

MOLIBDENOS Y METALES S.A. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

In Thousands of US Dollars (THUSD)

This document has two sections:

- Consolidated financial statements.
- Notes to the consolidated financial statements.

MOLIBDENOS Y METALES S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2021, and 2020.
(In thousands of US dollars)

ASSETS	Note	12-31-2021 THUSD	12-31-2020 THUSD
CURRENT ASSETS			
Cash and Cash equivalents	5	155,170	210,800
Other financial assets, current	6	1,545	2,151
Other non-financial assets, current	7	11,223	7,640
Trade and other current receivables, current	8	217,338	125,783
Intercompany receivables, current	9	76	40
Inventories	10	786,545	351,206
Biological assets, current	11	554	658
Tax assets, current	12	5,506	18,262
Total current assets		1,177,957	716,540
NON-CURRENT ASSETS			
Other financial assets, non-current	6	443	190
Other non-financial assets, non-current	7	275	21
Trade and other receivables, non-current	8	138	58
Non-current inventories	10	92,960	109,041
Intangible assets other than goodwill	14	4,923	6,693
Properties, Plant and Equipment	15	455,652	454,821
Right of use assets	25	6,230	3,579
Deferred tax assets	16	9,324	8,140
Total non-current assets		569,945	582,543
Total Assets		1,747,902	1,299,083

MOLIBDENOS Y METALES S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2021, and 2020.
(In thousands of US dollars)

EQUITY AND LIABILITIES	Note	12-31-2021 THUSD	12-31-2020 THUSD
CURRENT LIABILITIES			
Other financial liabilities, current	17	224,573	5,943
Lease liabilities, current	25	2,002	1,858
Trade and other payables, current	18	197,646	147,126
Current tax liabilities	20	18,013	7,620
Employee benefits liabilities, current	21	25,786	18,861
Other non-financial liabilities, current	22	13,787	20,298
Total current liabilities		481,807	201,706
NON-CURRENT LIABILITIES			
Other financial liabilities, non-current	17	371,804	233,318
Lease liabilities, non-current	25	3,690	2,110
Other provisions, non-current	19	474	689
Deferred tax liabilities	16	79,584	82,832
Employee Benefit liabilities, non-current	21	18,815	22,628
Total non-current liabilities		474,367	341,577
Total liabilities		956,174	543,283
EQUITY			
Share Capital	23	501,952	501,952
Retained earnings	23	320,183	269,537
Other reserves	23	(31,734)	(17,136)
Total Equity attributable to owners of the parent		790,401	754,353
Equity attributable to non-controlling interests	23	1,327	1,447
Total Equity		791,728	755,800
Total equity and liabilities		1,747,902	1,299,083

MOLIBDENOS Y METALES S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020.
(In thousands of US dollars)

INCOME STATEMENT BY FUNCTION	Note	ACCUMULATED	
		01-01-2021 12-31-2021 THUSD	01-01-2020 12-31-2020 THUSD
Revenue	24	1,453,442	1,051,912
Cost of sales	10	(1,219,458)	(909,997)
Gross profit		233,984	141,915
Other income, by function	27	2,788	2,267
Distribution costs	27	(17,690)	(15,963)
Administrative expenses	27	(57,591)	(46,347)
Other expenses, by function	27	(6,165)	(6,600)
Other gains (losses)	27	(2,220)	27
Profit (loss) from operating activities		153,106	75,299
Finance Income	17	516	1,468
Finance costs	17	(13,868)	(13,596)
Exchange rates differences		(1,801)	415
Profit (loss), before tax		137,953	63,586
Income tax expense	16	(39,472)	(15,767)
Profit (loss) from continuing operations		98,481	47,819
Profit (loss)			
Profit (loss) attributable to owners of the parent	23	97,194	47,323
Profit (loss) attributable to non-controlling interest	23	1,287	496
Profit (loss) per basic share in continuing operations (USD-share)		98,481	47,819
Earnings (loss) per basic share in continuing operations (USD-share)	23	0.73	0.36
Earnings (loss) per basic share		0.73	0.36
Diluted earnings (loss) per share from continuing operations (USD-share)	23	0.73	0.36
Diluted earnings (loss) per diluted share		0.73	0.36

MOLIBDENOS Y METALES S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021
AND 2020.
(Thousands of U.S. Dollars)

STATEMENT OF COMPREHENSIVE INCOME	Note	ACCUMULATED	
		01-01-2021	01-01-2020
		12-31-2021	12-31-2020
		THUSD	THUSD
Profit for the period (loss)		98,481	47,819
Items of other comprehensive income not to be reclassified to the statement of income , before taxation			
Other comprehensive income before tax, profit (loss) upon new defined benefit plans	23.5	19	(1,218)
Other Comprehensive income not to be reclassified to the statement of income, before tax		19	(1,218)
Components of other comprehensive income to be reclassified to the statement of income, before tax			
Profit (loss) on foreign currency adjustments, before tax	23.5	(307)	51
Other comprehensive income, before tax, foreign currency adjustments		(307)	51
Cash Flow hedges			
Gains (losses) on cash flow hedges, before tax	23.5	(19,704)	2,766
Other comprehensive income before tax, cash flow hedges		(19,704)	2,766
Other comprehensive income that will be reclassified to profit or loss, before taxes		(20,011)	2,817
Other components of other comprehensive income, before tax		(19,992)	1,599
Income taxes relating to components of other comprehensive income that will not be reclassified to profit or loss			
Income tax related to deferred benefit plans from other comprehensive income	16	33	281
Income taxes related to components of other comprehensive income that will not be reclassified to the period result		33	281
Income taxes related to components of other comprehensive income that will be reclassified to the period result			
Income tax related to cash flow hedges in other comprehensive income	16	5,361	(747)
Income taxes related to components of other comprehensive income to be reclassified to profit or loss		5,361	(747)
Other comprehensive income		(14,598)	1,133
Comprehensive income		83,883	48,952
Comprehensive income attributable to			
Comprehensive income attributable to owners of the parent		82,596	48,456
Comprehensive income attributable to non-controlling interests	23,7	1,287	496
Total Comprehensive Income		83,883	48,952

MOLIBDENOS Y METALES S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS, DIRECT METHOD, FOR THE YEARS ENDED DECEMBER
31, 2021, AND 2020.
(Thousands of U.S. Dollars)

STATEMENT OF CASH FLOWS – DIRECT METHOD	Note	01-01-2021	01-01-2020
		12-31-2021	12-31-2020
		THUSD	THUSD
Cash Flow statement			
Cash flows from operating activities (used in)			
Types of cash flows from operating activities:			
From the sale of goods and provision of services		1,394,485	1,102,893
Other charges from operating activities	5	205,962	102,271
Types of payments:			
Payment to suppliers for supply of goods and services		(1,808,857)	(1,004,221)
Payments to and for employees		(72,710)	(69,886)
Payment for premiums and benefits, annuities and other obligations arising from subscribed policies		(833)	(4,048)
Other payments for operating activities			(1)
Interests received, classified as operating activities		-	133
Income tax (paid) refunded		(12,797)	1,861
Other cash inflows (outflows)	5	(20)	461
Total cash flows from operating activities (used in)		(294,770)	129,463
Cash flows from investing activities (used in)			
Other charges for the sale of equity or debts instruments from other entities, classified as investing activities			1,758
Cash receipts from sales of property, plant, and equipment		5	31
Cash paid for property, plant, and equipment		(32,198)	(32,467)
Payments from future contracts, puts, options and swaps		(1,663)	(917)
Charges to related entities			246
Interests received, classified as investing activities	5	512	1,092
Net cash flows from investing activities (used in)		(33,344)	(30,257)
Cash flows from financing activities (used in)			
Cash flows from issuance of other equity instruments	5	191,022	-
Borrowings of long-term debts	5	950	-
Borrowings of short-term debts	5	305,000	30,000
Loans repayments	5	(155,414)	(70,703)
Payments of finance lease liabilities, classified as financing activities	5	(2,477)	(1,708)
Cash flows from government subsidies, classified as financing activities		-	104
Dividends paid	23	(53,645)	(33,742)
Interests received, classified as financing activities		4	6
Interest paid	5	(7,298)	(11,322)
Other cash inflows (outflows)	5	(2,396)	(416)
Net cash flows from financing activities (used in)		275,746	(87,781)
Increase (decrease) in cash and cash equivalents, before foreign exchanges rate effect		(52,368)	11,425
Effects of foreign exchange rate on cash and cash equivalents			
Effects of foreign exchange rate on cash and cash equivalents		(3,262)	(449)
Net increase (decrease) in cash and cash equivalents		(55,630)	10,976
Cash and cash equivalent at the beginning of the period	5	210,800	199,824
Cash and cash equivalent at the end of the period	5	155,170	210,800

MOLIBDENOS Y METALES S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2021, AND 2020.
(In thousands of U.S. Dollars)

a) Between January 1 and December 31, 2021.

Equity changes Statement	Issued Capital	Reserves for Exchange rate Differences	Reserves for cash flow Hedges,	Reserve for defined benefit Plans actuarial gains or loss	Other various reserves	Total Other reserves	Retained earnings (losses)	Equity attributable to owners of parent	Non-controlling interests	Total Equity
	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD
Balance as of January 1, 2021	501,952	(5,452)	(3,891)	(6,739)	(1,054)	(17,136)	269,537	754,353	1,447	755,800
Changes in equity										
Comprehensive income										
Profit (loss) for the period							97,194	97,194	1,287	98,481
Other comprehensive income		(307)	(14,343)	52	(14,598)			(14,598)		(14,598)
Comprehensive income		(307)	(14,343)	52	(14,598)		97,194	8,596	1,287	83,883
Dividends							(4,548)	(46,548)		(46,548)
Increase (decrease) for transferences and other changes									(1,407)	(1,407)
Total changes in Equity			(14,343)	52	(14,598)		50,646	36,048	(120)	35,928
Balance as of December 31, 2021			(18,234)	(6,687)	(1,054)	(31,734)	320,183	790,401	1,327	791,728

b) Between January 1 and December 31, 2020.

Equity changes Statement	Issued Capital	Reserves for Exchange rate Differences	Reserves for cash flow Hedges,	Reserve for defined benefit Plans actuarial gains or loss	Other various reserves	Total Other reserves	Retained earnings (losses)	Equity attributable to owners of parent	Non-controlling interests	Total Equity
	MUSD	MUSD	MUSD	MUSD	MUSD	MUSD	MUSD	MUSD	MUSD	MUSD
Balance as of January 01, 2020	501,952	(5,503)	(5,910)	(5,802)	(1,054)	(18,269)	249,363	733,046	1,392	734,438
Changes in Equity										
Comprehensive Income										
Profit (loss) for the period							47,323	47,323	496	47,819
Other comprehensive income		51	2,019	(937)	-	1,133	-	1,133	-	1,133
Comprehensive income		51	2,019	(937)	-	1,133	47,323	48,456	496	48,952
Dividends							(27,149)	(27,149)	-	(27,149)
Increase (decrease) for transferences and other changes							-	-	(441)	(441)
Total changes in Equity		51	2,019	(937)	-	1,133	20,174	21,307	55	21,362
Balance as of December 31, 2020	501,952	(5,452)	(3,891)	(6,739)	(1,054)	(17,136)	269,537	754,353	1,447	755,800

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MOLIBDENOS Y METALES S.A. AND SUBSIDIARIES.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021,
AND 2020.
(Thousands of U.S. Dollars)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Activities and general information on the Company.

Molibdenos y Metales S.A. (hereinafter, the “Parent Company” or the “Company”) and subsidiaries, comprise the Molymet Group (hereinafter, “Molymet” or the “Group”).

Molibdenos y Metales S.A. is a publicly held company with its head office and main offices located in Camino Nos to los Morros N° 66, district of San Bernardo, Maipo Province, Chile. The Company is registered in the securities registry of the Chilean Securities and Insurance Superintendency, under No. 0191.

Molymet’s corporate purpose is the processing of molybdenum concentrate from copper mining in Chile or abroad, obtaining final products as, according to customers’ requirements, molybdenum oxide in its technical and pure grades, ferromolybdenum, molybdenum salts, metallic molybdenum, molybdenum dioxide, metallic rhenium, ammonium perrhenate and perrhenic acid. As result of its environmental control processes, sulfuric acid, copper cements and copper cathodes are produced. The commercial activity is conducted partly by providing roasting and leaching services, charging a fee, and as well by buying raw materials and selling the obtained products overseas.

Molymet’s products are traded in the European, Asian, and North American markets, and used by companies of sophisticated technology in areas such as aerospace, chemical, electronics, and steel industries.

As of December 31, 2021, and 2020, the Group has 1,372 and 1,413 employees, respectively, distributed as follows:

Staffing	No. Workers To 12-31-2021	No. Workers To 12-31-2020
Executives	67	72
Professionals and technicians	664	659
Other	641	682

The average number of staff during the fiscal year January to December 2021 was 1.393 workers.

2. Significant accounting policies.

The following is a description of the significant accounting policies adopted to prepare these consolidated financial statements. These policies have been applied consistently throughout the periods presented in these consolidated financial statements.

Reclassification:

In the consolidated financial statements of Molibdenos y Metales S.A. and subsidiaries as of December 31, 2020, the criterion of open presentation of deferred tax balances has been changed to a net presentation as required by IAS 12. The details of the reclassification are as follows:

	Balances previously reported 12-31-2020 THUSD	Reclassification effect THUSD	Updated balances 12-31-2020 THUSD
ASSETS			
Total current assets	716,540	-	716,540
Total non-current assets	593,337	(10,794)	582,543
Total assets	1,309,877	(10,794)	1,299,083
LIABILITIES			
Total current liabilities	201,706	-	201,706
Total non-current liabilities	352,371	(10,794)	341,577
Total Equity	755,800	-	755,800
Total equity and liabilities	1,309,877	(10,794)	1,299,083

2.1 Basis of Presentation.

The consolidated financial statements of Molibdenos y Metales S.A. as of December 31, 2021, have been prepared according to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

These consolidated financial statements are presented in thousands of US dollars as this is the functional currency of the primary economic environment in which Molymet operates.

The Consolidated Statement of Financial Position as of December 31, 2021, is presented compared to the corresponding one as of December 31, 2020.

These consolidated financial statements and the Consolidated Statement of Comprehensive Income reflect the movements up to December 31, during years 2021 and 2020, respectively.

The Statement of Consolidated Cash Flows reflects the cash flows up to December 31, during years 2021 and 2020.

The Statement of Equity Changes includes changes up to December 31, during years 2021 and 2020, respectively.

The preparation of consolidated financial statements, as described above, requires the use of certain estimates and accounting policies. It also requires that Management exercises judgement in the process of applying the Company's accounting policies. Areas involving a higher degree of judgement, complexity, or areas where assumptions and estimates are significant are disclosed in note 4.

The Company's Board of Directors has been informed of the contents of these consolidated financial statements and it expressly states its responsibility for the consistent and reliable nature of the information included in the consolidated financial statements as of December 31, 2021. The financial statements as of December 31, 2021, were approved by the Board of Directors at its meeting held on January 25, 2022.

Regarding the COVID-19 pandemic, as of the date of this report, we continue selling, producing, and distributing our products throughout our business operations, Since the pandemic was declared by the World Health Organization in March 2020, we have implemented a comprehensive contingency plan that has prioritized the health and safety of all our employees and our stakeholders, as well as the continuity of our operations. To achieve these objectives, we have implemented protocols such as working remotely, actively promoted self-care measures and implemented new internal regulations related to the safest way to operate our plants. The Company has a robust liquidity position.

As of the date of these consolidated financial statements, there are no uncertainties about events or conditions that may cast doubt on the ability of the Company and its subsidiaries to continue operating as a going concern.

The consolidated financial statements have been prepared under historical cost criteria, except for certain financial instruments, which are reflected at fair value.

2.2. New accounting pronouncements.

(a) Accounting pronouncements effective as of January 1, 2021:

At the issue date of these consolidated financial statements, Amendments, Improvements, and Interpretations upon the existing standards have been published and became effective during the fiscal year 2021, which are adopted by the Company. These became mandatory as of the dates indicated below:

Standard	Description	Mandatory application for annual periods beginning on or after:
IFRS 4	Interest Rate Benchmark Reform Interest Rate Benchmark Reform (IBOR) - Phase 2	January 1, 2021
IFRS 7	Interest Rate Benchmark Reform (IBOR) - Phase 2	January 1, 2021
IFRS 9	Interest Rate Benchmark Reform (IBOR) - Phase 2	January 1, 2021
IFRS 16	Interest Rate Benchmark Reform (IBOR) - Phase 2	April 1, 2021
IFRS 16	COVID-19 Related Lease Concessions Beyond June 30, 2021,	January 1, 2021
IAS 39	COVID-19 Related Lease Concessions Beyond June 30, 2021	January 1, 2021
	Interest Rate Benchmark Reform (IBOR) - Phase 2	January 1, 2021

The adoption of these standards, depending on their mandatory application date, did not have a significant impact on the Company's consolidated financial statements.

(b) Accounting pronouncements with effective date after December 31, 2021:

In addition, as of the date of issuance of these consolidated financial statements, the following accounting pronouncements were released by the International Accounting Standards Board (IASB), but were not yet effective:

Standard	Description	Mandatory application for annual periods beginning on or after:
IFRS 1	Annual improvement to IFRS, cycle 2018-2020	January 1, 2023
IFRS 3	Reference to the Conceptual Framework	January 1, 2022
IFRS 9	Annual improvement to IFRS, cycle 2018-2020	January 1, 2022
IFRS 16	Annual improvement to IFRS, cycle 2018-2020	January 1, 2022
IFRS 17	Insurance Contracts	January 1, 2023
IAS 1	Classification of liabilities as Current or Non-Current	January 1, 2023
IAS 1	Disclosure of Accounting Policies	January 1, 2023
IAS 8	Definition of Accounting Estimates	January 1, 2023
IAS 12	Deferred Taxes Related to Assets and Liabilities Arising from a Single Transaction	January 1, 2023
IAS 16	Property, Plant and Equipment - Proceeds before Intended Use	January 1, 2022
IAS 37	Onerous Contracts - Costs to Perform a Contract	January 1, 2022
IAS 41	Annual improvement to IFRS, cycle 2018-2020	January 1, 2022

The Company's management believes that the adoption of the new standards, amendments and interpretations described above will not have an impact on the Group's consolidated financial statements during the year of application.

2.3. Basis of Consolidation.

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Company has control. There is control when:

- There is power over the entity.
- It is exposed, or has rights, to variable returns arising from its involvement with the entity.
- It could affect returns through its power over the entity.

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

When assessing if the Company controls another entity, the existence and effect of potential voting rights currently viable or convertible are considered, Subsidiaries are consolidated from the date on which the control is transferred and are excluded from consolidation on the date when control ceases.

The attached table shows the companies making up the Molymet group, specifying a) functional currency, b) country of investment and c) percentage of share that the parent company has in each company:

Company	Tax ID No	Country	Consolidation	Local currency	Functional currency	Ownership Percentage as of					
						December 31, 2021			December 31, 2020		
						Direct	Indirect	Total	Direct	Indirect	Total
Molibdenos y Metales S.A.	93.628.000-5	Chile	Matrix	CLP	USD						
MolymetNos S.A. (iii)	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. (iv)	96.953.640-4	Chile	Direct	CLP	USD	93.468406	6.487342	99.955748	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	99.950000	0.050000	100.000000
Strategic Metals B.V.B.A.	Foreign	Belgium	Direct	EUR	USD	99.999900	0.000100	100.000000	99.999900	0.000100	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 Brazil Representações e Serviços Ltda.	Foreign	Brazil	Direct	Real	USD	90.000000	10.000000	100.000000	90.000000	10.000000	100.000000
Molymet Services Limited	Foreign	England	Indirect	GBP	USD	-	100.000000	100.000000	-	100.000000	100.000000
Molymet Belgium N.V. (ii)	Foreign	Belgium	Indirect	EUR	USD	-	100.000000	100.000000	-	100.000000	100.000000
Molymet Germany GmbH (i)	Foreign	Germany	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	CNY	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

- i) During August 2020, Carbomet Industrial S.A. acquired a 32.44% interest in Reintech GmbH from Strategic Metals. On November 27, 2020, Reintech GmbH merged with Molymet Germany GmbH (in which Carbomet Industrial had a 32.44% interest), absorbing the former all respective rights and obligations and becoming the legal successor, changing its name to Molymet Germany GmbH.
- ii) During the month of December 2020, Sadaci N.V. changed its corporate name to Molymet Belgium N.V.
- iii) On December 23, 2020, the company Molymet Trading S.A. changed its name to MolymetNos S.A.
- iv) On September 1, 2021, Inmobiliaria San Bernardo S.A. proceeded to conduct a capital increase amounting to ThUSD 508, partly through the capitalization of the debt that this had with the parent company.

The acquisition method is used to account for the acquisition of subsidiaries by the Company. The acquisition cost is the fair value of the assets delivered, the equity instruments issued, and the liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and identifiable liabilities and contingencies assumed in a business combination are initially measured at their fair value on the acquisition date, regardless of the extent of minority interests. The excess of the cost of acquisition over the fair value of the Company's interest in the identifiable net assets acquired is recognized as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement.

Intercompany transactions, balances, and unrealized gains on transactions between Group entities are eliminated on consolidation. Unrealized losses are also eliminated, unless the transaction provides evidence of an impairment loss on the asset transferred.

(b) Intercompany transactions and minority interests

The Group applies the policy of considering transactions with minority interests as transactions with third parties, disclosing transactions with minority interests when they do not correspond to loss of control, as equity transactions with no effect on the profit or loss.

Unrealized gains due to transactions between the Company and subsidiaries or affiliates are eliminated according to the Company's percentage of share. Unrealized losses are also eliminated unless the transaction provides evidence of loss due to the impairment of the transferred asset.

2.4. Financial information per operating segment.

A business segment is a group of assets and operations responsible for providing products or services subjected to risks and generating revenue different from those of other business segments. A geographical segment is responsible for providing products and services in a particular economic environment subjected to risks and generating revenue different from those segments operating in other economic environments.

2.5. Transactions in foreign currency.

(a) Functional Currency

The items included in the financial statements of each of the Group entities are valued using the currency of the main economic environment in which the entity operates or “functional currency”.

(a) Transactions and balances in foreign currency

Foreign currency transactions are translated into the functional currency using exchange rates prevailing on the transactions dates. Foreign currency gains and losses resulting from the settlement of these transactions and from the conversion, at closing exchange rates, of monetary assets and liabilities denominated in foreign currencies, are recognized in the income statement, except for those transactions qualifying as cash flow hedges and net investment hedges, which are deferred in equity.

(b) Presentation Currency

The consolidated financial statements are presented in US dollars, as this is the Parent Company’s functional and presentation currency.

Revenues and financial statements of all Group entities (none of which maintain the currency of a hyperinflationary economy as functional currency) having a functional currency different from the presentation currency, these are exchanged to the presentation currency as follows:

- (i) Assets and liabilities of every financial statement presented are translated at the exchange rate in effect on the closing date of the financial statements.
- (ii) Income and expenses for each item in the statement of income are translated using the exchange rate in effect on the transaction date (when this cannot be determined, the average monthly exchange rate is used as a reasonable approximation); and
- (iii) All resulting exchange differences are recognized as component of equity, classified as other reserves.

Upon consolidation, exchange differences arising from the translation of net investment in foreign entities, and from loans and other foreign currency instruments designated as hedges of those investments, are recorded as separate components of equity.

1. Goodwill and fair value adjustments arising from the purchase of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at year-end exchange rates.

2.6. Property, plant, and equipment.

Land and buildings constitute the industrial facilities used in the business of the Group companies.

(a) Valuation and updating

Fixed assets items included in the “property, plant, and equipment” section, are recognized at cost minus the accumulated depreciation and corresponding impairment losses, except for land, which is stated at cost, net of impairment losses.

Land and buildings comprise factories and offices. All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenses that are directly attributable to the acquisition of the asset.

Subsequent costs are included in the value of the initial asset or recognized as separate asset only when it is probable that future economic benefits associated to property, plant and equipment could flow to the Group and the cost of the item is consistently assessed. The value of the replaced component is accountably written-off. All other repairs and maintenance are charged to the revenue period in which they were incurred.

(b) Depreciation Method

Land property and art pieces are not depreciated.

Depreciation of other fixed assets is calculated using the straight-line method based on the assets estimated lifetime, considering the assets residual value, the average per item is as follows:

Type of fixed assets	Lifetime
Constructions	30 years
Machinery	10 years
Vehicles	4 years
Furniture, accessories, and equipment	8 years
Walnut plantations	65 years

The residual values and assets lifetime are reviewed and adjusted, if necessary, at each fiscal year end. When the value of an asset exceeds its estimated recoverable amount, the value is immediately reduced to the recoverable amount.

Gains and losses due to the sale of a fix assets, are calculated by comparing income earned with the book value and are included in statement of profit or loss.

2.7. Biological Assets.

The Company's biological assets correspond to agricultural products grown in the production plant.

The Company considers as fair value the expenditures between each agricultural period, time elapsed between one harvest and the next. Due to the brief period in which they are accumulated, the Company considered that this represents a reasonable approximation of their value.

At harvest time, this value is transferred to Inventories as initial cost.

2.8. Intangible Assets.

(a) Software

Expenditures related to software maintenance are identified as expenses when incurred. Costs related to unique and identifiable software production, controlled by the Group, and which are likely to generate economic benefits above costs for more than one year, are accepted as intangible assets. Direct costs include costs of software's developer personnel.

The costs of developed Software, identified as intangible assets, are amortized over their lifetime (not exceeding 4 years).

(b) Research and development expenses

Research costs are identified as expenses when incurred. Costs regarding development projects (related to design and testing of new or improved products) are identified as intangible asset when the following conditions are met:

- It is technically feasible to complete the production of the intangible asset allowing availability for use or sale;
- The management's intention is to complete the intangible asset for use or sale;
- The capability to use or sell the intangible asset exists;
- It is possible to prove how the intangible asset could generate future economic benefits;
- Availability of adequate technical, financial, or other resources to complete the development and to use or sell the intangible asset; and
- It is possible to measure consistently expenses attributable to the intangible asset during its development.

Development costs earlier identified as expense are not recognized as asset in the subsequent period.

Developments recognized as intangible assets are annually tested for impairment.

(c) Emission Rights

Emission rights given by the National Environmental Commission (CONAMA), which are necessary for the normal operation of factories, are recorded at purchase value, in the event payments are made, when the Company is in position to control and measure them. These rights are not amortizable; however, they must be annually evaluated for impairment.

2.9. Interest Costs.

Interest costs incurred in the construction of any asset are capitalized over the period needed to complete and prepare it for use. Other interest costs are regarded as expenses.

2.10. Losses for Impairment of non-financial assets.

Assets that have an unspecified useful life, such as land or goodwill, are not subject to depreciation and are assessed at least annually for impairment. Assets subjected to amortization are evaluated for impairment whenever events or changes in circumstances indicate that their book value may not be recoverable. An impairment loss is recognized for the excess of the asset's book value over its recoverable value. The recoverable amount is the fair value of an asset minus the sale costs or value of use, whichever is the higher. To assess impairment losses, assets are grouped at the lowest level applying to separately identifiable cash flows (cash-generating units). Non-financial assets, other than goodwill, suffering an impairment loss are reviewed on each balance period to determine whether there is any reversal of the loss.

2.11. Financial Assets.

2.11.1 Classification

The Group classifies their financial assets as follows:

- (a) At amortized cost.
- (b) At fair value through other comprehensive income.
- (c) At fair value through profit or loss.

The classification depends on the characteristics of the contractual cash flows and business model managed. Management determines the classification of its financial instruments at first recognition.

(a) At amortized Cost

Financial instruments measured at amortized cost are those held to collect contractual cash flows that are payments of the principal only and interests upon the principal outstanding amount. Financial instruments that meet this condition under IFRS 9 include trade debtors and other receivables, trade and other payables and loans included in other financial liabilities.

(b) At fair value through other comprehensive income

Financial instruments measured at fair value *through* other comprehensive income are those that are held within the business model and meet the objective to collect contractual cash flows that are payments of the principal only and interest upon the principal outstanding amount or sell them.

(c) At fair value through profit or loss

Average financial instruments at fair value through profit or loss are those not measured at amortized cost or at fair value through other comprehensive results and the effect is accepted as profit or loss for the period.

2.11.2 Derecognition of financial instruments

In general, financial assets are derecognized when they are expired or the contractual rights to receive cash flows have been transferred, or when the entity has transferred all risks and rewards of ownership. Financial liabilities are written-off when extinguished, i.e., when obligations specified in the contract have been paid, cancelled, or expired or when the creditor is legally released from liability.

2.11.3 Recognition and measurement

Financial instruments are classified as described in 2.11.1 at amortized cost, at fair value through other comprehensive income or at fair value through profit or loss.

(a) At amortized Cost

Financial instruments at amortized cost are calculated by their amortized cost according to the effective interest rate method. Amortized cost is reduced by impairment losses. Financial revenues and expenses, foreign exchange gains and losses and impairment are identified in the statement of profit or loss. Any derecognition gain or loss is recognized as profit or loss for the period.

Loans and receivables are non-derivative financial instruments with fixed or determinable payments that are not quoted in an active market. They are recognized at amortized cost and the accrual of the agreed terms is recorded directly in income.

(b) At fair value through other comprehensive income

Financial instruments at fair value through other comprehensive income are subsequently measured at fair value. Interests' incomes are calculated using the effective interest method and recognized in profit or loss. Other net gains and losses are recognized in equity.

(c) At fair value through profit or loss

Financial instruments at fair value through profit or loss are subsequently measured at fair value. Net profit or losses, including any interest or dividend income, are recognized in profit or loss of the period.

2.11.4 Financial assets impairment

The Group assesses on the date of each balance if there is objective evidence that a financial asset or a group of financial assets might be impaired. IFRS 9 requires that the Company reveal expected credit losses of all its debt securities, loans, and trade receivables; therefore a provisioning matrix has been established based on the Group's historical experience of credit losses during the last 5 years. The impairment testing over accounts receivable is described in Note 2.14.

2.12. Derivative financial instruments and hedge accounting

Derivative financial instruments are initially and subsequently measured at fair value. The accounting for the changes depends on the following classification:

Derivatives not qualifying for hedge accounting

Derivatives that do not qualify for hedge accounting are recognized at fair value through profit or loss.

Derivatives qualifying for hedge accounting

At the reporting date these include Cross Currency Swaps and forward contracts specified in cash flow hedges. These are recognised at fair value in the Classified Financial Statement, recognizing the changes of fair value in the Equity Changes Statement in the "Hedge reserves". At each reporting date, it is reclassified from the changes in equity statement to the statement of income under the lines "Exchange rate difference" and "Financial Costs", the hedge amount that offsets the difference between exchange rate and interest rate, respectively, originated by the hedge object related to the instrument, except for noneffective hedge which, if any, are directly recognized in profit or loss.

2.13. Inventories.

(a) Inventories Policy

Inventories are carried at the lower of cost or net realizable value.

(b) Inventory measurement policy

The Group evaluates inventories as follows:

The production cost of manufactured inventories comprises direct and indirect costs related to the units produced, such as raw materials, labor, and fixed and variable costs incurred when raw materials are transformed into finished goods.

Regarding the cost of purchased inventory, the acquisition cost includes the purchase price, custom duties, transport, storage, and other costs attributable to the procurement of goods and materials.

(c) Inventory Costing Formula

Inventories of raw materials, products in progress, finished goods, packaging and materials are estimated at weighted average cost.

2.14. Trade and other receivables.

Trade receivables are initially recognized at fair value and then at amortized cost in accordance with the effective interest rate method, minus provisions for impairment losses determined by the expected credit loss model as required by IFRS 9. Furthermore, a provision for impairment losses on trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due, according to the original terms of receivables. The existence of significant financial difficulties from the debtor, the likelihood that the debtor will enter bankruptcy or financial reorganization and the failure or default of payments are considered indicators that the receivable is impaired. The amount of the provision is the difference between the book amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The book amount is reduced as the provision account is used and the loss is established in the statement of income in "Sale Costs". Subsequent recoveries of previously written-off amounts are recognized as credit items under "Sale Costs".

2.15. Cash and cash equivalents.

Cash and cash equivalents include cash on hand, balances in banks, term deposits in credit institutions, other short-term investments of great liquidity and minimal risk with an original due period of three months or less. In the statement of financial position, bank overdrafts are classified as "Other current financial liabilities".

2.16. Issued Capital.

Ordinary shares are classified as equity.

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

2.17. Trade Payables

Suppliers or trade payables are initially recognized at fair value and subsequently at amortized cost using the effective interest rate method.

2.18. Interest-bearing loans.

Financial liabilities are recognized initially at fair value, net from costs incurred for the transaction. Subsequently, financial liabilities are measured at amortized cost; any difference between earnings (net of transaction costs) and the repayment value is recognized in the statement of income over the debt life according to the effective interest rate method.

Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date.

2.19. Income taxes and deferred taxes.

The annual income tax expenditure includes current tax and deferred taxes.

(a) Income Tax

Income tax expenditure from the parent company and subsidiaries domiciled in Chile is calculated on profit before tax, increased or decreased, as appropriate, by permanent and temporary differences, provided by the tax legislation regarding the determination of the taxable base for the indicated tax.

The income tax expense of subsidiaries domiciled abroad is determined according to the legislation in force of each country.

(b) Deferred Taxes

Deferred taxes are calculated according to the liability method, considering the temporary differences arising between the tax bases of assets and liabilities and their book amounts in the annual consolidated accounts. However, if deferred taxes arise from recognition of a liability or an asset in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor the taxable profit or loss, they are not recorded. Deferred tax is determined using tax rates (and laws) enacted or substantively enacted as of the balance sheet date and that are expected to be applied when the related deferred tax asset is realized, or the deferred tax liability is settled.

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

Deferred tax is recognized on temporary differences arising from investments in subsidiaries and associates, except where the Parent Company can control the date on which the temporary differences will reverse, and with the probability that these will not reverse soon.

At the closing of these financial statements, no deferred taxes have been recognized due to investments in subsidiaries.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities are related to income taxes imposed by the same taxing authority on the same taxable entity or on different taxable entities for which there is an intention to settle the balances on a net basis.

2.20. Employees Benefits.

Staff severances pay

The defined benefit obligations are calculated annually using the projected credit unit method. The present value of the obligation is determined by discounting the estimated future cash outflows to state bonds interest rates in the currency in which those benefits will be paid and with due periods similar the corresponding obligations.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in the statement of comprehensive income and expense, recognized in the period in which they arise.

2.21. Provisions.

Provisions for environmental restoration, restructuring costs and litigation costs are recognized when:

The Group has present legal obligations as result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions include lease termination penalties and employees' lay off. No provisions are recognized for future operating losses.

When a number of similar obligations exist, the probability that an outflow will be necessary for settlement is determined by considering the type of obligations. A provision is recognized even if the probability of an outflow respect to any item included in the same class of obligations could be small.

Provisions are measured at the current value of the expected disbursement required to settle obligations using a rate before tax reflecting the current market appraisals respect to the money temporal value and the specific risks of the obligation. The increase in the provision due to the passing time is recognized as interest expense.

2.22. Revenue recognition.

Ordinary incomes include the fair value of received considerations or receivables, regarding the sale of goods and services in the ordinary course of the Group's business. Ordinary incomes are presented net of VAT, returns, refunds and discounts, after the Group sales are eliminated.

The Group recognizes income when the performance obligations have been met, according to IFRS 15 methodology.

Revenue is recognized as follows:

(a) Sales of goods

The Group manufactures and sells molybdenum, rhenium, and copper. Contracts with customers include a performance obligation for the delivery of physical goods in locations agreed with the customers. The Group recognizes incomes from the sale of goods when the control of the asset is transferred to the customer according to the agreed terms.

(b) Services supply

The Group provides tolling processing. These services are provided based on concrete time and material or as a fixed-price contract for periods ranging from one to ten years.

Contracts with customers for tolling manufacturing services include performance obligations for the processing service. The Group recognizes revenues from the sale of services when the control of the transformed asset is transferred to the customer.

(c) Interests Income

Interest incomes are recognized using the effective interest method. When a receivable is impaired, the Group reduces the book amount to its recoverable amount by discounting the estimated future cash flows at the instrument's original effective interest rate. Interest incomes on impaired loans are recognized using the effective interest method.

(d) Income from Dividend

Dividend income is recognized when the right to receive payment is established.

2.23. Leases.

As of 2019, the International Financial Reporting Standard No. 16 (IFRS 16) came into effect, establishing a new accounting recognition model related to leases.

IFRS 16 establishes a single accounting model for all lease contracts transferring the right to control the use of an asset, expressly specified, provided that the lease is for more than 12 months.

At the beginning of the contract, an asset (Right of Use) and a corresponding financial liability must be recognized at present value. The right of use is amortized during the contract term.

Interests of the financial liability are recognized in the corresponding income statement. Lease contracts that do not meet the above conditions are referred to as service contracts and the expenditure is recognized in a linear manner.

The rights of use are presented under "Right of use Assets" and lease liabilities under "Lease Liabilities" in the consolidated financial statement.

For the purposes of first-time application and according to IFRS16, the prospective approach was chosen.

Assets leased to third parties under lease contracts are classified under Property, plant, and equipment in the balance sheet.

Lease incomes are recognized on a straight-line basis during the lease term.

2.24. Assets classified as held for sale, non-current (or disposal groups).

Non-current assets (or disposal groups) are classified as assets held for sale and are recognized at the lower value between the book amount and the fair value minus selling costs.

2.25. Goodwill.

Goodwill 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. Goodwill related to the acquisition of subsidiaries, associates and/or joint ventures is not amortized, but is periodically evaluated for impairment.

2.26. Dividends Distribution.

The distribution of dividends to the Company's shareholders is recognized as a liability in the Group's annual consolidated financial statement, as function of the legal minimum dividend, corresponding to 30% of the current year's profit or as established in the extraordinary shareholders' meeting, whichever is higher,

2.27. Environment.

Expenditures related to environmental care are recognized in profit or loss as incurred

3. Financial Risk Management.

Financial Risk Factors.

The Molymet Group, through its Parent Company and subsidiaries, 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 showing components of uncertainty at various times.

The purpose of the Company's corporate policy "Financial Risk Management" is to always safeguard the financial stability and sustainability of Molymet and its subsidiaries, under normal and exceptional conditions. This policy was defined by the Board of Directors and has a simple, transparent, and flexible management structure. In general, the policy specifies the defined management guidelines in relation to all components of financial uncertainty relevant for the Molymet and subsidiaries operations, as well as determining how the Group is organized for such purposes.

3.1. Credit Risk

The Management uses the concept of "credit risk" regarding financial uncertainty, during various times, related to the fulfilment of obligations entered by counterparties, exercising contractual rights to receive cash or other financial assets.

In relation to credit risk arising from financial activities, including deposits in banks and financial institutions, derivative instruments and others, the Company has a "Counterpart Risk Policy", aiming to mitigate risks. This policy considers: 1) counterparties with investment grade ratings granted by the Risk Rating Agencies, 2) minimum liquidity and solvency ratios, and 3) maximum limits per institution.

The credit risk arising from the Company's commercial activities is related to the customers' ability to meet their contractual commitments. The Group has a "General Customer Evaluation Policy", where terms and maximum monetary limits for conducting commercial activities are determined. In addition, Molymet has taken out insurance policies to reduce risks of credit sales.

The following table shows the detail of counterparts and exposure:

Classification	Group	Type	Counterpart	Book Value	Not guaranteed exposition	% exposition over classification	% exposure over total
				THUSD	THUSD	%	%
Total assets				374,710	374,710		100
At fair value with change in other results				437	437	100	0.12
	Other financial assets		Other financial assets		437	100	0.12
				250	250	57.21	0.07
				187	187	42.79	0.05
At fair value through profit or loss Comprehensive Income						100	0.37
	Other Financial Assets			1,379	1,379	100	0.37
		Forwards (Hedges)		447	447	32.41	0.12
		BNP (IRS USD)		273	273	19.80	0.07
		Derivative hedging instruments		659	659	47.79	0.18
Amortized Cost				372,894	372,894	100	99.51
	Cash and Cash equivalent			155,170	155,170	41.61	41.40
		Bank Deposits	Estado	40	40	0.01	0.01
			Bank of America	6,387	6,387	1.71	1.70
			China Construction Bank	26	26	0.01	0.01
			Deutsche Bank	1,150	1,150	0.31	0.31
			HSBC	1,138	1,138	0.31	0.30
			Santander	15	15	-	-
			Security	6,383	6,383	1.71	1.70
			Dexia	34	34	0.01	0.01
			Citibank	382	382	0.10	0.10
			Itaú-Corpbanca	4	4	-	-
			JP Morgan	3,098	3,098	0.83	0.83
			Banco Banamex	68	68	0.02	0.02
			BCI	139	139	0.04	0.04
			Banco de Chile	2,969	2,969	0.80	0.79
			KBC Bank	6,520	6,520	1.75	1.74
			ING	1,027	1,027	0.28	0.27
			Fortis	1	1	-	-
			BNP Paribas	17,652	17,652	4.73	4.71
			Mufg Bank	19,607	19,607	5.25	5.23
		Term Deposit	BCI	23,000	23,000	6.17	6.14
			Scotiabank	32,500	32,500	8.71	8.67
			Santander	16,001	16,001	4.29	4.27
			Itaú-Corpbanca	17,003	17,003	4.56	4.54
		Cash		26	26	0.01	0.01
	Other Financial Assets			172	172	0.05	0.05
		Receivables	Mutuo IACSA	172	172	0.05	0.05
	Trade and other receivables			217,476	217,476	58.32	58.04
		Customers	Mo Products and derivatives	152,590	152,590	40.92	40.72
			Maquila service	3,761	3,761	1.01	1.00
			Electric Power Service	538	538	0.14	0.14
			Agricultural products	1	1	-	-
		Other receivable accounts	Remaining VAT	59,075	59,075	15.84	15.77
			Accounts receivable from staff	1,372	1,372	0.37	0.37
			Other taxes receivable	7	7	-	-
			Others	132	132	0.04	0.04
	Intercompany receivables			76	76	0.02	0.02
		Intercompany	Indirect	76	76	0.02	0.02

3.2. Liquidity Risk

The Management uses the concept "liquidity risk" regarding financial uncertainty, in different time horizons, related to the ability to meet net cash requirements to support operations under normal and exceptional operating conditions.

Due to the nature of the business, MolyMET requires liquid funds to meet working capital needs derived from operations, investments in projects and maturities of debt and financial interest.

Liquid funds balance as of December 31, 2021, amounts THUSD 156,715, which are invested according to the "Counterparty Risk Policy". Net debt at the same date amounts to THUSD 439,662.

To meet financing needs, the company maintains committed and uncommitted credit lines with various banking institutions.

Following there is a table with committed financial liabilities:

Classification	Group	Type	Counterpart	Book Value	Maturity profile							
					0 to 15 days	16 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	181 to 360 days	1 to 2 years	2 years & more
				THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD
Total financial liabilities				799,715	6,348	197,933	13,936	45	8,387	223,031	101,536	350,547
Amortized Cost				721,115	5,990	197,933	13,826	-	8,283	202,976	69,259	324,896
				197,646	5,405	192,241	-	-	-	-	-	-
			Trade and other accounts payable									
			Suppliers	192,241	-	192,241	-	-	-	-	-	-
			Other liabilities									
			Customer advance	594	594	-	-	-	-	-	-	-
			V,A,T,	924	924	-	-	-	-	-	-	-
			Other payable taxes	3,445	3,445	-	-	-	-	-	-	-
			Other payable accounts	442	442	-	-	-	-	-	-	-
			Other Financial Liabilities	517,777	585	-	13,826	-	8,283	202,976	69,259	324,896
			Public Obligations									
			BMOLY-C	71,599	-	-	-	-	1,543	1,543	3,086	87,268
			SERIE D	50,276	-	-	867	-	867	50,835	-	-
			MOLYMET 13	50,366	-	-	1,742	-	-	1,742	51,296	-
			MOLYMET 21	120,715	585	-	1,169	-	2,339	3,508	7,601	137,629
			MOLYMET 21-2	70,935	-	-	-	-	3,300	3,300	6,601	98,305
			Banks Obligations									
			Bci	2,613	-	-	-	-	234	223	675	1,694
			Banco Estado	110,225	-	-	10,048	-	-	100,385	-	-
			Banco Crédito del Perú	41,048	-	-	-	-	-	41,440	-	-
			Other Financial Liabilities	5,692	-	5,692	-	-	-	-	-	-
			Other liabilities	5,692	-	5,692	-	-	-	-	-	-
			Obligation right of use									
At fair value through other comprehensive results				78,235	-	-	103	45	104	20,055	32,277	25,651
			Other Financial Liabilities	78,235	-	-	103	45	104	20,055	32,277	25,651
			Derivatives									
			Santander (CCS UF)	24,268	-	-	-	-	-	-	-	24,268
			Scotiabank (CCS MXN)	32,207	-	-	-	-	-	-	32,207	-
			Goldman Sachs MXN	1,383	-	-	-	-	-	-	-	1,383
			BCP	18,460	-	-	-	-	-	18,460	-	-
			JP Morgan	1,205	-	-	-	-	-	1,205	-	-
			Forwards (Hedges)	712	-	-	103	45	104	390	70	-
At fair value through profit or loss				365	358	-	7	-	-	-	-	-
			Other financial liabilities	365	358	-	7	-	-	-	-	-
			Contracts Forwards	365	358	-	7	-	-	-	-	-

3.3. Market Risk

The management uses the concept of "market risk" to refer to the financial uncertainty, at various times, related to the future trajectory of market variables relevant to the financial performance of a particular financial instrument or group. The Molymet Group, through its Parent Company and subsidiaries, is exposed to various market risks, such as: 1) interest rate risk and 2) exchange rate risk.

To mitigate the effects of market risks, the Company has a corporate policy of "Financial Risk Management", with the purpose of safeguarding the financial stability and sustainability of Molymet and its subsidiaries always, under normal and exceptional conditions. In line with the previous policy, the Management permanently monitors and evaluates market variables to define the hedging strategy.

(1) Interest rate risk:

As part of the policy to mitigate liquidity risk, the company borrows through bond issuing and bank loans. These liabilities can be contracted at fixed or variable rates and/or in currencies other than the functional currency. As part of the "Financial Risk Management Policy", all long-term liabilities in currencies other than the functional currency are hedged by cross currency swaps. The objective of this is to ensure that liabilities do not generate currency or rate risk not related to the functional currency.

The interest rate structure of the Group's debt is managed to reduce the financial cost, being permanently evaluated in the face of probable rate scenarios. Currently 100,00% of the debt is in fixed rate.

The rate structure of liabilities is as follows:

i. Bonds

Serie	Currency	Amortization	Placement Rate	Hedge Rate USD
BMOLY-C	U.F.	Half yearly	4.20%	6.97%
SERIE D	COP	Quarterly	6.94%	3.91%
MOLYMET 13	MXN	Half yearly	7.03%	2.69%
MOLYMET 21	MXN	Monthly	TIE 28 días + 0.90%	2.655%
MOLYMET 21-2	MXN	Half yearly	9,18%	3.815%

i. Interest-bearing loans

Creditor Name	Currency	Amortization	Nominal rate	Hedge Rate USD
BCI	CLP	Half yearly	3.25%	-
Banco Estado	USD	Annual	0.38%	-
Banco Estado	USD	Annual	0.38%	-
Banco Estado	USD	Annual	0.95%	-
Banco Crédito del Perú	PEN	Annual	1.03%	0.20%
BCI	USD	Half yearly	3.61%	-

(2) Exchange Rate Risk

The US dollar is the functional and presentation currency of the Parent Company's financial statements, as it is the relevant currency for most of the Group's operations. The risk arises from fluctuations in the exchange rates of currencies other than the functional currency in which the Group makes transactions and/or maintains balances. Potential exposures to foreign exchange risk are of several types, including,

- a. Exposure to conversion using the closing exchange rate for financial assets and liabilities denominated in currencies other than the functional currency.
- b. Exposure to income and expense transactions in currencies other than the functional currency in which each subsidiary conducts its operations.

The main currencies in which the exchange rate risk is managed are Chilean peso (CLP), Unidad de Fomento (UF), Euro (EUR) and Mexican peso (MXN).

Molymet and its subsidiaries mitigate the risk based on the "Financial Risk Management Policy", implemented through natural hedges or by contracting derivative instruments.

The main hedged items correspond to liabilities contracted in currencies other than the functional currency to mitigate liquidity risk. A detail of the main derivatives contracted to hedge the exchange rate risk is presented in points c and d of note 17 "Details of Financial Instruments".

To sensitize the effects of exchange rate fluctuation in currencies other than the functional currency, we present next balance sheet exposures, a disruption according to recent market records, and their effect on profit or loss.

Table of assets' and liabilities' sensitivity to market variables (Million USD)

Variable	Lending position	Borrowing position	Net Exposure (Functional currency)	Reference Value	Net Exposure (Non-functional currency)	Variable disturbance		Variable Value		Effect on income	
						Δ- (%)	Δ+ (%)	Δ-	Δ+	Δ-	Δ+
USD-CLP	59.37	(74.06)	(14.69)	844.6900	(12,408)	(9%)	10%	766.9785	924.9356	(1.488)	1.274
USD-CLF	0.21	(72.06)	(71.85)	0.0273	(2)	-	1%	0.0273	0.0276	0.007	0.859
USD-EUR	6.05	(10.40)	(4.35)	0.8839	(4)	(7%)	9%	0.8247	0.9590	(0.312)	0.341
USD-MXN	20.02	(248.15)	(228.13)	20.5383	(4,685)	(12%)	14%	18.1559	23.4137	(29.936)	28.016
USD-RMB	-	-	-	6.3774	-	(7%)	6%	5.9501	6.7792	-	-
USD-COP	0.02	(50.28)	(50.26)	4,002.5200	(201,167)	(10%)	10%	3,590.2604	4,398.7695	(5.771)	4.528

Table of sensitivity analysis of equity to market variables (MMUSD)

Variable	Net Exposure	Reference Value	Net Exposure	Variable Disturbance		Variable value		Effect on income	
	(Functional currency)		(Nonfunctional currency)	Δ- (%)	Δ+ (%)	Δ-	Δ+	Δ-	Δ+
USD-CLP	(25.75)	844.6900	(21,751)	(9%)	10%	766.9785	924.9356	(2.61)	2.23
USD-CLF	(17.06)	0.0273	-	-	1%	0.0273	0.0276	-	0.20
USD-EUR	9.48	0.8839	8	(7%)	9%	0.8247	0.9590	0.68	(0.74)
USD-MXN	(6.68)	20.5383	(137)	(12%)	14%	18.1559	23.4137	(0.88)	0.82
USD-RMB	0.07	6.3774	-	(7%)	6%	5.9501	6.7792	0.01	-
USD-COP	(0.79)	4.002.5200	(3,162)	(10%)	10%	3,590.2604	4,398.7695	(0.09)	0.07

3.4. Fair Value Estimate

Fair values of quoted investments are based on current purchase prices. If the market for a financial asset is not active (and for titles not listed), the Group establishes fair value by employing valuation techniques, including the use of recent dully signed free transactions between interested parties involving other substantially similar instruments, discounted cash flow analysis, and models for setting option prices with maximum use of market inputs and relying as little as possible on the entity-specific inputs.

As of December 31, 2021, the Company holds financial instruments that should be recorded at fair value. These include:

- a. Forward Contracts
- b. Currency and interest rate derivative Contracts.
- c. Options.

The Company has categorized the fair value measurement using a hierarchy that reflects the level of inputs used in the valuation. This hierarchy consists of 3 levels (I) fair value based on quoted prices in active markets for similar class of 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 (III) fair value based on valuation models not using market inputs.

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. The fair value of financial assets that are not traded in active markets (derivative contracts) is determined using valuation techniques that maximize the use of the available market information. The valuation techniques used by the Company include 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.

Details of items measured at fair value are shown below:

Description	Fair Value to	Fair value measurement using values considered as		
	12-31-2021	Level I	Level II	Level III
	THUSD	THUSD	THUSD	THUSD
Asset				
Forward contracts	697	-	697	-
Currency and interest rate derivative contracts	273	-	273	-
Options	187	-	187	-
Derivative hedging instruments	659	-	659	-
Liability				
Currency and interest rate derivative contracts	77,523	-	77,523	-
Contracts forward	1,077	-	1,077	-

In addition, as of December 31, 2021, and 2020, the Company has financial instruments not registered at fair value. To comply with fair value disclosure requirements, the Company has valued these instruments as shown in the table below:

Financial Instruments	12-31-2021		12-31-2020	
	Book Value	Fair Value	Book Value	Fair Value
Asset				
Cash	26	26	31	31
Banks Balance	66,640	66,640	87,729	87,729
Term Deposits	88,504	88,504	123,040	123,040
Commercial accounts receivable and other receivables	217,476	217,476	125,841	125,841
Accounts receivable from related entities	76	76	40	40
Loan Receivable	172	172	192	192
Liability				
Other Financial Liabilities	517,777	470,482	192,400	271,099
Commercial accounts payable and other payables	197,646	197,646	147,126	147,126
Leasing liabilities	5,692	5,692	3,968	3,968

It is assumed that the carrying amounts of receivables and payables approximate their fair values due to the short-term nature of receivables and payables. In the case of cash, bank balances and time deposits, the fair value approximates their carrying amounts.

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

4. Critical accounting estimates and criteria.

Accounting estimates and criteria used are continually evaluated and are based on historical experience and other factors, including the expectation of occurrence of future events that are considered reasonable under the circumstances.

The Group makes estimates and assumptions about the future. The resulting accounting estimates could differ from actual results. The estimates and criteria that have a significant risk of causing a material adjustment in the amounts of assets and liabilities in the book accounts of the next financial period are explained below.

(a) *Assets useful life*

The valuation of investments in property, plant and equipment considers estimates to determine residual values and useful lives to calculate the depreciation of each asset. These estimates consider operating, technological factors and alternative uses of the assets, which might change in the future.

The valuation of intangible assets considers estimates to determine the useful lives to be used for the calculation of amortization of each asset. These estimates consider operating and technological factors and alternative uses of the assets, which may change in the future.

(b) *Assets impairment testing*

The Group assesses at the end of each reporting period, or earlier if there is any indication of impairment, the recoverable amount of property, plant, and equipment, grouped into cash-generating units (CGUs), to check impairment losses, Subsequent changes in the groupings of cash-generating units, or the timing of cash flows and interest rates could impact the book amounts of the respective assets.

(c) *Deferred taxes*

The Parent Company and subsidiaries account for deferred tax assets by considering the probable recoverability of such assets, based on the existence of deferred tax liabilities with similar reversal periods and the possibility to generate sufficient future tax profits. Deferred taxes are determined using tax rates (and laws) approved or close to be approved at the balance sheet date that are expected to be applied when the related deferred tax asset is realized or the deferred tax liability is settled. All the above, based on internal projections made by management from the most recent or updated information available.

Whether or not such deferred tax assets will be realized depends, among other things, on the fulfilment of the estimated projections, including aspects related to the legal tax framework.

(d) *Dismantling, restoration, and rehabilitation provisions*

Due to uncertainties inherent to the accounting estimates recorded at each year-end, actual payments or disbursements may differ from the amounts previously recognized as liabilities, specifically regarding costs due to dismantling, restoration, and rehabilitation of land at MolyMet Belgium.

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

(e) *Post-employment benefits*

The Company and subsidiaries have established post-employment benefits related to pension plans and severance indemnities.

The number of obligations related to the main benefits (fair value of obligations and effects on results) is determined and recognized based on actuarial methods and calculations. These assessments involve assumptions and judgements regarding parameters such as discount and mortality rates, salary variations, among others. To determine the discount rate, in accordance with IAS 19, high-quality corporate bonds have been used.

5. Cash and Cash equivalents.

The composition of cash and cash equivalents as of December 31, 2021, and 2020 is as follows:
:

Types of cash and cash equivalents	12-31-2021	12-31-2020
	THUSD	THUSD
Cash	26	31
Banks Balance	66,640	87,729
Short-term investments	88,504	123,040
Total	155,170	210,800

Up to the date of these financial statements, there are no differences between the cash and cash equivalent amounts recorded in the financial or cash flows statements

5.1 Term investments composition is as follows:

Term Deposits Details	12-31-2021	12-31-2020
	THUSD	THUSD
Banco Santander	16,001	5,000
BCI	23,000	33,451
Banco Scotiabank	32,500	30,000
Banco HSBC Chile	-	18,329
Credit Suisse International	-	5,000
Banco BCI Miami	-	10,000
Banco Security	-	250
Banco Itaú-Corpanca	17,003	14,005
BTG Pactual	-	7,005
Total	88,504	123,040

Short-term deposits due within three months from the date of acquisition are classified under this item and accrue market interest for this type of short-term investments.

There are no restrictions for significant amounts in cash availability.

5.2. Detail of items of the cash flow statement.

a) Reconciliation of liabilities arising from financing activities.

i) Current Period

Concept	Initial Balance	Cash Flow			Other movements that are not cash flows		Final Balance
	01-01-2021	Loans	Loans Payment	Paid Interests	Accrued interests	Others	12-31-2021
Obligations for debt titles (Bonds)	189,934	191,022	-	(6,777)	11,326	(21,614)	363,891
Accrued interest loans	2,466	305,950	(155,414)	(336)	263	957	153,886
Derivative hedging instruments	43,360	-	-	-	-	34,163	77,523
Forward Contracts (Hedge)	1,739	-	-	-	-	(1,027)	712
Forward Contracts (Result)	1,762	-	-	-	-	(1,397)	365
Other current and non-current financial liabilities	239,261	496,972	(155,414)	(7,113)	11,589	11,082	596,377

ii) Previous Period

Concept	Initial Balance	Cash flows			Other movements that are not cash flows		Final Balance
	01-01-2020	Loans	Loans Payment	Paid Interests	Accrued Interests	Others	12-31-2020
Obligations for debt titles (Bonds)	189,033	-	-	(10,561)	11,782	(320)	189,934
Accrued interest loans	43,208	30,000	(70,703)	(607)	392	176	2,466
Derivative hedging instruments	45,987	-	-	-	-	(2,627)	43,360
Forward Contracts (Hedge)	773	-	-	-	-	966	1,739
Forward Contracts (Result)	10	-	-	-	-	1,752	1,762
Others	45	-	-	-	-	(45)	-
Other current and non-current financial liabilities	279,056	30,000	(70,703)	(11,168)	12,174	(98)	239,261

b) Reconciliation of capital lease liabilities.

i) Current period

Concept	Initial Balance 01-01-2021	Additions of IFRS contracts 16	Cash Flow		Other movements that are not cash flows		Final Balance 12-31-2021
			Lease payments	Paid Interests	Accrued Interests	Other	
Lease liabilities, current	1,858	1,093	(2,477)	(185)	190	1,523	2,002
Non-current lease liabilities	2,110	4,260	-	-	-	(2,680)	3,690
Current and non-current lease liabilities	3,968	5,353	(2,477)	(185)	190	(1,157)	5,692

ii) Previous Period

Concept	Initial Balance 01-01-2020	Additions of IFRS contracts 16	Cash Flow		Other movements that are not cash flows		Final Balance 12-31-2020
			Lease payments	Paid Interests	Accrued Interests	Other	
Lease liabilities, current	1,346	472	(1,708)	(154)	168	1,734	1,858
Non-current lease liabilities	1,648	1,816	-	-	-	(1,354)	2,110
Current and non-current lease liabilities	2,994	2,288	(1,708)	(154)	168	380	3,968

c) Payable and receivable interests

	01-01-2021	01-01-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Cash flows from (used in) investing activities		
Interests received for Investments in Term Deposits	512	1,092
Total	512	1,092

d) Other Operating cash flows.

	01-01-2021	01-01-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Other cash incomes (expenditures), classified as operating activities		
Correspondent bank commission/fees	(80)	(66)
Other income	1	1
Insurance refund	59	526
Total	(20)	461

	01-01-2021	01-01-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Other cash incomes from operating activities		
Tax refunds	205,962	102,271
Total	205,962	102,271

e) Other financing cash flows

	01-01-2021	01-01-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Other cash income (expenditures), classified as financing activities		
Overdraft	(5)	(47)
Other financial income	52	216
Bond maintenance expenses	(2,443)	(585)
Total	(2,396)	(416)

6. Other current and non-current financial assets.

a) Other current financial assets

The composition of other current financial assets is as follows:

Other Current Financial Assets	12-31-2021	12-31-2020
	THUSD	THUSD
Options	187	2
Mutual Interests	2	2
Contracts Forwards (see note 17)	250	2,143
Forward hedging contracts (see note 17)	447	4
Hedging derivative instruments (see note 17)	659	-
Total	1,545	2,151

b) Other non-current financial assets

The composition of other non-current financial assets is as follows:

Other non-current financial assets	12-31-2021	12-31-2020
	THUSD	THUSD
Hedging derivative instruments (see note 17)	273	-
Mutuo IACSA	170	190
Total	443	190

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

a) Other current non-financial assets.

The composition of other current non-financial assets is as follows:

Concept	12-31-2021	12-31-2020
	THUSD	THUSD
Advance payments	4,413	1,729
Custom duties	1,810	1,202
Deferred duties (insurance)	1,755	2,993
Insurances, freights, and other deferred expenses (consignment stock)	3,245	1,716
Total	11,223	7,640

b) Other non-current non-financial assets.

The composition of other non-current non-financial assets is as follows:

Concept	12-31-2021 THUSD	12-31-2020 THUSD
Guarantee deposits	275	21
Total	275	21

8. Trade and other receivables, current and non-current.

a) The composition of trade and other receivables, current, as of December 31, 2021, and 2020 is the following:

Concept	12-31-2021 THUSD	12-31-2020 THUSD
Debtors for sales of molybdenum, rhenium, copper, and sulfuric acid	153,544	89,608
Debtors for tolling services	3,761	3,795
Debtors for sales of electrical power service	538	487
Debtors for agricultural products sales	1	12
Personnel collectable accounts	1,234	1,637
VAT remaining (credit)	59,075	30,706
Other collectable taxes	7	7
Others	132	504
Allowance for uncollectible debts	(954)	(973)
Total	217,338	125,783

b) The composition of trade and other receivables, non-current, as of December 31, 2021, and 2020 is as follows:

Concept	12-31-2021 THUSD	12-31-2020 THUSD
Personnel collectable accounts	138	58
Total	138	58

The distribution of trade and other receivables, in functional and foreign currencies, is as follows:

Concept	12-31-2021 THUSD	12-31-2020 THUSD
Functional	155,864	91,142
Foreign	61,612	34,699
Total	217,476	125,841

IFRS 9 requires that the Company record the expected credit losses of all debt securities, loans, and trade debtors, therefore a provisioning matrix has been established based on the historical experience of the Group's credit losses over the last five years. This, in addition to the default criteria, where customers are periodically assessed according to an individual analysis of them and the transactions period, assigning impairment percentages starting from the operation's expiration date.

If the debt is more than 75 days overdue, 20% impairment is calculated; more than 90 days 40% impairment, more than 180 days 70% impairment and more than 270 days 100% of the debt impairment.

The movement of the trade accounts' impairment is as follows:

Trading accounts impairment	12-31-2021 THUSD	12-31-2020 THUSD
Initial Balance	(973)	(1,006)
Impairment provision for current portfolio	63	-
Impairment provision	(44)	35
Write-off	-	(2)
Exchange difference	(954)	(973)

9. Balances and transactions with related parties.

9.1. Parent company.

Molibdenos y Metales S.A. does not have a parent company.

9.2. Shareholders.

The number of Molibdenos y Metales S.A. shareholders as of December 31, 2021, is 194.

The detail of the twelve largest shareholders and ownership percentage is as follows:

Shareholder	Ownership %
Plansee Limitada	21.19
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
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
Cominco S.A.	2.33

9.3 Most significant disclosures among related parties.

a) Remuneration of key management personnel.

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

Type of compensation	ACCUMULATED	
	01-01-2021	01-01-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Salaries	10,751	9,776
Management fees	3	-
Employees short-term benefits	443	395
Post-employment benefits	26	27
Termination benefits	630	166
Other benefits	72	77
Total	11,925	10,441

b) Transactions with related entities.

Transactions detail between related parties is the following:

Tax ID No.	Company	Home Country	Nature of the relationship	Nature of the transaction	12-31-2020 THUSD	(charge)	12-31-2019 THUSD	(charge)
						credit to profit or loss THUSD		credit to profit or loss THUSD
93.305.000-9	Proveedora Industrial Minera Andina S.A.	Chile	Director in Common	Product sales	1,074	112	1,109	97
				Current account collection	(1,038)	-	(1,386)	-
95.177.000-0	Compañía Eléctrica los Morros S.A.	Chile	Other related parties	Good sales	3	1	4	1
				Current account collection	(3)	-	(3)	-
EIN 7720929	Global Tungsten & Powders Corp.	EE. UU.	Other related parties	Good sales	202	23	-	-
				Current account collection	(202)	-	-	-

c) Intercompany receivables.

The detail of current intercompany receivables is as follows:

Tax ID No.	Company	Nature of the transaction	Term (Month)	Currency	Relation	Origen Country	Balance as of	
							12-31-2021 THUSD	12-31-2020 THUSD
93.305.000-9	Proveedora Industrial Minera Andina S.A.	Commercial	1	CLP	Common Director	Chile	75	39
95.177.000-0	Compañía Eléctrica Los Morros S.A.	Commercial	1	CLP	Other parties related	Chile	1	1
Total							76	40

As of the date of these financial statements, there are no guarantees granted associated with balances between related entities, nor provisions for doubtful debts.

d) Main transactions between the parent company and its subsidiaries.

Company	Nature of the transaction	Transaction Description	12-31-2021	(charge) credit to	12-31-2020	(charge) credit
			THUSD	income	THUSD	to income
			THUSD	THUSD	THUSD	THUSD
Molymet Germany GmbH	Sales	Sandy grade pure molybdenum oxide	38,431	3,961	20,984	2,853
Molymet Services Ltd.	Sales	Sandy grade pure molybdenum oxide	662	66	-	-
Molymet Corporation	Sales	Ferromolybdenum	1,227	80	-	-
	Sales	Ferromolybdenum	45,091	3,265	21,634	1,264
Molymex S.A. de C.V.	Purchases	Molybdenite	27,533	-	22,579	-
		Technical molybdenum oxide	80,480	-	3,059	-
		Rhenium	2,977	-	5,754	-
Molymet Belgium N.V.	Sales	Ferromolybdenum	303	50	225	1
		Sandy grade pure molybdenum oxide	181	20	-	-
		Molybdenite	133,243	5,827	71,511	3,858
		Technical molybdenum oxide	11,442	780	7,655	121
	Purchases	Rhenium	-	-	6,899	-
Complejo Industrial Molynor S.A.	Sales	Molybdenite	45,050	1,388	16,682	(660)
		Technical molybdenum oxide	7,374	487	-	-
		Maquila service	2,082	347	-	-
	Purchases	Rhenium	2,512	-	6,097	-
		Molybdenite	503	-	14,175	-
		Technical molybdenum oxide	29,765	-	7,277	-

10. Inventories.

a) Inventories classes.

The composition of current and non-current inventories as of December 31, 2021, and 2020 is as follows:

Current Inventories	12-31-2021 THUSD	12-31-2020 THUSD
Raw Material	252,581	140,560
Production Supplies	45,860	37,826
Ongoing work	76,985	45,607
Finished goods	411,119	127,213
Total current inventories	786,545	351,206

Non-current inventories	12-31-2021 THUSD	12-31-2020 THUSD
Finished goods	92,960	109,041
Total, non-current inventories	92,960	109,041

Finished goods mainly correspond to molybdenum oxide in technical and pure grades, ferromolybdenum, molybdenum salts, metallic molybdenum, molybdenum dioxide, metallic rhenium, ammonium perrenate, pherrenic acid, sulfuric acid, copper cements and copper cathodes, As of December 31, 2021, and 2020, no provisions for obsolescence have been recorded because most of the final products are manufactured according to customers and market requirements, and there is no indication of obsolescence.

Non-current inventory corresponds to commercial products estimated to be sold after one year.

The Company has estimated the circumstances indicating obsolescence, as a market function, rotation, and inventory status.

b) Additional information on provisions and write-offs.

As of December 31, 2021, and 2020, the Group has not made any provisions or write-offs for obsolescence of finished products, Inventories are valued at cost or net realizable value, whichever the lower.

As of December 31, 2021, and 2020, based on management's assessment, no provision for net realizable value has been recorded.

In addition, the Group does not maintain inventories pledged as security to fulfill debts incurred to the end of each year.

The items recognized in cost of sales at the end of each period are presented in the following table:

Concept	12-31-2021 THUSD	12-31-2020 THUSD
Products cost of sale	(1,193,368)	(886,504)
Services cost	(26,090)	(23,493)
Total	(1,219,458)	(909,997)

11. Biological Assets.

The composition of current biological assets as of December 31, 2021, and 2020 is as follows:

Concept	12-31-2021 THUSD	12-31-2020 THUSD
Harvest costs	554	658
Total	554	658

As of December 31, 2021, and 2020 costs included under this item correspond to harvest costs of 2022 and 2021, respectively.

Once this process is completed, these assets are transferred to inventories and taken to revenues when the sale of such inventories is completed.

12. Current tax assets.

Current tax assets are detailed in the following table:

Concept	12-31-2021 THUSD	12-31-2020 THUSD
Income tax to recover from last year	44	2
Income tax net effect for the year (Monthly Provisory Payments-Payable Taxes)	5,462	18,260
Total	5,506	18,262

13. Consolidated Financial Statement.

The consolidated financial statement of Molibdenos y Metales S.A. includes all companies qualified as subsidiaries.

The table shows the summarized financial statements of each consolidated Company as of December 31, 2021, and 2020.

Company	Financial Information as of December 31, 2021							Financial Information as of December 31, 2020						
	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities	Equity	Ordinary Incomes	Profit (Loss)	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities	Equity	Ordinary Incomes	Profit (Loss)
MolymetNos S.A. (iv)	14,618	2,224	678	141	16,023	-	5	14,540	1,865	4	(1)	16,402	19,292	(294)
Inmobiliaria San Bernardo S.A. (v)	1,569	45,821	565	2,387	44,438	2,361	(612)	1,384	46,708	731	2,820	44,541	1,271	(759)
Molymex S.A. de C.V.	181,500	19,595	111,892	939	88,264	430,025	13,995	99,703	18,025	42,868	1,086	73,774	250,066	9,119
Molymet Corporation	2,920	28	1,326	-	1,622	827	70	1,579	87	115	-	1,551	678	(14)
Strategic Metals B.V.	1,099	175,171	249	-	176,021	-	6,777	25,796	153,255	129	-	178,922	-	5,706
Carbomet Industrial S.A.	821	23,178	19	-	23,980	456	1,394	299	22,637	38	-	22,898	444	1,159
Carbomet Energía S.A.	3,542	4,944	3,568	2,155	2,763	6,114	2,726	2,370	6,258	2,636	2,976	3,016	3,981	1,050
Molymet Brazil	305	-	22	-	283	314	130	176	1	23	-	154	145	(1)
Molymet Services Limited	663	3	314	-	352	3,485	225	1,490	28	1,282	108	128	1,659	457
Molymet Belgium N.V. (iii)	143,990	105,215	116,111	10,911	122,183	256,677	6,342	67,118	101,459	44,098	8,917	115,562	177,434	4,930
Molymet Germany GmbH (ii)	19,549	14,877	6,726	301	27,399	41,509	212	13,285	16,080	2,037	136	27,192	29,338	(37)
Eastern Special Metals Hong Kong Limited	243	-	-	-	243	-	(84)	354	-	74	-	280	-	(121)
Molymet Beijing Trading Co. Ltd.	635	18	29	-	624	418	100	1,418	62	144	20	1,316	1,442	903
Complejo Industrial Molynor S.A.	171,438	152,356	75,772	34,424	213,598	319,213	18,569	112,437	162,743	33,406	36,639	205,135	266,801	15,911
Molymet Perú Trading Company S.A.C. (i)	-	-	-	-	-	-	-	-	-	-	-	-	125	59

(i) Liquidation Molymet Perú Trading Company S.A.C.

On October 31, 2020, the General Shareholders' Meeting of Molymet Perú Trading approved the liquidation financial statements of the Company. The extinction of the subsidiary was registered on December 22, 2020.

(ii) Merger Reintech GmbH and Molymet Germany GmbH

During August 2020, Carbomet Industrial S.A. acquired from Strategic Metals a 32.44% interest in Reintech GmbH. On November 27, 2020, Reintech GmbH merged with Molymet Germany GmbH (in which Carbomet Industrial had a 32.44% shareholding), absorbing the former all its rights and obligations and becoming the legal successor, changing its name to Molymet Germany GmbH.

(iii) Molymet Belgium N.V.

During the month of December 2020, Sadaci N.V. changes its name to Molymet Belgium N.V.

(iv) MolymetNos S.A.

On December 23, 2020, the company Molymet Trading S.A. changed its name to MolymetNos S.A.

As informed in the essential fact dated December 15, 2021, the company implemented a corporate restructuring plan involving its subsidiary Molymet Nos S.A., which considers a capital increase agreed with its parent company Molymet, where the latter will contribute up to US\$180 million, to be paid in cash and other assets, within 3 years. The capital increase of MolymetNos S.A. will take effect as of 2022. Molymet also agreed to contribute to the subscription and initial payment of the shares to be issued as result of the capital increase, with all the assets, movable and non-movable property, dedicated to the industrial operation of molybdenum, rhenium and related and complementary activities, located in the area of Nos, commune of San Bernardo, Maipo province, Metropolitan Region ("MMTNos Industrial Assets"), plus other contributions in cash, totaling approximately US\$85 million.

This valuation considers that the contribution of such assets will be made at their tax value, as indicated in article 64 of the Tax Code.

The contribution of the MMTNos Industrial Assets to the subsidiary MolymetNos S.A., will only materialize once the pertinent authorizations are obtained from the SFC, country in which the company has issued bonds ("Colombia Bonds"), whose final amortization date is in August 2022. Since the company MolymetNos S.A. is directly 99% owned by Molymet, the contribution to the subsidiary, both MMTNos Industrial Assets and of other assets, will have no effect on the consolidated statement of income.

Until the authorization of the SFC is obtained, Molibdenos y Metales S.A. will lease the MMTNos Industrial Assets to MolymetNos S.A., for a term until the redemption date of the Colombia Bonds, after which, the capital increase will be materialized with the MMTNos Industrial Assets, as mentioned above.

v) Inmobiliaria San Bernardo S.A.

On September 1, 2021, Inmobiliaria San Bernardo S.A. proceeded to conduct a capital increase amounting to ThUSD 508, partly through the capitalization of the debt it had with the parent company.

14. Intangible assets other than goodwill.

The balance of intangible assets as of December 31, 2021, and 2020 is presented below:

Classification of Intangible Assets, net (Presentation)	12-31-2021 THUSD	12-31-2020 THUSD
Intangible assets, net	4,923	6,693
Intangible assets of Finite useful life, net	3,864	5,634
Undefined useful-life intangible assets, net	1,059	1,059
Net Identifiable intangible assets	4,923	6,693
Patents, Trademarks and Other Rights, Net	1,059	1,059
Software, Net	3,864	5,634

Classification of Intangible Assets, gross (Presentation)	12-31-2021 THUSD	12-31-2020 THUSD
Intangible assets, gross	12,780	12,256
Intangible assets of finite useful life, gross	12,780	12,256

Patents, Trademarks and Other Rights, gross	1,059	1,059
Software, gross	11,721	11,197

	12-31-2021	12-31-2020
Accumulated amortization and impairment class, intangible assets (Presentation)	THUSD	THUSD
Accumulated amortization and impairment, identifiable intangible assets	(7,857)	(5,563)
Accumulated amortization and impairment, software	(7,857)	(5,563)

The movement in Intangible Assets as of December 31, 2021, and 2020 is as follows:

Movements of Identifiable Intangible Assets	12-31-2021		12-31-2020	
	Patents, Trademarks and Other Rights	Software	Patents, Trademarks and Other Rights	Software
	THUSD	THUSD	THUSD	THUSD
Initial Balance	1,059	5,634	1,059	1,929
Additions	-	524	-	5,388
Amortization	-	(2,294)	-	(1,683)
Final Balance	1,059	3,864	1,059	5,634

The Company's intangible assets of indefinite useful life correspond to Emission Rights and Water Rights, which are reviewed each year to continue supporting the assessment of undefined useful life of such assets.

Intangible assets with a specific useful life correspond to computer software, where the Company has defined a useful life of 4 years. The Company values its intangible assets at acquisition cost and the amortization is based on the linear method over their estimated useful lives.

Each period amortization is recognized in the statement of profit or loss. The accumulated amortization of computer software as of December 31, 2021, mounts THUSD 7,857 (THUSD 5,563 to December 31, 2020).

15. Property, plant and equipment

a) Classification of property, plant and equipment.

The composition is as follows:

Classification of property, plant and equipment, net (presentation)	12-31-2021	12-31-2020
	THUSD	THUSD
Properties, plant and equipment, net	455,652	454,821
Land	54,040	54,048
Building	138,796	141,983
Machinery	204,724	216,737
Transportation equipment	463	293
Fixtures and fittings	1,237	1,266
Office equipment	3,476	3,527
Ongoing buildings	34,908	18,603
Plantations	17,904	18,260
Other properties, plant and equipment, net	104	104
Classification of property, plant, and equipment, gross (presentation)	12-31-2021	12-31-2020

	THUSD	THUSD
Properties, plant, and equipment, gross	1,038,052	1,031,447
Land	54,040	54,048
Building	246,042	244,198
Machinery	656,994	668,452
Transport equipment	2,155	1,987
Fixtures and fittings	5,505	5,589
Office equipment	15,513	15,675
Ongoing buildings	34,908	18,603
Plantations	22,791	22,791
Other property, plant, and equipment, gross	104	104
Accumulated depreciation and impairment classification, property, plant, and equipment (presentation)	12-31-2021	12-31-2020
	THUSD	THUSD
Accumulated depreciation and impairment, property, plant, and equipment	582,400	576,626
Building	107,246	102,215
Machinery	452,270	451,715
Transport equipment	1,692	1,694
Fixtures and fittings	4,268	4,323
Office equipment	12,037	12,148
Plantations	4,887	4,531

As of December 31, 2021, and 2020, in accordance with current regulations, the following is reported:

- i. The gross value of property, plant and equipment temporarily out of service amounts to THUSD 4.848 and THUSD 5.867, respectively.
- ii. The gross value of property, plant and equipment in use and fully depreciated amounts to THUSD 273.315.
- iii. Moly met has no property, plant and equipment that have been withdrawn from use and therefore there are no assets held for sale.
- iv. The Group has defined a cost model to value its properties, plant, and equipment. Determining the economic value of these assets in this type of company is extremely complex because they are specific and sophisticated machinery and equipment, and their commercial transactions are not common, therefore a reference of their reasonable value is not known.

Buildings and infrastructure works are specially conditioned for these elements, which also makes difficult to determine their economic value.

The economic value of property, plant and equipment should be evaluated respect to the Company's operations and its capacity to generate incomes to absorb the involved costs, which, in this company, in the opinion of the company's management, is widely complied with.

b) Movements in “property, plant and equipment.”

b.1.) From January 1 to December 31, 2021.

Detail	Land	Building	Machinery	Transport equipment	Fixtures and fittings	Office equipment	Ongoing buildings	Plantations	Other properties, plant and equipment, net	Properties, plant and equipment, net
Balance as of January 1, 2021	54,048	141,983	216,737	293	1,266	3,527	18,603	18,260	104	454,821
Changes										
Additions	-	67	7,037	70	137	475	31,584	-	-	39,370
Disposals	-	(295)	(2,023)	(5)	(3)	(12)	-	-	-	(2,338)
Depreciation expense	-	(6,524)	(26,705)	(99)	(320)	(1,107)	-	(356)	-	(35,111)
Increase (Decrease) in Foreign Exchange Rate	(8)	(383)	(302)	(3)	-	17	(104)	-	-	(783)
Other increases (Decreases)	-	3,948	9,980	207	157	576	(15,175)	-	-	(307)
Total Changes	(8)	(3,187)	(12,013)	170	(29)	(51)	16,305	(356)	-	831
December 31, 2021, Balance		138,796	204,724	463	1,237	3,476	34,908	17,904	104	455,652

b.2.) Between January 1 and December 31, 2020.

Detail	Land	Building	Machinery	Transport equipment	Fixtures and fittings	Office equipment	Ongoing buildings	Plantations	Other properties, plant and equipment, net	Properties, plant and equipment, net
Balance as of January 1, 2020	54,045	133,150	174,491	387	1,342	3,172	72,837	17,300	104	456,828
Changes										
Additions	-	377	7,423	12	44	517	30,777	-	-	39,150
Disposals	-	(244)	(560)	(1)	(14)	(16)	-	-	-	(835)
Depreciation expense	-	(6,458)	(27,124)	(105)	(353)	(1,152)	-	(339)	-	(35,531)
Increment (Decrement) in Foreign Exchange Rate	3	110	150	-	-	(1)	(85)	-	-	177
Other increments (Decrements)	-	15,048	62,357	-	247	1,007	(84,926)	1,299	-	(4,968)
Total changes	3	8,833	42,246	(94)	(76)	355	(54,234)	960	-	(2,007)
December 31, 2020, Balance		141,983	216,737	293	1,266	3,527	18,603	18,260	104	454,821

c) Insurance over fixed assets.

The Group has taken out insurance policies to cover risks to which property, plant and equipment are exposed, The Group considers that the coverage of these policies is adequate for risks inherent to its activity.

d) Impairment loss on fixed assets.

No significant item of property, plant and equipment has shown any impairment.

e) Assets subject to guarantees or restrictions.

The Group has no ownership restrictions and property, plant and equipment are not subject to guarantees for the fulfillment of obligations.

f) Disposals

The amounts included in the "disposals" row in the fixed asset movement table correspond to the book value net from depreciation at time of disposal.

g) Other increases and decreases.

The amounts included in the line "Other increases and decreases" in the fixed assets table, correspond to transfers of assets, which have been incorporated through works in progress (projects) to the fixed asset accounts related to the type of asset, which is incorporated once the work in progress has been completed.

h) Plantations.

Biological assets are part of property, plant, and equipment item, under plantations category according to IAS 16 and IAS 41.

The useful life assigned to these assets is 65 years.

16. Deferred Taxes.

Details of deferred taxes included in the financial statements of December 31, 2021, and 2020 are as follows:

Concepts	Asset		Liability	
	12-31-2021	12-31-2020	12-31-2021	12-31-2020
	THUSD	THUSD	THUSD	THUSD
Properties, plant, equipment, and others	1,545	1,072	61,628	60,353
Trade and other payables	5,721	4,123	1,210	87
Inventories	4,536	4,868	25,938	25,863
Interest-bearing loans	-	-	1,453	869
Tax Losses	2,816	2,433	-	-
Post-Employment Benefit Obligations	112	120	2,859	3,893
Debtors and other accounts receivable	427	2,276	1,519	2,042
Derivatives with effect to the Comprehensive income	6,800	1,439	-	-
Profit (Actuarial losses)	2,517	2,461	23	-
Derivatives with effect on income	-	-	127	519
Relative to Others	23	142	-	-
Total	24,497	18,934	94,757	93,626
Offsetting of items	(15,173)	(10,794)	(15,173)	(10,794)
Net Total	9,324	8,140	79,584	82,832

Deferred tax movements as of December 31, 2021, and 2020 are as follows:

Deferred tax movement Analysis (net)	Deferred taxes (net) THUSD
As of January 1, 2020	(77,007)
Payment to revenue for deferred taxes	2,739
Exchange differences effect	42
Charge to comprehensive revenue (loss) for deferred taxes	(466)
Period Movement	2,315
As of December 31, 2020	(74,692)
Payment to revenue for deferred taxes	(1,012)
Exchange differences effect	50
Charge to comprehensive revenue (loss) for deferred taxes	5,394
Period Movement	4,432
As of December 31, 2021	(70,260)

Net variations in deferred taxes, for each period, have components affecting the profit or loss statement, one due to exchange effects and the other due to effects on equity associated with comprehensive income.

a) Tax expenditure

The detail of deferred taxes and income taxes at the end of each period is as follows:

(Expenditure) Income for Income Tax	ACCUMULATED	
	01-01-2021	01-01-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Expense for Current Taxes	(38,450)	(15,960)
Adjustment to prior year current tax	(27)	(566)
Reversal of current taxes to deferred taxes	-	(1,958)
Other expenses for current tax	17	(22)
Expenditure for Current taxes, net, total	(38,460)	(18,506)
(Expense) Deferred income from taxes related to the creation and reversal of temporary differences	(1,012)	2,739
(Expense) Income for Deferred, net, total	(1,012)	2,739
(Expense) Income for income tax	(39,472)	(15,767)

Deferred taxes related to items directly charged or deposited to other equity comprehensive income are:

Deferred tax other comprehensive results	ACCUMULATED	
	01-01-2021	01-01-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Deferred actuarial revenue tax (loss)	(33)	(281)
Deferred tax cash flow hedges	(5,361)	747
Charge (payment) to equity	(5,394)	466

The effect on income of taxes attributable to national and foreign portions is detailed below:

(Expense) Income from income tax foreign and national portions	ACCUMULATED	
	01-01-2021	01-01-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Expense for current taxes, net, foreign	(8,924)	(3,174)
Expense for current taxes, net, national	(29,536)	(15,332)
Expense for current taxes, net, total	(38,460)	(18,506)
Expense for Deferred taxes, net, foreign	(1,701)	1,921
Expense for Deferred taxes, net, domestic	689	818
Expense for Deferred taxes, net, total	(1,012)	2,739
(Expense) income from income taxes	(39,472)	(15,767)

Subsidiaries effects on income taxes are as follows:

Tax Attributable to Investments Accounted for under Equity Method	ACCUMULATED	
	01-01-2021	01-01-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Participation in current tax expenditures attributable to subsidiaries	(17,141)	(10,322)
Participation in deferred tax expenditures attributable to subsidiaries	(965)	2,872
Taxation participation attributable to investments accounted for under the equity method, total	(18,106)	(7,450)

b) Effective Rate

Income tax expenditure of the Corporation to December 31, 2021, and 2020 represents 28.61% y 24.79%, respectively, before tax. A reconciliation between such effective tax rate and the Chilean statutory tax rate in force, is presented below:

	01-01-2021	Effective Rate	01-01-2020	Effective Rate
	12-31-2021		12-31-2020	
	THUSD	%	THUSD	%
Profit before income tax	137,953		63,586	
Tax Expenditure using legal Rate	(37,247)	27.00	(17,168)	27.00
Adjustments to reach the effective rate:				
Effect of the Tax Rate of Other Rate Jurisdictions	(370)	0.27	(599)	0.94
Other Increase (Decrease) in Charges for Statutory Tax	(1,962)	1.42	2,070	(3.26)
Deficit (excess) from past period taxes	107	(0.08)	(70)	0.11
Income tax	(39,472)	28.61	(15,767)	24.79

In the other increase (decrease) item in charges for statutory 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 due to:

- Differences in useful lives of “property, plant and equipment.”
- Valuation of financial instruments.
- Differences in employee benefits calculation (vacation provision, provision for severance indemnities),
- Tax losses.
- Inventories Valuation.

17. Information to disclose on financial assets.

Valuation of financial instruments.

- a. Valuation of derivative financial instruments: Molymet owns documented internal methodologies to evaluate all types of derivative financial instruments susceptible to regular financial operations. The development and periodic updating of these methodologies is responsibility of the Corporate Vice-Presidency of Administration and Finance. In addition, the valuations of this type of instruments are centralized as they are valued at the Parent Company and the values are reported monthly to corresponding Subsidiaries. The methodologies adopted are in line with the best international practices in this area, following guidelines that favor the use of market information, both historical and recent.
- b. Valuation of corporate bonds: The valuations of corporate bonds classified as available-for-sale come from independent brokers who specialize in valuation of fixed income instruments. In general terms, as in the context of derivative financial instruments, the models used in the valuation of different corporate bonds privilege the use of market information and inputs. Observations from active markets are used and complemented with valuation models that periodically provide appropriate price estimates for diverse types of instruments assessed. To estimate these prices, all available market information is used, through daily trades.
- c. Valuation of corporate bonds kept until due date: The initial valuation of these bonds will be carried at fair value, i.e., at the asset's price of acquisition. Subsequent valuations are carried at amortized cost, where accrued interests are registered into the revenues account.
- d. Valuation of own bonds (for information purposes): To obtain a reliable estimate of the fair value of bonds issued, the company turns to certain price suppliers specialized in the different national fixed income markets, The methodologies used to obtain these estimates are like those used for the corporate bonds' valuation, using all available information through daily and historical trades, allowing to estimate historical spreads and reference structures to obtain valuations adjusted to the reality of relevant markets.
- e. Interest-bearing credits and loans (for information purposes): The estimation of the fair value of 6-month Libor floating rate loans in USD accepted by Molymet is internally performed. During this process, intertemporal forward rate structures in USD are used as inputs to value derivative financial instruments.

The contractual cash flows of each loan are brought to the present value discounting at risk-free rates since the spread component required by the financial counterparty is captured at the time of cash flows calculations.

- f. Receivable and payable accounts (for information purposes): Given that in the case of collectable accounts, the due terms do not exceed 60 days, the Management adopts as methodological assumption that the amortized cost of these instruments is a good approximation to their fair value. This assumption is also used to value payable accounts.

Financial instruments by category.

a. As of December 31, 2021

Total Assets	Amortized Cost	Hedging Assets	Fair value through profit or loss	Total
	THUSD	THUSD	THUSD	THUSD
Cash and cash equivalents	155,170	-	-	155,170
Other financial assets*	172	1,379	437	1,988
Trade and another receivable*	217,476	-	-	217,476
Intercompany receivables	76	-	-	76
Total	372,894	1,379	437	374,710

Total Liabilities	Amortized Cost	Hedging Liabilities	Fair value through profit or loss	Total
	THUSD	THUSD	THUSD	THUSD
Other financial liabilities*	517,777	78,235	365	596,377
Lease liabilities*	5,692	-	-	5,692
Trade and other accounts payable	197,646	-	-	197,646
Total	721,115	78,235	365	799,715

b. As of December 31, 2020

Total Assets	Amortized Cost	Hedging Assets	Fair value through profit or loss	Total
	THUSD	THUSD	THUSD	THUSD
Cash and cash equivalent	210,800	-	-	210,800
Other financial assets*	192	4	2,145	2,341
Trade and another receivable*	125,841	-	-	125,841
Intercompany receivables	40	-	-	40
Total	336,873	4	2,145	339,022

Total Liabilities	Amortized Cost	Hedging Liabilities	Fair value through profit or loss	Total
	THUSD	THUSD	THUSD	THUSD
Other financial liabilities*	192,400	45,099	1,762	239,261
Lease liabilities*	3,968	-	-	3,968
Trade and other accounts payable*	147,126	-	-	147,126
Total	343,494	45,099	1,762	390,355

* The items presented include their Current and Non-Current classification.

Summary of Financial Liabilities.

The summary of other current and non-current financial liabilities as of December 31, 2021, and 2020 is as follows:

Other current financial liabilities	Balance as of	
	12-31-2021 THUSD	12-31-2020 THUSD
Bonds	51,948	1,734
Interest-bearing loans	151,883	708
Forward contracts (hedge)	19,665	-
Forward contracts (result)	712	1,739
Other	365	1,762
Total	224,573	5,943

Other noncurrent financial liabilities	Balance as of	
	12-31-2021 THUSD	12-31-2020 THUSD
Bonds	311,943	188,200
Interest-bearing loans	2,003	1,758
Hedge derivative instruments	57,858	43,360
Total	371,804	233,318

Detail of Financial Instruments

a. Bonds

Bond issuance in Chile

On July 14th, 2008, Chile's Superintendence of Securities and Insurance authorized the registration, under No. 540, of one line of indexed, bearer and dematerialized bonds of Molibdenos y Metales S.A.

Current issuance is as follows:

Series	Nominal issuing date	Amount UF	Issuance rate	Term	Amortization
BMOLY-C	01-06-2008	2,000,000	4.20%	20 years	Semestral

Bond issuance in Mexico

Molibdenos y Metales S.A. has concreted the collocation of corporate bonds in the Mexican market under a revolving credit facility approved by the Mexican National Banking and Securities Commission,

The current issuing is as follows:

Series	Nominal issuing date	Amount MXN	Issuance rate	Term	Amortization
MOLYMET 13	26-02-2013	1,020,000,000	7.03%	10 years	Semestral
MOLYMET 21	10-12-2021	2,520,000,000	TIE 28 días + 0.90%	4 years	Monthly
MOLYMET 21-2	10-12-2021	1,480,000,000	9.18%	6 years	Semestral

Bond issuing in Colombia

Molibdenos y Metales S.A. has completed the placement of corporate single series bonds in the Colombian market, approved by the Colombian Financial Superintendency.

The current issuance is as follows:

Series	Nominal issuing date	Amount COP	Issuance rate	Term	Amortization
SERIE D	02-08-2018	200,000,000,000	6.94%	4 years	Quarterly

i. As of December 31, 2021, current and non-current debt obligations (Bonds) are shown in the following table.

Tax ID No. debtor	Debtor name	Debtor Country	Series	Currency	Amortization	Issuance rate	Hedging rate	2021		Total current	2021			Total non-current	Total debt 12-31-2021
								Up to 90 days	91 days to 1 year		1 to 3 years	3 to 5 years	More than 5 years		
93.628.000-5	Molibdenos y Metales S.A.	Chile	BMOLY-C	U.F.	half-yearly	4.20%	6.97%	-	516	516	-	-	71,083	71,083	71,599
93.628.000-5	Molibdenos y Metales S.A.	Chile	MOLYMET 13	MXN	half-yearly I	7.03%	2.69%	813	-	813	49,553	-	-	49,553	50,366
93.628.000-5	Molibdenos y Metales S.A.	Chile	SERIE D	COP	Quarterly	6.94%	3.91%	442	49,834	50,276	-	-	-	-	50,276
93.628.000-5	Molibdenos y Metales S.A.	Chile	MOLYMET 21	MXN	Monthly	TIEE 28 + 0.90%	2.655%	186	-	186	-	120,529	-	120,529	120,715
93.628.000-5	Molibdenos y Metales S.A.	Chile	MOLYMET 21-2	MXN	half-yearly	9.18%	3.815%	-	157	157	-	-	70,778	70,778	70,935
Total THUSD								1,441	50,507	51,948	49,553	120,529	141,861	311,943	363,891
Capital THUSD								-	49,969	49,969	49,663	122,698	145,428	317,789	367,758

ii. As of December 31, 2020, current and non-current debt obligations (Bonds) are shown in the following table.

Tax ID No. debtor	Debtor name	Debtor Country	Series	Currency	Amortization	Issuance rate	Hedging rate	2020		Total current	2020			Total non-current	Total debt 12-31-2020
								Up to 90 days	91 days to 1 year		1 to 3 years	3 to 5 years	More than 5 years		
93.628.000-5	Molibdenos y Metales S.A.	Chile	BMOLY-C	U.F.	half-yearly	4.20%	6.97%	-	469	469	-	-	79,126	79,126	79,595
93.628.000-5	Molibdenos y Metales S.A.	Chile	MOLYMET 13	MXN	half-yearly	7.03%	4.43%	823	-	823	50,976	-	-	50,976	51,799
93.628.000-5	Molibdenos y Metales S.A.	Chile	SERIE D	COP	Quarterly	6.94%	3.91%	442	-	442	58,098	-	-	58,098	58,540
Total THUSD								1,265	469	1,734	109,074	-	79,126	188,200	189,934
Capital THUSD								-	-	-	109,650	-	81,766	191,416	191,416

b. *Interest-bearing loans*

As of December 31, 2021, and 2020, one of the subsidiaries, Carbomet Energía S.A., has a loan to finance the acquisition of control in subsidiaries.

The subsidiary Carbomet Energía S.A., in June 2019, took out a loan at a fixed rate of 4.15% for a 5-year term, signing a contract with Banco de Crédito e Inversiones. In January 2021, the contract was renegotiated at a 3.25% rate and due date in December 2025.

Details of the interest-bearing loans are shown below:

i. Banking obligations and debt titles as of December 31, 2021, current and non-current, are shown below:

Tax ID No. debtor	Debtor	Debtor Country	Tax ID No. Debtor	Debtor	Country	Currency	Amortization	Issuance rate	Hedging rate	2021		Total current	2021		Total noncurrent	Total Debt
										Up to 90 days	91 days to 1 year		1 to 3 years	3 to 5 years		
91.066.000-4	Carbomet Energía S.A.	Chile	97.006.000-6	Banco de Crédito e Inversiones	Chile	CLP	Half-yearly	3.25%	-	-	415	415	829	414	1,243	1,658
93.628.000-5	Molibdenos y Metales S.A.	Chile	97.030.000-7	Banco Estado	Chile	USD	Annual	0.38%	-	-	80,149	80,149	-	-	-	80,149
93.628.000-5	Molibdenos y Metales S.A.	Chile	-	Banco Crédito del Perú	Perú	PEN	Annual	1.030%	0.20%	-	41,048	41,048	-	-	-	41,048
76.016.222-1	Complejo Industrial Molyndor S.A.	Chile	97.030.000-7	Banco Estado	Chile	USD	Annual	0.38%	-	-	20,037	20,037	-	-	-	20,037
76.016.222-1	Complejo Industrial Molyndor S.A.	Chile	97.030.000-7	Banco Estado	Chile	USD	Annual	0.95%	-	-	10,039	10,039	-	-	-	10,039
96.953.640-4	Inmobiliaria San Bernardo S.A.	Chile	97.006.000-6	Banco de Crédito e Inversiones	Chile	USD	Half-yearly	3.61%	-	-	195	195	380	380	760	955
Total THUSD										-	151,883	151,883	1,209	794	2,003	153,886
Capital THUSD										-	151,622	151,622	1,209	794	2,003	153,625

ii. Banking obligations and debt titles as of December 31, 2020, current and non-current, are shown below:

Tax ID No. debtor	Debtor	Debtor Country	Tax ID No. Debtor	Debtor	Country	Currency	Amortization	Issuance rate	Hedging rate	2020		Total current	2020		Total noncurrent	Total Debt
										Up to 90 days	91 days to 1 year		1 to 3 years	3 to 5 years		
91.066.000-4	Carbomet Energía S.A.	Chile	97.006.000-6	Banco de Crédito e Inversiones	Chile	CLP	Half yearly	4.15%	-	-	708	708	1,406	352	1,758	2,466
Total THUSD										-	708	708	1,406	352	1,758	2,466
Capital THUSD										-	703	703	1,406	352	1,758	2,461

c Forward Contracts (hedge)

These contracts cover the exchange rate risk on term deposits, payments to suppliers, customer collections and operating expenses to be paid or collected in currencies other than the functional currency.

Detail on forward hedge contracts to December 31, 2021, is as follows:

i. Detail of hedge forward debtor position:

Institution	Initial date	Expiration date	Right	Obligation	Equity
KBC Bank	25-11-2021	25-01-2022	1,125	1,118	7
KBC Bank	25-11-2021	25-02-2022	1,126	1,120	6
KBC Bank	25-11-2021	25-03-2022	1,126	1,120	6
KBC Bank	25-11-2021	25-04-2022	1,127	1,121	6
KBC Bank	25-11-2021	25-05-2022	1,127	1,121	6
KBC Bank	25-11-2021	24-06-2022	1,128	1,121	7
KBC Bank	25-11-2021	25-07-2022	1,128	1,122	6
KBC Bank	25-11-2021	25-08-2022	1,129	1,122	7
KBC Bank	25-11-2021	26-09-2022	1,129	1,123	6
KBC Bank	25-11-2021	25-10-2022	1,130	1,124	6
KBC Bank	25-11-2021	25-11-2022	1,131	1,125	6
KBC Bank	25-11-2021	23-12-2022	1,132	1,126	6
Bank of America	30-11-2021	03-01-2022	158	157	1
Bank of America	30-11-2021	01-02-2022	158	157	1
Bank of America	30-11-2021	01-03-2022	158	158	-
Bank of America	30-11-2021	01-04-2022	158	158	-
Bank of America	30-11-2021	02-05-2022	158	158	-
Bank of America	30-11-2021	01-06-2022	158	158	-
Bank of America	30-11-2021	01-07-2022	158	158	-
Bank of America	30-11-2021	01-08-2022	158	158	-
Bank of America	30-11-2021	01-09-2022	158	158	-
Bank of America	30-11-2021	03-10-2022	159	158	1
Bank of America	30-11-2021	01-11-2022	159	158	1
Bank of America	30-11-2021	01-12-2022	159	158	1
JPMorgan	02-12-2021	03-01-2022	125	120	5
JPMorgan	24-11-2021	10-01-2022	126	120	6
JPMorgan	24-11-2021	18-01-2022	126	120	6
JPMorgan	24-11-2021	24-01-2022	125	119	6
JPMorgan	24-11-2021	31-01-2022	125	119	6
JPMorgan	24-11-2021	08-02-2022	125	119	6
JPMorgan	24-11-2021	14-02-2022	125	119	6
JPMorgan	24-11-2021	22-02-2022	125	119	6
JPMorgan	24-11-2021	28-02-2022	124	119	5
JPMorgan	24-11-2021	07-03-2022	124	118	6
JPMorgan	24-11-2021	14-03-2022	124	118	6
JPMorgan	24-11-2021	22-03-2022	124	118	6
JPMorgan	24-11-2021	28-03-2022	123	118	5
Bank of America	29-11-2021	31-03-2022	1,250	1,179	71
JPMorgan	24-11-2021	04-04-2022	123	118	5
JPMorgan	24-11-2021	11-04-2022	123	118	5
JPMorgan	24-11-2021	18-04-2022	123	117	6
JPMorgan	24-11-2021	25-04-2022	122	117	5
JPMorgan	24-11-2021	02-05-2022	122	117	5
Bank of America	29-11-2021	02-05-2022	723	683	40
SUB TOTAL			19,644	19,352	292

i. Detail of forward hedging for debtor position (Continued):

Institution	Initial date	Expiration date	Right	Obligation	Equity
JPMorgan	24-11-2021	09-05-2022	122	117	5
JPMorgan	24-11-2021	16-05-2022	122	117	5
JPMorgan	24-11-2021	23-05-2022	122	117	5
JPMorgan	24-11-2021	31-05-2022	121	116	5
JPMorgan	24-11-2021	06-06-2022	121	116	5
JPMorgan	24-11-2021	13-06-2022	121	116	5
JPMorgan	24-11-2021	21-06-2022	121	116	5
JPMorgan	24-11-2021	27-06-2022	120	116	4
JPMorgan	24-11-2021	05-07-2022	120	115	5
JPMorgan	24-11-2021	11-07-2022	120	115	5
JPMorgan	24-11-2021	18-07-2022	120	115	5
JPMorgan	24-11-2021	25-07-2022	120	115	5
JPMorgan	24-11-2021	01-08-2022	120	115	5
JPMorgan	24-11-2021	08-08-2022	120	115	5
JPMorgan	24-11-2021	15-08-2022	119	114	5
JPMorgan	24-11-2021	22-08-2022	119	114	5
JPMorgan	24-11-2021	29-08-2022	119	114	5
JPMorgan	24-11-2021	06-09-2022	119	114	5
JPMorgan	24-11-2021	12-09-2022	118	114	4
JPMorgan	24-11-2021	19-09-2022	118	114	4
JPMorgan	24-11-2021	26-09-2022	118	113	5
JPMorgan	24-11-2021	03-10-2022	118	113	5
JPMorgan	24-11-2021	11-10-2022	118	113	5
JPMorgan	24-11-2021	17-10-2022	117	113	4
JPMorgan	24-11-2021	24-10-2022	117	113	4
JPMorgan	24-11-2021	31-10-2022	117	113	4
JPMorgan	24-11-2021	07-11-2022	117	112	5
JPMorgan	24-11-2021	14-11-2022	117	112	5
JPMorgan	24-11-2021	22-11-2022	116	112	4
JPMorgan	24-11-2021	28-11-2022	116	112	4
JPMorgan	24-11-2021	05-12-2022	116	112	4
JPMorgan	24-11-2021	13-12-2022	116	111	5
JPMorgan	24-11-2021	27-12-2022	115	111	4
TOTAL			23,564	23,117	447

i. Detail of forward hedging for creditor position:

Institution	Initial date	Expiration date	Right	Obligation	Equity
BCI	19-11-2021	31-01-2022	433	439	6
HSBC	30-12-2021	01-02-2022	445	448	3
BCI	19-11-2021	28-02-2022	430	437	7
BCI	19-11-2021	31-03-2022	427	435	8
BCI	19-11-2021	29-04-2022	425	433	8
BCI	19-11-2021	31-05-2022	421	430	9
BCI	19-11-2021	30-06-2022	418	427	9
BCI	19-11-2021	29-07-2022	415	425	10
BCI	19-11-2021	31-08-2022	412	422	10
BCI	19-11-2021	30-09-2022	409	420	11
BCI	19-11-2021	28-10-2022	408	419	11
BCI	19-11-2021	30-11-2022	406	417	11
BCI	19-11-2021	30-12-2022	404	415	11
Itaú	07-12-2021	31-01-2022	1,185	1,191	6
HSBC	30-12-2021	01-02-2022	2,911	2,930	19
Itaú	07-12-2021	28-02-2022	620	624	4
Itaú	07-12-2021	31-03-2022	362	365	3
Itaú	07-12-2021	29-04-2022	727	734	7
Itaú	07-12-2021	31-05-2022	302	306	4
Itaú	07-12-2021	30-06-2022	264	268	4
Itaú	07-12-2021	29-07-2022	393	399	6
Itaú	07-12-2021	31-08-2022	257	261	4
Itaú	07-12-2021	30-09-2022	262	266	4
Itaú	07-12-2021	28-10-2022	402	409	7
Itaú	07-12-2021	30-11-2022	250	254	4
Itaú	07-12-2021	30-12-2022	265	270	5
BCI	19-11-2021	31-01-2022	2,438	2,465	27
BCI	19-11-2021	28-02-2022	2,421	2,452	31
BCI	19-11-2021	31-03-2022	2,406	2,440	34
BCI	19-11-2021	29-04-2022	2,394	2,429	35
BCI	19-11-2021	31-05-2022	2,370	2,411	41
BCI	19-11-2021	30-06-2022	2,352	2,397	45
BCI	19-11-2021	29-07-2022	2,337	2,385	48
BCI	19-11-2021	31-08-2022	2,321	2,371	50
BCI	19-11-2021	30-09-2022	2,306	2,358	52
BCI	19-11-2021	28-10-2022	2,297	2,349	52
BCI	19-11-2021	30-11-2022	2,286	2,338	52
BCI	19-11-2021	30-12-2022	2,275	2,329	54
TOTAL			41,856	42,568	712

The detail of forward hedging contracts as of December 31, 2020, is as follows:

i. Detail of forward hedging debtor position:

Institution	Initial date	Expiration date	Right	Obligation	Equity
HSBC	29-12-2020	01-02-2021	3,499	3,499	-
HSBC	29-12-2020	01-02-2021	1,999	1,999	-
HSBC	24-12-2020	25-01-2021	10,000	9,996	4
TOTAL			15,498	15,494	4

ii. Detail of forward hedging creditor position:

Institution	Initial date	Expiration date	Right	Obligation	Equity
BCI	02-12-2020	04-01-2021	12,009	12,744	735
HSBC	03-12-2020	04-01-2021	3,002	3,170	168
BCI	09-12-2020	08-01-2021	10,005	10,380	375
HSBC	11-12-2020	13-01-2021	5,002	5,157	155
BCI	11-12-2020	13-01-2021	10,003	10,309	306
TOTAL			40,021	41,760	1,739

c. Forward Contracts (results)

The detail of forwards contracts as of December 31, 2021, is as follows:

i. Detail of forward hedging debtor position:

Institution	Initial date	Expiration date	Right	Obligation	Equity
BCI	21-12-2021	03-01-2022	898	871	27
HSBC	20-12-2021	03-01-2022	3,064	2,999	65
HSBC	29-12-2021	03-01-2022	11,855	11,799	56
Itaú	30-11-2021	03-01-2022	2,999	2,982	17
BCI	06-12-2021	03-01-2022	1,151	1,148	3
Itaú	17-12-2021	03-01-2022	1,064	1,060	4
Itaú	30-11-2021	03-01-2022	1,865	1,854	11
BCI	01-12-2021	03-01-2022	10,935	10,885	50
Itaú	03-12-2021	03-01-2022	600	594	6
BCI	03-12-2021	03-01-2022	1,463	1,456	7
JP MORGAN	29-12-2021	31-01-2021	5,926	5,924	2
Bank of America	30-12-2021	04-01-2022	6,790	6,788	2
TOTAL			48,610	48,360	250

ii. Detail of forward hedging creditor position:

Institution	Initial date	Expiration date	Right	Obligation	Equity
BCI	01-12-2021	03-01-2022	15,568	15,644	76
HSBC	14-12-2021	03-01-2022	1,103	1,110	7
HSBC	16-12-2021	03-01-2022	1,461	1,471	10
BCI	13-12-2021	03-01-2022	2,330	2,331	1
HSBC	16-12-2021	03-01-2022	6,596	6,654	58
HSBC	17-12-2021	03-01-2022	1,013	1,020	7
BCI	17-12-2021	03-01-2022	2,999	3,004	5
BCI	20-12-2021	03-01-2022	1,361	1,386	25
HSBC	21-12-2021	03-01-2022	155	159	4
BCI	22-12-2021	03-01-2022	2,553	2,624	71
BCI	15-12-2021	03-01-2022	485	488	3
Itaú	23-12-2021	03-01-2022	430	437	7
HSBC	27-12-2021	03-01-2022	1,724	1,752	28
Bank of America	30-11-2021	04-01-2022	6,798	6,808	10
Bank of America	30-12-2021	02-02-2022	5,663	5,668	5
Bank of America	30-12-2021	02-02-2022	1,133	1,135	2
Itaú	17-12-2021	03-01-2022	1,070	1,075	5
HSBC	16-12-2021	03-01-2022	600	604	4
BCI	13-12-2021	03-01-2022	600	600	0
BCI	17-12-2021	03-01-2022	247	249	2
BCI	20-12-2021	03-01-2022	1,467	1,492	25
Itaú	23-12-2021	03-01-2022	600	610	10
TOTAL			55,956	56,321	365

The detail of forwards contracts as of December 31, 2020, is as follows:

i. Detail of forward hedging debtor position:

Institution	Initial date	Expiration date	Right	Obligation	Equity
BANK OF AMERICA	30-11-2020	04-01-2021	4,792	4,671	121
BANK OF AMERICA	31-12-2020	02-02-2021	6,129	6,114	15
SCOTIABANK	30-12-2020	29-01-2021	359	359	-
SCOTIABANK	01-12-2020	04-01-2021	27,573	25,566	2,007
SCOTIABANK	30-12-2020	29-01-2021	3,259	3,259	-
SCOTIABANK	30-12-2020	29-01-2021	1,263	1,263	-
TOTAL			43,375	41,232	2,143

Detail of forward hedging creditor position

Institution	Initial date	Expiration date	Right	Obligation	Equity
BCI	26-11-2020	04-01-2021	4,000	4,314	314
SCOTIABANK	01-12-2020	04-01-2021	1,000	1,079	79
SCOTIABANK	02-12-2020	04-01-2021	5,000	5,317	317
SCOTIABANK	09-12-2020	04-01-2021	800	830	30
SCOTIABANK	14-12-2020	04-01-2021	2,928	3,007	79
BCI	17-12-2020	04-01-2021	682	691	9
BCI	23-12-2020	04-01-2021	1,100	1,106	6
SCOTIABANK	28-12-2020	04-01-2021	5,844	5,848	4
BCI	26-11-2020	04-01-2021	2,000	2,157	157
SCOTIABANK	01-12-2020	04-01-2021	7,429	8,013	584
SCOTIABANK	01-12-2020	04-01-2021	500	539	39
SCOTIABANK	09-12-2020	04-01-2021	376	390	14
SCOTIABANK	15-12-2020	04-01-2021	1,577	1,625	48
BCI	17-12-2020	04-01-2021	663	672	9
BANK OF AMERICA	31-12-2020	04-01-2021	4,882	4,914	32
BANK OF AMERICA	29-12-2020	29-01-2021	7,254	7,295	41
TOTAL			46,035	47,797	1,762

d. Hedge derivative instruments.

Details of derivative instruments to cover bond issuing and borrowings as of December 31, 2021, and 2020 are shown below

Creditor Tax ID No.	97.036.000-K	97.018.000-1	-	-	76.109.764-4	-	-	-	
Creditor Name	Santander	Scotiabank	BNP Paribas	BCP	JP Morgan	Goldman Sachs	Goldman Sachs	BCP	
Creditor Country	Chile	Chile	France	Perú	Chile	USA	USA.	Perú	
Currency	USD-UF	USD-MXN	USD	USD-COP	USD	USD-MXN	USD-MXN	USD-PEN	
Amortization	Half-yearly	Half-yearly	Half-yearly	Half-yearly	Half-yearly	Half-yearly	Half-yearly	Annual	
Nominal rate USD (Hedging)	6.97%	Libor 180 días +2.41%	2.69%	Libor 90 días +1.23%	3.91%	2.655%	3.815%	0.20%	
Asset									
Period 2021	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	Total THUSD
Less than a year	-	-	-	-	-	-	-	659	659
1 to 3 years	-	-	273	-	-	-	-	-	-
Total to 12-31-2021	-	-	273	-	-	-	-	659	932
Liability									
Period 2021	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	Total THUSD
Less than a year	-	-	-	(18,460)	(1,205)	-	-	-	(19,665)
1 to 3 years	-	(32,207)	-	-	-	-	-	-	(32,207)
3 to 5 years	-	-	-	-	-	(133)	-	-	(133)
More than 5 years	(24,268)	-	-	-	-	-	(1,250)	-	(25,518)
Total to 12-31-2021	(24,268)	(32,207)	-	(18,460)	(1,205)	(133)	(1,250)	-	(77,523)
Period 2020	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	Total THUSD
1 to 3 years	-	(29,585)	-	(7,518)	(3,031)	-	-	-	(40,134)
More than 5 years	(3,226)	-	-	-	-	-	-	-	(3,226)
Total to 12-31-2020	(3,226)	(29,585)	-	(7,518)	(3,031)	-	-	-	(43,360)

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

	Related to:	12-31-2021 THUSD	12-31-2020 THUSD
Swap Rights for Bonds and Loans.	Santander (CCS U.F.)	84.996	115.561
	Scotiabank (CCS MXN)	50.761	55.390
	BNP Paribas (IRS USD)	82.990	-
	BCP (CCS COP)	51.038	62.850
	JP Morgan (IRS USD)	69.499	70.369
	Goldman Sachs (CCS MXN 21)	126.958	-
	Goldman Sachs (CCS MXN 21-2)	79.480	-
	BCP (FWD PEN)	40.286	-
	TOTAL	586.008	304.170
Swap Obligations for Bonds and Loans.	Santander (CCS U.F.)	109.264	118.787
	Scotiabank (CCS MXN)	82.968	84.975
	BNP Paribas (IRS USD)	82.717	-
	BCP (CCS COP)	69.498	70.368
	JP Morgan (IRS USD)	70.704	73.400
	Goldman Sachs (CCS MXN 21)	127.091	-
	Goldman Sachs (CCS MXN 21-2)	80.730	-
	BCP (FWD PEN)	39.627	-
	TOTAL	662.599	347.530
Hedge Operations Reserve	Santander (CCS U.F.)	(24.268)	(3.226)
	Scotiabank (CCS MXN)	(32.207)	(29.585)
	BNP Paribas (IRS USD)	273	-
	BCP (CCS COP)	(18.460)	(7.518)
	JP Morgan (IRS USD)	(1.205)	(3.031)
	Goldman Sachs (CCS MXN 21)	(133)	-
	Goldman Sachs (CCS MXN 21-2)	(1.250)	-
	BCP (FWD PEN)	659	-
	Total asset (liability)	(76.591)	(43.360)

Hedges

At the disclosures date, Molytmet hedges cash flows associated with Series C bonds issued in Chile, in the Mexican market and in the Colombian market, investments in currencies other than the functional, and future operating expenses in Chilean and Mexican pesos, and Euros in subsidiaries like Molynor, Molytmet and Molytmet Belgium, respectively. The notional amounts corresponding to each bond are 100% hedged for the liability life. The hedges are as follows:

C-Series bond hedge

The issue made in July 2008 with maturity in June 2028 was for UF 2,000,000 with an effective rate of UF+4.85% per annum calculated based on 360-day years and compounded semiannually over 180-day semesters, which is equivalent to a semiannual interest rate of UF+2.425%. Two days after the issuance, a Cross Currency Swap (CCS) contract was entered into with Credit Suisse International, where the asset component corresponds to a notional amount of UF 2,000,000 at a coupon rate of UF+4.205779% per annum, equivalent to UF+2.10289% semiannually. The liability component corresponds to a notional amount of USD 80,818,806 at a coupon rate of 6.97%. The effective payment and maturity dates of the CCS coincide with those of the bond, as well as the amortization characteristics (bullet).

The objective defined for this hedge relationship is to eliminate the uncertainty associated to USD-CLP and CLP-UF ratios at the time of coupon payments and final redeeming. This is achieved with the instrument subscribed since with this instrument the USD-UF ratio is fixed for the liability life, resulting in the re-denomination of the debt to the functional currency and the elimination of the mentioned uncertainty.

On December 27, 2017, the Cross Currency Swap was novated, changing the creditor counterparty, but maintaining the same contractual conditions in force. As a result of the novation, the new swap creditor was Banco Santander (Chile).

10-year Mexican market issuing

The issuing in February 2013 with due date in February 2023 was for MXN 1,020,000,000 with a coupon rate of 7.03% per annum based on 360-day per year and compounded semiannually based on 182 days per semester. On the same day of the issuance, a 10-year Cross Currency Swap (CCS) contract was entered with Banco BBVA, where the asset component corresponds to a notional amount of MXN 1,020,000,000 at a coupon rate of 7.03% per year. The liability component corresponds to a notional of USD 80,000,000 at a coupon rate of Libor (180 days) + 2.41% and an Interest Rate Swap (IRS) was subscribed for the first 5 years with BBVA, where the floating component of the rate in dollars plus the spread (Libor (180 days) + 2.41%) was fixed. During the term of the IRS mentioned above, the rate in dollars was fixed at 3.495%.

On March 26, 2021, an Interest Rate Swap (IRS) contract was entered into with BNP Paribas up to the maturity of the issuing, where the floating component of the rate in dollars plus the spread (Libor 180 days + 2.41%) was fixed at a rate in dollars of 2.691%.

The effective payment and due dates of the CCS and IRS coincide with those of the bond, as well as the redeeming characteristics (bullet).

The objective defined for this hedging relationship is to eliminate the uncertainty associated with the USD-MXN. This is achieved with the subscribed instrument since it fixes the USD-MXN relationship for the liability life, resulting in the re-denomination of the debt to the functional currency, the fixing of the rate during the first 5 years and the elimination of the mentioned uncertainty.

4-year Mexican market issuance

The issuing made in December 2021 with maturity on December 2025 was MXN 2,520,000,000 with a coupon rate of TIEE 28 + 0.90% per annum calculated based on 360-day years and monthly compounded. On the same day of the issuance, a 4-year Cross Currency Swap (CCS) contract was entered into with Goldman Sachs, where the asset component corresponds to a notional amount of MXN 2,520,000,000 at a coupon rate of TIEE 28 + 0.90% per annum. The liability component corresponds to a notional USD 120,343,839.54 and coupon rate of 2.655%.

The objective defined for this hedging relationship is to eliminate the uncertainty associated with USD-MXN ratios. This is achieved with the instrument subscribed since it fixes the USD-MXN relationship for the entire life of the liability, which results in the redenomination of the debt to the functional currency and the elimination of the uncertainty.

6-year Mexican market issuance

The issuing made in December 2021 with maturity in December 2027 was for MXN 1,480,000,000 with a coupon rate of 9.18% per annum calculated based on 360-day years and compounded semi-annually over 182-day semesters. On the same day of the issuance, a 6-year Cross Currency Swap (CCS) contract was entered into with Goldman Sachs, where the asset component corresponds to a notional amount of MXN 1,480,000,000 at a coupon rate of 9.18% per annum. The liability component corresponds to a notional amount of USD 70,678,127.98 at a coupon rate of 3.815%.

The effective payment and due dates of the CCS and IRS coincide with those of the bond, as well as the redeeming characteristics (bullet).

The objective defined for this hedging relationship is to eliminate the uncertainty associated with USD-MXN ratios. This is achieved with the instrument subscribed since it fixes the USD-MXN relationship for the entire life of the liability, which results in the redenomination of the debt to the functional currency and the elimination of the uncertainty.

4-year Colombian market issuance

The emission made in August 2018, with due date in August 2022 was for COP 200,000,000,000 with a coupon rate of 6.94% per annum based on 365-day per year and compounded quarterly. On the same day of the issuance, a 4-year Cross Currency Swap contract was entered into with Banco Crédito del Perú (BCP), where the asset component corresponds to a notional amount 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 at a coupon rate of Libor 90 + 1.23%. On December 27th, 2018, an interest rate swap (Interest Rate Swap, IRS) was entered until due term of the issuance with J.P. Morgan, where the floating component of the rate in dollars plus spread (Libor (90 days) + 1.23%) was fixed at a rate in dollars of 3.914%.

The effective payment and due dates of the CCS and IRS coincide with those of 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 time of coupon payments and final redeeming. This is achieved with the subscribed instrument since it fixes the USD-COP ratio for the liability life, which results in the redenomination of the debt to the functional currency and the elimination of the mentioned uncertainty.

Credit coverage in PEN

On August 17, 2021, a loan for PEN 163,520,000 was taken, maturing on August 12, 2022, at an annual rate of 1.03%, which was hedged with a derivative and fixed the rate in 0.20% annual in US dollars.

- Hedge of financial investments in currencies other than the functional currency.

Molymet makes investments in currencies other than the functional currency, which are hedged with currency and interest rate forwards. The objective defined for this hedge is to eliminate the uncertainty associated to the USD-CLP and USD-UF ratios at the time of expiration of the investments.

- Operating expenses in Chilean pesos

Molymet and its subsidiary Molynor hedge their expected operational expenses in Chilean pesos, to minimize the uncertainty in the results produced by movements associated to USD-CLP relation.

- Operating expenses in Mexican pesos.

The subsidiary Molymex hedges its expected operating expenses in Mexican pesos, to minimize the uncertainty in the results produced by movements associated to USD-MXN relation.

- Operating expenses in Euros

The subsidiary Molymet Belgium hedges its expected operation expenses in Euros, to minimize the uncertainty in the results produced by movements associated to EUR-USD relation.

- Hedge effectiveness evaluation

Molymet and its subsidiaries have developed both prospective and retrospective internal methodologies for the evaluation for effectiveness of the presented hedge ratios. Evaluations are performed periodically, at least quarterly, or more frequently if necessary, in exceptional circumstances. Broadly speaking, the methodologies consist of comparing the cash flows from a hedged item and the hedging instrument in each period. Due to the nature of the ratio, they have proven to be approximately 100% effective in all evaluations performed to date, which allows the application of the special hedge accounting stipulated in IFRS 9 as appropriate for cash flow hedges.

Financial Instruments Effects on Income.

The effects of Financial Instruments on income are shown in the following table:

Financial Income and Expenditures	ACCUMULATED	
	01-01-2021	01-01-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Interests' income	494	1.455
Derivative instruments charged to revenues	-	4
Other financial income	22	9
Financial Income	516	1,468
Interests' expenditure	(11,614)	(12,174)
Right of use interests' expenditure	(190)	(168)
Other financial expenditures	(2,064)	(1,254)
Financial costs	(13,868)	(13,596)

18. Trade and other payables.

The composition of trade and other payables as of December 31, 2021, and 2020 is as follows:

Classification of trade and other payables	12-31-2021	12-31-2020
	THUSD	THUSD
Debts for purchases or services	192,241	142,823
Customers advances	594	974
Other payable taxes	3,445	2,587
V.A.T. fiscal debit	924	147
Other payable accounts	442	595
Total trade and other payables	197,646	147,126

The distribution of trade and other payables in functional and foreign currencies is as follows:

Currency	12-31-2021	12-31-2020
	THUSD	THUSD
Functional	174,359	126,439
Foreign	23,287	20,687
Total trade and other accounts payable	197,646	147,126

19. Provisions.

a) Non-current provisions are detailed in the following table:

Provisions Classes (presentation)	ACCUMULATED	
	12-31-2021	12-31-2020
	THUSD	THUSD
Dismantling, restoration, and rehabilitation costs, non-current	474	689
Total provision	474	689

Details of provisions movements between January 1 and December 31, 2021, is as follows:

Provisions movement	For dismantling, restoration, and rehabilitation costs
Total Provision, initial balance 01-01-2021	689
Additional Provisions	625
Increment (decrement) in existing provisions	(143)
Provision used	(646)
Increase (decrease) in foreign currency exchange	(51)
Total Provision, final balance 12-31-2021	474

Information regarding contracted obligation is presented below:

Provision Type	Affected Company	Description	Description of the expected date for economic benefit exit	Amount THUSD
Dismantling, restoration, and rehabilitation costs, non-current	Molymet Belgium	Femo Waste restoration costs	There is uncertainty as to the date and final amount on which the economic benefits exit is expected,	271
Dismantling, restoration, and rehabilitation costs, non-current	Molymet Belgium	Asbestos in buildings restoration costs	There is uncertainty as to the date and final amount on which the economic benefits exit is expected,	203
Total provisions as of December 31, 2021				474

Molymet Belgium, on the other hand, owns properties listed in the registers of land with historical contamination since 1996. The Belgian authorities requested the company to conduct a detailed soil investigation, the result of which will determine whether the company will carry out a soil remediation program. On July 31, 2019, the Public Agency of Flanders received the result of the descriptive soil investigation of each property involved. On August 26th, 2019, the Public Agency of Flanders ("OVAM") informed the company that, according to the information provided, no additional soil work is required.

Molymet Belgium also received a complaint from the neighboring company Kronos Europa N.V., for alleged soil contamination problems on land sold by Molymet Belgium to Kronos Europa N.V. in 1992, eleven years before the acquisition of this subsidiary by Strategic Metals B.V.B.A. Management believes that Molymet Belgium has no responsibility in this matter.

As of December 31, 2021, no assets have been recognized for reimbursements associated with provisions.

a) Lawsuits or other legal actions

- i. During the month of February 2019, the Mexican Tax Administration Service ("SAT"), notified MOLYMEX S.A. of C.V. ("MOLYMEX") of a tax assessment for tax year 2014. The items contained in such assessment correspond to income taxes and credit of certain expenditures. In the opinion of the management and its legal advisors, there is no legal justification whatsoever to support the collection of such amounts. In view of the above and considering (i) that the tax assessment is not final from the administrative point of view; (ii) that it has been disputed in due time and form by the company, providing written background; and (iii) the evident lack of legal support for the collection of taxes contained in such assessment, it has not been considered appropriate to make any provision for the mentioned tax assessment

- ii. During the month of October 2020, February, and March 2021, Molibdenos y Metales S.A. filed 24 claim actions before the Tax and Customs Court of Valparaíso, against the National Customs Service, San Antonio Administration, due to 24 charges filed for the collection of duties, VAT, and fines. One, equivalent to USD 398,339.31 for duties, value added tax and fines, was declared time-barred by conciliation on May 3, 2021, and the processing of the remaining 23, for which the collection of duties, value added tax and fines is required, of an approximate amount of US\$4.5 million, correspond to imports of molybdenum concentrates from Peru, under the tariff preferences contemplated in the Chile-Peru Free Trade. Subsequently, on July 1 and 2, 2021, Molymet was notified of seven additional charges, for a total of approximately US\$ 1.8 million, where 3 of them were declared time-barred in September, after the respective appeals were filed before San Antonio customs authority, therefore, the remaining claims will be filed before the Tax and Customs Court of Valparaíso within the legal deadlines in force. v. In consideration of the foregoing, to date the total amount of charges in force amounts to US\$ 5.8 million for the collection of duties, value added tax and fines. In these charges, the National Customs Service disputes the sufficiency of documentation to prove the simple transshipment in Ecuador of molybdenum concentrates from Peru. In the opinion of management, such charges are legally inadmissible, and therefore no provision should be made. The basis for the foregoing is that (i) Molymet's legal defense has important textual and express support from the customs regulations, including the interpretation of such regulations made by the National Customs Director himself, (ii) the documentary information submitted to the National Customs Service complies with all the requirements of the information requested by such service; and (iii) the National Customs Service has never discussed the substance of the direct transport, but only a merely formal documentary issue, and in this regard, abundant documentary information has been made available to the Customs Tax Court, which in the opinion of management, allows to prove compliance with all the aspects discussed by Customs, issued even by the same Customs authority of Ecuador.

20. Current tax liabilities

The Composition of payable accounts for current taxes is as follows

Concept	12-31-2021	12-31-2020
	THUSD	THUSD
Net effect of income tax for the year (P.P.M. - Taxes payable)	18,013	7,620
Total	18,013	7,620

21. Employee benefit obligations.

The composition of employee benefits and expenses is as follows:

Employee benefit obligations	12-31-2021	12-31-2020
	THUSD	THUSD
Current employee benefit obligations	25,786	18,861
Current liabilities for post-employment benefits	18,815	22,628
Total employee benefit obligations	44,601	41,489

a) Current employee benefit obligations

The Group classifies under this concept liabilities and benefits to personnel, other than post-employment (vacations, profit-sharing, and social security withholdings), the detail of which as of December 31, 2021, and 2020 is as follows:

Benefit obligations and current personnel expenses	ACCUMULATED	
	01-01-2021	01-01-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Liabilities for profit-sharing	9,262	4,456
Liabilities for employee bonuses	8,520	5,999
Vacation and vacation bonus liabilities	5,892	6,470
Pension withholdings	1,743	1,553
Remuneration payable	80	137
Staff insurance	64	-
Other personnel liabilities	185	175
Welfare - Union - Sports Club	40	68
Judicial retention	-	3
Total liabilities for current employee benefits and expenses	25,786	18,861

a) Obligations for post-employment benefits

The Group has established certain severance indemnity benefits for its employees.

The liability recognized in the period related to such benefits is calculated annually using the projected unit credit method. The present value of the obligation is determined by discounting the estimated future cash outflows at interest rates of State bonds denominated in the currency in which the benefits will be paid and with due terms similar to those of the related obligations,

Defined benefit plan	01-01-2021	01-01-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Obligation Present Value, Opening Balance	22,628	20,344
Current service cost of defined benefit plan obligation	648	940
Interest cost for defined benefit plan obligation	752	827
Actuarial gain (loss) on defined benefit plan obligation	19	1,218
Increase (decrease) in foreign currency exchange defined benefit plan obligation,	(3,549)	319
Contributions paid defined benefit plan obligation	(1,683)	(1,020)
Present value defined benefit plan obligation, final balance	18,815	22,628
Non-current liabilities for employee benefits	18,815	22,628
Total employee benefit liabilities	18,815	22,628

The amounts recorded in the consolidated results are as follows:

Total expenses recognized in the statement of income	01-01-2021	01-12-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Defined benefit plan current service cost	648	940
Interest cost defined benefit plan	752	827
Increase (decrease) in the foreign currency exchange defined benefit plan obligation,	(3,549)	319
Total loss (gain) recognized in the income statement	(2,149)	2,086

Actuarial assumptions:

The main actuarial assumptions and parameters used in the determination of the severance indemnity benefit from the Parent Company and its subsidiaries as of December 31ST, 2021 are below:

Parameter	Molymet	Molynor	Molymet Belgium	Molymex	Carbomet Energía
Nominal annual discount rate	5.54%	5.54%	0.45%	0.25%	5.54%
Inflation rate	3.00%	3.00%	1.75%	1.75%	3.00%
				2.50% -	
Annual rate of salary increases by career	4.00%	4.00%	2.50% - 3.00%	3.00%	4.00%
			MR-FR-5	MR-FR-5	
Mortality table	CB/RV-2014	CB/RV-2014	(Belgium)	(Belgium)	CB/RV-2014
Disability table	PDT 1985 (III)	PDT 1985 (III)	-	-	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 of THUSD 1,428, On the other hand, if the annual nominal discount rate considered in the valuation were 100 basis points lower, it would have been necessary to recognize in Other Reserves an actuarial loss of THUSD 1,609.

Expenditures per employee

The Group incurred expenditures for employees. During the periods between January 1 and December 31 in 2021 and 2020, respectively, such expenses are as follows:

Types of employee benefits and expenses	ACCUMULATED	
	01-01-2021 12-31-2021	01-01-2020 12-31-2020
	THUSD	THUSD
Personnel expenses	68,506	66,952
Wages and salaries	47,707	45,672
Short-term employee benefits	14,657	14,597
Post-employment benefit obligation expense	2,446	3,516
Termination benefits	259	160
Other long-term benefits	525	307
Other personnel expenses	2,912	2,700

22. Other current non-financial liabilities.

The composition of other non-current non-financial liabilities is as follows:

Concept	12-31-2021	12-31-2020
	THUSD	THUSD
Payable dividends	13,415	19,532
Others	372	766
Other current non-financial liabilities	13,787	20,298

The concept dividends payable considers the provision for payment of Molymet dividends equivalent to 40% of the Net Income Susceptible of Distribution, discounting the interim dividends associated with such exercise and the portion of 100% of the result of Carbomet Energía S, A, which corresponds to such Company minority shareholders.

23. Information to disclose on issued capital and earnings per share.

23.1 Issued Capital.

As of December 31, 2021, and 2020, the Parent Company has a subscribed and paid-in capital of THUSD 501,952, with 132,999,304 shares, respectively,

The class of capital in common shares for the periods ended December 31, 2021, and 2020 is presented below

Type of common stock	12-31-2021	12-31-2020
Description of class of capital in common shares	Single issuing, no Nominal Value	Single issuing, no Nominal Value
Number of subscribed and paid shares	132,999,304	132,999,304
Amount of capital in shares by common shares constituting the capital in dollars	501,952,244	501,952,244

23.2 Earnings per Share

Disclosure of earnings per share	ACCUMULATED	
	01-01-2021 12-31-2021	01-01-2020 12-31-2020
	THUSD	THUSD
Gain (loss) attributable to holders of equity instruments of the parent company	97,194	47,323
Earnings available for common shareholders, basic	97,194	47,323
Weighted average number of shares, basic	132,999,304	132,999,304
Basic earnings (loss) per share (USD-share)	0.73	0.36
Earnings available for common stockholders, diluted	97,194	47,323
Weighted average of number of shares, diluted	132,999,304	132,999,304
Diluted earnings (loss) per share (USD-share)	0.73	0.36

The calculation of earnings per share as of December 31, 2021 and 2020 was based on profit attributable to shareholders, based on the weighted average number of shares.

23.3 Net Profit Susceptible of Distribution

Description	12-31-2021	12-31-2020
	THUSD	THUSD
Net profit per year	97,194	47,323
Distributable net profit	97,194	47,323
Dividend's provision and payments	(38,878)	(18,929)
Distributable net profit Balance	58,316	28,394

23.4 Paid Dividends

Definitive dividends paid, ordinary shares	12-31-2021		12-31-2020
	USD		USD
Description of paid dividend, ordinary share	Provisional	Definitive Dividend	Definitive Dividend
	Dividend No. 90, cancelled on December 29, 2021	No N° 89, cancelled on April 22, 2021	N° 88, cancelled on May 03, 2020
Description of shares class with paid dividend, ordinary shares	Single-issue shares	Single-issue shares	Single-issue shares
	Date of paid dividend, common shares	29-12-2021	22-04-2021
Dividend amount for common shares	26,599,861	26,599,861	33,249,826
Number of issued shares over which dividend is paid, common shares	132,999,304	132,999,304	132,999,304
Dividend per share, common shares in U.S. dollars	0.20	0.20	0.25

The subsidiary Carbomet Energía S.A. paid dividends to minority shareholders as follows:

Year 2021

- THUSD 445, corresponding to dividend N° 90 of April 15, 2021.

Year 2020

- THUSD 492, corresponding to dividend N° 89 of April 16, 2020.

23.5 Other reserves

a) Reserves for translation differences.

The detail by company of translation differences regarding the financial statements of subsidiaries from their functional currency to the Group's presentation currency are as follows:

Cumulative translation differences	12-31-2021	12-31-2020
	THUSD	THUSD
Inmobiliaria San Bernardo S.A.	(14,726)	(14,726)
Strategic Metals B.V.	9,531	9,408
Carbomet Energía S.A.	(1,170)	(704)
Carbomet Industrial S.A.	514	514
Molymex S.A. de C.V.	25	25
Molymet Corporation	(1)	(1)
Molymet Beijing	68	32
Total	(5,759)	(5,452)

b) Reserves for hedging operations.

Corresponds to cash flow hedging transactions.

Cumulative hedging transactions	12-31-2021	12-31-2020
	THUSD	THUSD
Chile bond conversion adjustment	7,210	(1,189)
Chile bond SWAP valuation	(24,269)	(3,226)
Conversion Adjustment Mexico bond	26,600	28,812
Mexico swap bond valuation	(33,589)	(29,585)
Adjustment Conversion Colombia bond	273	-
Colombia SWAP bond valuation	18,878	10,384
Valuation IRS Colombia bond	(18,460)	(7,518)
Forward Conversion Adjustment hedging	(1,205)	(3,032)
I.D. Hedging Operations	(1,018)	1,758
Forward hedge	6,800	1,439
Chile bond conversion adjustment	546	(1,734)
Total	(18,234)	(3,891)

c) Actuarial gains or losses reserve.

Actuarial gains or losses reserve	12-31-2021	12-31-2020
	THUSD	THUSD
Actuarial result in defined benefit plans	(9,181)	(9,200)
I.D. Actuarial result in defined benefit plans	2,494	2,461
Total	(6,687)	(6,739)

d) Other various reserves.

Other various reserves	12-31-2021	12-31-2020
	THUSD	THUSD
Equity reserve CESA merger	(1,054)	(1,054)
Total	(1,054)	(1,054)

23.6 Accumulated Gains (Loss)

Accumulated Gains (loss)	01-01-2021	01-01-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Initial Balance	269,537	249,363
Dividends provisions	(12,279)	(18,929)
Interim dividends charged to earnings 2021	(26,599)	-
Dividends paid (excess) or deficit	(7,670)	(8,220)
Fiscal year results	97,194	47,323
Total	320,183	269,537

23.7 Non-controlling interest

This corresponds to the recognition of the portion of equity and income of subsidiaries belonging to persons that are not part of the Group.

Company	Percentage	Equity		Result	
		12-31-2021	12-31-2020	12-31-2021	12-31-2020
		THUSD	THUSD	THUSD	THUSD
Carbomet Energía S.A.	47,237%	1.304	1.425	1.287	496
Carbomet Industrial S.A.	0,011%	3	2	-	-
Inmobiliaria San Bernardo S.A.	0,044%	20	20	-	-
Total non-controllers participation		1.327	1.447	1.287	496

23.8 Capital management

The entity considers the Company's equity as capital.

- a) Information on the objectives, policies, and processes that the entity applies to manage capital.

Molymet's purpose is to maintain a solid capital base, to guarantee capital returns for investors, returns for instrument holders, an optimal capital structure to reduce capital costs, keeping the confidence of investors, creditors, and the market, to sustain the future development of the Company.

- b) Qualitative information on the objectives, policies, and processes the entity applies to manage capital.

To meet the objectives of managing its capital, Molymet may maintain or adjust its capital structure by increasing or decreasing the amount of dividend payments to shareholders, repayment of capital to shareholders, issuance of new shares and/or sale of assets.

- c) Quantitative information on how capital is managed.

Molymet monitors capital according to the leverage ratio and its credit rating.

The leverage ratio is calculated as total consolidated liabilities, less inventories, less accounts payable for the purchase of molybdenum products, divided by shareholders' equity plus minority interests.

Molymet's strategy has been to maintain a leverage ratio below 1.75.

The leverage ratios on December 31, 2021, and 2020 were 0.25 and 0.22, respectively.

TH USD	12-31-2021	12-31-2020
Consolidated liabilities	956,174	543,283
Inventories	879,505	460,247
Molybdenum accounts payable	122,525	80,906
Equity attributable to owners of controlling interest	790,401	754,353
Non controlled participation	1,327	1,447
Leverage ratio	0.25	0.22

Molymet's objective in terms of credit rating is to maintain its Investment Grade status in the international market, i.e., equal to, or higher than BBB-, and a rating equal to or higher than A in the domestic market.

Molymet is currently rated BBB (Fitch Ratings) and BBB- (S&P) in the international market, AAA (Fitch Ratings) and AAA (HR Rating) in the Mexican market, AAA (Fitch Ratings) in Colombia (Fitch Ratings) and AA (Fitch Ratings) and AA (Feller Rate) in the domestic market.

d) Changes from previous periods.

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

e) External capital requirements subject to the current fiscal year

The Parent Company Molibdenos y Metales S.A. has issued bonds and long-term bank financing contracts in the local and foreign markets. In both bond issues and bank financing, covenants have been agreed in accordance with customary market practices, which are described below:

(i) **Minimum Consolidated equity.**

(ii) **EBITDA / Net financial expenses:** Ratio of operational result plus depreciation over net financial expenditures.

(iii) **Debt level:** Ratio of comprehensive total liabilities minus inventories, plus accounts payable for molybdenum product purchase, all the above over minimum equity.

As of December 31, 2021, and 2020, Molibdenos y Metales S.A. has satisfactorily complied with the financial indicators (covenants) and restrictions imposed by its creditors, Compliance with these indicators and restrictions, their value, and their respective calculation formulas are summarized below

	Covenants	Condition	12-31-2021	12-31-2020	Validity
(i)	Minimum Consolidated Equity (THUSD)	≥ 300,000	791,728	755,800	01-06-2028
(ii)	EBITDA / Net Financial Expenses	≥ 5.00	14.47	9.41	01-06-2028
(iii)	Level of Debt	≤ 1.75	0.25	0.22	01-06-2028

Below are details of the calculation for each of these covenants (the detail in quotation marks corresponds to the name of the accounts used in the calculation):

(i) Minimum Consolidated Shareholders' Equity

Consolidated minimum equity (thousands USD)	12-31-2021	12-31-2020
"Total equity" for the period:	791,728	755,800
"Total equity" minimum allowed:	300,000	300,000

ii) EBITDA / Net financial expenses

Consolidated EBITDA (annualized) (thousands USD)	12-31-2021	12-31-2020
(+) "Gross profit"	233,984	141,915
(+) "Other income, per function"	2,788	2,267
(+) "Distribution costs"	(17,690)	(15,963)
(+) "Management expenses"	(57,591)	(46,347)
(+) "Other expenses per function"	(6,165)	(6,600)
(+) "Other gains (loss)"	(2,220)	27
(-) "Depreciation Expense"	(37,802)	(37,171)
(-) "Intangibles amortization"	(2,294)	(1,683)
Consolidated EBITDA:	193,202	114,153
Consolidated net financial expenditures (thousands USD)	12-31-2021	12-31-2020
(-) "Financial expenses"	(13,868)	(13,596)
(-) "Financial income"	516	1,468
Consolidated net financial expenditures:	13,352	12,128
EBITDA / Net financial expenses Ratio	12-31-2021	12-31-2020
EBITDA/ Consolidated net financial expenses ratio for the period:	14.47:1.00	9.41:1.00
Minimum allowed Consolidated interests Hedge Ratio:	5.00:1.00	5.00:1.00

(iii) Debt Level

Total Consolidated Liabilities (thousands of USD)	12-31-2021	12-31-2020
(+) "Total Current Liabilities"	481,807	201,706
(+) "Total Non-Current Liabilities"	474,367	341,577
(-) Positive difference between:	756,980	379,341
(i) "Inventories"	879,505	460,247
(ii) "Molybdenum Accounts Payable"	122,525	80,906
Total Net Consolidated Liabilities:	199,194	163,942
Consolidated Equity (thousands of USD)	12-31-2021	12-31-2020
"Total equity"	791,728	755,800
Total Consolidated Equity:	791,728	755,800
Total Liabilities to Consolidated Equity Ratio	12-31-2021	12-31-2020
Total Liabilities to Consolidated Shareholders' Equity ratio for the period:	0.25:1.00	0.22:1.00
Total Liabilities Ratio to Maximum Allowable Consolidated Equity:	1.75:1.00	1.75:1.00

In both years, compliance with the restrictions and covenants has been verified and reported to the company's respective creditors. This has been conducted in conjunction with the delivery of financial statements to the Financial Market Commission, along with other public information that the company has provided to such Commission.

Provisions are recorded in the company's accounting records for any adverse contingencies that, in the opinion of the company, should be reflected in its financial statements and/or those of its subsidiaries.

Insurance is maintained to protect its operating assets, including headquarters, buildings, plants, inventories, furniture, office equipment and vehicles, in accordance with customary practices in industries of the company's nature.

The company ensures that the operations it conducts with its subsidiaries or with other related individuals or legal entities are conducted under conditions of equity similar to those prevailing in the market.

f) Consequences of non-compliance when the entity has not complied with external requirements

Persistent noncompliance with external requirements by Molibdenos y Metales S.A., both in the case of financing contracts and bond issues, entitles the creditor or the Board of Creditors to accelerate the loan and its interest, making the total debt payable as if it were overdue.

To date, Molymet has fulfilled all external requirements.

24. Revenue from ordinary activities.

a) Revenue from ordinary activities for the years ended December 31, 2021, and 2020 are detailed below:

Revenue per production plant	ACCUMULATED	
	01-01-2021 12-31-2021	01-01-2020 12-31-2020
	THUSD	THUSD
Planta Chile Nos	615,699	412,856
Planta Chile Mejillones	263,290	243,082
Planta Bélgica	255,255	159,971
Planta México	270,974	182,689
Planta Alemania	39,120	28,875
Others	9,104	24,439
Total	1,453,442	1,051,912

b) The revenue from ordinary activities, broken down by type of product for the period ended December 31, 2021 and 2020 is detailed below:

Revenue by trade line	ACCUMULATED	
	01-01-2021 12-31-2021	01-01-2020 12-31-2020
	THUSD	THUSD
Sales revenue from molybdenum, rhenium, copper, and sulfuric acid products	1,389,780	973,311
Revenue from sales of manufacturing services	54,518	73,376
Revenue from sales of electric energy services	6,114	3,980
Revenue from sales of agricultural products	1,250	799
Other revenue	1,780	446
Total	1,453,442	1,051,912

25. Leases.

a) Disclosures about right-of-use assets, as lessee:

a.1) Information about right-of-use assets as of December 31, 2021.

Detail	Building	Machinery	Transport equipment	Office equipment	Right-of-Use Assets, Net
Balance as of January 1, 2021	262	-	3,290	27	3,579
Changes					
Additions for adoption of IFRS 16	-	5,226	127	-	5,353
Disappropriation	-	-	(7)	-	(7)
Depreciation expenditure	(161)	(1,045)	(1,459)	(26)	(2,691)
Other increases (decreases)	-	-	(4)	-	(4)
Changes, Total	(161)	4,181	(1,343)	(26)	2,651
Balance as of December 31, 2021	101	4,181	1,947	1	6,230

a.2) Information about right-of-use assets as of December 31, 2020.

Detail		Building	Machinery	Transport equipment	Office equipment	Right-of-Use Assets, Net
Balance as of January 1 2020		452	19	2,405	60	2,936
Changes	Additions for adoption of IFRS 16	-	-	2,288	-	2.288
	Disappropriation	-	-	(5)	-	(5)
	Depreciation expenditure	(190)	(19)	(1,398)	(33)	(1.640)
	Changes, Total	(190)	(19)	885	(33)	643
Balance as of December 31, 2020		262	-	3,290	27	3,579

b) The composition of current and non-current lease liabilities as of December 31, 2021, and 2020 is as follows:

Concept	12-31-2021	12-31-2020
	THUSD	THUSD
Lease liability	1,992	1,844
Lease interest	10	14
Total current lease liabilities	2,002	1,858

Concept	12-31-2021	12-31-2020
	THUSD	THUSD
Lease liability	3,690	2,110
Total non-current lease liabilities	3,690	2,110

c) Information on short-term leases and leases of low-value assets, as lessee:

Future Payments	12-31-2021	12-31-2020
	THUSD	THUSD
Future minimum lease payments up to one year	40	63
Minimum future payments for lease for more than one year and less than five years	36	59
Minimum future payments of lease non-cancelable, total	76	122

These contracts correspond to leases of computer equipment, which do not have contingent quotas or special restrictions imposed on the entity. These contracts will not be renewed once they reach their expiration date.

The effects on the income statement of these contracts are shown below:

Short term and low value leasing installments	ACCUMULATED	
	01-01-2021	01-01-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Payments for leasing	71	51
Short term and low value leasing paid installments, total	71	51

d) Information on operational leases, lessor.

Future payments, lessor	ACCUMULATED	
	01-01-2021	01-01-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Future leasing minimum payments of leases, up to one year	67	61
Future leasing minimum payments of leases, more than one year and less than five	119	104
Future leasing minimum payments of leases, more than five years	128	109
Future leasing payments, total	314	274

The Group leases real estate through contracts signed for one year, automatically renewable for the same period, and leases land for a period of 10 years, automatically renewable.

The effects on the income statement of these contracts are shown below:

Installments of leases and subleases recognized on the statement of income, lessor	ACCUMULATED	
	01-01-2021	01-01-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Number of leases recognized in the statement of income	54	50
Number of leases recognized in the statement of income, total	54	50

26. Information to disclose on operating segments.

The Group's business is the treatment and processing of molybdenum concentrate (molybdenite) which is the main source of molybdenum ore, to produce a variety of molybdenum products and derivatives. The segments are defined and managed by the location of its production plants; Chile - Molibdenos y Metales S.A., Complejo Industrial Molynor S.A., Belgium-Molybet Belgium, Mexico-Molymex S.A. of C.V. and Germany-Molybet Germany GmbH. The main activities of each of the production plants are summarized below:

Molibdenos y Metales S.A. (Planta Nos – Chile). The plant located in Nos processes molybdenum concentrates to produce molybdenum oxide, molybdenum oxide briquettes and powder, ferromolybdenum, high 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.

Molybet Belgium (Ghent Plant - Belgium). The Ghent plant facilities provide roasting of molybdenum concentrate to produce technical molybdenum oxide, molybdenum oxide briquettes, ferromolybdenum, rhenium concentrate and sodium molybdate.

Molymex S.A. de C.V. (Cumpas Plant - Mexico). The Cumpas plant processes molybdenum concentrates of Mexican or U.S. origin, to produce molybdenum oxide, rhenium concentrates and molybdenum oxide briquettes.

Molybet Germany GmbH (Bitterfeld Plant - Germany). In the Bitterfeld plant, the main product processed is metal powder through direct reduction of oxides with hydrogen and molybdenum dioxide.

The segment shown as Other represents those activities that do not qualify as molybdenum concentrate processing plants, which include the following activities:

- Production, commercialization, and distribution of electric power.
- Commercial operation and administration of real estate.
- Molybdenum products and derivatives trading company.

Operating segment information.

a) Current fiscal year exercise from January 1 to December 31, 2021.

General Information on Incomes, Assets and Liabilities for the current fiscal year	Segment Description							
	Planta Chile Nos THUSD	Planta Chile Mejillones THUSD	Planta Bélgica THUSD	Planta México THUSD	Planta Alemania THUSD	Others THUSD	Eliminations THUSD	Total THUSD
Revenues from ordinary activities from external customers, Total	615,699	263,290	255,255	270,974	39,120	9,104	-	1,453,442
Revenues from ordinary activities between segments, Total	268,767	55,923	1,422	159,051	2,388	4,870	(492,421)	-
Interest revenues, Total Segments	466	21	1	43	2	403	(442)	494
Other financial revenues, Total Segments	-	21	1	-	-	-	-	22
Total financial revenues, Total Segments	466	42	2	43	2	403	(442)	516
Interest Expense, Total Segments	(11,589)	(76)	(263)	(12)	(22)	(94)	442	(11,614)
Right of Use Interest Expense, Total Segments	(256)	(27)	(7)	(15)	(3)	(20)	138	(190)
Other financial Expenses, Total Segments	(1,466)	(46)	(30)	(485)	-	(37)	-	(2,064)
Total financial expenses, Total Segments	(13,311)	(149)	(300)	(512)	(25)	(151)	580	(13,868)
Financial Revenues, Net, Total Segments	(12,845)	(107)	(298)	(469)	(23)	252	138	(13,352)
Depreciation and amortization, Total Segments	(16,970)	(11,819)	(5,061)	(3,189)	(1,747)	(1,310)	-	(40,097)
Reported Segment Income (Loss) before Income Taxes, Total	78,748	25,497	8,490	21,896	956	51,276	(48,910)	137,953
Share of profit (Loss) of Associates Accounted for through Equity Method	-	-	-	-	-	47,635	(47,635)	-
Income Tax (Expense) revenue, Total	(21,366)	(6,927)	(2,148)	(7,901)	(828)	(302)	-	(39,472)
Cash flows from (used in) operating activities	(216,720)	(16,914)	(7,441)	(56,307)	(655)	(6,889)	10,156	(294,770)
Cash flows from (used in) investing activities	(49,198)	(1,948)	(9,506)	(1,924)	(1,207)	(5,787)	36,226	(33,344)
Cash flows from (used in) financing activities	247,235	19,127	15,740	49,904	(1,114)	(10,521)	(44,625)	275,746
Segment Assets, Total	1,033,945	323,794	249,205	201,096	34,426	815,956	(910,520)	1,747,902
Investments in associates accounted for through equity method	-	-	-	-	-	704,690	(704,690)	-
Segment Liabilities	781,698	110,196	127,022	112,831	7,027	11,454	(194,054)	956,174

b) Previous period from January 1 to December 31, 2020.

General Information on Incomes, Assets and Liabilities for the fiscal year	Segment Description							
	Planta Chile Nos THUSD	Planta Chile Mejillones THUSD	Planta Bélgica THUSD	Planta México THUSD	Planta Alemania THUSD	Others THUSD	Eliminations THUSD	Total THUSD
Revenues from ordinary activities from external customers, Total	412,856	243,082	159,971	182,689	28,875	24,439	-	1,051,912
Revenues from ordinary activities between segments, Total	135,877	23,719	17,463	67,378	463	4,596	(249,496)	-
Interest revenues, Total Segments	911	212	27	88	10	804	(597)	1,455
Other financial revenues, Total Segments	4	8	1	-	-	-	-	13
Total financial revenues, Total Segments	915	220	28	88	10	804	(597)	1,468
Interest Expense, Total Segments	(12,029)	-	(521)	(14)	(74)	(133)	597	(12,174)
Right of Use Interest Expense, Total Segments	(512)	(56)	(2)	(23)	(3)	(29)	457	(168)
Other financial Expenses, Total Segments	(1,157)	(43)	(17)	(14)	-	(23)	-	(1,254)
Total financial expenses, Total Segments	(13,698)	(99)	(540)	(51)	(77)	(185)	1,054	(13,596)
Financial Revenues, Net, Total Segments	(12,783)	121	(512)	37	(67)	619	457	(12,128)
Depreciation and amortization, Total Segments	(16,138)	(11,886)	(4,953)	(2,841)	(1,975)	(1,352)	291	(38,854)
Reported Segment Income (Loss) before Income Taxes, Total	28,607	21,938	6,031	13,626	(1,119)	34,647	(40,144)	63,586
Share of profit (Loss) of Associates Accounted for through Equity Method	-	-	-	-	-	33,206	(33,206)	-
Income Tax (Expense) revenue, Total	(8,318)	(6,026)	(1,101)	(4,507)	1,082	3,103	-	(15,767)
Cash flows from (used in) operating activities	91,515	2,025	17,383	5,969	1,323	9,471	1,777	129,463
Cash flows from (used in) investing activities	64,496	(2,083)	(10,981)	(1,649)	(3,141)	4,465	(81,364)	(30,257)
Cash flows from (used in) financing activities	(84,613)	(74,992)	(10,573)	-	(989)	3,799	79,587	(87,781)
Segment Assets, Total	679,795	275,180	168,578	117,728	29,365	799,892	(771,455)	1,299,083
Investments in associates accounted for through equity method	-	-	-	-	-	678,576	(678,576)	-
Segment Liabilities	445,027	70,045	53,015	43,954	2,173	11,098	(82,029)	543,283

Segments Reconciliation

Assets reconciliation	12-31-2021	12-31-2020
	THUSD	THUSD
Reconciliation of Segment Total Assets	2,658,422	2,070,538
Reconciliation of Other Assets	(729,131)	(718,117)
Elimination of Accounts Receivable from the segments Corporate Headquarters	(181,389)	(53,338)
Total Assets	1,747,902	1,299,083

Liabilities Reconciliation	12-31-2021	12-31-2020
	THUSD	THUSD
Reconciliation of Segments Total Liabilities	1,150,228	625,312
Reconciliation of Other Liabilities	(12,671)	(17,411)
Elimination of Accounts Payable from the segments Corporate Headquarters	(181,383)	(64,618)
Total Liabilities	956,174	543,283

Reconciliations of the Segment Revenues from ordinary activities	01-01-2021	01-01-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Reconciliation of Revenues from Ordinary Activities Between Segments	1,945,862	1,301,408
Reconciliation of Intersegment Elimination of Revenues from Ordinary Activities	(492,420)	(249,496)
Total Ordinary Revenues	1,453,442	1,051,912

Earnings (loss) Reconciliations	01-01-2021	01-01-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Reconciliation of Total Segments Profit (Loss)	186,863	103,730
Reconciliation of Elimination of Intersegments Profit (Loss)	(48,910)	(40,144)
Reconciliation of Profit (Loss) Before Taxes	137,953	63,586

27. Information about non-financial income and expenditures.

CONCEPT	ACCUMULATED	
	01-01-2021	01-01-2020
	12-31-2021	12-31-2020
	THUSD	THUSD
Sales of materials and other	1,938	1,564
Other miscellaneous operating income	850	703
Other income, by function	2,788	2,267
International freight per sale	(8,116)	(6,479)
Domestic freight per sale	(1,356)	(1,257)
Sales insurance	(1,403)	(1,196)
Shipping costs per sale	(481)	(599)
Other selling expenses	(5,077)	(5,431)
Other distribution costs	(1,257)	(1,001)
Distribution Costs	(17,690)	(15,963)
Property tax and commercial patents	(2,806)	(2,656)
Travel expenses	(138)	(84)
General expenses	(11,183)	(10,325)
Maintenance expenses	(1,470)	(774)
Fixed salaries	(19,866)	(16,964)
Variable salaries	(12,052)	(5,200)
Insurance	(3,486)	(2,832)
Outsourcing	(6,072)	(7,046)
Subscriptions	(509)	(463)
Other management expenses	(9)	(3)
Management expenses	(57,591)	(46,347)
Marketing	(2,098)	(1,907)
Sales commissions	(269)	(625)
Research and development	(1,457)	(1,307)
Costs of materials sold	(88)	(797)
Other miscellaneous operation expenses	(2,253)	(1,964)
Other expenses, per function	(6,165)	(6,600)
Loss on disposal of fixed assets	(2,338)	(835)
Other gains (losses)	118	862
Other profit (loss)	(2,220)	27

28. Foreign currency

a) The following table shows the composition of current assets by type of currency:

Asset	12-31-2021 THUSD	12-31-2020 THUSD
Current assets		
Cash and cash equivalent	155,170	210,800
Dollars	149,284	205,534
Euros	1,924	1,498
Chilean pesos	3,181	1,853
Mexican pesos	131	450
Other currency	650	1,465
Other current financial assets	1,545	2,151
Dollars	1,543	2,149
Unidad de fomento (Chile)	2	2
Other current non-financial assets	11,223	7,640
Dollars	7,080	5,928
Euros	3,792	451
Chilean pesos	338	555
Mexican pesos	-	684
Other currency	13	22
Trade and other current accounts receivable	217,338	125,783
Dollars	155,864	91,142
Euros	221	614
Chilean pesos	41,288	21,033
Mexican pesos	19,890	12,900
Other currency	52	21
Unidad de fomento (Chile)	3	5
Colombian pesos	20	68
Accounts receivable from related entities, current	76	40
Dollars	75	39
Chilean pesos	1	1
Inventories	786,545	351,206
Dollars	786,398	351,032
Chilean pesos	147	174
Current biological assets	554	658
Dollars	554	658
Current tax assets	5,506	18,262
Dollars	-	43
Euros	18	3
Chilean pesos	5,488	17,185
Mexican pesos	-	1,025
Other currency	-	6
Total current assets	1,177,957	716,540

b) The table below shows the composition of non-current assets by type of currency:

Assets	12-31-2021 THUSD	12-31-2020 THUSD
Non-current assets		
Other non-current financial assets	443	190
Dollars	273	-
Unidad de fomento (Chile)	170	190
Other assets non-financial non-current	275	21
Dollars	5	20
Euros	9	1
Chilean pesos	261	-
Trade and other current accounts receivable	138	58
Chilean pesos	104	6
Unidad de fomento (Chile)	34	52
Non-current inventories	92,960	109,041
Dollars	92,960	109,041
Intangible assets other than goodwill	4,923	6,693
Dollars	4,877	6,693
Pesos chilenos	46	-
Properties plants and equipment	455,652	454,821
Dollars	451,800	449,853
Pesos chilenos	3,852	4,968
Right of use assets	6,230	3,579
Dollars	6,131	3,579
Euros	81	-
Other currency	18	-
Deferred tax assets	9,324	8,140
Dollars	8,745	6,009
Chilean pesos	579	542
Other currency	-	1,589
Total non-current assets	569,945	582,543
Total assets	1,747,902	1,299,083

c) The table below shows the composition of current liabilities by type of currency:

Liability	12-31-2021			12-31-2020		
	Up to 90 days THUSD	91 days up to 1 year THUSD	Total THUSD	Up to 90 days THUSD	91 days up to 1 year THUSD	Total THUSD
Current Liabilities						
Other current financial liabilities	21,619	202,954	224,573	4,766	1,177	5,943
Dollars	20,178	110,984	131,162	3,501	-	3,501
Chilean pesos	-	415	415	-	708	708
Mexican pesos	999	157	1,156	823	-	823
Unidad de fomento (Chile)	-	516	516	-	469	469
Colombian pesos	442	49,834	50,276	442	-	442
Peruvian Sol	-	41,048	41,048	-	-	-
Current lease liabilities	509	1,493	2,002	475	1,383	1,858
Dollars	-	-	-	13	34	47
Euros	45	136	181	69	208	277
Chilean pesos	435	1,273	1,708	352	1,026	1,378
Mexican pesos	16	47	63	20	63	83
Unidad de fomento (Chile)	7	20	27	-	-	-
Other currency	6	17	23	21	52	73
Trade accounts and other accounts payable	197,646	-	197,646	147,126	-	147,126
Dollars	174,359	-	174,359	126,439	-	126,439
Euros	5,686	-	5,686	5,646	-	5,646
Chilean pesos	15,253	-	15,253	12,707	-	12,707
Mexican pesos	2,218	-	2,218	1,189	-	1,189
Other currency	61	-	61	135	-	135
Unidad de fomento (Chile)	69	-	69	1,010	-	1,010
Current tax liabilities	17,565	448	18,013	7,279	341	7,620
Dollars	6,207	17	6,224	6,456	25	6,481
Euros	3	61	64	713	-	713
Chilean pesos	11,355	370	11,725	-	288	288
Other currency	-	-	-	110	28	138
Employee benefits current liabilities	22,421	3,365	25,786	17,568	1,293	18,861
Dollars	552	44	596	299	20	319
Euros	2,668	204	2,872	2,035	115	2,150
Chilean pesos	18,220	0	18,220	14,496	-	14,496
Mexican pesos	757	3,063	3,820	549	1,158	1,707
Other currency	224	54	278	189	-	189
Other current non-financial liabilities	12,651	1,136	13,787	19,695	603	20,298
Dollars	12,478	-	12,478	19,031	-	19,031
Euros	173	-	173	189	-	189
Chilean pesos	-	1,136	1,136	475	603	1,078
Total current liabilities	272,411	209,396	481,807	196,909	4,797	201,706

d) The table below shows the composition of non-current liabilities by type of currency:

Liability	12-31-2021				12-31-2020			
	More than 1 year	More than 3 years	More than 5 years	Total	More than 1 year	More than 3 years	More than 5 years	Total
	Up to 3 years	Up to 5 years			Up to 3 years	Up to 5 years		
	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD	THUSD
Non-current liabilities								
Other non-current financial liabilities	82,969	121,456	167,379	371,804	150,614	352	82,352	233,318
Dollars	32,587	513	25,518	58,618	40,134	-	3,226	43,360
Chilean pesos	829	414	-	1,243	1,406	352	-	1,758
Mexican pesos	49,553	120,529	70,778	240,860	50,976	-	-	50,976
Unidad de fomento (Chile)	-	-	71,083	71,083	-	-	79,126	79,126
Colombian pesos	-	-	-	-	58,098	-	-	58,098
Non-current lease liabilities	2,647	737	306	3,690	1,835	275	-	2,110
Euros	352	-	-	352	379	-	-	379
Chilean pesos	2,210	737	-	2,947	1,338	275	-	1,613
Mexican pesos	30	-	-	30	96	-	-	96
Unidad de fomento (Chile)	55	-	306	361	-	-	-	-
Other currency	-	-	-	-	22	-	-	22
Other long-term provisions	474	-	-	474	689	-	-	689
Euros	474	-	-	474	689	-	-	689
Deferred tax liabilities	59,487	587	19,510	79,584	62,156	192	20,484	82,832
Dollars	59,487	587	19,510	79,584	62,156	192	20,484	82,832
Non-current liabilities for employee benefits	1,494	605	16,716	18,815	770	1,677	20,181	22,628
Dollars	901	-	-	901	-	991	-	991
Euros	593	-	-	593	665	-	-	665
Chilean pesos	-	605	16,716	17,321	-	686	20,181	20,867
Other currency	-	-	-	-	105	-	-	105
Total noncurrent liabilities	147,071	123,385	203,911	474,367	216,064	2,496	123,017	341,577

29. Environment.

The Group has made disbursements related to the environment as follows:

a) As of December 31, 2021.

Disbursing company	Project	Concept for which the disbursement for the period was (or will be) made)	Classification of disbursement	Description of the disbursement item for the period	Disbursement to 12-31-2021 USD
Molymet	Environmental management	Expenses	Concept was reflected as an expense by the company	Environmental management	35
Molymet	Monitoring	Expenses	Concept was reflected as an expense by the company	Monitoring	80
Molymet	Equipment operations	Expenses	Concept was reflected as an expense by the company	Emissions Control	22,209
Molymet	Waste	Expenses	Concept was reflected as an expense by the company	Expenses for waste treatment	3,537
Molymet	Social Responsibility	Expenses	Concept was reflected as an expense by the company	Social responsibility	161
Molymet	Investment projects	Co2 addition system for liquor abatement	Environmental protection	Investment projects	3
Molymet	Investment projects	New. Packaged tower for emission reduction	Environmental protection	Investment projects	170
Molymet	Investment projects	Gas cleaning system modernization plan	Environmental protection	Investment projects	754
Molymet	Investment projects	Asbestos removal and replacement program	Environmental protection	Investment projects	71
Molymet	Investment projects	Ammonia emission control in thickener to lic	Environmental protection	Investment projects	104
Molymet	Investment projects	Upgrading and modification of ACC plant	Environmental protection	Investment projects	1
Molymet	Investment projects	Major thickener II maintenance liquor treatment plant	Environmental protection	Investment projects	64
Molymet	Investment projects	Use of internal sulfuric acid in gas scrubbing	Environmental protection	Investment projects	25
Molymet	Investment projects	Renovation of Gas Washing Plant N° 3	Environmental protection	Investment projects	5,751
Molymet	Investment projects	Fracture noise abatement Femo plant	Environmental protection	Investment projects	7
Molymet	Investment projects	Major maintenance of Deltor filter presses	Environmental protection	Investment projects	184
Molymet	Investment projects	Renovation and rationalization of facilities	Environmental protection	Investment projects	445
Molymet	Investment projects	Groundwater monitoring system	Environmental protection	Investment projects	120
Molymet	Investment projects	Standardization of briquette substance containment	Environmental protection	Investment projects	1
Molymet	Investment projects	ACC plant external tanks replacement	Environmental protection	Investment projects	106
Molymet	Investment projects	Warehouse APR Hall laboratory	Environmental protection	Investment projects	73
Molymet	Investment projects	Reduction of ammonia consumption	Environmental protection	Investment projects	25
Molymet	Investment projects	New acid plant	Environmental protection	Investment projects	3,598
Molymet	Investment projects	Neutralization in two stages liquor plant	Environmental protection	Investment projects	4
Molymex S.A. de C.V.	Monitoring	Expenses	Concept was reflected as an expense by the company	Monitoring	34
Molymex S.A. de C.V.	Equipment operations	Expenses	Concept was reflected as an expense by the company	Emissions Control	1,634
Molymex S.A. de C.V.	Waste	Expenses	Concept was reflected as an expense by the company	Expenses for waste treatment	262
Molymex S.A. de C.V.	Social responsibility	Expenses	Concept was reflected as an expense by the company	Social responsibility	98
Molymex S.A. de C.V.	Investment projects	Upgrade filter press pumping system	Environmental protection	Investment projects	159
Molymex S.A. de C.V.	Environmental Management	Expenses	Concept was reflected as an expense by the company	Environmental management	3
Molymex S.A. de C.V.	Investment projects	Fire protection system	Environmental protection	Investment projects	162
Molymex S.A. de C.V.	Investment projects	Aromatic emissions treatment system	Environmental protection	Investment projects	142
Molymex S.A. de C.V.	Investment projects	Use of compressed natural gas	Environmental protection	Investment projects	231
Molymex S.A. de C.V.	Investment projects	Exchanger replacement	Environmental protection	Investment projects	231
Molymex S.A. de C.V.	Investment projects	Installation of new radial flow scrubber	Environmental protection	Investment projects	414
Molymex S.A. de C.V.	Investment projects	Condenser tower repair	Environmental protection	Investment projects	125
Molymex S.A. de C.V.	Investment projects	Chimney electrical system replacement	Environmental protection	Investment projects	36
Molymex S.A. de C.V.	Investment projects	Installation of back-up electrical feeder	Environmental protection	Investment projects	55
Molymex S.A. de C.V.	Investment projects	Replacement of well foundations	Environmental protection	Investment projects	17
Subtotal					41,131

a) As of December 31, 2021 (continued).

Disbursing company	Project	Concept for which the disbursement for the period was (or will be) made	Classification of disbursement	Description of the disbursement item for the period	Disbursement to 12-31-2021 USD
Molymet Belgium N.V.	Environmental management	Expenses	Concept was reflected as an expense by the company	Environmental management	210
Molymet Belgium N.V.	Monitoring	Expenses	Concept was reflected as an expense by the company	Monitoring	208
Molymet Belgium N.V.	Equipment operations	Expenses	Concept was reflected as an expense by the company	Emissions Control	4,122
Molymet Belgium N.V.	Waste	Expenses	Concept was reflected as an expense by the company	Expenses for waste treatment	291
Molynor	Monitoring	Expenses	Concept was reflected as an expense by the company	Monitoring	302
Molynor	Equipment operations	Expenses	Concept was reflected as an expense by the company	Emissions Control	6,583
Molynor	Waste	Expenses	Concept was reflected as an expense by the company	Expenses for waste treatment	243
Molynor	Social responsibility	Expenses	Concept was reflected as an expense by the company	Social responsibility	38
Total					53,128

b) As of December 31, 2020.

Disbursing company	Project	Concept for which the disbursement for the period was (or will be) made)	Classification of disbursement	Description of the disbursement item for the period	Disbursement to 12-31-2020 USD
Molymet	Environmental management	Expenses	Concept was reflected as an expense by the company	Environmental management	186
Molymet	Monitoring	Expenses	Concept was reflected as an expense by the company	Monitoring	176
Molymet	Equipment operations	Expenses	Concept was reflected as an expense by the company	Emissions Control	23.955
Molymet	Waste	Expenses	Concept was reflected as an expense by the company	Expenses for waste treatment	3.643
Molymet	Social responsibility	Expenses	Concept was reflected as an expense by the company	Social responsibility	153
Molymet	Investment projects	Fuel change in roasting kiln five	Environmental protection	Investment projects	21
Molymet	Investment projects	Improvement of pure ammonia capture and abatement.	Environmental protection	Investment projects	34
Molymet	Investment projects	Co2 addition system for liquor abatement	Environmental protection	Investment projects	66
Molymet	Investment projects	Mitigation of nuisance odors w/ecosorb technology	Environmental protection	Investment projects	8
Molymet	Investment projects	New. Packaged tower for emission reduction	Environmental protection	Investment projects	994
Molymet	Investment projects	Gas cleaning system modernization plan	Environmental protection	Investment projects	2.956
Molymet	Investment projects	Asbestos removal and replacement program	Environmental protection	Investment projects	79
Molymet	Investment projects	Implementation of ammonia monitoring network	Environmental protection	Investment projects	11
Molymet	Investment projects	Control of ammonia emissions in the thickener tto lic	Environmental protection	Investment projects	118
Molymet	Investment projects	Upgrades and modification of Gas Plant	Environmental protection	Investment projects	15
Molymet	Investment projects	Improvement and modification of ACC Silver	Environmental protection	Investment projects	165
Molymet	Investment projects	Major Maintenance Thickener II Treatment. Liquors	Environmental protection	Investment projects	95
Molymet	Investment projects	Gas Washing Plant Improvements	Environmental protection	Investment projects	58
Molymet	Investment projects	Use of internal sulfuric acid	Environmental protection	Investment projects	152
Molymet	Investment projects	Renovation of Gas Washing Plant N° 3	Environmental protection	Investment projects	380
Molymex S.A. de C.V.	Monitoring	Expenses	Concept was reflected as an expense by the company	Monitoring	19
Molymex S.A. de C.V.	Equipment operations	Expenses	Concept was reflected as an expense by the company	Emissions Control	1.439
Molymex S.A. de C.V.	Waste	Expenses	Concept was reflected as an expense by the company	Expenses for waste treatment	278
Molymex S.A. de C.V.	Social responsibility	Expenses	Concept was reflected as an expense by the company	Social responsibility	43
Molymex S.A. de C.V.	Investment projects	Sulfuric acid circuit adjustment	Environmental protection	Investment projects	74
Molymex S.A. de C.V.	Investment projects	K-112 fan replacement	Environmental protection	Investment projects	144
Molymex S.A. de C.V.	Investment projects	Acquisition of 2,500 kva generators	Environmental protection	Investment projects	672
Molymex S.A. de C.V.	Investment projects	Installation of new steam generator	Environmental protection	Investment projects	117
Molymex S.A. de C.V.	Investment projects	Sulfuric acid plant fan installation	Environmental protection	Investment projects	131
Molymex S.A. de C.V.	Investment projects	New sulfuric acid sending line	Environmental protection	Investment projects	123
Molymex S.A. de C.V.	Investment projects	Expenses	Concept was reflected as an expense by the company	Investment projects	12
Molymex S.A. de C.V.	Investment projects	Pressurized tank replacement	Environmental protection	Investment projects	15
Molymet Belgium	Environmental management	Expenses	Concept was reflected as an expense by the company	Environmental management	79
Molymet Belgium	Monitoring	Expenses	Concept was reflected as an expense by the company	Monitoring	143
Molymet Belgium	Equipment operations	Expenses	Concept was reflected as an expense by the company	Emissions Control	4.299
Molymet Belgium	Waste	Expenses	Concept was reflected as an expense by the company	Expenses for waste treatment	315
Molymet Belgium	Investment projects	Evergem Rainwater Pump	Environmental protection	Investment projects	22
Molymet Belgium	Investment projects	Restart Plan	Environmental protection	Investment projects	48
Molynor	Monitoring	Expenses	Concept was reflected as an expense by the company	Monitoring	351
Molynor	Equipment operations	Expenses	Concept was reflected as an expense by the company	Emissions Control	7.040
Molynor	Waste	Expenses	Concept was reflected as an expense by the company	Expenses for waste treatment	202
Total					48.831

c) The Company and its subsidiaries have the future environmental commitments as follows:

Disbursing company	Project	Concept for which the disbursement was (or will be) made in the fiscal year	Classification of disbursement	Description of the item disbursement for the exercise	Date certain or estimated date on which future disbursements will be made, disbursements for the year	Disbursements THUSD
Molymex S.A. de C.V.	Investment project	E-108 exchanger replacement	Environmental protection	Investment project	30-06-2022	238
Molymex S.A. de C.V.	Investment project	Installation of new radial flow scrubber	Environmental protection	Investment project	31-05-2022	1,522
Molymex S.A. de C.V.	Investment project	Repair of condensing towers	Environmental protection	Investment project	30-09-2022	466
Molymex S.A. de C.V.	Investment project	Installation of back-up power supply	Environmental protection	Investment project	31-05-2022	125
Molymex S.A. de C.V.	Investment project	Fire protection installation	Environmental protection	Investment project	31-03-2022	132
Molymex S.A. de C.V.	Investment project	Gas scrubber well foundation replacement	Environmental protection	Investment project	31-05-2022	70
Molymex S.A. de C.V.	Investment project	Use of compressed natural gas	Environmental protection	Investment project	30-06-2022	176
Total						2,729

30. Subsequent events

On January 1, 2022, part of the restructuring plan described in Note 13 was completed, and consequently the parent company, Molibdenos y Metales S.A., leased the "Industrial Assets MMTNos" to its subsidiary MolyMetNos S.A.. Consequently the latter became operator of all industrial activities of the "MolyMetNos Plant" and therefore the employer of the associated workers.

The Board of Directors, on January 25, 2022, has approved these financial statements and authorized their disclosure.

Between January 1, 2022, and the date of issuance of the Consolidated Financial Statements of Molibdenos y Metales S.A. there have been no other reportable events of financial or any other nature that could significantly affect the Company's financial position.



MOLIBDENOS Y METALES S.A.

**ANALYSIS OF CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31st, 2021**

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I. EXECUTIVE SUMMARY

Up to December 31st, 2021, EBITDA reached US\$ 193.20 million, with an increase of 69.25% over the same period of 2020, which was US\$ 114.15 million. The profit attributable to Molymet shareholders as of December 31st, 2021, was US\$ 97.19 million, higher than the US\$ 47.32 million of the same period of year 2020. The above is explained by greater commercialization margins, resulting from the occidental markets reactivation reflected in higher molybdenum demand.

Molymet shows a solid business model, and sustainable operating result, maintaining a comfortable liquidity position, reinforcing its leading position in the global market, where a recovery in molybdenum consumption activity is observed.

Respect to the international price of molybdenum oxide, the average variation of the year was US\$ 8.69 per pound in December 2020 to US\$ 15.85 per pound in December 2021, meaning an increase of 82.29%.

To the date of this Reasoned Analysis, Molymet's commercial commitments have not been interrupted despite of the pandemic caused by COVID-19, and all the company's production plants, including MolymetNos and Molynor in Chile, Molymex in Mexico, Molymet Belgium in Belgium, and Molymet Germany in Germany, are currently under normal operations.

The volume of molybdenum products sold by Molymet in all its forms as of December 2021, reached 133.62 million pounds, compared to 167.82 million pounds in December 2020, which meant a 20.38% decrease. This decrease in volumes was offset by higher commercialization margins.

As of December 2021, net debt was US\$ 439.22 million. This represents an increase respect to the US\$ 26.12 million on the year-end 2020.

This is explained by the fact that the consolidated cash decreased 26.27%, while the debt increased 149.26%.

As of December 31st, 2021, the company's liquidity level reached US\$ 157.16 million, which represents a decrease of US\$ 55.98 million compared to year-end 2020, derived from the rise in the international price of molybdenum and the payment of dividends to third parties at consolidated level, of Molymet and the subsidiary Carbomet Energía, for US\$ 53.67 million.

At the end of December 2021, Molymet maintains its Investment Grade status, acquired in 2007, in the international market. Standard & Poor Global Rating with a BBB- rating for the company, and Fitch Ratings with a BBB rating; in both cases with a stable forecast.

Dated March 31st, 2021, Fitch Ratings ratified Molymet's Investment Grade rating in the international market. Thanks to our solid business model and financial position, Fitch Ratings ratified Molymet's ratings in the international scale (BBB) and national AAA for Colombia and Mexico, both with stable prospects, and increasing the national ranking in Chile from AA- to AA, also with a stable outlook.

On May 31, 2021, Feller Rate upgraded Molymet's national ranking for Chile from AA- to AA in solvency and bond lines categories, responding to an improvement in the company's financial profile due to the sharp decrease in its level of indebtedness, solid coverage indicators and its robust liquidity position.

With respect to the covenants of the current debt, these are fulfilled at the end of December 2021.

Molymet has a sound financial structure with adequate liquidity levels, comfortable debt maturity profile and ample access to financing markets.

As result of COVID 19 pandemic, Molymet has minimized its financial and operational risks, through a comprehensive contingency plan organized by a Crisis Committee, which aims to adopt measures to maintain the operational continuity of the company in productive and commercial aspects, prioritizing above all its employees' health and safety, including the community and people with whom we relate.

The welfare of our employees is one of the priorities we have in the company, so actions have been maintained, allowing us to face this crisis in better way. Additionally, Molymet continues proactively conducting actions to help the community.

In the financial field, Molymet currently has an adequate liquidity position allowing to fulfill its financial commitments without difficulties, both with its collaborators, as well as with creditors and suppliers. Cash estimates for the short and medium term allow us to project that the company's financial strength will be maintained.

Further details about the risks of this pandemic in Molymet can be found in section VII. Risk Management of this Analysis.

At the Ordinary Shareholders' Meeting of Molymet, held on April 20, 2021, it was agreed to distribute the final dividend No. 89 out of year 2020 profits, for a total of US\$ 26.60 million, equivalent to US\$ 0.20 per share.

On April 20, 2021, the Ordinary Shareholders' Meeting of Molibdenos y Metales S.A., agreed to renew the Company's Board of Directors by appointing Mr. Raul Álamos L., Nicolás Anastassiou R., José Miguel Barriga G., Boris Buvinic G., Luis Felipe Cerón C., Hernán Cheyre V., Eduardo Guilisasti G., Juan Manuel Gutiérrez Ph. Wolfgang Koeck y Karlheinz Wex. At the Board of Directors' meeting No. 984 held on April 21, 2021, Mr. Eduardo Guilisasti G., and Mr. Karlheinz Wex were, respectively appointed Chairman and Vice Chairman of the Board of Directors.

During the year 2020, Molymet defined its purpose, which is "To create value for the evolution of humanity, through products developed by people thinking about the well-being of the planet". This is the essence and the basis that defines our identity, mission, values, and is also the inspiration to think strategically and sustainably about the future.

Molymet is committed to develop and implement a Sustainability Strategy that, in addition to complying with legal regulations, will ensure operational continuity and establish a new way of engaging with the community, environment and authorities. Additionally, our Third Sustainability Report was launched on May 6, 2021, which is published in our web page www.molymet.com.

In line with our purpose of "Creating value for the evolution of humanity " and as part of the Rhenium Market Development Program, the Commercial and Market Development Vice-Presidency, along with the Research and Development Management, launched an open innovation call of global scope.

This contest aimed to promote the use of rhenium in the production and use of green hydrogen, given its excellent electro-catalytic characteristics, costs and sustainability, compared to precious metals

currently used in these systems. Additionally, through this call for innovation, our objective is to contribute to the process of decarbonization of world economies and to continue positioning Chile as a country rich in renewable energies, highlighting the potential that green hydrogen could represent for our economy.

Answering this call for innovation, Molymet received thirty-seven proposals from various parts of the world for manufacture of electrolyzers and/or hydrogen fuel cells, based on catalysts containing rhenium, the four best projects were selected, with the idea of encouraging them to obtain the first functional prototypes.

Throughout 2020 and 2021, marked by the pandemic and a global economic crisis, Molymet has achieved a significant operational and commercial performance, maintaining our plants in operation, and achieving historically high sales volumes. This is thanks to the strong commitment of the Group's collaborators, to the company's solid financial position, and to a robust business model that positions us as leader in the molybdenum and rhenium market. All this without leaving aside the high sustainability standards, driven by important investment projects in this matter.

On June 23, the Mexican National Banking and Securities Commission ("CNBV") authorized the revolving placement program of long-term stock certificates. Under this program, Molymet will be able to issue one or more bonds for an amount of up to MXN 6,000 million, equivalent to US\$ 300.00 million, in 5-year term.

On December 8, 2021, Molymet placed in the Mexican market two bonds, at 4 and 6 years, for a total of 4,000 million Mexican pesos, equivalent to US\$ 191 million. The respective hedging instruments (cross currency swap) were subscribed in U.S. dollars, leaving the bonds issued for US\$ 120.34 million for a term of 4 years at an annual rate in dollars of 2.655% and the remaining US\$ 70.68 million for 6 years at an annual rate in dollars of 3.818%.

The Board of Directors of the Company, at its Ordinary Meeting No. 991, held on November 22, 2021, agreed to pay interim dividend No. 90, amounting to USD 0.20 per share, equivalent to US\$ 26.60 million out of year 2021 profits, which was paid on December 29, 2021.

To maintain and preserve the green areas of a sector of Nos, Molymet, through its subsidiary Inmobiliaria San Bernardo S.A., constituted the first Environmental Conservation Right in the commune of San Bernardo, in the Metropolitan Region. This legal instrument establishes the responsibility for environmental conservation, committing themselves, among other obligations, to maintain and preserve 123 hectares where there are currently organic walnut plantations, making Molymet the first company to establish this legal figure in the area.

This initiative establishes the obligation to conserve the environmental heritage of the land surrounding Molymet's facilities, which form a true green lung in the urban area of Nos. In addition to its preservation, this seeks to promote the development of sustainable agriculture, through walnut trees and organic crops.

II. ABOUT MOLYMET

Molybdenum is the main Molybdenum and Rhenium concentrates processor in the world, with a share in the world processing capacity of approximately 35% and 70%, respectively. Currently, owns industrial plants in four countries: Chile, Mexico, Belgium and Germany, and commercial offices in England, China, United States, Brazil, and Chile.

Molybdenum is used in special steel alloys, improving hardness, resistance to elevated temperatures and corrosion, increases durability, and improves the machinery efficiency. There are also uses of molybdenum in fertilizers, catalysts, lubricants, among others. The most relevant molybdenum products are technical oxide, ferromolybdenum, ammonium dimolybdate, pure oxide and metallic molybdenum. Within its processes, Molybmet recovers Molybdenum by-products, being Rhenium the more important.

Molybmet's undisputed leadership in the international market is based on the permanent development of competitive advantages, through technological advances, efficiency and a coherent portfolio of high-quality products and services, which satisfy the needs of its customers in mining, industrial and rhenium areas. Likewise, its extensive international presence allowed to achieve greater integration with markets, suppliers, and customers.

Since 2007, Molybmet maintains the Investment Grade rating.

As of the end of December 2021, Molybmet's total processing capacity is 207 million pounds per year, compared to an approximate worldwide consumption of 546 million pounds per year.¹

Molybdenum and rhenium are considered metals of high strategic value at a global level, due to their valuable technological applications and the significant role they play in the global development of mega constructions, urban development, environmental care, more efficient, safe, and durable alloys.

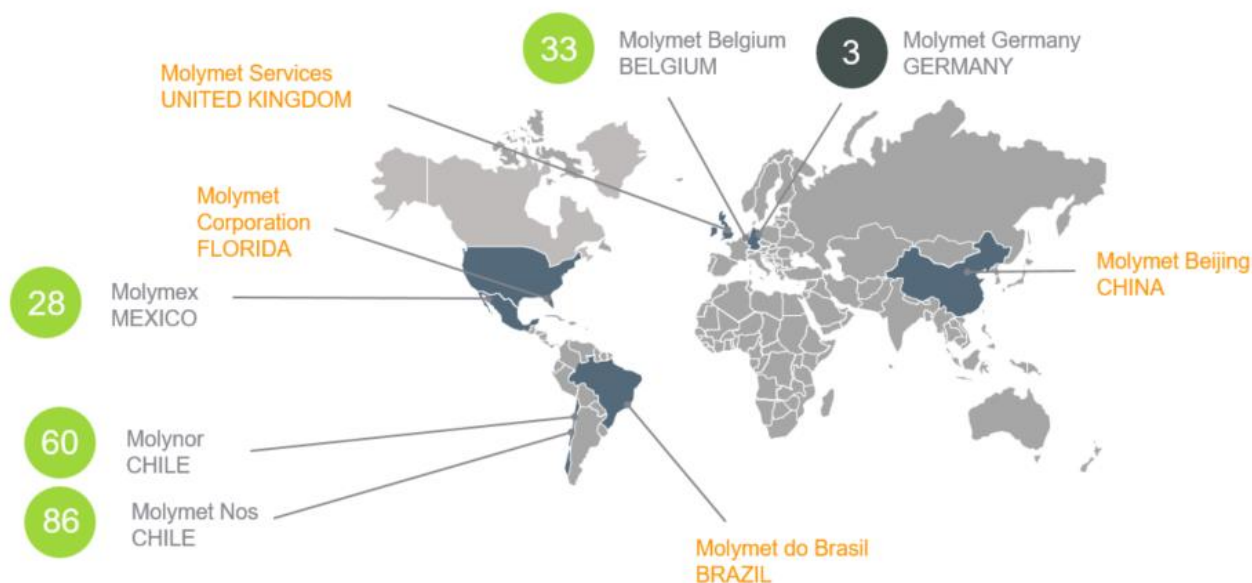
Molybmet maintains a base of long-term contracts that provide stability to the business. Among its tolling contracts are 10-year contract with Sierra Gorda starting in 2014, the 3-year contract with Codelco starting in 2020, and Kennecott contract, which is annually renewed.





On May 29, 2019, Molybmet's Board of Directors approved the necessary investment for the modernization of certain facilities at Molybmet's plant located in Nos, San Bernardo, which has been named "Modernization of Roasting Gas Cleaning Systems", to modernize the gas cleaning processes making them more efficient and solid. This project contemplates an investment of US\$ 50.60 million, over a period of 3 years, which will be financed with own resources. On June 23, 2020, Molybmet's Board of Directors decided to make an additional economic effort to maximize the contribution to the environment care and as well as to the operations sustainability at Nos, increasing the planned investment level by US\$ 8.50 million, deciding to install a new acid plant with greater capacity and maximum SO₂ conversion efficiency, with an estimated investment of US\$ 59.10 million.

Molybmet has a unique geographic diversification in the industry. The strategic location of its processing plants and commercial offices has allowed it to achieve commercial and supply advantages through a more complete and efficient service to customers.

¹ Correspond to pounds of molybdenum content.

Production plants and commercial offices as of December 31st, 2021:



-  Annual Molybdenum Metal processing capacity in million pounds.
-  Annual Molybdenum processing capacity in million pounds. Total capacity: 207 million pounds per year.
-  Commercial Offices
-  Productive Plants

To preserve the knowledge developed by the company, Molybdenum Metal Processing (MMP) has reformulated its corporate Intellectual Property Policy, which incorporates the highest standards in terms of protection, management, and enforcement of Intellectual Property rights, adopting appropriate measures to prevent the leakage of this knowledge.

Molybdenum Metal Processing (MMP) is a company whose development and growth are based on the use of innovation as fundamental process to introduce processes and technologies supporting its leadership role in the molybdenum industry. This same capacity has led Molybdenum Metal Processing (MMP) to innovate in other strategic metals industries, seeking business opportunities to increase its product portfolio.

In this way, Molybdenum Metal Processing (MMP) has developed a new process for arsenic removal from materials containing it, whose invention patent application was published on March 09, 2017, by the World Intellectual Property Organization under the international publication number WO2017/035675 A1. The application successfully completed the preliminary examination for international patentability and entered the national phase on March 02, 2018, therefore proceedings to select the countries where the application will be finalized are in place. Molybdenum Metal Processing (MMP) filed the application in nine countries: Chile, Peru, Mexico, USA, Canada, Bulgaria, Namibia, China, and Australia. Of these countries, the patent is

already granted in Chile, USA, China, Namibia, and Australia. The application is under examination by national experts in Canada and is under normal progressing in the rest of the countries.

On October 30, 2018, patent application number 201803101 was filed in Chile. This patent seeks to protect the process of selective removal of copper compounds and other impurities from molybdenum and rhenium found in molybdenite concentrates, being granted in Chile in March 2021. Additionally, the patent application was filed in the United States, Canada, Australia, and Peru.

The subsidiary Molymet Belgium filed in 2016 the PCT application WO2017/202909 A1. This patent refers to the process featuring modifications developed by Molymet to multideck roasting furnaces to improve efficiency in the roasting process. The application was granted in Belgium in August 2018, in the European Union in March 2020, in China in May 2020, Spain in December 2020, in the USA in April 2021 and in Chile in August 2021; and is under normal process in the other countries. According to Belgian law, the subsidiary Molymet Belgium obtains tax benefits as the patent has been granted.

On April 20, 2021, the Ordinary Shareholders' Meeting of Molibdenos y Metales S.A., agreed to renew the Company's Board of Directors by appointing Mr. Raul Álamos L., Nicolás Anastassiou R., José Miguel Barriga G., Boris Buvinic G., Luis Felipe Cerón C., Hernán Cheyre V., Eduardo Guilisasti G., Juan Manuel Gutiérrez Ph. Wolfgang Koeck y Karlheinz Wex. At the Board of Directors' meeting No. 984 held on April 21, 2021, Mr. Eduardo Guilisasti G., and Mr. Karlheinz Wex were respectively appointed Chairman and Vice Chairman of the Board of Directors.

Molymet, through its subsidiary Inmobiliaria San Bernardo, has among its assets an area of 133.6 hectares, of which 123.0 hectares are planted with walnut trees. These hectares are located around the Molymet Nos plant, which is located on an additional 42.9 hectares of land. Together, the two properties reach approximately 176.5 hectares. To maintain and preserve the green areas in this sector of Nos, Molymet constituted the first Real Environmental Conservation Right in the commune of San Bernardo, in the Metropolitan Region, to maintain and preserve these 123.0 hectares where there are currently organic walnut plantations.

III. RESULTS.
i. Analysis of Consolidated Income Statement

Million USD	December 2020	December 2021	Variation Dec. 2020 / Dec. 2021	
			MM US\$	%
Ordinary Income, Total	1,051.91	1,453.44	401.53	38.17%
Costs of Sales	-910.00	-1,219.46	-309.46	34.01%
Gross Profit	141.91	233.98	92.07	64.88%
Other operating costs and expenses	-68.87	-83.66	-14.80	21.49%
Income by function	2.27	2.79	0.52	22.91%
Financial Income	1.47	0.52	-0.95	-64.63%
Financial Costs	-13.60	-13.87	-0.27	1.99%
Exchange rate difference	0.41	-1.80	-2.21	↓
Taxes	-15.77	-39.47	-23.70	↑
Year Profit	47.82	98.48	50.66	↑
Profit attributable to minority interests	0.50	1.29	0.79	↑
Profit (loss), attributable to owners of controlling company	47.32	97.19	49.87	↑
EBITDA	114.15	193.20	79.05	69.25%

At the end of December 2021, the accumulated ordinary income was US\$ 1,453.44 million, representing an increase of 38.17% compared to US\$ 1,051.91 million obtained at the end of December 2020.

The company's revenues depend on world molybdenum oxide prices, volumes processed and sold of molybdenum products, and efficiency levels achieved during the year exercise.

With respect to the international price of molybdenum oxide, the average variation was from US\$ 8.69 per pound in December 2020 to US\$ 15.85 per pound in December 2021, meaning an increase of 82.39%.

The volume of molybdenum products sold by Molymet in all its forms as of December 2021 reached 133.62 million pounds, compared to 167.82 million pounds as of December 2020.

Consolidated costs of sales as of December 31st, 2021, reached US\$ 1,219.46 million, representing an increase of 34.01% respect to US\$ 910.00 million recorded at the end of December 2020.

As of December 31st, 2021, gross profit reached US\$ 233.98 million, representing an increase of 64.88% compared to the US\$ 141.91 million recorded at the end of December 2020, due to better commercialization margins. It is important to note that Molymet maintains a stable medium and long-term customer base for its Maquila, Own Sale and Rhenium business lines.

At the end of December 2021, operating costs and expenses amounted to US\$ 83.67 million, representing an increase of 21.49% compared to US\$ 68.87 million as of December 2020. This variation is explained by higher administrative expenses of US\$ 11.24 million.

As of December 2021, the financial result, corresponding to the difference between financial expenses and revenues, reached US\$ 12.13 million negative, while this result at the end of 2020 reached US\$ 12.13 million negative.

Respect to taxes, these had a negative effect of US\$ 39.47 million at the end of December 2021, representing an increase of US\$ 23.70 million with respect to the negative tax effect of US\$ 15.77 million of the same period of 2020.

As of December 31st, 2021, EBITDA reached US\$ 193.20 million, an increase of 69.25% compared to the same period of 2020, which was US\$ 114.15 million. This is due to the increase in gross profit of US\$ 92.07 million at the end of the period, compared to December 2020.

Profit attributable to Molymet shareholders as of December 31st, 2021, was US\$ 97.19 million, compared to results obtained at the end of December 2020 of US\$ 47.32 million, due to the higher gross profit compared to the same period of the previous year of US\$ 92.07 million.

ii. Operating Segments Analysis

For Molymet's main operating segments, the variations in revenues and expenses were as follows:

As of December 31st, 2021, Molymet Individual (Nos Plant, Chile) had a gross profit of US\$ 137.93 million compared to US\$ 78.42 million at the end of December 2020. Sales revenue at the end of December 2021 was US\$ 884.47 million compared to US\$ 548.73 million for the same period in 2020. In turn, cost of sales on December 31st, 2021, reached US\$ 746.54 million, while on December 31st, 2020, was US\$ 470.31 million.

Molymex S.A. de C.V. (Mexico Plant) had a gross profit of US\$ 32.44 million at the end of December 2021, opposed to the same period of 2020, with gross profit of US\$ 23.00 million. Sales revenue as of December 2021 was US\$ 430.02 million compared to US\$ 250.07 million for the same period of 2020. In turn, cost of sales as of December 31st, 2021, reached US\$ 397.58 million, while in the same period of 2020 it reached US\$ 227.07 million.

Molymet Belgium NV (Belgium Plant) gross profit, as of December 31st, 2021, was US\$ 21.70 million, compared to US\$ 15.77 million achieved in the same fiscal year 2020. Revenues from sales at the end of December 2021 reached US\$ 256.68 million, compared to US\$ 177.43 million for the same fiscal year 2020. Costs of sales to December 31st, 2021, were US\$ 234.98 million, while on December 31st, 2020, they reached US\$ 161.66 million.

Molynor S.A. Industrial Complex (Mejillones Plant, Chile) gross profit was US\$ 35.91 million as of December 31, 2021, compared to US\$ 30.50 million in the same period of 2020. Sales revenue at the end of December 2021 were US\$ 319.21 million, compared to US\$ 266.80 million of the previous year. In turn, cost of sales as of December 31st, 2021, reached US\$ 283.30 million, opposed to US\$ 236.30 million achieved during the same period of 2020.

Molymet Germany GMBH (Germany Plant) gross profit was US\$ 3.26 million as of December 31st, 2021, opposed to US\$ 1.11 million at the end of December 2020. Accumulated sales revenue as of December 2021 reached US\$ 41.51 million, while during the same period of 2020 reached US\$ 29.34 million. In turn, cost of sales as of December 31st, 2021, reached US\$ 38.25 million, opposed to US\$ 28.23 million as of December 2020.

In addition to these segments, there is another named "other", which represents those activities that do not qualify as molybdenum concentrate processing plants, including the following activities:

- * Production, commercialization, and distribution of electric power
- * Commercial exploitation and administration of real estate.
- * Molybdenum and molybdenum derivatives trading company.

At the end of December 2021 this segment presented a gross profit of US\$ 2.75 million, representing an increase of US\$ 9.64 million respect to the negative gross profit of US\$ 6.89 million recorded in the same period of 2020.

IV. MOLYMET'S CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Million USD	December 2020	December 2021	Variation Dec. 2020 / Dec. 2021	
			MM US\$	%
Current Assets	716.54	1,177.96	461.42	64.40%
Non-Current Assets	582.54	569.94	-12.60	-2.16%
Total, Assets	1,299.08	1,747.90	448.82	34.55%
Current Liabilities	201.70	481.80	280.10	↑
Non-Current Liabilities	341.58	474.37	132.79	38.88%
Net Equity	755.80	791.73	35.93	4.75%
Total, Liabilities and Equity	1,299.08	1,747.90	448.82	34.55%

1. Assets

As of December 31st, 2021, the company's total assets show an increase of US\$ 448.82 million compared to the end of December 2020. This is due to:

Current assets were increased, by December 31st, 2021, in US\$ 461.42 million compared to December 2020 closure. This is reflected by the increase in current inventories for US\$ 435.34 million, and in trade and other accounts receivable for US\$ 91.56 million, which was partially offset by a decrease in cash and cash equivalents for US\$ 55.63 million, and in current tax assets for US\$12.76 million.

Non-current assets show a decrease, by December 2021, of US\$ 12.60 million over the end of 2020, explained by the decrease in non-current inventories by US\$ 16.08 million, which was partially offset by an increase in rights-of-use assets for US\$2.65 million.

2. Liabilities

At the end of December 2021, the company's total current and non-current liabilities increased in US\$ 412.89 million compared to December 2020. This is due to:

Current liabilities increased, as of December 2021, by US\$ 280.10 million with respect to the end of 2020, explained by the increase in other current financial liabilities for US\$ 218.63 million, trade and other accounts payable for US\$ 50.52 million, and current tax liabilities for US\$ 10.39 million.

Non-current liabilities increased, by December 2021, in US\$ 132.79 million with respect to the end of 2020, explained by the increase in other non-current financial liabilities for US\$ 138.49 million, and in non-current lease liabilities for US\$ 1.58 million, which was offset by the decrease in non-current liabilities for employee benefits for US\$ 3.81 million, and in deferred tax liabilities for US\$ 3.25 million.

3. Equity

Net equity, at the end of December 2021, verified an increase of US\$ 35.93 million respect to the end of December 2020, explained by an increase of US\$ 50.65 million in retained earnings, and an increase in other reserves for US\$ 14.60million.

4. Covenants

Regarding the company's Covenants, these are as follows:

Creditors	Covenant	Condition	31/12/2020	31/12/2021	Validity
Bonds: Chile – México	Minimum Equity (MM US\$)	≥ 300	756	792	01/06/2028
Bonds: Chile – México	EBITDA / Net Financial Expenses	≥ 5.00	9.41	14.47	01/06/2028
Bonds: Chile – México	Level of debt	≤ 1.75	0.22	0.25	01/06/2028

As of December 31st, 2021, the covenants were met.

5. Financial Ratios and Indicators

The main financial ratios as of December 31st, 2021, are presented below:

Content	December 2020	December 2021	Variation % Dec. 2020 / Dec. 2021
Net Debt / EBITDA	0.23	2.27	↑
Debt ratio ¹	0.72	1.21	68.06%
% Short-Term Liabilities	37.13%	50.39%	35.71%
% Long-Term Liabilities	62.87%	49.61%	-21.09%
EBITDA / Financial Expenses ²	8.40	13.93	65.83%
Current Liquidity ³	3.55	2.44	-31.27%
Acid ratio ⁴	1.81	0.81	-55.25%

¹ Corresponds to total liabilities divided by total equity.

² Corresponds to EBITDA divided by financial expenses.

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

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

Respect to the above ratios, we can indicate that:

- i. Net Debt / EBITDA: increased between December 2020 and December 2021, reaching a value of 2.27 times. The above is due to an increase in net debt in a higher scale than the increase in the annualized EBITDA compared to the end of 2020. In management's opinion, this value corresponds to appropriate levels for the company, due to Molymet's strategy and business model, facing the increase in the international price of molybdenum oxide.
- ii. Debt ratio: increased 68.06% over December 2020, reaching a value of 1.21 times by December 2021. The above is mainly explained by the result of the liabilities increase in a higher measure than equity compared to the end of 2020.

- iii. **% Short-Term Liabilities:** increased from 37.13% in December 2020 to 50.39% by December 2021, mainly due to the increase in other current financial liabilities for US\$ 218.63 million, in accounts payables for US\$ 50.52 million, and in current tax liabilities for US\$ 10.39 million, which translated into an increase in current liabilities for US\$ 280.10 million, compared to the lesser increase in noncurrent liabilities of US\$ 132.79 million.
- iv. **% Long-Term Liabilities:** decreased, from 62.87% by December 2020 to 49.61% by December 2021, due to the increase in short term liabilities for US\$ 280.10 million, while the long-term liabilities increased in US\$ 132.79 million, due to the increase in financial noncurrent liabilities for US\$ 138.49 million.
- v. **EBITDA / Financial Expenses:** showed an 65.83% increase going from 8.40 times by the end of year 2020 to 13.93 times by December 2021, which is mainly explained by the 69.25% increase in EBITDA, while financial expenses increased 1.99%.
- vi. **Current liquidity:** by the end of December 2021 totals 2.44 times, decreasing 31.27% over the 3.55 times by the end of December 2020. The above is explained by the increase in current liabilities, greater than the increase in current assets.
- vii. **Acid Ratio:** decreased, going from 1.81 times by December 2020 to 0.81 times by December 2021, due to the increase in current liabilities, greater than the increase in current assets, and the increase in current inventories for US\$ 435.34 million.

The main financial indicators as of December 31st, 2021, are presented below:

Content	December 2020	December 2021
Return on Equity¹	6.35%	12.56%
Return on Assets²	3.61%	6.38%
Return on Operating Assets³	8.26%	16.87%
Earnings per Share (USD x Share)⁴	0.36	0.73

1

¹ Corresponds to the annualized net income divided by the average equity of the last 2 periods/years.

² Corresponds to the annualized net income divided by the average total assets of the last 2 periods/fiscal years.

³ Corresponds to the annualized net income divided by the average total non-current assets of the last 2 periods/years.

⁴ Corresponds to annualized net income divided by total subscribed and paid-in shares.

*Annualized: Refers to the last 12 months.

With respect to the above indicators, we can indicate:

- i. **Return on Equity:** increased from 6.35% on December 2020 to 12.56% on December 2021. The variation was because the profit attributable to Molymet's shareholders as of December 2021 was US\$ 97.19 million, representing an increase of US\$ 49.87 million with respect to the profit of US\$ 47.32 million obtained as of December 31, 2020. This variation is explained by a higher gross profit obtained as of December 2021 for US\$ 92.07 million compared to the same period of 2020.

- ii. Return on Assets: increased from 3.61% at the end of December 2020 to 6.38% in December 2021. The variation was because the profit attributable to Molymet shareholders as of December 2021 was US\$ 97.19 million, representing an increase of US\$ 49.87 million with respect to the profit of US\$ 47.32 million obtained as of December 31, 2020. This variation is explained by a higher gross profit obtained as of December 2021 of US\$ 92.07 million compared to the same period of 2020.
- iii. Return on Operating Assets: It increased from 8.26% at the end of December 2020 to 16.87% at December 2021, since the profit attributable to Molymet shareholders in December 2021 was US\$ 97.19 million, representing an increase of US\$ 49.87 million respect to the profit of US\$ 47.32 million obtained on December 31, 2020. This variation is explained by a higher gross profit obtained as of December 2021 of US\$ 92.07 million compared to the same period of 2020.
- iv. Earnings per Share (USD x Share): It increased from US\$ 0.36 per share at the end of December 2020 to US\$ 0.73 per share in December 2021, since the profit attributable to Molymet shareholders in December 2021 was US\$ 97.19 million, representing an increase of US\$ 49.87 million with respect to the profit of US\$ 47.32 million obtained on December 31, 2020. This variation is explained by a higher gross profit obtained as of December 2021 of US\$ 92.07 million compared to the same period of 2020.

6. Liquidity and Solvency

The needs of working capital, as well as the income received or disbursed for completions, depend on the molybdenum price and its fluctuations. For this reason, Molymet permanently evaluates the molybdenum price, so that the variations, although they influence the company's assets and liabilities, do not affect results and equity.

Consolidated debt by December 2021 amounted to US\$ 596.38 million, higher than US\$ 239.26 million by December 2020.

In turn, Molymet decreased the cash from US\$ 213.14 million at December 2020 to US\$ 157.16 million at December 2021, which is explained by the payment of dividends of US\$ 53.67 million, investments in property, plant, and equipment of US\$ 32.20 million, and the negative operating cash flow observed during 2021 as result of the increase in the international molybdenum price.

As of December 2021, the consolidated net debt augmented in US\$ 413.10 million, going from US\$ 26.12 million in December 2020 to US\$ 439.22 in December 2021. This is explained by the fact that consolidated cash decreased by 26.27%, while debt augmented in 149.26%.

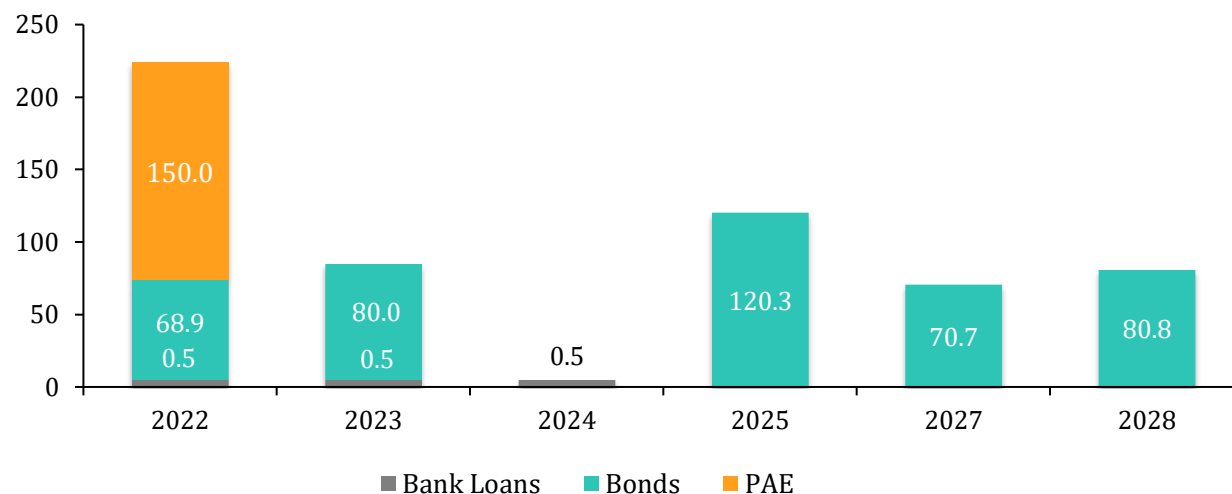
During July and August 2021, PAE loans were subscribed for a total of US\$ 150.00 million, to cover increased working capital needs. This increase in indebtedness is due to the positive molybdenum price cycle seen during 2021.

On December 8, 2021, Molymet placed in the Mexican market two bonds, at 4 and 6 years, for a total of 4,000 million Mexican pesos, equivalent to US\$ 191 million. The respective hedging instruments (cross currency swap) were subscribed in U.S. dollars, leaving the bonds issued for US\$ 120.34 million for a term of 4 years at an annual rate in dollars of 2.655% and the remaining US\$ 70.68 million for 6 years at an annual rate in dollars of 3.818%.

Regarding the financial activities of the other subsidiaries that Molymet consolidates, these do not present relevant information at the end of December 2021. It should be noted that the parent company obtains all the financing, Molibdenos y Metales S.A.

7. Financial Profile

The maturity profile of the company at the end of December 2021 is as follows (in USD million):



8. Book Value and Economic Value of Assets

The book value of current assets does not differ significantly from their market value.

As indicated in the accompanying notes, term deposits are valued at investment cost plus accrued interests and readjustments up to December 31st, 2021, which does not exceed market value.

Inventories are stated at the cost or net realizable value; using the lower. Cost is determined by the weighted average price method. The cost of finished goods and work in progress includes the costs of raw materials, direct labor, other direct costs, and manufacturing overhead, based on normal operating capacity. It does not include interest costs. Net realizable value is the estimated selling price in the normal course of business, less applicable variable selling costs.

Determining the economic value of fixed assets in this type of companies is extremely complex, since these include specific and sophisticated machinery and equipment, and their commercial transactions are not common, therefore a reference of their realization value is not known. Buildings and infrastructure works are especially conditioned for these elements, which also makes it difficult to determine their economic value.

The economic value of fixed assets must be evaluated in relation to the company operations and its capacity to generate incomes allowing the assimilation of the involved costs, which in this company, according to the company's management opinion, is fully met.

V. CONSOLIDATED CASH FLOWS

USD Million	December 2020	December 2021	Variation Dec. 2020 / Dec. 2021	
			MM US\$	%
Cash Flows from Operating Activities	129.46	-294.77	-424.23	↓
Cash Flows from Investing Activities	-30.26	-33.34	-3.08	10.18%
Cash Flows from Financing Activities	-87.78	275.75	363.53	↑
Effects of changes in exchange rates upon cash and cash equivalents	-0.44	-3.27	-2.83	↓
Final Net Cash Flow Variation	10.98	-55.63	-66.61	↓

Operating activities generated, as of December 2021, a negative cash flow of US\$ 294.77 million, which represents a decrease of US\$ 424.23 million compared to the same period of 2020. This is explained by higher payments to suppliers for the supply of goods, services for US\$ 804.64 million, and income taxes paid for US\$ 14.66 million. This was partially offset by higher collections from sales of goods and services for US\$ 291.60 million, and higher collections from operating activities for US\$ 103.69 million.

Investing activities generated a negative cash flow of US\$ 33.34 million as of December 2021, which represents a negative variation of US\$ 3.08 million with respect to the end of December 2020.

Financing activities generated a positive cash flow of US\$ 275.75 million as of December 2021, representing a positive variation of US\$ 363.53 million compared to December 2020. This is explained by higher amounts as result of short-term loans for US\$ 275.00 million, and the issuance of bonds in the Mexican market for US\$ 191.02 million, which was partially offset by higher loan repayments for US\$ 84.71 million and higher dividend payments for US\$ 19.91 million.

The company's net cash flow generated up to December 2021 reached negative US\$ 55.63 million, US\$ 66.61 million lower than in the same period of 2020, which is explained by the lower operating and investment cash flow, which was offset by the higher financing cash flow.

VI. MATERIAL EVENTS

Material Events as of December 31, 2021:

1. On February 15, 2021, the following was reported as a material event, pursuant to the provisions of Article 9 and the second paragraph of Article 10 of Law No. 18,045, the provisions of General Rule No. 30 of the Financial Market Commission, and duly authorized for such purpose:

On December 7, 2020, the resolution adopted at an extraordinary meeting of the Board of Directors of the Company on the same date, regarding the appointment of Mr. Edgar Pape Arellano as interim Chief Executive Officer of the Company, during the period of absence of Mr. John Graell Moore, was communicated as a Material Event.

In consideration of the above, this Commission was informed of the Essential Fact that, on February 15, 2021, Mr. John Graell Moore will resume his functions as Executive President of Molibdenos y Metales S.A., thus concluding the appointment of Mr. Edgar Pape Arellano as interim Executive President.

2. On March 17, 2021, the following was reported as a material event, pursuant to the provisions of Article 9 and the second paragraph of Article 10 of Law No. 18,045 and the provisions of General Rule No. 30 of the Commission and duly authorized for such purpose:

That the Board of Directors of the Company, in Session No. 983, held on March 16, 2021, agreed to summon the shareholders of Molibdenos y Metales S.A. to an Ordinary Shareholders' Meeting on April 20, 2021, at 4:00 p.m., by video conference or in the MolymetNos Administration Building Auditorium, located at Camino Peñuelas No. 0258, Nos, San Bernardo, to decide on the following matters:

- a) Submit for approval the Annual Report, the Balance Sheet, the Financial Statements, and the External Auditors' Report corresponding to the fiscal year ended December 31, 2020.
 - b) To submit for approval the payment of the Final Dividend N°89 of USD \$0.20 per share, to be paid on April 28, 2021.
 - c) The election of the Company's Board of Directors.
 - d) To fix the remuneration of the Board of Directors.
 - e) To fix the remuneration of the Directors' Committee and determine its budget.
 - f) To appoint the External Auditors for the 2021 period.
 - g) To appoint the Risk Classifiers for the 2021 period.
 - h) Determine the newspaper where the summons to the Company's Shareholders' Meetings shall be published.
 - i) Information on operations with related parties as provided for in Law No. 18,046 on Corporations.
 - j) To deal with other matters of corporate interest within the competence of the Ordinary Shareholders' Meeting, in accordance with the Law and the Company's Bylaws.
3. That on March 17, 2021, the following was reported as a material event, in accordance with the provisions of Article No. 9 and the second paragraph of Article No. 10 of the

Securities Market Law, General Rule No. 30 and Circular No. 660, both from the Commission, and duly authorized for such purpose:

The Board of Directors of the Company, in Ordinary Meeting No. 983, held on March 16, 2021, agreed to propose to the next Ordinary Shareholders' Meeting, to be held on April 20, 2021, to pay the final dividend No. 89, amounting to USD \$0.20 per share, on April 28, 2021, by electronic transfer or at the Company's offices, Camino Nos a Los Morros No. 66, San Bernardo, Metropolitan Region, as indicated below:

Dividends will be paid in U.S. dollars or Chilean pesos at the election of the shareholders, in accordance with the following procedure:

- a) Those shareholders who wish to receive payment of the respective dividends in dollars, must request it in writing to the Company (i) by e-mail to junta2021@molymet.cl or (ii) personally or through an authorized representative by means of a power of attorney granted before a notary public, at the offices of the Company's Share Department, located at Camino Nos a los Morros N°66, commune of San Bernardo, Metropolitan Region, in any case no later than the fifth business day prior to the date established for the payment of the respective dividend, that is, until April 22, 2021. These shareholders will receive the payment of the dividends through a deposit in the current bank account in dollars indicated in their respective communication or, in the absence of this indication, through a nominative check in dollars, in the name of the holder of the shares, as of the payment day agreed by the Shareholders' Meeting, which may be withdrawn between 9:00 a.m. and 17:00 p.m., at the offices of the Company's Stock Department, located at No. 66 Camino Nos a Los Morros, San Bernardo, Metropolitan Region, upon identification of the shareholder with his/her respective identity card. Shareholders who wish to make the collection through a representative must do so by means of a power of attorney granted before a public notary. It will be understood that those shareholders who do not request payment in dollars in the manner and at the time indicated above have irrevocably opted to receive payment in pesos.
 - b) Those shareholders who have not requested payment in dollars or who wish to receive payment of dividends in pesos, will receive payment in the equivalent local currency, according to the dollar observed on April 22, 2021, by issuing a nominative check, in the name of the holder of the shares, as of the payment date agreed by this Meeting, between 09:00 hours and 17:00 hours at the Company's offices, located at Camino Nos a los Morros N°66, commune of San Bernardo, Metropolitan Region. Notwithstanding the foregoing, those shareholders who have so requested in writing will have their dividends deposited in the current account they have indicated, on the same day set for payment by the Shareholders' Meeting. Shareholders who wish to receive the payment through a representative must do so by means of a power of attorney granted before a notary public.
4. The Ordinary Shareholders' Meeting of Molibdenos y Metales S.A., held on April 20, 2021, among other matters, resolved to renew the Board of Directors of the Company, electing Raúl Álamos L., Nicolás Anastassiou R., José Miguel Barriga G., Boris Buvinic G., Luis Felipe Cerón C., Hernán Cheyre V., Eduardo Guilisasti G., Juan Manuel Gutierrez P., Wolfgang Köck and Karlheinz Wex.

It also appointed Deloitte Auditores y Consultores Limitada, as External Auditors for the period 2021.

Subsequently, the Board of Directors in ordinary session No. 984 held today, April 21, 2021, elected the Board of Directors, which is composed by the following members:

President: Sr. Eduardo Guilisasti Gana

Vicepresident: Sr. Karlheinz Wex

At the same meeting, it was agreed by Mr. Raúl Álamos Letelier (Non-Independent Director), Mr. Luis Felipe Cerón Cerón (Independent Director) and Mr. Karlheinz Wex (Independent Director) to integrate the Directors' Committee.

5. On June 24, 2021, Molymet became aware that the Mexican National Banking and Securities Commission ("CNBV") resolved on June 23, 2021, among other aspects, the following, in connection with the application for registration of the long-term note's placement program:
 - a) To grant preventive registration in the Mexican National Securities Registry ("RNV"), according to the placement program modality (the "Program"), with revolving character, to the long-term stock certificates, to be issued by Molibdenos y Metales S.A. (the "Issuer").
 - b) The authorized amount of the Program is up to \$6,000,000,000.00 (six billion Mexican pesos 00/100 M.N.), corresponding to the national currency of Mexico or its equivalent in investment units or dollars of the United States of America. This amount is equivalent to approximately US\$300,000,000,000 (three hundred million dollars of the United States of America) as of this date.
 - c) The term for issuing Stock certificates under the Program is 5 (five) years, starting on June 23, 2021. The maturity of each issuance of Stock certificates will be between 1 (one) year and 20 (twenty) years.
 - d) The public offering of such certificates was authorized.
 - e) The amount, rate and maturity of each issue will be freely determined by the Issuer, without exceeding the authorized amount and term previously referred.
6. The Board of Directors of the Company, in Ordinary Session No. 991, held on November 22, 2021, agreed to pay an interim dividend No. 90, amounting to USD \$0.20 per share, charged to the profits of the 2021 fiscal year, which was paid on December 29, 2021, by electronic transfer or at the Company's offices, Camino Nos a Los Morros No. 66, San Bernardo, Metropolitan Region, according to the shareholders' choice.
7. On December 8, 2021, in connection with the bond placement process of Molibdenos y Metales S.A. in the Mexican market, as reported in the Essential Fact dated June 25, and in accordance with the provisions of Circular NO 1072 of the Financial Market Commission, the Company has placed in the Mexican market two lines of bonds, payable in 4 and 6 years, for a total of 4,000 million Mexican pesos, equivalent to approximately US\$ 190 million. Of the total bonds issued, approximately US\$ 120 million are payable in 4 years and the remaining US\$ 70 million in 6 years.

After the subscription of the respective hedging instruments (cross currency swap), the all-in interest rate of these bonds, in U.S. dollars, is 2.655% and 3.815% for each of the 4- and 6-year lines, respectively.

8. The Board of Directors of the Company, at its Ordinary Meeting No. 992, held on November 14, 2021, agreed to increase the capital of the subsidiary MolymetNos S.A. by up to US\$ 180 million, to be paid in cash and other assets, within a period of 3 years from this date. The capital increase of MolymetNos S.A. will take effect as of 2022, for which said subsidiary must comply with the pertinent corporate steps in due course. The Board of Directors also adopted the resolution to subscribe and make the initial payment for the shares to be issued by the aforementioned subsidiary as result of the capital increase, with all the assets, real and personal, dedicated to the industrial operation of molybdenum, rhenium and related and complementary activities, located in the area of Nos, commune of San Bernardo, Maipo province, Metropolitan Region (the "MMTNos Industrial Assets"), plus other contributions in cash, totaling approximately US\$ 85 million. Such valuation considers that the contribution of such assets will be made at their tax value, as indicated in Article 64 of the Tax Code.

The contribution of the MMTNos Industrial Assets to the subsidiary MolymetNos S.A., will be materialized once the pertinent authorizations are obtained from the SFC, country in which the company has issued bonds ("Colombia Bonds"), whose final amortization date is in August 2022. Since the company MolymetNos S.A. is directly 99% owned by Molymet, the contribution to the subsidiary, both MMTNos Industrial Assets, as well as other assets, will have no effect on the consolidated statement of income.

Material Events after December 31, 2021:

1. On January 1, 2022, part of the restructuring plan of MolymetNos was completed, as result, the parent company, Molibdenos y Metales S.A., leased the Industrial Assets to its subsidiary MolymetNos S.A., becoming the operator of all industrial activities of the "MolymetNos Plant" and therefore the employer of the workers associated with it.
2. The Board of Directors, on January 25, 2022, has approved these financial statements and authorized their disclosure.

There are no other material events to be reported by the company's management that could significantly affect the information presented.

VII. RISK MANAGEMENT

Management uses the term "risk" to refer to situations in which it is exposed to propositions that evidence components of uncertainty, classifying them according to the sources of uncertainty and the associated transmission mechanisms.

Specifically, Molymet and its subsidiaries are exposed to a set of market, financial and operational risks inherent to their businesses, where the main risks are related to the degree of exposure to the price of raw materials, market competition, credit, liquidity, interest rates, exchange rates, supply, and environmental factors.

- Market Risk:

Degree of exposure in relation to the price of raw materials.

Due to the intrinsic exposure of Molymet's business lines to the price volatility of its products, Molymet maintains a limited percentage of its sales and supply in short-term or spot contracts, keeping most of its contracts hedged through medium-term and long-term contracts.

Molymet keeps a strict control on this issue and permanently evaluates the risk of its own position of molybdenum, rhenium, and copper, in order to minimize the possible effects of abrupt variations in their international prices.

Competition in the markets in which Molymet participates.

Molymet faces important levels of competition in the markets in which it participates also in its business lines, given the other molybdenum processors in the world: Freeport McMoran and Thompson Creek in the United States, Freeport McMoran in Europe, plus other processors in Asia (mainly China).

In view of this, the company has taken measures such as the development of products with greater added value for customers, the incorporation of technological advances and the development of proprietary technologies that provide greater operational efficiency, customized service for both its toll manufacturing customers and its own sales customers, medium and long-term supply contracts to ensure Molymet's supply, and medium-term contracts with its end customers.

- Financial Risk.

The Molymet Group, through its Parent Company and subsidiaries, is exposed to the following financial risks: credit risk, liquidity risk, interest rate risk and exchange rate risk. The risks refer to situations in which there are propositions that show components of uncertainty in different time horizons.

The Company has a corporate policy of "Financial Risk Management", which always defines the purpose of safeguarding the financial stability and sustainability of Molymet and its subsidiaries, both under normal and exceptional conditions. This policy has been defined by the Board of Directors and has a simple, transparent, and flexible management structure. In general terms, this policy specifies the management guidelines defined in relation to all those components of financial uncertainty that have been proven to be relevant to the operations of Molymet and its subsidiaries, as well as

determining how the Group is organized for such purposes. In addition, Management exercises permanent monitoring and evaluation of market variables to define the hedging strategy.

Credit Risk.

The concept of "credit risk" is used by Management to refer to the financial uncertainty, at different time horizons, related to the fulfillment of obligations subscribed by counterparties, at the time of exercising contractual rights to receive cash or other financial assets.

In relation to the credit risk originated by financial activities, which include deposits in banks and financial institutions, derivative instruments and others, the Company has a "Counterparty Risk Policy", which aims to mitigate this risk. This policy considers: 1) counterparties with investment grade ratings granted by the Risk Rating Agencies, 2) minimum liquidity and solvency ratios, and 3) maximum limits per institution.

The credit risk arising from the Company's commercial activities is related to the ability of customers to meet their contractual commitments. The Group has a "General Customer Evaluation Policy", where terms and maximum monetary limits are determined to conduct commercial activities. In addition, Molymet has contracted insurance policies to reduce the risk of credit sales.

Liquidity risk.

The concept of "liquidity risk" is used by Management to refer to that financial uncertainty, at different time horizons, related to the ability to meet the net cash requirements that support its operations, both under normal and exceptional operating conditions.

Due to the nature of the business, Molymet requires liquid funds to meet the working capital needs derived from the operation, investments in projects and maturity of debt and financial interest.

To meet financing needs, the company has committed and uncommitted lines of credit in various banking institutions.

Given the good practices that the company has implemented in its internal financial policies, Molymet currently has a BBB (Fitch Ratings) and BBB- (S&P) rating in the international market, an AAA rating (Fitch Ratings and HR Ratings) in the Mexican market, an AAA rating (Fitch Ratings and HR Ratings) in Colombia, and an AAA rating (Fitch Ratings and HR Ratings) in the domestic market, in Colombia with an internal rating of AAA (Fitch Ratings) and in the domestic market with an AA rating (Fitch Ratings and Feller Rate), which meets Molymet's objectives in terms of credit rating, which aims to maintain its Investment Grade status in the international market, i.e., equal to or higher than BBB-; and a rating equal to or higher than A in the domestic market.

99.70% of the company's debt is denominated in functional currency, i.e., U.S. dollars.

Interest rate and exchange rate financing risk.

As part of the policy to mitigate liquidity risk, the company takes on debts through bond issues and bank loans. These liabilities may be contracted at fixed or variable rates and/or in currencies other than the functional currency. As part of the "Financial Risk Management Policy", hedging is conducted through cross currency swaps for all long-term liabilities in currencies other than the functional

currency. The purpose of this is that the liabilities do not generate currency risk or rates that are not related to the functional currency.

The interest rate structure of the Group's debt is managed to reduce the financial cost, being permanently evaluated in the face of probable rate scenarios. Currently, 100% of the debt is in fixed rates.

Exchange rate risk.

The U.S. dollar is the functional and presentation currency of the Parent Company's financial statements, since it is the relevant currency for most of the Group's operations. The risk arises from the probability of fluctuations in the exchange rates of currencies other than the functional currency in which the Group conducts transactions and/or maintains balances. The potential exposures to exchange rate risk are of diverse types, among which are included,

- a. Exposure from conversion at closing exchange rates of financial assets and liabilities in currencies other than the functional currency.
- b. Exposure for income and expense transactions denominated in currencies other than the functional currency of each subsidiary's operations.

The main currencies on which the exchange rate risk is managed are the Chilean peso (CLP), the Unidad de Fomento (UF), the Euro (EUR), the Mexican peso (MXN) and the Yuan (RMB).

Molymet and its subsidiaries mitigate the risk based on the "Financial Risk Management Policy" and implement it through natural hedges or by contracting derivative instruments.

- **Operational Risk**

Molymet, for its molybdenum and rhenium businesses, does not have mines and its supply depends on contracts with different suppliers.

Molymet does not have mining deposits with which it can supply its molybdenite needs, which represents a risk if a supply contract is not renewed, or the supplier decreases the quantities supplied.

In the face of this, Molymet has been able to develop strong relationships with its suppliers and contracts that allow it to maintain an assured supply for extended periods. These contracts are mainly long-term.

Risk associated to environmental factors and the relationship with the community.

Molymet's operations are regulated by environmental standards in Chile and in other countries where it operates, so the company has developed control policies to avoid non-compliance with these standards, since they could affect the company's operations. This strict environmental policy that Molymet applies in all its subsidiaries has been maintained to date and has been adjusted to the needs of the different production scenarios and environmental requirements to which the company's environmental management and performance are subject.

It should be noted that Molymet continues to actively participate in the environmental monitoring plans required by the authorities.

At the same time, Molymet continues to invest in the renewal and updating of emission control equipment.

Molymet maintains proactive relations with neighboring communities and institutions that represent it, permanently conducting CSR projects that directly benefit the organized neighboring community.

Epidemics, pandemics, and other infectious diseases

Any outbreak of any virus, such as the new Coronavirus (or COVID-19) that was originated in Wuhan, China in late 2019, or the recurrence of the outbreak of avian influenza, AH1N1 influenza, severe acute respiratory syndrome (SARS) or other adverse public health-related events around the world, could have a material adverse effect on our business, as it could lead to the implementation of additional restrictive public health measures, such as quarantines, which could eventually adversely affect our business and results of operations.

As of the date of presentation of this Reasoned Analysis, there is uncertainty about the future economic environment in international markets, as well as the development of restrictive actions that governments around the world are taking to combat the public health situation posed by the Coronavirus. Such uncertainty could have a negative impact on our business and results of operations, including costs and the possibility of not meeting commitments and obligations. Economic slowdown, or negative global economic effects from the already declared pandemic that has spread worldwide, combined with fluctuations in commodity prices, and monetary policy uncertainty, would exacerbate the adverse effects of these complicated economic and market conditions on our business and other industry participants. Government actions include or may include the mandatory or voluntary closing of plants and facilities for indefinite periods of time, as well as the imposition of other restrictive measures beyond our control that could be disruptive and affect our operations and results, as well as those of our suppliers, customers, and other downstream participants.

In the financial area, Molymet has a comfortable liquidity position, so there are no significant financial effects because of the COVID-19 Emergency.

In the operational aspect, the necessary measures are being taken to protect people, for which a Crisis Committee has been organized, whose objective is to adopt measures to maintain the operational continuity of the company, both in the productive and commercial aspects, and to organize the work by shift systems, or remotely for those tasks that are not essential to be present. On the other hand, Molymet has taken actions to help the community to face this crisis through daily sanitation programs in the streets of the surrounding communities, on-line training to teach neighbors how to apply for competitive funds, and donation of boxes of solidarity merchandise, disinfectant liquid, and masks for urgent cases.

Molymet considers that the following are the main risks that could affect its ordinary course of business because of the COVID 19 Emergency:

- a. Disruptions in the supply chain of molybdenum concentrates as result of reduced activity or mine closures. To mitigate this risk, Molymet has significant inventory levels and a solid liquidity position that should allow to face the current business interruption scenario such as mine closures for a period of one or two months.
- b. Logistical problems and shipping delays. To mitigate this risk, Molymet has a unique geographic diversification in the industry, with production plants and commercial

offices around the world, as well as long-term relationships with shipping companies, external warehouses, and commercial agents, which gives the company a high flexibility to face these potential contingencies.