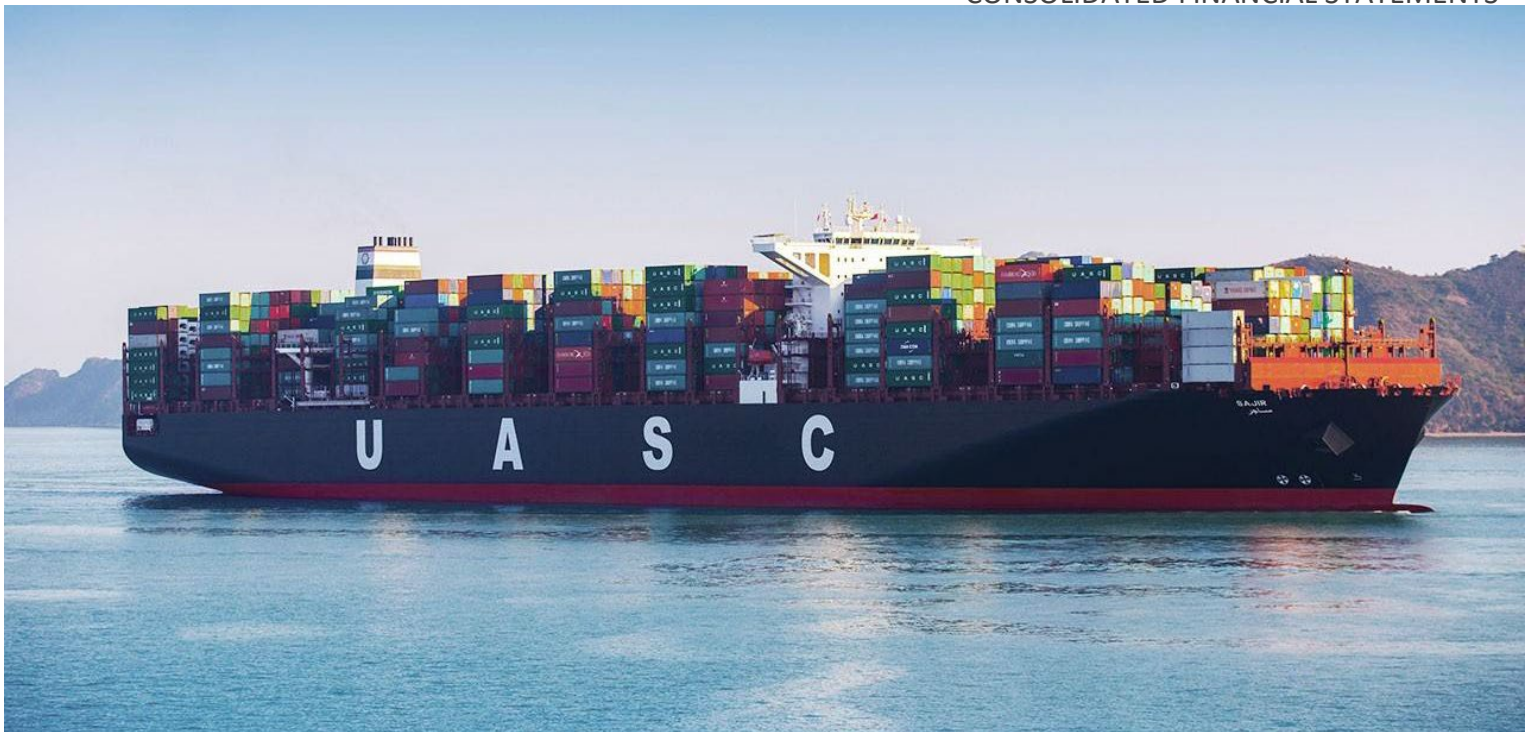


COMPAÑÍA SUD AMERICANA DE VAPORES S.A. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS



15,000 TEU container ship M/V Sajir, first in its class worldwide converted to natural gas propulsion. Vessel owned by Hapag-Lloyd AG joint venture.

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Figures expressed in thousands of US dollars (ThUS\$)

Independent Auditors' Report

ASSETS	Note	As of December 31, 2019	As of December 31, 2018
		ThUS\$	Th\$US\$
CURRENT ASSETS			
Cash and cash equivalents	7	53,619	24,339
Other non-financial assets	13	117	1,222
Trade and other receivables	9	16,234	17,654
Receivables from related parties	10	74	67
Inventories	11	1,884	4,832
Current tax assets	20	356	261
Disposal groups classified as held for sale	35	306	784
Total current assets		72,590	49,159
NON-CURRENT ASSETS			
Other financial assets	8	63	63
Other non-financial assets	13	1	1
Equity method investments	15	2,168,383	1,939,465
Intangible assets other than goodwill	16	-	-
Goodwill	17	17	17
Property, plant and equipment	18	10,969	2,395
Investment property	19	10,870	12,198
Deferred tax assets	21	254,487	254,579
Total non-current assets		2,444,790	2,208,718
TOTAL ASSETS		2,517,380	2,257,877

The attached notes 1-39 are an integral part of these Consolidated Financial Statements.

LIABILITIES AND EQUITY		As of December 31, 2019	As of December 31, 2018
	Note	ThUS\$	ThUS\$
CURRENT LIABILITIES			
Other financial liabilities	22	53,911	11,524
Trade and other payables	23	11,132	10,226
Payables to related payables	10	30,301	104
Other provisions	24	6,085	2,038
Current tax liabilities	20	947	29
Employee benefit provisions	26	1,528	1,556
Other non-financial liabilities	25	3,997	5,617
Disposal groups classified as held for sale	35	81	42
Total current liabilities		107,982	31,136
NON-CURRENT LIABILITIES			
Other financial liabilities	22	173,696	84,189
Other provisions	24	11,000	11,935
Deferred tax liabilities	21	502	254
Other non-financial liabilities	25	13	160
Total non-current liabilities		185,211	96,538
TOTAL LIABILITIES		293,193	127,674
EQUITY			
Issued capital	28	3,493,510	3,493,510
Retained earnings (accumulated deficit)	28	(1,228,876)	(1,353,413)
Other reserves	28	(40,447)	(9,894)
Equity attributable to owners of the company		2,224,187	2,130,203
TOTAL EQUITY		2,224,187	2,130,203
TOTAL LIABILITIES AND EQUITY		2,517,380	2,257,877

The attached notes 1-39 are an integral part of these Consolidated Financial Statements.

STATEMENT OF INCOME		For the year ended December 31,	
		2019	2018
	Note	ThUS\$	ThUS\$
Net income (loss) for the year			
Revenue	29	92,955	91,436
Cost of sales	29	(93,878)	(87,187)
Gross margin		(923)	4,249
Other income	30	1,098	1,306
Administrative expenses	29	(12,156)	(10,546)
Other gains (losses)	30	1,317	8,691
Net operating income (loss)		(10,664)	3,700
Finance income	31	592	660
Finance cost	31	(10,905)	(5,537)
Share of income (loss) of equity method associates and joint ventures	15	147,812	13,974
Exchange differences	32	(23)	(1,188)
Net income (loss) before taxes		126,812	11,609
Income tax benefit (expense) from continuing operations	21	(1,271)	7,092
Net income (loss) from continuing operations		125,541	18,701
Net income (loss) from discontinued operations	35	(925)	(453)
Net income (loss) for the year		124,616	18,248
Net income (loss) attributable to:			
Net income (loss), attributable to owners of the company		124,616	18,248
Net income (loss), attributable to non-controlling interest		-	-
Net income (loss) for the year		124,616	18,248
Basic earnings per share			
Basic earnings (loss) per share from continuing operations	34	0.0034	0.00051
Basic earnings (loss) per share	34	0.0034	0.00051

The attached notes 1-39 are an integral part of these Consolidated Financial Statements.

STATEMENT OF COMPREHENSIVE INCOME	For the year ended December 31,	
	2019	2018
	ThUS\$	ThUS\$
Net income (loss) for the year	124,616	18,248
Components of other comprehensive income (loss), before tax:		
Exchange differences on translation of foreign operations		
Gain (loss) from exchange differences on translation of foreign operations, before tax	(2,077)	(4,709)
Other comprehensive income (loss), before tax, foreign exchange differences on translation of foreign operations	(2,077)	(4,709)
Cash flow hedges		
Gain (loss) on cash flow hedges, before tax	(3,969)	(6,686)
Other comprehensive income (loss), before tax, cash flow hedges	(3,969)	(6,686)
Actuarial gains (losses) for defined benefit plans, before tax	(17,696)	3,488
Other comprehensive income (loss), before tax	(23,742)	(7,907)
Income tax relating to components of other comprehensive income (loss):		
Income tax relating to cash flow hedges	(204)	204
Total income tax relating to components of other comprehensive income (loss)	(204)	204
Other comprehensive income (loss) for the period	(23,946)	(7,703)
Total comprehensive income (loss) for the period	100,670	10,545
Total comprehensive income (loss) attributable to:		
Owners of the company	100,670	10,545
Non-controlling interest	-	-
Total comprehensive income (loss) for the year	100,670	10,545

The attached notes 1-39 are an integral part of these Consolidated Financial Statements.

For the year ended December 31, 2019

	Issued Capital	Other Reserves				Total Other Reserves	Retained Earnings (Accumulated Deficit)	Total Equity
		Translation Reserve	Cash Flow Hedge Reserve	Reserve for Actuarial Gains and Losses on Defined-Benefit Plans	Other Miscellaneous Reserves			
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Opening balance, current period (January 1, 2019)	3,493,510	(11,308)	(3,233)	1,068	3,579	(9,894)	(1,353,413)	2,130,203
Changes in equity								
Net income (loss) for the year	-	-	-	-	-	-	124,616	124,616
Other comprehensive income (loss)	-	(2,077)	(4,173)	(17,696)	-	(23,946)	-	(23,946)
Total comprehensive income (loss)	-	(2,077)	(4,173)	(17,696)	-	(23,946)	124,616	100,670
Increase (decrease) due to transfers and other changes	-	-	-	-	(6,607)	(6,607)	(79)	(6,686)
Total changes in equity	-	(2,077)	(4,173)	(17,696)	(6,607)	(30,553)	124,537	93,984
Closing balance as of December 31, 2019	3,493,510	(13,385)	(7,406)	(16,628)	(3,028)	(40,447)	(1,228,876)	2,224,187

The attached notes 1-39 are an integral part of these Consolidated Financial Statements.

For the year ended December 31, 2018

	Issued Capital	Other Reserves				Total Other Reserves	Retained Earnings (Accumulated Deficit)	Total Equity
		Translation Reserve	Cash Flow Hedge Reserve	Reserve for Actuarial Gains and Losses on Defined-Benefit Plans	Other Miscellaneous Reserves			
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Opening balance, prior period (January 1, 2018)	3,493,510	(6,714)	3,249	(2,420)	1,493	(4,392)	(1,371,661)	2,117,457
Changes in equity								
Net income (loss) for the year	-	-	-	-	-	-	18,248	18,248
Other comprehensive income (loss)	-	(4,709)	(6,482)	3,488	-	(7,703)	-	(7,703)
Total comprehensive income (loss)	-	(4,709)	(6,482)	3,488	-	(7,703)	18,248	10,545
Increase (decrease) due to transfers and other changes	-	115	-	-	2,086	2,201	-	2,201
Total changes in equity	-	(4,594)	(6,482)	3,488	2,086	(5,502)	18,248	12,746
Closing balance as of December 31, 2018	3,493,510	(11,308)	(3,233)	1,068	3,579	(9,894)	(1,353,413)	2,130,203

The attached notes 1-39 are an integral part of these Consolidated Financial Statements

Statement of Cash Flows		For the year ended December 31,	
		2019	2018
	Note	ThUS\$	ThUS\$
Cash flows provided by (used in) operating activities			
Classes of revenue from operating activities			
Proceeds from sales of goods and services		91,326	98,735
Other income from operating activities		1,082	1,361
Classes of payments from operating activities			
Payments to suppliers for goods and services		(59,443)	(112,112)
Payments to and on behalf of employees		(5,536)	(4,876)
Other payments for operating activities		(56)	(8,569)
Net cash flows used in operations		27,373	(25,461)
Income taxes paid (refunded)		(19)	(561)
Other cash inflows (outflows)		6	(17)
Net cash flows provided by (used in) operating activities		27,360	(26,039)
Cash flows provided by (used in) investing activities			
Cash flows arising from the loss of control of subsidiaries	14	-	549
Other payments to acquire interest in joint ventures	15	(120,339)	(28,492)
Proceeds from sale of property, plant and equipment		2,176	10,771
Purchases of property, plant and equipment	18	(16)	(3)
Interest received		592	660
Dividends received	15	8,043	30,244
Net cash flows provided by (used in) investing activities		(109,544)	13,729
Cash flows provided by (used in) financing activities			
Proceeds from long-term loans		99,801	-
Proceeds from long-term loans		34,554	31,354
Loans from related parties	10	60,000	-
Loan repayments		(10,000)	(31,500)
Payment of finance lease liabilities	22	(32,571)	-
Loan repayments to related parties		(30,000)	-
Interest paid	22	(9,234)	(4,909)
Other cash inflows (outflows)		(1,078)	-
Net cash flows provided by (used in) financing activities		111,472	(5,055)
Increase (decrease) in cash and cash equivalents, before effect of exchange rate changes		29,288	(17,365)
Effect of exchange rate changes on cash and cash equivalents		(8)	(737)
Increase (decrease) in cash and cash equivalents		29,280	(18,102)
Cash and cash equivalents at beginning of period	7	24,339	42,441
Increase (decrease) in cash and cash equivalents		29,280	(18,102)
Cash and cash equivalents at end of period	7	53,619	24,339

The attached notes 1-39 are an integral part of these Consolidated Financial Statements.

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Note 1 General Information

Compañía Sud Americana de Vapores S.A. (hereinafter “CSAV” or “the Company”), Taxpayer ID No. 90.160.000-7, is a publicly-held corporation registered under number 76 in the Securities Registry of the Chilean Financial Market Commission (CMF), formerly the Superintendency of Securities and Insurance, and supervised by that entity. The Company's registered address is Hendaya 60, piso 14, Las Condes, Santiago, Chile and its stock is listed on Santiago Exchange (since 1893) and the Chilean Electronic Exchange.

The Company was founded in Valparaíso in 1872. Its main business is maritime cargo transport, mainly containers, although it also transports automobiles and other wheeled cargo. The car carrier business is developed directly by the Company, while the container shipping business is operated entirely by Hapag-Lloyd AG and its subsidiaries (hereinafter “HLAG”), which is headquartered in Hamburg, Germany. As of December 31, 2019, CSAV is the largest shareholder of this entity, with a 27.79% stake. In addition, the Company has signed an agreement to jointly control HLAG with two other shareholders, which together hold approximately 71.05% of the German company.

Hapag-Lloyd AG is one of the five largest container shipping companies in the world, covering all major global routes, with consolidated annual sales of over US\$14.1 billion in 2019. For CSAV, its investment in HLAG is a joint venture that is presented in the Consolidated Financial Statements using the equity method.

CSAV is controlled by the Quiñenco Group through the following companies:

Company	Ownership Interest		No. of Shares
Quiñenco S.A.	20.42%	↑	7,512,081,524
Inversiones Rio Bravo S.A.	33.86%	↑	12,460,691,856
Inmobiliaria Norte Verde S.A.	7.17%	↑	2,639,009,900
Total Quiñenco Group	61.45%	↑	22,611,783,280

As of December 31, 2019 and 2018, the Company and its subsidiaries had a total of 42 and 41 employees, respectively. For the year ended December 31, 2019, CSAV and subsidiaries (hereinafter the “CSAV Group”) had an average of 42 employees, based mainly at its offices in Chile.

Note 2 Presentation Basis of the Consolidated Financial Statements

The significant accounting policies adopted for the preparation of these Consolidated Financial Statements are described below.

(a) Statement of Compliance

The Consolidated Financial Statements as of December 31, 2019 and 2018, have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS), issued by the International Accounting Standards Board (IASB).

The Consolidated Financial Statements as of December 31, 2019, presented in this report were approved by the Company's board of directors on March 20, 2020.

In the preparation of these Consolidated Financial Statements as of December 31, 2019, management has utilized to the best of its knowledge its information and understanding of the standards and interpretations applied and the current facts and circumstances.

(b) Basis of Preparation of the Consolidated Financial Statements

These Consolidated Financial Statements have been prepared in accordance with IFRS, largely on a historical cost basis, except for items recognized at fair value such as derivative instruments. The carrying amounts of assets and liabilities hedged with transactions that qualify for hedge accounting are adjusted to reflect changes in the fair value in relation to the hedged risks.

These Consolidated Financial Statements are expressed in United States dollars (USD), which is the functional currency of both the CSAV Group and the HLAG joint venture. The figures in these statements have been rounded to thousands of United States dollars (ThUS\$).

Note 2 Presentation Basis of the Consolidated Financial Statements (continued)

(b) Preparation Basis of the Consolidated Financial Statements (continued)

The accounting policies defined by CSAV and adopted by all consolidated subsidiaries, based on certain critical accounting estimates for quantifying some assets, liabilities, income, expenses and commitments, have been used in the preparation of these Consolidated Financial Statements. The areas that involve a greater degree of judgment or complexity, or the areas in which the assumptions and estimates are significant for the Consolidated Financial Statements are detailed as follows:

1. The evaluation of possible impairment losses on certain assets.
2. The hypotheses used in the actuarial calculation of employee benefits liabilities.
3. Useful lives of fixed assets and intangible assets.
4. The criteria used in the valuation of certain assets (such as derivative instruments, deferred tax assets, etc.).
5. The probability that certain liabilities and contingencies (provisions) will materialize and their valuations.

These estimates are made on the basis of the best available information about the matters being analyzed. In any event, it is possible that future events may make it necessary to modify such estimates in future periods. If necessary, such modifications would be made prospectively, such that the effects of the change would be recognized in future financial statements.

Starting the last quarter of 2017, CSAV's board and management decided to discontinue operations of its freight forwarder and logistics services unit, operated by the Norgistics subsidiaries (hereinafter Norgistics), given the unit's inability to sustain enough business volume to make its operations profitable and to develop it within CSAV's business context. This decision was made in order to maintain the proper strategic focus on its main businesses and secure the greatest value possible for CSAV and its shareholders.

Note 2 Presentation Basis of the Consolidated Financial Statements (continued)

(b) Preparation Basis of the Consolidated Financial Statements (continued)

As of December 31, 2019, given that the Company's plan for disposing of this business unit has been defined, has been approved by CSAV's senior management and is currently being implemented, the Company decided to present all assets and liabilities related to the logistics services unit as "held for sale" in the Consolidated Statement of Financial Position ("Disposal groups classified as held for sale"), in accordance with IFRS 5. The Consolidated Statement of Income and the respective notes in these Consolidated Financial Statements have been expressed consistently with these modified classifications of assets and liabilities and other provisions of IFRS 5.

As explained in Note 14, on April 3, 2019, the subsidiary Norgistics Perú S.A.C. was liquidated and on August 21, 2018, Tollo Shipping Co. S.A. sold the subsidiary Norgistics (China) Ltd. [Hong Kong] to third parties. However, because it still maintains control over other subsidiaries from the same business unit, the assets and liabilities of the Norgistics business unit as well as the discontinued unit's results and cash flows, separated into operating, investing and financing cash flows, are separately disclosed in Note 35 of this report (Discontinued Operations). This presentation provides more clarity for analyzing the performance and financial position of CSAV's continued operations and a better comparison with financial information from prior periods.

Note 2 Presentation Basis of the Consolidated Financial Statements (continued)

(c) New Accounting Pronouncements

(c.1) There are standards, amendments and interpretations that are mandatory for the first time for periods beginning on or after January 1, 2019, and have been applied in preparing these Consolidated Financial Statements:

New Standards and Interpretations

- IFRS 16 Leases
- IFRIC 23 Uncertainty over Income Tax Treatments

Amendments to IFRS

- Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)
- Prepayment Features with Negative Compensation (Amendments to IFRS 9)
- Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)
- Annual Improvements Cycle 2015-2017 (Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23).

(c.2) The following new standards, amendments and interpretations have been issued but application is not yet mandatory:

New IFRS	Mandatory Effective Date
IFRS 17: Insurance Contracts	Annual periods beginning on or after January 1, 2021. Early adoption is permitted for entities that apply IFRS 9 and IFRS 15 on or before that date.
Amendments to IFRS	
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28).	Effective date deferred indefinitely.
Amendments to References to the Conceptual Framework in IFRS Standards	Annual periods beginning on or after January 1, 2020.
Definition of a Business (Amendments to IFRS 3)	Annual periods beginning on or after January 1, 2020. Early adoption is permitted.
Definition of Material (Amendments to IAS 1 and IAS 8)	Annual periods beginning on or after January 1, 2020. Early adoption is permitted.
Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)	Annual periods beginning on or after January 1, 2020. Early adoption is permitted.

Management does not intend to adopt these standards early and, to date, has not estimated the potential impact of adopting these amendments early on its Consolidated Financial Statements.

Note 3 Summary of Significant Accounting Policies

3.1 Consolidation Basis

(a) Subsidiaries

Subsidiaries include all of the entities over which CSAV has control.

Control is achieved when the Company has exposure, or rights, to variable returns from the investor's involvement with the investee and has the ability to use its power over the investee to affect the amount of the investor's returns. Specifically, the Company controls an investee if and only if it has all of the following elements:

- (i) power over the investee (i.e. existing rights that give it the ability to direct the relevant activities of the investee);
- (ii) exposure, or rights, to variable returns from its involvement with the investee
- (iii) the ability to use its power over the investee to affect the amount of the investor's returns.

When the Company has less than the majority of the voting rights in an investee, it still has power over the investee when these voting rights are sufficient to give it the practical ability to unilaterally direct the investee's relevant activities. The Company considers all of the facts and circumstances in evaluating whether the voting rights in an investee are sufficient to give it power, including:

- (a) the size of its holding of voting rights relative to the size and dispersion of holdings of other vote holders; (b) potential voting rights held by the investor, other vote holders or other parties; (c) rights from other contractual agreements; and (d) any additional facts and circumstances that indicate that the investor has, or does not have, the current ability to unilaterally direct the relevant activities when decisions need to be made.

The Company will reevaluate whether or not it has control in an investee if the facts and circumstances indicate that there have been changes in one or more of the three elements of control mentioned above. A subsidiary will be consolidated from the date on which the investor obtains control of the investee and consolidation shall cease when control over the investee is lost.

Note 3 Summary of Significant Accounting Policies (continued)

3.1 Consolidation Basis (continued)

(a) Subsidiaries (continued)

The acquisition method is used to account for the acquisition of subsidiaries by the CSAV Group. Based on this method, the acquisition cost is the fair value of the assets delivered, equity instruments issued and liabilities incurred or assumed at the date of exchange. The excess of the acquisition cost over the fair value of the Group's share in the net identifiable assets acquired is recognized as purchased goodwill. If the acquisition cost is lower than the fair value of the net assets of the acquired subsidiary, the identification and measurement of the acquiring company's identifiable assets, liabilities and contingent liabilities, as well as the measurement of the acquisition cost, shall be reconsidered. Any remaining difference will be recognized directly in net income or loss.

Subsidiaries are consolidated using the line-by-line method for all of their assets, liabilities, income, expenses and cash flows.

Non-controlling interest in subsidiaries is included in the total equity of the CSAV Group.

Intercompany transactions, balances and unrealized gains on transactions between entities of the CSAV Group are eliminated during the consolidation process. Unrealized losses are also eliminated, unless the transaction provides evidence of an impairment of the asset transferred. When necessary in order to ensure consistency with the policies adopted by the CSAV Group, the accounting policies of its subsidiaries are modified.

(b) Associates

Associates are defined as all entities over which the CSAV Group exercises significant influence but over which it has no control, generally with an ownership interest between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method and are initially recognized at their acquisition cost, which requires assigning a value to these assets, commonly known as Purchase Price Allocation (PPA). The CSAV Group's investments in associates include purchased goodwill identified in the acquisition, net of any accumulated impairment loss identified in that investment.

Note 3 Summary of Significant Accounting Policies (continued)

3.1 Consolidation Basis (continued)

(b) Associates (continued)

Acquisitions of additional shares in an associate that do not change the significant influence over the investment are accounted for at acquisition cost by the CSAV Group, considering the total purchases made continuously during a given period within a year and preparing one single purchase price allocation (PPA) for those purchases.

Partial or total sales of shares in an associate are subtracted from the book value of the investment, allocating the shares sold to the oldest PPAs, and subsequently adjusting PPA amortization in proportion to the shares sold.

The CSAV Group's share in the losses or net income subsequent to the acquisition of its associates is recognized in net income or loss, and its share in movements of equity reserves, including other comprehensive income, subsequent to the acquisition is recorded as reserves. Accumulated movements subsequent to the acquisition are recorded against the carrying amount of the investment. When the CSAV Group's share of the losses of an associate is equal to or greater than its ownership interest in that associate, including any other uninsured receivable, the Company does not recognize additional losses, unless it has incurred obligations that exceed the invested capital.

(c) Joint Arrangements

Joint ventures are entities in which the CSAV Group exercises control over its activities through contractual agreements with other shareholders and that require mainly the unanimous consent of the parties sharing control.

Investments in joint ventures are accounted for using the equity method and are initially recorded at their acquisition cost, which requires assigning a value to these assets, commonly known as Purchase Price Allocation (PPA). This methodology must be applied equally for any acquisition of additional interest in a joint venture, preparing a separate PPA report as of the date of the respective transaction and a separate record of the effects on net income or loss of amortizing its fair value adjustments. The cost of investments in joint ventures includes any directly related transaction costs.

Note 3 Summary of Significant Accounting Policies (continued)

3.1 Consolidation Basis (continued)

(b) Joint Ventures (continued)

The Company's share in the losses or net income subsequent to the acquisition of its joint ventures is recognized in net income or loss, and its share in movements of equity reserves, including other comprehensive income, subsequent to the acquisition is recorded as reserves. Accumulated movements subsequent to the acquisition are recorded against the carrying amount of the investment. When the CSAV Group's share of the losses of a joint venture is equal to or greater than its ownership interest in that associate, including any other uninsured receivable, the Company does not recognize additional losses, unless it has incurred obligations that exceed the invested capital.

Note 3 Summary of Significant Accounting Policies (continued)

3.2 Entities Included in Consolidation

These Consolidated Financial Statements include the assets, liabilities, results and cash flows of CSAV and all subsidiaries, which are listed in the table below. Significant transactions and related balances between group companies have been eliminated during the consolidation process.

Taxpayer ID No.	Company	Country	Currency (MU)	Ownership Interest as of December 31,					
				2019			2018		
				Direct	Indirect		Country		(MU)
Foreign	CSAV Germany Container Holding GmbH	Germany	USD	100.00%		100.00%	100.00%		100.00%
Foreign	Tollo Shipping Co. S.A. y Subsidiarias	Panama	USD	100.00%	-	100.00%	100.00%	-	100.00%
Foreign	Norgistics México S.A. de C.V.	Mexico	USD	-	100.00%	100.00%	-	100.00%	100.00%
Foreign	Navibras Comercial Maritima e Afretamentos Ltda.	Brazil	USD	-	100.00%	100.00%	-	100.00%	100.00%
Foreign	Corvina Shipping Co. S.A	Panama	USD	100.00%	-	100.00%	100.00%	-	100.00%
96.838.050-7	Compañía Naviera Rio Blanco S.A.	Chile	USD	99.00%	1.00%	100.00%	99.00%	1.00%	100.00%
76.028.729-6	Norgistics Holding S.A. y Subsidiarias	Chile	USD	99.00%	1.00%	100.00%	99.00%	1.00%	100.00%
Foreign	Norgistics Peru S.A.C. (1)	Peru	USD	-	-	-	23.50%	76.50%	100.00%
Foreign	Norgistics (China) Ltd. [Shenzhen]	China	RMB	100.00%	-	100.00%	100.00%	-	100.00%

(1) This subsidiary was liquidated in April 2019, as described in Note 2 b) and Note 35 of this report.

Note 3 Summary of Significant Accounting Policies (continued)

3.3 Operating Segment Reporting

An operating segment is defined as a component of an entity's business for which separate financial information is available and is reviewed regularly by the Company's senior management.

Segment information is presented according to CSAV's main business lines, which have been identified as: (i) container shipping and (ii) other transport services.

3.4 Foreign Currency Transactions

(a) Presentation and Functional Currency

The items included in the financial statements of each of the entities of the CSAV Group are valued using the currency of the primary economic environment in which the entity operates ("functional currency"). The Consolidated Financial Statements are expressed in US dollars, which is both the functional and presentation currency of the CSAV Group.

(b) Transactions and Balances

Transactions in foreign currency are converted to the Company's functional currency using the exchange rate in force as of the date of the transaction. Losses and gains in foreign currency arising from settling these transactions and from converting monetary assets and liabilities denominated in foreign currencies using period-end exchange rates are recorded in net income or loss.

Exchange differences for non-monetary items such as equity instruments at fair value through profit and loss are presented as part of the gain or loss in fair value. Exchange differences for non-monetary items such as equity instruments at fair value through profit and loss are presented as part of the gain or loss in fair value.

(c) Conversion of CSAV Group Entities to Presentation Currency

The results and the financial situation of all CSAV Group entities (none of which uses the currency of a hyperinflationary economy) that use a functional currency other than the presentation currency are converted to the presentation currency as follows:

- (i) The assets and liabilities of each statement of financial position presented are converted at the closing exchange rate as of the reporting date.

Note 3 Summary of Significant Accounting Policies (continued)

3.4 Foreign Currency Transactions (continued)

(c) Conversion of CSAV Group Entities to Presentation Currency (continued)

(ii) The income and expenses of each income statement account are converted at the average exchange rate, unless the average is not a reasonable approximation of the cumulative effect of the exchange rates in force on the transaction dates, in which case income and expenses are converted on the dates of the transactions.

(iii) Cash flows are translated in accordance with the provisions of point (ii) above.

(iv) All resulting translation differences are recognized as a separate component of net equity, within "translation reserve" in other equity reserves.

In consolidation, exchange differences arising from the conversion of a net investment in foreign entities or Chilean entities with a functional currency other than the functional currency of the CSAV Group, and of other instruments in foreign currency that are designated as hedges for those investments, are recorded in other comprehensive income. When an investment is sold or disposed of, these exchange differences are recognized in net income or loss as part of the loss or gain on the sale or disposal.

Adjustments to purchased goodwill and to fair value arising from the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and converted at the year- or period-end exchange rate, as appropriate.

3.5 Property, Plant and Equipment

Property, plant and equipment are measured at acquisition cost, less accumulated depreciation and impairment losses. In addition, the acquisition cost must include financial expenses that are attributable to the acquisition, and they shall be recorded until the asset in question is operating.

After initial recognition, property, plant and equipment continues to be measured at acquisition cost, less accumulated depreciation and impairment losses.

Subsequent costs are included in the value of the asset or recognized as a separate asset, only when it is likely that its future economic benefits will flow to the Company and the cost of the component can be determined reliably. The value of the replaced component is derecognized while other repairs and maintenance are

Note 3 Summary of Significant Accounting Policies (continued)

3.5 Property, Plant and Equipment (continued)

charged to net income or loss for the period in which they are incurred. When significant parts of an item of property, plant and equipment have different useful lives among themselves, these parts shall be recorded as separate components.

Depreciation is recognized in net income or loss, using the straight-line method based on the estimated useful life of each component of an item of property, plant and equipment, starting from the date on which the asset becomes available for use.

The estimated useful lives for assets are as follows:

Buildings	40 to 100 years
Machinery and operating equipment	5 to 14 years
Leasehold facilities and improvements	Term of lease
Furnishings and fixtures	3 to 10 years
Computer equipment	2 to 3 years

At each consolidated financial statement period-end, the residual value and useful life of the assets are reviewed and adjusted where necessary.

When the value of an asset is greater than its estimated recoverable amount, its value is immediately lowered to its recoverable amount.

Losses and gains on the sale of property, plant and equipment are calculated by comparing the income obtained with the carrying amount and are recorded net in the Statement of Income.

Property (land or buildings) used to earn rentals and/or for capital appreciation, rather than for use in the production of services or for administrative purposes, is presented within "investment property" (in section 3.6 below). Items of property, plant and equipment that are not used in operations or for investment are disposed of in order to recover their residual value.

Lease agreements are recorded in property, plant and equipment by recognizing a right-of-use asset for property under an operating lease. These right-of-use assets are depreciated on a straight-line basis over the life of the agreement.

Note 3 Summary of Significant Accounting Policies (continued)

3.6 Investment Property

Investment property is property (land or buildings or parts of buildings) held by the Company as owner or lessee under a finance lease to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business.

Investment property is recognized as an asset only when: (i) it is probable that the future economic benefits that are associated with the property will flow to the Company; and (ii) the cost of the property can be reliably measured.

The CSAV Group records investment property at acquisition cost, less accumulated depreciation and impairment losses. In addition, the acquisition cost must include financial expenses that are directly attributable to the acquisition, and they shall be recorded as such until the asset in question is operating.

The simple reclassification of land or buildings from property, plant and equipment to investment property will not generate any gains or losses for the Company since both items are valued at historical cost and, therefore, will be recorded at the same amount for which they were recorded originally.

Losses and gains on the sale of investment property are calculated by comparing the income obtained with the carrying amount and are recorded net in the Consolidated Statement of Income.

3.7 Intangible Assets

Only those intangible assets whose costs can be reasonably objectively estimated and those assets from which it is likely that economic benefits will be obtained in the future are recognized for accounting purposes. Such intangible assets shall be initially recognized at acquisition or development cost, and they shall be valued at cost less the corresponding accumulated amortization and any impairment losses incurred, for those intangible assets with a finite useful life.

For intangible assets with a finite useful life, amortization is recognized in net income or loss, using the straight-line method based on the estimated useful life, starting from the date on which the asset is available for use or another method that better represents its usage or wear. Intangible assets with an indefinite useful life and goodwill are not amortized but impairment testing is performed on an annual basis.

Note 3 Summary of Significant Accounting Policies (continued)

3.7 Intangible Assets (continued)

The classes of intangible assets held by the CSAV Group and the corresponding periods of amortization are summarized as follows:

Class	Minimum	Maximum
Acquired goodwill	Indefinite	
Development costs	2 years	4 years
Computer software	2 years	4 years

(a) Software

Acquired software licenses are capitalized on the basis of costs incurred to acquire them and prepare them for use. These intangible assets are amortized over their estimated useful lives.

(b) Patents, Trademarks and Other Rights

These assets are presented at historical cost. These rights have no defined useful life and, therefore, are not amortized. However, the indefinite useful life is subject to periodic review in order to determine whether the indefinite useful life is still applicable.

3.8 Goodwill

Goodwill represents the difference between the acquisition cost and the value of the CSAV Group's share of the net acquired assets and liabilities of the subsidiary, associate or joint venture, measured as of the acquisition date. Acquired goodwill is presented separately in the Statement of Financial Position and is tested for impairment on an annual basis and valued at cost less accumulated impairment losses. Goodwill related to acquisitions of associates and joint ventures is included in the investment value and tested for impairment as a whole. Gains and losses related to the sale of an investment include in the cost the carrying amount of acquired goodwill related to the investment that was sold.

Purchased goodwill is allocated to cash-generating units for impairment testing purposes. The allocation is made for those cash-generating units that are expected to benefit from the business combination or acquisition in which such acquired goodwill was generated.

Negative goodwill arising from the acquisition of an investment or business combination is recorded in accordance with Note 3.1 a).

Note 3 Summary of Significant Accounting Policies (continued)

3.9 Borrowing Costs

Borrowing costs incurred for the construction of any qualified asset (an asset that necessarily takes a substantial period of time to get ready for use) are capitalized over the period of time needed to complete and prepare the asset for its intended use. Other borrowing costs are recorded in net income or loss as finance costs.

3.10 Impairment of Non-Financial Assets

Assets that have an indefinite useful life (e.g. goodwill and intangible assets with indefinite useful lives) are not amortized and are tested for impairment on an annual basis.

Assets that are not amortized are tested for impairment whenever an event or change in circumstances indicates that the carrying amount may not be recoverable. If this is the case, an impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the greater of: (i) the fair value of an asset or cash generating unit (CGU) less costs to sell; and (ii) the value in use. To determine its value in use, future cash flows estimated for the asset or CGU are discounted to their present value using a before-tax discount rate that reflects the current market valuations over the cost of money and the specific risks that apply to the asset or business.

To conduct impairment testing, assets or CGUs are grouped by operating segment, as indicated in Note 6 to these Consolidated Financial Statements.

Non-financial assets other than purchased goodwill for which an impairment loss has been recorded are reviewed at each year-end in case the loss has been reversed, in which case the reversal may never be greater than the original impairment amount.

Impairment of purchased goodwill is not reversed.

Note 3 Summary of Significant Accounting Policies (continued)

3.11 Financial Assets

(a) Initial Recognition and Measurement

Upon initial recognition, a financial asset is classified as measured at: amortized cost, fair value through other comprehensive income or fair value through profit and loss.

Financial assets are not reclassified after initial recognition, unless the Company changes its business model to one of managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in business model.

A financial asset must be measured at amortized cost if it meets the following two conditions and is not measured at fair value through profit and loss:

- the financial asset is maintained within a business model whose objective is to hold the financial assets to obtain contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal outstanding.

An investment in debt must be measured at fair value through other comprehensive income if it meets the following two conditions and is not measured at fair value through profit or loss:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal outstanding.

The Company evaluated the objective of the business model in which it holds financial assets at portfolio level since this is the level that best reflects how the business is managed and the information provided to management. The information considered includes:

- The mentioned policies and objectives for the portfolio and the operation of these policies in practice. These include whether the management strategy focuses on collecting contractual interest income, maintaining a particular interest yield profile or coordinating the duration of financial assets with the duration of the liabilities that those assets are financing or the expected cash outflows or realizing cash flows through sale of the assets;

Note 3 Summary of Significant Accounting Policies (continued)

3.11 Financial Assets (continued)

(a) Initial Recognition and Measurement (continued)

- how portfolio performance is evaluated and how it is reported to the Company's key management personnel;
- the risks that affect the performance of the business model (and the financial assets held in the business model) and, in particular, how those risks are managed;
- how business managers are compensated (e.g. whether compensation is based on the fair value of the managed assets or the contractual cash flows obtained); and
- the frequency, value and timing of sales in prior periods, the reasons for these sales and expectations regarding future sales.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, based on the Company's ongoing recognition of the assets.

Financial assets that are maintained for trading or are managed and whose performance is evaluated on a fair value basis are measured at fair value through profit and loss.

Evaluation of whether contractual cash flows are solely payments of principal and interest

For the purposes of this evaluation, 'principal' is defined as the fair value of the financial asset upon initial recognition. 'Interest' is defined as the consideration for the time value of money for the credit risk associated with the outstanding principal amount during a given period of time and for other risks and basic borrowing costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

Upon evaluating whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes evaluating whether a financial asset contains a contractual condition that could change the timing or amount of the contractual cash flows so that it would not meet this condition. To perform this evaluation, the Company considers:

Note 3 Summary of Significant Accounting Policies (continued)

3.11 Financial Assets (continued)

(a) Initial Recognition and Measurement (continued)

- contingent facts that would change the amount or timing of the cash flows;
- terms that could adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's right to the cash flows from specific assets (e.g. without recourse features).

A prepayment feature is consistent with the criterion of solely payment of principal and interest if the amount of the prepayment substantially represents the amounts of unpaid principal and interest over the principal amount, which can include reasonable additional compensation for early termination of the contract. In addition, in the case of a financial asset acquired at a discount or a premium over its contractual nominal amount, a feature that allows or requires prepayment of an amount that substantially represents the contractual nominal amount plus the accrued (but unpaid) contractual interest (that can also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant upon initial recognition.

These assets are measured subsequently at amortized cost using the effective interest method. Amortized cost is net of impairment losses. Interest income, gains from exchange differences and impairment are recognized in net income or loss. Any gain or loss upon derecognition is recognized in net income or loss.

(b) Derecognition of Financial Instruments

In general, financial assets are derecognized when they mature or when contractual rights to receive cash flows have been transferred or when the entity has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when they have been extinguished (i.e. when the obligation specified in the contract has been paid, canceled or has expired or when it is legally released from liability by the creditor.

Note 3 Summary of Significant Accounting Policies (continued)

3.11 Financial Assets (continued)

(c) Subsequent Recognition and Measurement

Financial instruments are classified as stated in Note 3.11.a) at amortized cost, fair value through other comprehensive income or fair value through profit and loss.

(i) Amortized Cost

Financial instruments at amortized cost are accounted for at their amortized cost according to the effective interest method. Amortized cost is net of impairment losses. Finance income and costs, gains and losses from exchange differences and impairment are recognized in net income or loss. Any gain or loss upon derecognition is recognized in net income or loss for the year.

(ii) At Fair Value Through Other Comprehensive Income

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

(iii) At Fair Value through Profit and Loss

Financial instruments at fair value through profit and loss are subsequently measured at fair value. Net gains or losses, including any interest or dividend income, are recognized in net income or loss for the year.

(d) Financial Asset Impairment

The Company recognizes corrections in value for expected credit losses for financial assets measured at amortized cost. The Company measures corrections in value for an amount equal to the asset's lifetime expected credit losses.

Corrections in value for trade receivables are always measured for an amount equal to the lifetime expected credit losses.

Upon determining whether the credit risk of a financial asset has increased significantly since initial recognition by estimating expected credit losses, the Company considers the reasonable and supportable information that is relevant and is available without undue costs or effort. This includes quantitative and qualitative information and analysis, based on

Note 3 Summary of Significant Accounting Policies (continued)

3.11 Financial Assets (continued)

(d) Financial Asset Impairment (continued)

the Company's historical experience and an informed credit evaluation including references to the future.

Lifetime expected credit losses are the credit losses that result from all possible default events over the life of the financial instrument.

A financial asset that is not recorded at fair value through profit and loss is evaluated at each period-end in order to determine whether there is objective evidence of impairment. A financial asset is impaired if there is objective evidence that a loss event has occurred after the initial recognition of the asset, and that this loss event has had a negative effect on the asset's future cash flows that can be reliably estimated.

Objective evidence that financial assets are impaired may include, among others, delay or default by a debtor, restructuring of an amount owed to the Company in terms that that Company would not consider in other circumstances, indications that a debtor or issuer will declare bankruptcy, or the disappearance of an active market for an instrument.

In addition, for an investment in an equity instrument, a significant or prolonged decrease in the fair value of the asset, below its cost, represents objective evidence of impairment.

For receivables, the Company uses the simplified approach permitted by IFRS 9, which requires it to recognize expected losses over the life of the instrument since initial recognition of the receivable.

All individually significant receivables are tested for specific impairment. Receivables that are not individually significant are tested for collective impairment by grouping items with similar risk characteristics.

In evaluating collective impairment, the Company uses historical trends of probability of noncompliance, the timing of recoveries and the amount of the loss incurred, all adjusted according to management's judgment as to whether under the prevailing economic and credit conditions it is likely that the actual losses will be greater or lesser than the losses indicated by historical trends.

Note 3 Summary of Significant Accounting Policies (continued)

3.12 Trade and Other Receivables

Trade receivables are initially recognized at fair value and subsequently at amortized cost less any provision for impairment, calculated using the expected credit loss model as required by IFRS 9.

In the Consolidated Statement of Income the subsequent recovery of previously provisioned amounts is credited to cost of sales.

3.13 Cash and Cash Equivalents

Cash and cash equivalents include cash held internally and in banks; time deposits in credit entities; other highly liquid, short-term investments with an original term of three months or less; and bank overdrafts. In the Statement of Financial Position, bank overdrafts are classified as external resources in current liabilities.

3.14 Trade and Other Payables

Accounts payable to suppliers are initially recognized at fair value and subsequently, if applicable, at amortized cost using the effective interest method.

3.15 Interest-bearing Loans and Other Financial Liabilities

Loans, bonds payable and other financial liabilities of a similar nature are initially recognized at fair value, net of the costs incurred in the transaction. Subsequently, they are valued at amortized cost and any difference between the funds obtained (net of costs to obtain them) and repayment value are recognized in the Statement of Income over the life of the debt using the effective interest rate method.

3.16 Issued Capital

The Company's subscribed and paid shares are classified within equity under issued capital.

Incremental costs directly attributable to the issuance of new shares are presented in net equity as a deduction, net of taxes, from the income obtained in the placement. Until the Company's shareholders approve the deduction of these costs against issued capital, they are recorded within other equity reserves.

Note 3 Summary of Significant Accounting Policies (continued)

3.17 Derivative Financial Instruments and Hedge Activities

Derivative financial instruments used to hedge risk exposure in foreign currency purchases, fuel purchases and interest rates are initially recognized at fair value.

After initial recognition, derivative financial instruments are periodically measured at fair value, and any changes are recorded as described below:

(i) Accounting Hedges

The CSAV Group documents the relationship between hedge instruments and the hedged items at the beginning of the transaction, as well as its risk management objectives and strategy for carrying out diverse hedge transactions. The Company also documents its evaluation, both initially and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective at offsetting changes in fair value or in the cash flows from the hedged items.

Derivative financial instruments that satisfy hedge accounting criteria are initially recognized at fair value plus (less) the transaction costs that are directly attributable to contracting or issuing the instrument, as appropriate.

Changes in the fair value of these instruments shall be recognized directly in equity, to the extent that the hedge is effective. When it is not effective, changes in fair value shall be recognized in net income or loss.

If the instrument no longer satisfies hedge accounting criteria, the hedge shall be discontinued prospectively. Any accumulated gains or losses that were previously recognized in equity will remain until the forecasted transactions occur.

(ii) Economic Hedges

Derivative financial instruments that do not satisfy hedge accounting criteria are classified and valued as financial assets or liabilities at fair value through profit and loss.

The fair values of derivative instruments used for hedging purposes are shown in Note 12. Movements in the hedge reserve within equity are shown in Note 28. The total fair value of the hedge derivative is classified as a non-current asset or liability if the remaining maturity of the hedged item is greater than 12 months and as a current asset or liability if the remaining maturity of the hedged item is less than 12 months.

Note 3 Summary of Significant Accounting Policies (continued)

3.18 Inventories

Inventories are valued at cost or net realizable value, whichever is lower. The cost is determined by the “first-in-first-out,” or FIFO, method and includes the acquisition cost and other costs incurred in bringing it to its place and conditions of use.

The net realizable value is the estimated sales value in the normal course of business, less estimated selling costs.

3.19 Current and Deferred Income Taxes

Income taxes for the period include current income taxes and deferred income taxes. Taxes are recognized directly in net income or loss except for certain items recognized directly in equity.

Current income taxes are calculated based on each country's tax laws in force as of the reporting date.

Deferred taxes are calculated using the Statement of Financial Position based on temporary differences that arise between the tax basis of assets and liabilities and their carrying amount in the financial statements. However, if the deferred taxes arise from the initial recognition of a liability or an asset in a transaction other than a business combination, which at the time of the transaction neither affected the accounting result nor the tax gain or loss, it is not accounted for. Deferred taxes are determined using tax rates (and laws) that have been enacted or approved as of the date of the Statement of Financial Position and that are expected to be applied when the corresponding deferred tax asset or liability is realized.

Deferred tax assets are recognized to the extent that it is likely that future tax benefits are available with which to effectively offset these differences.

Deferred taxes are measured using the tax rate applicable to CSAV under this tax system, or 27%.

Note 3 Summary of Significant Accounting Policies (continued)

3.20 Employee Benefits

(a) Contract Termination Indemnity

Commitments undertaken in a formal detailed plan, either in order to terminate the contract of an employee before normal retirement age or to provide termination benefits, are recognized directly in net income or loss.

(b) Short-Term Benefits and Incentives

The CSAV Group recognizes this obligation on an undiscounted basis when it is contractually bound to do so or when past practice has created an implicit obligation. It is accounted for in net income or loss on an accrual basis.

3.21 Provisions

The CSAV Group recognizes provisions when the following requirements are satisfied:

- (a) there is a current obligation, whether legal or implicit, as a result of past events;
- (b) it is likely that an outflow of resources will be needed to settle the obligation; and
- (c) the amount can be reliably estimated.

In the case of a service contract that is considered onerous, a provision will be recognized and charged to net income or loss for the period, for the lesser of the cost of settling the contract and the net cost of continuing it.

Provisions for restructuring purposes are recognized to the extent that the CSAV Group has approved a formal detailed plan for restructuring an operation, and that such restructuring has been internally reported or has already begun.

Provisions are not recorded for future operating losses except for the onerous contracts mentioned above.

These provisions are valued at the present value of the disbursements that are expected to be necessary to settle the obligation using, if applicable, a discount rate that reflects the current market assessments of the time value of money and the specific risks of the obligation.

Note 3 Summary of Significant Accounting Policies (continued)

3.22 Other Non-Financial Liabilities

This item includes liabilities that are not of a financial nature and do not qualify as any other specific type of liability.

For the Company, the most relevant liabilities recorded within this account are those related to income from voyages in transit (i.e. those that have not yet reached their destination) and, therefore, the performance obligation with the customer has not been satisfied as of the reporting date.

3.23 Operating Income

The Company has analyzed and considered all relevant facts and circumstances when applying each step of the model in IFRS 15 to customer contracts, identifying:

- i) a sole type of contract,
- ii) a single performance obligation,
- iii) a price that depends on whether the customer has a contract or is a spot customer, allocated to this single performance obligation,
- iv) a performance obligation that is satisfied when the shipping service route is completed.

This occurs, for example, when a journey completes its full itinerary. At that time, customers receive and simultaneously consume the benefits of the service that the Company is providing. In the case of sub-chartered vessels or other operating income, the performance obligation is related to the effective availability of the chartered asset or the specific service provided.

3.24 Discontinued Operations

The preparation criteria for discontinued operations is described in Note 2 b).

3.25 Finance Income and Costs

Finance income is accounted for based on its effective rate. Finance costs are recognized in net income or loss when accrued, except for costs incurred to finance the construction or development of qualified assets that are capitalized.

Finance costs are capitalized starting from the date on which knowledge about the asset to be constructed is obtained. The amount of the capitalized finance costs (before taxes) for the period is determined by applying the effective interest rate of the loans in force during the period in which financial expenses were capitalized to the qualified assets.

Note 3 Summary of Significant Accounting Policies (continued)

3.26 Leases

Lease agreements are recognized in property, plant and equipment by recognizing a right-of-use asset for property under an operating lease and a liability equivalent to the present value of payments associated with the agreement. An agreement is or contains a lease if it transmits the right to control the use of an identified asset for a period of time in exchange for a consideration. In terms of the effects on net income, each month amortization of the right-of-use asset will be recognized in PPE on a straight-line basis over the life of the agreement, along with the corresponding installment of the finance cost to update the lease liability. In the event of amendments to the lease agreement, such as the lease value, term, unit of indexation, associated interest rate, etc., the lessee will recognize the amount of the new measurement of the lease liability as an adjustment to the right-of-use asset.

The Company may choose not to apply the requirements of IFRS 16 for short-term leases and leases in which the underlying asset is of low value. However, CSAV will adopt the standard for both short and long-term lease agreements.

3.27 Determination of Fair Value

Some of the CSAV Group's accounting policies and disclosures require that the fair value of certain financial assets be determined as follows:

(a) Financial Assets

The fair value of financial assets at fair value through profit and loss and available-for-sale financial assets is determined at market value.

(b) Derivatives

The fair value of derivative contracts is based on market quotes.

3.28 Earnings (Loss) per Share

Basic earnings (loss) per share are calculated as the ratio between net income (loss) for the period divided by the daily weighted average number of common shares outstanding during the period.

Note 3 Summary of Significant Accounting Policies (continued)

3.29 Dividend Distributions

Until there is a positive balance of distributable net income as of period-end (i.e. the initial balance plus the results for the period), the Company will not distribute dividends to its shareholders (Art. 78 Law No. 18,046). This calculation is shown in Note 28 g) to these Consolidated Financial Statements.

The distribution of dividends to the Company's shareholders is recognized as a liability in CSAV's annual consolidated accounts in the period in which they become payable. The Company's policy is to distribute 30% of distributable net income.

3.30 Environment

Disbursements related to environmental protection are recorded in income when incurred.

Note 4 Changes in Accounting Policies and Estimates

The Interim Consolidated Financial Statements as of December 31, 2019, present some changes in policies and accounting estimates as required because of mandatory adoption of IFRS 16 starting January 1, 2019. These changes do not involve significant changes in financial reporting from prior years that can affect comparability with the previous period.

IFRS 16 Leases

This standard requires lease agreements currently classified as operating to be accounted for similarly to finance leases. In general, this means recognizing a right-of-use asset for property under an operating lease and a liability equivalent to the present value of payments associated with the agreement.

In terms of the effects on net income, monthly lease payments will be replaced by amortization of the right-of-use asset plus recognition of a finance cost. In the event of amendments to the lease agreement, such as the lease value, term, unit of indexation, associated interest rate, etc., the lessee will recognize the amount of the new measurement of the lease liability as an adjustment to the right-of-use asset.

Note 4 Changes in Accounting Policies and Estimates (continued)

IFRS 16 Leases (continued)

The Company has determined that the lease commitments that must be analyzed within the scope of IFRS 16 are mainly those for vessel and slot charters. The impact of the initial adjustment as of January 1, 2019, on the Statement of Financial Position is:

	As of January 1, 2019
	ThUS\$
Increase in right-of-use assets	30,499 *
Increase in lease liabilities	30,499 *

* The present value of the payments related to the lease agreements.

Note 5 Financial Risk Management

The container business is CSAV's main asset, through its investment in HLAG. Although CSAV is not directly exposed to the financial risks of the container industry as an operator, it is indirectly exposed because these risks directly affect the value of CSAV's investment in that joint venture and the associated dividend flow from HLAG and its capital requirements, which may result in CSAV having to subscribe to capital increases in that joint venture, or seeing its stake diluted and the economic value of its investment and future dividends reduced if it chooses not to subscribe.

CSAV's investment in HLAG represents 86.14% of its total consolidated assets, as of December 31, 2019. HLAG is a global shipping company headquartered in Germany that transports container cargo on all main global routes. It is a public company (*Aktiengesellschaft*) and is listed on the Frankfurt and Hamburg stock exchanges. Although CSAV jointly controls HLAG together with two other shareholders, this German company has an independent management team that controls and manages its risks autonomously and in accordance with the standards of a publicly-listed company subject to current regulation in Germany and, therefore, to applicable regulation in the European Union.

The businesses that CSAV operates directly are mainly vehicle transport services, which are exposed to various financial risks that include: (a) Business Risk, (b) Credit Risk, (c) Liquidity Risk and (d) Market Risk.

The Company seeks to minimize the potential effects of these risks by establishing internal financial risk management policies and using hedges and financial derivatives.

Note 5 Financial Risk Management (continued)

(a) Business Risk

The main business risks for CSAV are those related to the balance of supply and demand for maritime transport, as well as risks associated with its main geographical markets and fuel prices.

The container transport business is exclusively operated by HLAG, and its management autonomously manages the financial risks associated with this business, using the instruments and tools offered by the industry and the financial market in accordance with the standards of a publicly-listed company in Germany. Additional information on these risks and how they are managed by HLAG can be found in its Annual Report 2019, which includes its audited Consolidated Financial Statements prepared under IFRS, which are published on its website at the following link (in English): <https://www.hapag-lloyd.com/en/ir/publications/financial-report.html>.

(i) Supply-Demand Equilibrium

The demand for maritime transport is highly correlated with growth of global GDP and trade. On the other hand, container shipping supply is a function of the global fleet of vessels, which fluctuates based on the delivery of new vessels and the scrapping of vessels that are obsolete or no longer profitable to operate. Both the container transport business, operated and managed by HLAG, and the vehicle transport business are directly affected by changes in these variables in their respective industry.

The imbalance between supply and demand can affect shipping operators to a greater or lesser extent depending on their operating fleet (vessel age, fuel consumption and versatility, among other characteristics), the proportion of their fleet that is owned and the proportion chartered (operational leverage) in comparison to the industry. Significant exposure to chartered vessels can negatively impact the results and the financial position of operators when charter rates are not correlated with freight rates before fuel costs (ex-bunker rates), either because of market imbalances or the duration of vessel charter agreements at fixed rates. The duration and age of charter agreements can limit shipping companies' capacity to adjust their operated fleets and modify their vessel sailing speed in response to abrupt drops in shipping demand and streamlining and cost-cutting initiatives.

Vessel supply and demand imbalances for the maritime transport services directly operated by CSAV (vehicle transport) can cause volatility in vehicle transport charter and freight rates for roll-on/roll-off vessels.

Note 5 Financial Risk Management (continued)

(a) Business Risk (continued)

(ii) Geographical Markets

The HLAG joint venture participates in container shipping across all major global routes, and it distributes its operations across diverse geographical markets, providing liner services in more than 125 countries. As a result of its geographic diversification, the Company is not particularly exposed to any given geographical market and can thus offset possible market contingencies on certain routes. However, it is still exposed to global variations. Even with a global service network, HLAG's relative exposure is above the industry average on Transatlantic, Latin American and Middle East routes and below average on Transpacific and Intra-Asia routes. As a result of the May 2017 merger of HLAG and UASC, HLAG incorporated UASC's service network and its important cargo volumes along Asia-Europe and Middle East routes and, therefore, its relative exposure to the main global routes became more balanced.

The vehicle transport services directly operated by CSAV expose the Company to changes within South American markets, particularly the vehicle and wheeled machinery markets on the west coast of the continent (mainly Chile and Peru), which are directly linked to new vehicle sales in these markets. Beginning in 2016, there has been a rise in sales of light vehicles in Chile—CSAV's most important market. This trend held until 2018 when vehicle sales peaked, recovering volumes last seen in 2013. However, in 2019 there was a fall in vehicle sales with respect to the prior period, which also involved a reduction in import volumes to Chile.

(iii) Fuel Prices

An important component of the transport industry's cost structure is the cost of energy, or fuel, which is usually called "bunker" within the maritime shipping industry. In the vessels it operates, the Company primarily uses the fuels IFO 380, IFO 180 and MGO/LS.

In January 2020, new regulations from the International Maritime Organization (IMO 2020) took effect, reducing permitted vessel sulfide emissions from 3.5% to 0.5% in order to improve air quality and protect the environment. In emission control areas (ECA), the current standard of 0.1% sulfur content will be maintained.

Note 5 Financial Risk Management (continued)

(a) Business Risk (continued)

(iii) Fuel Prices

Most of CSAV's maritime freight sales are agreed with contracts and generally a percentage of those rates are subject to price adjustments, based on changes in the cost of fuel, known as a Bunker Adjustment Factor ("BAF"). Likewise, beginning January 1, 2019, HLAG will gradually implement a Marine Fuel Recovery (MFR) mechanism to recover the incremental costs from using more refined fuel, to be calculated per TEU.

The Company contracts fuel price hedges on volumes that are not covered by sales and contracts subject to fuel price adjustment clauses, or which are not at a fixed price, or for that portion of sales with this clause where the coverage is limited, in order to reduce the impact of potential upward volatility in fuel prices.

For example, for transport services directly operated by the Company during 2019, an increase in fuel prices of US\$10 per metric ton of fuel would have had a negative impact of around ThUS\$393 on the Company's results. This effect is significantly reduced by using price adjustment clauses and/or fuel derivatives.

(b) Credit Risk

Credit risk is derived from the CSAV Group's exposure to (i) potential losses resulting mainly from non-fulfillment of obligations by customers, third-party agencies and carriers with which the Company has signed vessel charter and/or slot sale agreements, (ii) counterparty risk in the case of financial assets maintained with banks and (iii) counterparty risk in the case of financial hedges with banks or other institutions.

(i) Accounts Receivable

The Company has a strict credit policy for managing its portfolio of accounts receivable. Most of the Company's customers are direct customers. This policy is based on lines of credit and payment terms granted on the basis of an individual analysis of the solvency, payment capacity, and general references of each customer, the customer's shareholders, industry and market where it does business, as well as its payment history with the Company.

Note 5 Financial Risk Management (continued)

(b) Credit Risk (continued)

(i) Accounts Receivable (continued)

These lines of credit are reviewed at least yearly, and special care is taken so that the conditions offered, with respect to both amounts and terms, are appropriate given market conditions and expected volumes. Payment behavior and the percentage of use of these lines are regularly monitored and updated to reflect changes in volume and sales estimates.

Agencies that represent CSAV are constantly monitored to ensure that the administrative, commercial, operational and collection processes, and their relationship with customers and suppliers complies with agreed contract terms.

Furthermore, there is a rigorous policy to record an allowance for doubtful accounts for any debt carrying a material credit risk or based on historical portfolio delinquency, even when the debt may be recoverable.

Regarding vessel and slot charters to third parties, the Company supports its agreements using Charter Party and Slot Charter Agreements drafted using industry standard models that appropriately cover its interests. CSAV charters vessels to third parties and slots to other shipping companies, always taking into consideration the counterparty's creditworthiness. However, CSAV often leases slots from the same shipping companies to which it leases its own slots on other voyages and services, which significantly reduces the risk of default.

The Company's maximum credit risk exposure from trade and other receivables corresponds to the total of these accounts net of impairment, as detailed below:

		As of December 31, 2019	As of December 31, 2018
	Note	ThUS\$	ThUS\$
Trade receivables	9	12,244	15,285
Impairment of trade receivables	9	(169)	(214)
Trade receivables, net		12,075	15,071
Other receivables	9	4,159	2,583
Other receivables, net	9	4,159	2,583
Total receivables, net		16,234	17,654

Note 5 Financial Risk Management (continued)

(b) Credit Risk (continued)

(i) Accounts Receivable (continued)

The Company records impairment provisions for trade receivables using the expected credit loss model, which also considers certain special conditions as defined in the following chart:

	Factor
Legal collections, checks issued with insufficient funds and other similar concepts	100% ↑
Customers and agencies with a high risk of financial impairment	100% ↑
Case-by-case analysis of particular past due debtors	100% ↑

During the period, the provision for impairment of accounts receivable has reported the following movements:

	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Opening balance	214	280
Increase (decrease) in impairment for the year	(45)	(66)
Impairment of accounts receivable, closing balance (note 9)	169	214

(ii) Financial Assets

The Company has a policy for managing its financial assets, which includes time deposits and repurchase agreements. It has its current accounts and investments in financial institutions with risk classification of "investment grade."

The carrying amount of these financial assets represents the maximum exposure to counterparty risk, as detailed as follows:

		As of December 31, 2019	As of December 31, 2018
	Note	ThUS\$	ThUS\$
Banks	7	8,590	4,248
Time deposits	7	45,015	20,077
Total		53,605	24,325

Note 5 Financial Risk Management (continued)

(b) Credit Risk (continued)

(iii) Hedging Positions

As part of its risk management policy, the Company can take out interest rate, exchange rate and oil price hedges. These hedge positions are contracted through financial institutions that are highly regarded in the industry and investment grade risk ratings. The Company's open hedge positions as of December 31, 2019 and 2018, are as follows.

			As of December 31, 2019	As of December 31, 2018
			ThUS\$	ThUS\$
Goldman Sachs	Fuel Oil Swaps	12	-	(756)
Total			-	(756)

(c) Liquidity Risk

Liquidity risk refers to the Company's exposure to business or market factors that may affect its ability to generate income and cash flows, including the effect of contingencies and regulatory requirements associated with its business.

CSAV is not directly exposed to the container business, as explained in this note, but indirectly as a main shareholder of HLAG. This limits the Company's liquidity risk in that business to the expected flow of dividends or any additional capital required by this joint venture. It is important to mention that CSAV has specific long-term borrowing to finance its investment in HLAG.

CSAV has sufficient liquidity to cover its direct transport services. However, considering the risks described above, if necessary the Company has an available line of credit with HSBC Chile for up to US\$10,000,000 expiring in July 2020. As of December 31, 2019, this credit line has not been drawn down.

Note 5 Financial Risk Management (continued)

(c) Liquidity Risk (continued)

As of December 31, 2019, the contractual maturities of its financial liabilities, including estimated interest payments, are detailed below:

As of December 31, 2019	Note	Carrying Amount	Contractual Cash Flows	6 Months or Less	6 to 12 Months	1 – 2 Years	2 – 5 Years	More than 5 Years
		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Non-derivative financial liabilities								
Bonds payable	22	(149,719)	(184,212)	(3,924)	(3,924)	(56,564)	(40,840)	(78,960)
Unsecured bank instruments	22	(70,017)	(74,637)	(5,805)	(41,734)	(11,217)	(15,881)	-
Trade and other payables and payables to related parties	10 and 23	(41,433)	(41,433)	(41,433)	-	-	-	-
Other financial liabilities	22	(7,871)	(7,871)	(7,871)	-	-	-	-
Derivative financial liabilities								
Hedge liabilities	12	-	-	-	-	-	-	-
Total		(269,040)	(308,153)	(59,033)	(45,658)	(67,781)	(56,721)	(78,960)

Note: The cash flows included in the maturity analysis are not expected to occur significantly before or after the maturity date.

As of December 31, 2018, the contractual maturities of its financial liabilities, including estimated interest payments, are detailed below:

As of December 31, 2018	Note	Carrying Amount	Contractual Cash Flows	6 Months or Less	6 – 12 Months	1 – 2 Years	2 – 5 Years	More than 5 Years
		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Non-derivative financial liabilities								
Bonds payable	22	(49,586)	(56,418)	(1,283)	(1,284)	(2,568)	(51,283)	-
Unsecured bank instruments	22	(45,371)	(50,974)	(6,160)	(6,017)	(11,719)	(27,078)	-
Trade and other payables and payables to related parties	10 and 23	(10,330)	(10,330)	(10,330)	-	-	-	-
Derivative financial liabilities								
Hedging liabilities	12	(756)	-	-	-	-	-	-
Total		(106,043)	(117,722)	(17,773)	(7,301)	(14,287)	(78,361)	-

Note: The cash flows included in the maturity analysis are not expected to occur significantly before or after the maturity date.

(d) Market Risk

Market risk, as analyzed in this section, is the risk that the value of the Company's assets or liabilities continuously and permanently fluctuates over time as the result of a change in key economic variables such as: (i) interest rates, (ii) exchange rates, and (iii) fuel prices.

Note 5 Financial Risk Management (continued)

(d) Market Risk (continued)

When necessary, the Company can use accounting hedges to mitigate changes in these variables. Variations in the market price of these hedges, in accordance with current policy, are recorded in other comprehensive income. Details of the derivatives held by the Company, including their fair value, are presented in Note 12 to these Consolidated Financial Statements.

(i) Interest Rate Fluctuations

Interest rate fluctuations impact the Company's floating rate obligations.

As of December 31, 2019 and 2018, the Company's net asset and liability position in interest-bearing financial instruments with fixed or variable rates, is detailed as follows:

		As of December 31, 2019	As of December 31, 2018
	Note	ThUS\$	ThUS\$
Financial assets at fixed rates:			
Time deposits	7	45,015	20,077
Other financial assets	8	-	-
Total financial assets at fixed rates		45,015	20,077
Financial assets at variable rates:			
Cash on hand and bank balances		5,533	-
Total financial assets at variable rates		5,533	-
Total financial assets		50,548	20,077
Financial liabilities at fixed rates:			
Bonds payable	22	(149,719)	(49,586)
Total financial liabilities at fixed rates		(149,719)	(49,586)
Financial liabilities at variable rates:			
Bank loans	22	(70,017)	(45,371)
Loans from related parties	10	(30,194)	-
Total financial liabilities at variable rates		(100,211)	(45,371)
Total financial liabilities		(249,930)	(94,957)
Net fixed-rate position		(104,704)	(29,509)
Net variable-rate position		(94,678)	(45,371)

Note 5 Financial Risk Management (continued)

(d) Market Risk (continued)

(i) Interest Rate Fluctuations (continued)

The Company does not hedge interest rates on loans with variable interest rates based on Libor.

The potential effect of interest rate fluctuations on variable-rate financial instruments (assets and liabilities) held by CSAV as of December 31, 2019, that are not hedged is shown in the following table. The variation considers: (i) an increase of 1% in the 6-month Libor rate, which is used for variable-rate financial liabilities, and (ii) an increase of 1% in the Libor rate, which is primarily used to invest cash surpluses. The combined effect on the Company's results for each period would be the following:

	For the year ended December 31,	
	2019	2018
	ThUS\$	ThUS\$
Effect on net income or loss of increase of 100 basis points in 180- day LIBOR and overnight LIBOR	(296)	(65)

(ii) Exchange Rate Fluctuations

The Company's functional currency is the US dollar, which is the currency in which most of its operating income and expenses are denominated as well as the currency used by most of the global shipping industry and the functional currency of HLAG. However, the Company also has income and costs in other currencies, such as Chilean pesos, euros, Brazilian reals, Chinese yuan and others.

Most of CSAV's assets and liabilities are expressed in US dollars. However, the Company has certain assets and liabilities in other currencies, which are detailed in Note 33 to these Consolidated Financial Statements.

The Company does not have any foreign currency hedges as of December 31, 2019, and manages the risk of exchange rate variations by periodically converting any balances in local currency that exceed payment requirements in that currency into US dollars.

Note 5 Financial Risk Management (continued)

(d) Market Risk (continued)

(ii) Exchange rate fluctuations (continued)

The following table shows the maximum exposure to fluctuations in foreign currency of the Company's non-U.S. dollar-denominated financial assets and liabilities as of December 31, 2019 and 2018:

As of December 31, 2019	Euro	Real	Chilean Peso/UF	Yuan	Other	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Cash and cash equivalents	126	1	162	896	91	1,276
Trade and other receivables (current and non-current)	19	155	202	-	11	387
Receivables from related parties (current and non-current)	-	-	74	-	-	74
Tax assets	-	-	356	-	-	356
Trade payables and tax liabilities (current and non-current)	(384)	(163)	(2,838)	-	(65)	(3,450)
Payables to related parties (current and non-current)	-	-	(78)	-	-	(78)
Net exposure	(239)	(7)	(2,122)	896	37	(1,435)

As of December 31, 2018	Euro	Real	Chilean Peso / UF	Yuan	Other	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Cash and cash equivalents	92	1	65	993	27	1,178
Trade and other receivables (current and non-current)	146	30	228	-	210	614
Receivables from related parties (current and non-current)	-	-	67	-	-	67
Tax assets	-	-	261	-	-	261
Trade payables and tax liabilities (current and non-current)	(561)	(31)	(1,288)	-	(120)	(2,000)
Payables to related parties (current and non-current)	-	-	(84)	-	-	(84)
Net exposure	(323)	-	(751)	993	117	36

The potential effect of a 10% depreciation in the US dollar with respect to other important currencies to which the Company is exposed as of December 31, 2019, would produce an estimated gain of ThUS\$144 in the Company's results (loss of ThUS\$4 as of December 31, 2018), keeping all other variables constant.

Note 6 Segment Reporting

The Company's operating segments have been determined in accordance with IFRS 8, based on the main business lines developed by the CSAV Group. The performance of these businesses is reviewed routinely by the Company's senior management using regularly available information in order to: (i) measure each business's performance; (ii) evaluate its risks; and (iii) allocate the resources that each business requires.

In determining the operating segments to report, certain segments have been grouped together because they share similar economic characteristics, services and processes, as well as a common regulatory environment, as stipulated in IFRS 8. The information routinely examined by CSAV's senior management consists of the results and management information for each of the operating segments, whether operated directly by CSAV or its domestic or foreign subsidiaries, associates and joint ventures.

Although the Company's management and accounting reports may have different classifications and viewpoints, they are both determined using the policies described in Note 3 to these Consolidated Financial Statements. As a result, there are no differences in the totals in measurements of results, assets and liabilities for each segment and the accounting criteria applied in preparing the Consolidated Financial Statements.

In accordance with the preceding paragraphs, the CSAV Group has identified the following two operating segments as of December 31, 2019:

- (i) Container Shipping: These are the container shipping services operated by HLAG, represented by the investment in that joint venture, plus certain assets and liabilities related to the container shipping business that are controlled by CSAV (deferred tax assets, financial liabilities to finance the investment and others).
- (ii) Other Transport Services: These are the vehicle transport services operated directly by CSAV and its subsidiaries. The freight forwarder and logistics services operated by Norgistics were part of this segment until December 2017, when they were discontinued. As a result, from that point on their results are presented as discontinued operations (see Note 35 to these Consolidated Financial Statements).

Note 6 Segment Reporting (continued)

During 2019, no single customer represented more than 10% of CSAV's consolidated revenue. Similarly, no customers met this criterion in 2018.

Results by operating segment for the years ended December 31, 2019 and 2018, are presented as follows:

Statement of Income by Operating Segment	For the year ended December 31, 2019			For the year ended December 31, 2018		
	Container Shipping	Other Transport Services	Total	Container Shipping	Other Transport Services	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Revenue	-	92,955	92,955	-	91,436	91,436
Cost of sales	-	(93,878)	(93,878)	-	(87,187)	(87,187)
Gross margin	-	(923)	(923)	-	4,249	4,249
Other income	-	1,098	1,098	-	1,306	1,306
Administrative expenses	(4,791)	(7,365)	(12,156)	(4,155)	(6,391)	(10,546)
Other gains (losses)	-	1,317	1,317	-	8,691	8,691
Net operating income (loss)	(4,791)	(5,873)	(10,664)	(4,155)	7,855	3,700
Finance income	37	555	592	-	660	660
Finance costs	(10,159)	(746)	(10,905)	(5,537)	-	(5,537)
Share of income (loss) of associates	147,812	-	147,812	13,974	-	13,974
Exchange differences	6	(29)	(23)	(681)	(507)	(1,188)
Net income (loss) before tax	132,905	(6,093)	126,812	3,601	8,008	11,609
Income tax benefit (expense) from continuing operations	(1,591)	320	(1,271)	5,737	1,355	7,092
Net income (loss) from continuing operations	131,314	(5,773)	125,541	9,338	9,363	18,701
Net income (loss) from discontinued operations	-	(925)	(925)	-	(453)	(453)
Net income (loss) for the year	131,314	(6,698)	124,616	9,338	8,910	18,248
Net income (loss) attributable to:						
Net income (loss) attributable to owners of the company	131,314	(6,698)	124,616	9,338	8,910	18,248
Net income (loss) for the year	131,314	(6,698)	124,616	9,338	8,910	18,248

Note 6 Segment Reporting (continued)

Assets and liabilities by segment as of December 31, 2019 and 2018, are summarized as follows:

	As of December 31, 2019			As of December 31, 2018		
	Container Shipping	Other Transport Services	Total	Container Shipping	Other Transport Services	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Assets per segment	202,498	146,499	348,997	179,079	139,333	318,412
Associates and joint ventures	2,168,383	-	2,168,383	1,939,465	-	1,939,465
Liabilities per segment	247,926	45,267	293,193	95,713	31,961	127,674
Net assets	2,122,955	101,232	2,224,187	2,022,831	107,372	2,130,203

Cash flows by segment for the years ended December 31, 2019 and 2018, are presented as follows:

Statement of Cash Flows by Operating Segments	For the year ended December 31, 2019		
	Container Shipping	Other Transport Services	Total
	ThUS\$	ThUS\$	ThUS\$
Net cash flows provided by (used in) operating activities	(4,791)	32,151	27,360
Net cash flows provided by (used in) investing activities	(112,296)	2,752	(109,544)
Net cash flows provided by (used in) financing activities	144,789	(33,317)	111,472
Effect of exchange rate changes on cash and cash equivalents	6	(14)	(8)
Increase (decrease) in cash and cash equivalents	27,708	1,572	29,280

Statement of Cash Flows by Operating Segments	For the year ended December 31, 2018		
	Container Shipping	Other Transport Services	Total
	ThUS\$	ThUS\$	ThUS\$
Net cash flows provided by (used in) operating activities	(4,155)	(21,884)	(26,039)
Net cash flows provided by (used in) investing activities	1,752	11,977	13,729
Net cash flows provided by (used in) financing activities	(5,055)	-	(5,055)
Effect of exchange rate changes on cash and cash equivalents	(680)	(57)	(737)
Increase (decrease) in cash and cash equivalents	(8,138)	(9,964)	(18,102)

Note 6 Segment Reporting (continued)

Revenue detailed by geographic area is as follows. For freight revenue, the cargo's country of origin is used.

Other Transport Services For the year ended December 31,		
	2019	2018
	ThUS\$	ThUS\$
Asia	15,864	17,179
Europe	42,341	39,271
North and South America	34,750	34,986
Total	92,955	91,436

The Company uses the following criteria to measure results, assets and liabilities within each reported segment:

- (i) Results for the segment is composed of revenues and expenses related to operations that are directly attributable to the reporting segment.
- (ii) Results were recorded by measuring operating revenues and expenses using the same criteria defined in Note 3.23 of these Consolidated Financial Statements;
- (iii) The assets and liabilities reported for the operating segment consist of all those that are directly involved in the provision of a certain service or operation and those directly or indirectly attributable to each segment.

In accordance with IFRS 8, paragraph 33, non-current assets detailed by geographic segment are as follows:

Non-Current Assets (1)	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Asia	8,009	-
Europa	2,168,954	1,939,465
North and South America	13,259	14,593
<i>Chile</i>	<i>13,259</i>	<i>14,593</i>
<i>Others</i>	<i>-</i>	<i>-</i>
Total	2,190,222	1,954,058

(1) Includes balances of property, plant and equipment, investment property, intangible assets other than goodwill and equity method investments.

Note 7 Cash and Cash Equivalents

Cash and cash equivalents are detailed in the following table:

	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Cash on hand	14	14
Bank balances	8,590	4,248
Time deposits	45,015	20,077
Total	53,619	24,339

As of both December 31, 2019 and 2018, the Company does not have any funds classified as cash and cash equivalents that are not freely available.

As of December 31, 2019 and 2018, cash and cash equivalents are detailed as follows by currency:

	As of December 31, 2019	As of December 31, 2018
Currency	ThUS\$	ThUS\$
US dollar	52,343	23,161
Chilean peso	162	65
Euro	126	92
Real	1	1
Yuan	896	993
Other currencies	91	27
Total	53,619	24,339

Note 8 Other Financial Assets

Other financial assets are detailed as follows:

	Non-Current	
	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Investments in other companies	63	63
Total other current financial assets	63	63

Note 9 Trade and Other Receivables

Trade and other receivables are detailed as follows:

	Current	
	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Trade receivables	12,244	15,285
Impairment of trade receivables	(169)	(214)
Trade receivables, net	12,075	15,071
Other receivables	4,159	2,583
Impairment of other receivables	-	-
Other receivables, net	4,159	2,583
Total receivables, net	16,234	17,654

Trade receivables are derived mainly from operations to provide vehicle transport services. Most current trade receivables are due within three months from the reporting date of these Consolidated Financial Statements.

There are no debtors classified as non-current for the years ended December 31, 2019 and 2018.

Note 9 Trade and Other Receivables (continued)

Other receivables primarily include freight payable from agencies, advances to suppliers, receivables from shipowners and receivables from personnel, among others.

The fair value of trade and other accounts receivable does not differ significantly from their carrying amount.

The Company records impairment provisions for trade receivables using the expected credit loss model. The estimated percentage per segment is detailed in the following chart:

	Current	1 to 30 days	31 to 60 days	61 to 90 days	91 to 120 days	121 to 180 days	181 to 210 days	More than 210 days
% Impairment estimate per segment	0.13% ↑	0.13% ↑	0.13% ↑	0.13% ↑	0.13% ↑	2.94% ↑	3.19% ↑	10.21% ↑

This estimate also considers certain special conditions described below:

	Factor
Legal collections, checks issued with insufficient funds and other similar concepts	100% ↑
Customers and agencies with a high risk of financial impairment	100% ↑
Case-by-case analysis of particular past due debtors	100% ↑

Trade and other receivables, net of impairment, are detailed by maturity in the following table:

	As of December 31, 2019		As of December 31, 2018	
	No. of Customers	ThUS\$	No. of Customers	ThUS\$
Current	46	10,576	55	13,843
Due between 1 and 30 days	41	3,737	54	3,252
Due between 31 and 60 days	17	971	17	246
Due between 61 and 90 days	8	525	5	74
Due between 91 and 120 days	5	108	9	188
Due between 121 and 150 days	4	107	2	4
Due between 151 and 180 days	3	119	14	47
Due in more than 180 days	13	91	-	0
Closing balance		16,234		17,654

Note 9 Trade and Other Receivables (continued)

Changes in impairment on trade and other receivables are detailed as follows:

Allowance for Doubtful Accounts	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Opening balance	214	280
Increase (decrease) in impairment for the year	(45)	(66)
Closing balance	169	214

Once out-of-court and legal collections have been exhausted, the respective receivables are written off against the provision that was recorded. The CSAV Group only uses the allowance method and not the direct write-off method in order to better control and visualize these accounts.

Note 10 Balances and Transactions with Related Parties

The net balance of accounts receivable from and payable to non-consolidated related parties is detailed in the following table:

Current	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Receivables from related parties	74	67
Payables to related parties	(30,301)	(104)
Total	(30,227)	(37)

Receivables from and Payables to Related Parties:

Receivables from and payables to related parties arise from routine business transactions carried out under market conditions, with respect to price and payment.

No write-offs or provisions have been recorded during the period for accounts receivable from related parties.

As of December 31, 2019 and 2018, the Company has no receivables from or payables to related parties classified as non-current.

Note 10 Balances and Transactions with Related Parties (continued)

Receivables from related parties are detailed as follows:

Taxpayer ID No.	Country	Company	Transaction	Relationship	Currency	Current	
						12.31.2019	12.31.2018
						ThUS\$	ThUS\$
76.380.217-5	Chile	Hapag-Lloyd Chile SpA	Current account	Common shareholder and/or director	USD	74	67
Total						74	67

Payables to related parties are detailed as follows:

a) Payables to related parties that accrue interest:

Taxpayer ID No.	Country	Company	Transaction	Relationship	Currency	Annual Interest Rate	Amortization	12.31.2019	12.31.2018
								ThUS\$	ThUS\$
91.705.000-7	Chile	Quiñenco S.A.	Loan	Parent company	USD	4.24%	Upon maturity	30,194	-
Total								30,194	-

b) Payables to related parties that do not accrue interest:

Taxpayer ID No.	Country	Company	Transaction	Relationship	Currency	Corrientes	
						12.31.2019	12.31.2018
						ThUS\$	ThUS\$
92.048.000-4	Chile	SAAM S.A.	Current account	Common shareholder and/or director	USD	79	74
Foreign	Brazil	SAAM Smit Towage Brasil S.A.	Current account	Common shareholder and/or director	USD	28	20
99.567.620-6	Chile	Terminal Puerto Arica S.A.	Current account	Common shareholder and/or director	USD	-	10
Total						107	104

Note 10 Balances and Transactions with Related Parties (continued)
Transactions with related parties:

The following table details transactions with related parties:

Company	Taxpayer ID No.	Country	Relationship	Transaction	Amount of the Transaction for the Year Ended December 31,		Amount of the Transaction for the Year Ended December 31,	
					2019	2018	2019	2018
					ThUS\$	ThUS\$	ThUS\$	ThUS\$
Banco Itau Chile (*)	76.645.030-K	Chile	Common shareholder and/or director	Interest on loans	769	2,122	(769)	(2,122)
Ecuastibas S.A.	Foreign	Ecuador	Common shareholder and/or director	Services received	140	194	(100)	(192)
Banco Estado de Chile	97.030.000-7	Chile	Common shareholder and/or director	Sale of real estate	2,526	-	2,141	-
Hapag Lloyd Chile SPA	76.380.217-5	Chile	Common shareholder and/or director	Real estate lease	819	882	819	882
Iquique Terminal Internacional S.A	96.915.330-0	Chile	Common shareholder and/or director	Port services received	-	13	-	(13)
Quiñenco S.A.	91.705.000-7	Chile	Parent company	Loans (net)	30,000	-	-	-
Quiñenco S.A.	91.705.000-7	Chile	Parent company	Interest on loans	1,257	-	(1,257)	-
Cia. de Seguros de Vida Consorcio Nacional de Seguros SA	99.012.000-5	Chile	Common shareholder and/or director	Loans received	-	-	-	-
Cia. de Seguros de Vida Consorcio Nacional de Seguros SA	99.012.000-5	Chile	Common shareholder and/or director	Interest on loans	432	-	(432)	-
Banco Consorcio	99.500.410-0	Chile	Common shareholder and/or director	Loans received	35,000	-	-	-
Banco Consorcio	99.500.410-0	Chile	Common shareholder and/or director	Interest on loans	1,175	-	(1,175)	-
SAAM S.A.	92.048.000-4	Chile	Common shareholder and/or director	Services received	382	383	(312)	(375)
SAAM Smit Towage Brasil S.A.	Foreign	Brazil	Common shareholder and/or director	Services received	217	195	(187)	(144)
Terminal Portuario de Arica S.A. (*)	99.567.620-6	Chile	Common shareholder and/or director	Port services received	12	94	(12)	(94)

(*) As of the second quarter, these companies are no longer related.

Note 10 Balances and Transactions with Related Parties (continued)

Compensation of Board of Directors and Key Personnel

(a) Board Compensation

During the year ended December 31, 2019, the Company's directors have received ThUS\$369 (ThUS\$404 as of December 31, 2018) for attending board and committee meetings.

(b) Compensation of Key Personnel

Key personnel include executives who define the CSAV Group's strategic policies and have a direct impact on the results of the business.

Compensation of the CSAV Group's key management personnel amounts to ThUS\$2,764 for the year ended December 31, 2019 (ThUS\$1,070 for the year ended December 31, 2018).

	For the year ended December 31,	
	2019	2018
	ThUS\$	ThUS\$
Short-term employee benefits	1,074	1,000
Other benefits	1,690	70
Total	2,764	1,070

On average, four CSAV executives were classified as key personnel during the year ended December 31, 2019. On average, four CSAV executives were classified as key personnel during the same period in 2018.

The Company has not given any guarantees on behalf of key management personnel.

The Company does not have any compensation plans for key management personnel based on share price.

Note 11 Inventories

The Company's inventories as of December 31, 2019 and 2018, are detailed as follows:

	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Fuel	1,882	4,832
Other inventories	2	-
Total	1,884	4,832

The items included under fuel correspond to fuel found on vessels in operation that will be consumed in the normal course of services provided. These entries are valued in accordance with Note 3.18.

Fuel consumed and recorded in net income or loss under continuing operations amounts to ThUS\$17,231 for the year ended December 31, 2019 and ThUS\$19,824 for the year ended December 31, 2018.

Note 12 Hedge Assets and Liabilities

Hedge assets and liabilities are presented under other current financial assets and other current financial liabilities, respectively: As of December 31, 2019 and 2018, the Company has hedge contracts in effect.

Current	Note	As of December 31, 2019		As of December 31, 2018	
		Assets	Liabilities	Assets	Liabilities
		ThUS\$	ThUS\$	ThUS\$	ThUS\$
Fuel swaps (a)	8	-	-	-	(756)
Total		-	-	-	(756)

(a) Fuel price hedging contracts

Details of CSAV's fuel price hedging contracts for the period ended December 31, 2019, were as follows:

Derivative	Institution	Date of Agreement	Date of Maturity	Currency	As of December 31, 2019		
					Recognized in Equity	Recognized in Net Income or Loss	Total
					ThUS\$	ThUS\$	ThUS\$
Swap	Goldman Sachs	Nov -2018	Dec -2019	USD	-	(408)	(408)
Swap	Goldman Sachs	Jan -2019	Nov -2019	USD	-	225	225
Total					-	(183)	(183)

Note 12 Hedge Assets and Liabilities (continued)

(a) Fuel price hedging contracts (continued)

Details of CSAV's fuel price hedging contracts for the year ended December 31, 2018, were as follows:

Derivative	Institution	Date of Agreement	Date of Maturity	Currency	As of December 31, 2018		Total
					Recognized in Equity	Recognized in Net Income or Loss	
					ThUS\$	ThUS\$	ThUS\$
Swap	Koch Supply & Trading	Feb -2018	Jun -2018	USD	-	275	275
Swap	Goldman Sachs	Nov -2018	Dec -2019	USD	(756)	-	(756)
Total					(756)	275	(481)

(b) Interest rate hedges.

As of December 31, 2019, the CSAV Group has not contracted any interest rate swaps to hedge its exposure to variable interest rates.

(c) Exchange rate hedges

As of December 31, 2019, the CSAV Group does not have any exchange rate hedge contracts.

Note 13 Other Non-Financial Assets

Other non-financial assets are detailed below:

Other Non-Financial Assets	Current		Non-Current	
	As of December 31, 2019	As of December 31, 2018	As of December 31, 2019	As of December 31, 2018
Current				
Insurance	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Prepaid charters	74	66	-	-
In-transit expenses	-	1,156	-	-
Others	-	-	-	-
Total Current	43	-	1	1
Total corriente	117	1,222	1	1

Prepaid insurance is insurance premiums for shipping operations and certain real estate and personal property that remain in effect after the date these Consolidated Financial Statements were closed.

Prepaid charters are for vessels operated by the CSAV group, according to the contractual terms and conditions with shipowners.

The item other includes payments of other customary duties and guarantees for maritime transport operations.

Note 14 Investments in Subsidiaries

(a) Consolidated Subsidiaries

The Company has consolidated investments in subsidiaries, as described in Note 3 of these Consolidated Financial Statements, which are detailed as follows:

Chilean National ID:.	Company	Country	Currency	Ownership Interest as of December 31,					
				Direct	2,019 Indirect	Total	Direct	2,018 Indirect	Total
Foreign	CSAV Germany Container Holding GmbH	Germany	US dollars	100.00% ↑		100.00% ↑	100.00% ↑		100.00% ↑
Foreign	Tollo Shipping Co. S.A. and Subsidiaries	Panama	US dollars	100.00% ↑	-	100.00% ↑	100.00% ↑	-	100.00% ↑
Foreign	Norgistics México S.A. de C.V.	Mexico	US dollars	-	100.00% ↑	100.00% ↑	-	100.00% ↑	100.00% ↑
Foreign	Navibras Comercial Maritima e Afretamentos Ltda.	Brazil	US dollars	-	100.00% ↑	100.00% ↑	-	100.00% ↑	100.00% ↑
Foreign	Corvina Shipping Co. S.A	Panama	US dollars	100.00% ↑	-	100.00% ↑	100.00% ↑	-	100.00% ↑
96838050-7	Compañía Naviera Rio Blanco S.A.	Chile	US dollars	99.00% ↑	1.00% ↑	100.00% ↑	99.00% ↑	1.00% ↑	100.00% ↑
76028729-6	Norgistics Holding S.A. and Subsidiaries	Chile	US dollars	99.00% ↑	1.00% ↑	100.00% ↑	99.00% ↑	1.00% ↑	100.00% ↑
Foreign	Norgistics Peru S.A.C. (1)	Peru	US dollars	-	-	-	23.50% ↑	76.50% ↑	100.00% ↑
Foreign	Norgistics (China) Ltd. [Shenzhen]	China	RMB	100.00% ↑	-	100.00% ↑	100.00% ↑	-	100.00% ↑

(1) This subsidiary was liquidated in April 2019, as described in Note 2 b) and Note 35 of this report.

Note 14 Investments in Subsidiaries (continued)

(b) Summarized financial information:

The summarized financial information of the Company's subsidiaries as of December 31, 2019 and 2018, is as follows:

As of December 31, 2019:

Company Name	Current Assets	Non-Current Assets	Current Liabilities	Non-Current Liabilities	Revenue	Net Income (Loss) for the Year
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Tollo Shipping Co. S.A. and Subsidiaries	779	-	781,047	-	-	(911)
Corvina Shipping Co. S.A.	755,256	13	-	-	-	(14)
Norgistics (China) Ltd.	1,008	-	-	-	-	298
Norgistics Holding S.A. and Subsidiaries	1,877	-	128	-	-	39
Compañía Naviera Rio Blanco S.A.	23	-	2,250	-	-	(798)
CSAV Germany Container Holding GmbH	5,640	2,168,384	1,509,806	-	-	126,974

As of December 31, 2018:

Company Name	Current Assets	Non-Current Assets	Current Liabilities	Non-Current Liabilities	Revenue	Net Income (Loss) for the Year
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Tollo Shipping Co. S.A. and Subsidiaries	1,121	-	780,323	-	-	(677)
Corvina Shipping Co. S.A.	755,267	22	2,662	-	-	(103)
Norgistics (China) Ltd.	1,080	-	356	-	19	(626)
Norgistics Holding S.A. and Subsidiaries	1,971	-	94	-	-	(197)
Compañía Naviera Rio Blanco S.A.	23	974	2,426	-	-	(27)
CSAV Germany Container Holding GmbH	53	1,939,466	1,371,085	-	-	24,849

As of December 31, 2019 and 2018, there are no subsidiaries with non-controlling interests.

CSAV granted loans of M€ 791,598, equivalent to ThUS\$794,116, to its subsidiary CSAV Germany Container Holding GmbH during its 2014 merger with HLAG. These loans, granted in euros, mature in 10 years and accrue annual interest of 4.7%. As a result, CSAV recognizes the interest accrued on a monthly basis and eliminates the transaction upon consolidation. Any exchange differences generated and interest on these loans accrued by CSAV are not eliminated to determine taxable income in Chile, in accordance with current tax law. As of December 31, 2019, the balance of this loan is Th€ 982,829, equivalent to ThUS\$1,102,073.

Note 14 Investments in Subsidiaries (continued)

(c) Movements in investments:

c.1) During the year ended December 31, 2019, the CSAV Group has not acquired or sold any investments in subsidiaries.

c.1.1) On April 3, 2019, the subsidiary Norgistics Perú S.A.C. was liquidated. It was formerly consolidated by Norgistics Holding S.A.

c.2) During the year ended December 31, 2018, the CSAV Group has recorded the following movements in investments in subsidiaries.

c.2.1) On August 21, 2018, Tollo Shipping Co. S.A. ("Tollo") sold its subsidiary Norgistics (China) Ltd. [Hong Kong] to a third party. The outcome of the sale is presented in the Statement of Income within income (loss) from discontinued operations.

c.2.2) During the year 2018, it received payment on the balance from the sale of the subsidiary Norgistics Chile S.A. in December 2017. That cash inflow is presented in the Statement of Cash Flows under "Cash flows arising from the loss of control of subsidiaries" for ThUS\$538.

c.2.3) On February 2, 2018, CSAV participated in a capital increase by Norgistics Perú, acquiring 23.50% of the company.

c.2.4) On January 18, 2018, Norgistics Holding S.A. sold its subsidiary Norgistics México S.A de C.V to the CSAV Group subsidiary, Tollo Shipping Co. S.A.

c.2.5) On January 19, 2018, Norgistics Holding S.A. sold its subsidiary Norgistics (China) Ltd. [Hong Kong] to the CSAV Group subsidiary, Tollo Shipping Co. S.A.

Note 15 Equity Method Investments

As described in Note 1 to these Consolidated Financial Statements, as of December 31, 2019, CSAV has a 27.79% interest in and is one of the largest shareholders of Hapag-Lloyd AG (HLAG), which is headquartered in Hamburg, Germany. In addition, with respect to its investment in HLAG, the Company is party to a joint control agreement with the two other shareholders of this German company: the City of Hamburg, through its holding company HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH (HGV), which holds 13.86% of the share capital; and German businessman Klaus Michael Kühne, through Kühne Maritime GmbH (KM), who owns 29.40%; together, they hold approximately 71.05% of HLAG. By virtue of the above, based on CSAV's shareholding in HLAG and the existence and characteristics of the aforementioned joint control agreement, in accordance with IFRS 11, CSAV's investment in HLAG has been defined as a joint venture that must be accounted for using the equity method in accordance with IAS 28. This definition has remained unchanged since the date on which CSAV acquired its original interest in HLAG during the business combination of its container shipping business and HLAG in 2014.

Movements in investments in associates and joint ventures as of December 31, 2019, are detailed as follows:

Name of Associate or Joint Venture	Country	Local Currency	Direct and Indirect Ownership Interest	Opening Balance	Capital Movements	Gain (Loss) on Acquisition of Interest	Share of Income (Loss)	Share of Other Comprehensive Income	Share of Other Equity Reserves	Dividends Received	Balance as of December 31, 2019
				ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Hapag-Lloyd A.G.	Germany	USD	27.79%	1,939,465	120,339	34,567	113,245	(24,504)	(6,686)	(8,043)	2,168,383
Total				1,939,465	120,339	34,567	113,245	(24,504)	(6,686)	(8,043)	2,168,383

Movements in CSAV's investment in the Hapag-Lloyd AG (HLAG) joint venture during the year ended December 31, 2019, are detailed as follows.

- (a) Gain (Loss) on Acquisition of Interest: As part of the plan to acquire HLAG shares, during 2019 CSAV increased its interest by 1.93%, equivalent to ThUS\$120,339, thus giving it 27.79% ownership of the German company. This investment was recognized at acquisition cost. In accordance with IAS 28, CSAV also determined the fair value of the net assets acquired based on the PPA report for HLAG, generating goodwill of ThUS\$34,567, which was recognized in net income as a gain for CSAV.

Note 15 Equity Method Investments (continued)

- (b) Share of Income (Loss): HLAG's net income attributable to owners of the company for the year ended December 31, 2019, reached ThUS\$405,228. Based on the percentage owned by CSAV at the end of each quarter in 2019, the Company recognized net income of ThUS\$110,636. To that amount, CSAV must add the fair value adjustment of HLAG's assets and liabilities, based on the Purchase Price Allocation (PPA) reports prepared for each acquisition. That adjustment for the year ended December 31, 2019, based on the percentage ownership each quarter, gives an improved result of ThUS\$2,609 in addition to its direct share of HLAG's results. With that, the result from CSAV's interest in that joint venture for the year ended December 31, 2019, was net income of ThUS\$113,245.
- (c) Share of Other Comprehensive Income (Loss) and Other Equity Reserves: HLAG recorded other comprehensive loss (in US dollars) for the period ended December 31, 2019, consisting of a loss of ThUS\$65,646 from revaluing its defined benefit plans (CSAV's stake is ThUS\$17,696), a loss of ThUS\$7,922 for exchange differences (CSAV's stake is ThUS\$2,083) and a loss of ThUS\$17,285 on cash flow hedges (CSAV's stake is ThUS\$4,725), giving a total loss of ThUS\$90,853 and a loss of ThUS\$24,504 for CSAV's stake in the other comprehensive loss of the joint venture. During the period, the Company also recognized its share of HLAG's other equity movements, namely a decrease of ThUS\$6,686 in equity presented in other reserves.
- (d) Dividend: During the second quarter of 2019, it received a dividend of ThUS\$8,043.

For example, since HLAG is a publicly-listed corporation in Germany that trades its shares on several stock exchanges in that country, the market value of CSAV's investment in the joint venture as of December 31, 2019, was ThUS\$4,156,469.

Note 15 Equity Method Investments (continued)

Considering the indications of impairment present as of December 31, 2018, CSAV conducted impairment testing on its investment in HLAG as of the end of the year and concluded that the recoverable amount of its investment in HLAG is greater than its carrying amount, using value in use methodology in IAS 36.

In addition, movements in investments in associates and joint ventures for the year ended December 31, 2018, are detailed as follows:

Name of Associate or Joint Venture	Country	Functional Currency	Direct and Indirect Ownership Interest	Opening Balance	Capital Movements	Gain (Loss) on Acquisition of Interest	Share of Income (Loss)	Share of Other Comprehensive Income	Share of Other Equity Reserves	Dividends Received	Balance as of December 31, 2018
				ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Hapag-Lloyd A.G.	Germany	US dollars	25.86% ↑	1,932,258	28,492	926	13,048	(7,139)	2,122	(30,242)	1,939,465
Total				1,932,258	28,492	926	13,048	(7,139)	2,122	(30,242)	1,939,465

Movements in CSAV's investment in the Hapag-Lloyd AG (HLAG) joint venture during the period ended December 31, 2018, are detailed as follows:

- (a) Result due to Dilution of Interest: During the second quarter of 2018, CSAV increased its interest by 0.4%, equivalent to ThUS\$28,492, thus giving it a 25.86% share of the German company. In accordance with IAS 28, CSAV calculated the fair value of the net assets acquired in purchasing the additional 0.4% based on the most recent PPA report on HLAG, which gave a value of ThUS\$29,418 and generated goodwill of ThUS\$926, which was recognized in net income or loss as a gain for CSAV, in accordance with IFRS.
- (b) Share of Income (Loss): HLAG's net income attributable to owners of the company for the year ended December 31, 2018, reached ThUS\$43,500. Based on the percentage owned by CSAV at the end of each quarter in 2018, the Company recognized net income of ThUS\$11,431. To that amount, CSAV must add the fair value adjustment of HLAG's assets and liabilities, based on the Purchase Price Allocation (PPA) reports prepared for each acquisition. That adjustment for the period ended December 31, 2018, based on the percentage ownership each quarter, gives an improved result of ThUS\$1,617 in addition to its direct share of HLAG's results. With that, the result from CSAV's interest in that joint venture for the year ended December 31, 2018, was net income of ThUS\$2,757.

Note 15 Equity Method Investments (continued)

(c) Share of Other Comprehensive Income (Loss) and Other Equity Reserves: HLAG recorded other comprehensive loss (in US dollars) for the period ended December 31, 2018, consisting of a gain of ThUS\$13,500 from revaluing its defined benefit plans (CSAV's stake is ThUS\$3,488), a loss of ThUS\$18,000 for exchange differences (CSAV's stake is ThUS\$4,697) and a loss of ThUS\$21,800 on cash flow hedges and costs (CSAV's stake is ThUS\$5,930), giving a total loss of ThUS\$26,300 and a loss of ThUS\$7,139 for CSAV's stake in the other comprehensive loss of the joint venture. During the period, the Company also recognized its share of HLAG's other equity movements, namely an increase of ThUS\$2,122 in equity presented in other reserves.

Summarized financial information regarding associates and joint ventures as of:

Name of Associate or Joint Venture	Hapag-Lloyd AG. (1)	
	As of December 31, 2019	2018
Ownership interest	27.79%	25.86%
	ThUS\$	ThUS\$
Current assets	2,680,723	2,812,600
Non-current assets	15,501,003	14,709,100
Current liabilities	4,481,997	3,866,800
Non-current liabilities	6,269,385	6,487,400
Revenue	14,114,540	13,741,100
Cost of sales	13,246,702	12,489,700
Net income (loss) for the year (2)	405,228	43,500
Other comprehensive income (loss)	(90,853)	(26,300)
Cash and cash equivalents	574,121	752,400
Current financial liabilities	851,513	776,100
Non-current financial liabilities	4,988,734	6,001,600
Depreciation and amortization	1,314,720	821,200
Interest income	13,664	18,600
Interest expense	457,765	450,100
Income tax expense	48,072	37,700

(1) This information comes directly from the Consolidated Financial Statements of HLAG in US\$ and, therefore, does not include the effects of the PPAs presented by CSAV.

(2) Net income (loss) attributable to the owners of the Company.

Note 16 Intangible Assets Other than Goodwill

As of December 31, 2019 and 2018, the Company has no intangible assets other than goodwill.

Note 17 Goodwill

Goodwill is detailed as follows:

	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Norgistics Holding S.A.	17	17
Total	17	17

There have been no movements in goodwill for the periods ended December 31, 2019 and 2018.

Goodwill has been generated in the acquisition of subsidiaries and businesses that have enabled the Company to operate its business segments.

Note 18 Property, Plant and Equipment

Property, plant and equipment (PPE) are summarized as follows:

As of December 31, 2019			As of December 31, 2018			
	Gross PP&E	Accumulated Depreciation	Net PP&E	Gross PP&E	Accumulated Depreciation	Net PP&E
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Buildings	1,678	(432)	1,246	1,678	(415)	1,263
Machinery and equipment	2	-	2	-	-	-
Office equipment	82	(69)	13	68	(64)	4
Rights-of-use assets	35,588	(27,008)	8,580	-	-	-
Other	1,128	-	1,128	1,128	-	1,128
Total	38,478	(27,509)	10,969	2,874	(479)	2,395

Note 18 Property, Plant and Equipment (continued)

The item Buildings includes buildings and facilities belonging to the CSAV Group that are used for its normal operations. As of the date these Consolidated Financial Statements were closed, the Company and its subsidiaries had not detected any signs of impairment in its property, plant and equipment.

The details and movements of the different categories of property, plant and equipment as of December 31, 2019, are provided in the following table:

As of December 31, 2019	Buildings, Net	Machinery and Equipment, Net	Office Equipment, Net	Right-of- Use Assets (*)	Other Property, Plant and Equipment, Net	Property, Plant and Equipment, Net
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Opening balance	1,263	-	4	-	1,128	2,395
Additions	-	2	14	5,089	-	5,105
Depreciation expense	(17)	-	(5)	(27,008)	-	(27,030)
Adoption of IFRS 16	-	-	-	30,499	-	30,499
Total changes in PPE	(17)	2	9	8,580	-	8,574
Closing balance	1,246	2	13	8,580	1,128	10,969

(*) This corresponds to lease commitments mainly related to vessel charters.

The details and movements of the different categories of property, plant and equipment as of December 31, 2018, are provided in the following table:

For the year ended December 31, 2018	Buildings, Net	Office Equipment, Net	Other Property, Plant and Equipment, Net	Total Property, Plant and Equipment, Net
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Opening balance	1,592	10	1,128	2,730
Additions	-	3	-	3
Transfers to (from) investment property	(315)	-	-	(315)
Depreciation expense	(14)	(9)	-	(23)
Total changes in PPE	(329)	(6)	-	(335)
Closing balance	1,263	4	1,128	2,395

Note 19 Investment Property

The details and movements of the different categories of investment property as of December 31, 2019 and 2018, are provided in the following table:

For the year ended December 31, 2019	Land	Buildings, Net	Investment Property
	ThUS\$	ThUS\$	ThUS\$
Opening balance	1,963	10,235	12,198
Depreciation expense	-	(122)	(122)
Disposals (sale of assets)	-	(1,206)	(1,206)
Total changes	-	(1,328)	(1,328)
Closing balance	1,963	8,907	10,870

For the year ended December 31, 2018	Land	Buildings, Net	Investment Property
	ThUS\$	ThUS\$	ThUS\$
Opening balance	1,963	13,331	15,294
Transfers from (to) PPE	-	315	315
Depreciation expense	-	(160)	(160)
Disposals (sale of assets)	-	(3,251)	(3,251)
Total changes	-	(3,096)	(3,096)
Closing balance	1,963	10,235	12,198

As of December 31, 2019, the Company has classified part of its property, plant and equipment that is not directly used in its operations but is leased to third parties or kept for investment purposes as investment property in accordance with the accounting policy described in section 3.6 to these Consolidated Financial Statements.

In May 2019, the Company sold part of its investment property and recorded a gain on the sale within other gains in the Statement of Income (See Note 30).

During the years ended December 31, 2019 and 2018, the Company has disclosed rental income on its investment property of ThUS\$1,098 and ThUS\$1,300, respectively, in other income.

The estimated fair value of the Company's investment property as of December 31, 2019, amounts to ThUS\$18,200, which is greater than its carrying amount.

Note 20 Tax Assets and Liabilities

The balances of current and non-current tax assets and liabilities are detailed as follows:

Current Tax Assets:

Current Tax Assets	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Other recoverable taxes	356	261
Total current tax assets	356	261

Current Tax Liabilities:

Current Tax Liabilities	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Income taxes payable	947	29
Total current tax liabilities	947	29

Note 21 Current and Deferred Income Taxes

- (a) According to tax laws and regulations in effect as of December 31, 2019, using the current rate of 27% as stipulated by Law No. 20,780, CSAV has calculated an estimated tax loss of ThUS\$923,762. Therefore, it has not made a standalone income tax provision. As of December 31, 2018, the Company had a standalone tax loss of ThUS\$922,780, calculated in estimating deferred taxes in its financial statements.
- (b) As of December 31, 2019, CSAV has recorded a provision for single tax under Article 21 of the Income Tax Law of ThUS\$24. The Company had a provision for this tax of ThUS\$29 as of December 31, 2018.
- (c) As of December 31, 2019 and 2018, the Company has no accumulated tax losses.

Note 21 Current and Deferred Income Taxes (continued)

(d) Deferred Income Taxes

Deferred tax assets and liabilities are offset if the right to set-off has been legally recognized and if the deferred taxes are associated with the same tax authority, and if the type of temporary differences is equivalent.

The detail of deferred tax assets as of December 31, 2019 and 2018, is as follows:

Types of Temporary Differences	Deferred Tax Assets	
	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Tax losses	249,416	250,124
Provisions	5,071	4,251
Revaluation of financial instruments	-	204
Total	254,487	254,579

The Company has recorded the aforementioned amount for the balance of tax losses as of period end as deferred tax assets, since it is likely that its future tax earnings will enable it to use that asset, in accordance with IAS 12. As of December 31, 2019, the Company estimates that these future tax earnings will come mainly from the container shipping segment and, specifically, from dividends from CSAV's investment in the HLAG joint venture through its subsidiary in Germany, CSAV Germany Container Holding GmbH.

The detail of deferred tax liabilities as of December 31, 2019 and 2018, is as follows:

Types of Temporary Differences	Deferred Tax Liabilities	
	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Others	(502)	(254)
Total	(502)	(254)

Note 21 Current and Deferred Income Taxes (continued)

(d) Deferred Income Taxes (continued)

The following table shows movements of deferred tax assets and liabilities recorded during the period ended December 31, 2019:

Types of Temporary Differences	Balance as of January 1, 2019	Recognized in Net Income (Loss)	Recognized in Equity	Balance as of December 31, 2019
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Tax losses	250,124	(708)	-	249,416
Provisions	4,251	820	-	5,071
Other deferred taxes	204	-	(204)	-
Total deferred tax assets	254,579	112	(204)	254,487

Types of Temporary Differences	Balance as of January 1, 2019	Recognized in Net Income (Loss)	Recognized in Equity	Balance as of December 31, 2019
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Other deferred taxes	254	248	-	502
Total deferred tax liabilities	254	248	-	502

The following table shows movements of deferred tax assets and liabilities recorded during the year ended December 31, 2018:

Types of Temporary Differences	Balance as of January 1, 2018	Recognized in Net Income (Loss)	Recognized in Equity	Balance as of December 31, 2018
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Tax losses	244,600	5,524	-	250,124
Provisions	2,208	2,043	-	4,251
Other deferred taxes	-	-	204	204
Total deferred tax assets	246,808	7,567	204	254,579

Types of Temporary Differences	Balance as of January 1, 2018	Recognized in Net Income (Loss)	Recognized in Equity	Balance as of December 31, 2018
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Other deferred taxes	332	(78)	-	254
Total deferred tax liabilities	332	(78)	-	254

Note 21 Current and Deferred Income Taxes (continued)

(e) Effect of current and deferred income taxes on net income or loss

	For the year ended December 31,	
	2019	2018
	ThUS\$	ThUS\$
Current income tax expense		
Current tax expense (*)	(188)	(521)
Expense for ITL Art. 21 tax (*)	(24)	(29)
Adjustments to prior year taxes	(923)	(2)
Other tax expenses	-	(1)
Total current tax expense, net	(1,135)	(553)
Deferred tax expense		
Origin and reversal of temporary differences	(136)	7,645
Reversal of value of deferred tax assets	-	-
Other deferred tax expense	-	-
Total deferred tax benefit (expense), net	(136)	7,645
Income tax benefit (expense)	(1,271)	7,092
Income tax benefit (expense), continuing operations	(1,271)	7,092
Income tax benefit (expense), discontinued operations	(463)	(199)

(*) Mainly foreign taxes

(f) Taxes recognized in net income or loss by foreign and Chilean entities

	For the year ended December 31,	
	2019	2018
	ThUS\$	ThUS\$
Current tax benefit (expense):		
Current tax benefit (expense), net, foreign	-	-
Current tax benefit (expense), net, Chilean	(1,135)	(553)
Current tax benefit (expense), net	(1,135)	(553)
Deferred tax benefit (expense):		
Deferred tax benefit (expense), foreign	-	-
Deferred tax benefit (expense), Chilean	(136)	7,645
Deferred tax benefit (expense), net	(136)	7,645
Income tax benefit (expense), net	(1,271)	7,092
Income tax benefit (expense), continuing operations	(1,271)	7,092
Income tax benefit (expense), discontinued operations	(463)	(199)

Note 21 Current and Deferred Income Taxes (continued)

(g) Reconciliation of Effective Tax Rate

An analysis and reconciliation of the income tax rate calculated in accordance with Chilean tax legislation and of the effective tax rate are detailed below:

Reconciliation of Effective Tax Rate		For the year ended December 31,	
		2019	2018
		ThUS\$	ThUS\$
Net income (loss) for the year		124,616	18,248
Total income tax benefit (expense)		(1,271)	7,092
Net income (loss) before tax		125,887	11,156
Reconciliation of effective tax rate	27.00%	(33,989)	27.00% (3,012)
Tax effect of rates in other jurisdictions	0.11%	(137)	(3.41%) (380)
Tax effect of non-taxable revenue	(26.10%)	32,855	88.95% 9,923
Other increase (decrease) in statutory taxes	0.00%	-	5.03% 561
Total adjustments to tax benefit (expense) using statutory rate	(25.99%)	32,718	90.57% 10,104
Income tax benefit (expense) using effective rate	1.01%	(1,271)	117.57% 7,092
Income tax benefit (expense), continuing operations		(1,271)	7,092
Income tax benefit (expense), discontinued operations		(463)	(199)

As mentioned in Note 14 of these Consolidated Financial Statements, the euro depreciated with respect to the dollar during the year ended December 31, 2019, thus generating a negative exchange difference on the interest accrued and principal owed on the euro-denominated loan that CSAV (standalone entity) maintains with its consolidated German subsidiary CSAV Germany Container Holding GmbH. This gave rise to a financial loss for the Company, which is eliminated for consolidation purposes but for tax purposes results in an increase in the tax loss presented by CSAV (standalone) and, therefore, an increase in the deferred tax asset recognized for that tax loss carryforward as of December 31, 2019.

Note 22 Other Financial Liabilities

Other financial liabilities are detailed as follows:

Other Financial Liabilities	As of December 31, 2019 Current	As of December 31, 2018 Current
	ThUS\$	ThUS\$
Bank loans (a)	45,286	10,768
Bonds payable (c)	754	-
Hedge liabilities (Note 12)	-	756
Finance lease liabilities (d)	7,871	-
Total current	53,911	11,524

Other Financial Liabilities	As of December 31, 2019 Non-Current	As of December 31, 2018 Non-Current
	ThUS\$	ThUS\$
Bank loans (b)	24,731	34,603
Bonds payable (c)	148,965	49,586
Hedge liabilities (Note 12)	-	-
Other financial liabilities	-	-
Total non-current	173,696	84,189

Balances of other financial liabilities are reconciled as follows:

	As of December 31, 2018	Changes that Do Not Affect Cash Flows				As of December 31, 2019
		Cash Flows Principal	Cash Flows Interest	Accrued Interest	Other	
Current	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Bank loans	10,768	25,000	(2,225)	2,125	9,618	45,286
Bonds payable	-	-	(5,207)	5,954	7	754
Hedge liabilities	756	-	-	-	(756)	-
Finance lease liabilities	-	(32,571)	(746)	746	40,442	7,871
Non-Current						
Bank loans	34,603	-	-	-	(9,872)	24,731
Bonds payable	49,586	100,000	-	-	621	148,965
Total	95,713	92,429	(8,178)	8,825	38,818	227,607

Note 22 Other Financial Liabilities (continued)

(a) Current bank loans:

As of December 31, 2019

Taxpayer ID of Debtor	Name of Debtor	Country of Debtor	Taxpayer ID of Creditor	Creditor Entity (Bank)	Country of Creditor	Currency	Type of Amortization	Up to 90 Days	Over 90 Days up to 1 Year	Current Portion	Annual Interest Rate	
								ThUS\$	ThUS\$	ThUS\$	Nominal	Effective
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	76.645.030-K	Banco Itau Chile	Chile	USD	Semi-annual	5,805	4,690	10,495	LB 6M+2.5%	4.55%
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	99.500.410-0	Banco Consorcio	Chile	USD	Semi-annual	-	34,791	34,791	LB 6M+3.5%	5.40%
Total								5,805	39,481	45,286		

As of December 31, 2018

Taxpayer ID of Debtor	Name of Debtor	Country of Debtor	Taxpayer ID of Creditor	Creditor Entity (Bank)	Country of Creditor	Currency	Type of Amortization	Up to 90 Days	Over 90 Days up to 1 Year	Current Portion	Annual Interest Rate	
								ThUS\$	ThUS\$	ThUS\$	Nominal	Effective
90160000-7	Compañía Sud Americana de Vapores S.A.	Chile	76.645.030-K	Banco Itau Chile	Chile	US dollars	Semi-annual	5,768	5,000	10,768	LB 6M+2.5%	5.02% ↑
Total								5,768	5,000	10,768		

Note 22 Other Financial Liabilities (continued)

(b) Non-current bank loans:

As of December 31, 2019

Taxpayer ID of Debtor	Name of Debtor	Country of Debtor	Taxpayer ID of Creditor	Creditor Entity (Bank)	Country of Creditor	Currency	Type of Amortization	1 to 2 Years	2 to 3 Years	3 to 5 Years	Non-Current Portion	Total Debt	Annual Interest Rate	
								ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	Nominal	Efectiva
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	76.645.030-K	Banco Itaú Chile	Chile	USD	Semi-annual	10,237	9,802	4,692	24,731	35,226	LB 6M+2.5%	4.55%
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	99.500.410-0	Banco Consorcio	Chile	USD	Semi-annual	-	-	-	-	34,791	LB 6M+3.5%	5.40%
Total								10,237	9,802	4,692	24,731	70,017		

As of December 31, 2018

Taxpayer ID of Debtor	Name of Debtor	Country of Debtor	Taxpayer ID of Creditor	Creditor Entity (Bank)	Country of Creditor	Currency	Type of Amortization	1 to 2 Years	2 to 3 Years	3 to 5 Years	Non-Current Portion	Total Debt	Annual Interest Rate	
								ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	Nominal	Efectiva
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	76.645.030-K	Banco Itaú Chile	Chile	USD	Semi-annual	11,719	11,229	11,655	34,603	45,371	LB 6M+2.5%	5.02%
Total								11,719	11,229	11,655	34,603	45,371		

Loans are presented net of origination and underwriting fees.

Note 22 Other Financial Liabilities (continued)

(c) Bonds payable:

As of December 31, 2019

Current

Registry Number	Series	Currency	Nominal Amount Placed	Contractual Interest Rate	Type of Interest Rate	Type of Amortization	Issuing Company	Country of Issuer	Up to 90 Days	More than 90 Days	Total Current
ThUS\$									ThUS\$	ThUS\$	ThUS\$
955	C	USD	100.000	5.35%	Annual	Semi Bullet	Compañía Sud Americana de Vapores S.A.	Chile	754	-	754
Total									754	-	754

Non-current

Registry Number	Series	Currency	Nominal Amount Placed	Contractual Interest Rate	Type of Interest Rate	Type of Amortization	Issuing Company	Country of Issuer	More than 1 up to 2	More than 2 up to 3	More than 3 up to 5	More than 5 up to 10	Total Non-Current
ThUS\$									ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
839	B	USD	50,000	5.20%	Annual	Bullet	Compañía Sud Americana de Vapores S.A.	Chile	49,749	-	-	-	49,749
955	C	USD	100,000	5.35%	Annual	Semi Bullet	Compañía Sud Americana de Vapores S.A.	Chile	-	-	-	99,216	99,216
Total									49,749	-	-	99,216	148,965

Bonds are presented net of origination and underwriting fees.

Note 22 Other Financial Liabilities (continued)

(c) Bonds payable:

As of December 31, 2018

Non-current

Registry Number	Series	Currency	Nominal Amount Placed	Contractual Interest Rate	Type of Interest Rate	Type of Amortization	Issuing Company	Country of Issuer	More than 1 up to 2	More than 2 up to 3	More than 3 up to 5	More than 5 up to 10	Total Non-Current
									ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
839	B	USD	50,000	5.20%	Annual	Bullet	Compañía Sud Americana de Vapores S.A.	Chile	2,567	47,019	-	-	49,586
Total									2,567	47,019	-	-	49,586

Note 22 Other Financial Liabilities (continued)

The financial obligations that place restrictions on management and require fulfillment of certain financial indicators (covenants) are described in Note 36 to these Consolidated Financial Statements.

(d) Finance lease liabilities

Finance Lease Liabilities	Interest Rate	As of December 31, 2019	As of December 31, 2018
		ThUS\$	ThUS\$
Less than one year	4%	7,871	-
Total		7,871	-

Right-of-use and finance lease liabilities recognized as of December 31, 2019, and depreciation and interest expense recognized for the same period correspond to both old finance leases contracts and the effect of adopting IFRS 16 since January 1, 2019.

Note 23 Trade and Other Payables

Trade payables are summarized as follows:

Trade payables primarily represent amounts owed to regular service providers in the Group's normal course of business, which are detailed as follows:

	Current	
	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Operating costs	9,181	9,168
Consortia and other	189	50
Administrative costs	857	707
Dividends	34	37
Others	871	264
Total	11,132	10,226

Note 23 Trade and Other Payables (continued)

Up-to-date and past due trade payables as of December 31, 2019, are as follows:

Up-to-date trade payables:

Type of Supplier	Amount by Payment Terms						Total
	Up to 30 Days	31-60	61-90	91-120	121-365	Over 366 Days	
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Products	1,281	-	-	-	-	-	1,281
Services	8,554	122	229	-	-	55	8,960
Total	9,835	122	229	-	-	55	10,241

Past-due trade payables:

Type of Supplier	Amounts by Days Past Due						Total
	Up to 30 Days	31-60	61-90	91-120	121-180	Over 181 Days	
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Services	507	258	6	7	16	97	891
Total	507	258	6	7	16	97	891

Up-to-date and past-due trade payables as of December 31, 2018, are as follows:

Up-to-date trade payables:

Type of Supplier	Amount by Payment Terms						Total
	Up to 30 Days	31-60	61-90	91-120	121-365	Over 366 Days	
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Products	1,318	-	-	-	-	-	1,318
Services	7,944	188	516	11	-	36	8,695
Total	9,262	188	516	11	-	36	10,013

Past-due trade payables:

Type of Supplier	Amount by Days Past Due						Total
	Up to 30 Days	31-60	61-90	91-120	121-180	Over 181 Days	
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Services	141	6	18	17	23	8	213
Total	141	6	18	17	23	8	213

Note 23 Trade and Other Payables (continued)

As of December 31, 2019, the average term for past-due supplier payments was 35 days (35 days as of December 31, 2018), and no suppliers were classified as non-current for those periods.

As of the reporting date, none of the payables detailed above accrue interest for the Company.

Note 24 Provisions

Current and non-current provisions as of December 31, 2019, are detailed as follows:

Current	Legal Claims	Onerous Contracts	Other Provisions	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Balance as of January 1, 2019	1,791	47	200	2,038
Additions during the period	129	4,764	-	4,893
Decreases during the period	(1,415)	(289)	(78)	(1,781)
Transfer from (to) non-current provisions	935	-	-	935
Closing balance of current provisions	1,440	4,522	122	6,085

Non-Current	Legal Claims	Total
	ThUS\$	ThUS\$
Balance as of January 1, 2019	11,935	11,935
Decreases during the period	-	-
Transfer from (to) non-current provisions	(935)	(935)
Closing balance of non-current provisions	11,000	11,000

Current and non-current provisions as of December 31, 2018, are detailed as follows:

Current	Legal Claims	Onerous Contracts	Other Provisions	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Balance as of January 1, 2018	10,067	1,394	500	11,961
Additions during the period	1,491	47	-	1,538
Decreases during the period	(10,365)	(1,394)	(300)	(12,059)
Transfer from (to) non-current provisions	598	-	-	598
Closing balance of current provisions	1,791	47	200	2,038

Note 24 Provisions (continued)

Non-Current	Legal Claims	Total
	ThUS\$	ThUS\$
Balance as of January 1, 2018	15,549	15,549
Decreases during the period	(3,016)	(3,016)
Transfer from (to) current provisions	(598)	(598)
Closing balance of non-current provisions	11,935	11,935

Provisions for legal claims correspond mainly to lawsuits and other legal proceedings, including legal costs and possible disbursements, to which the Company is exposed, including those stemming from investigations carried out by anti-monopoly authorities in the car carrier business and contingencies related to these cases, as indicated in Note 36 to the Consolidated Financial Statements.

Within onerous contracts, the Company provisions estimates of services to which it has committed (in-transit voyages or contracts) for which there is reasonable certainty that the revenue obtained will not cover the costs incurred at the end of the voyage and, therefore, the voyages or contracts are expected to end with operating losses. These provisions are expected to be used within the current period, based on the Company's business cycle. Nevertheless, new provisions may be made in future periods.

All legal claims and contingencies related to the direct operations of the container shipping business are presently, following the merger with HLAG in 2014, the legal and financial responsibility of HLAG and its subsidiaries, including legal expenses and possible disbursements, even when CSAV is party to the claim. The Company has established provisions in the accounts legal claims and other provisions for other contingencies not related to the direct operation of this business where it believes disbursements to be reasonably likely.

As of the reporting date of these Consolidated Financial Statements, all amounts provisioned by the Company and its subsidiaries have been classified as either current or non-current based on the best estimate of the timing of their use or consumption.

Note 25 Other Non-Financial Liabilities

Other non-financial liabilities are detailed as follows:

Current	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Revenue from voyages in transit	3,997	5,617
Total current	3,997	5,617

Non-Current	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Other non-financial liabilities	13	160
Total non-current	13	160

Revenue from voyages in transit corresponds to income documented as of the reporting date for vessels in transit towards their destinations at that date (i.e. that have not yet completed the service, at which time the performance obligation is completed). These amounts are presented net of the respective expenses for each voyage in transit and transferred to net income or loss once the voyage has been completed, normally within the following 30 days.

Other non-current non-financial liabilities include guarantees received for real estate leases and the provision of other services that involve third-party use of the Company's assets or equipment.

Note 26 Employee Benefit Obligations

a) Employee benefit expenses

	For the year ended December 31,	
	2019	2018
	ThUS\$	ThUS\$
Salaries and wages	5,976	4,263
Short-term employee benefits	187	190
Total employee benefits expense	6,163	4,453

b) Employee benefit provisions

	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Vacations payable	144	131
Other benefits	1,384	1,425
Total employee benefit provisions	1,528	1,556

The Company had not made any employee benefit provisions classified as non-current as of December 31, 2019 and 2018.

Note 27 Classes of Financial Assets and Liabilities

The following table details the carrying amount and fair value of consolidated financial assets and liabilities:

Description of Financial Assets	Note	Current		Non-Current		Fair Value	
		As of December 31, 2019	As of December 31, 2018	As of December 31, 2019	As of December 31, 2018	As of December 31, 2019	As of December 31, 2018
		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Cash and cash equivalents	7	53,619	24,339	-	-	53,619	24,339
Other financial assets	8	-	-	63	63	63	63
Trade and other receivables	9	16,234	17,654	-	-	16,234	17,654
Receivables from related parties	10	74	67	-	-	74	67
Total		69,927	42,060	63	63	69,990	42,123

Description of Financial Liabilities	Note	Current		Non-Current		Fair Value	
		As of December 31, 2019	As of December 31, 2018	As of December 31, 2019	As of December 31, 2018	As of December 31, 2019	As of December 31, 2018
		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Bank loans	22	45,286	10,768	24,731	34,603	70,797	45,961
Bonds payable	22	754	-	148,965	49,586	151,254	50,500
Finance leases	22	7,871	-	-	-	7,871	-
Hedge liabilities	12	-	756	-	-	-	756
Trade and other payables	23	11,132	10,226	-	-	11,132	10,226
Payables to related parties	10	30,301	104	-	-	30,109	104
Total		95,344	21,854	173,696	84,189	271,163	107,547

Note 27 Classes of Financial Assets and Liabilities (continued)

The average interest rates used to determine the fair value of financial liabilities as of December 31, 2019 and 2018, are summarized below:

	As of December 31, 2019	As of December 31, 2018
Variable-rate financial liabilities	Libor + 2.5%	Libor + 2.5%
Fixed-rate financial liabilities	5.30%	5.20%

Other financial assets and liabilities are recorded at fair value or their carrying amount is a reasonable approximation of their fair value.

Note 28 Equity and Reserves

(a) Changes in Issued Capital

Subscribed and paid-in capital as of December 31, 2019 and 2018, amounts to US\$3,493,509,703.09, divided into 36,796,876,188 shares.

(b) Movements in shares for 2019 and 2018

As of December 31, 2019, the Company's shares are detailed as follows:

Series	Number of Subscribed Shares	Number of Paid-in Shares	Number of Voting Shares
Single	36,796,876,188	36,796,876,188	36,796,876,188

	As of December 31, 2019	As of December 31, 2018
Number of Shares	Common Stock	Common Stock
Issued as of January 1	36,796,876,188	36,796,876,188
From capital increase		
Shares canceled	-	-
Total at end of period	36,796,876,188	36,796,876,188

Note 28 Equity and Reserves (continued)

(c) Treasury Shares

The Company had no treasury stock as of December 31, 2019 and 2018.

(d) Share Issuance Costs

As of December 31, 2019 and 2018, the cumulative share issuance costs from the most recent capital increase in 2017 total ThUS\$1,128, and are presented in the equity account other miscellaneous reserves.

(e) Other Reserves

Other reserves are detailed as follows:

	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Translation adjustment reserve	(13,385)	(11,308)
Cash flow hedge reserve	(7,406)	(3,233)
Reserve for gains and losses on defined-benefit plans	(16,628)	1,068
Other miscellaneous reserves	(3,028)	3,579
Total reserves	(40,447)	(9,894)

Explanation of movements:

Translation Adjustment Reserve

The translation reserve includes all foreign exchange differences that arise from translating to the Group's functional currency the financial statements of Group companies with a different functional currency, based on the currency translation methodology defined in IAS 21. This applies to both the CSAV Group and the consolidated entities of its associates and joint ventures, such as HLAG.

Note 28 Equity and Reserves (continued)

(f) Other Reserves (continued)

The balance and movement of the translation adjustment reserve are explained as follows:

	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Balance as of January 1	(11,308)	(6,714)
Subsidiaries and other investments	6	103
Share of equity method associates and joint ventures (Note 15)	(2,083)	(4,697)
Closing balance	(13,385)	(11,308)

Cash Flow Hedge Reserve

The hedge reserve includes the effective portion of the net accumulated effect on fair value of cash flow hedging instruments related to hedged transactions that have not yet taken place. Movements during the period are explained by accounting hedges realized during the period and new hedges entered into.

The balance and movement of this reserve are explained below:

	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Balance as of January 1	(3,233)	3,249
Deferred taxes on hedges	552	204
Increase (decrease) from hedge derivatives	-	(756)
Share of equity method associates and joint ventures (Note 15)	(4,725)	(5,930)
Closing balance	(7,406)	(3,233)

Note 28 Equity and Reserves (continued)

(f) Other Reserves (continued)

Reserve for Gains and Losses on Defined Employee Benefit Plans

The reserve for actuarial gains on post-employment benefits consists of the variation in the actuarial values of provisions for defined-benefit plans.

The balance and movement of this reserve are explained below:

	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Balance as of January 1	1,068	(2,420)
Share of equity method associates and joint ventures (Note 15)	(17,696)	3,488
Closing balance	(16,628)	1,068

Other Miscellaneous Reserves

The balance and movement of other miscellaneous reserves are explained as follows:

	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Balance as of January 1	3,579	1,493
Share issuance costs	79	(8)
Share of equity method associates and joint ventures (Note 15)	(6,686)	2,122
Other movements in reserves	-	(28)
Closing balance	(3,028)	3,579

(g) Dividends and Retained Earnings (Accumulated Losses)

The dividend policy described in Note 3.29 of these Consolidated Financial Statements establishes that net income to be distributed consists of 30% of net distributable income determined based on the instructions in CMF Ruling 1945.

Note 28 Equity and Reserves (continued)

(g) Dividends and Retained Earnings (Accumulated Losses) (continued)

Distributable net profits are determined on the basis of “profit attributable to owners of the Company” presented in the Consolidated Statement of Income for each reporting period. This net income shall be adjusted, if necessary, to reflect all gains resulting from variations in the fair value of certain assets and liabilities that have not been realized as of period end. Thus, these gains will be incorporated into the determination of distributable net income in the period in which they are realized or accrued.

The Company has decided to maintain adjustments from first-time adoption of IFRS, included in retained earnings as of December 31, 2009, as non-distributable income. For the purpose of determining the balance of distributable retained earnings or accumulated losses, separate records are kept for these first-time adoption adjustments and they are not considered in determining that balance.

The following table details how distributable net income as of December 31, 2019 and 2018, is determined:

	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
Initial distributable loss	(1,493,897)	(1,512,145)
Dividends Distributed		
Net income attributable to owners of the company	124,616	18,248
Adjustments to net income for the year for fair value assets and liabilities, unrealized	-	-
Adjustments for first-time adoption of IFRS, realized	-	-
Other adjustments to accumulated losses for the period	(79)	-
Distributable net loss	(1,369,360)	(1,493,897)
Accumulated deficit	(1,228,876)	(1,353,413)

As of December 31, 2019 and 2018, the Company has not recorded a mandatory minimum dividend provision because it has an accumulated deficit and, therefore, all profits have first been allocated to absorb these losses in accordance with article 78 of the Corporations Law.

Note 29 Revenue, Cost of Sales and Administrative Expenses

Revenue and cost of sales are detailed in the following table:

	For the year ended December 31,	
	2019	2018
Revenue	ThUS\$	ThUS\$
Revenue from transport services	90,485	89,792
Other income	2,470	1,644
Total operating income	92,955	91,436

	For the year ended December 31,	
	2019	2018
Cost of sales	ThUS\$	ThUS\$
Cargo, intermodal and other related costs	(11,954)	(13,408)
Vessel charter, port, canal and other related expenses	(33,580)	(53,159)
Fuel expenses	(17,231)	(19,824)
Depreciation of right-of-use asset	(30,348)	-
Other costs	(765)	(796)
Total cost of sales	(93,878)	(87,187)

In accordance with IFRS 15, starting January 1, 2018, revenue and cost of sales for maritime services in-transit are no longer recognized in the Statement of Income based on the percentage of completion to date, but rather based on satisfaction of its performance obligations.

Should the Company determine that a voyage or committed contract will produce a loss, it shall be provisioned in cost of sales (onerous contract as described in Note 24 recording its income and expenses separately).

Note 29 Revenues, Cost of Sales and Administrative Expenses (continued)

Administrative expenses are detailed in the following table:

	For the year ended December 31,	
	2019	2018
Administrative Expenses	ThUS\$	ThUS\$
Personnel payroll expenses	(6,163)	(4,453)
Advisory and other services	(3,387)	(2,387)
Communications and reporting expenses	(317)	(358)
Depreciation and amortization	(144)	(183)
Others	(2,145)	(3,165)
Total administrative expenses	(12,156)	(10,546)

As described in Note 6 (Segment Reporting) to this report, consolidated administrative expenses have been separated for the purposes of controlling and measuring the performance of each CSAV business segment. During the year ended December 31, 2019, total administrative expenses were ThUS\$12,156—the container shipping business segment represents ThUS\$4,791 and the other transport services business segment (vehicle transport and others) represents expenses of ThUS\$7,365—accounting for 39% and 61% of total administrative expenses, respectively.

Note 30 Other Income and Other Gains (Losses)

(a) Other Income

For the year ended December 31, 2019, this account includes:

- (i) Income related to leasing real estate of ThUS\$1,098.

For the year ended December 31, 2018, this account includes:

- (i) Income related to leasing real estate of ThUS\$1,300.
- (ii) Other income of ThUS\$6.

Note 30 Other Income and Other Gains (Losses) (continued)

(b) Other income (losses)

For the year ended December 31, 2019, this account includes:

- (i) Net gain on the sale of real estate classified as investment property, of ThUS\$934.
- (ii) Other gains or losses from operating the other transport services segment resulting in a gain of ThUS\$383.

For the year ended December 31, 2018, this account includes:

- (i) Net gain on the sale of a portion of the real estate assets classified as investment property (see Note 19) of ThUS\$7,957.
- (ii) Other gains or losses from operating the other transport services segment resulting in a gain of ThUS\$734.

Note 31 Finance Income and Costs

Finance income and costs are detailed as follows:

	For the year ended December 31,	
	2019	2018
Finance income	ThUS\$	ThUS\$
Interest income from time deposits	592	660
Total finance income	592	660

	For the year ended December 31,	
	2019	2018
Finance costs	ThUS\$	ThUS\$
Interest expense on financial liabilities	(8,079)	(5,099)
Interest expense on other financial instruments	(1,257)	-
Interest expense on leases	(746)	-
Other finance costs	(823)	(438)
Total finance costs	(10,905)	(5,537)

Note 32 Exchange Differences

Exchange differences generated by items in foreign currency, other than differences generated by financial investments at fair value through profit and loss, were credited (charged) to net income or loss for the period according to the following table:

	For the year ended December 31,	
	2019	2018
	ThUS\$	ThUS\$
Cash and cash equivalents	6	(793)
Trade and other receivables, net	(23)	(771)
Current tax receivables	16	(19)
Total assets	(1)	(1,583)
Provisions	6	15
Trade and other payables	(28)	385
Payables to related parties	-	(5)
Tax payables	-	-
Total liabilities	(22)	395
Total exchange differences	(23)	(1,188)

Note 33 Foreign Currency

Current Assets		As of December 31, 2019	As of December 31, 2018
	Currency	ThUS\$	ThUS\$
Cash and cash equivalents	CH\$	162	65
	USD	52,343	23,161
	EUR	126	92
	BRL	1	1
	CNY	896	993
	OTHER	91	27
Other non-financial assets	USD	-	-
Other non-financial assets	USD	117	1,222
Trade and other receivables	CH\$	202	228
	USD	15,847	17,040
	EUR	19	146
	BRL	155	30
	OTHER	11	210
Receivables from related parties	CH\$	74	67
	USD	-	-
Inventories	USD	1,884	4,832
Current tax assets		356	261
Disposal groups classified as held for sale	USD	306	784
Total current assets	CH\$	794	621
	USD	70,497	47,039
	EUR	145	238
	BRL	156	31
	YUAN	896	993
	OTHER	102	237
Total		72,590	49,159

Note 33 Foreign Currency (continued)

Non-Current Assets		As of December 31, 2019	As of December 31, 2018
	Currency	ThUS\$	ThUS\$
Other financial assets	USD	63	63
Other non-financial assets	USD	1	1
Equity method investments	USD	2,168,383	1,939,465
Goodwill	USD	17	17
Property, plant and equipment	USD	10,969	2,395
Investment property	USD	10,870	12,198
Deferred tax assets	USD	254,487	254,579
Total non-current assets	USD	2,444,790	2,208,718
	Total	2,444,790	2,208,718
TOTAL ASSETS	CH\$	794	621
	USD	2,515,287	2,255,757
	EUR	145	238
	BRL	156	31
	YUAN	896	993
	OTHER	102	237
	Total	2,517,380	2,257,877

Note 33 Foreign Currency (continued)

Current Liabilities		As of December 31, 2019			As of December 31, 2018		
		90 Days	90 Days to 1 Year	Total	90 Days	90 Days to 1 Year	Total
	Currency	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Other financial liabilities	USD	13,507	40,404	53,911	6,524	5,000	11,524
Trade and other payables	CH\$	2,838	-	2,838	1,288	-	1,288
	USD	7,682	-	7,682	8,226	-	8,226
	EUR	384	-	384	561	-	561
	BRL	163	-	163	31	-	31
	OTHER	65	-	65	120	-	120
Payables to related parties	CH\$	78	-	78	84	-	84
	USD	30,223	-	30,223	20	-	20
Other provisions	USD	6,085	-	6,085	2,038	-	2,038
Current tax liabilities	USD	947	-	947	29	-	29
Employee benefit provisions	CH\$	144	-	144	131	-	131
	USD	1,384	-	1,384	1,425	-	1,425
Other non-financial liabilities	USD	3,997	-	3,997	5,617	-	5,617
Disposal groups classified as held for sale	USD	81	-	81	42	-	42
Total current liabilities	CH\$	3,060	-	3,060	1,503	-	1,503
	USD	63,906	40,404	104,310	23,921	5,000	28,921
	EUR	384	-	384	561	-	561
	BRL	163	-	163	31	-	31
	OTHER	65	-	65	120	-	120
Total		67,578	40,404	107,982	26,136	5,000	31,136

Note 33 Foreign Currency (continued)

Non-Current Liabilities		As of December 31, 2019				As of December 31, 2018		
		1 to 3 Years	3 to 5 Years	5 to 10 Years	Total	1 to 3 Years	3 to 5 Years	5 to 10 Years
	Currency	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Other financial liabilities	USD	69,788	4,692	99,216	173,696	72,534	11,655	84,189
Other provisions	USD	11,000	-	-	11,000	11,935	-	11,935
Deferred tax liabilities	USD	502	-	-	502	254	-	254
Other non-financial liabilities	CH\$	13	-	-	13	160	-	160
Total non-current liabilities	USD	81,290	4,692	99,216	185,198	84,723	11,655	96,378
	CH\$	13	-	-	13	160	-	160
	Total	81,303	4,692	99,216	185,211	84,883	11,655	96,538
TOTAL LIABILITIES	CH\$				3,073			1,663
	USD				289,508			125,299
	EUR				384			561
	BRL				163			31
	OTHER				65			120
	Total				293,193			127,674

Note 34 Earnings (Loss) per Share

Earnings (loss) per share as of December 31, 2019 and 2018, are determined as follows:

	For the year ended December 31,	
	2019	2018
	ThUS\$	ThUS\$
Net income (loss) from continuing operations attributable to owners of the company	125,541	18,701
Loss from discontinued operations attributable to owners of the company	(925)	(453)
Net income (loss) attributable to owners of the company	124,616	18,248
Weighted average shares (number)	36,796,876,188	36,796,876,188
Earnings (loss) per share for continuing operations US\$	0.0034	0.0005
Earnings (loss) per share for discontinued operations US\$	(0.0000)	(0.0000)
Earnings (loss) per share US\$	0.0034	0.0005

Number of Subscribed and Paid Shares	For the year ended December 31,	
	2019	2018
Issued as of January 1	36,796,876,188	36,796,876,188
Proceeds from capital issuance	-	-
Issued as of year end	36,796,876,188	36,796,876,188
Weighted average number of shares	36,796,876,188	36,796,876,188

Note 35 Discontinued Operations

As described in Note 2b) of this report, since the Company has carried out a disposal plan for its freight forwarder and logistics operations business unit operated by the Norgistics subsidiaries (hereinafter “Norgistics”), which was part of the other transport services segment defined in Note 6, it has decided to classify that business unit as held for sale and discontinued operations in the Consolidated Financial Statements as of December 31, 2019, in accordance with IFRS 5.

As described before, in accordance with the other provisions of IFRS 5, from now on the activities and transactions of the Norgistics business unit must be considered discontinued operations and be presented separately in the Consolidated Statement of Income. The discontinued unit's results and net cash flows from operating, investing and financing activities must also be detailed separately in this note.

Section a) of this note details each of Norgistics's asset and liability accounts to be disposed of or discontinued in the sale, which have been classified as held for sale, as explained in the preceding paragraph. Sections b) and c) of this note detail the results of Norgistics's discontinued operations and a breakdown of its net cash flows, respectively, in comparison to the prior year.

As indicated in Note 14, on April 3, 2019, Norgistics Holding S.A. liquidated the subsidiary Norgistics Perú S.A.C.

On August 21, 2018, as stated in Note 14, the subsidiary Tollo Shipping Co. S.A. sold its interest in Norgistics (China) Ltd. [Hong Kong]. The remaining subsidiaries in this unit are not operating and are controlled by CSAV as of December 31, 2019. Therefore, their assets and liabilities are presented in the consolidated statement of financial position as held for sale, as indicated in the preceding paragraphs.

Note 35 Discontinued Operations (continued)

(a) Statement of Financial Position from Discontinued Operations

ASSETS AND LIABILITIES	As of December 31, 2019	As of December 31, 2018
	ThUS\$	ThUS\$
CURRENT ASSETS		
Trade and other receivables	51	69
Current tax assets	163	174
Total current assets	214	243
NON-CURRENT ASSETS		
Intangible assets other than goodwill	81	82
Investment property	11	14
Non-current tax assets	-	445
Total non-current assets	92	541
TOTAL ASSETS (Disposal groups classified as held for sale)	306	784
CURRENT LIABILITIES		
Trade and other payables	75	36
Current tax liabilities	6	6
Total current liabilities	81	42
TOTAL LIABILITIES (Disposal groups classified as held for sale)	81	42

Note 35 Discontinued Operations (continued)

(b) Statement of Income from Discontinued Operations

STATEMENT OF INCOME	For the year ended December 31,	
	2019	2018
Net income (loss) for the year	ThUS\$	ThUS\$
Revenue	-	25
Cost of sales	-	(26)
Gross margin	-	(1)
Other income	-	-
Administrative expenses	(227)	(499)
Other gains (losses)	(235)	240
Net operating income (loss)	(462)	(260)
Finance income	-	6
Exchange differences	-	-
Net income (loss) before taxes	(462)	(254)
Income tax expense	(463)	(199)
Net income (loss) for the year	(925)	(453)

(c) Statement of Cash Flows

STATEMENT OF CASH FLOWS	For the year ended December 31,	
	2019	2018
	ThUS\$	ThUS\$
Net cash flows provided by (used in) operating activities	(132)	(401)
Net cash flows provided by (used in) investing activities	-	-
Net cash flows provided by (used in) financing activities	-	-
Increase (decrease) in cash and cash equivalents before effect of exchange rate changes	(132)	(401)
Effect of exchange rate changes on cash and cash equivalents	(14)	42
Increase (decrease) in cash and cash equivalents	(146)	(359)

Note 36 Contingencies and Commitments

(a) Guarantees Granted

- (i) Bank guarantees: As of December 31, 2019, the Company has a bank guarantee granted by Scotiabank Chile (stand by letter of credit) for US\$ 300,000, that expires on April 30, 2020, to guarantee compliance with U.S. local regulations for its vehicle transport operations.
- (ii) Guarantee notes: There are minor guarantees, mainly associated with rental of premises in subsidiaries, whose disclosure is not necessary for the interpretation of these Consolidated Financial Statements.

(b) Other Legal Contingencies

The Company is party to some lawsuits and arbitration claims seeking compensation for damages and losses during cargo transport. Most of these potential losses are covered by insurance policies. For the portion not covered by insurance, including the cost of the respective deductibles, the Company has recorded sufficient provisions to cover the estimated amount of likely contingencies. The amount of the respective provisions is presented in Note 24 of this report within legal claims.

On February 21, 2018, the European Commission fined four international maritime shipping companies, including the Company, for practices that infringed the rules of its fair competition law between October 2006 and September 2012, in relation to its investigation into infringements of free competition rules in the vehicle transport (car carrier) business, during 2018 and through to December 31, 2019. Thanks to CSAV's collaboration since the start of the investigation and its limited involvement in those practices, the Company was fined approximately MEUR 7,033 based on an agreement reached with that commission. This is 1.8% of the total fines imposed by the European regulatory (EUR 395 million).

These payments had no impact on the Company's net income since a provision was estimated for such purposes in the Q1 2013 financial statements, which was disclosed to the market in May of that year.

Note 36 Contingencies and Restrictions (continued)

(b) Other Legal Contingencies (continued)

On January 27, 2015, the Chilean National Economic Prosecutor's Office (FNE) issued a summons against several shipping companies, including CSAV, for violating letter a) of article 3 of Decree Law 211 of 1973, regarding the Defense of Free Competition ("DL 211"), in the car carrier business (the "Summons"). As indicated in the Summons and set forth in article 39 bis of DL 211, because the Company is cooperating with the FNE's investigation, it is exempt from fines relating to the practices referred to in the Summons. On April 24, 2019 the TDLC ruled on the case, and CSAV was declared exempt from the fine, because it was entitled to the leniency benefit and had demonstrated that it met the requirements for eligibility. The Court fined two of the shipping companies under investigation, partially upholding the FNE's injunction. There are pending appeals filed by some participants in the case, and the final resolution lies with the Supreme Court.

Additionally, on March 13, 2017, the Peruvian National Institute in Defense of Competition and Protection of Intellectual Property (INDECOP) initiated an administrative procedure against several shipping companies, including the Company, for alleged collusive practices in the maritime vehicle transport business. The Company is exempt from fines in relation to conduct described in the administrative procedure as a result of its cooperation in the INDECOP investigation, so this process does not have any financial effect on CSAV's results. On May 14, 2018, INDECOP concluded these proceedings and exempted CSAV from any fines, in accordance with Peruvian law.

Some vehicle end buyers, distributors and freight forwarders or direct contract holders have filed a class action "on their own behalf and on behalf of those in a similar situation" before the US Federal Maritime Commission (CMF) based on investigations by the US Department of Justice (US DOJ), against a group of companies engaged in the car carrier business, including the Company and its former agency in New Jersey, for damages and losses suffered directly by contracting freight services or indirectly by buying imported cars in the United States. These class action suits were consolidated in the District Court of New Jersey. However, in late August 2015 the court ruled that they should be decided by the CMF, based on a motion filed by the Company. The U.S. Supreme Court dismissed the motions that were pending against this ruling.

Note 36 Contingencies and Restrictions (continued)

(b) Other Legal Contingencies (continued)

Fiat Chrysler automobiles NV, FCA US LLC, and FCA Italy SpA (together Fiat Chrysler) filed a demand before the CMF against a group of companies engaged in maritime vehicle transport, including the Company. The US Shipping Act of 1984 and the CMF's regulations do not provide for resolving class action suits. Therefore, on May 7, 2018 the CMF rejected these proceedings. The parties reached an agreement with respect to the Fiat Chrysler claim, so the case has been dropped.

On April 17, 2019, the South African Fair Competition Commission filed an injunction against the Company for alleged anti-competitive behavior when negotiating a contract to transport vehicles from South Africa to Europe in 2011. The injunction is currently before the South African Competition Tribunal. Therefore, an estimate of any potential financial impact on CSAV cannot be made at this time.

On August 23, 2019, CSAV was served with a claim for damages by Daimler AG against the company and the shipping companies MOL, WWL, K-Line and NYK before the High Court of Justice, Commercial and Property Courts, England and Wales. The claim is based on alleged losses suffered by the plaintiff as a result of agreements or collusion between the defendants and others in connection with providing international roll-on/roll-off maritime transport services (referred to as 'RoRo Services') from February 1997 to at least September 6, 2012. On September 26, 2019, CSAV responded to the lawsuit, objecting to the period covered by the claim and other issues, and the case is currently in its discussion stage. Therefore, an estimate of any potential financial impact on CSAV cannot be made at this time.

As of December 31, 2019, claims have been filed against the Company related to its container shipping business prior to the merger with HLAG. However, in accordance with the merger agreement between CSAV and HLAG, HLAG is now legally and financially liable for all legal contingencies related to the operations of the container shipping business, including legal expenses and possible disbursements, even when CSAV is party to the claim.

On April 29, 2019, the Company received Summons No. 43 from the Chilean Internal Revenue Service (SII) requesting that it clarify some items in its income tax returns for tax years 2016 and 2017 for expenses related to payments of fines, indemnities and/or penalties made abroad related to the car carrier case. On June 28, 2019, the Company responded, within legal deadlines, to that summons and provided all supporting documentation requested by tax authorities. Subsequently, it provided additional information on August 13, 2019.

However, the SII determined the fines paid abroad during commercial years 2015 and 2016 to be rejected expenses. As a result, on August 30, 2019, the Company received Tax Assessments Nos. 95 to 98 for a total of ThUS\$2,670 plus interest and fines as of that date, giving a grand total of ThUS\$4,594.

Note 36 Contingencies and Restrictions (continued)

(b) Other Legal Contingencies (continued)

On October 16, 2019, the Company filed a Voluntary Administrative Request for Reconsideration (RAV) against Tax Assessments Nos. 95 to 98 from August 2019, which was resolved by the SII as described in Note 39 b) of these Consolidated Financial Statements.

(c) Guarantees for Financial Commitments

As of December 31, 2019, the Company has no guarantees or liens on its assets to secure its financial obligations.

Note 36 Contingencies and Restrictions (continued)

(d) Operating Restrictions

CSAV's financial obligations place restrictions on management or on the fulfillment of certain financial indicators (covenants), as described in the following table:

Indicators	12-31-19	12-31-18
Total Liabilities / Total Equity < 1.30	0.13	0.06
Total Liabilities [ThUSD]	293,193	127,674
Total Equity [ThUSD]	2,224,187	2,130,203
Unencumbered assets / Financial debt unsecured by issuer >= 1.30	10.07	23.59
Total Assets [ThUSD]	2,517,380	2,257,877
Encumbered assets [ThUSD] (*)	0	-
Unencumbered assets [ThUSD]	2,517,380	2,257,877
Other current financial liabilities [ThUSD]	53,911	11,524
Other non-current financial liabilities [ThUSD]	173,696	84,189
Lease liabilities (IFRS 16) [ThUSD] (*)	(7,871)	-
/a/ Other current and non-current financial liabilities, net of IFRS 16 [ThUSD]	219,736	95,713
Current and non-current trade and other payables [ThUSD]	11,132	10,226
Non-interest accruing trade and other payables [ThUSD] (*)	(11,132)	(10,226)
/b/ Interest accruing trade payables [ThUSD]	0	-
Current and non-current payables to related parties [ThUSD]	30,301	104
Non-interest accruing current and non-current payables to related parties [ThUSD] (*)	(107)	(104)
/c/ Interest-accruing payables to related parties [ThUSD]	30,194	-
Financial debt (/a+/b+/c/) [ThUSD]	249,930	95,713
Financial debt secured by issuer [ThUSD]	0	-
Financial debt unsecured by issuer [ThUSD]	249,930	95,713
Total Assets >= USD 1,614 million	2,517,380	2,257,877
Total Assets [ThUSD]	2,517,380	2,257,877

(*) Adjustments based on Notes 10, 22, 23 and 36 of these Consolidated Financial Statements

As of December 31, 2019, the Company has complied with all of the above financial restrictions.

Note 37 Environmental Issues

The Company has a Quality and Environmental Policy, which has resulted in the implementation of diverse initiatives involving energy efficiency in operations and compliance with international environmental protection regulations. To monitor and control its policies and programs, the Company uses an internal integrated quality management and environmental system, which is externally audited by an international certifier based on ISO 9001:2008 and ISO 14001:2004 standards.

Note 38 Sanctions

During the years ended December 31, 2019, and 2018, neither the Company nor its subsidiaries, directors and managers have been sanctioned by the CMF (former SVS). The Company and its subsidiaries have also not received any significant sanctions from any other regulatory bodies or jurisdictions, other than those included in Note 36 to these Consolidated Financial Statements.

Note 39 Events after the Reporting Period

Between the closing date and issuance of these Consolidated Financial Statements, the following relevant events occurred and are presented as subsequent events:

- (a)** On January 13, 2020, the Company concluded the process to purchase shares in Hapag-Lloyd AG ("HLAG") through CSAV's wholly owned German subsidiary, CSAV Germany Container Holding GmbH ("CG Hold Co"). This purchase is part of the plan to obtain 30% ownership of HLAG.

During 2019, it acquired 3,390,141 shares equivalent to 1.93% and in January 2020, it purchased an additional 3,890,899 shares equivalent to 2.21%, giving it a total of 52,728,038 shares, or an interest of nearly 30% in Hapag-Lloyd AG. This last purchase involved an investment of around ThUS\$330,000 that was financed mainly with a bridge loan CSAV secured from its controller, Quiñenco S.A.

As to the financial effect of these transactions, for the 2019 acquisition the Company calculated goodwill of ThUS\$34,567 based on the purchase price allocation report (PPA) prepared for HLAG. For the acquisition in January 2020, it estimated goodwill of ThUS\$151,218 based on the most recent PPA. That amount will be adjusted once the PPA for this purchase is available.

Note 39 Events after the Reporting Period (continued)

- (b) On January 22, 2020, the Chilean Internal Revenue Service (SII) issued Exempt Resolution No. 110539/2020 with its decision on the Voluntary Request for Administrative Reconsideration filed by CSAV against Tax Assessments Nos. 95 to 98 received in August 2019. As a result of that reconsideration, the amount payable was reduced to ThUS\$1,119, thus fully resolving this matter.
- (c) On January 23, 2020, CSAV announced the orderly closure of its vehicle transport business and the discontinuation of services. The decision was made by CSAV to focus all economic and management efforts on developing its main asset—its interest in the German shipping company Hapag-Lloyd AG, where CSAV is currently the largest shareholder and party to a controlling agreement with the city of Hamburg and Kühne Maritime. The vehicle transport business has historically represented less than 1% of CSAV's total assets.
- (d) On February 26, 2020, CSAV signed a sale promise agreement for real estate classified as investment property in these Consolidated Financial Statements. The agreement is for UF 45,000 plus VAT and the deal should be completed within 90 days.
- (e) On March 10, 2020, the Board of Hapag-Lloyd AG informed the market of a decision made at the annual general meeting (AGM) to distribute a dividend of EUR 1.10 per share, equivalent to EUR 193.3 million. The amount payable to CSAV Germany Container Holding GmbH is estimated at EUR 58 million, which is equivalent to approximately US\$66.5 million at the Euro/dollar exchange rate in effect on the date of the announcement. The estimated date of payment for the dividend is still unknown but will be after the aforementioned AGM scheduled for June 5, 2020.

Between January 1, 2020 and the date of issuance of these Consolidated Financial Statements, the Company's management is not aware of any other subsequent events that significantly affect the financial position and/or comprehensive results of Compañía Sud Americana de Vapores S.A. and subsidiaries as of December 31, 2019.