



19

Annual report 2019

**Salmones
Camanchaca**

Salmones Camanchaca aim is to be a leader in efficient and sustainable salmon operations, a driver of change in the industry and to play our part in providing healthy food and nutrition to the world's population.

Jorge Fernández García
Chairman



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— 01 —

A Word from our Chairman



Atlantic salmon,
Salmones Camanchaca

1.1 

A word from our Chairman

"We reached the end of this period with excellent news. We achieved a record harvest volume of 58,033 tons WFE, an increase of nearly 20% compared to the previous year"

"The Company benefited from its market and product diversification strategy, which enabled it to commercially manage and develop its most important markets, such as the United States, Mexico and Japan"



DEAR SHAREHOLDERS,

Salmones Camanchaca developed a comprehensive investment program during 2019, with the clear objective of achieving progress towards sustainability, efficiency and value creation for our shareholders. These investments focused on expanding and modernizing our productive infrastructure, particularly primary and value-added processing plants and farming site infrastructure, which includes all the assets required to produce Pacific salmon (Coho).

We reached the end of this period with excellent news. We achieved a record harvest volume of 58,033 tons WFE, an increase of nearly 20% compared to the previous year. This was due to a historic fourth quarter, when we achieved a total harvest volume of 24,100 tons WFE. The total harvest volume comprised around 54 thousand tons of Atlantic salmon, complemented by 4 thousand tons of Coho salmon. The production is consistent with the strategic plan presented during the Company's listing on the stock market in 2018. This is very important and proves our ability to execute our plans, which have created value for our shareholders and consolidated Salmones Camanchaca as a principal benchmark within the industry.

The Company has great potential to grow organically, due to the recovery of previously leased farming sites. Accordingly, the total harvest volume for 2020 is estimated to be between 60 and 62 thousand tons WFE, which would be a 5% increase over 2019. This would leave us in a very good position to achieve our medium-term growth plans, and eventually achieve a harvest volume of between 75 and 80 thousand tons.

We must not lose sight of the fact that our business operates in an environment where salmon competes with other proteins and sudden variations in supply and demand can generate significant price fluctuations. Therefore, we are committed to achieving cost leadership. The ex-cage

cost of live Atlantic salmon was USD 3.22/Kg in 2019, which was 16 US cents higher than in 2018. This is mainly explained by harvesting two sites with low stocking density for this cycle only, and challenging algae and oxygenation conditions during the first few months of 2019, which affected growth and consequently costs for the first half of the year.

During 2019, we relocated and centralized the Company's support services to Tomé, which has concentrated operational support functions in one place and resulted in efficiency improvements and lower costs.

Revenue for 2019 was USD 339 million, representing sales growth from the company's own farmed salmon of 7% compared to 2018. The Company benefited from its market and product diversification strategy, which enabled it to commercially manage and develop its most important markets, such as the United States, Mexico and Japan.

The Company presented its sustainability model in 2019, and its three main objectives are to provide a broad conceptual framework that enables it to consistently address the environmental and social challenges facing the business, now and in the future; to structure its sustainability priorities and objectives, based on clear strategic pillars, that produce effective communication and management; and drive cultural change throughout its employees, so that sustainability becomes an essential factor that guides behavior and ensures compliance with defined policies.

Consequently, we have created the new dedicated Sustainability Department, which has sufficient resources to provide the leadership required for this key role at Salmones Camanchaca. A remarkable example was the first Capital Market Day in Oslo, when the Carbon Neutral Commitment by 2025 was announced, making us the first salmon farming company in Chile to take on a challenge of this magnitude.

"The Company presented its sustainability model in 2019, and one of the main objectives is to provide a broad conceptual framework that enables it to consistently address the environmental and social challenges facing the business, now and in the future"

The Salmones Camanchaca sustainability model is aligned with the 17 United Nations Sustainable Development Goals (SDG), which aim to influence policies and regulations in each country and the behavior of the private sector. Our Company pays special attention to the aquatic life objectives, as Salmones Camanchaca's business takes place in this environment.

The concern for preserving and caring for the environment is currently greater than ever, especially when society cares whether companies behave responsibly and respectfully towards local communities. People are increasingly connected and empowered, so it is essential to focus on reducing gaps and identifying solutions to current challenges.

Last year we were particularly concerned about the sustainability of our business and focused on relationships with local communities. We will continue that objective in 2020, while strengthening the relationship with our employees, to ensure they feel proud of belonging to this world-class company.

2019 was also a year of changes and social unrest in Chile. Accordingly, management has prioritized intensive dialogue with our employees,

through discussions and relationship building events, with the aim of talking about the situations that affect them and discovering their main concerns and fears. This information allows us to improve our contributions based on specific plans to resolve the problems that affect them.

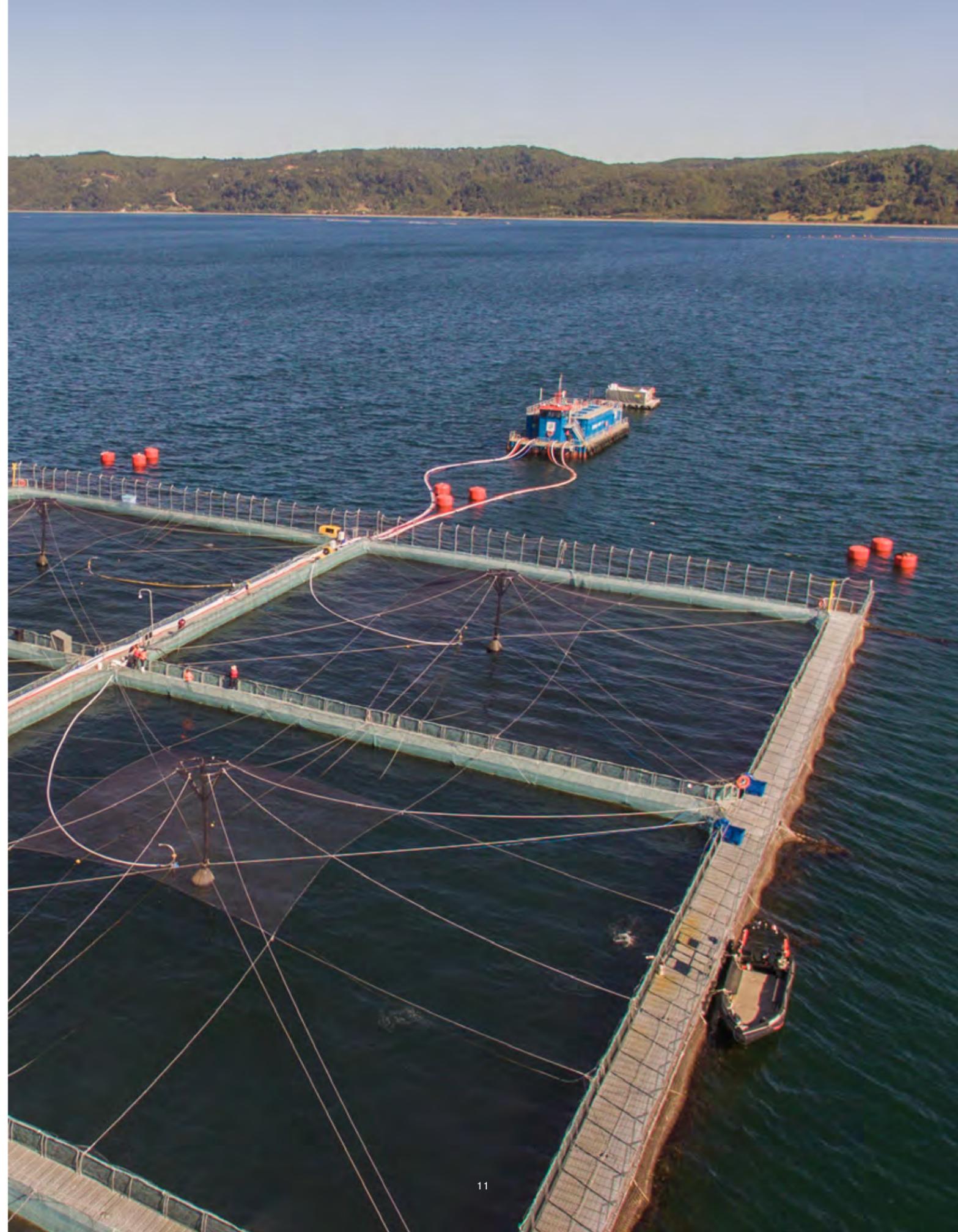
Salmones Camanchaca strives to treat everyone with respect and dignity, by establishing policies that promote the integral development of each employee. Our products contribute to improved food and nutrition for consumers in all our target markets. This commits us to continue innovating and adapting all the time, while certifying that our business meets strict sustainability criteria and standards that are communicated to all our stakeholders.

In closing, I would like to thank our employees, suppliers, customers and management for their hard work this year, since all the milestones achieved in 2019 would not have been possible without their commitment and dedication to make Salmones Camanchaca a great company.

Yours sincerely,



Jorge Fernández García
Chairman Salmones
Camanchaca S.A.



The company at a glance

Salmones Camanchaca is a Chilean producer of quality salmon in harmony with the environment. With more than 30 years experience it has developed a strategic position in more than 50 international markets.

Productive Assets

3 Freshwater hatcheries for Atlantic salmon

Genetics in Polcura,
Broodstock in Río el Este
Hatchery & nursery in Río Petrohué

2 Hatcheries for Trout and Coho

Hatchery in Purranque
Freshwater in Lago Llanquihue

74 seawater aquaculture sites

22 in use for Atlantic salmon
4 in use for Coho salmon
7 used by the Trout joint venture

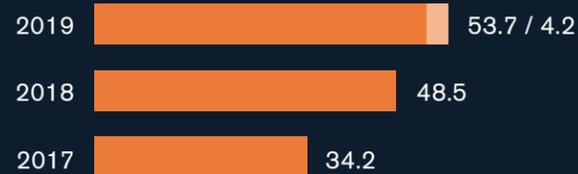
3 processing plants

Primary processing in Calbuco
Primary processing in Quellón
Value added processing in Tomé



Salmonids harvest volume

in thousand MT



● Atlantic ● Coho

Sustainability goals

Carbon neutral

100% in 2025

Antibiotic use reduction

50% by 2025

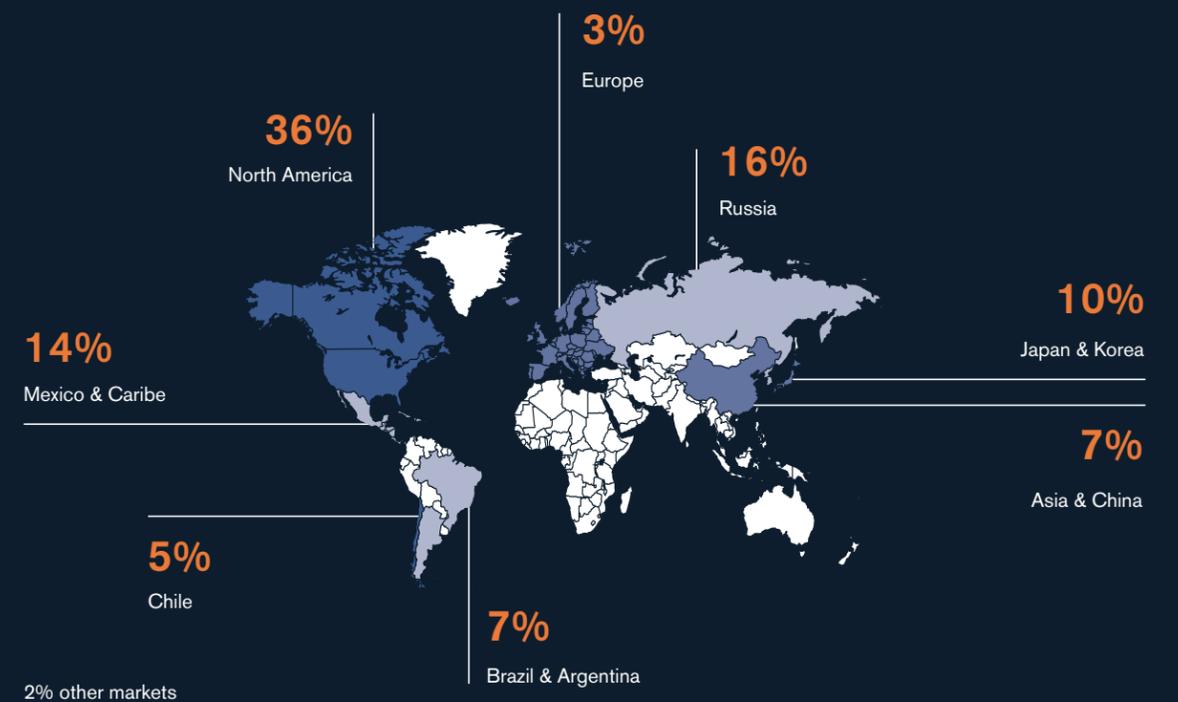
Integrated value chain

The company is present in all parts of the salmon production cycle from eggs to harvest and marketing

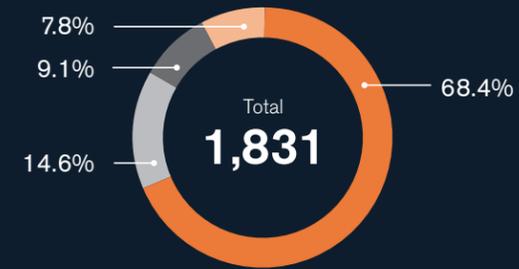


Total sales of USD 339 million

% of exports based on sales value



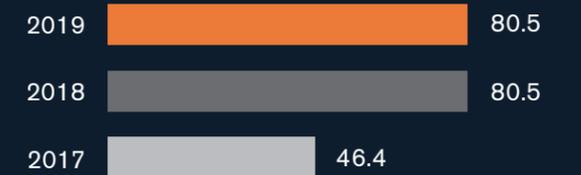
Number of employees



● Processing ● Seawater ● Genetics & Freshwater
● Sales & Support functions

EBITDA

in million USD



Board of Directors' Report



3.1 

Financial results

Salmones Camanchaca S.A. is a vertically integrated salmon producer engaged in egg and breeder production, recirculating hatcheries for Atlantic salmon and pass-through hatcheries for other species, fish-farming sites in estuary and oceanic waters used mainly for Atlantic salmon, primary and secondary processing, marketing and selling Atlantic and for Coho salmon. Markets for sales of Atlantic salmon are led by the USA, Japan, Brazil, China, Mexico, Russia, and Argentina, while for Coho the main market is Japan.

The Company's Atlantic salmon farming business has an estimated harvest between 55 and 58 thousand tons WFE for 2020-2021, to which it added 4 – 5 thousand tons WFE of Coho salmon as from 2019.

Salmones Camanchaca currently participates in trout operations through a joint venture with a third-party operator where it has a 1/3 share of the results. Farming takes place at Salmones Camanchaca own estuary fish-farming sites. The joint ventures has three remaining years to run and an estimated average annual harvest volume of 12 thousand tons WFE. Overall production of all salmonid species at its own farming sites is expected to reach around 75,000 tons WFE in 2023.

The Company has around 1,500 employees on average, 60% of whom work in its secondary processing and value-added plant.

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

- 1. The price of Atlantic salmon**, which is very sensitive to Norwegian and Chilean supply conditions, and the exchange rates of its main trading partners;
- 2. Sanitary conditions for Atlantic salmon**, which affect conversion factors, the use of pharmaceutical and mechanical means to improve fish health and welfare and the final biomass across which costs are allocated.
- 3. Feed costs**, which accounts for about half the unit live fish (ex-cage) cost.

Salmones Camanchaca harvested 58,033 tons of salmonids during 2019, an increase of 19.7% over 2018 and it's the company's historical highest volume, progressing with the growth plan set by the company.

Atlantic salmon full year harvest volume was 53,731 tons WFE, an increase of 10.8% over the 48,496 tons WFE from last year. Additionally, Salmones Camanchaca had its first production of Coho in 2019, harvesting during the year a total volume of 4,302 tons WFE.

Total volume sold in 2019 was 55,411 tons, 10.8% higher than the 50,032 tons sold in 2018.

Operating revenue for 2019 was USD 339 million. The increase in sales volume, more added value in products and greater diversification in markets, partly offset the lower market prices, increasing revenues by 2.9% compared to 2018. Excluding sales in 2018 from raw materials purchased from other producers of USD 12.6 million, the growth in revenue from own sales is 7%.

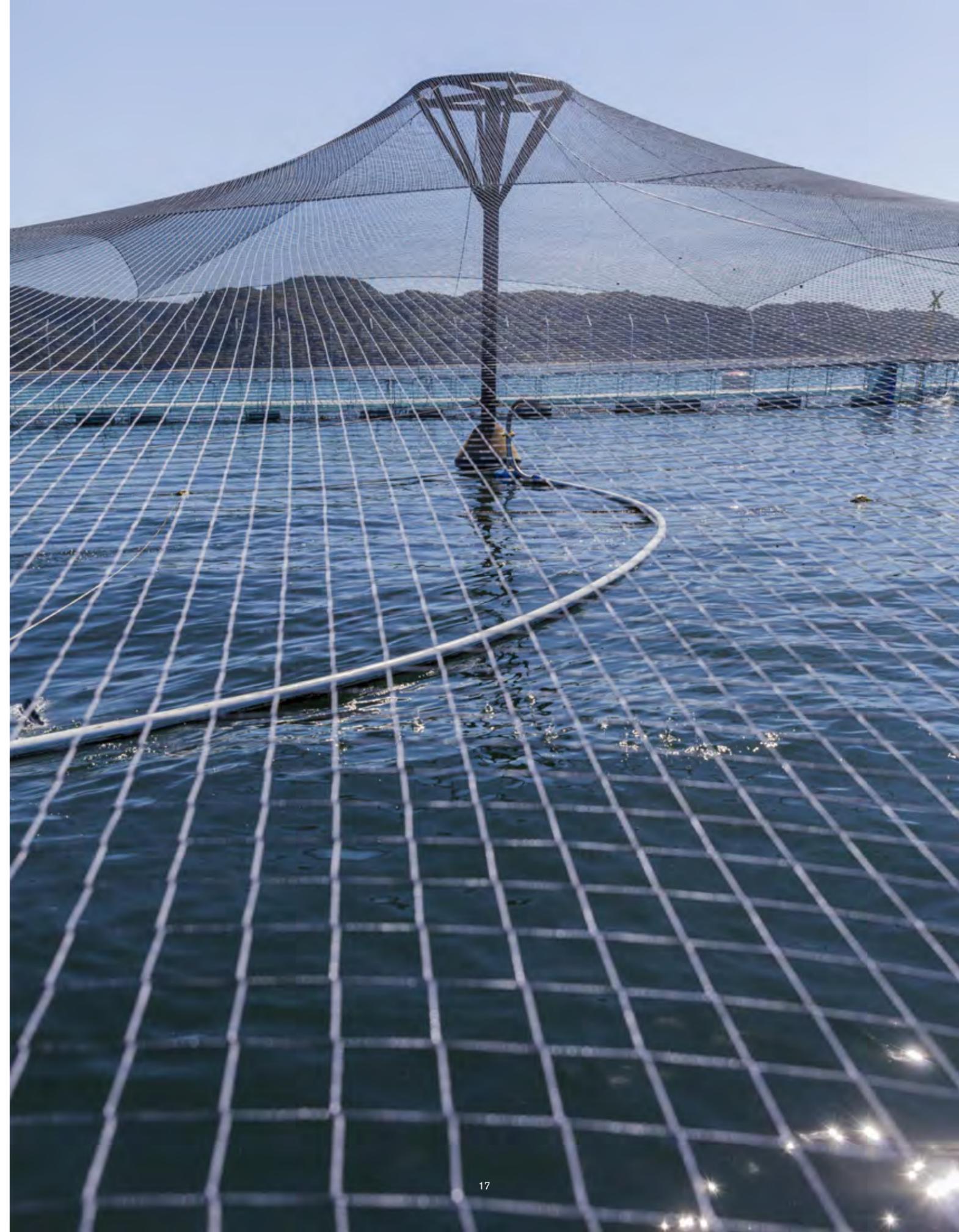
Live fish (ex-cage) cost in 2019 was USD 3.22 per kg, 7% higher than the long-term target of USD 3,0 and in line with forecasts at the beginning of the year, due to the effects of oceanographic events in the first half of the year resulting from algae problems and low oxygen levels, a low scale of operations in the second quarter, and harvests from low-density seawater sites. These challenges were not relevant during the second half of the year. Thus, the gross profit, USD 85.5 million was USD 4.4 million lower than 2018.

Administrative expenses as a percentage of operating revenue decreased from 3.7% in 2018 to 2.9% in 2019, while distribution and sales expenses as a percentage of operating revenue fell from 2.6% to 2.4%. Consequently, the Company's combined administrative and distribution costs represented 5.3% of operating revenue during the year, lower than the 6.3% for 2018. Administrative expenses decreased by USD 2.2 million during 2019, due to savings following structural adjustments at the end of 2018.

EBIT¹ for 2019 was USD 67.5 million, 2.5% below the USD 69.2 million achieved in 2018, due to the combination of lower market prices and higher production costs in the first half of the year, caused by a smaller scale of operations, poor oceanographic conditions and low densities at two seawater sites, which did not apply in the second half of the year.

EBIT/Kg WFE full year 2019 for Atlantic salmon was USD 1.28, which is below the USD 1.38 achieved in 2018. The decreased sales prices and increased production cost were compensated by lower processing cost from higher volumes and lower administrative and sales expenses.

¹ Improvements were made to the fair value calculation of biological assets with effect from 2019 and on a comparative basis for 2018, in accordance with the definition in IAS 41. All biomass in the sea is now valued at fair value and not just fish weighing over 4 kg for Atlantic salmon and over 2.5 kg for Coho salmon. For more detail, see Note 3 of the financial statements - Changes in accounting policies and estimates.





Net financial expenses were USD 4.7 million during 2019, compared to USD 6.4 million during 2018, a decrease of USD 1.6 million, caused by losses on foreign exchange hedge transactions in 2018, and by lower interest rates in 2019. These effects offset the higher average debt in 2019.

Other income (expense) amounted to a loss of USD 6.7 million, which includes a loss of USD 2.5 million from the trout joint venture, due to maturity and color problems that reduced the market value of its inventories, compared to a profit of USD 2.9 million in 2018. These maturity problems were resolved during the 2019-2020 season. Furthermore, a loss of USD 2.6 million arose, due to extraordinary mortality not covered by biomass insurance following oxygen depletion events that occurred between February and April 2019. The difference of USD 1.6 million is write off and sales of assets replaced.

Net income before tax reached USD 57.2 million in 2019, 14.7% lower than the USD 67.0 million achieved in 2018. Net income after tax is USD 42.4 million in 2019, 14.2 % lower than the USD 49.3 million achieved in 2018.

Operating cash flow was USD 17.6 million, compared to USD 57.3 million in 2018. The variance is due mainly to the increase in trade receivables by year end, resulting from the high sales volume in the last quarter of the year.

Net cash flow used in investing activities totaled USD 40.4 million for the period, USD 8.6 million higher than the previous year, and consistent with the investment plan that supports the Company's growth for 2019-2021, which includes new Atlantic and Coho salmon farming sites, and improvements and automatizations in the processing plant.

The net cash flow obtained from financing activities, reach USD 24.2 million in 2019, compared to the negative USD 12.4 million in 2018, from the use of syndicated credit and short-term bilateral loans, for a total of USD 48 million net offset by the payment of dividends of USD 23.8 million, USD 20.4 million higher than 2018.

Thus, the cash balance as of December 31, 2019 was USD 13.9 million. The Company's total assets increased by 20.1% or USD 68.1 million to reach USD 407.7 million in 2019. This growth is attributable to an increase of USD 47.4 million in current assets and USD 20.7 million in non-current assets.

Total current assets were USD 281.3 million, and the strong increase of 20.3% above 2018 is mainly due to the higher value of trade receivables of USD 26 million reflecting the higher volume sold in Q4 2019, an increase of USD 11.0 million in biological assets, and the increase

in inventories of USD 10.0 million as a result of higher production in Q4 2019. The Company's finished product inventory valued at cost as of December 31, 2019 was USD 32.9 million, equivalent to 3,895 tons of finished product.

Non-current assets increased by 19.6% or USD 20.7 million to USD 126.5 million, mainly due to a USD 20.7 million increase in property, plant and equipment under the investment plan executed this year.

In the other hand, current liabilities increased by 4.5% or USD 4.1 million, primarily due to an increase in financial liabilities for short-term debt of USD 8.1 million, together with an increase of USD 1.4 million in current payables, which was mitigated by a reduction of USD 6.5 million in current tax liabilities.

Non-current liabilities increased by 69.5% or USD 44.1 million to USD 107.5 million, due to an increased draw down of USD 40 million of the syndicated long-term loan. As of end of December 2019 USD 94 million of the USD 100 million facility is used, mainly to finance the Company's investment, growth plan and temporary working capital. The latest driven by high sales during the last quarter of 2019. As a result, net financial debt increased by USD 47.4 million to USD 84.5 million.

The Company's equity increased by 10.8% or USD 19.9 million compared to December 31, 2018 to reach USD 203.7 million, which is in line with its increase in earnings, net of paid and accrued dividends.

OUTLOOK

Global Atlantic salmon supplies grew by 4% in 2019, with slower growth forecast for 2020. Therefore, there are no expectations of global changes that might alter current price trends, where demand is growing a slightly faster than supply. According to the same source Chilean supply grew nearly 17% in 2018. The growth in 2018 was the result of an abnormally low base in 2017, without significant growth in Chile's potential capacity. For 2019 Chilean industry growth was estimated at 4%. Global supply is expected to grow by 4% in 2020, and by 5% in Chile².

A significant part of the operating cash flow in 2018 and 2019 was used to invest in farming and processing assets and to grow the biomass, in order to support the forecasted harvest volume for the next few years. This is around 56,000 to 57,000 tons WFE of Atlantic salmon in 2020 and 4,500 to 5,000 tons WFE of Coho salmon, and similar figures for 2021 and 2022. The total harvesting capacity at farming sites owned by Salmones Camanchaca also include the harvest volume at sites leased for Trout and Atlantic salmon farming, which in 2019 was 8,500 tons

² Source: all data and projections from Kontali

58,033

Harvest volume
(WFE tons)

69%

Sales of value added products
(WFE tons)

1.28

Atlantic EBIT / Kg

50%

Equity ratio

1.05

NIBD / EBITDA
last 12 months

WFE. The estimated harvest volume in 2020 is around 56,000 to 57,000 tons WFE of own Atlantic salmon, around 5,000 tons WFE of Coho and around 12,000 tons WFE of trout from the joint venture. This is around 72,000 to 74,000 tons WFE in total. The trout farming joint venture is operated by a third party, and Salmones Camanchaca is entitled to one third of the result. This operation is effective until 2022 and its results are reflected as Other income in the statement of net income.

MAIN RISK FACTORS

The main risks and uncertainties to which the Company is exposed are: Phytosanitary Risks; Natural Risks; Product Sale Price Risks; Purchase Price Risks; Regulatory Risks; Liquidity Risk; Interest Rate Risk; Foreign Exchange Risk and Credit Risk. Chapter 8 of this annual report describes each of these risks in more detail.

CORONAVIRUS PANDEMIC

At the time of the release of this 2019 Annual Report, coronavirus pandemic is having a global impact. Salmones Camanchaca's priority is the protection of our employee's health, and the operational continuity under restrictive conditions. The full medium- and long-term implications of the coronavirus pandemic remain uncertain. The situation is monitored closely and will continue to take all possible mitigation actions.

NATIONAL CONTINGENCY

During the month of October 2019, a series of social protests took place at national level, which impacted the normal functioning of the cities. In this context, measures were taken to ensure the safety and integrity of employees and operational continuity, such as, for example, support with means of transport and access, activities in the working sites and the logistic processes of export and sale.

Additionally, conference forums were carried out that involved the entire organization, with the aim of talking and listening to the employees and thus learning about the different personal situations and their concerns, which were also validated through the application of a diagnostic survey.

GOING CONCERN

The Board of Directors confirms that the financial statements have been prepared under the assumption that Salmones Camanchaca is a going concern and that that assumption is justified based on the Company's reported results, business strategy and financial position.

PERSONNEL

Work environment

The Company fosters a positive work environment, and that becomes the basis for a good professional performance of the employees who belong to the different business units and creates a space for innovation, leadership and job development. Being able to maintain good relationships based on cooperation, collaboration, respect for the other, will continue to be the guidelines of Salmones Camanchaca.

Every year measurements of the work environment are carried out, which allow identifying areas for improvement and actions that positively impact the lives of employees. For the above, different techniques are applied such as anonymous surveys or focus groups, which allow identifying how these variables behave year by year.

It is important that employees feel that in Salmones Camanchaca there are spaces to create, innovate and improve daily processes. Leadership is encouraged on a daily basis to promote this development, to motivate teams and to consider the different ideas that emerge from these processes. The purpose is that employees take the Company's challenges as their own, meet their goals and create the conditions so that they can make their own decisions and that work teams become increasingly autonomous. Communication between the different areas is essential so that events are anticipated, they know the different stages of production and everyone feels part of a complete chain that must be connected to add more value day by day.

The following is a comparative table with the latest measurements of the working environment.

% Satisfaction (work environment)



The results are reviewed to visualize the variations and identify the events during the period that may have enhanced or affected the working environment. Considering the above, the dimensions are evaluated and work is carried out the following year on those areas with opportunities for improvement.

Due to the above, during 2019 Salmones Camanchaca continued developing initiatives aimed at generating a culture of continuous improvement at all stages of the production cycle, through efficiency, sustainability, the commitment of its employees, respect for diversity and the rights of all who make up this Company.

To comply with the above, the following initiatives were implemented this year:

- Workshops on Human Rights, considering the concepts that are applied in the different productive units
- Actions aimed at increasing the female staff, through a greater job offer in different positions in the Company
- Design and implementation of training and talent retention programs to reinforce the talents, skills and competences of employees
- Normative, technical and soft skills courses to develop comprehensive professionals in their management, efficient, empowered and oriented to continuous improvement
- Implementation of new systems that seek to generate operational improvements



Security and Health at Work

Salmones Camanchaca's main capital is its people. For this reason, actions are permanently carried out to improve their well-being, developing this way a culture of preventive measures and the strengthening of self-care, which translates into a permanent and systematic improvement in the management indicators and the fulfillment of the objectives.

It highlights an important interest in maintaining the best sanitary and environmental conditions in workplaces, to promote quality of life, unity, leisure, recreation, and thus achieve the productive levels set by the Company.

The main executives of Salmones Camanchaca promote an open-door policy, close to their employees, promoting among them a culture of safety and health at work. The security and health work policy assigns to managers the responsibility of delivering well-defined, clear and precise operating procedures to their workers; a permanent, structured and systematic control of the way of working, creating in this way safe environments that avoid conditions that can create risks. In addition to these functions, it is their responsibility to permanently train the teams and inform them about the risks of their activities, assuming a proactive leadership style.

The Company ended 2019 with an accident rate³ of 3.3%, compared to 2018, which reached 2.5%. Meanwhile, the Company's lost days totaled 502 in 2019, 100 days more than the previous year. The above influenced the accident rate⁴ that closed the year with 32.3, a figure higher than that of 2018, which was 30. The variance of both rates was due to an increase in the accident rate in the processing plant, as a result of the increase in production activities, which brought with it a larger work force.

The absenteeism rate in 2019 was 3.48%, hardly reflecting a variance with 3.49% from the previous year.

Diversity and Equal Rights

Hiring decisions are made based on the skills, preparation, and experience needed for each job. In the same spirit, employee evaluations and promotions are based on merit, performance and meeting of targets.

The Company's employees are crucial to its success. For this reason, Salmones Camanchaca promotes their development in order to improve and strengthen their skills and competitiveness, giving priority to internal promotions.

Salmones Camanchaca S.A., seeks to uphold the following standards in its workplace relations:

- An environment in which its employees can carry out their duties and develop based on their effort, merit and performance.
- Spaces for dialogue where each individual can respectfully express their professional opinion, even if it differs from their supervisor's opinion, all in benefit of Salmones Camanchaca S.A.
- Relations that discourage any type of abuse, including sexual harassment and/or abuse. This is notwithstanding any applicable laws, which govern the conduct of all employees.

- Treatment that does not discriminate based on race, religion, gender, age or other factors.

As of year-end 2019, Salmones Camanchaca had 463 female employees, representing 25% of its total workforce, three percentage points more than in 2018.

At the end of 2019, and consistent with 2018, 38 women held department head (professional) and executive positions, as a result of ongoing efforts to provide equal opportunities for advancement within the Company. Thirty-seven women held such positions in 2017.

As part of the Company's procedures to guarantee pay equality and transparency, it has a Compensation Policy that defines wage levels for each position based on its value and competitiveness in the market, independent of gender and any other legally protected category, making the achievements of the employees, the market, inflation and the Company's results the key factors that impact employees' economic development.

Chapter 5 of this annual report describes the Company's management and personnel in more detail.

SUSTAINABILITY

During 2019, Salmones Camanchaca began a review of its sustainability strategy, in light of the major trends and challenges facing the planet.

Climate change, the growing awareness and concern for the care of the oceans, the scarcity of natural resources, are among other major trends and challenges. This process led the Company to examine its corporate sustainability priorities with the aim of establishing a workplan that allows prioritizing efforts, aligning the organization and establishing medium and long-term commitments with real impact for the business, the environment and stakeholders.

From this analysis process, Salmones Camanchaca identified and prioritized, the main issues that must be managed. These were grouped into five strategic pillars that form the basis of the new sustainability model.

Chapter 8 of this annual report describes this program and its activities in more detail.

³ Calculated as (Nr of accidents with lost time/Average annual employees) x 100

⁴ Calculated as (Annual number of lost days/Average annual employees) x 100

3.2

Corporate governance

The Company's highest decision-making authority is the general shareholders' meeting (the "General Shareholders' Meeting"). In accordance with Chilean law and the Bylaws, all shareholders in the Company are entitled to attend, or be represented by proxy, and vote at the General Shareholder Meetings of the Company.

The overall management of the Company is vested in the Board of Directors and the Management. In accordance with Chilean law and the Bylaws, the Board of Directors is responsible for, among other things, supervising the general management of the Company's business, ensuring proper organisation, preparing plans and budgets for its activities and to ensure that the Company's activities, accounts and assets management are subject to adequate controls and undertaking investigations necessary to perform its duties. Also, the Board of Directors may exercise all powers of the Company not resolved to the General Shareholders' Meeting pursuant to the Bylaws or Chilean law.

The Bylaws provide that the Board of Directors shall consist of five members. The Directors are elected by the shareholders at the relevant annual ordinary general shareholders' meeting or any extraordinary general shareholders' meeting called for that purpose.

The Board of Directors has one sub-committee, being the Directors Committee.

The current members of the Directors Committee are Joaquin Villarino Herrera (Chairman), Tore Valderhaug and Rodrigo Errázuriz Ruiz-Tagle.

The primary purposes of the audit committee are to act as a preparatory and advisory committee for the Board of Directors in questions concerning accounting, audit and finance, as well as risk management. The audit committee reports and makes recommendations to the Board of Directors, but the Board of Directors retains responsibility for implementing such recommendations.

The Company's chief executive officer ("CEO") is responsible for the day-to-day management of the Company's operations in accordance with Chilean law and has the power conferred upon him or her by the Board of Directors. In accordance with the Bylaws, the Company's CEO will act as the secretary to the Board of Directors and in accordance with Chilean law he or she must also brief the Board of Directors about the Company's activities, financial position and operating results on a regular basis.

IMPLEMENTATION AND REPORTING ON CORPORATE GOVERNANCE

As a company incorporated in Chile, the Company is subject to Chilean laws and regulations. In addition, as a consequence of being listed on the Oslo Stock Exchange, the Company must comply with section 3-3b of the Norwegian Accounting Act, certain aspects of the Norwegian Securities Trading Act and is also obligated to adhere to the Norwegian Code of Practice for Corporate Governance dated 17 October 2018 prepared by the Norwegian Corporate Governance Board (the "Code of Practice") on a "comply or explain" basis. Further, the Company's Bylaws set forth certain governance provisions. The Norwegian Accounting Act is found on www.lovdata.no and the Code of Practice is found on www.nues.no.

The Company is committed to good corporate governance and has therefore adopted and implemented a corporate governance regime which seeks to comply with the Code of Practice. However, since the Company is governed by Chilean laws and regulations, some of the Company's governance principles deviate from certain of the recommendations of the Code of Practice. The Board of Directors shall provide an overall overview of the Company's corporate governance in the Company's annual report. The review shall include each individual point of the Code of Practice. If the Company does not fully comply with the Code of Practice, this shall be explained in the Company's annual report.

SECTION 2: BUSINESS

The Company's business shall be clearly described in the Bylaws in order to provide shareholders with sufficient information to anticipate the scope of the Company's activities and risk profile. The operations of the Company shall be in compliance with the purpose set forth in the Bylaws.

The purpose of the Company is: a) the activity of aquaculture in general and, in particular, the breeding, production and nursing of salmon, trout and other salmonids as well as all kind of species, beings or organisms that have the water as their normal or more frequent natural environment, including the investigation and development of the genetics of Salmonids, and the industrialization, processing, elaboration, cooling, freezing, drying, packing, packaging, transporting and marketing of the products, byproducts and derivatives of the aquiculture activity, all as principal and also providing services to third parties in the activities mentioned above; and b) the investigation and development, production and manufacture of raw materials, machines, elements and materials for the activity of aquaculture, all for its own industry and for their marketing to third parties.

The Company will implement guidelines that explain how it integrates considerations related to its stakeholders into the Company's value creation, focusing on human rights, employee rights and social matters, the external environment, the prevention of corruption, the working environment, equal treatment, discrimination and environmental impact. The guidelines shall be adapted to the stakeholders affected by the Company's operations and shall relate to the Company's value creation.

SECTION 3: EQUITY AND DIVIDENDS

The Board of Directors is responsible for overseeing that the Company is adequately capitalized relative to the risk and scope of operations and that the capital requirements set forth in applicable laws and regulations are met. The Company shall have a capital structure that is appropriate to its objectives, strategy and risk profile. The Board of Directors continuously monitors and evaluates the Company's capital situation and will promptly take appropriate steps if the Company's equity or liquidity is less than adequate. The Board of Directors has drawn up a clear and predictable dividend policy which is included in the Bylaws. Dividend payments will be made in cash as approved and determined by the General Shareholders' Meeting.

Pursuant to Chilean law, authorizations may not be granted to the Board of Directors to increase the share capital of the Company or to purchase own shares. Subject to the restrictions and limitations set out in applicable Chilean laws and regulations, the General Shareholders' Meeting has the authority to approve that the Company purchase own shares.

SECTION 4: EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS WITH CLOSE ASSOCIATES

The Company has only one class of shares. Each share in the Company carries one vote, and all shares carry equal rights, without any privilege whatsoever, including the right to participate in General Shareholders' Meetings. All shareholders shall be treated on a non-discriminatory basis.

Pursuant to Chilean law, shareholders are entitled to waive or transfer their pre-emption rights in the event of an increase in share capital. Pursuant to Chilean law, authorizations may not be granted to the Board of Directors to increase the share capital of the Company and, as such, the Board of Directors is not entitled to waive the pre-emption rights of existing shareholders.

Any transactions the Company carries out in its own shares must comply with Chilean laws and regulations and shall be carried out on the Santiago Stock Exchange, and in any case, at such stock exchange price. Any transaction of treasury shares by the Company is subject to applicable notification requirements and shall be publicly disclosed in a stock exchange announcement.

Transactions between the Company and its shareholders or other close associates shall be carried out in compliance with Chilean laws and regulations. As a public corporation, the Company will only be able to perform such operations if those transactions have the purpose to contribute to the corporate interest and are adjusted to the market price and conditions prevailing at the time of their approval. In case of material transactions between the Company and a shareholder, a shareholders' parent company, director, officer, or persons closely related to any of these, different from those transactions specified in the General Habituality Policy of Salmones Camanchaca S.A. for operations with related parties, published in the Company's website, the Board of Directors will obtain a valuation from an independent third party. Independent valuations shall also be obtained in respect of material transactions between companies in the same group that are not covered by the General Habituality Policy of Salmones Camanchaca S.A. and where any of the companies involved have minority shareholders.

SECTION 5: SHARES AND NEGOTIABILITY

The Bylaws do not impose any restrictions on the ability to own, trade or vote for shares in the Company and the shares in the Company are freely transferable.

SECTION 6: GENERAL MEETINGS

The Board of Directors shall make efforts to ensure that shareholders may participate in the General Shareholders' Meetings and that as many shareholders as possible are able to exercise their voting rights at such meetings, and that the General Shareholders' Meeting is an effective forum for shareholders. In order to facilitate this, the Board of Directors shall ensure the following:

The summons to the shareholders' meeting, whether ordinary or extraordinary, will be made by means of a prominent notice, which will be published at least three times on different days in the newspaper of the

registered office determined by the shareholders' meeting. Said notices will be published within the 20 days prior to the date of its celebration. The first notice may not be published less than 15 days before the meeting.;

- the resolutions and any supporting documentation shall be sufficiently detailed, comprehensive and specific, allowing shareholders to understand and form an opinion on all matters to be considered at the General Shareholders' Meeting;
- the registration deadline, if any, for shareholders to participate at the General Shareholders' Meeting shall be set as closely to the date of the General Shareholders' Meeting as practically possible and permissible under Chilean law;
- the Board of Directors and secretary of the General Shareholders' Meeting shall ensure that the shareholders are able to vote on each individual matter, including the election of the members of the Board of Directors;
- members of the Board of Directors may be present at all General Shareholders' Meetings; and
- the General Shareholders' Meeting shall be presided by the chairman, and the CEO shall act as its secretary, unless the General Shareholders' Meeting has designated such secretarial duties to another person.

The Company will employ its reasonable best efforts to ensure the possibility to submit their votes by proxy to the shareholders who have their shares traded on the Oslo Stock Exchange and who are unable to be present at the General Shareholders' Meeting.

Pursuant to Chilean law, the General Shareholders' Meetings shall always be presided by the chairman of the Board of Directors and, as such, this represents a deviation from the Code of Practice.

SECTION 7: NOMINATION COMMITTEE

The Bylaws does not include the establishment of a nomination committee since a nomination committee is not recognized under Chilean law. This represents a deviation from the Code of Practice. According to the Company's corporate governance policy, the Company will consider the possibility to establish a nomination committee in the future. If so, any member of the Board of Directors who is also a member of the nomination committee may offer him- or herself for re-election to the Board of Directors. The Board of Directors will use its best efforts to ensure that

all potential candidates for the Board are selected by procedures and policies that guarantees their good standing to fill those positions, in the same manner as a nomination committee.

SECTION 8: BOARD OF DIRECTORS: COMPOSITION AND INDEPENDENCE

The Board of Directors shall consist of seven members. The term of office for the Board members shall not be longer than two years at a time. Members of the Board of Directors may be re-elected. The members of the Board of Directors shall be elected by the General Shareholders' Meeting, while the Board of Directors itself appoints its chairman. According to the Bylaws, appointment of the chairman shall be made at the first meeting of the Board after the ordinary General Shareholders' Meeting electing the Board of Directors. Pursuant to Chilean law, the Board of Directors is the only corporate body who is entitled to appoint the chairman. This represents a deviation from the Code of Practice. No member of the Company's executive management shall be members of the Board of Directors.

The composition of the Board of Directors should reflect the expertise, capacity and diversity needed to achieve the Company's goals, attend its main challenges and the common interests of all shareholders. Further, individuals of the Board of Directors shall be willing and able to work as a team, resulting in the Board of Directors working effectively as a collegiate body. The Board of Directors shall be composed so that it can act independently of any special interests. A majority of the shareholder-elected members of the Board of Directors shall be independent of the executive management and material business connections of the Company. Further, at least one of the members of the Board of Directors shall be independent of the Company's major shareholder(s) and, as such, represents a deviation from the Code of Practice. For this purpose, a major shareholder shall constitute a shareholder that owns or controls 10% or more of the Company's shares or votes, and independence shall entail that there are no circumstances or relations that may be expected to be able to influence an independent assessment of the person in question. The composition of the Board of Directors does not meet the recommended gender guidelines of the Code of Practice but meets the Company's need for expertise and diversity. A short description of our board members is presented in this annual report on chapter 5.

Members of the Board of Directors are welcome to own shares in the Company.



SECTION 9: THE WORK OF THE BOARD OF DIRECTORS

The Board of Directors shall define clear objectives, strategies and risk profiles for the Company's business activities so that the Company creates value for its shareholders. The Board of Directors will execute the decisions of the Shareholders' Meeting through the executive management, focusing on determining allocation of internal responsibilities and duties. The objectives, responsibilities and functions of the Board of Directors and the CEO shall be in compliance with rules and standards applicable to the Company, which are further described in the Company's corporate governance policy that can be found on www.salmonescamanchaca.cl.

The Board of Directors shall provide details in the annual report of any Board committees appointed. Pursuant to Chilean law, the Company is obliged by law to have a directors committee. The directors committee functions as a preparatory and advisory committee for the Board of Directors and the objectives, responsibilities and functions of the audit committee shall be in compliance with rules and standards applicable to the Company, which are further described in the Company's corporate governance policy. All members of the Board of Directors are independent of the executive management, and accordingly the Company will not establish a separate remuneration committee which, as such, represents a deviation from the recommendation in the Code of Practice. The Board of Directors will collectively determine the remuneration to the executive management.

The Board of Directors shall evaluate its performance and expertise every second year, which represents a deviation from the Code of Practice. This evaluation shall include the composition of the Board of Directors and the manner in which its members function as a group, in relation to the objectives set out for its work.

SECTION 10: RISK MANAGEMENT AND INTERNAL CONTROL

It is the Board of Directors that has the responsibility to ensure that the Company has sound and appropriate internal control systems and systems for risk management, and that these are proportionate to and reflect the extent and nature of the Company's activities. Having effective internal control systems and systems for risk management in place may protect the Company from situations that can damage its reputation or financial standing. Furthermore, effective and proper internal control and risk management are important factors when building and maintaining trust, to reach the Company's objectives, and ultimately create value. In addition, having in place an effective internal control system means that the Company is better suited to manage commercial risk, operational risk, the risk of breaching legislation and regulations as well as other forms of risk that may be material to the Company. The internal control system

shall also address the organization and execution of the Company's financial reporting, as well as cover the Company's corporate values, ethical guidelines and principles of corporate social responsibility.

The Company shall use its best efforts to have a comprehensive set of relevant corporate manuals and procedures, which shall provide detailed descriptions of procedures covering all aspects of managing the Company's operational business. These procedures and manuals shall continuously be revised to reflect the best practice, derived from experience or adopted through regulations. The Board of Directors shall annually review the Company's most important areas of risk exposure and the internal control arrangement in place for such areas. The review shall pay attention to any material shortcomings or weaknesses in the Company's internal control and how risks are being managed.

SECTION 11: REMUNERATION OF THE BOARD OF DIRECTORS

The remuneration of the Board of Directors is determined by the shareholders at the Company's annual General Shareholders' Meeting. The remuneration of the Board of Directors shall reflect the Board of Directors' responsibility, expertise, the complexity of the Company and its business, as well as time spent and the level of activity in the Board of Directors and any board committee members of the Board of Directors participate in. The remuneration of the Board of Directors shall not be linked to the Company's performance and share options shall not be granted to members of the Board of Directors. The remuneration to the Board of Directors shall be such that their independence is protected. Members of the Board of Directors, or companies associated with a member of the Board of Directors, shall not engage in specific assignments for the Company in addition to their appointment as members of the Board of Directors. If a member of the Board of Directors nonetheless takes on any such assignment the entire Board of Directors must be informed.

Information on the total remuneration and benefits in kind of each member of the Board of Directors is provided in the annual report. This means that the annual report provides details of all elements of the remuneration and benefits of each member of the Board of Directors. This includes a specification of any consideration paid to members of the Board of Directors in addition to their board remuneration.

SECTION 12: REMUNERATION OF EXECUTIVE PERSONNEL

The Company has prepared guidelines for determining remunerations to the CEO and other executive personnel, which at all times shall support prevailing strategy and values in the Company. The guidelines include the main principles for the Company's remuneration policy as well as contrib-

ute to align the interests of shareholders and executive personnel. Performance-related remuneration of the executive management shall be linked to value creation for shareholders or to the Company's profit over time and, or, to those parameters which create value in time. Such arrangements are meant to incentivize performance and shall be based on quantifiable factors the employee may influence, and then be rewarded accordingly. There is an absolute limit on performance-related remuneration.

SECTION 13: INFORMATION AND COMMUNICATION

The Company is committed to provide information in a manner that contributes to establishing and maintaining confidence with important interest groups and stakeholders. The Company has established guidelines for its reporting of financial and other information based on openness and taking into account the requirement of equal treatment in the securities market. The Company is obliged to continually provide its shareholders, authorities (including the Santiago Stock Exchange and the Oslo Stock Exchange) and the securities market and financial market in general with timely and precise information about the Company and its operations. The Company has published an annual, electronic financial calendar with an overview of dates for important events, such as the annual General Shareholders' Meeting, publication of the annual report and interim financial reports.

SECTION 14: TAKE-OVERS

In the event of a take-over, the Board of Directors shall comply with mandatory Chilean laws and regulations. In the event of an announcement of a mandatory take-over, the members of the Board of Directors shall individually issue a written report with their opinion on the take-over offer benefits for the shareholders. In that report, the member of the Board of Directors shall indicate his/her relationship with the controller of the Company and with the bidder and the interest that he or she may have in the operation. The submitted reports must be made available to the general market together with the prospectus required to be prepared pursuant to mandatory Chilean law and a copy must be submitted to the Chilean Financial Market Commission, the stock exchanges and the offeror.

SECTION 15: AUDITOR

At each ordinary General Shareholders' Meeting, the shareholders shall designate an external audit firm for the purpose of examining the accounts, inventory, balance sheet and other financial statements of the Company, with the obligation to report in writing to the following ordinary General Shareholders' Meeting about the compliance of its obligations. The Company's auditor shall annually present the main features of the plan for the audit of the Company to the Board of Directors and/or the audit committee.

Pursuant to Chilean law, the auditor shall also provide the directors committee with the following:

- an annual written confirmation of its independence;
- information on services other than statutory audit provided to the Company during the course of the financial year; and
- inform about any threats to the auditor's independence and provide evidentiary documentation of the measures implemented to combat such threats.

The auditor shall participate in meeting(s) of the Board of Directors where any of the following is on the agenda: the annual accounts and other matters of importance where there has been disagreement between the auditor and the Company's executive management and/or the directors committee. The auditor shall at least once a year present to the Board of Directors or the audit committee a review of the Company's internal control procedures, including identification of weaknesses and proposals for improvement. In order to strengthen the Board of Directors' work on financial reporting and internal control, the auditor shall provide a report to the audit committee on the main features of the audit in respect to the previous financial year, and especially mention any material weaknesses identified in the internal control relating to the financial reporting process. The auditor shall attend the General Shareholders' Meeting if the matters to be dealt with are of such nature that his or her presence is deemed necessary. The auditor is in any case entitled to participate in the General Shareholders' Meeting.

The Company's Corporate Governance Policy and the Bylaws are available at the web page of the Company.

Also, formal corporate governance procedures have been adopted and published in the web page of the Company, following the regulations issued by the Chilean authority (Commission for the Financial Market). These procedures are:

- Information analysis procedure
- Guidelines on compensation
- Information file procedure
- Permanent training of the board procedure
- Procedure for the hiring of specialist advisers
- Procedure for continuous improvement of the functioning of the Board
- Director's induction procedure
- Procedure for publication of Board members candidates' background
- Procedure for the replacement of main executives



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Financial Evolution



Petrohué , Región de Los Lagos
-41.140459, -72.404236

4.1 

Summary of financial position

Main Financial Ratios	2018	2019
Liquidity Ratios		
Current Liquidity	2.53	2.91
Acid Test Ratio	0.86	1.10
Working Capital (million USD)	141.5	184.7
Leverage Ratios		
Debt Ratio	0.78	0.93
Current liabilities / Total Liabilities	0.59	0.47
Non-current liabilities / Total Liabilities	0.41	0.53
Profitability Ratios (%)		
Return on Equity (ROE)	26.79	20.79
Return on Assets (ROA)	26.46	20.97

Notes:

- 1) Current Liquidity: Current Assets / Current Liabilities
- 2) Acid Ratio: Current Assets Net of Inventory and Biological Assets / Current Liabilities
- 3) Working Capital: Current Assets - Current Liabilities
- 4) Net debt ratio Total Liabilities - Available Cash / Total Equity
- 7) Return on Equity: Net income (loss) attributable to owners of the parent company / Total equity
- 8) Return on Assets: Gross margin before fair value adjustment / Total assets.

4.2 

Consolidated financial statements

In thousand USD	2018	2019
Operating revenue	329,411	338,959
Cost of sales	-239,564	-253,463
Gross profit	89,847	85,496
Administrative expenses	-12,077	-9,837
Distribution costs	-8,575	-8,173
EBIT before fair value	69,195	67,486
EBITDA before fair value	80,464	80,517
Fair value adjustment to biological assets	95,299	81,490
Fair value adjustment to harvest and sales	-92,972	-81,179
EBIT after fair value	71,522	67,797
EBITDA after fair value	82,791	80,828
Other income	-4,481	-10,582
Profit (loss) before taxes	67,041	57,215
Profit (loss) after taxes	49,238	42,352



During 2019 Salmones Camanchaca harvested 58,033 tons of salmonids during 2019, composed of Atlantic salmon 53,731 tons WFE and 4,302 tons WFE of Coho salmon, an increase of 19.7% over 2018 volume of 48,496 tons WFE of Atlantic salmon in 2018. The average selling price for Atlantic salmon was USD 5.96/Kg WFE during 2019, 2.6% lower than 2018.

Operating revenue for 2019 was USD 339 million, 2.9% higher than the USD 329.2 million of 2018. The increase is due to 5.7% Atlantic salmon sales volume increase and sales of the fish Coho salmon harvest. Excluding sales in 2018 from raw materials purchased from other producers of USD 12.6 million, the growth in revenue from own sales is 7%.

Gross profit decreased by 4.8% to USD 85.5 million, USD 4.4 million lower than 2018. EBIT before fair value adjustments for 2019 was USD 67.5 million, 2.5% below the USD 69.2 million achieved in 2018, due to the combination of lower market prices and higher production costs in the first half of the year, caused by a smaller scale of operations, poor

oceanographic conditions and low densities at two seawater sites, which did not apply in the second half of the year.

EBIT/Kg WFE full year 2019 for Atlantic salmon was USD 1.28, which is below the USD 1.38 achieved in 2018. Decreased sales prices and increased production cost were compensated by lower processing cost from higher volumes and lower administrative and sales expenses.

Net fair value adjustment for 2019 was USD 0.3 million, positive versus an also positive adjustment of USD 2.3 million in 2018

Net income before tax reached USD 57.2 million in 2019, 14.7% lower than the USD 67.0 million achieved in 2018. Net income after tax is USD 42.4 million in 2019, 14.2% lower than the USD 49.3 million achieved in 2018. The net distributable income was USD 42.1 million in 2019, 11% lower than prior year, mainly attributable to the lower results of the Trout joint venture.

4.3 

Consolidated statement of financial position

Thousand USD	2018	2019
Current assets	233,848	281,279
Property, plant and equipment	92,269	111,888
Other non-current assets	13,491	14,563
Total Assets	339,608	407,730
Current liabilities	92,392	96,534
Non-current liabilities	63,429	107,481
Total Liabilities	155,821	204,015
Total Equity	183,787	203,715
Total Liabilities and Equity	339,608	407,730

ASSETS

The Company's total assets increased by 20.1% or USD 68.1 million to reach USD 407.7 million in 2019. This growth is attributable to an increase of USD 47.4 million in current assets and USD 20.7 million in non-current assets.

Total current assets were USD 281.3 million, and the strong increase of 20.3% over the 2018 is mainly due to the higher value of trade receivables of USD 26 million reflecting the higher volume sold in Q4 2019, an increase of USD 11.0 million in biological assets, and the increase in inventories of USD 10.0 million as a result of higher production in Q4 2019. The Company's finished product inventory valued at cost as of December 31, 2019 was USD 32.9 million, equivalent to 3,895 tons of finished product.

Non-current assets increased by 19.6% or USD 20.7 million to USD 126.5 million, mainly due to a USD 20.7 million increase in property, plant and equipment under the investment plan executed this year.

LIABILITIES AND EQUITY

The Company's total liabilities increased by 30.9% or USD 48.2 million to reach USD 204.0 million at year end.

Current liabilities increased by 4.5% or USD 4.1 million, primarily due to an increase in financial liabilities for short-term debt of USD 8.1 million, together with an increase of USD 1.4 million in current payables, which was mitigated by a reduction of USD 6.5 million in current tax liabilities.

Non-current liabilities increased by 69.5% or USD 44.1 million to USD 107.5 million, due to an increased draw down of USD 40 million of the syndicated long-term loan. As of end of December 2019 USD 94 million of the USD 100 million facility is used, mainly to finance the Company's investment, growth plan and temporary working capital. The latest driven by high sales during the last quarter of 2019. As a result, net financial debt increased by USD 47.4 million to USD 84.5 million.

The Company's equity increased by 10.8% or USD 19.9 million compared to December 31, 2018 to reach USD 203.7 million, which is in line with its increase in earnings, net of paid and accrued dividends.

4.4 

Statement of cash flow

Thousand USD	2018	2019
Cash and cash equivalents at the beginning of the period	846	13,143
Cash flow from operating activities	57,297	17,553
Cash flows from investing activities	-31,767	-40,412
Cash flows from financing activities	-12,367	24,230
Effects of changes in exchange rates on cash and cash equivalents	-866	-647
Net cash flow	12,297	724
Cash and cash equivalents at the end of the period	13,143	13,867

Net cash flow for the year was USD 0.7 million compared to USD 12.3 million in 2018.

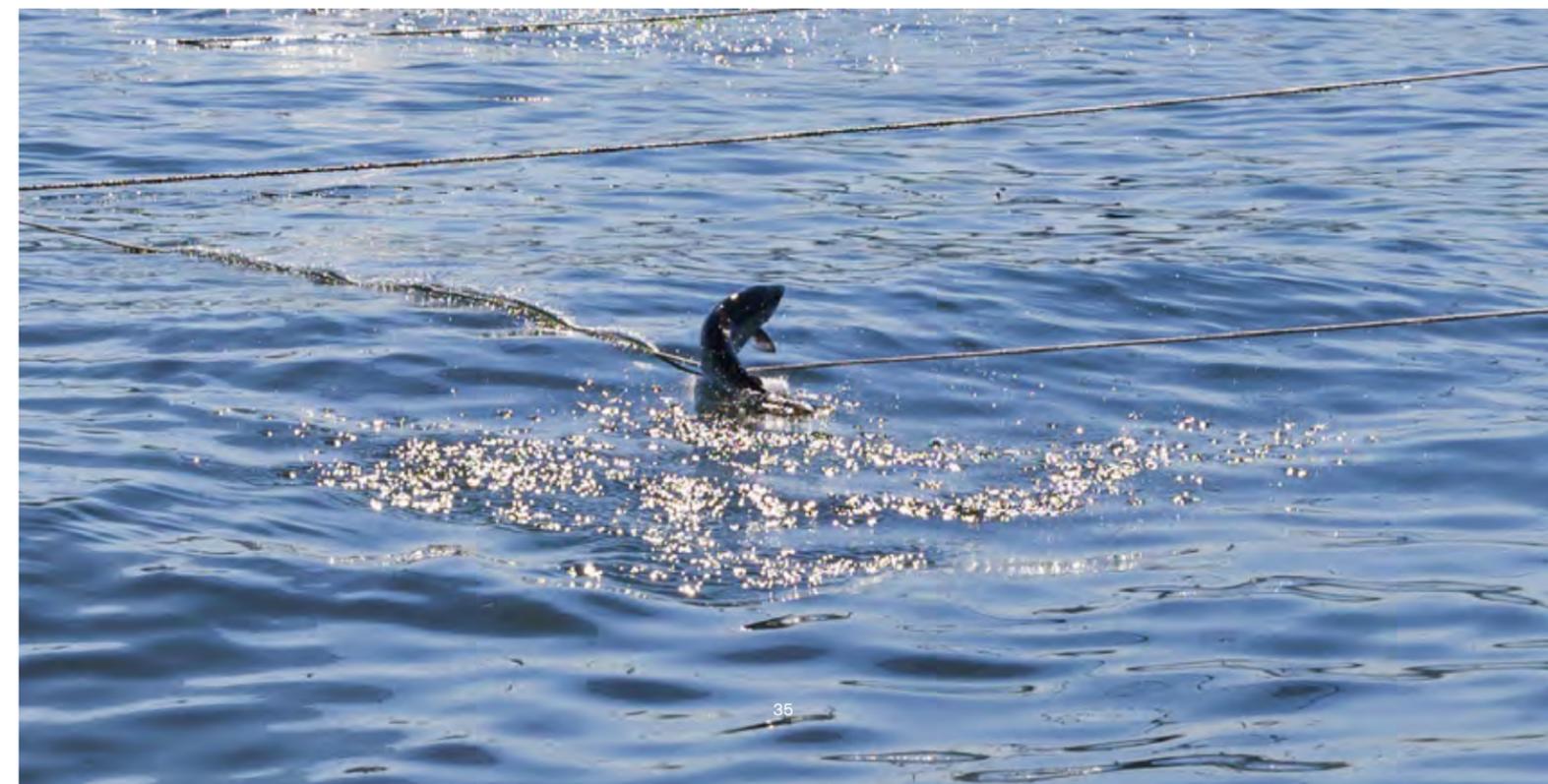
Operating Cash Flow was USD 17.6 million, compared to USD 57.3 million in 2018. The variance is due mainly to the increase in trade receivables by year end, resulting from the high sales volume in the last quarter of the year that will be collected in Q1 2020.

Net cash flow used in investing activities totaled USD 40.4 million for the period, USD 8.6 million higher than the previous year, and consistent with

the investment plan that supports the Company's growth for 2019-2021, which includes new Atlantic and Coho salmon farming sites, and improvements and automatizations in the processing plant.

This was financed by the Company's syndicated loans and revolving bilateral credit lines totaling USD 48 million and offset by dividend payments of USD 23.8 million, which were USD 20.4 million higher than in 2018.

The cash balance as of December 31, 2019 was USD 13.9 million.





— 05 —

The Company



Petrohué, Región de Los Lagos
-41.140459, -72.404236

5.1

Identification

LEGAL NAME

Salmones Camanchaca S.A.

ADDRESS

Avenida El Golf N° 99, Piso 10, Las Condes, Santiago,
Región Metropolitana, Postal code 7550000

CHILEAN TAXPAYER ID NUMBER

76.065.596-1

TYPE OF ENTITY

Sociedad Anónima

SECURITIES REGISTRY

1150

CONTACT E-MAIL

inversionistas@camanchaca.cl

WEBSITE

www.salmonescamanchaca.cl

PHONE

(56-2) 28732900

TICKER

Santiago Stock Exchange: SALMOCAM
Oslo Stock Exchange: SALMON



5.2 

Our history

Camanchaca established its salmon farming operations by acquiring the Polcura hatchery, where the first Coho smolts were produced. This was the first species farmed by the Company. The same year, the first Atlantic salmon were stocked at the Pañasmó and Terao sites. The Company also began to acquire several aquaculture concessions with a combined production potential of 80,000 tons per year.



1987



Start operations the first recirculating hatchery for salmon in Chile, located on the Petrohué River in the Los Lagos Region, with production capacity of 15 million smolts per year.

2001

As a consequence of the ISA virus that affects to the industry, the Company decided to suspend production of Atlantic salmon until new sanitary and hygiene protocols and regulations were implemented.



2008

The Company it is incorporated as a founder member of the Global Salmon Initiative (GSI).

The Company participates in the foundation of New World Currents, trade organization to tackle the Chinese market.

Camanchaca creates its first sustainability program: Camanchaca Amiga, with focus on on closeness, care for the environment and healthy life.



The Company resumed farming of Atlantic salmon with healthy indicators and successful yields after a two-year interruption due to the ISA virus.

2011



Tomé and San José processing plants were certified under the ASC Chain of Custody Standard and earned a fourth star in the BAP certification program for the Rio Petrohué hatchery.

2016

1989



Began to farm Atlantic salmon and expanded its operations within the Los Lagos Region.

2004

Fiordo Blanco S.A. was acquired by Camanchaca, adding new aquaculture concessions and an Atlantic salmon breeding program, with an exclusive, faster growing breed, the Lochy strain.



2009



Camanchaca formed a new entity for its salmon operations, Salmenes Camanchaca S.A., in order to focus and consolidate resources for the production and farming of this product.

2012

Salmenes Camanchaca became the world's first salmon producer to earn three stars in the Best Aquaculture Practices (BAP) certification program.



2015



Salmenes Camanchaca published its first Sustainability Report.

2018

Salmenes Camanchaca completed a simultaneous placement of 30% of the Company's shares on the Santiago and Oslo stock exchanges and is the first Latin American company to be listed on the world's most important seafood market.

Salmenes Camanchaca became the first salmon company to register with the Huella Chile Program from the Ministry of the Environment.



5.3

Highlights of the year

Carbon Neutral plan by 2025

Salmones Camanchaca is the first Chilean salmon farming company to commit to reducing its Scope 1 and 2 emissions defined in the GHG Protocol to zero, as well as those associated with waste disposal (Scope 3).

Sustainability report 2018

The Company publicly presented its Sustainability Report for the first time in Puerto Varas, at a meeting attended by authorities and Salmones Camanchaca neighbors in the Los Lagos Region.

Salmones Camanchaca launches its Sustainability Model

This important step forward regarding sensitive issues for industry and society covers five themes: healthy and nutritious food, healthy ecosystems, prosperous communities, meaningful employment, and profitable and responsible businesses. The Company created the Technical and Sustainability Department in July 2019 and the Corporate Affairs and Territorial Relations Manager based in Puerto Montt, to drive the Sustainability Model forward.

First Capital Market Day in Oslo

Salmones Camanchaca celebrated its first Capital Market Day in Oslo, making it the first Chilean company to arrange such an event in Norway. Executives described the "The Chilean Opportunity" to investors, using presentations covering the Company's strategy, operations, sustainability and finances.

First Coho salmon harvest

The first Coho salmon harvest took place in the third quarter, after obtaining permission to farm 1.4 million smolts of this species in 2018. 4,300 tons WFE of Coho salmon were harvested at the end of 2019, with excellent production results, equivalent to 7.4% of the Company's annual harvest volume.

Salmon production reaches historic volumes

Salmones Camanchaca achieved a historic salmon harvest volume during the fourth quarter of 2019, at 24,100 tons WFE and an average Atlantic salmon weight of 5.6 kg WFE, which brought the total harvest volume for the year to 53,700 tons WFE.

Bio-health innovations

Salmones Camanchaca implemented new methods for pest control during the last quarter of the year that are more effective and environmentally friendly. These included hydrogen peroxide baths, protective vaccines at the first stage of production, and non-pharmacological methods from Norway.

Agreement with the Ensenada community

An agreement was signed with the Ensenada community in November 2019, to protect the quality of the river Petrohue. A discussion group was formed to define the mechanism and commitments of both parties that will protect the environmental condition of the river.

Pioneers in exporting salmon by air from Chilean regions

During May, Salmones Camanchaca pioneered the export of fresh salmon from El Tepual airport, Puerto Montt, to China. During December, it also sent the first cargo from Temuco airport to Miami. Accordingly, the company is now sending shipments from airports in Concepción, Puerto Montt, Temuco and Santiago.

5.4 

Articles of incorporation

Salmones Camanchaca S.A. was incorporated as a privately held corporation by public instrument on June 26, 2009, signed before Santiago Notary Mr. Félix Jara Cadot. An abstract of that instrument was registered on July 23, 2009, on page 33,897, No. 23,131 of the Santiago Commerce Registry and was published in the Official Gazette on July 24, 2009.

The Company's corporate purpose is: a) Aquaculture activity in general, especially breeding, producing and farming salmon, trout, other salmonids and all other species, beings or organisms grown entirely or primarily in water, including research and development of salmonids genetics; industrializing, slaughtering, cooling, freezing, dehydrating, packing, packaging, transporting and selling products, by-products and derivatives of aquatic activities, for its own benefit and also by providing services related to these activities to third parties; and b) researching and developing, producing and manufacturing inputs, machinery, elements and materials for aquatic activities, all for its own production or for sale to third parties.

THE COMPANY IS OF INDEFINITE DURATION

Its authorized, subscribed and paid-in capital is of USD 91,786,390.08, divided into 66,000,000 nominative, single-series shares with no par value and no preferential rights whatsoever.

The Company is managed by a Board of Directors consisting of seven members that are eligible for reelection. They serve two-year terms, after which time the entire Board is renewed. Directors may be reelected indefinitely.

Shareholders meet in annual general and extraordinary meetings. Annual general meetings are held within the first quarter of each year and extraordinary meetings may be held at any time, when required by corporate needs, to decide on any matter for which the law or bylaws require shareholder approval, provided that such matters are indicated in the corresponding meeting notice.

At the annual general meeting, shareholders appoint an external auditing firm each year to examine the Company's accounting, inventory, balance sheet and other financial statements. These auditors shall inform shareholders in writing as to their compliance with their mandate at the next annual general meeting.

On December 13 2017, the Company was registered as number 1150 in the Securities Registry maintained by the Superintendency of Securities and Insurance.

5.5 

Company's structure



5.6 

Control



Major shareholders	Stocks	%
Compañía Pesquera Camanchaca S.A.	46,199,896	70.00
DNB Bank Asa	7,587,959	11.50
Compass Small Cap Chile Fondo de Inversión	2,443,894	3.70
Siglo XXI Fondo de Inversión	2,417,044	3.66
Chile Fondo de Inversión Small Cap	1,601,008	2.43
Toesca Small Cap Chile Fondo de Inversión	1,587,344	2.41
Fondo de Inversión Santander Small Cap	1,110,638	1.68
BTG Pactual Small Cap Chile Fondo de Inversión	812,528	1.23
BCI Small Cap Chile Fondo de Inversión	551,973	0.84
Banco de Chile por cuenta de Terceros CA	485,335	0.74
Larraín Vial Asset Management A.G.F. S.A.	407,046	0.62
Arrayán Acciones Chilenas FIP	96,881	0.15
Subtotal	65,301,546	98.94
Other shareholders	698,454	1.06
Total	66,000,000	100.00

Salmones Camanchaca S.A. is controlled by Compañía Pesquera Camanchaca S.A., direct and indirect owner of 70% of the Company's shares.

Compañía Pesquera Camanchaca S.A., direct owner of 69.9998% of the Company's shares, is controlled by Mr. Jorge Fernández Valdés, Chilean ID Number 3.189.057-8, through the companies Inversiones HFG Limitada, Taxpayer ID Number 76.076.557-0, direct owner of 33.1717% of the Company's shares, and Inversiones Los Fresnos Limitada, Taxpayer ID Number 78.172.330-4, direct owner of 19.6020% of the Company's shares.

Inversiones Los Fresnos Limitada and Inversiones HFG Limitada, companies in which Mr. Jorge Fernández Valdés is direct owner of 99.964% and 0.00069%, respectively, are controlled by Mr. Jorge Fernández Valdés in accordance with their respective bylaws. Inversiones HFG Limitada is direct owner of 0.036% of Inversiones Los Fresnos Limitada. The partners of Inversiones HFG Limitada are: 1) Jorge Fernández Valdés, with 0.00069%; 2) Inversiones La Viña Limitada, Taxpayer ID Number 76.066.421-4, with 16.6665%, of which 96% is owned by Ms. María

Carolina Fernández García, Chilean ID Number 6.377.733-1; 3) Inversiones Bahía Quelltehue Limitada, Taxpayer ID Number 76.066.852-4, with 16.6665%, of which 96% is owned by Mr. Jorge Fernández García, Chilean ID Number 6.377.734-; 4) Inversiones Fernández Cambasso Limitada, Taxpayer ID Number 76.066.862-1, with 16.6665%, of which 96% is owned by Mr. Andrés Fernández García, Chilean ID Number 6.446.623-2; 5) Inversiones Bahía Pastores Limitada, Taxpayer ID Number 76.066.883-4, with 16.6665%, of which 96% is owned by Ms. María de la Paz Fernández García, Chilean ID Number 6.377.735-8; 6) Inversiones Salar Grande Limitada, Taxpayer ID Number 76.066.856-7, with 16.6665%, of which 96% is owned by Mr. Cristián Fernández García, Chilean ID Number 9.216.903-0; 7) Inversiones Orzada Limitada, Taxpayer ID Number 77.066.845-1, with 16.6665%, of which 96% is owned by Mr. Gonzalo Fernández García, Chilean ID Number 13.441.707-2

The following individuals related to Mr. Jorge Fernández Valdés are direct owners of the following percentages of the Company: Jorge Fernández García, Chilean National ID 6.377.734-K: 0.048% and Nicolás Guzmán Covarrubias, Chilean National ID 6.377.761-7: 0.048%

Control of Compañía Pesquera Camanchaca S.A., is also held by Mr. Francisco de Borja Cifuentes Correa, Chilean National ID 4.333.851-K, who has a joint action agreement with Mr. Jorge Fernández Valdés, that limits the free disposal of shares.

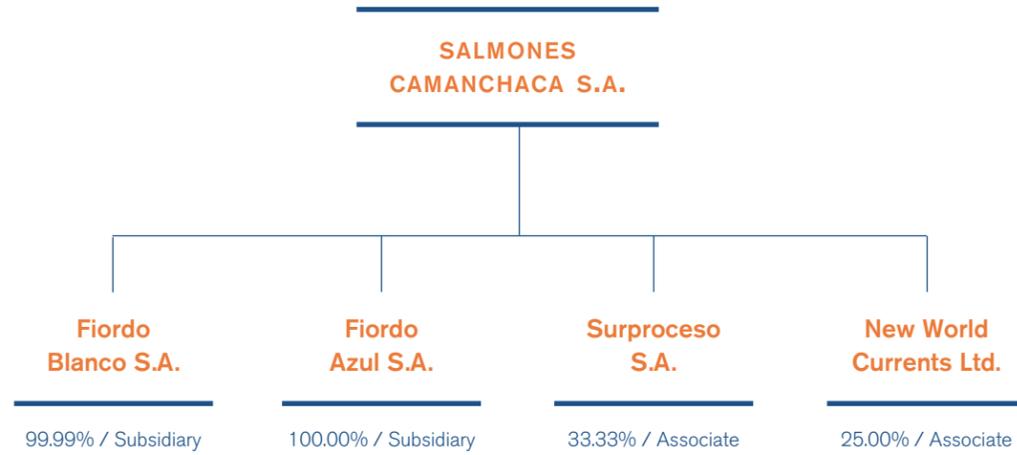
Mr. Francisco de Borja Cifuentes Correa controls, in accordance with their respective bylaws, the companies Inversiones Cifco Limitada, Taxpayer ID Number 78.172.320-7, and Inversiones HCL Limitada, Taxpayer ID Number 76.076.548-1. The latter two entities own 10.3396% of the Company's shares.

The partners of Inversiones Cifco Limitada, which directly owns 2.5904% of Compañía Pesquera Camanchaca S.A., are Mr. Francisco de Borja Cifuentes Correa, with 99.9621% of that company, and Inversiones HCL Limitada, with 0.0379% of that company. The partners of Inversiones HCL Limitada, which owns 7.7492% of the Company, are: a) Mr. Francisco de Borja Cifuentes Correa, with 0.0024% of that company; b) Inversiones Cilar Uno Limitada, Taxpayer ID Number 76.066.821-4, with 19.9995%, of which 96% is owned by Ms. Mónica del Pilar Cifuentes Larios, Chilean

ID Number 9.007.413-5; c) Inversiones Cilar Dos Limitada, Taxpayer ID Number 76.066.824-9, with 19.9995%, of which 96% is owned by Mr. Francisco de Borja Cifuentes Larios, Chilean ID Number 12.629.641-K; d) Inversiones Cilar Tres Limitada, Taxpayer ID Number 76.066.833-8, with 19.9995%, of which 96% is owned by Mr. Cristián Andrés Cifuentes Larios, Chilean ID Number 12.638.234-0; e) Inversiones Cilar Cuatro Limitada, Taxpayer ID Number 76.066.839-7, with 19.9995%, of which 96% is owned by Ms. Carolina Cifuentes Larios, Chilean ID Number 13.550.339-8; and f) Inversiones Cilar Cinco Limitada, Taxpayer ID Number 76.066.842-7, with 19.9995%, of which 96% is owned by Ms. María José Cifuentes Larios, Chilean ID Number 15.960.728-3.

5.7 

Ownership structure



5.8 

Agreements and contracts

with subsidiaries or associates

No agreements or contracts have been signed with subsidiaries or associates that have significantly impacted the operations and results of Salmones Camanchaca S.A.

The Company does not have any investments representing over 20% of the investee's total assets in entities that are not considered subsidiaries or associates.



5.9 

Subsidiaries

CORPORATE NAME AND TYPE OF ENTITY

Fiordo Blanco S.A.
Subscribed and paid-in capital: USD 46,115,059

CORPORATE PURPOSE

Farming, breeding, producing, developing, catching and marketing all types of beings and organisms grown entirely or primarily in water, whether sea, lake or river; industrializing, transforming, producing, processing, canning, freezing, dehydrating, packaging and marketing and selling these products in any format; creating and operating hatcheries. The company may enter into all acts and contracts directly or indirectly related to its corporate purpose.

GENERAL INFORMATION

The company was incorporated by public deed dated September 20, 1988, granted by the Notary of Valparaíso of Ricardo Maure Gallardo, whose extract was registered on pages 59, No. 47, of the Trade Registry of the Conservator of Real State of Los Andes in 1988 and with the Trade Register of the Conservator of Real Estate of Santiago on page 61,647 number 43, 161 of the year 2019.

BUSINESS RELATIONS

This subsidiary leases concessions and assets related to the salmon farming business to the parent company.

CHAIRMAN

Francisco Cifuentes Correa

BOARD OF DIRECTORS

Francisco Correa, Ricardo García Holtz and Jorge Fernández García

CHIEF EXECUTIVE OFFICER

Manuel Arriagada Ossa

CORPORATE NAME AND TYPE OF ENTITY

Fiordo Azul S.A.
Subscribed and paid-in capital: USD 147,591

CORPORATE PURPOSE

The activity of aquaculture in general, especially the raising, production and cultivation of salmon, trout, other salmonids and of all other types of species, beings or organisms that have in the water their normal or more frequent way of life, including research and development of salmonid genetics and industrialization, slaughter, processing, chilling, freezing, dehydration, packaging, transportation and logistics of products, by-products and derivatives of aquaculture, all on its account and also providing services to third parties in the activities just mentioned; and Research and development, production and manufacture of inputs, machinery, elements and materials for aquaculture activity.

GENERAL INFORMATION

The company was incorporated by public deed dated January 31, 2019, granted by the Notary of Santiago of Félix Jara Cadot, whose extract was registered on pages 11,277 No. 6.013, of the Trade Registry of the Conservator of Real Estate of Santiago of the year 2019.

BUSINESS RELATIONS

This subsidiary leases concessions and assets related to the salmon farming business to the parent company.

CHAIRMAN

Jorge Fernández García

BOARD OF DIRECTORS

Francisco Correa, Ricardo García Holtz and Jorge Fernández García

CHIEF EXECUTIVE OFFICER

Manuel Arriagada Ossa

As of December 31, 2019

Taxpayer ID	Company name	Participation percentage (%)		
		Direct	Indirect	Total
96.540.710-3	Fiordo Blanco S.A.	99.99	0.00	99.99
76.989.215-K	Fiordo Azul S.A.	99.99	0.01	100.00

As of December 31, 2018

Taxpayer ID	Company name	Participation percentage (%)		
		Direct	Indirect	Total
96.540.710-3	Fiordo Blanco S.A.	99.99	0.00	99.99

Percentage that the investment in each company represents of the Company's total individual assets as of December 31st.

Taxpayer ID	Company name	2018	2019
96.540.710-3	Fiordo Blanco S.A.	10.33	7.96
76.989.215-K	Fiordo Azul S.A.		0.0003



5.10 

Associates

CORPORATE NAME AND TYPE OF ENTITY

Surproceso S.A.
Subscribed and paid-in capital CLP 600,000,000

CORPORATE PURPOSE

Providing storage, slaughtering, calibration, grading and processing services for the salmon farming and general fishing industries.

GENERAL INFORMATION

The company was incorporated on March 17, 2005, before Santiago notary public Arturo Carvajal Escobar. It was registered with the Puerto Montt Commerce Registry on page 177, number 139 in 2005.

BUSINESS RELATIONS

This associate provides slaughtering and gutting services to Salmones Camanchaca S.A.

CHAIRMAN

Adrián Fernández Rosemberg

BOARD OF DIRECTORS

Adrián Fernández Rosemberg, Ignacio Pérez Benítez, José Luis Chanes Carvajal, Alvaro Contreras Pérez, Jorge Fernández García y Daniel Bortnik Ventura

CHIEF EXECUTIVE OFFICER

Guillermo Enrique Vásquez Maldonado

CORPORATE NAME AND TYPE OF ENTITY

New World Currents Ltd.
Subscribed and paid-in capital HKD\$ 10,000

CORPORATE PURPOSE

Marketing, selling and distributing Chilean salmon in China and Hong Kong.

GENERAL INFORMATION

The company was incorporated on April 10, 2014, in Hong Kong, in accordance with Hong Kong law and registered in the Companies Registry of the Hong Kong Special Administrative Region of the People's Republic of China.

BUSINESS RELATIONS

Sells of salmon in the Chinese and Hong Kong markets for Salmones Camanchaca S.A.

BOARD OF DIRECTORS

Standing Members: Juan Carlos Ferrer Echavarrí, Derek Khon Bruggeman, Daniel Montoya Stehr, Luis Vicente Swinburn Joannon

CHIEF EXECUTIVE OFFICER

Eduardo Goycoolea Moreno

As of December 31, 2019 and 2018

Taxpayer ID	Company name	Participation percentage (%)		
		Direct	Indirect	Total
76.346.370-2	Surproceso S.A.	33.33	0.00	33.33
0-E	New World Currents Ltd.	25.00	0.00	25.00

Percentage that the investment in each company represents of the Company's total individual assets as of December 31

Taxpayer ID	Company name	2018	2019
76.346.370-2	Surproceso S.A.	3.79	1.06
0-E	New World Currents Ltd.	0.0014	0.0123



5.11 **Board members
and executives****with positions at subsidiaries
or associates**

Name	Subsidiary/Associate	Position in the Subsidiary/Associate
Jorge Fernández García	Fiordo Blanco S.A.	Director
	Surproceso S.A.	Director
	Fiordo Azul S.A.	Chairman
Francisco Cifuentes Correa	Fiordo Blanco S.A.	Chairman
	Fiordo Azul S.A.	Director
Ricardo García Holtz	Fiordo Blanco S.A.	Director
	Fiordo Azul S.A.	Director
Manuel Arriagada Ossa	Fiordo Blanco S.A.	CEO
	Fiordo Azul S.A.	CEO
Daniel Bortnik Ventura	Surproceso S.A.	Director
Juan Carlos Ferrer Echavarri	New World Currents Ltd.	Director



— 06 —

Board of Directors and Management



Petrohué, Región de Los Lagos
-41.140459, -72.404236

6.1 **Board of Directors**

01

JORGE FERNÁNDEZ GARCÍA
CHAIRMAN

Chilean ID: 6.377.734-K

Economist and Business Administrator, Universidad de Chile

Date of most recent re-election 04/26/2019

02

RICARDO GARCÍA HOLTZ
VICE-CHAIRMAN

Chilean ID: 6.999.716-3

Economist and Business Administrator, Pontificia Universidad Católica de Chile

Master's in Economics, Pontificia Universidad Católica de Chile

Master's in Economics, University of California, United States

Date of most recent re-election 04/26/2019

03

FRANCISCO CIFUENTES CORREA
DIRECTOR

Chilean ID: 4.333.851-K

Lawyer, Pontificia Universidad Católica de Chile

Date of most recent re-election 04/26/2019

04

FELIPE SANDOVAL PRECHT
DIRECTOR

Chilean ID: 7.673.035-0

Civil Engineer, Universidad de Chile

Date of most recent re-election 04/26/2019

05

TORE VALDERHAUG*
DIRECTOR

Chilean ID: 26.622.508-3

Norwegian State Authorized Public Accountant

Norwegian School of Economics (NHH)

Date of most recent re-election 04/26/2019

06

RODRIGO ERRÁZURIZ RUIZ-TAGLE*
INDEPENDENT DIRECTOR

Chilean ID: 5.618.098-2

Civil Engineer, Pontificia Universidad Católica de Chile

Date of most recent re-election 04/26/2019

07

JOAQUÍN VILLARINO HERRERA*
INDEPENDENT DIRECTOR

Chilean ID: 9.669.100-9

Lawyer, Pontificia Universidad Católica de Chile

Doctor of laws, University of Navarra, Spain.

Date of most recent re-election 04/26/2019

* Members of the Directors Committee

6.2 

Key executives



01

photo 01

MANUEL ARRIAGADA OSSA
 CHIEF EXECUTIVE OFFICER
 Industrial Engineer, Pontificia Universidad Católica de Chile
 Stanford Executive Management Program
 Date appointed 04/11/2018
 Chilean ID: 12.149.818-9



05

photo 05

MARCELO AGUILERA CONTADOR
 CORPORATE AUDIT, INTERNAL CONTROL AND
 FRAUD PREVENTION MANAGER
 Economist and Business Administrator, Universidad Gabriela
 Mistral, Chile
 Date appointed 05/01/2019
 Chilean ID: 13.047.621-K



07

photo 07

ÁLVARO POBLETE SMITH
 REGIONAL FARMING MANAGER
 Industrial Engineer, Universidad de Chile
 Date appointed 10/01/2016
 Chilean ID: 7.656.660-7



09

photo 09

JORGE VERGARA GONZÁLEZ
 REGIONAL PROCESSING MANAGER
 Industrial Engineer, Universidad de Desarrollo
 Date appointed 04/01/2017
 Chilean ID: 13.951.783-0



02

photo 02

JUAN CARLOS FERRER ECHAVARRÍ
 CORPORATE BUSINESS MANAGER
 Industrial Engineer, Pontificia Universidad Católica de Chile
 Date appointed 01/23/2012
 Chilean ID: 6.190.572-3

*photo 05*

MARCELO AGUILERA CONTADOR
 CORPORATE AUDIT, INTERNAL CONTROL AND
 FRAUD PREVENTION MANAGER
 Economist and Business Administrator, Universidad Gabriela
 Mistral, Chile
 Date appointed 05/01/2019
 Chilean ID: 13.047.621-K



07

photo 07

ÁLVARO POBLETE SMITH
 REGIONAL FARMING MANAGER
 Industrial Engineer, Universidad de Chile
 Date appointed 10/01/2016
 Chilean ID: 7.656.660-7



11

photo 11

DANIEL SILVA TRONCOSO
 COMMERCIAL MANAGER
 Industrial Engineer, Universidad Diego Portales, Chile
 Date appointed: 01/11/2017
 Chilean ID: 13.940.977-9



03

photo 03

DANIEL BORTNIK VENTURA
 CORPORATE CHIEF FINANCIAL OFFICER
 Economist and Business Administrator, Pontificia
 Universidad Católica de Chile
 MBA, Pontificia Universidad Católica de Chile
 Date appointed 08/01/2011
 Chilean ID: 8.036.514-4



04

photo 04

RAFAEL LE-BERT RAMÍREZ
 CORPORATE LEGAL COUNSEL
 Lawyer, Universidad de Chile
 LL.M. Université de Franche-Comté, France
 Date appointed 03/01/2013
 Chilean ID: 13.273.363-5



06

photo 06

PABLO HERNÁNDEZ NEIRA
 CORPORATE HUMAN RESOURCES MANAGER
 Public Administrator, Universidad de Chile
 Master's in Human Resources Management, Universidad
 Adolfo Ibáñez, Chile
 Date appointed 04/01/2013
 Chilean ID: 10.350.784-7



08

photo 08

CLAUDIO SCHMAUK CÉSPEDES
 ADMINISTRATION AND FINANCE MANAGER
 Industrial Engineer, Pontificia Universidad Católica de Chile
 Date appointed 01/01/2012
 Chilean ID: 11.843.532-K



10

photo 10

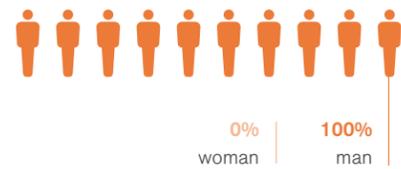
ALFREDO TELLO GILDEMEISTER
 TECHNICAL & SUSTAINABILITY MANAGER
 Bachelor of Science (BSc), Biology/Natural Resource
 Management, Universidad Católica de Temuco
 PhD Aquaculture, University of Stirling, Great Britain
 Date appointed: 11/01/2019
 Chilean ID: 9.909.582-2

6.3

Board of Directors' diversity

Board of Director's distribution on 31st december 2019 by:

GENDER
Total: 7



NATIONALITY

	Chilean	Foreign	Total
Man	6	1	7
Woman	0	0	0

AGE

	< 30	30-40	41-50	51-60	61-70	>70	Total
Man	0	0	0	4	2	1	7
Woman	0	0	0	0	0	0	0

YEARS OF SERVICE

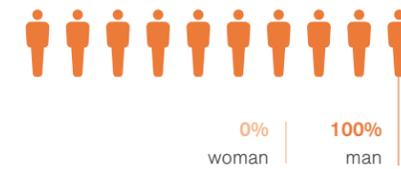
	< 3	3-6	6-9	9-12	>12	Total
Man	5	0	2	0	0	7
Woman	0	0	0	0	0	0

6.4

Executives' diversity

Executives distribution on 31st december 2019 by:

GENDER
Total: 10



NATIONALITY

	Chilean	Foreign	Total
Man	10	0	10
Woman	0	0	0

AGE

	< 30	30-40	41-50	51-60	61-70	>70	Total
Man	0	3	4	1	2	0	10
Woman	0	0	0	0	0	0	0

YEARS OF SERVICE

	< 3	3-6	6-9	9-12	>12	Total
Man	2	1	1	2	4	10
Woman	0	0	0	0	0	0



6.5

Organization's diversity

Organization distribution on 31st december 2019 by:

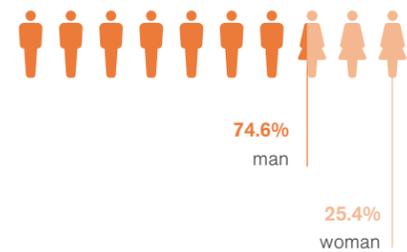
PERSONAL

Total: 1,831



GENDER

Total: 1,821



NATIONALITY

	Chilean	Foreign	Total
Man	1,334	34	1,368
Woman	451	12	463

AGE

	< 30	30-40	41-50	51-60	61-70	>70	Total
Man	435	388	289	190	64	2	1,368
Woman	155	119	114	63	12	0	463

YEARS OF SERVICE

	< 3	3-6	6-9	9-12	>12	Total
Man	808	129	245	87	99	1,368
Woman	285	36	116	12	14	463

SALARY GAP

Type of position, responsibility and role played



6.4 

Board of Directors' remuneration

All remuneration is expressed in Unidades de Fomento (UF)

Board of Directors Salmones Camanchaca S.A.

Director	2018	2019
Jorge Fernández García	2,280	2,700
Francisco Cifuentes Correa	960	1,080
Ricardo García Holtz	960	1,080
Felipe Sandoval Precht	960	1,080
Tore Valderhaug*	960	1,080
Joaquín Villarino Herrera	0	810
Rodrigo Errázuriz Ruiz-Tagle	0	810

*Tore Valderhaug received additional 160 UF for services related to investor relations abroad.

Directors Committee Salmones Camanchaca S.A.

Director	2018	2019
Joaquín Villarino Herrera	0	320
Rodrigo Errázuriz Ruiz-Tagle	0	320
Tore Valderhaug	0	320

6.5 

Executives remunerations

The total compensation received by the managers and key executives during the year 2019 reached the sum of USD 1,778 thousand, which considered fixed and variable components. The latter consists of a performance-determined non-guaranteed variable annual bonus, subject to the evaluation of the achievement with the agreed upon objectives and the performance expected and/or established by the relevant supervisor.

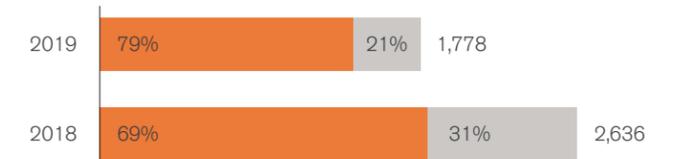
KEY EXECUTIVES COMPENSATION AND BENEFITS PLANS

The Company has in place compensation and benefits plans for its key executives founded in the compliance with individual goals, such as the financial and operating results. Such plans have as their purpose to enhance conditions that add value and mobilize the energy, creativity and collaboration of our executives, attract new talents to the Company; retain the existing talents; and develop the professional and personal aspects of our employees.

In addition to the bonuses based on results incorporated in the amount indicated in the first paragraph as part of the annual compensation, Salmones

Camanchaca offers other benefits, among which there is a complementary health insurance, life insurance and catastrophic insurance, that during the year 2019 reached a total of USD 18 thousand.

Total perceived by managers and key executives (In thousand USD)



● Fixed ● Variable



6.6 

Directors' Committee annual report



APPOINTMENT OF THE COMMITTEE

In the Board of Directors meeting held on May 15, 2019, the members of the company's Directors' Committee (the "Committee") were appointed, in accordance with the provisions of section 1 of article 50 bis of Law 18.046 and the instructions issued by the Commission for the Financial Market on Circular Letter No. 560 dated December 22, 2009, with the appointment of independent directors Mr. Joaquín Villarino Herrera and Mr. Rodrigo Errázuriz Ruiz-Tagle, and the appointment of Mr. Tore Valderhaug, who was elected unanimously.

PRESIDENCY

In the Committee meeting held on May 15, 2019, Mr. Joaquín Villarino Herrera was elected as Chairman of the Committee.

WORK CARRIED OUT BY THE COMMITTEE DURING THE PERIOD FROM MAY 15, 2019 TO MARCH 10, 2020

The tasks carried out during this period by the Committee, following the same order of powers and duties established in article 50 bis of Law 18.046 on Corporations, were the following:

1. Examine the reports of the external auditors, the balance sheet and other financial statements presented by the administrators and decide

on them prior to their presentation to the shareholders for approval. This matter was discussed in the sessions dated May 15, 2019, August 21, 2019, November 21, 2019 and February 28, 2020. During its review, the Committee made observations to the administration that were incorporated into the reports.

2. Propose to the Board of Directors names for external auditors that will be suggested to the respective Shareholders' Meeting. This matter was discussed in the session dated March 10, 2020, with the proposals of two different firms being received for this purpose and their merit being analyzed accordingly under the following parameters: Price; Hours Destined; Company Knowledge; Industry Knowledge; and, Sanctions during the last 5 years.

3. Examine the antecedents related to the operations referred to in Title XVI and evacuate a report regarding those operations. In a session dated September 25, 2019, the Committee reviewed the operations with related parties indicated in the final subsection of article 147 of Law 18.046 and those of successive tract concluded with subsidiaries and affiliated companies, verifying that said operations were carried out in conditions of market, being its sole purpose to contribute to the social interest. The Committee's review included all transactions with related parties, including those for non-relevant amounts. As noted, the aforementioned operations correspond to operations with subsidiaries in which the Company indirectly owns 100% of the property and

operations covered by the Company's Habituality Policy published as Essential Fact on March 21, 2018.

4. Examine the remuneration systems and compensation plans of the managers, main executives and workers of the company. This matter was discussed in the session dated January 22, 2020. The revision of the compensation plans included the examination of the correct alignment of the variable remuneration with the objectives of the Company, verifying that they do not induce contradictory actions with the interests of the Company.

5. Prepare an annual report of its management, in which its main recommendations to shareholders are included. This matter was discussed at the meeting dated March 10, 2020. In this regard, it is noted that the Committee has no particular recommendations to present to shareholders.

6. Inform the board of directors about whether or not to hire the external audit company for the provision of services that are not part of the external audit, when they are not prohibited in accordance with the provisions of article 242 of Law No. 18.045, based on whether the nature of such services could generate a risk of loss of independence.

7. The other matters indicated in the bylaws or entrusted to it by a shareholders meeting or the board of directors, if applicable. In a session dat-

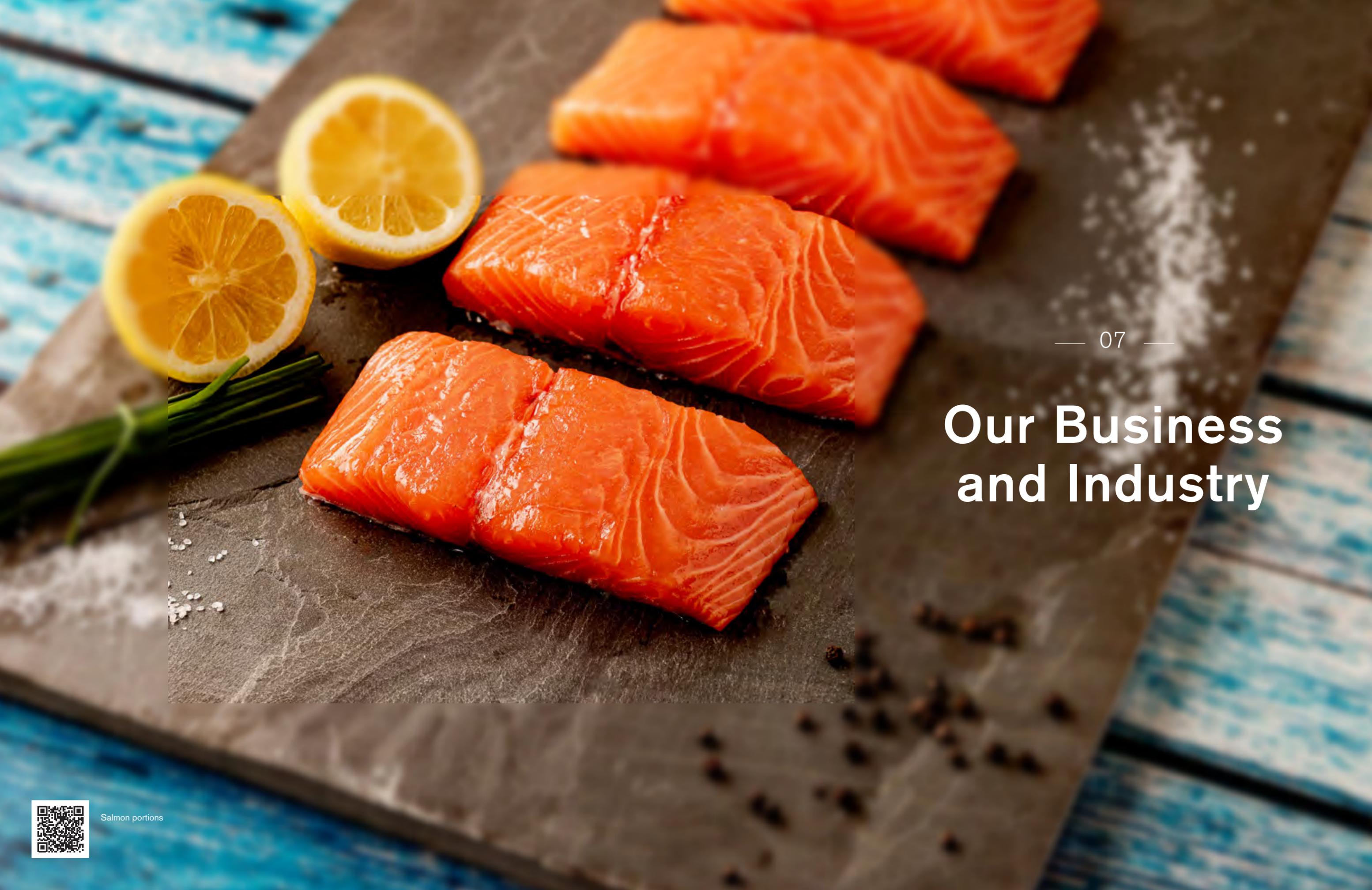
ed May 15, 2019, the Board of Directors of the company entrusted the directors committee to supervise the accounting, internal control and management risks systems. In the sessions dated June 26, 2019, July 30, 2019, October 29, 2019, and December 18, 2019, the Committee reviewed the progress in the implementation of the internal audit plan.

At the same time, the directors' committee carried out the following complementary activities:

1. In a session dated January 22, 2020, the Committee carried out a self-assessment

BUDGET AND EXPENSES

The Directors Committee has an annual budget for its operation of UF 1,500, which was approved by the Ordinary General Meeting of Shareholders dated April 26, 2019. During the year 2019 the directors' committee did not incur expenses in the exercise of their functions.



— 07 —

Our Business and Industry



Salmon portions

7.1 

Our operations

OUR SALMON PRODUCTION CHAIN

Salmones Camanchaca has integrated its Atlantic salmon production throughout the entire chain, including its genetic enhancement program that gives it a competitive advantage.

This has shortened the time taken to harvest and increased growth rates. In practice, it has increased average weight by almost 10%; decreased average grow-out times from 16-17 months to 14-15 months; improved the salmon's response to diseases; made significant progress with feeding techniques; introduced innovation to segmented smolt stocking of males and females; and other improvements.

Coho salmon eggs are bought from third parties and farmed in the Rio de la Plata hatchery until they reach around 40 g. Subsequently, they continue to grow at the Playa Maqui site on Lake Llanquihue, until they reach 250 g. They are then transferred to seawater sites for final grow-out until harvest, when they will weigh an estimated 3.5 kg WFE.

1) FRESH WATER PRODUCTION CYCLE

1.1 ATLANTIC SALMON

Polcura Hatchery - Genetic Enhancement Program (GEP) (36 months)



The Genetic Enhancement Program (GEP) operates at the freshwater hatchery facilities in Polcura in the Biobío Region. This program has been operating for almost 20 years and has enabled the company to enhance the distinctive characteristics of its fish, such as their resistance to disease and parasites and their ability to grow faster.

Polcura has been running for almost 70 years, making it one of the oldest hatcheries in Chile. It forms the foundation for the Salmones Camanchaca family tree. Here our teams perform studies and genetically cross families

of the Fanad and Lochy strains to obtain the best outcomes based on the strengths and potential of each strain.

Río del Este Hatchery – Breeders (12 months)



Breeders are obtained from the GEP in Polcura, and then transported over land to the Río del Este hatchery in Ralún, Los Lagos Region.

Male and female gametes are obtained from the mouth of the Petrohué River then used in the fertilization process to produce selected eggs.

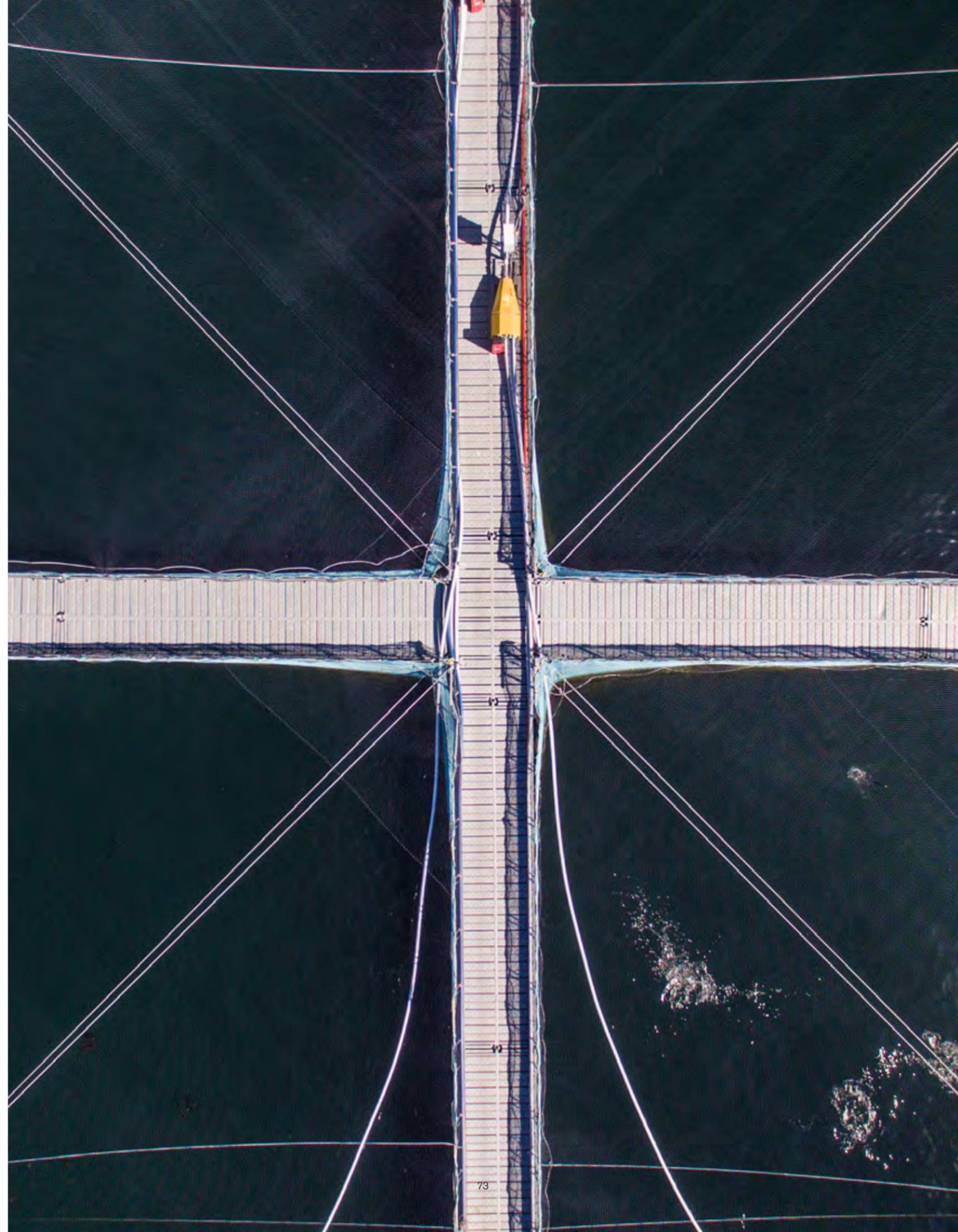
Production continues throughout the year, and once they reach the eyed egg stage, they are transferred to the recirculation fish farm on the Petrohué River to continue their development.

Petrohué River Hatchery (6-7 months)



This recirculating or closed flow fish farm is a flagship facility for the company, as it was a world-wide pioneer when it introduced this Atlantic salmon farming system.

This site receives the eyed eggs and keeps them at an ideal temperature. After approximately 30 days of incubation, the fry hatch and are fed intensively for 3 to 4 months, until their weight reaches between 5 and 7 grams.



Subsequently, the fry are then transferred to larger "on growing" units (1 & 2) within the hatchery for two to three months, until their weight reaches between 30 to 40 grams, when they are moved to the Smolt Production Unit (SPU) for the final fresh-water stage.

Hatchery Río Petrohué - Smolt Production Unit (SPU) (4-5 months)



The final fresh-water stage takes place in the SPU until the fish weigh over 130 grams, according to the production schedule.

The tanks in each of the Company's five SPU are adapted to farm larger fish and optimize the most critical process that fish undergo in fresh water, which is acclimatizing to seawater. This process is called "smoltification". About 80 people work in Petrohué's facilities, and 75% are inhabitants of the Ensenada and Ralún communities, which neighbor this facility.

1.2 OTHER SPECIES

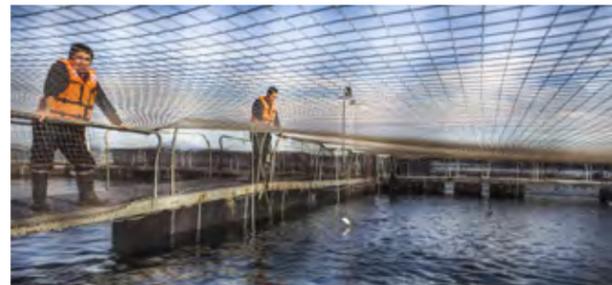
Rio de la Plata (8-9 months)

This hatchery is located in Purranque in the Los Lagos Region. It manages initial farming through to the fry stage for Trout and Coho salmon, when they are transferred to the farming site at the lake center at Playa Maqui.

Currently, this site produces Coho salmon, where they are farmed until they reach their target weight.

Sixteen people work at this site, and 80% live in the Purranque community.

Playa Maqui-Frutillar (6-7 months)



The Company has a smoltification site on Lake Llanquihue, in addition to the SPU at Petrohué. Trout and Coho salmon are farmed at this site.

It is entirely dedicated to Coho salmon production at the moment and supplies 1.4 million smolts to four company owned sites, which enables the Company to develop this business.

Twenty people work at this site, and 90% live in the Frutillar community.

Research and Development Department



The Company's R&D department began with the Genetic Enhancement Program (GEP), and formally became a department in 2017. It implements projects related to production and sanitary improvements, and the respective tests take place at the Company's productive sites. It has implemented sixteen projects since it began and nine have been completed, while seven are still on-going.

Salmones Camanchaca worked on six production projects in 2019. These are: productive evaluation of monosex Lochy cages, productive evaluation of Lochy cages planted out of season, productive evaluation in population and genomic selection of fish selected for resistance to Salmonid Rickettsial Septicemia (SRS), productive evaluation of the Lochy

strain out of season, and evaluation of Formalin versus Bronopol on fry from cooled Lochy eggs.

Meanwhile, the Company worked on four sanitary projects: evaluation of vertical transmission of Piscine Orthoreovirus (PRV) in Genetic Enhancement Program (GEP) families, the effects on the Lochy egg of Formalin versus Bronopol, and an evaluation of Futerpenol and Caligus genomics.

2) SEA GROW-OUT PRODUCTION CYCLE

Grow-out in Los Lagos and Aysén Regions (12 to 18 months for Atlantic salmon and 7 to 10 months for Coho salmon)



After the freshwater stage, smolts are transferred to seawater sites to continue growing until they reach the target harvest size for each site.

They are transferred in trucks, which have special conditions to ensure they arrive in optimal condition. They are then transferred to specially designed boats with the appropriate conditions to avoid damaging the fish and stock them at the Company's seawater sites.

During 2019, 10.6 million Atlantic salmon smolts were stocked into four sites in the Los Lagos Region and six sites in the Aysén Region. 1.4 million Coho salmon smolts were stocked into four sites in the Los Lagos Region.

The production schedule determines when stocking takes place, which considers the particular strain, the growing period, maturity, environmental health risks, fallow periods, plant processing capacity, market seasonality, etc.

The growing period has been decreasing as a result of genetic advances and improvements in feeding techniques, which optimize fish growth and decrease the length of time at sea, which in turn decreases the associated risks and costs.

Sites are equipped with automatic feeding systems, which can be operated remotely. This improves feeding efficiency, reduces the number of days without feed, and improves their growing period. This is particularly important in areas with adverse weather conditions that may close ports for several days and prevent access to the site.

Similarly, camera technology is used to monitor feed consumption and improve physical site security, which is controlled from the central office in Puerto Montt. Additionally, specially designed robots have been widely used for these functions this year, and to extract mortality and wash nets in situ. This has reduced diving time and its associated risks.

When the fish reach the appropriate size, they are transferred by well-boats to the Company's primary processing plants. Fish from farming sites in the Los Lagos Region are processed at the Company's San José plant in Calbuco. While fish from farming sites in the Aysén Region are processed at the Surproceso plant in Quellón, in which the company owns a one third interest.

Salmones Camanchaca has also invested in a joint venture producing trout. It has contributed six aquaculture concessions to the joint venture, which are operated by Caleta Bay, and the company has a one third interest in the joint venture. The joint venture earnings are divided equally into thirds.

3) HARVEST AND PROCESSING

Wellboats

Salmones Camanchaca uses third party boats for its harvesting requirements, and to transport harvest volumes from all the company's sites to the San José plant, or to the plant owned by the subsidiary company Surproceso S.A. Additionally, it has its own fully harvested cycle wellboat which grants it autonomy and flexibility during harvesting and for contingency purposes.

"The Company is committed to complying with ASC standard, which certifies that its business operates in an environmentally sustainable and socially responsible manner"

4) PROCESSING PLANTS

The Company has three processing plants:

San José (Calbuco, Los Lagos Region)

The primary slaughtering and evisceration process for fish from Salmenes Camanchaca's sites in the Los Lagos Region takes place at these facilities. It has a processing capacity of 85,000 fish per day, which also enables it to process fish from other producers. It can export whole, fresh salmon directly to Brazil, Argentina, China, Japan and other markets, by land or sea. This plant also has a storage facility that gives it the flexibility to simultaneously handle high volumes from several customers.



Surproceso (Quellón, Los Lagos Region)

The Company has a one-third interest in this plant, which processes fish from grow-out sites in the Aysén Region. It has a processing capacity of 140,000 fish per day, so it can provide services to other salmon farms.

Value-Added Plant in Tomé (Bío Bío Region)



Whole, fresh fish is exported directly from the San José plant, while this plant adds value to all other fish. The plant can process up to 240 tons of salmon per day. It can handle various species and numerous formats, which allows the Company to maximize the return on its salmon.

Facilities owned by Camanchaca Pesca Sur S.A., a subsidiary of the Company's parent company, were used in 2019, due to the high demand for processing. This enabled the Company to process approximately 7,000 tons WFE in total during the highest production months.

Fresh products are exported mainly by air, in order to optimize the period from harvest to end consumer, even for distant markets such as China and Southeast Asia.

Offices were opened in 2019 at the airports in Puerto Montt, Temuco and Concepción, in order to optimize deadlines. These cities send products to the United States and other markets.

Frozen products are mostly transported by sea, which secures the cold chain and ensures that customers receive high quality products.

The value-added plant in Tomé employs approximately 1,000 people all year, and in peak season it can reach 1,300. Ninety per cent of these jobs are locally hired, which makes a significant contribution to the financial and social development of the local community.

BAP AND ASC SUSTAINABILITY STANDARDS

Best Aquaculture Practices (BAP)



New facilities at Petrohué's hatchery ensured that Salmenes Camanchaca was awarded the fourth star of the BAP certification. This guarantees to consumers, supermarkets and food service operators that the products marketed by the Company are produced under the best aquaculture practices in the industry.

This fourth star has certified that the Company's entire value chain meets the standards required by this voluntary program, which measures and evaluates environmental and social responsibility, animal welfare, food safety and product traceability.

Aquaculture Stewardship Council (ASC)



The Company is committed to complying with ASC standard, which certifies that its business operates in an environmentally sustainable and socially responsible manner.

Almost a third of the Company's production met the guidelines of this demanding international standard for the first time in 2018, which rose to 96% of total production in the fourth quarter of that year.

Monterey Bay Aquarium updated the Seafood Watch program standards in 2017, announcing that salmon grown under ASC certification progressed to become a "good choice" as sustainable seafood.

7.2 

Efficient Camanchaca

Efficiency is a strategic pillar at Salmenes Camanchaca and forms an integral part of daily team management, where short, medium and long term improvement and optimization initiatives are woven together.

New R+D technologies and projects were developed in 2019, as in previous years, which included research into optimizing growth in fresh water, and achieving flexibility when stocking and harvesting marine grow-out sites. Cages segregated by sex and strain were also implemented, which has improved biomass growth and speed, leading to target harvest weights of over 5 kg WFE being achieved within 12 months. This has resulted in cost savings and reduced environmental and health risks.

Investments in primary and secondary processing plants were particularly important in 2019. Approximately USD 2 million was invested in the latter to implement a new freezing tunnel for fillets and portions. An injection machine was added for fillets and portions bound for the United States and Mexican markets. These investments not only increase plant efficiency, but also improve the quality of the final product.

Progress was achieved with the master plan defined in 2018 for the primary plant. Its layout was amended to incorporate a complete weighing, quality classification and calibration line. The plant's diesel generators were changed, along with a new electrical design, and the fuel tanks were modified. The Company began a project to build a zero chamber, which will be completed in February 2020. It will improve product quality standards and reduce the cost of leasing external units to keep these products at the correct temperatures.

An external consultant performed an exhaustive review of the Company's support departments in 2018, in addition to identifying operational efficiencies. This review specifically covered the accounting, treasury, procurement, logistics, human resources, information technology and foreign trade departments.

The review suggested a new organizational structure for back office functions, with the aim of making them more effective, efficient and business responsive. Accordingly, recommendations were proposed to improve these processes, together with service and management KPIs for each department.

The main support functions were centralized in Tomé in the Biobío Region, which included the Accounting, Logistics and Foreign Trade (which was merged into the Commercial department), Procurement, and Human Resources departments, and they represent approximately 70% of all back office services in that region.

All other support functions need to be close to our salmon farms. Therefore, they will remain in Puerto Montt.

This significant efficiency project was fully implemented during 2019, and achieved savings and efficiencies that were reflected the administrative expenses over revenue indicator falling from 3.7% in 2018 to 2.9% in 2019, with structural adjustments producing savings of USD 2.2 million. Sales and distribution costs also fell from 2.6% of revenue in 2018 to 2.4% in 2019. Consequently, the Company's combined administrative and sales costs represented 5.3% of operating revenue for 2019, a reduction from 6.3% for 2018.

PROCUREMENT

During 2019, 54 invitations to tender were issued for USD 29.4 million. These included 40 service tenders for USD 21.9 million, 9 project tenders for USD 2.1 million and 5 consumable supply tenders for USD 5.4 million. These processes saved USD 2.6 million.

Furthermore, other measures achieved efficiency savings such as network processes, leased barges, harvesting support services and surveillance services.

Fish feed deliveries by bulk ship were tested in 2019. The Company transported 87,000 tons of fish feed in 2019, an increase of 27.6% over 2018.

Salmenes Camanchaca is committed to improving coordination within the distribution chain to user departments, so it merged the procurement and logistics departments during the second half of 2019, which shortened delivery times and reduced incidents.

LOGISTICS AND SALES

Exports of fresh salmon from Concepción airport reached a volume of 2.3 million kg during 2019, which was four times the volume for 2018, and this year exports from Temuco and Puerto Montt airports began. They have been equipped with the required infrastructure and professional staff, which allowed the Company to open up new export markets for its fresh products. This important milestone was achieved due to perseverance by Camanchaca and various public services involved in this area.

Air cargo services from regional airports has reduced the transit time to destination markets for export products, which results in higher quality and fresher products for customers and reduces logistics costs. It has



also required new airport infrastructure and additional domestic air cargo capacity with several benefits, such as:

- Support logistical services have been developed to receive, inspect and send cargo from these airports, which has created jobs and stimulated the local economy in these regions.
- Trucking from these regions to Santiago airport has decreased by approximately 25%. The Santiago export terminal concentrates almost all the fresh salmon exports from Chile, and its road and air congestion problems have been alleviated.
- The Company's carbon footprint has reduced, following the reduction in trucking.

Logistics options have diversified, which has resulted in a substantial improvement in distribution continuity.

The Company has also participated in developing and implementing the Siscomex electronic platform. This is an application that electronically processes air, sea and land shipments in a single window. Camanchaca has used this app to keep service levels above 97% during 2019, and to significantly reduce physical document processing.

The Electronic Certification and Effective Shipment system is being planned and implemented in 2020, in conjunction with the Ministry of Finance, which will reduce the time taken to process exports by approximately 25%, equivalent to one week, and will produce significant savings in both time and costs.

All of these initiatives resulted the Company's distribution costs reducing by USD 2.5 million compared to 2018.

SUPPLIERS

Only two suppliers represented over 10% of purchases. These suppliers both produce salmon feed and each separately represent around 21% of purchases.

7.3 

Marketing network

Salmones Camanchaca has a commercial team that sells directly its products and develops its target markets from Chile, and through sales agreements with Camanchaca Inc. for the North American market and with Camanchaca Ltd. for Japan. The Company also supplies markets in Mexico and Europe through agents. However, the Chinese market is developed through a marketing company called New World Currents, where the Company owns a 25% interest.

The commercial team defines its sales policies, it aims to maximize the return on sales and ensure adequate market diversification.

Salmones Camanchaca's current commercial structure and network has positioned the Company in international markets as a reliable supplier of premium salmon products and enabled it to build medium and long-term commercial relationships with its customers.

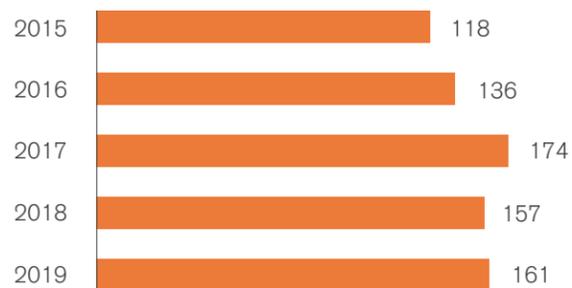
The Company has an agreement with its parent company, Compañía Pesquera Camanchaca, to market its value-added products under the "Camanchaca Gourmet" and "Pier 33" brands, which mainly target end consumers.

CUSTOMERS

Salmones Camanchaca channeled 39% of total 2019 sales through Camanchaca Inc., the Miami office of the parent company, Compañía Pesquera Camanchaca.

The Company has no other end customers that represent more than 10% of sales.

Nr of premium Atlantic salmon clients with sales above USD 10,000



MARKETS

2019 was characterized by constant changes Salmones Camanchaca's market allocations and product portfolio.

Global production was affected by external factors, which impacted international prices. Higher ocean temperatures contributed to the rapid growth of Norwegian salmon. Problems relating to sealice appeared in both Chile and Norway, which created higher global supplies than expected, and resulted in negative price trends in the third and fourth quarters of the year.

Consequently, the United States and Asia received increased product supplies in the second half of the year, significantly affecting prices in both markets. During the same period, Salmones Camanchaca began to increase its harvest volumes, compared to the first quarter.

The Company benefited from its market and product diversification strategy, and improved its sales and profitability in countries where Camanchaca has its own offices, such as the United States, Mexico and Japan. These markets grew by 18%, 47% and 98%, respectively, compared to the previous year. However, its share of markets with greater pressure such as Brazil and Russia suffered, as a result of the stability generated by long-term programs and a greater emphasis on closing new value-added businesses.

Salmones Camanchaca's sales of "whole fish" products fell during the first half of 2019, due to lower prices for frozen products, given the strong pressure on this format, combined with the difficulties facing the Company to access fresh markets with large volumes, because its harvested products were not the required size, which limited sales to Russia, Brazil and China.

While the Company maintains its share of all its traditional markets, the North American market continues to be its most important market, because of its size and its tremendous opportunities for growth, due to the low per capita consumption of salmon, which is around 1.4 kg.

Therefore, the outlook for this market is good. Firstly, because salmon is the second most popular seafood product in the United States after

shrimp, and secondly, because there is a consumer trend towards healthier and higher value products, such as salmon fillets, instead of canned or frozen fish and seafood.

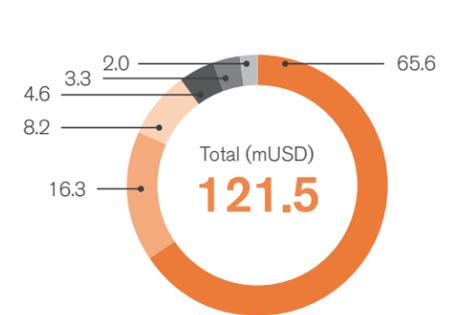
China has become an important market for the industry and for Salmones Camanchaca in particular, with tremendous growth potential for salmon in the future. This is due to increasing purchasing power among the middle class, who have reached 100 million inhabitants and are forecast to grow over the next 10 years to 600 million. The Company estimates that demand for Chilean salmon in the Chinese market will exponentially grow, as it has all the conditions to advance at a faster rate than other markets.

While the so-called traditional salmon markets remain important, others are gaining prominence, especially in Asia where Salmones Camanchaca is continuing to explore new business through its commercial offices.

The New World Currents alliance continues to develop its market share through offices in Shanghai and Shenzhen. However, Chilean salmon faces strong competition from other producer countries. Therefore, a focus on improving logistics costs by optimizing transit times and improving brand positioning will be essential to increase market penetration.

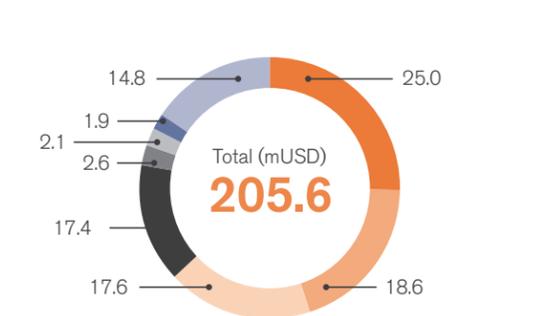
Salmones Camanchaca and the industry worked hard during 2019 to communicate that salmon is an important protein for human consumption, and that salmon farming is sustainable, environmentally responsible, and operates in harmony with local communities.

Fresh salmon (%)



- USA
- Brazil
- Chile
- China
- Argentina
- Other

Frozen salmon (%)



- Russia
- USA
- Japan
- Mexico
- Chile
- China
- Costa Rica
- Other



— 08 —

Sustainability



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-41.103196, -72.495104

8.1 

Sustainability

In early 2019, Salmones Camanchaca began a review of its sustainability strategy in the light of the significant trends and challenges facing the planet. Climate change, increasing care and concern for the oceans, scarcity of natural resources, and other major trends and challenges, all led the company to examine its corporate sustainability priorities with the aim of designing a roadmap that prioritized initiatives, aligned the organization and established medium and long-term commitments that would seriously shape the business, and positively impact the environment and its stakeholders.

Sustainability has become such an important strategic pillar for business development that corporate strategies are now required to consider local and global circumstances and major trends that influence the Company's stakeholders, including public policies and regulations that affect both the business and consumers.

Therefore, Salmones Camanchaca initiated this process by analyzing responses to these issues from around the world and specifically the 17 United Nations Sustainable Development Goals (SDG), which aim to influence policies and regulations in each country and the behavior of the private sector. Specifically, Objective 14 regarding life below water, as Salmones Camanchaca's business takes place in this environment. The UN Global Compact Action Platform for Sustainable Ocean Business provides a conceptual, policy and regulatory framework that will develop a sustainable ocean economy, based on nine principles:

1. Assess the short and long-term impacts of our activities on ocean health and incorporate them into our strategy and policies.
2. Consider sustainable business opportunities that promote or contribute to restoring, protecting or maintaining ocean health and productivity and livelihoods dependent on the ocean.
3. Take action to prevent pollution affecting the ocean, reduce greenhouse gas emissions in our operations to prevent ocean warming and acidification, and work towards a circular economy.
4. Plan and manage our use of and impact on marine resources and space in a manner that ensures long-term sustainability and take precautionary measures where our activities may impact vulnerable marine and coastal areas and the communities that are dependent upon them.
5. Engage responsibly with relevant regulatory or enforcement bodies on ocean-related laws, regulations and other frameworks.

6. Follow and support the development of standards and best practices that are recognized in the relevant sector or market contributing to a healthy and productive ocean and secure livelihoods.
7. Respect human, labor and indigenous peoples' rights in the Company's ocean related activities, including exercise appropriate due diligence in our supply chain, consult and engage with relevant stakeholders and communities in a timely, transparent and inclusive manner, and address identified impacts.
8. Where appropriate, share relevant scientific data to support research on and mapping of relevance to the ocean.
9. Be transparent about our ocean-related activities, impacts and dependencies in line with relevant reporting frameworks.

A broad analysis of other companies in the industry, leading sustainability organizations, NGOs, communities, and other organizations, was used to identify and prioritize the material issues that Salmones Camanchaca needs to manage. These were grouped into five strategic pillars that form the basis for the new sustainability model. Material issues are those that must be managed because they are relevant to our business and our stakeholders. Examples are biosecurity and animal welfare, occupational health, safety and welfare, local engagement and conflict resolution. Each issue is prioritized, which determines the amount of time and resources dedicated to managing it.

The new sustainability model for Salmones Camanchaca was approved by the Company's Board of Directors in October 2019, and its purpose is: (i) to provide a broad conceptual framework that enables it to consistently address the environmental and social challenges facing the business, now and in the future; (ii) to structure its sustainability priorities and objectives, based on clear strategic pillars, that produce effective communication and management; and (iii) to drive cultural change among all its employees, so that sustainability becomes an essential factor that guides behavior and ensures compliance with defined policies.

The Technical and Sustainability Department was created in July 2019, in order to extend the Company's commitment to sustainability and generate an organizational structure that can direct these issues.

AMBITIONS FOR A SUSTAINABLE FUTURE



SALMONES CAMANCHACA SUSTAINABILITY MODEL





HEALTHY AND NUTRITIOUS FOOD

Nutritious, healthy, sustainable and high quality products that fully respect fish welfare

Our central focus is caring for the welfare of our fish, because healthy, nutritious and premium products depend on it. This is achieved by implementing good practices and using state-of-the-art infrastructure and technology in our farming processes. All our salmon received the Global Aquaculture Alliance's 4 Star Best Aquaculture Practices certification in 2019, which certifies good management practices at hatcheries, grow-out sites, processing plants and feed manufacturers. We are also committed to certifying that by 2021 most of our production complies with the ASC (Aquaculture Stewardship Council) standard, the most demanding world standard in aquaculture.

Salmones Camanchaca continued to arrange and participate in various local fairs adjacent to its facilities during 2019, to encourage the consumption of fresh, high quality salmon, using simple recipes with low cost, affordable ingredients for most people. Local cooks have been trained with new skills and techniques to prepare this fish.



HEALTHY ECOSYSTEMS

Preserve the structure and function of terrestrial and aquatic ecosystems that host our activities

Salmones Camanchaca is committed to incorporate new innovations in salmon bio-health, during the last quarter of 2019 the Company imple-

mented effective and environmentally friendly methods to control parasites. These included hydrogen peroxide and a non-pharmacological system.

Salmones Camanchaca is committed to continuously improve the reputation of Chilean salmon around the world, through the Chilean Salmon Marketing Council (CSMC) and the industry association, SalmonChile. It also participates in the Chilean Salmon Antibiotic Reduction Program (CSARP), a joint initiative with the Monterey Bay Aquarium that aims to reduce antibiotic use by 50% before 2025.

The Company wants to reduce the impact of its business on the environment and to promote sustainable aquaculture development. It is also committed to reducing net Greenhouse Gas (GHG) emissions from its processes to zero by 2025, which is 25 years earlier than the target imposed by the Chilean Government.



PROSPEROUS COMMUNITIES

Operations integrated harmoniously with the surrounding area and its residents

Salmones Camanchaca is committed to building a responsible relationship with our local communities, together with eight other companies in the salmon industry. Accordingly, the Company has joined the Salmon Social Initiative, which is a program coordinated by the Consensus Building Institute that aims to implement the best global practices in community relations. We have defined a community engagement model based on the following principles and commitments:

1. Respect and care for our environment: We responsibly manage the social and environmental impact of our operations, ensuring that they are compatible with the natural environment and with local culture.
2. Build reliable relationships: We create opportunities to exchange information, to participate and converse, and to build reliable relationships with local communities.
3. Contribute to development: We contribute to local development and create shared value, in accordance with the circumstances in each surrounding area.

Initiatives implemented during 2019 include:

- Neighborhood Talks 2019: this program was implemented in Tomé, to extend our relationship with neighbors and with social and community organizations. It involved Company professionals presenting projects that may affect the community and the environment. Measures jointly defined with neighbors were also presented that may benefit them.
- Environmental workshops: the Company provides support to various schools near its facilities to achieve the Environment Ministry's School Environmental Certification. This program encourages educational plans that create environmental awareness and care.
- Healthy eating: the Company arranged nutritional talks for numerous local schools that encouraged students to change their eating habits, by encouraging them to consume healthy foods. Nutritional assessments and cooking workshops were also arranged for the school community.



MEANINGFUL JOBS

Committed team that is conscious of its impact

The Company is committed to developing initiatives that foster a continuous improvement culture, through efficiency, sustainability, employee commitment, and respect for diversity and the rights of those who belong to Salmones Camanchaca.

Special 2019 initiatives included: human rights workshops, talent people training and retention program, and regulatory, technical and soft skills courses. These training events reinforce employee's talents and skills, and develop integrated and committed professionals.

This creates a positive working environment, which encourages good performance among those working in each business unit. Measurements, surveys and focus groups are used to measure how the organizational climate is evolving each year and identify areas that can be improved.

Finally, employee dialogues were introduced this year at all business units, following the social unrest in October 2019. The idea was to create an opportunity for reflection and dialogue, to understand employee's concerns and personal situations.





PROFITABLE AND RESPONSIBLE BUSINESS

Profitable and resilient business, committed to creating value for all our stakeholders

The Company presented its 2018 Sustainability Report for the first time in public on September 26 in Puerto Varas. The event was attended by members of local communities, suppliers, authorities and other interested residents. This is the report's fifth year, which was independently verified by Deloitte based on the SDG and the GRI guidelines.

The first Capital Market Day was arranged in Oslo, Norway, where the Company's financial performance, strategic plans and sustainability policy were presented, along with the challenges facing the Chilean aquaculture industry. This presentation was repeated to important audiences, such as European investors, company shareholders, industry analysts, the media, other industry stakeholders and Chilean aquaculture authorities.



SUSTAINABILITY PERFORMANCE MATRIX

 HEALTHY AND NUTRITIOUS FOOD	 HEALTHY ECOSYSTEMS	 PROSPEROUS COMMUNITIES	 MEANINGFUL JOBS	 PROFITABLE AND RESPONSIBLE BUSINESS
Atlantic Mortality 4.8%	#Escapes 0	Employees trained on relation with communities 8.8%	Number of employees 1,569	Compliance policies & training 85%
BAP certified biomass 100%	Interaction with wildlife (# of incidents) 0	Community engagement activities 189	Gender distribution 25% woman	EBITDA/net assets 21.5%
ASC certified biomass 17%	Feed conversion ratio 1.19		Employee rotation 2.93%	EBIT/Kg WFE 1.3
LiVAC vaccine #fish 98%	Fish in / fish out ratio 0.61		# Of accidents 0.4	
	Antibiotics use 516.9 gr/ton LWE		Absent 0.127	
	Antiparasitary use 12.6 gr/ton LWE		Absent due to accidents 13.9	
	Solio wastes / biomass produced 0.11		Trained employees 71.69%	



— 09 —

Financial Information



Petrohué, Región de Los Lagos
-41.140459, -72.404236

9.1 

Essential facts

As of the date of this report, the company has informed to the CMF the following material facts.

MARCH 27, 2019

In the ordinary session of the board of directors of Salmones Camanchaca held in March 27th, 2019, among the other matters it was agreed to summon an ordinary shareholder's meeting for April 26 th, 2019, at 12:00 pm, at Avenida El Golf (Bridge Lounge), Las Condes, Santiago. In said meeting, by agreement of the aforementioned board of directors the payment of a final dividend of USD 0.36015 per share will be proposed, which is equivalent to the 50% of the distributable net profit, with charged to the profits for the year ended December 31st, 2018.

Said dividend, if approved by the ordinary shareholder's meeting of Salmones Camanchaca, will be paid in pesos (national currency), according to the "observed dollar" Exchange rate published in the Official Gazette on May 7th, 2019. The payment date of the proposed dividend is May 13th, 2019 and will be entitled to it all the shareholders registered in the Shareholder's Registry of Salmones Camanchaca on May 7th, 2019.

MARCH 11, 2020

The Board of Directors of Salmones Camanchaca S.A. agreed on a board meeting held March 11, 2020 by the unanimity of its members, to modify the dividend policy that was communicated in an essential fact on March 21, 2018, to replace and establish as of March 2020, the Company's dividend policy as follows:

a) The Company shall distribute definitive annual dividends after the approval of the balance sheet of each fiscal year by the Annual general Meeting, in an amount that will be at least equal to 30% of the net profits susceptible of being distributed as shown in the relevant balance sheet.

b) The Company will not distribute interim dividends unless so decreed by the Board for a particular and determined distribution; and

c) The terms indicated in "a" and "b" above may be modified by the Board in the future.

APRIL 1, 2020

In the ordinary session of the board of directors of Salmones Camanchaca held on April 1st, 2020, among other matters it was agreed to summon an ordinary shareholders' meeting for April 30th, 2020, at 10:00 am, at the Company's offices located in Avenida El Golf 99, 10 floor, Las Condes, Santiago. In said meeting, by agreement of the aforementioned board of directors the payment of a final dividend of USD 0.255302 per share will be proposed, which is equivalent to the 40% of the distributable net profit, with charged to the profits for the year ended December 31st, 2019.

Said dividend, if approved by the ordinary shareholders's meeting of Salmones Camanchaca, will be paid in pesos (national currency), according to the "Observed Dollar" exchange rate published in the Official Gazette on May 6th, 2020. The payment date of the proposed dividend is from May 12th, 2020 and will be entitled to it all the shareholders registered in the Shareholders' Registry of Salmones Camanchaca at midnight on May 6th, 2019.



9.2 

Share transactions

TRANSACTIONS OF EXECUTIVES AND CONTROLLERS

Name / Corporate name	Relation	Transaction date	Purchase			Sales			Operation's intention	
			No Shares	Price (CLP)	Amount	No Shares	Price (CLP)	Amount	Company Control	Financial Investment
Juan Carlos Ferrer Echavarrí	Manager	02-02-2018	7,815	3,268	25,539,420					Si
Ricardo García Holtz	Director	02-02-2018	23,448	3,268	76,628,064					Si
Daniel Bortnik Ventura	Manager	02-02-2018	15,631	3,268	51,082,108					Si
Ricardo García Holtz	Director	07-04-2018				3,448	4,500	15,516,000		Si
Ricardo García Holtz	Director	06-03-2019				8,000	5,950	47,600,000		Si

SHARE TRANSACTIONS IN CHILE

2019	Units	Amount (CLP)	Average price
1st Quarter	1,135,447	7,637,523,862	6,642
2nd Quarter	985,808	5,819,414,264	5,885
3rd Quarter	2,469,445	13,388,133,505	5,364
4th Quarter	1,042,582	5,616,229,216	5,645

2018	Units	Amount (CLP)	Average price
1st quarter	25,915,335	86,309,348,904	3,330
2nd quarter	4,040,204	16,734,960,546	4,142
3rd quarter	1,344,636	7,337,489,174	5,456
4th quarter	2,881,024	17,461,899,287	6,061

Source: Santiago Stock Exchange

SHARE TRANSACTIONS IN NORWAY

2019	Units	Amount (NOK)	Average price
1st Quarter	778,798	66,004,402	84.8
2nd Quarter	795,597	59,352,031	74.6
3rd Quarter	1,214,185	78,022,583	64.3
4th Quarter	534,291	34,034,322	63.7

2018	Units	Amount (NOK)	Average price
1st Quarter	14,193,159	617,750,222	43.5
2nd Quarter	2,918,140	151,677,663	52.0
3rd Quarter	1,054,404	69,205,393	65.6
4th Quarter	1,335,645	97,316,452	72.9

Source: Oslo Stock Exchange

SHARE PRICE DEVELOPMENT

Share price

Base 100 (01-2019)



● Salmones Camanchaca (SALMOCAM) ● Índice General de Precios de Acciones (IGPA)

Santiago Stock Exchange



● Salmones Camanchaca (SALMON) ● Oslo Børs Seafood Index (OBSFX)

Oslo Stock Exchange

9.3 

Main risks and uncertainties

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

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

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

A. PHYTOSANITARY RISKS

The Company is exposed to risk of disease or parasites that can affect the biomass, increasing mortality or reducing the growth of specific species, and thereby, affecting production and sales volume. Salmones Camanchaca has adopted strict control standards to minimize those risks, and comply with regulatory requirements with respect to coordinated fallow periods for the concessions in each neighborhood, maximum fish density in cages, constant monitoring and reporting of the biomass and its biological status and health, smolt production in closed recirculating sites fed by groundwater, transport of breeders and fish for harvest in well-boats, coordinated anti-parasitic washing by neighborhood, frequent net cleaning, oxygen plants to supplement pronounced shortfalls in the water, vaccinations at the freshwater stage, and other standards. The risks associated with increased concentrations of parasites can result in early harvests, under certain circumstances, with the consequent lower harvest

weights. In the extreme, they can result in unusable products. The Company is mitigating these risks by rigorously applying current treatments, diversifying the anti-parasitic treatments it applies to sites affected by higher concentrations.

B. NATURAL RISKS

The Company is exposed to natural risks that may affect normal operations, such as volcanic eruptions, tidal waves and tsunamis, earthquakes, harmful algae blooms, natural predators, pollution and other factors that may threaten the biomass and production infrastructure. The Company is constantly monitoring these variables using the latest technologies available in Chile, in addition to having appropriate insurance coverage for these risks, where available.

Additionally, the Company is exposed to contagious diseases or pandemics that may affect the normal production operations, different steps of the value chain or subsequent logistics, may result in an interruption of the production and sale.

C. PRODUCT SALE PRICE RISKS

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

Prices are highly dependent on supplies from Norway and Chile and on fluctuations in exchange rates used by the Company's major trading partners, which affects demand conditions in these markets. Salmones Camanchaca has sought to safeguard against this risk through diversifying its commercial network and flexing its products to enable its raw material to be sent to any market.

The Company complies with production standards and protocols applied by the country with the strictest requirements in the world, in order to take advantage of all available commercial opportunities. However, there is a risk that occasionally some markets will be limited as a result of tariff,



para-tariff or sanitary measures. Should this occur, the Company believes that it is sufficiently diversified across various markets to divert trade elsewhere, although this may result in price decreases in the short-term depending on market conditions.

D. PURCHASE PRICE RISKS

The Company is exposed to changes in the price of salmon feed, which represents about half the cultivation cost. Salmones Camanchaca ensures its diets achieve a balance between feed cost and nutritional quality at each fish development stage. The Company aims to produce a final product that contains the same amount of Omega 3 as wild salmon, as well as keeping the ratio of marine sourced feed to farmed fish (the fish in-fish out ratio), to no more than 1.0. The Company has feed contracts with prices adjusted quarterly, on a cost-plus basis.

E. REGULATORY RISKS

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

The regulations governing salmon farming densities were changed with effect from Q3 2016, and a smolt stocking reduction program was introduced (SRP) as an alternative to the general density regime. This program requires stocking and farming densities to be reduced when sanitary performance has fallen, or when smolt stockings are expected to grow in the area. The SRP mechanism gives producers the option to replace a reduction in density, when appropriate, with a smolt stocking plan that considers growth containment with respect to the previous cycle, so maintaining densities at maximum permitted levels.

Since the Company's policy has been to use its assets to provide services to third parties/producers, it has routinely leased out several seawater sites. Regulations attribute the history of concession use to the concession owner, allowing the Company to use the history of smolt stocking at seawater sites leased to third parties in its smolt stocking plans, without affecting the growth of smolt stocking in the areas involved. Therefore, as lease contracts expire beyond 2020, the Company estimates Atlantic salmon harvests of 60,000 tons WFE at its own farm sites, plus another 15,000 to 16,000 tons WFE of other species.

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

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

F. SOCIAL AND POLITICAL RISKS

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

G. LIQUIDITY RISKS

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

Salmones Camanchaca conservatively and prudently manages this risk by maintaining sufficient liquidity and access to third-party financing facilities, while carefully ensuring that it complies with all its financial obligations.

H. INTEREST RATE RISKS

The Company is exposed to interest rate risk since its long-term financing includes a variable interest rate component, which is adjusted every six months. The Company evaluates its hedging options, depending on market conditions, but has not used them during the last five years.

I. FOREIGN EXCHANGE RISKS

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

Corporate policy is to agree income, cost and expenses in US dollars whenever possible. When that is not possible, expenses in Chilean pesos are converted to US dollars, which may appear higher if the Chilean peso appreciates. The Company occasionally evaluates exchange rate hedging instruments for its Chilean peso-denominated expenses, based on mar-

ket conditions, which results in non-operating income or loss, respectively, for any operational loss or income produced.

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

J. CREDIT RISKS

1. Surplus cash investment risk: The Company has a highly conservative policy for investing its cash surpluses. This policy covers the quality of both financial institutions and their financial products.
2. Sales Risks: The Company has credit insurance policies covering most sales that do not require immediate payment. The remaining sales are backed by letters of credit, advance payments, or are sales to customers with good payment performance.

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

9.4

Investment, financing and dividend policies

INVESTING AND FINANCING POLICIES

Over time, the Company's investment policy has focused on maintaining all production assets in optimal operating conditions. Therefore, each year it invests a fraction of the book basis depreciation of its property, plant and equipment incurred during the prior year. It also makes investments in property, plant and equipment and concessions in order to boost its production capacity in order to comply with its strategic development plan. These investments are financed using corporate resources, by selling assets or with long-term loans from financial institutions. Investments in working capital are funded with corporate resources or short-term bank financing. The Company has covenants with these banks to maintain a debt over EBITDA coverage ratio no greater than 4 times and a ratio of equity to assets equal to or greater than 40%, in accordance with the lending agreement signed in November 2017.

A total of USD 40.7 million was invested in 2019, including USD 18.7 million to maintain and upkeep existing assets and USD 22 million on efficiency, improvements and production capacity expansion.

Approximately USD 26 million is expected to be invested in 2020. Close to 80% of these investments will be to maintain and upkeep existing assets and the rest will focus on expanding production capacity in line with the Company's growth plan.

DIVIDEND POLICY

The current dividend policy of Salmones Camanchaca S.A. approved by the Board of the company is as follows:

- a) The Company shall distribute definitive annual dividends after the approval of the balance sheet of each fiscal year by the Annual general Meeting, in an amount that will be at least equal to 30% of the net profits susceptible of being distributed as shown in the relevant balance sheet.

- b) The Company will not distribute interim dividends unless so decreed by the Board for a particular distribution.

- c) The terms indicated in "a" and "b" above may be modified by the Board in the future.

To date, the Company has no restrictions involving limitations on dividend payments. However, the debt rescheduling and financing commitment agreement signed on November 27, 2017, with DNB Bank ASA, Cooperative Rabobank U.A., and Banco Santander Chile S.A., set forth that if the Company does not comply with the financial covenants established in that agreement, it may not distribute dividends in excess of 30% of distributable net income for the year, determined based on the respective balance sheet.

DIVIDEND PROVISION

For the year ended December 31, 2019, the Company's financial statements contain a provision for dividends payable of USD 12,637 thousand, equivalent to 30% of distributable net income amounting to USD 0.19147 per share.

The Board of Directors of Salmones Camanchaca agreed at session of April 1, 2020 to propose to the Annual General Meeting the payment of a final dividend of 40% of the distributable net profit amounting USD 16.8 million, equivalent to USD 0.255302 per share.

In 2019 the Company distributed dividends for fiscal year ended December 31, 2018 for USD 23.77 million, equivalent to USD 0.36015 per share. Additionally, in 2018 the Company distributed dividends for the year ended December 31, 2017, of USD 3.35 million, equivalent to USD 0.05081 per share. Salmones Camanchaca did not distribute any dividends in the years prior to 2016.



9.5 

Financial statements, Earnings report and

Subsidiaries' summarized
financial statements



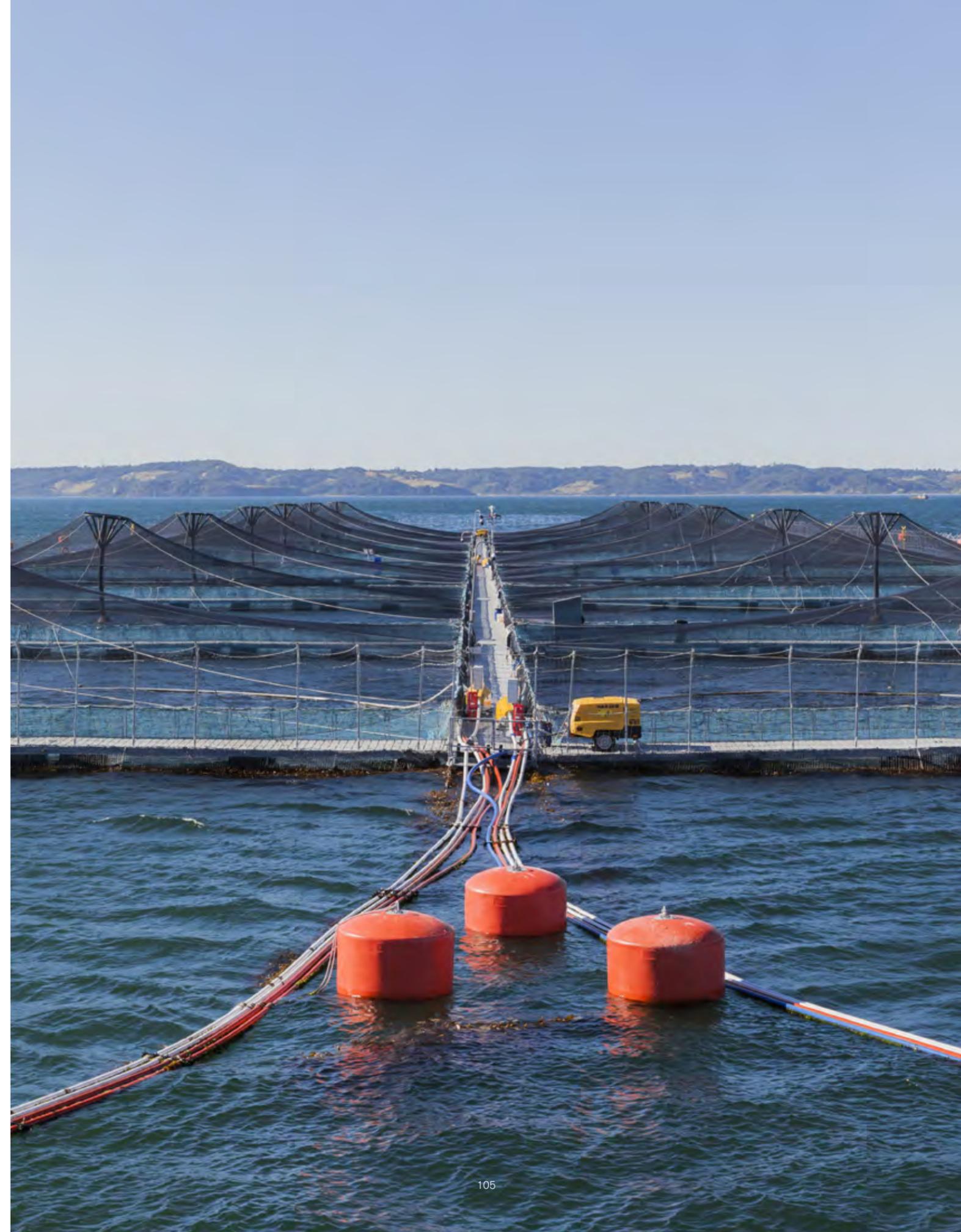
Financial Statements 2019



Earnings report 2019



Summarized individual
financial statements 2019



10.1 

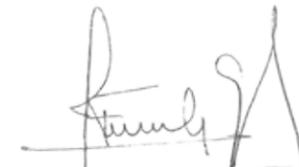
Directors' responsibility statement

The directors and the CEO of Salmones Camanchaca S.A., undersign this Annual Report and state under oath that the information contained in it is the faithful expression of the truth and they confirm, to the best of their knowledge, that the financial statements for the period January 1 to December 31, 2019 have been prepared in accordance with current applicable accounting standards, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the entity and the group taken as a whole. They also confirm that the Board of Directors' Report includes a true and fair review of the development and performance of the

business and the position of the entity and the group, together with a description of the main risks and uncertainties the entity and the group face.

At the time of the release of this 2019 Annual Report, coronavirus pandemic is having a global impact. Salmones Camanchaca's priority is the protection of our employee's health, and the operational continuity under restrictive conditions. The full medium- and long-term implications of the coronavirus pandemic remain uncertain. The situation is monitored closely and will continue to take all possible mitigation actions.

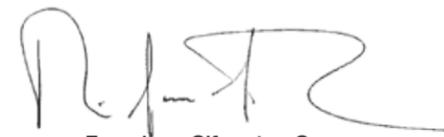
Santiago, April 1st, 2020



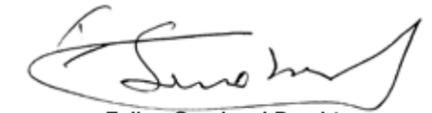
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Francisco Cifuentes Correa
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4.333.851-K



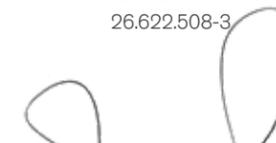
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Directors' Responsibility Statement



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Salmones
Camanchaca