	47.006
Pasivos, No Corrientes	938	30.546
Patrimonio Total	64.846	51.537
Total Patrimonio y Pasivos	111.853	129.089

Estado de resultados resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018. (En miles de dólares estadounidenses)

ESTADO DE RESULTADOS	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Ganancia bruta	31.327	36.842
Otras Ganancias (Pérdidas)	(13.429)	(14.781)
Ganancia antes de Impuesto	17.898	22.061
Gasto por Impuesto a las Ganancias	(4.577)	(7.583)
Ganancia	13.321	14.478

Estado de resultados integrales resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018. (En miles de dólares estadounidenses)

ESTADO DE RESULTADOS INTEGRALES	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Ganancia	13.321	14.478
Otro resultado Integral	(12)	51
Resultado integral total	13.309	14.529

Estado de flujos de efectivo resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018.

ESTADO DE FLUJOS DE EFECTIVO DIRECTO	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Flujos de Efectivo Netos procedentes de Actividades de Operación	29.452	15.500
Flujos de Efectivo Netos utilizados en Actividades de Inversión	(3.898)	(2.414)
Flujos de Efectivo Netos utilizados en Actividades de Financiación	(30.426)	(10.939)
(Decremento) Incremento Neto en Efectivo y Equivalentes al Efectivo	(4.872)	2.147
Efectos de las variación en la tasa de Cambio sobre el Efectivo y Equivalentes al Efectivo	(462)	651
Efectivo y Equivalentes al Efectivo al principio del ejercicio	14.266	11.468
Efectivo y Equivalentes al Efectivo al final de ejercicio	8.932	14.266

ESTADOS DE CAMBIOS EN EL PATRIMONIO

ENTRE EL 1 DE ENERO Y EL 31 DE DICIEMBRE DE 2019 Y 2018.

(En miles de dólares estadounidenses)

a) Entre el 1 de enero y el 31 de diciembre de 2019

Estado de Cambios en el Patrimonio	Capital emitido	Reservas de cobertura de flujo de caja	Otras Reservas Varias	Total Otras Reservas	Ganancia (pérdida) acumulada	Patrimonio total
	MUSD	MUSD	MUSD	MUSD	MUSD	MUSD
Saldo al 01 de enero de 2019	24.560	(61)	2.278	2.217	24.760	51.537
Cambios en patrimonio						
Ganancia (Pérdida)	-	-	-	-	13.321	13.321
Otro resultado integral	-	61	(73)	(12)	-	(12)
Resultado integral	-	61	(73)	(12)	13.321	(13.309)
Incremento (disminución) por transferencias y otros cambios	-	-	955	955	(955)	-
Total de cambios en el patrimonio	-	61	882	943	12.366	13.309
Saldo al 31 de diciembre de 2019	24.560	-	3.160	3.160	37.126	64.846

b) Entre el 1 de enero y el 31 de diciembre de 2018

Estado de Cambios en el Patrimonio	Capital emitido	Reservas de cobertura de flujo de caja	Otras Reservas Varias	Total Otras Reservas	Ganancia (pérdida) acumulada	Patrimonio total
	MUSD	MUSD	MUSD	MUSD	MUSD	MUSD
Saldo al 01 de enero de 2018	24.560	-	1.714	1.714	10.734	37.008
Cambios en patrimonio						
Ganancia	-	-	-	-	14.478	14.478
Otro resultado integral	-	(61)	112	51	-	51
Resultado integral	-	(61)	112	51	14.478	14.529
Incremento (disminución) por transferencias y otros cambios	-	-	452	452	(452)	-
Total de cambios en el patrimonio	-	(61)	564	503	14.026	14.529
Saldo al 31 de diciembre de 2018	24.560	(61)	2.278	2.217	24.760	51.537

Carbomet Industrial S.A.

Estado de situación financiera resumido

al 31 de diciembre de 2019 y 2018 (En miles de dólares estadounidenses)

ACTIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Activos corrientes	569	301
Activos no corrientes	26.320	24.667
Total de activos	26.889	24.968
PATRIMONIO Y PASIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Pasivos corrientes	19	26
Pasivos no corrientes	4	-
Patrimonio total	26.866	24.942
Total de patrimonio y pasivos	26.889	24.968

Estado de resultados resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018. (En miles de dólares estadounidenses)

ESTADO DE RESULTADOS	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Margen bruto	427	453
Otras Ganancias (Pérdidas)	1.654	579
Ganancias antes de impuestos	2.081	1.032
Pérdida por impuestos a las ganancias	(70)	(70)
Ganancia	2.011	962

Estado de resultados integrales resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018. (En miles de dólares estadounidenses)

ESTADO DE RESULTADOS INTEGRALES	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Ganancia	2.011	962
Otro resultado integral	-	-
Resultado integral total	2.011	962

Estado de flujos de efectivo resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018. (En miles de dólares estadounidenses)

ESTADO DE FLUJOS EFECTIVO DIRECTO	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Flujos de efectivo procedentes de actividades de operación	270	198
Flujos de efectivo procedentes de actividades de inversión	10	1
Incremento neto de efectivo y equivalentes al efectivo	280	199
Efectos de la variación en la tasa de cambio sobre el efectivo y equivalentes al efectivo	(11)	(14)
Efectivo y equivalentes al efectivo estado de flujos de efectivo, Saldo Inicial	250	65
Efectivo y equivalentes al efectivo Estado de Flujos de Efectivo, Saldo Final	519	250

ESTADOS DE CAMBIOS EN EL PATRIMONIO

ENTRE EL 1 DE ENERO Y EL 31 DE DICIEMBRE DE 2019 Y 2018.
(En miles de Dólares Estadounidenses)

a) Entre el 1 de enero y el 31 de diciembre de 2019.

Estado de Cambios en el Patrimonio	Capital emitido	Otras reservas	Ganancias acumuladas	Patrimonio total
	MUSD	MUSD	MUSD	MUSD
Saldo al 1 de enero de 2019	16.338	(159)	8.763	24.942
Cambios en patrimonio:				
Resultado Integral	-	-	-	-
Ganancia (pérdida)	-	-	2.011	2.011
Resultado de ingresos y gastos integral	-	-	2.011	2.011
Pago dividendos	-	-	-	-
Otros aumentos y disminuciones	-	(87)	-	(87)
Total de cambios en patrimonio	-	(87)	2.011	1.924
Saldo al 31 de diciembre de 2019	16.338	(246)	10.774	26.866

(b) Entre el 1 de enero y el 31 de diciembre de 2018.

Estado de Cambios en el Patrimonio	Capital emitido	Otras reservas	Ganancias acumuladas	Patrimonio total
	MUSD	MUSD	MUSD	MUSD
Saldo al 1 de enero de 2018	16.338	(243)	7.801	23.896
Cambios en patrimonio:				
Resultado Integral	-	-	-	-
Ganancia (pérdida)	-	-	962	962
Resultado de ingresos y gastos integral	-	-	962	962
Otros aumentos y disminuciones	-	-	84	-
Total de cambios en patrimonio	-	84	962	1.046
Saldo al 31 de diciembre de 2018	16.338	(159)	8.763	24.942

Carbomet Energía S.A.

Estado de situación financiera resumido

al 31 de diciembre de 2019 y 2018. (En miles de pesos)

ACTIVOS	31-12-2019	31-12-2018
	M\$	M\$
Total de activos corrientes	1.679.858	2.197.335
Total de activos no corrientes	4.720.148	4.776.293
Total de activos	6.400.006	6.973.628
PATRIMONIO Y PASIVOS	31-12-2019	31-12-2018
	M\$	M\$
Total de pasivos corrientes	1.640.929	1.543.595
Total Pasivos No corrientes	2.587.152	698.302
Patrimonio Total	2.171.925	4.731.731
Total de Patrimonio y Pasivos	6.400.006	6.973.628

Estado de resultados resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018 (En miles de pesos)

ESTADO DE RESULTADOS INTEGRALES	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	M\$	M\$
Margen bruto	2.080.839	2.490.730
Otras Ganancias (Pérdidas)	(881.325)	(704.885)
Ganancia, antes de impuestos	1.199.514	1.785.845
Gasto por impuestos a las ganancias	(298.660)	(441.254)
Ganancia	900.854	1.344.591
Ganancia, atribuible a los propietarios de la controladora	90.854	1.157.244
Ganancia, atribuible a participaciones no controladoras	-	187.347
Ganancia	90.854	1.344.591

Estado de resultados integrales resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018. (En miles de pesos)

ESTADO DE RESULTADOS INTEGRALES	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	M\$	M\$
Ganancia	900.854	1.344.591
Otro resultado integral	(13.311)	(25.053)
Resultado integral total	887.543	1.319.538
Resultado integral atribuible a los propietarios de la controladora	887.543	1.132.191
Resultado integral atribuible a participaciones no controladoras	-	187.347
Resultado integral total	887.543	1.319.538

Estado de flujos de efectivo resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018.

ESTADO DE FLUJOS DE EFECTIVO DIRECTO	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	M\$	M\$
Flujos de Efectivo procedente de actividades de operación	1.250.675	1.691.351
Flujos de Efectivo utilizados en Actividades de Inversión	(2.610.362)	(134.538)
Flujos de Efectivo procedentes de (utilizados en) Actividades de Financiación	976.620	(1.030.784)
(Disminución) Incremento en el efectivo y equivalentes al Efectivo antes del efecto de los cambios en la tasa	(383.067)	526.030
Efectivo y equivalentes al efectivo, Saldo Inicial	1.416.432	890.402
Efectivo y equivalentes al efectivo, Saldo Final	1.033.365	1.416.432

ESTADOS DE CAMBIOS EN EL PATRIMONIO

ENTRE EL 1 DE ENERO Y EL 31 DE DICIEMBRE DE 2019 Y 2018

(En miles de Pesos Chilenos)

a) Entre el 1 de enero y el 31 de diciembre de 2019:

Estado de Cambios en el Patrimonio	Capital emitido	Otras Reservas	Ganancias Acumuladas	Patrimonio atribuible a los propietarios de la controladora	Participaciones no controladora	Cambios en Patrimonio Neto Total
	M\$	M\$	M\$	M\$	M\$	M\$
Saldo al 1 de enero de 2019	455.894	862.903	2.362.375	3.681.172	1.050.559	4.731.731
Cambios en patrimonio						
Resultado Integral						
Ganancia (pérdida)	-	-	900.854	900.854	-	900.854
Otro resultado integral	-	(13.311)	-	(13.311)	-	(13.311)
Resultado de ingresos y gastos integral	-	(13.311)	900.854	887.543	-	887.543
Diferencia provisión dividendo 2018 (1)	-	-	139	139	-	139
Dividendos según Política (2)	-	-	(900.854)	(900.854)	-	(900.854)
Incremento (Disminución) por transferencia y otros cambios (3)	-	(1.496.075)	-	(1.496.075)	(1.050.559)	(2.546.634)
Total de cambios en patrimonio	-	(1.509.386)	139	(1.509.247)	(1.050.559)	(2.559.806)
Saldo al 31 de diciembre de 2019	455.894	(646.483)	2.362.514	2.171.925	-	2.171.925

(1) Corresponde al diferencial de los dividendos provisionados en el año 2018 a cuenta de los resultados de dicho ejercicio y lo efectivamente cancelado y autorizado de acuerdo a Junta Ordinaria de Accionistas del 12 de abril de 2019, que implicó un menor pago de dividendo de M\$139.

(2) Corresponde a los dividendos provisionados de acuerdo a la política de la Sociedad (100% del resultado)

(3) Corresponde a efecto por fusión impropia entre la Sociedad y Compañía Auxiliar de electricidad del Maipo S.A

a) Entre el 1 de enero y el 31 de diciembre de 2018:

Estado de Cambios en el Patrimonio	Capital emitido	Otras Reservas	Ganancias Acumuladas	Patrimonio atribuible a los propietarios de la controladora	Participaciones no controladora	Cambios en Patrimonio Neto Total
	M\$	M\$	M\$	M\$	M\$	M\$
Saldo al 1 de enero de 2018	455.894	887.956	2.156.807	3.500.657	1.064.225	4.564.882
Cambios en patrimonio						
Resultado Integral						
Ganancia (pérdida)	-	-	1.157.244	1.157.244	187.347	1.344.591
Otro resultado integral	-	(25.053)	-	(25.053)	-	(25.053)
Resultado de ingresos y gastos integral	-	(25.053)	1.157.244	1.132.191	187.347	1.319.538
Diferencia provisión dividendo 2017 (1)	-	-	205.568	205.568	-	205.568
Dividendos según Política (2)	-	-	(1.157.244)	(1.157.244)	-	(1.157.244)
Incremento (Disminución) por transferencia y otros cambios	-	-	-	-	(201.013)	(201.013)
Total de cambios en patrimonio	-	(25.053)	205.568	180.515	(13.666)	166.849
Saldo al 31 de diciembre de 2018	455.894	862.903	2.362.375	3.681.172	1.050.559	4.731.731

(1) Corresponde al diferencial de los dividendos provisionados en el año 2017 a cuenta de los resultados de dicho ejercicio y lo efectivamente cancelado y autorizado de acuerdo a Junta Ordinaria de Accionistas del 13 de abril de 2018, que implicó un menor pago de dividendo de M\$205.569.

(2) Corresponde a los dividendos provisionados de acuerdo a la política de la Sociedad (100% del resultado)

Inmobiliaria San Bernardo S.A.**Estado de situación financiera resumido**

al 31 de diciembre de 2019 y 2018 (En miles de dólares estadounidenses)

ACTIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Activos corrientes totales	1.597	2.439
Activos no corrientes	46.557	46.777
Total de activos	48.154	49.216

PATRIMONIO Y PASIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Pasivos corrientes	390	185
Pasivos no corrientes	2.463	2.500
Patrimonio total	45.301	46.531
Total de patrimonio y pasivos	48.154	49.216

Estado de resultados resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018. (En miles de dólares estadounidenses)

ESTADO DE RESULTADOS	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
(Pérdida) Ganancia bruta	(820)	268
Otras Ganancias (Pérdidas)	(854)	(864)
Pérdida antes de impuestos	(1.674)	(596)
Ingreso por impuestos a las ganancias	444	154
Pérdida	(1.230)	(442)

Estado de resultados integrales resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018 (En miles de dólares estadounidenses)

ESTADO DE RESULTADOS INTEGRALES	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Pérdida	(1.230)	(442)
Otro resultado integral	-	-
Resultado integral total	(1.230)	(442)

Estado de flujos de efectivo resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018. (En miles de dólares estadounidenses)

ESTADO DE FLUJOS DE EFECTIVO DIRECTO	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Flujos de efectivo netos utilizados en actividades de operación	(304)	(703)
Flujos de efectivo netos utilizados en actividades de inversión	-	(49)
Flujos de efectivo netos procedentes de actividades de financiamiento	450	-
Incremento (disminución) neto de efectivo y equivalentes al efectivo	146	(752)
Efectos de la variación en la tasa de cambio sobre el efectivo y equivalentes al efectivo	-	(1)
Efectivo y equivalentes al efectivo al principio del ejercicio	741	1.494
Efectivo y equivalentes al efectivo al final del ejercicio	887	741

ESTADOS DE CAMBIOS EN EL PATRIMONIOENTRE EL 1 DE ENERO Y EL 31 DE DICIEMBRE DE 2019 Y 2018.
(En miles de dólares estadounidenses)

a) Entre el 1 de enero y el 31 de diciembre de 2019.

Estado de Cambios en el Patrimonio	Capital Emitido	Otras Reservas acumuladas	Ganancias/(pérdidas) acumuladas	Patrimonio Total
	MUSD	MUSD	MUSD	MUSD
Saldo al 1 de Enero de 2019	46.394	1.973	(1.836)	46.531
Cambios en patrimonio				
Resultado Integral	-	-	-	-
Ganancia (pérdida)	-	-	(1.230)	(1.230)
Resultado integral	-	-	(1.230)	(1.230)
Total de cambios en Patrimonio	-	-	(1.230)	(1.230)
Saldo al 31 de Diciembre de 2019	46.394	1.973	(3.066)	45.301

a) Entre el 1 de enero y el 31 de diciembre de 2018.

Estado de Cambios en el Patrimonio	Capital Emitido	Otras Reservas acumuladas	Ganancias/(pérdidas) acumuladas	Patrimonio Total
	MUSD	MUSD	MUSD	MUSD
Saldo al 1 de Enero de 2018	46.394	1.973	(1.394)	46.973
Cambios en patrimonio				
Resultado Integral	-	-	-	-
Ganancia (pérdida)	-	-	(442)	(442)
Resultado integral	-	-	(442)	(442)
Aumentos de Capital (Ver Nota 15)	-	-	-	-
Total de cambios en Patrimonio	-	-	(442)	(442)
Saldo al 31 de Diciembre de 2018	46.394	1.973	(1.836)	46.531

Molymet Corporation**Estado de situación financiera resumido**

al 31 de diciembre de 2019 y 2018 (En miles de dólares estadounidenses)

ACTIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Activos Corrientes	1.592	2.088
Activos No Corrientes	143	47
Total Activos	1.735	2.135

PATRIMONIO Y PASIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Pasivos Corrientes	123	861
Pasivos No Corrientes	47	-
Patrimonio Neto, Total	1.565	1.274
Total Patrimonio Y Pasivos	1.735	2.135

Estado de resultados resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018. (En miles de dólares estadounidenses)

ESTADO DE RESULTADOS	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Ganancia bruta	1.166	1.975
Otras Ganancias (Pérdidas)	(780)	(887)
Ganancias de actividades operacionales	386	1.088
Gasto por Impuesto a las Ganancias	(95)	(276)
Ganancia	291	812

Estado de resultados integrales resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018. (En miles de dólares estadounidenses)

ESTADO DE RESULTADOS INTEGRALES	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Ganancia	291	812
Otro resultado integral	-	-
Resultado integral total	291	812

Estado de flujos de efectivo resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018. (En miles de dólares estadounidenses)

ESTADO DE FLUJOS DE EFECTIVO DIRECTO	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Flujos de efectivo procedentes de actividades de operación	826	299
Flujos de efectivo netos procedentes de actividades de financiación	-	150
Incremento neto en el efectivo y equivalentes al efectivo, antes del efecto de los cambios en la tasa de cambio	826	449
Efectivo y equivalentes al efectivo al principio del ejercicio	630	181
Efectivo y equivalentes al efectivo al final del ejercicio	1.456	630

ESTADO DE CAMBIOS EN EL PATRIMONIOENTRE EL 1 DE ENERO Y 31 DE DICIEMBRE DE 2019 Y 2018.
(En miles de Dólares estadounidenses)

a) Entre el 1 de enero y el 31 de diciembre de 2019.

Estado de Cambios en el Patrimonio	Capital emitido	Ganancias acumuladas	Patrimonio Total
	MUSD	MUSD	MUSD
Saldos al 01-01-2019	1.050	224	1.274
Cambios en patrimonio			
Ganancia (Pérdida)	-	291	291
Resultado integral	-	291	291
Total cambios en Patrimonio	-	291	291
Saldo al 31 de diciembre de 2019	1050	515	1.565

b) Entre el 1 de enero y el 31 de diciembre de 2018.

Estado de Cambios en el Patrimonio	Capital emitido	Ganancias acumuladas	Patrimonio Total
	MUSD	MUSD	MUSD
Saldos al 01-01-2018	1.050	(588)	462
Cambios en patrimonio			
Ganancia (Pérdida)	-	812	812
Resultado integral	-	812	812
Total cambios en Patrimonio	-	812	812
Saldo al 31 de diciembre de 2018	1.050	224	1.274

Strategic Metals B.V.B.A. y Filiales**Estado de situación financiera resumido**

al 31 de diciembre de 2019 y 2018. (En miles de dólares estadounidenses)

ACTIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Activos corrientes	109.293	121.540
Activos no corrientes	110.141	82.791
Total de activos	219.434	204.331

PATRIMONIO Y PASIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Pasivos corrientes	28.754	35.298
Pasivos no corrientes	8.694	8.166
Patrimonio total	181.986	160.867
Total de patrimonio y pasivos	219.434	204.331

Estado de resultados resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018 (En miles de dólares estadounidenses)

ESTADO DE RESULTADOS	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Ganancia bruta	19.597	25.089
Otras ganancias (pérdidas)	(73)	(13.364)
Ganancias antes de impuestos	19.524	11.725
Gasto por impuestos a las ganancias	(1.778)	(1.687)
Ganancia	17.746	10.038
Ganancia, atribuible a los propietarios de la controladora	17.268	9.964
Ganancia, atribuible a participaciones no controladoras	478	74
Ganancia (pérdida)	17.746	10.038

Estado de resultados integrales resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018 (En miles de dólares estadounidenses)

ESTADO DE RESULTADOS INTEGRALES	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Ganancia	17.746	10.038
Otro resultado integral	(1.620)	(644)
Resultado integral total	16.126	9.394
Resultado integral atribuible a los propietarios de la controladora	15.648	9.320
Resultado integral atribuible a participaciones no controladoras	478	74
Resultado integral total	16.126	9.394

Estado de flujos de efectivo resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018. (En miles de dólares estadounidenses)

ESTADO DE FLUJOS DE EFECTIVO DIRECTO	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Flujos de efectivo netos procedentes de (utilizados en) actividades de operación	23.182	(6.560)
Flujos de efectivo netos utilizados en actividades de inversión	(13.835)	(23.874)
Flujos de efectivo netos procedentes de actividades de financiación	4.937	7.974
Incremento (Decremento) Neto en efectivo y equivalentes al efectivo	14.284	(22.460)
Efectos de la variación en la tasa de cambio sobre el efectivo y equivalentes al efectivo	90	(12)
Efectivo y equivalentes al efectivo al principio del ejercicio	19.956	42.428
Efectivo y equivalentes al efectivo al final del ejercicio	34.330	19.956

ESTADO DE CAMBIOS EN EL PATRIMONIO

POR EL EJERCICIO COMPRENDIDO ENTRE EL 1 DE ENERO Y EL 31 DE DICIEMBRE DE 2019 Y 2018.

(En miles de Dólares Estadounidenses)

a) Entre el 1 de enero y el 31 de diciembre de 2019.

Estado de Cambios en el Patrimonio	Capital emitido	Reservas por diferencias de cambio por conversión	Reservas de coberturas de flujo de efectivo	Otras Reservas Varias	Total Otras reservas	Ganancias (pérdidas) acumuladas	Patrimonio atribuible a los propietarios de la controladora	Participaciones no controladoras	Patrimonio total
	MUSD	MUSD	MUSD	MUSD	MUSD	MUSD	MUSD	MUSD	MUSD
Saldo al 01 de enero de 2019	69.326	10.126	(159)	2.851	12.818	70.360	152.504	8.363	160.867
Cambios en patrimonio	-	-	-	-	-	-	-	-	-
Resultado Integral	-	-	-	-	-	-	-	-	-
Ganancia (pérdida)	-	-	-	-	-	17.268	17.268	478	17.746
Otro resultado integral	-	(1.349)	139	(410)	(1.620)	-	(1.620)	-	(1.620)
Resultado integral	-	(1.349)	139	(410)	(1.620)	17.268	15.648	478	16.126
Dividendo	-	-	-	-	-	-	-	-	-
Incremento (disminución) por transferencias y otros cambios (1)	5.000	-	-	-	-	-	5.000	(7)	4.993
Total de cambios en patrimonio	5.000	(1.349)	139	(410)	(1.620)	17.268	20.648	471	21.119
Saldo al 31 de diciembre de 2019	74.326	8.777	(20)	2.441	11.198	87.628	173.152	8.834	181.986

(1) Con fecha 29 de marzo de 2019, Molibdenos y Metales S.A realizó el aporte MUSD 5.000 aprobados en Asamblea General Ordinaria de Accionistas de Octubre de 2018

b) Entre el 1 de enero y el 31 de diciembre de 2018.

Estado de Cambios en el Patrimonio	Capital emitido	Reservas por diferencias de cambio por conversión	Reservas de coberturas de flujo de efectivo	Otras Reservas Varias	Total Otras reservas	Ganancias (pérdidas) acumuladas	Patrimonio atribuible a los propietarios de la controladora	Participaciones no controladoras	Patrimonio total
	MUSD	MUSD	MUSD	MUSD	MUSD	MUSD	MUSD	MUSD	MUSD
Saldo al 01 de enero de 2018	61.326	10.590	(5)	2.877	13.462	60.396	135.184	8.296	143.480
Cambios en patrimonio	-	-	-	-	-	-	-	-	-
Resultado Integral	-	-	-	-	-	-	-	-	-
Ganancia (pérdida)	-	-	-	-	-	9.964	9.964	74	10.038
Otro resultado integral	-	(464)	(154)	(26)	(644)	-	(644)	-	(644)
Resultado integral	-	(464)	(154)	(26)	(644)	9.964	9.320	74	9.394
Dividendo	-	-	-	-	-	-	-	-	-
Incremento (disminución) por transferencias y otros cambios (1)	8.000	-	-	-	-	-	8.000	(7)	7.993
Total de cambios en patrimonio	8.000	(464)	(154)	(26)	(644)	9.964	17.320	67	17.387
Saldo al 31 de diciembre de 2018	69.326	10.126	(159)	2.851	12.818	70.360	152.504	8.363	160.867

(1) Con fecha 17 de octubre de 2018, en Asamblea General Ordinaria de Accionistas se aumentó el capital en Strategic Metals B.V.B.A por MUS\$8.000 aportados por Molibdenos y Metales S.A

Molymet Trading S.A.**Estado de situación financiera resumido**

al 31 de diciembre de 2019 y 2018. (En miles de dólares estadounidenses)

ACTIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Activos Corrientes	22.055	34.602
Activos no corrientes	1.835	108
Total de activos	23.890	34.710

PATRIMONIO Y PASIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Pasivos corrientes	7.211	13.347
Patrimonio total	16.679	21.363
Total de patrimonio y pasivos	23.890	34.710

Estado de resultados resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018 (En miles de dólares estadounidenses)

ESTADO DE RESULTADO	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
(Pérdida) Ganancia bruta	(5.537)	4.986
Otras Ganancias (Pérdidas)	(860)	(1.271)
(Pérdida) Ganancia, antes de impuestos	(6.397)	3.715
Ingreso (Gasto) por impuestos a las ganancias	1.727	(1.003)
(Pérdida) Ganancia	(4.670)	2.712

Estado de resultados integrales resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018 (En miles de dólares estadounidenses)

ESTADO DE RESULTADOS INTEGRALES	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
(Pérdida) Ganancia	(4.670)	2.712
Otro resultado integral	(14)	-
Resultado integral total	(4.684)	2.712

Estado de flujos de efectivo resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018. (En miles de dólares estadounidenses)

ESTADOS DE FLUJOS DE EFECTIVO DIRECTO	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Flujos de efectivo netos procedentes de actividades de operación	3.776	3.553
Flujos de efectivo netos procedentes de actividades de inversión	253	127
Incremento neto en el efectivo y equivalentes al efectivo, antes del efecto de los cambios en la tasa de cambio	4.029	3.680
Efectos de la variación en la tasa de cambio sobre el efectivo y equivalentes al efectivo	(1)	3
Efectivo y equivalentes al efectivo al principio del periodo	4.341	658
Efectivo y equivalentes al efectivo al final del periodo	8.369	4.341

ESTADOS DE CAMBIOS EN EL PATRIMONIOPOR EL PERIODO COMPRENDIDO ENTRE EL 1 DE ENERO Y 31 DE DICIEMBRE DE 2019 Y 2018.
(En miles de Dólares Estadounidenses)

a) Entre el 1 de enero y el 31 de diciembre de 2019

Estado de Cambios en el Patrimonio	Capital emitido	Reservas de cobertura de flujo de caja	Pérdidas acumuladas	Patrimonio total
	MUSD	MUSD	MUSD	MUSD
Saldo al 01-01-2019	20.020	-	1.343	21.363
Resultado Integral				
Pérdida	-	-	(4.670)	(4.670)
Otro resultado integral	-	(14)	-	(14)
Resultado Integral	-	(14)	(4.670)	(4.684)
Total de cambios en patrimonio	-	(14)	(4.670)	(4.684)
Saldo al 31-12-2019	20.020	(14)	(3.327)	16.679

b) Entre el 1 de enero y el 31 de diciembre de 2018

Estado de Cambios en el Patrimonio	Capital Emitido	Ganancias (pérdidas) acumuladas	Patrimonio Total
	MUSD	MUSD	MUSD
Saldo al 01-01-2018	20.020	(1.369)	18.651
Resultado Integral			
Ganancia	-	2.712	2.712
Otro resultado integral	-	-	-
Resultado Integral	-	2.712	2.712
Total de cambios en patrimonio	-	2.712	2.712
Saldo al 31-12-2018	20.020	1.343	21.363

Molymet Do Brasil Rep. E Ser Ltda.**Estado de situación financiera resumido**

al 31 de diciembre de 2019 y 2018 (En miles de dólares estadounidenses)

ACTIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Activos corrientes	176	209
Activos no corrientes	3	3
Total de activos	179	212

PATRIMONIO Y PASIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Pasivos corrientes	24	25
Patrimonio total	155	187
Total de patrimonio y pasivos	179	212

Estado de resultados resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018 (En miles de dólares estadounidenses)

ESTADO DE RESULTADOS	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Ganancia bruta	135	152
Otras Ganancias (Pérdidas)	(167)	(200)
Pérdida antes de impuestos	(32)	(48)
Gasto por impuestos a las ganancias	-	-
Pérdida	(32)	(48)

Estado de resultados integrales resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018 (En miles de dólares estadounidenses)

ESTADO DE RESULTADOS INTEGRALES	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Pérdida	(32)	(48)
Otro resultado integral	-	-
Resultado integral total	(32)	(48)

Estado de flujos de efectivo resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018.

ESTADO DE FLUJOS DE EFECTIVO DIRECTO	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Flujos de efectivo utilizados en actividades de operación	(31)	(44)
Flujos de efectivo netos procedentes de (utilizados en) actividades de financiación	3	(4)
Disminución neta en el efectivo y equivalentes al efectivo, antes del efecto de los cambios en la tasa de cambio	(28)	(48)
Efectos de la variación en la tasa de cambio sobre el efectivo y equivalentes al efectivo	(3)	(37)
Efectivo y equivalentes al efectivo al principio del ejercicio	188	273
Efectivo y equivalentes al efectivo al final del ejercicio	157	188

ESTADO DE CAMBIOS EN EL PATRIMONIO

ENTRE EL 1 DE ENERO Y 31 DE DICIEMBRE DE 2019 Y 2018.

(En miles de Dólares estadounidenses)

a) Movimiento patrimonial entre el 1 de enero y 31 de diciembre de 2019.

Estado de Cambios en el Patrimonio	Capital emitido	(Pérdidas) Ganancias acumuladas	Patrimonio Total
	MUSD	MUSD	MUSD
Saldos al 01-01-2019	247	(60)	187
Cambios en patrimonio			
Pérdida	-	(32)	(32)
Otro resultado integral	-	-	-
Resultado integrales	-	32	(32)
Total cambios en Patrimonio	-	(32)	(32)
Saldo al 31 de diciembre de 2019	247	(92)	155

b) Movimiento patrimonial entre el 1 de enero y 31 de diciembre de 2018.

Estado de Cambios en el Patrimonio	Capital emitido	(Pérdidas) Ganancias acumuladas	Patrimonio Total
	MUSD	MUSD	MUSD
Saldos al 01-01-2018	247	(12)	235
Cambios en patrimonio			
Pérdida	-	(48)	(48)
Otro resultado integral	-	-	-
Resultado integrales	-	(48)	(48)
Total cambios en Patrimonio	-	(48)	(48)
Saldo al 31 de diciembre de 2018	247	(60)	187

Complejo Industrial Molynor S.A.**Estado de situación financiera resumido**

al 31 de diciembre de 2019 y 2018. (En miles de dólares estadounidenses)

ACTIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Activos corrientes	184.008	97.712
Activos No Corrientes	170.102	204.161
TOTAL ACTIVOS	354.110	301.873

PATRIMONIO Y PASIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Pasivos corrientes	53.961	23.734
Pasivos no corrientes	36.633	36.258
Patrimonio total	263.516	241.881
Total de patrimonio y pasivos	354.110	301.873

Estado de resultados resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018 (En miles de dólares estadounidenses)

ESTADO DE RESULTADOS	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Ganancia bruta	39.551	21.984
Otras Ganancias (Pérdidas)	(8.059)	(6.878)
Ganancia antes de impuestos	31.492	15.106
Gasto por impuestos a las ganancias	(8.569)	(4.216)
Ganancia	22.923	10.890

Estado de resultados integrales resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018 (En miles de dólares estadounidenses)

ESTADO DE RESULTADOS INTEGRALES	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Ganancia	22.923	10.890
Otro resultado integral	(1.288)	1.485
Resultado integral total	21.635	12.375

Estado de flujos de efectivo resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018.

ESTADO DE FLUJOS DE EFECTIVO DIRECTO	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Flujos de efectivo netos procedentes de actividades de operación	25.618	5.266
Flujos de efectivo netos (utilizados en) procedentes de actividades de inversión	(4.881)	29.378
Flujos de efectivo netos procedentes de (utilizados en) actividades de financiación	30.825	(29.725)
Incremento neto en el efectivo y equivalentes al efectivo, antes del efecto de los cambios en la tasa de cambio	51.562	4.919
Efectos de la variación en la tasa de cambio sobre el efectivo y equivalentes al efectivo	(122)	(28)
Efectivo y equivalentes al efectivo al principio del periodo	33.421	28.530
Efectivo y equivalentes al efectivo al final del periodo	84.861	33.421

ESTADOS DE CAMBIOS EN EL PATRIMONIOENTRE EL 1 DE ENERO Y EL 31 DE DICIEMBRE DE 2019 Y 2018.
(En miles de Dólares Estadounidenses)

a) Entre el 1 de Enero y el 31 de Diciembre de 2019.

Estado de Cambios en el Patrimonio	Capital emitido	Reservas de coberturas de flujo de efectivo	Reserva de ganancias o pérdidas actuariales en planes de beneficios definidos	Total Otras reservas	Ganancias acumuladas	Patrimonio total
Saldo al 1 de enero del 2019	144.756	536	(95)	441	96.684	241.881
Cambios en el patrimonio:						
Ganancia (pérdida)	-	-	-	-	22.923	22.923
Otro resultado integral	-	(1.251)	(37)	(1.288)	-	(1.288)
Resultado integral	-	(1.251)	(37)	(1.288)	22.923	21.635
Total de cambios en patrimonio	-	(1.251)	(37)	(1.288)	22.923	21.635
Saldo al 31 de diciembre del 2019	144.756	(715)	(132)	(847)	119.607	263.516

b) Entre el 1 de Enero y el 31 de Diciembre de 2017.

Estado de Cambios en el Patrimonio	Capital emitido	Reservas de coberturas de flujo de efectivo	Reserva de ganancias o pérdidas actuariales en planes de beneficios definidos	Total Otras reservas	Ganancias acumuladas	Patrimonio total
Saldo al 1 de enero del 2018	144.756	(1.003)	(41)	(1.044)	85.794	229.506
Cambios en el patrimonio:						
Ganancia (pérdida)	-	-	-	-	10.890	10.890
Otro resultado integral	-	1.539	(54)	1.485	-	1.485
Resultado integral	-	1.539	(54)	1.485	10.890	12.375
Total de cambios en patrimonio	-	1.539	(54)	1.485	10.890	12.375
Saldo al 31 de diciembre del 2018	144.756	536	(95)	441	96.684	241.881

Molymet Beijing Trading Co., Ltd.**Estado de situación financiera resumido**

al 31 de diciembre de 2019 y 2018 (En miles de dólares estadounidenses)

ACTIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Activos Corrientes	1.387	686
Activos No Corrientes	105	-
TOTAL ACTIVOS	1.492	686

PATRIMONIO Y PASIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Pasivos Corrientes	468	22
Patrimonio Neto, Total	1.024	664
TOTAL PATRIMONIO Y PASIVOS	1.492	686

Estado de resultados resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018. (En miles de dólares estadounidenses)

ESTADO DE RESULTADOS	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Ganancia bruta	914	589
Otras Ganancias (Pérdidas)	(421)	(363)
Ganancia antes de Impuesto	493	226
Gasto por Impuesto a las Ganancias	(124)	(56)
Ganancia	369	170

Estado de resultados integrales resumidoentre el 1 de enero al 31 de diciembre de 2019 y 2018.
(En miles de dólares estadounidenses)

ESTADO DE RESULTADOS INTEGRALES	ACUMULADO	
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Ganancia	369	170
Otro resultado integral	(9)	(25)
Resultado integral total	360	145

Estado de flujos de efectivo resumido

entre el 1 de enero al 31 de diciembre de 2019 y 2018.

ESTADO DE FLUJOS DE EFECTIVO DIRECTO	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Flujos de efectivo procedentes de actividades de operación	408	95
Flujos de efectivo netos procedentes de (utilizados en) actividades de financiación	1	(143)
Incremento (disminución) neto de efectivo y equivalentes al efectivo	409	(48)
Efectivo y equivalentes al efectivo al principio del ejercicio	662	710
Efectivo y equivalentes al efectivo al final del ejercicio	1.071	662

ESTADO DE CAMBIOS EN EL PATRIMONIO

ENTRE EL 1 DE ENERO Y 31 DE DICIEMBRE DE 2019 Y 2018.

(En miles de Dólares estadounidenses)

a) Entre el 1 de enero y el 31 de diciembre de 2019.

Estado de Cambios en el Patrimonio	Capital emitido	(Pérdidas) Ganancias acumuladas	Otras reservas	Patrimonio Total
	MUSD	MUSD	MUSD	MUSD
Saldo al 1 de enero de 2019	350	301	13	664
Cambios en patrimonio				
Ganancia	-	369	-	369
Otro resultado integral	-	-	(9)	(9)
Resultado de ingresos y gastos integral	-	369	(9)	360
Incremento (Disminución) por transferencia y otros cambios (1)	-	(33)	33	-
Total cambios en Patrimonio	-	336	24	360
Saldo al 31 de diciembre de 2019	350	637	37	1.024

(1) Corresponde a reserva legal bajo normas de empresas en China, en la cual deben registrar el 10% del resultado neto, siempre y cuando no exceda el 50% del capital de la sociedad. Esta norma entró en vigencia en Diciembre 2018.

b) Entre el 1 de enero y el 31 de diciembre de 2018.

Estado de Cambios en el Patrimonio	Capital emitido	(Pérdidas) Ganancias acumuladas	Otras reservas	Patrimonio Total
	MUSD	MUSD	MUSD	MUSD
Saldo al 1 de enero de 2018	350	131	38	519
Cambios en patrimonio				
Ganancia	-	170	-	170
Otro resultado integral	-	-	(25)	(25)
Resultado de ingresos y gastos integral	-	170	(25)	145
Total cambios en Patrimonio	-	170	(25)	145
Saldo al 31 de diciembre de 2018	350	301	13	664

MOLYMET PERÚ TRADING COMPANY S.A.C.**Estado de situación financiera resumido**

al 31 de diciembre de 2019 y 2018 (En miles de dólares estadounidenses)

ACTIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Activos corrientes	28	316
Activos No Corrientes	-	52
TOTAL ACTIVOS	28	368

PATRIMONIO Y PASIVOS	31-12-2019	31-12-2018
	MUSD	MUSD
Pasivos corrientes	66	153
Patrimonio total	(38)	215
Total de patrimonio y pasivos	28	368

Estado de resultados resumido

entre el 1 de enero y 31 de diciembre de 2019 y el 31 de diciembre de 2018. (En miles de dólares estadounidenses)

ESTADO DE RESULTADOS	ACUMULADO	ACUMULADO
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Ganancia bruta	-	540
Otras Ganancias (Pérdidas)	(231)	(517)
(Pérdida) Ganancia, antes de impuestos	(231)	23
Gasto por impuestos a las ganancias	(22)	(8)
(Pérdida) Ganancia	(253)	15

Estado de resultados integrales resumido

entre el 1 de enero y 31 de diciembre de 2019 y el 31 de diciembre de 2018. (En miles de dólares estadounidenses)

ESTADO DE RESULTADOS INTEGRALES	ACUMULADO	ACUMULADO
	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
(Pérdida) Ganancia	(253)	15
Otro resultado integral	-	-
Resultado integral total	(253)	15

Estado de flujos de efectivo resumido

entre el 1 de enero y 31 de diciembre de 2019 y el 31 de diciembre de 2018.

ESTADO DE FLUJOS DE EFECTIVO DIRECTO	01-01-2019	01-01-2018
	31-12-2019	31-12-2018
	MUSD	MUSD
Flujos de efectivo netos utilizados en actividades de operación	(32)	(200)
Flujos de efectivo netos procedentes de (utilizados en) actividades de inversión	27	(36)
Flujos de efectivo netos procedentes de actividades de financiación	10	40
Incremento (disminución) neto en el efectivo y equivalentes al efectivo, antes del efecto de los cambios en la tasa de cambio	5	(196)
Efectos de la variación en la tasa de cambio sobre el efectivo y equivalentes al efectivo	-	-
Efectivo y equivalentes al efectivo al principio del periodo	4	200
Efectivo y equivalentes al efectivo al final del periodo	9	4

ESTADO DE CAMBIOS EN EL PATRIMONIOENTRE EL 1 DE ENERO Y 31 DE DICIEMBRE DE 2019 Y EL 31 DE DICIEMBRE DE 2018.
(En miles de Dólares estadounidenses)

Entre el 1 de enero y el 31 de diciembre de 2019.

Estado de Cambios en el Patrimonio	Capital emitido	Ganancia (pérdida) acumulada	Patrimonio total
	MUSD	MUSD	MUSD
Saldo al 01 de enero de 2019	200	15	215
Cambios en patrimonio			
Ganancia (Pérdida)	-	(253)	(253)
Otro resultado integral	-	-	-
Resultado integral	-	(253)	(253)
Total de cambios en el patrimonio	-	(253)	(253)
Saldo al 31 de diciembre de 2019	200	(238)	(38)

Entre el 1 de enero y el 31 de diciembre de 2018.

Estado de Cambios en el Patrimonio	Capital emitido	Ganancia (pérdida) acumulada	Patrimonio total
	MUSD	MUSD	MUSD
Constitución 12 de Diciembre de 2018	200	-	200
Cambios en patrimonio			
Ganancia (Pérdida)	-	15	15
Otro resultado integral	-	-	-
Resultado de ingresos y gastos integral	-	15	15
Total de cambios en el patrimonio	-	15	15
Saldo al 31 de diciembre de 2018	200	15	215

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS	2019	2018
	ThUS\$	ThUS\$
ASSETS		
Cash and marketable securities	199.969	214.852
Accounts receivable	139.757	143.652
Inventories	389.579	448.787
Others	26.332	15.231
TOTAL CURRENT ASSETS	755.637	822.522
Net property plant & equipment	459.764	430.915
Other assets	103.782	107.668
TOTAL ASSETS	1.319.183	1.361.105
LIABILITIES & CAPITAL ACCOUNTS		
Borrowed from banks	41.653	79.427
Short-term public bonds	2.180	2.365
Accounts payable & accrued liabilities	192.067	227.238
TOTAL CURRENT LIABILITIES	235.900	309.030
Borrowed from banks	48.325	49.822
Long-term public bonds	186.853	188.324
Long term debt	113.667	112.917
TOTAL LONG TERM LIABILITIES	348.845	351.063
CAPITAL ACCOUNTS		
Capital stock & reserves	483.683	485.153
Retained earnings	211.819	153.749
Year end net income	62.573	96.785
Provisional dividends	(25.029)	(38.714)
Minority Interest	1.392	4.039
TOTAL CAPITAL ACCOUNTS	734.438	701.012
TOTAL LIABILITIES & CAPITAL ACCOUNTS	1.319.183	1.361.105
STATEMENT OF EARNINGS		
REVENUES		
Net sales and operating revenues	1.170.148	1.192.261
GROSS EARNINGS	1.170.148	1.192.261
COST & EXPENSES		
Cost of sales	(1.012.274)	(966.979)
Selling, general expenses & other deductions	(74.220)	(92.542)
Net income taxes	(20.445)	(34.792)
TOTAL COSTS & EXPENSES	(1.106.939)	(1.094.313)
NET EARNINGS	63.209	97.948

