

**Empresa de Transporte de Pasajeros Metro S.A. and Subsidiaries**  
**Interim Consolidated Financial Statements**  
**As of and for the periods ended**  
**March 31, 2021 and 2020 and December 31, 2020**



## EMPRESA DE TRANSPORTE DE PASAJEROS METRO S.A. AND SUBSIDIARIES

### INTERIM CONSOLIDATED FINANCIAL STATEMENTS

As of and for the periods ended  
March 31, 2021 and 2020 and December 31, 2020

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#### Contents:

Interim Consolidated Statements of Financial Position

Interim Consolidated Statements of Comprehensive Income by Function

Interim Consolidated Statements of Changes in Equity

Interim Consolidated Statements of Cash Flows

Notes to the Interim Consolidated Financial Statements

ThCh\$	Figures expressed in thousands of Chilean Pesos
MCh\$	Figures expressed in millions of Chilean Pesos
US\$	Figures expressed in United States dollars
ThUS\$	Figures expressed in thousands of United States dollars
MUS\$	Figures expressed in millions of United States dollars
ThUF	Figures expressed in thousands of Unidades de Fomento (inflation-adjusted units)
Ch\$	Figures expressed in Chilean pesos

## INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### CONTENTS

Interim Consolidated Statements of Financial Position	5
Interim Consolidated Statements of Comprehensive Income by Function	7
Interim Consolidated Statements of Changes in Equity	9
Interim Consolidated Statements of Cash Flows	10
Note 1. Company Profile	11
Note 2. Summary of significant accounting policies	11
2.1 Basis of preparation	11
2.2 Basis of consolidation	12
2.3 Foreign currency transactions	14
2.3.1 Functional and presentation currency	14
2.3.2 Transactions and balances in foreign currency and indexation units	14
2.3.3 Foreign currency translations	15
2.4 Property, plant and equipment	15
2.5 Investment property	16
2.6 Intangible assets other than goodwill	17
2.6.1 Easements	17
2.6.2 Computer software	17
2.7 Finance income and expenses	17
2.8 Losses due to impairment of non-financial assets	18
2.9 Financial assets	18
2.9.1 Financial assets at amortized cost	18
2.9.2 Financial assets at fair value through other comprehensive income	19
2.9.3 Financial assets at fair value through profit or loss	19
2.10 Inventories	19
2.11 Trade and other receivables	19
2.12 Cash and cash equivalents	20
2.13 Share capital	20
2.14 Trade and other payables	20

2.15	Financial liabilities	20
2.16	Income tax and deferred taxes	23
2.17	Employee benefits	23
2.17.1	Accrued vacations	23
2.17.2	Severance indemnity payments	23
2.17.3	Incentive and recognition bonuses	23
2.18	Provisions	24
2.19	Classification of balances (current and non-current)	24
2.20	Revenue and expense recognition	24
2.21	Lease agreements	25
2.22	New IFRS and interpretations issued by the IFRS	26
Note 3.	Management estimates and accounting criteria	28
3.1	Severance indemnity payments	28
3.2	Useful life of property, plant and equipment	28
3.3	Litigation and other contingencies	28
3.4	Measurements and/or valuations at fair value	29
Note 4.	Cash and cash equivalents	32
Note 5.	Trade and other receivables, current	33
Note 6.	Inventories	35
Note 7.	Intangible assets other than goodwill	36
Note 8.	Property, plant and equipment	37
Note 9.	Investment property	40
Note 10.	Other financial assets, current and non-current	42
Note 11.	Other non-financial assets, current and non-current	46
Note 12.	Other financial liabilities, current and non-current	46
Note 13.	Other non-financial liabilities, current and non-current	55
Note 14.	Balances and transactions with related entities	56
Note 15.	Trade and other payables	57
Note 16.	Segment information	58
Note 17.	Employee benefits	58
Note 18.	Income tax	62
Note 19.	Provisions, contingencies and guarantees	63
Note 20.	Changes in equity	65

Note 21.	Income and expenses	68
Note 22.	Third party guarantees	73
Note 23.	Local and Foreign currency	74
Note 24.	Risk management policies	76
24.1	Description of the market in which the Company operates	76
24.2	Financial risks	78
24.3	Capital risk management	85
24.4	Commodities risk	86
Note 25.	Environment	87
Note 26.	Sanctions	87
Note 27.	Subsequent events	87

Interim Consolidated Statements of Financial Position

As of March 31, 2021 and as of December 31, 2020

(In thousands of Chilean pesos)

ASSETS	NOTE	03-31-2021	12-31-2020
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	312,505,110	405,182,146
Other current financial assets	10	103,357,687	94,655,396
Other current non-financial assets	11	10,092,845	9,725,658
Trade and other receivables, current	5	14,549,630	20,509,029
Current inventories	6	17,526,592	19,343,911
Current tax assets		1,415,258	1,184,782
<b>Total current assets</b>		<b>459,447,122</b>	<b>550,600,922</b>
<b>NON-CURRENT ASSETS</b>			
Other non-current financial assets	10	8,679,184	9,665,238
Other non-financial assets, non-current	11	86,460,426	81,767,961
Accounts receivable, non-current		1,220,436	953,272
Intangible assets other than goodwill	7	7,923,381	8,167,647
Property, plant and equipment	8	5,064,589,081	5,038,022,628
Investment property	9	24,946,630	25,024,188
<b>Total non-current assets</b>		<b>5,193,819,138</b>	<b>5,163,600,934</b>
<b>TOTAL ASSETS</b>		<b>5,653,266,260</b>	<b>5,714,201,856</b>

The accompanying notes are an integral part of these interim consolidated financial statements.

Interim Consolidated Statements of Financial Position, continued

As of March 31, 2021 and as of December 31, 2020

(In thousands of Chilean pesos)

EQUITY AND LIABILITIES	NOTE	03-31-2021	12-31-2020
LIABILITIES			
CURRENT LIABILITIES			
Other current financial liabilities	12	91,580,882	87,304,371
Trade and other payables	15	97,137,123	101,303,209
Due to related companies	14	-	75,800
Other short-term provisions	19	348,791	331,499
Employee benefits, current	17	9,990,306	15,382,408
Other current non-financial liabilities	13	15,359,695	12,915,217
<b>Total current liabilities</b>		<b>214,416,797</b>	<b>217,312,504</b>
NON-CURRENT LIABILITIES			
Other financial liabilities, non-current	12	2,463,745,185	2,448,997,597
Non-current accounts payable	15	2,137,797	2,305,527
Due to related companies, non-current	14	192,064,153	165,106,291
Employee benefits, non-current	17	12,785,466	13,061,941
Other non-financial liabilities, non-current	13	9,306,366	10,358,650
<b>Total non-current liabilities</b>		<b>2,680,038,967</b>	<b>2,639,830,006</b>
<b>Total liabilities</b>		<b>2,894,455,764</b>	<b>2,857,142,510</b>
EQUITY			
Share capital	20	3,988,119,362	3,988,119,362
Accumulated deficit	20	(1,248,898,529)	(1,152,582,203)
Other reserves	20	19,600,308	21,532,832
Equity attributable to owners of parent		2,758,821,141	2,857,069,991
Non-controlling interests	20	(10,645)	(10,645)
<b>Total equity</b>		<b>2,758,810,496</b>	<b>2,857,059,346</b>
<b>Total equity and liabilities</b>		<b>5,653,266,260</b>	<b>5,714,201,856</b>

The accompanying notes are an integral part of these interim consolidated financial statements.

# Interim Consolidated Statements of Comprehensive Income by Function

For the periods of three months ended March 31, 2021 and 2020

(In thousands of Chilean pesos)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME BY FUNCTION	NOTE	Accumulated	
		01-01-2021 03-31-2021	01-01-2020 03-31-2020
<b>PROFIT (LOSS)</b>			
Revenue	21	54,387,837	76,475,392
Cost of sales	21	(89,474,312)	(96,288,825)
Gross (loss) profit		(35,086,475)	(19,813,433)
Other income by function	21	665,250	2,324,863
Administrative expenses	21	(10,338,090)	(8,604,002)
Other expenses by function	21	(2,052,735)	(1,054,128)
Other income (expenses)	21	(827,092)	(1,262,187)
Finance income	21	287,493	2,727,408
Finance costs	21	(26,463,534)	(21,943,505)
Foreign currency translation differences	21	(11,764,331)	(135,279,928)
Loss from inflation-adjusted units	21	(10,572,630)	(9,637,080)
Loss before taxes		(96,152,144)	(192,541,992)
Income tax expense			
Loss from continued operations		(96,152,144)	(192,541,992)
Profit (loss) from discontinued operations			
Net loss		(96,152,144)	(192,541,992)
NET LOSS ATTRIBUTABLE TO:			
Owners of parent		(96,152,144)	(192,541,992)
Non-controlling interests			
Net loss		(96,152,144)	(192,541,992)

The accompanying notes are an integral part of these interim consolidated financial statements.



Interim Consolidated Statements of Comprehensive Income by Function, continued  
For the periods of three months ended March 31, 2021 and 2020  
(In thousands of Chilean pesos)

STATEMENTS OF COMPREHENSIVE INCOME	NOTE	Accumulated	
		01-01-2021 03-31-2021	01-01-2020 03-31-2020
Net loss		(96,152,144)	(192,541,992)
Actuarial income (loss) on defined benefit plans			
Total other comprehensive income (loss) that will not be reclassified to profit or loss for the period, before taxes			
Components of other comprehensive income that will be reclassified to profit or loss for the period, before taxes	21	146,409	(42,556)
Income (loss) from exchange rate differences, before taxes	21	146,409	(42,556)
Loss on cash flow hedges, before taxes			
Total other comprehensive (loss) income that will be reclassified to profit or loss for the period, before taxes	21	(2,078,933)	12,181,331
Other comprehensive (loss) income, before taxes	21	(2,078,933)	12,181,331
Income taxes related to components of other comprehensive income that will be reclassified to profit or loss for the period	21	(1,932,524)	12,138,775
Total other comprehensive (loss) income			
Total comprehensive (loss) income	21	(1,932,524)	12,138,775
Net loss		(98,084,668)	(180,403,217)

The accompanying notes are an integral part of these interim consolidated financial statements.

Interim Consolidated Statements of Changes in Net Equity  
For the periods of three months ended March 31, 2021 and 2020  
(In thousands of Chilean pesos)

Items	Share capital	Other reserves					Retained earnings (accumulated deficit)	Equity attributable to owners of parent	Non-controlling interests	Total net equity
		Other sundry reserves	Revaluation surplus	Cash flow hedges	Reserves for actuarial gain (loss) on defined benefit plans	Total Other Reserves				
Opening balance 01-01-2021	3,988,119,362	30,336,377	3,042,584	(11,681,947)	(164,182)	21,532,832	(1,152,582,203)	2,857,069,991	(10,645)	2,857,059,346
Loss	-	-	-	-	-	-	(96,152,144)	(96,152,144)	-	(96,152,144)
Other comprehensive income	-	-	-	(2,078,933)	146,409	(1,932,524)	-	(1,932,524)	-	(1,932,524)
Comprehensive income	-	-	-	(2,078,933)	146,409	(1,932,524)	(96,152,144)	(98,084,668)	-	(98,084,668)
Increase (decrease) through transfers and other changes	-	-	-	-	-	-	(164,182)	(164,182)	-	(164,182)
Closing balance 03-31-2021	3,988,119,362	30,336,377	3,042,584	(13,760,880)	(17,773)	19,600,308	(1,248,898,529)	2,758,821,141	(10,645)	2,758,810,496

  

Opening balance 01-01-2020	3,712,166,008	30,336,377	3,042,584	(10,228,760)	(600,013)	22,550,188	(886,493,888)	2,848,222,308	(10,645)	2,848,211,663
Loss	-	-	-	-	-	-	(192,541,992)	(192,541,992)	-	(192,541,992)
Other comprehensive income	-	-	-	12,181,331	(42,556)	12,138,775	-	12,138,775	-	12,138,775
Comprehensive income	-	-	-	12,181,331	(42,556)	12,138,775	(192,541,992)	(180,403,217)	-	(180,403,217)
Increase (decrease) through transfers and other changes	-	-	-	-	-	-	-	-	-	-
Closing balance 03-31-2020	3,712,166,008	30,336,377	3,042,584	1,952,571	(642,569)	34,688,963	(1,079,035,880)	2,667,819,091	(10,645)	2,667,808,446

The accompanying notes are an integral part of these interim consolidated financial statements.

# Interim Consolidated Statements of Cash Flows

For the periods of three months ended March 31, 2021 and 2020

(In thousands of Chilean pesos)

Consolidated Statements of Cash Flows (direct method)	01-01-2021	01-01-2020
	03-31-2021	03-31-2020
<b>Net cash flows provided by (used in) operating activities</b>		
Collection from sales of assets and service renderings	56,613,712	70,242,525
Other collections for operating activities	1,849,123	4,267,094
Payments to suppliers for the provision of goods and services	(40,961,571)	(48,938,591)
Payments to, and on behalf of, employees	(26,212,320)	(25,816,623)
Other payments for operating activities	(1,788,422)	(2,190,080)
Net cash flows provided by (used in) operating activities	(10,499,478)	(2,435,675)
<b>Cash flows provided by (used in) investing activities</b>		
Purchases of property, plant and equipment	(56,550,816)	(41,284,649)
Purchases of intangible assets	(12,665)	-
Collection due to the reimbursement of advances granted to third parties - expropriation	(7,052,653)	(2,271,878)
Other collections to acquire equity or debt instruments of other entities	74,504,878	115,847,441
Other payments to acquire equity or debt instruments of other entities	(81,819,037)	(75,779,650)
Interest paid	(5,580,495)	(5,482,052)
Net cash flows used in investing activities	(76,510,788)	(8,970,788)
<b>Net cash flows provided by (used in) financing activities</b>		
Loans from related entities - Contribution from the Chilean Treasury	27,000,000	20,000,000
Other collections of cash	2,784,000	10,432,603
Loans from related entities - Contribution from the Chilean Treasury and other	(42,138)	-
Repayment of loans	(16,061,131)	(18,142,796)
Interest paid	(24,291,342)	(33,149,622)
Other cash outflows	(421,242)	(4,579,352)
Net cash flows provided by (used in) financing activities	(11,031,853)	(25,439,167)
Net increase (decrease) in cash and cash equivalents before effect of changes in the exchange rate	(98,042,119)	(36,845,630)
Effects of variations in the exchange rate on cash and cash equivalents	5,365,083	1,445,309
Net (decrease) increase in cash and cash equivalents	(92,677,036)	(35,400,321)
Cash and cash equivalents at the beginning of the period	405,182,146	106,503,269
Cash and cash equivalents at the end of the period	312,505,110	71,102,948

The accompanying notes are an integral part of these interim consolidated financial statements.

## **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

(In thousands of Chilean pesos)

### **1. Company Profile**

Empresa de Transporte de Pasajeros Metro S.A., (hereinafter also referred to as the Company) is a Chilean state-owned company created by Law 18,772 on January 28, 1989 as the legal successor to the Dirección General de Metro, as a result of which all the assets and liabilities of the latter were transferred to the Company.

The Company is a stock corporation bound by the principles applicable to open stock corporations, and has its registered office at 1414 Avenida Libertador Bernardo O'Higgins, Santiago, Chile.

The Company is registered on the Register of Securities under number 421 and is subject to the supervision of the Financial Market Commission (referred to as CMF).

The Company's corporate purpose is to carry out all the activities associated with passenger transportation in metropolitan railways or other complementary electrical vehicles, and the provision of ground transportation services by buses or vehicles of any technology, as well as activities related to such line of business.

These Interim Consolidated Financial Statements are presented in thousands of Chilean pesos (unless expressly stated otherwise) since this is the functional currency of the primary economic environment in which the Company operates.

### **2. Summary of significant accounting policies**

The main accounting policies adopted in preparing these Interim Consolidated Financial Statements, as required by IAS 1, are based on International Financial Reporting Standards (hereinafter "IFRS") (with the exception of the application of International Public Sector Accounting Standard 21 as discussed in the following paragraph) in effect as of March 31, 2021, and have been applied on a consistent basis to all accounting periods presented in the Interim Consolidated Financial Statements.

#### **2.1. Basis of preparation**

The Interim Consolidated Financial Statements comprise the Interim Consolidated Statement of Financial Position as of March 31, 2021 and as of December 31, 2020; the Interim Consolidated Statements of Comprehensive Income for the periods of three months ended March 31, 2021 and 2020 and the Interim Consolidated Statements of Changes in Equity and the Interim Consolidated Statements of Cash Flows for the periods of three months then ended, prepared in accordance with the standards and instructions issued by the Financial Market Commission. These standards and instructions require the Company to comply with the International Financial Reporting Standards (IFRS), and also with IAS 34 "Interim Financial Reporting", as issued by the International Accounting Standards Board (IASB)), except for certain IFRS standards as follows: through Ruling No. 6158 dated March 5, 2012, the Company was authorized by the Financial Market Commission (CMF) to exceptionally apply International Public Sector Accounting Standard 21 (hereinafter "IPSAS 21"), instead of IAS 36. Please see Note 2.8 for further details regarding this exception.

## **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

The Management of the Company is responsible for the information contained in these Interim Consolidated Financial Statements, which have been approved by the Board of Directors on May 24, 2021, with the Management being authorized to publish them.

The Interim Consolidated Financial Statements have been prepared on the basis of historical cost. In general, the historical cost is based on the fair value of the consideration given in exchange for the goods and services. Fair value is the price that would be received for selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether this price is observable or estimated using another valuation technique. The Company considers the characteristics of the assets and liabilities if the market participants take those characteristics into consideration at the time of fixing the price of the asset or liability at the measurement date.

The preparation of these Interim Consolidated Financial Statements, in accordance with IFRS, requires the use of certain critical accounting estimates, necessary for the quantification of certain assets, liabilities, income and expenses.

It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3 "Management's Estimates and Accounting Criteria."

### **2.2. Basis of consolidation**

The Interim Consolidated Financial Statements include the financial statements of the Parent Company and of the entities controlled by the Company. Control is achieved when the Company has:

Power over the investee.

Exposure, or rights, to variable returns from involvement with the investee.

The ability to use power over the investee to affect the amount of those returns.

The Company evaluated control based on all facts and circumstances and the conclusion is re-evaluated if there is an indication that a change has occurred in at least one of the three conditions detailed above.

Empresa de Transporte Suburbano de Pasajeros S.A. (Transub S.A.), Sociedad Metro SpA and Sociedad Metro Emisora de Medios de Pago S.A. (MetroPago S.A.) are consolidated from the date on which control of these entities was transferred to the Company. Consolidation includes the financial statements of the Parent company and its subsidiaries, which comprises all assets, liabilities, income, expenses and cash flows of the subsidiaries, once adjustments and eliminations for intra-group transactions have been made.

## **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

The non-controlling interest in the consolidated subsidiaries is presented under shareholders' equity, in "Non-controlling interests," in the Interim Consolidated Statement of Financial Position and in "Income (loss) attributable to non-controlling interest" in the Interim Consolidated Statements of Comprehensive Income.

Empresa de Transporte Suburbano de Pasajeros S.A. is in an organization and start-up period, has not yet registered any activity since its inception to the present date and was consolidated under the instructions of General Ruling No.1819 issued by the Financial Market Commission on November 14, 2006.

On April 26, 2019, the Company "Metro Emisora de Medios de Pago S.A" (MetroPago S.A.) was incorporated by means of a public deed, under Taxpayer ID Number 77,057,498-6 and governed by the regulations of the Chilean Corporations Act.

On May 30, 2019, the Superintendency of Banks and Financial Institutions, Institutions (currently, Financial Market Commission), authorized the existence of MetroPago S.A. as a special corporation, in accordance with Title XIII of Act No. 18,046 (the Chilean Corporations Act). The extract of the deed of incorporation of this company was registered on page 57735, under No. 28465, of the Registry of Commerce for the year 2019 of the Santiago Real Estate Registrar. Also, the extract of the deed of incorporation was published in the Official Gazette on July 26, 2019.

The Company's sole purpose is to issue its own payment cards with provision of funds under the terms authorized by Act No. 20,950 and the other regulations governing the issuance of payment cards with provision of funds. In addition, this company may perform activities supplementary to the performance of its line of business. These activities must be authorized by the Financial Market Commission or the agency that succeeds or replaces it.

This company is in an organization and start-up stage, since it requires authorization from the Financial Market Commission (CMF) for registration in the FMC's Single Register of Payment Cards Issuers.

The financial statements of Metro Pago S.A. are prepared in accordance with accounting standards and instructions issued by the Financial Market Commission because due to the nature of its business, this company is regulated and supervised by both those regulatory agencies. As a result, the financial statements of this subsidiary were prepared on a comprehensive basis that considers accounting bases other than those applied by Metro S.A. However, due to the stage the subsidiary is in, there were no significant differences between the accounting bases.

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

Tax ID No.	Company name	Ownership percentage					
		03-31-2021			12-31-2020		
		Direct	Indirect	Total	Direct	Indirect	Total
96.850.680-3	Transub S.A.	66.66	-	66.66	66.66	-	66.66
76.920.952-2	Metro SpA.	100.00	-	100.00	100.00	-	100.00
77.057.498-6	MetroPago S.A.	99.00	1.00	100.00	99.00	1.00	100.00

The ownership in these subsidiaries is not subject to joint control.

The Company does not have ownership interests in joint ventures or in associates.

Non-controlling interests - Non-controlling interests in the Interim Consolidated Statement of Financial Position are presented, within equity, separately from the equity of the owners of the parent company.

## 2.3. Foreign currency transactions

### 2.3.1. Functional and presentation currency

Items included in the Interim Consolidated Financial Statements are measured using the currency of the primary economic environment in which the reporting entity operates (the "functional currency"). The Company's functional currency is the Chilean peso. All information is presented in thousands of Chilean pesos (ThCh\$) rounded to the nearest unit.

### 2.3.2. Transactions and balances in foreign currency and indexation units

Foreign currency and indexation unit transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the Interim Consolidated Statements of Comprehensive Income, unless other accounting standards dictate, such as in the case of cash flow hedges where such effects may be recorded in equity.

Exchange rate differences affecting financial assets classified as measured at fair value through profit or loss are presented as part of the profit or loss.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

### 2.3.3. Exchange rates

Assets and liabilities in foreign currency and in Unidades de Fomento (an inflation-linked unit of account used in Chile referred to as UF), are presented at the following exchange and translation rates:

Date	USD	EUR	UF
03-31-2021	721.82	847.60	29,394.77
12-31-2020	710.95	873.30	29,070.33
03-31-2020	852.03	934.55	28,597.46
12-31-2019	748.74	839.58	28,309.94

US\$ = US dollar

EUR = Euro

UF = Unidad de Fomento (an inflation-linked unit of account)

### 2.4. Property, plant and equipment

All property, plant and equipment are initially stated at acquisition cost, plus all costs directly attributable to bringing the asset to the condition necessary for it to be capable of operating for its intended use.

Subsequently they are stated at historical cost less accumulated depreciation and impairment losses, which, if any, are recorded in the interim consolidated statement of comprehensive income.

Costs include expenditure directly attributable to the acquisition of assets and the capitalized interest incurred during the construction and development period.

The cost of constructed assets includes the cost of materials and direct labor costs; any other cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; and the costs of dismantling and removing the items and restoring the site in which they are located.

Work in progress is reclassified as operating assets under property, plant and equipment, investment property or intangible assets, depending on its nature, once the testing period has been completed and the assets are available for use, at which point their depreciation begins.

Costs of additions, modernization or improvements that represent an increase in productivity, capacity, efficiency or extension of the useful lives of assets are capitalized as an increase of the cost of the corresponding assets.

The substitutions or renovations of assets that increase their useful life, or their economic capacity, are recorded as the higher value of the respective assets, with the consequent accounting withdrawal of the replaced or renewed assets.

Periodic expenses for maintenance, conservation and repair are recognized directly in profit or loss as costs of the period in which they are incurred.



## **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

Major maintenance costs of rolling stock, vertical transportation equipment, railways and infrastructure, which includes among other things, replacement of parts and pieces, are capitalized as an asset that is independent from the main asset, if it is probable that future economic benefits related to the costs are received.

Depreciation of property, plant and equipment items is calculated using the straight-line method to allocate costs over their estimated economic useful lives, except in the case of certain technical components identified in rolling stock, which are depreciated on the basis of cycles and kilometers traveled.

Amortization (depreciation) of property, plant and equipment according to IAS 16 must be recorded separately for each significant part that makes up a final property, plant and equipment item. The Company separately depreciates the significant components of a property, plant and equipment item that have different useful lives than the rest of the items that form it.

Residual values, where they are defined, and useful lives of assets are reviewed and adjusted prospectively in each statement of financial position, so that the remaining useful lives are consistent with the asset's current service use and effective use.

An item of property, plant and equipment is derecognized upon disposal or upon its permanent decommission and when no future economic benefits are expected from its use or disposal.

Gains and losses on the sale of property, plant and equipment are calculated by comparing the income obtained to the carrying amount and are included in the interim consolidated statement of comprehensive income.

At least once a year the Company evaluates the existence of possible impairment of property, plant and equipment, in accordance with IPSAS 21, as described in Note 2.8.

The effects of the impairment analysis are recognized directly in profit or loss.

### **2.5. Investment property**

The Company's investment property includes real estate (commercial stores, land and buildings) held to earn rentals or for capital appreciation as a result of possible future increases in their market prices.

The Company has commercial stores, land and buildings leased under operating leases.

Investment property that corresponds to land and buildings are valued using the cost model.

Reclassification of a property within, or outside of, the investment property category requires performing an assessment of whether the involved property meets, or has ceased to meet, the definition of investment property, and this must be backed up by observable evidence that a change in use has occurred.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

As of the date of issuance of these financial statements, no such reclassification has been made as no item has begun to meet or ceased to meet the definition of investment property and therefore, there has been no substantial impact resulting therefrom on these financial statements.

The estimated useful lives of investment property are detailed as follows:

Type of asset	Useful life
Commercial stores	68 years on average
Other buildings	88 years on average

### 2.6. Intangible assets other than goodwill

#### 2.6.1. Easements

Easements are presented at historical cost. If easements have indefinite useful lives, they are not subject to amortization. However, indefinite useful life assets are subject to review at each reporting period, to determine whether the determination of indefinite useful life is still applicable. These assets are subject to annual impairment testing.

#### 2.6.2. Computer software

Licenses for information technology programs acquired are capitalized on the basis of the costs incurred to acquire them and prepare them for use. Such costs are amortized over their estimated useful lives.

Expenses related to in-house developing and maintaining computer programs do not qualify for capitalization and are expensed when incurred.

### 2.7. Finance income and expenses

Finance income consists of interest from investing cash and cash equivalents, from derivative transactions and other finance income, and is recognized in the Interim Consolidated Statement of Comprehensive Income over the term of the financial instrument, using the effective interest method in the case of assets at amortized cost and fair value in the case of derivative transactions.

Finance costs, both interest and expenses on bank borrowings and bonds, among others (those recorded on an amortized cost basis), are recognized in the Interim Consolidated Statement of Comprehensive Income over the term of the debt using the effective interest method. Costs of interest incurred in the construction of any asset qualified as property, plant and equipment, are capitalized over the period necessary to complete the asset for its intended use, other interest costs are recorded as an expense in the consolidated statement of comprehensive income.

## **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

### **2.8. Losses due to impairment of non-financial assets**

Since the Company is a state-owned entity, its business model is focused on serving the public and puts emphasis on providing social benefits. It has an operating, services and infrastructure operation model, which means that its main source of income is established through a technical fare determined by the authority that does not cover recovery of its assets.

This business model defined by its shareholders, the Ministry of Finance and the Corporación de Fomento de la Producción, referred to as CORFO, goes against the concept of economic profitability of assets, as per IAS 36, where the value in use corresponds to the present value of estimated future cash flows expected to be obtained from the operation of the assets.

Therefore, the Company formally requested authorization from the Financial Market Commission to apply IPSAS 21, a standard specific rule for State-owned entities which hold non-cash-generating assets instead of IAS 36. Through Ruling 6158 dated March 5, 2012 the Financial Market Commission authorized the Company to apply IPSAS 21 to assess the impairment of its assets.

The application of this standard allows the Interim Consolidated Financial Statements to present the economic and financial reality of the Company.

This standard defines the value in use of a non-cash generating asset as the present value of the asset's remaining service potential. The present value of the remaining service potential of the asset is determined using the Depreciated Replacement Cost Approach or the Restoration Cost Approach.

However, under specific circumstances in which certain assets lose their service potential, the loss of value is recognized directly in profit or loss.

### **2.9. Financial assets**

The Company classifies its financial assets in accordance with IFRS 9, in the following valuation categories: at amortized cost, at fair value through profit or loss, at fair value in other comprehensive income. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

#### **2.9.1. Financial assets at amortized cost**

A financial asset must be measured at amortized cost, if the following two conditions are met:

- (a) The financial asset is held within a business model whose purpose is to hold the financial assets to obtain contractual cash flows and
- (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest.

In accordance with "IFRS 7 Financial Instruments: Disclosures", we consider that the carrying value of the assets, measured at amortized cost, is a reasonable approximation of fair value. Therefore, as indicated in IFRS 7, it is not necessary to make disclosures regarding the fair value of each asset.

## **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

### **2.9.2. Financial assets at fair value through other comprehensive income.**

A financial asset should be measured at fair through other comprehensive income, if the following two conditions are met:

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

### **2.9.3. Financial assets at fair value through profit or loss**

A financial asset should be measured at fair value through profit or loss, unless measured at amortized cost or at fair value through other comprehensive income.

When a derivative financial instrument is not designated as a hedging instrument, all changes in fair value are recognized immediately in profit or loss.

As of December 31, 2020, Metro S.A. did not observe any indications of impairment in its financial assets. Financial assets are tested for impairment on a quarterly basis and if any impairment is found, its impact on profit or loss is determined.

### **Derecognition of financial assets**

The Company and its subsidiaries derecognize a financial asset only when the contractual rights on the financial assets' cash flows have expired, or when all the risks and rewards of ownership of the financial asset are substantially transferred to some other entity. If the Company does not transfer substantially all the risks and rewards of ownership and continues to exercise control over the transferred asset, the asset is accounted for and an associated liability is recorded for the amounts that must be paid. If the Company substantially retains all the risks and rewards of ownership of the financial asset, the Company still recognizes the financial asset and also a liability for the received cash flows.

### **2.10. Inventories**

Inventories correspond to spare parts required for the operations and which are estimated to be used or consumed during one year.

Inventories are initially valued at their acquisition cost, subsequently valued at the lower of cost value or net realizable value. Cost is determined using the weighted average purchase price.

Spare parts classified as inventory are adjusted to their net realizable value, and their technological obsolescence is recognized with a direct charge to profit or loss.

### **2.11. Trade and other receivables**

Trade accounts receivable are recognized initially at fair value (nominal value which includes an implicit interest rate, if applicable) and subsequently at amortized cost by the effective interest method, less the provision for impairment. The provision is established for expected credit losses over the life of the asset, at each balance sheet date, applying the simplified approach for trade accounts receivable.

## **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

The Company is using the expected loss model, which contains historical collection information for each tranche/stratification of its accounts receivable for the last three years (using a matrix where the provision is stratified by maturity or default per days) and additionally includes the expected losses projected by the statistical calculation of a "forward looking", which takes into account the most relevant macroeconomic factors that affect uncollectibility, and the projection is based on the probability of each scenario.

Trade receivables are presented net of an allowance for uncollectible accounts and a provision is recognized as a charge to the Interim Consolidated Statement of Comprehensive Income.

### **2.12. Cash and cash equivalents**

Cash and cash equivalents include cash, checking account balances, term deposits and other highly liquid short-term investments with original maturities of three months or less and with no restrictions on their use.

### **2.13. Share capital**

The Company's share capital are the Series A and Series B common shares.

### **2.14. Trade and other payables**

Suppliers and other accounts payable are initially recognized at their fair value net of directly attributable costs. They are subsequently valued at amortized cost.

### **2.15. Financial liabilities**

Financial liabilities are classified either as financial liability "at fair value through profit and loss" or as "other financial liabilities".

#### **a) Financial liabilities at fair value through profit or loss (FVTPL):**

Financial liabilities are classified at fair value through profit or loss when they are held for trading or are designated at fair value through profit and loss.

IFRS 9 largely preserves the existing requirements of IAS 39 for the classification of financial liabilities. However, under IAS 39 all changes in the fair value of liabilities designated as FVTPL are recognized in profit or loss, whereas under IFRS 9 these changes in fair value are generally presented as follows:

- i) the amount of the change in fair value that is attributable to changes in the liability's credit risk is presented in the other comprehensive income; and
- ii) the remaining amount of the change in fair value is presented in profit or loss.

## **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

### **b) Other financial liabilities:**

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortized cost using the effective interest rate method, in which interest expense is recognized on the basis of effective interest rate.

The effective interest rate corresponds to the method of calculating the amortized cost of a financial asset or liabilities and of allocating the interest income (expense) over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash flows receivable or payable (including all costs on points paid or received that are an integral part of the effective interest rate, transaction costs and other premiums or discounts) over the expected life of the financial instrument. All the Company's long-term financial liabilities are accounted for under this method.

### **De-recognition of financial liabilities**

Metro de-recognizes financial liabilities when, and only when, the Company's obligations are fulfilled, paid off or have expired. The difference between the carrying amount of the de-recognized financial liability and the consideration paid and payable is recognized in profit or loss.

When Metro exchanges a debt instrument with the existing lender for another debt instrument with substantially different terms, such exchange is accounted for by de-recognizing the original financial liability and recognizing a new financial liability. Similarly, Metro accounts for any substantial modification of the terms of an existing liability or part of it by de-recognizing the original financial debt and recognizing a new debt. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including financing costs net of income received and discounted using the original cash rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial debt. If the modification is not substantial, the difference between: (1) the carrying amount of the liability prior to the modification; and (2) the present value of the cash flows after the modification is recognized in income as a gain or a loss.

### **Derivative Financial Instruments**

The Company uses derivative financial instruments to manage its exposure to volatility risks in interest rates and exchange rates, including the use of foreign currency forward contracts and interest rate swaps. See Note 23 for a detailed explanation of derivative financial instruments.

Derivatives are initially recognized at fair value on the date on which the derivative contract is entered into and are subsequently remeasured at fair value at each reporting period end. The resulting gain or loss is recognized immediately in profit or loss, unless the derivative is designated and is effective as a hedging instrument, in which case the timing for recognizing it in profit or loss will depend on the nature of the hedging relationship.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

### Hedge accounting.

The Company designates certain derivatives as hedging instruments against the foreign exchange risk and as cash flow hedges against the inflation risk.

At the beginning of the hedging relationship, the Company documents the relationship between the hedging instrument and the hedged item, as well as the risk management objectives and the Company's strategy to carry out various hedging transactions. In addition, at the beginning of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is effective to offset changes in the hedged item's fair value or cash flows attributable to the hedged risk, which occurs when the hedging relationship meets the following effectiveness requirements:

- ✓ There is an economic relationship between the hedged item and the hedging instrument;
- ✓ The effect of credit risk does not dominate the value changes that result from that economic relationship; and
- ✓ The hedge ratio is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

If the hedge ratio of a hedging relationship fails to meet the hedge effectiveness requirement, but the risk management objective for that designated hedging relationship remains unchanged, the Company will adjust the hedge ratio of the hedging relationship (this is referred to in IFRS 9 as "rebalancing the hedge relationship") so that it complies with hedge effectiveness requirement again.

Cash flow hedges - (cross currency swap and forward - exchange rate and inflation)

The effective portion of changes in the fair value of derivatives that are designated and considered as cash flow hedges is recognized in other comprehensive income and recorded in the line "Cash flow hedge reserve" in equity, limited to the cumulative change in the fair value of the hedged item from the inception of the hedge. The gain or loss relating to the ineffective portion of the hedging instrument is immediately recognized in profit or loss and is included in "other profits (losses)".

The amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods in which the hedged item is recognized in profit or loss.

The Company discontinues hedge accounting only when the hedging relationship (or a part of it) fails to meet the classification requirements (after rebalancing the hedge relationship, if applicable). This includes instances where the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognized in other comprehensive income and accumulated in equity until that date remains in equity and is recognized when the forecasted transaction is finally recognized in profit or loss. When the forecasted transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in profit or loss.

### Embedded derivatives

The Company and its subsidiaries have established a procedure that enables them to check for embedded derivatives in financial and non-financial contracts. In case there is an embedded derivative, and if the host contract is not accounted for at fair value, there is a determination of whether the characteristics and risks of some portion of the contract's cash flows are not closely related to the host contract, in which case such portion is required to be separately recorded.

## **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

To date, the analyses carried out indicate that there are no embedded derivatives in the contracts of the Company and its subsidiaries that are required to be accounted for separately.

### **2.16. Income tax and deferred taxes**

The income tax provision is determined through the application of the tax rate on the net taxable profit for the period, after applying the permitted tax deductions, plus variations in deferred tax assets and liabilities and tax credits.

Differences between the carrying amount of the assets and liabilities and their tax base generate deferred tax assets or liabilities balances, which are calculated using the tax rates that are expected to be in force when the assets and liabilities are realized.

The tax system applicable to the Company as of January 1, 2017, as it is a stock corporation with no connection to final taxpayers, is the first category tax (the Chilean corporate income tax) for the profits it obtains from operating its business. According to the Chilean Income Tax Act (Act No. 824) this tax has a rate of 25%.

The deferred tax rate is measured using the tax rates expected to be applicable to the temporary differences in the period when they are reversed using tax rates that by enactment or substantial enactment will be applicable to the Company at the reporting date.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized, (See Note 18).

### **2.17. Employee benefits**

#### **2.17.1. Accrued vacations**

The Company recognizes accrued vacation expenses using the accrual method.

#### **2.17.2. Severance indemnity payments**

The Company has created provisions for its obligations to pay severance indemnity payments to all employees whose contracts and collective agreements state that they are entitled to this benefit in all cases.

The liability recognized is the present value of that obligation plus/minus adjustments on actuarial profits or losses and discounted debt service. The present value of the obligation is determined by discounting estimated outgoing cash flows, at a market interest rate for long-term debt instruments that approximates the term of the termination benefits obligation up to their expiration date.

#### **2.17.3. Incentive bonuses**

The Company has an annual incentive bonus plan for achieving objectives, based on the individual conditions of each employment contract. These incentives consist of a percentage of the applicable monthly salary and are accrued on the basis of the estimated amount to be paid.



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

### 2.18. Provisions

The Company recognizes provisions when:

- ✓ It has a present obligation, whether legal or constructive, as a result of past events;
- ✓ It is probable that an outflow of resources will be necessary to settle the obligation; and
- ✓ The amount of the obligation can be estimated reliably.

The amount recognized as a provision must be the best estimate of the disbursement necessary to pay the present obligation at the end of the reporting period.

### 2.19. Classification of balances (current and non-current)

In the Interim Consolidated Statements of Financial Position, balances are classified as current when the maturity is equal to twelve months or less from the cut-off date of the Interim Consolidated Financial Statements and as non-current, when it is in excess of that period.

### 2.20. Revenue and Expense Recognition

The Company recognizes revenue from the following main sources:

- ✓ Passenger transportation service
- ✓ Sales channel
- ✓ Lease of stores, and commercial and advertising spaces
- ✓ Lease at inter-modal terminals
- ✓ Lease of spaces for telephone and fiber optic antennas
- ✓ Lease of land
- ✓ Advisory services

The income is measured based on the consideration specified in the contracts with customers. The Company recognizes revenue when performance obligations are satisfied.

Revenue from passenger transportation service: The Company has a contract in place with the Ministry of Transport and Telecommunications of Chile to provide public passenger transportation services in Santiago.

Passenger transportation service revenue is recognized at fair value, and is recorded daily based on use (number of trips) when a user passes the Bip card through the turnstile. This number of pass-throughs is multiplied by the technical fare.

Revenue sales channel - Santiago Metro maintains a contract with the Ministry of Transport and Telecommunications of Chile, providing services of issuance and post sale and provision of a marketing network and uploading the means of access to the transportation system public passengers of Santiago. These revenues are recognized monthly and are equivalent to a total percentage of collections for transport fees charged as discussed in the previous paragraph. Consequently, revenues are recognized over time when the performance obligation is met.

## **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

Revenue from lease of stores, and commercial and advertising spaces: Revenue from operating leases are recognized monthly on an accrual basis.

Revenue from lease at intermodal terminals: Intermodal terminal revenue is recognized monthly on an accrual basis.

Revenue from lease space for telephone and fiber optic antennas: This kind of revenue is recognized monthly on an accrual basis.

Revenue from lease of land: Revenue from lease of land is recognized monthly on an accrual basis.

Revenue from advisory services: Metro de Santiago provides advisory services to foreign public and private companies that are developing railway systems. This revenue is recognized over time in the financial statements based on the hours incurred in the advisory services project, based on the percentage of completion method.

Expenses include both losses and expenses that arise in the ordinary activities of the Company. Expenses also include cost of sales, salaries and depreciation. In general, expenses represent an outflow or decrease in assets such as cash and cash equivalents, inventory or property, plant and equipment.

### **2.21. Lease agreements**

The Company as lessor

The Company has a contract with the characteristics of a financial lease, which has been accounted for as established in IFRS 16 "Leases." Finance leases are leases where the lessor transfers substantially all the risks and rewards incidental to ownership of the asset to the lessee. Contracts that do not meet the requirements of a finance lease are classified as operating leases, i.e. a lease is an operating lease whenever the lessor retains a significant part of the risks and rewards incidental to ownership of the leased assets.

In the case of finance leases, at the inception date, the Company recognizes the assets held under finance leases and presents them as an account receivable, equal in value to the net investment in the lease. The net investment in the lease is calculated as the sum of the present value of the lease payments.

Subsequently, the Company recognizes the finance income over the term of the lease, based on a model that reflects a constant rate of return on the net financial investment made in the lease.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

The Company as lessee

The Company evaluates whether a contract is or contains a lease at the inception of the contract. If the contract does contain a lease, the Company recognizes a right-of-use asset and a lease liability. The start date of the lease is that on which the lessor makes the asset available to the lessee for the lessee to use it.

The valuation of the right to use the asset includes the following items:

- ✓ The amount of the initial valuation of the lease liability
- ✓ Any lease payment made to the lessor prior to the start date or on the start date.
- ✓ Any initial direct cost incurred by the lessee.
- ✓ An estimate of the costs that the Company will incur in dismantling and withdrawing or restoring the asset.

Subsequently, the right-of-use asset will be accounted for in accordance with IAS 16 Properties, plants and equipment.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the lessee shall use their incremental borrowing rate.

### 2.22. New IFRS and interpretations issued by the IFRS Interpretations Committee (IFRIC).

New standards, amendments to standards and interpretations that are mandatory for the first time for periods beginning on January 1, 2021.

Amendments to IFRS	Date of mandatory application
Reform on Reference Interest Rates – Phase 2 (amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	Annual periods beginning on or after January 1, 2021

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

### Impact of application of Amendments, New Interpretations

The application of the amendments and new interpretations did not have a significant impact on the amounts reported in these Consolidated Financial Statements. However, they may affect the accounting for future transactions or arrangements.

The following new standards and interpretations have been issued but their application date is not yet mandatory:

New IFRS	Effective date
IFRS 17 — Insurance Contracts	Annual periods beginning on or after January 1, 2023
IFRS Amendments	Effective date
Classification of liabilities as current or non-current (amendments to IAS 1).	Annual periods beginning on or after January 1, 2023
Extension of the temporary exemption from the application of IFRS 9 (Amendments to IFRS4)	Annual periods beginning on or after January 1, 2023.
Disclosure of accounting policies (Amendments to IAS 1 and IFRS Practice Statement)	Annual periods beginning on or after January 1, 2023.
Definition of accounting estimates (Amendment to IAS 8)	Annual periods beginning on or after January 1, 2023.
Reference to the Conceptual Framework (amendments to IFRS 3)	Annual periods beginning on or after January 1, 2022.
Property, Plant and Equipment - Revenue Before Intended Use (amendments to IAS 16)	Annual periods beginning on or after January 1, 2022.
IFRS Amendments	Effective date
Onerous Contracts—Cost of Fulfilling a Contract (Amendments to IAS 37)	Annual periods beginning on or after January 1, 2022
Annual Improvements to IFRS Standards 2018-2020 cycle (amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41)	Annual periods beginning on or after January 1, 2022
Amendments to IFRS 17	Annual periods beginning on or after January 1, 2023.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

Management considers that the future application of these standards and amendments and interpretations is not expected to have a significant effect on the Interim Consolidated Financial Statements.

### 3. Management's estimates and accounting criteria

The estimates and criteria used by management are continuously assessed and are based on historical experience and other factors, including the expectation of occurrence of future events that are considered reasonable based on the circumstances.

The most relevant management estimates and accounting criteria are detailed as follows:

#### 3.1. Severance indemnity payments

The Company recognizes a liability for the agreed upon obligations for severance payments using an actuarial methodology that considers factors such as the discount rate, effective turnover and other factors inherent to the Company. Any change in these factors and assumptions, shall have an impact on the carrying amount of the severance obligation.

The Company determines the discount rate at the end of each year considering the market conditions as of the valuation date. This interest rate is used to determine the present value of estimated future cash outflows to be required to settle the severance obligation. When determining interest rates, the Company considers representative rates of financial instruments that are denominated in the currency in which the obligation is expressed and which have expiry terms that are close to the payment terms of such obligation.

Actuarial gains and losses arise from variances between estimated and actual performance of actuarial assumptions and/or the modification of established actuarial assumptions, which are reported directly in Other Comprehensive Income for the period.

#### 3.2. Useful life of property, plant and equipment

Such estimate takes into consideration technical aspects, nature and conditions of use of those assets and might vary significantly as a consequence of technological innovations or other variables, which will imply adjusting the remaining useful lives, and recognizing higher or lower depreciation, as applicable. Likewise, residual values are determined based on technical aspects that might vary in accordance with the specific conditions of each asset.

#### 3.3. Litigation and other contingencies

The Company has various types of lawsuits for which it is not possible to determine exactly the economic effects that these may have on the Interim Consolidated Financial Statements. In cases where the Administration and the lawyers expect an unfavorable result and where such results may be estimated reliably, provisions have been made with a charge to expense based on estimates of the most likely amount to be paid.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

### 3.4. Measurements and/or valuations at fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses the assumptions that market participants would use when establishing the price of the asset or liability under current market conditions, including assumptions regarding risk. To measure fair value the following must be determined:

- a) The actual asset or liability to be measured.
- b) For a non-financial asset, the highest and best use of the asset and if the asset is used in combination with other assets or in an independent manner.
- c) The market in which an orderly transaction would take place for the asset or liability; and
- d) The appropriate valuation technique(s) to be used when measuring fair value. The valuation technique(s) used must maximize the use of relevant observable entry data and minimize non-observable entry data.

To determine the expected loss model of IFRS 9 (simplified model), the Company and its subsidiary have introduced variables in the simplified model so that they can measure fair value based on historical data, percentages of recoverability of accounts receivable and macroeconomic variables most relevant and representative (affluence).

Market value hierarchies for items at fair value:

Each of the market values for the financial instruments is supported by a methodology for calculation and entry of information. Each of them has been analyzed to determine at which of the following levels they can be allocated:

Level 1, corresponds to methodologies using market units (without adjustment) in active markets and considering the same assets and liabilities valued.

Level 2, corresponds to methodologies using market trading data, not included in Level 1, which are observable for the assets and liabilities valued, whether directly (prices) or indirectly (derived from prices).

Level 3, corresponds to methodologies using valuation techniques, which include data on the assets and liabilities valued, which are not supported by observable market data, where it would have a significant effect.

The Company measures and/or assesses all financial instruments at fair value upon initial measurement; financial instruments are subsequently measured at amortized cost, except for derivative transactions, cross currency swaps (CCS), forwards and interest rate swaps (IRS), which continue to be measured at fair value after their initial recognition.

The Company hierarchically classifies its measurement of fair value under level 2, as established in IFRS 13, and the costs of transactions attributable to those instruments are recognized in income as they are incurred.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

The changes in the fair value for the Interest Rate Swap (IRS) are considered as components of the net profit or loss of the year, while for the Cross Currency Swap (CCS) and forward, the changes in the fair value are initially recorded in equity.

The valuation techniques used to measure the fair value of assets and liabilities are:

The valuation techniques used by the Company are appropriate in the circumstances and over which there exists sufficient available data to measure fair value, maximizing the use of relevant observable variables and minimizing the use of unobservable variables. The specific technique used by the Company to value and or measure the fair value of its assets (derivative financial instruments) is discounted cash flow, based on market curves.

Entry data for fair value measurement:

Level 1:

- ✓ Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2:

- ✓ Quoted prices for identical or similar assets in markets that are not active.
- ✓ Variables other than quoted prices that are observable for the asset, for example: Interest rates, observable yield curves at commonly quoted intervals and implicit volatilities.

Level 3:

- ✓ Unobservable inputs.

Items where gains (losses) are recognized on fair value measurements.

Fair value measurement gains (losses) in Interest Rate Swaps (IRS) are recognized as Other Gains (Losses) in profit or loss, while for Cross Currency Swaps (CCS) and forward they are recognized in equity.

Fair value measurement for assets and liabilities

Measurement of fair value requires the determination of the asset or liability to measure (derivative financial instruments). The Company uses the assumptions that market participants would use when establishing the price of the asset or liability under current market conditions, including assumptions regarding risk at the date of the measurement. Should there be restrictions on the asset or payment of any liability, they would be taken into account.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

### Fair value measurement for assets and liabilities

Measurement of fair value requires the determination of the asset or liability to measure (derivative financial instruments). The Company uses the assumptions that market participants would use when establishing the price of the asset or liability under current market conditions, including assumptions regarding risk at the date of the measurement. Should there be restrictions on the asset or payment of any liability, they would be taken into account. The detail and classification of financial assets as of March 31, 2021 and as of December 31, 2020 is as follows:

03-31-2021	Amortized Cost ThCh\$	Assets at Fair value through profit or loss ThCh\$	Assets at Fair value through equity ThCh\$	Total ThCh\$
Trade and other receivables	15,770,066	-	-	15,770,066
<b>Cash and cash equivalents</b>	<b>310,382,746</b>	<b>2,122,364</b>	-	<b>312,505,110</b>
Cash and banks	-	2,122,364	-	1,122,743
Term deposits	310,382,746	-	-	310,382,746
Repurchase agreements	-	-	-	-
<b>Other financial assets</b>	<b>106,997,364</b>	-	<b>5,039,507</b>	<b>112,036,871</b>
Term deposits	98,206,535	-	-	98,206,535
Derivative transactions	-	-	5,039,507	5,039,507
Finance lease	1,822,953	-	-	1,822,953
Promissory notes receivable	277,626	-	-	277,626
Advertising receivables	6,687,310	-	-	6,687,310
Other financial assets	2,940	-	-	2,940
<b>Total financial assets</b>	<b>433,150,176</b>	<b>2,122,364</b>	<b>5,039,507</b>	<b>440,312,047</b>

12-31-2020	Amortized Cost ThCh\$	Assets at Fair value through profit or loss ThCh\$	Assets at Fair value through equity ThCh\$	Total ThCh\$
Trade and other receivables	21,462,301	-	-	21,462,301
<b>Cash and cash equivalents</b>	<b>401,929,583</b>	<b>3,252,563</b>	-	<b>405,182,146</b>
Cash and banks	-	3,252,563	-	3,252,563
Term deposits	401,929,583	-	-	401,929,583
Repurchase agreements	-	-	-	-
<b>Other financial assets</b>	<b>100,601,181</b>	-	<b>3,719,453</b>	<b>1048,320,634</b>
Term deposits	90,864,287	-	-	90,864,287
Derivative transactions	-	-	3,719,453	3,719,453
Finance lease	1,757,192	-	-	1,757,192
Promissory notes receivable	272,332	-	-	272,332
Advertising receivables	7,703,638	-	-	7,703,638
Other financial assets	3,732	-	-	3,732
<b>Total financial assets</b>	<b>523,993,065</b>	<b>3,252,563</b>	<b>3,719,453</b>	<b>530,965,081</b>



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

The detail and classification of financial liabilities as of March 31, 2021 and as of December 31, 2020 is as follows:

03-31-2021	Amortized Cost ThCh\$	Liabilities at Fair value through profit or loss ThCh\$	Liabilities at Fair value through equity ThCh\$	Total ThCh\$
Interest-bearing loans	2,524,628,051	-	-	2,524,628,051
Trade and other payables	99,274,920	-	-	99,274,920
Derivative transactions	-	-	30,695,270	30,695,270
Other financial liabilities	2,746	-	-	2,746
<b>Total financial liabilities</b>	<b>2,623,905,717</b>	<b>-</b>	<b>30,695,270</b>	<b>2,654,600,987</b>

12-31-2020	Amortized Cost ThCh\$	Liabilities at Fair value through profit or loss ThCh\$	Liabilities at Fair value through equity ThCh\$	Total ThCh\$
Interest-bearing loans	2,505,325,044	-	-	2,505,325,044
Trade and other payables	103,608,736	-	-	103,608,736
Derivative transactions	-	-	30,974,178	30,974,178
Other financial liabilities	2,746	-	-	2,746
<b>Total financial liabilities</b>	<b>2,608,936,526</b>	<b>-</b>	<b>30,974,178</b>	<b>2,639,910,704</b>

### 4. Cash and cash equivalents

Balances of cash and cash equivalents are detailed as follows:

Item	Currency	03-31-2021 ThCh\$	12-31-2020 ThCh\$
<b>Cash</b>			
Cash on hand	Ch\$	19,648	18,315
	US\$	2,650	2,610
Bank	Ch\$	2,089,150	3,225,127
	US\$	10,916	6,511
<b>Total cash</b>		<b>2,122,364</b>	<b>3,252,563</b>
<b>Term deposits</b>			
Term deposits	Ch\$	177,925,060	146,416,579
	US\$	132,457,686	255,513,004
<b>Total term deposits</b>		<b>310,382,746</b>	<b>401,929,583</b>
<b>Total cash and cash equivalents</b>		<b>312,505,110</b>	<b>405,182,146</b>
Subtotal by currency	Ch\$	180,033,858	149,660,021
	US\$	132,471,252	255,522,125

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

Cash equivalents represent short-term highly liquid investments such as term deposits and fixed income investments –repurchase agreements- that are easily convertible into cash, and are subject to insignificant risk of changes in value, which are maintained to comply with short-term payment commitments. The detail for the years 2021 and 2020 is as follows:

### Term deposits

Type of investment	Currency of origin	Principal in currency of origin in thousands	Annual average rate	Average days to Maturity	Principal in domestic currency ThCh\$	Accrued interest in domestic currency ThCh\$	Carrying amount 03-31-2021 ThCh\$
MetroPago term deposits	Ch\$	2,447,020	0.28%	43	2,447,020	905	2,447,925
Term deposits	Ch\$	175,450,110	0.29%	29	175,450,110	27,025	175,477,135
	US\$	183,493,24	0.13%	23	132,449,093	8,593	132,457,686
<b>Total</b>					<b>310,346,223</b>	<b>36,523</b>	<b>310,382,746</b>

Type of investment	Currency of origin	Principal in currency of origin in thousands	Annual average rate	Average days to Maturity	Principal in domestic currency ThCh\$	Accrued Interest in domestic currency ThCh\$	Carrying amount 12-31-2020 ThCh\$
MetroPago term deposits	Ch\$	2,465,002	0.34%	43	2,465,002	1,036	2,466,038
Term deposits	Ch\$	143,914,119	0.32%	19	143,914,119	36,422	143,950,541
	US\$	359,385,58	0.13%	15	255,505,181	7,823	255,513,004
<b>Total</b>					<b>401,884,302</b>	<b>45,281</b>	<b>401,929,583</b>

## 5. Trade and other receivables, current

As of March 31, 2021, and as of December 31, 2020, this item consists of the following:

Trade and Other Receivables, Gross	03-31-2021 ThCh\$	12-31-2020 ThCh\$
<b>Trade debtors and other accounts receivable, gross</b>	<b>15,988,995</b>	<b>21,737,430</b>
Trade receivables, gross (*)	10,918,255	11,724,338
Sales channel accounts receivable, gross	3,174,249	8,367,295
Other receivables, gross	1,896,491	1,645,797

Trade and Other Receivables, Net	03-31-2021 ThCh\$	12-31-2020 ThCh\$
<b>Trade and other receivables, net</b>	<b>14,549,630</b>	<b>20,509,029</b>
Trade receivables, net	9,478,890	10,495,937
Sales channel accounts receivable, net	3,174,249	8,367,295
Other receivables, net	1,896,491	1,645,797

(\*) Effective as of July 1, 2018, a contract was made with Massiva S.A., lasting a period of 10 years, which establishes a minimum annual guaranteed income (MAG) payable during the term of the contract. On March 10, 2020, appendix 1 was signed, which extended the term for two years until June 2030, and the MAG was modified.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

As of March 31, 2021 and as of December 31, 2020, the analysis of net trade and accounts receivable by age and expiration date is detailed below:

Trade receivables, net	03-31-2021 ThCh\$	12-31-2020 ThCh\$
Aged 3 months	6,752,355	7,480,453
Aged more than 3 months up to 1 year	1,456,164	2,013,334
Aged more than 1 year	1,270,371	1,002,150
<b>Total</b>	<b>9,478,890</b>	<b>10,495,937</b>

Sales Channel Accounts Receivable, net	03-31-2021 ThCh\$	12-31-2020 ThCh\$
Aged 3 months	3,149,426	8,066,012
Aged more than 3 months up to 1 year	-	274,279
Aged more than 1 year	24,823	27,004
<b>Total</b>	<b>3,174,249</b>	<b>8,367,295</b>

Other Accounts Receivable, Net	03-31-2021 ThCh\$	12-31-2020 ThCh\$
With 3 months maturity	515,982	1,249,390
With 3 months up to 1 year maturity	1,380,509	396,407
<b>Total</b>	<b>1,896,491</b>	<b>1,645,797</b>

Movements as of March 31, 2021 and as of December 31, 2020 in the impairment provision are as follows:

Past due and outstanding trade receivables with impairment	ThCh\$
<b>Balance as of December 31, 2019</b>	<b>653,886</b>
Increase for the period	729,372
Decrease for the period	(154,314)
Write-offs for the period	(543)
<b>Balance as of December 31, 2020</b>	<b>1,228,401</b>
Increase for the period	341,753
Decrease for the period	(130,789)
Write-offs for the period	-
<b>Balance as of March 31, 2021</b>	<b>1,439,365</b>

The Company establishes a provision based on an expected loss for trade receivables.

The Company only uses the provision method and no direct write-offs, for better control of this item. Once pre-judicial and judicial collection measures have been exhausted, the assets are written-off against the provision recorded.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

As of March 31, 2021, and December 31, 2020, the stratification, protested portfolio and portfolio in judicial collection is as follows:

Days	Non-Securitized Portfolio					
	03-31-2021			12-31-2020		
	Number of clients non-renegotiated portfolio	Gross renegotiated portfolio	Total gross portfolio	Number of clients non-renegotiated portfolio	Gross renegotiated portfolio	Total gross portfolio
1 to 30 days	163	9,381,393	9,381,393	181	14,724,538	14,724,538
31 to 60 days	18	919,491	919,491	14	1,522,971	1,522,971
61 to 90 days	11	519,959	519,959	6	916,885	916,885
91 to 120 days	9	814,030	814,030	11	819,882	819,882
121 to 150 days	18	694,351	694,351	21	278,604	278,604
51 to 180 days	15	406,441	406,441	14	164,860	164,860
181 to 210 days	7	329,832	329,832	4	338,274	338,274
211 to 250 days	4	34,711	34,711	6	331,110	331,110
Over 250 days	36	992,296	992,296	33	994,509	994,509
<b>Total</b>	<b>281</b>	<b>14,092,504</b>	<b>14,092,504</b>	<b>290</b>	<b>20,091,633</b>	<b>20,091,633</b>

Notes receivable	Protested portfolio and receivables under judicial collection			
	03-31-2021		12-31-2020	
	Number of clients	ThCh\$	Number of clients	ThCh\$
Protested	5	89,500	10	115,772
Under judicial collection	26	417,149	25	435,769
<b>Total notes receivable</b>	<b>31</b>	<b>506,649</b>	<b>35</b>	<b>551,541</b>

### 6. Inventories

This item comprises the following:

Classes of Inventories	03-31-2021 ThCh\$	12-31-2020 ThCh\$
Inventories and stock	2,332,781	2,453,474
Spare parts and accessories for maintenance	14,277,244	15,826,700
Imports in transit and other	916,567	1,063,737
<b>Total</b>	<b>17,526,592</b>	<b>19,343,911</b>

As of March 2021 and 2020, inventory consumption was charged to the Consolidated Statement of Comprehensive Income in the cost of sales line item, in the amount of ThCh\$1,751,141 and ThCh\$1,632,997, respectively.

As of March 2021 there were no write-offs of inventories, as in the previous period. Based on the analysis performed by the Technical Management for the inventories of spare parts, maintenance accessories and supplies presented in this group, no objective evidence of impairment was found for this class of assets.

During the year, the Company records no inventory items subject to pledge or guarantee.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

### 7. Intangible assets other than goodwill

Intangible assets other than goodwill correspond to licenses and software and transit easements. They are accounted for using the acquisition cost and subsequently they are carried at cost net of accumulated amortization and impairment losses, if any.

Licenses and software are amortized using the straight-line method over the applicable useful life, which is generally estimated at four years. For easements, since the contracts are established with no expiry date, easements are considered to have indefinite useful life, and therefore they are not amortized.

At the balance sheet date, the Company found no objective evidence of impairment for this type of asset.

The items within the Interim Consolidated Statement of Comprehensive Income that include amortization of intangible assets with finite useful lives are in the cost of sales and administrative expenses line items.

There are no intangible assets with ownership restrictions or that provide security for any liabilities of the Company.

a) Intangible assets other than goodwill for the March 2021 period and the 2020 year, are as follows:

Item	03-31-2021			12-31-2020		
	Intangible assets, gross ThCh\$	Accumulated amortization ThCh\$	Intangible assets, net ThCh\$	Intangible assets, gross ThCh\$	Accumulated amortization ThCh\$	Intangible assets, net ThCh\$
Licenses and Software	9,906,599	(6,331,947)	3,574,652	9,897,488	(6,078,570)	3,818,918
Easements	4,348,729	-	4,348,729	4,348,729	-	4,348,729
<b>Total</b>	<b>14,255,328</b>	<b>(6,331,947)</b>	<b>7,923,381</b>	<b>14,246,217</b>	<b>(6,078,570)</b>	<b>8,167,647</b>

b) Movements of intangible assets other than goodwill for the year ended March 31, 2021, are as follows:

Movements	Licenses and Software ThCh\$	Easements ThCh\$	Total intangible assets, net ThCh\$
Opening balance 01-01-2021	3,818,918	4,348,729	8,167,647
Additions	7,579	-	7,579
Transfers	1,533	-	1,533
Amortization	(253,378)	-	(253,378)
Closing balance 03-31-2021	3,574,652	4,348,729	7,923,381
Average remaining useful life	5,5 years	indefinite	

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

- c) Movements of intangible assets other than goodwill for the year ended December 31, 2020, are as follows:

Movements	Licenses and Software ThCh\$	Easements ThCh\$	Total intangible assets, net ThCh\$
Opening balance 01-01-2020	4,030,075	4,346,229	8,376,304
Additions	96,278	2,500	98,778
Transfers	600,566	-	600,566
Amortization	(908,001)	-	(908,001)
Closing balance 12-31-2020	3,818,918	4,348,729	8,167,647
Average remaining useful life	4,44 years	indefinite	

### 8. Property, plant and equipment

- a) Property, plant and equipment items comprise the following:

Property, plant and equipment	03-31-2021 ThCh\$	12-31-2020 ThCh\$
<b>Classes of property, plant and equipment, net</b>		
<b>Property, plant and equipment, net</b>	<b>5,064,589,081</b>	<b>5,038,022,628</b>
Works in progress, net	619,544,689	611,104,988
Land, net	134,736,292	134,704,880
Civil works, net	2,670,058,935	2,662,394,693
Buildings, net	165,344,828	165,989,577
Rolling stock, net	1,079,358,367	1,061,854,095
Electrical equipment, net	340,124,738	346,101,083
Machinery and equipment, net	34,822,028	35,654,691
Other, net	20,599,204	20,218,621
<b>Classes of property, plant and equipment, gross</b>		
<b>Property, plant and equipment, gross</b>	<b>6,010,080,522</b>	<b>5,954,926,462</b>
Works in progress, gross	619,544,689	611,104,988
Land, gross	134,736,292	134,704,880
Civil works, gross	2,929,561,310	2,913,128,138
Buildings, Gross	191,838,596	191,680,616
Rolling stock, gross	1,445,897,971	1,417,394,551
Electrical equipment, gross	607,598,678	606,468,617
Machinery and equipment, gross	60,303,782	60,226,051
Other, gross	20,599,204	20,218,621
<b>Classes of accumulated depreciation and impairment, Property, plant and equipment</b>		
<b>Total accumulated depreciation and impairment, Property, plant and equipment</b>	<b>945,491,441</b>	<b>916,903,834</b>
Accumulated depreciation of civil works	259,502,375	250,733,445
Accumulated depreciation of buildings	26,493,768	25,691,039
Accumulated depreciation of rolling stock	366,539,604	355,540,456
Accumulated depreciation of electrical equipment	267,473,940	260,367,534
Accumulated depreciation of machinery and equipment	25,481,754	24,571,360

# NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

b) The detail of movements in property, plant and equipment for the 2021 period and 2020 year, is as follows:

2021 Movements		Works in progress	Land	Civil works	Buildings	Rolling stock	Electrical equipment	Machinery and equipment	Other	Property, plant and equipment, net
Opening balance at January 1, 2021		611,104,988	134,704,880	2,662,394,693	165,989,577	1,061,854,095	346,101,083	35,654,691	20,218,621	5,038,022,628
Movements	Additions	52,623,391	31,412	433,172	-	2,736,371	73,873	64,630	-	55.962.849
	Transfers	(44,183,690)	-	16,000,000	157,980	26,954,887	1,056,189	13,101	-	(1.533)
	Spare parts transfer	-	-	-	-	-	-	-	380,583	380.583
	Derecognition or sales	-	-	-	-	-	-	-	-	-
	Depreciation expense	-	-	(8,768,930)	(802,729)	(12,186,986)	(7,106,407)	(910,394)	-	(29.775.446)
	Total movements	8,439,701	31,412	7,664,242	(644,749)	17,504,272	(5,976,345)	(832,663)	380,583	26.566.453
Balance as of March 31, 2021		619,544,689	134,736,292	2,670,058,935	165,344,828	1,079,358,367	340,124,738	34,822,028	20,599,204	5,064,589,081

  

2020 Movements		Works in progress	Land	Civil works	Buildings	Rolling stock	Electrical equipment	Machinery and equipment	Other	Property, plant and equipment, net
Opening balance at January 1, 2020		495,582,298	132,899,647	2,670,687,286	167,366,517	1,006,350,544	354,825,762	21,210,182	18,479,199	4,867,401,435
Movements	Additions	240,304,792	1,805,233	23,672,346	25,336	14,520,690	4,535,195	1,208,070	-	286.071.662
	Transfers	(124,681,400)	-	2,623,487	1,761,301	87,896,569	15,606,117	16,193,360	-	(600.566)
	Spare parts transfer	-	-	-	-	-	-	-	1,739,422	1.739.422
	Derecognition or sales	(100,702)	-	-	-	(33,157)	(124,682)	(12,717)	-	(271.258)
	Depreciation expense	-	-	(34,588,426)	(3,163,577)	(46,880,551)	(28,741,309)	(2,944,204)	-	(116.318.067)
	Total movements	115,522,690	1,805,233	(8,292,593)	(1,376,940)	55,503,551	(8,724,679)	14,444,509	1,739,422	170.621.193
Balance as of December 31, 2020		611,104,988	134,704,880	2,662,394,693	165,989,577	1,061,854,095	346,101,083	35,654,691	20,218,621	5,038,022,628

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

c) The useful lives of the main assets are as follows:

Item	Estimated useful life in years
Road network	60
Stations	100
Tunnels	100
Rolling stock	41

d) Write-offs

In the 2021 period, no write-offs of property, plant and equipment were recorded with an effect on income (ThCh\$ 271,258 in 2020).

As of March 31, 2021 and December 31, 2020, Metro has 136 operational stations, which represents 100% of the network and kept all lines in operation (L1, L2, L3, L4, L4A, L5 and L6).

e) Investment projects

As of March 31, 2021, the estimated balance to be executed of the authorized projects that are part of the Company's expansion plan amounts to approximately MCh\$ 271,911 composed by type of investment in: MCh\$ 149,568 Civil Works, MCh\$ 94,718 and Equipment and MCh\$ 27,625 Rolling Stock, with completion in 2027.

As of December 31, 2020, the estimated balance to be executed of the authorized projects that are part of the Company's expansion plan amounts to approximately MCh\$ 337,766 composed by type of investment in: MCh\$ 201,166 Civil Works, MCh\$ 102,630 and Equipment and MCh\$ 33,970 Rolling Stock, with completion in 2026.

f) Spare parts and accessories

As of March 31, 2021, spare parts, accessories and maintenance materials amount to ThCh\$ 23,212,281 (ThCh\$ 22,808,187 in 2020); of these values, there are spare parts immobilized for more than four years, based on which provisions for obsolescence were established amounting to ThCh\$ 2,643,866 during the period 2021 and 2020.

g) Other disclosures

1. Fixed assets that are fully depreciated and in use amount to ThCh\$ 23,450,053 as of March 31, 2021 (ThCh\$ 25,984,660 in 2020).
2. There are no retired and unclassified items of property, plant and equipment that are held for sale in accordance with IFRS 5.
3. In 2015, the useful life of the NS74 technology rolling stock was revaluated, extending the useful life for five years with a residual value of ThCh\$ 133,138; as a result of the revaluation of the useful life, the impact on depreciation is ThCh\$ 11,254 in the period 2021 and ThCh\$ 22,818 in the period 2020.
4. There are no items of property, plant and equipment with ownership restrictions or guarantee of compliance with obligations in accordance with IAS 16 paragraph 74.a.



#### h) Financing costs

During the 2021 period, capitalized interest costs of property, plant and equipment amount to ThCh\$ 3,905,010 (ThCh\$ 17,331,994 in 2020).

#### i) Criteria for property, plant and equipment (PPE) additions and cash flow statement (CFS)

Additions to property, plant and equipment are recorded on an accrual basis, while purchases recorded in the Statement of Cash Flow are recorded on a paid basis, therefore, there could be mismatches between actual payments and these additions.

### 9. Investment property

Investment property corresponds mainly to commercial stores, land and buildings that are held by the Company to be exploited under operating leases.

Investment property is measured using the cost model.

The total investment property amounts to ThCh\$24,946,630 as of March 31, 2021 (ThCh\$25,024,188 in 2020).

Investment property	Commercial stores	Land	Buildings	Total
Balances as of 01-01-2021	16,352,352	607,816	8,064,020	25,024,188
Depreciation	(53,895)	-	(23,663)	(77,558)
Balances as of 03-31-2021	16,298,457	607,816	8,040,357	24,946,630

Investment property	Commercial stores	Land	Buildings	Total
Balance as of 01-01-2020	16,577,416	607,816	8,156,812	25,342,044
Additions	-	-	1,846	1,846
Depreciation	(225,064)	-	(94,638)	(319,702)
Balances as of 12-31-2020	16,352,352	607,816	8,064,020	25,024,188

As established by IAS 40, an estimate of fair value must be disclosed for investment properties valued at the Cost Model. For this purpose, we have determined such calculation using internal valuations, based on discounted future projected cash flows. It is estimated that as of March 31, 2021 this fair value amounts to ThCh\$237,424,894 (ThCh\$200,623,456 as of December 2020).

Investment property has been classified as a Level 3 fair value, based on the inputs for the valuation technique used (see Note 3.4) as follows:

Item	03-31-2021 ThCh\$	12-31-2020 ThCh\$
Commercial stores	150,505,491	103,551,183
Land	74,586,202	83,090,899
Buildings	12,333,201	13,981,374
<b>Total</b>	<b>237,424,894</b>	<b>200,623,456</b>

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

Income and expenses from investment property as of March 2021 and 2020 is as follows:

Investment property income and expenses	01-01-2021 03-31-2021 ThCh\$	01-01-2020 03-31-2020 ThCh\$
Commercial stores	1,884,252	1,722,739
Land	902,338	356,074
Buildings	199,294	185,310
<b>Total rental income</b>	<b>2,985,884</b>	<b>2,264,123</b>
Commercial stores (real estate tax)	(39,376)	(39,289)
Land (real estate tax)	(14,779)	(11,734)
Buildings (real estate tax)	(28,870)	(28,784)
Commercial stores (depreciation)	(53,895)	(57,960)
Buildings (depreciation)	(23,663)	(23,658)
<b>Total lease expenses</b>	<b>(160,583)</b>	<b>(161,425)</b>

The Company has not established liens, mortgages or other kind of security to provide the investment property as collateral.

Lease contracts generally establish the obligation to maintain and repair properties. Therefore, expenses are borne by the lessees, except for expenses for the payment of property taxes, which are borne by the lessor.

The future cash flow projections associated with commercial stores, land and buildings, based on a discount rate of 3.44% as of March 2021 (3.80% as of March 2020), are the following:

Item	03-31-2021 ThCh\$	03-31-2020 ThCh\$
<b>Commercial stores</b>		
Up to 1 year	4,098,576	3,734,261
More than 1 year up to 5 years	15,327,859	18,158,817
More than 5 years	138,917,110	108,887,203
<b>Land</b>		
Up to 1 year	1,962,742	771,836
More than 1 year up to 5 years	7,340,266	3,753,252
More than 5 years	66,525,180	22,505,932
<b>Buildings</b>		
Up to 1 year	433,501	401,683
More than 1 year up to 5 years	1,621,207	1,953,289
More than 5 years	14,693,076	11,712,665
<b>Total</b>	<b>250,919,517</b>	<b>171,878,938</b>

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

### 10. Other financial assets, current and non-current

Other current and non-current financial assets are detailed below:

Item	03-31-2021		12-31-2020	
	Current ThCh\$	Non-current ThCh\$	Current ThCh\$	Non-current ThCh\$
Financial investments, more than three months	98,206,535	-	90,864,287	-
Derivative transactions	5,039,507	-	3,719,453	-
Finance lease	111,645	1,711,308	71,656	1,685,536
Promissory notes receivable	-	277,626	-	272,332
Advertising receivable (*)	-	6,687,310	-	7,703,638
Other accounts receivable	-	2,940	-	3,732
<b>Total</b>	<b>103,357,687</b>	<b>8,679,184</b>	<b>94,655,396</b>	<b>9,665,238</b>

(\*\*) Effective as of July 1, 2018, a contract was made with Massiva S.A., lasting a period of 10 years, which establishes a minimum annual guaranteed income (MAG) payable during the term of the contract. On March 10, 2020, appendix 1 was signed, which extended the term for two years until June 2030, and the MAG was modified.

### Financial investments, over 3 months

#### Term deposits

Type of investment	Currency of origin	Principal in domestic currency in thousands	Annual average rate	Average days to maturity	Principal in domestic currency ThCh\$	Accrued interest in domestic currency ThCh\$	Carrying amount 03-31-2021 ThCh\$
Term deposits	Ch\$	98,163,622	0.30%	55	98,163,622	42,913	98,206,535
<b>Total</b>					<b>98,163,622</b>	<b>42,913</b>	<b>98,206,535</b>

Type of investment	Original currency	Principal in domestic currency in thousands	Annual average rate	Average days to maturity	Principal in domestic currency ThCh\$	Accrued interest in domestic currency ThCh\$	Carrying amount 12-31-2020 ThCh\$
Term deposits	Ch\$	90,849,464	0.21%	77	90,849,464	14,823	90,864,287
<b>Total</b>					<b>90,849,464</b>	<b>14,823</b>	<b>90,864,287</b>

# NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

Expected liquidity analysis (by maturity)

Financial assets of Metro S.A., Tax ID No. 61,219,000 - 3, country Chile, with local and foreign entities as of 03-31-2021.

Tax ID No.:	Name	Country	Currency	Nominal Rate	Type of Amortization	Current			Non-current		
						Maturity		Total current	Maturity		Total non-current
						Up to 90 days	90 days - 1 year		1 to 3 years	Over 5 years	
						ThCh\$	ThCh\$	31-03-2021 ThCh\$	ThCh\$	ThCh\$	03-31-2021 ThCh\$
97.004.000-5	Banco de Chile	Chile	USD	4.75000%	maturity	-	160,003	160,003	-	-	-
97.018.000-1	Scotiabank Chile	Chile	USD	4.75000%	maturity	-	160,003	160,003	-	-	-
97.036.000-K	Banco Santander	Chile	USD	4.75000%	maturity	-	160,003	160,003	-	-	-
97.018.000-1	Scotiabank Chile	Chile	USD	4.75000%	maturity	-	160,003	160,003	-	-	-
97.004.000-5	Banco de Chile	Chile	USD	4.75000%	maturity	-	213,335	213,335	-	-	-
97.036.000-K	Banco Santander	Chile	USD	3.65000%	maturity	418,616	-	418,616	-	-	-
97.036.000-K	Banco Santander	Chile	USD	3.65000%	maturity	418,616	-	418,616	-	-	-
97.036.000-K	Banco Santander	Chile	USD	3.65000%	maturity	418,616	-	418,616	-	-	-
97.018.000-1	Scotiabank Chile	Chile	USD	3.65000%	maturity	418,616	-	418,616	-	-	-
97.018.000-1	Scotiabank Chile	Chile	USD	3.65000%	maturity	418,616	-	418,616	-	-	-
97.036.000-K	Banco Santander	Chile	USD	3.65000%	maturity	418,616	-	418,616	-	-	-
97.036.000-K	Banco Santander	Chile	USD	3.65000%	maturity	418,616	-	418,616	-	-	-
97.036.000-K	Banco Santander	Chile	USD	3.65000%	maturity	418,616	-	418,616	-	-	-
97.018.000-1	Scotiabank Chile	Chile	USD	3.65000%	maturity	418,616	-	418,616	-	-	-
97.004.000-5	Banco de Chile	Chile	USD	3.65000%	maturity	418,616	-	418,616	-	-	-
<b>Total</b>						<b>4,186,160</b>	<b>853,347</b>	<b>5,039,507</b>	-	-	-

# NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

Financial assets of Metro S.A., Tax ID No. 61,219,000 - 3, country Chile, with local and foreign entities as of 12-31-2020.

Tax ID No.:	Name	Country	Currency	Nominal Rate	Type of Amortization	Current			Non-current		
						Maturity		Total current 31-03-2021	Maturity		Total non-current 12-31-2020
						Up to 90 days	90 days - 1 year		1 to 3 years	Over 5 years	
						ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
97.004.000-5	Banco de Chile	Chile	USD	4.75000%	maturity	410,870	-	410,870	-	-	-
97.018.000-1	Scotiabank Chile	Chile	USD	4.75000%	maturity	410,870	-	410,870	-	-	-
97.036.000-K	Banco Santander	Chile	USD	4.75000%	maturity	410,870	-	410,870	-	-	-
97.018.000-1	Scotiabank Chile	Chile	USD	4.75000%	maturity	410,870	-	410,870	-	-	-
97.004.000-5	Banco de Chile	Chile	USD	4.75000%	maturity	547,823	-	547,823	-	-	-
97.036.000-K	Banco Santander	Chile	USD	3.65000%	maturity	-	152,815	152,815	-	-	-
97.036.000-K	Banco Santander	Chile	USD	3.65000%	maturity	-	152,815	152,815	-	-	-
97.036.000-K	Banco Santander	Chile	USD	3.65000%	maturity	-	152,815	152,815	-	-	-
97.018.000-1	Scotiabank Chile	Chile	USD	3.65000%	maturity	-	152,815	152,815	-	-	-
97.018.000-1	Scotiabank Chile	Chile	USD	3.65000%	maturity	-	152,815	152,815	-	-	-
97.036.000-K	Banco Santander	Chile	USD	3.65000%	maturity	-	152,815	152,815	-	-	-
97.036.000-K	Banco Santander	Chile	USD	3.65000%	maturity	-	152,815	152,815	-	-	-
97.036.000-K	Banco Santander	Chile	USD	3.65000%	maturity	-	152,815	152,815	-	-	-
97.018.000-1	Scotiabank Chile	Chile	USD	3.65000%	maturity	-	152,815	152,815	-	-	-
97.004.000-5	Banco de Chile	Chile	USD	3.65000%	maturity	-	152,815	152,815	-	-	-
<b>Total</b>						<b>2,191,303</b>	<b>1,528,150</b>	<b>3,719,453</b>	-	-	-

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

### Finance lease

On August 1<sup>st</sup>, 2004 and through July 31, 2034, the Company leased out to Enel Distribución Chile S.A. (Ex Chilectra S.A.) each and every one of the components of the SEAT Rectification Substations, Vicente Valdés and the 20 KV networks up to their arrival to the verifying spots. The useful life of the assets has the same duration as the respective lease contract, therefore and in accordance with IFRS 16, it is a finance lease. For that reason, machinery and equipment was derecognized from property, plant and equipment and was recognized as a right to collect payments for lease, calculated at the present value of the lease payments.

The present value of the lease payments receivable is projected until the year 2034, considering a discount rate of 10% that is expressed in the respective lease agreement.

Metro S.A. issues an annual invoice to Enel Distribución Chile S.A., during the first 15 days of July, which shall be paid 30 days after that invoice is received. The payments that the tenant makes are divided into two parts, one that represents the financial burden and another which reduces the existing principal of the obligation. The total financial burden is distributed among the years that constitute the term of the lease.

There are no amounts of unsecured residual values accrued in favor of the lessor.

There is no accumulated provision for minimum payments on uncollectible leases.

There are no contingent leases recognized as income for the year.

Outstanding future minimum lease payments	03-31-2021			12-31-2020		
	Gross Amount ThCh\$	Interest ThCh\$	Current Value ThCh\$	Gross Amount ThCh\$	Interest ThCh\$	Current Value ThCh\$
Up to 1 year	228,325	116,680	111,645	224,886	153,230	71,656
More than 1 year up to 5 years	1,141,623	653,053	488,570	1,124,432	643,219	481,213
More than 5 years	1,598,273	375,535	1,222,738	1,574,204	369,881	1,204,323
<b>Total</b>	<b>2,968,221</b>	<b>1,145,268</b>	<b>1,822,953</b>	<b>2,923,522</b>	<b>1,166,330</b>	<b>1,757,192</b>

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

### 11. Other non-financial assets, current and non-current

Other current and non-current non-financial assets are detailed below:

Other non-financial assets, current	03-31-2021 ThCh\$	12-31-2020 ThCh\$
Pre-paid expenses	241,597	3,036
Advance payments to suppliers and personnel	5,916,109	5,723,102
Bonus for collective bargaining	3,278,122	3,347,543
Other accounts receivable	657,017	651,977
<b>Total</b>	<b>10,092,845</b>	<b>9,725,658</b>

Other non-financial assets, non-current	03-31-2021 ThCh\$	12-31-2020 ThCh\$
Funds allocated to pay for expropriations of new lines	71,963,675	64,941,022
VAT credit	9,005,677	10,638,018
Investment land under lease contracts	1,056,543	1,045,027
Advance for severance indemnities and other loans to personnel	2,307,677	2,576,621
Bonus for collective bargaining	2,126,854	2,567,273
<b>Total</b>	<b>86,460,426</b>	<b>81,767,961</b>

### 12. Other financial liabilities, current and non-current

This item comprises the following:

Item	03-31-2021		12-31-2020	
	Current ThCh\$	Non-current ThCh\$	Current ThCh\$	Non-current ThCh\$
Interest-bearing loans	3,143,836	14,857,843	3,096,527	15,289,613
Bonds	79,046,916	2,427,579,456	76,474,203	2,410,464,701
Derivative transactions	9,390,130	21,305,140	7,733,641	23,240,537
Other	-	2,746	-	2,746
<b>Total</b>	<b>91,580,882</b>	<b>2,463,745,185</b>	<b>87,304,371</b>	<b>2,448,997,597</b>

Interest-bearing loans:

- ✓ Natixis Bank (French Government to Chilean Government Financial Protocol) for USD 87,793,769.88. As of March 31, 2021 it has been fully utilized, leaving a capital balance of USD 24,679,626.03 (USD 25,582,801.03-year 2020).
- ✓ Natixis Bank (French Government to Chilean Government Financial Protocol) for Euros 1,573,093.76. As of March 31, 2021 it has been fully utilized, leaving a capital balance of Euros 201,190.60 (Euros 211,142.32 - year 2020).

# **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

Half-yearly and equivalent interest-bearing loans, of Metro S.A., Tax ID No. 61,219,000 - 3, country Chile, with local and foreign entities as of 03-31-2021.

Tax ID No.	Name	Country	Currency	Nominal and effective rate	Current			Non-current			
					Maturity		Total, current	Maturity			Total non-current
					Up to 90 days	90 days - 1 year		1 to 3 years	3 to 5 years	Over 5 years	
					ThCh\$	ThCh\$	03-31-2021	ThCh\$	ThCh\$	ThCh\$	03-31-2021
							ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
O-E	Natixis Bank	France	USD	0.63%	894,330	2,182,197	3,076,527	8,421,121	2,920,516	3,412,344	14,753,981
O-E	Natixis Bank	France	Euros	2.00%	25,540	41,769	67,309	103,862	-	-	103,862
<b>Total</b>					<b>919,870</b>	<b>2,223,966</b>	<b>3,143,836</b>	<b>8,524,983</b>	<b>2,920,516</b>	<b>3,412,344</b>	<b>14,857,843</b>

Half-yearly and equivalent interest-bearing loans, of Metro S.A., Tax ID No. 61,219,000 - 3, country Chile, with local and foreign entities as of 12-31-2020.

Tax ID No.	Name	Country	Currency	Nominal and effective rate	Current			Non-current			
					Maturity		Total, current	Maturity			Total non-current
					Up to 90 days	90 days - 1 year		1 to 3 years	3 to 5 years	Over 5 years	
					ThCh\$	ThCh\$	12-31-2020	ThCh\$	ThCh\$	ThCh\$	12-31-2020
							ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
O-E	Natixis Bank	France	USD	0.63%	655,349	2,372,228	3,027,577	8,466,526	3,204,898	3,502,487	15,173,911
O-E	Natixis Bank	France	Euros	2.00%	8,952	59,998	68,950	115,702	-	-	115,702
<b>Total</b>					<b>664,301</b>	<b>2,432,226</b>	<b>3,096,527</b>	<b>8,582,228</b>	<b>3,204,898</b>	<b>3,502,487</b>	<b>15,289,613</b>



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

### Bonds payable

Obligations of Metro S.A. Debt Tax ID 61,219,000 - 3 country Chile with national and foreign entities as of 03-31-2021

Series	Tax ID No.: Bank	Banco RTB (*) and payer	Country	Currency	Nominal rate	Nominal effective	Type of Amortization	Current			Non-current			
								Maturity		Total current 03-31-2021	Maturity			Total non- current 03-31-2021
								Up to 90 days	90 days - 1 year		1 to 3 years	3 to 5 years	Over 5 years	
								ThCH\$	ThCH\$	ThCH\$	ThCH\$	ThCH\$	ThCH\$	ThCH\$
A	97.080.000-K	Banco Bice	Chile	UF	5.6%	6.3%	Half-yearly	3,086,451	3,986,243	7,072,694	45,525,150	24,031,530	-	69,556,680
B	97.080.000-K	Banco Bice	Chile	UF	5.6%	5.9%	Half-yearly	2,466,696	1,543,225	4,009,921	20,061,931	16,572,920	-	36,634,851
C	97.080.000-K	Banco Bice	Chile	UF	5.5%	5.5%	Half-yearly	2,939,477	3,848,669	6,788,146	33,069,116	32,334,247	8,026,496	73,429,859
D	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.1%	Half-yearly	2,939,477	3,916,017	6,855,494	22,780,947	32,334,247	25,555,996	80,671,190
E	97.004.000-5	Banco de Chile	Chile	UF	5.5%	4.9%	Half-yearly	3,365,240	2,057,634	5,422,874	12,345,803	19,033,114	29,906,847	61,285,764
F	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.0%	Half-yearly	1,396,252	1,892,098	3,288,350	8,377,509	12,915,327	20,202,278	41,495,114
G	97.080.000-K	Banco Bice	Chile	UF	4.5%	3.1%	Half-yearly	1,371,756	2,190,587	3,562,343	12,345,803	11,831,395	44,506,373	68,683,571
I	97.036.000-K	Banco Santander	Chile	UF	4.7%	4.8%	Half-yearly	3,807,955	4,442,898	8,250,853	22,847,730	15,231,820	18,702,749	56,782,299
J	97.036.000-K	Banco Santander	Chile	UF	4.5%	4.5%	Half-yearly	5,723,622	3,919,299	9,642,921	23,515,792	15,677,195	62,413,856	101,606,843
K	97.004.000-5	Banco de Chile	Chile	UF	3.8%	4.0%	Half-yearly	-	252,410	252,410	-	-	149,591,979	149,591,979
L	97.004.000-5	Banco de Chile	Chile	UF	3.9%	3.8%	Maturity	639,910	-	639,910	-	-	43,797,808	43,797,808
M	97.080.000-K	Banco Bice	Chile	UF	2.9%	2.5%	Half-yearly	-	232,271	232,271	-	-	119,670,887	119,670,887
1		Deutsche Bank T	USA	USD	4.8%	5.0%	Maturity	-	880,886	880,886	116,604,661	-	-	116,604,661
2		Deutsche Bank T	USA	USD	5.0%	5.2%	Maturity	-	3,308,342	3,308,342	-	-	349,338,507	349,338,507
3		Bank of New York	USA	USD	3.7%	4.4%	Maturity	5,269,286	-	5,269,286	-	-	346,854,809	346,854,809
4		Bank of New York	USA	USD	4.7%	4.9%	Maturity	13,570,215	-	13,570,215	-	-	711,574,634	711,574,634
<b>Total</b>								<b>46,576,337</b>	<b>32,470,579</b>	<b>79,046,916</b>	<b>317,474,442</b>	<b>179,961,795</b>	<b>1,930,143,219</b>	<b>2,427,579,456</b>

(\*) RTB: Representative of the Bondholders.

# **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

Obligations of Metro S.A. Debt Tax ID 61,219,000 - 3 country Chile with national and foreign entities as of 12-31-2020

Series	Tax ID No.: Bank	Banco RTB (*) and payer	Country	Currency	Nominal rate	Nominal effective	Type of Amortization	Current			Non-current			
								Maturity		Total current 12-31-2020	Maturity			Total non- current 12-31-2020
								Up to 90 days	90 days - 1 year		1 to 3 years	3 to 5 years	Over 5 years	
								ThCH\$	ThCH\$	ThCH\$	ThCH\$	ThCH\$	ThCH\$	ThCH\$
A	97.080.000-K	Banco Bice	Chile	UF	5.6%	6.3%	Half-yearly	5,073,774	3,052,385	8,126,159	39,681,000	32,065,577	-	71,746,577
B	97.080.000-K	Banco Bice	Chile	UF	5.6%	5.9%	Half-yearly	1,526,192	1,891,503	3,417,695	19,840,500	16,362,284	-	36,202,784
C	97.080.000-K	Banco Bice	Chile	UF	5.5%	5.5%	Half-yearly	4,943,720	2,907,033	7,850,753	27,616,814	31,977,363	15,933,433	75,527,610
D	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.1%	Half-yearly	5,089,198	2,907,033	7,996,231	17,442,198	31,977,363	33,337,773	82,757,334
E	97.004.000-5	Banco de Chile	Chile	UF	5.5%	4.9%	Half-yearly	2,034,923	2,472,320	4,507,243	12,209,539	18,823,039	29,647,359	60,679,937
F	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.0%	Half-yearly	2,486,471	1,380,841	3,867,312	8,285,044	10,356,305	23,820,938	42,462,287
G	97.080.000-K	Banco Bice	Chile	UF	4.5%	3.1%	Half-yearly	2,245,484	1,356,616	3,602,100	12,209,539	8,139,692	49,792,824	70,142,055
I	97.036.000-K	Banco Santander	Chile	UF	4.7%	4.8%	Half-yearly	5,218,147	3,765,925	8,984,072	22,595,552	15,063,701	22,247,000	59,906,253
J	97.036.000-K	Banco Santander	Chile	UF	4.5%	4.5%	Half-yearly	3,876,040	4,452,954	8,328,994	23,256,241	15,504,161	61,716,729	100,477,131
K	97.004.000-5	Banco de Chile	Chile	UF	3.8%	4.0%	Half-yearly	1,653,757	-	1,653,757	-	-	147,865,056	147,865,056
L	97.004.000-5	Banco de Chile	Chile	UF	3.9%	3.8%	Maturity	-	217,108	217,108	-	-	43,309,765	43,309,765
M	97.080.000-K	Banco Bice	Chile	UF	2.9%	2.5%	Half-yearly	1,024,851	-	1,024,851	-	-	118,410,188	118,410,188
1		Deutsche Bank T	USA	USD	4.8%	5.0%	Maturity	2,237,548	-	2,237,548	114,810,677	-	-	114,810,677
2		Deutsche Bank T	USA	USD	5.0%	5.2%	Maturity	7,701,958	-	7,701,958	-	-	344,038,401	344,038,401
3		Bank of New York	USA	USD	3.7%	4.4%	Maturity	-	1,946,225	1,946,225	-	-	341,317,910	341,317,910
4		Bank of New York	USA	USD	4.7%	4.9%	Maturity	-	5,012,197	5,012,197	-	-	700,810,736	700,810,736
<b>Total</b>								<b>45,112,063</b>	<b>31,362,140</b>	<b>76,474,203</b>	<b>297,947,104</b>	<b>180,269,485</b>	<b>1,932,248,112</b>	<b>2,410,464,701</b>

(\*) RTB: Representative of Bondholders.

## **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

On July 31, 2001, December 5, 2001, August 9, 2002, December 3, 2003, June 23, 2004 and September 14, 2005, the Company issued Series A to G bonds in the domestic market, all calculated on the basis of a 360-day year, at a 25-year term with 10 years of grace period for the principal payment, with half-yearly interest payments and without early redemption.

On September 3, 2008, the Company placed Series H and I bonds in the domestic market, calculated on the basis of a 360-day year, with a 12-year term and 7 years of grace period for series H and a 21-year term with 10 years of grace period for Series I, with half-yearly interest payments and early redemption.

On November 18, 2009, the Company placed Series J bonds in the domestic market, calculated on the basis of a 360-day year, at a 25-year term with 10 years of grace period, with half-yearly payment of interest and without early redemption.

On October 6, 2011, the Company placed series K bonds in the domestic market, calculated on the basis of a 360-day year, at a 21-year term with 16 years of grace period for principal payment, with half-yearly interest payments and allowing early redemption.

On May 24, 2012, the Company placed Series L bonds in the domestic market, calculated on the basis of a 360-day year, at a 21-year term with 21 years of grace period for principal payment, with payment of half-yearly interest and allowing early redemption.

On February 4, 2014, the Company placed a bond in the international market for MUS\$500 with a 4.846% interest rate for placement. The bond's coupon rate is 4.75%, calculated on the basis of a 360-day year, at 10-year term with 10 years of grace period for principal payment, with payment of half-yearly interest and allowing early redemption. On May 6, 2020, a partial prepayment of this instrument (a Tender Offer) covering 67.55% of the outstanding balance was made, and after that date MUS\$ 162,265 remains to be amortized, maintaining the bond coupon rate and the same previous maturity.

On September 29, 2016, the Company issued Series M bonds in the domestic market, calculated on the basis of a 360-day year, at a 30-year term with 26 years of grace period for principal payment, with payment of half-yearly interest and allowing early redemption.

On January 25, 2017, the Company placed a bond in the international market for MUS\$500 with a 5.151% interest rate for placement. The bond's coupon rate is 5.00%, calculated on the basis of a 360-day year, at 30-year term with 30 years of grace period for principal payment, with payment of half-yearly interest and allowing early redemption.

On May 04, 2020, the Company placed a bond in the international market for MUS\$500 with a 3.679% interest rate for placement. The bond's coupon rate is 3.65%, calculated on the basis of a 360-day year, at 10-year term with 10 years of grace period for principal payment, with payment of half-yearly interest and allowing early redemption.

On May 04, 2020, the Company placed a bond in the international market for MUS\$1000 with a 4.781% interest rate for placement. The bond's coupon rate is 4.7%, calculated on the basis of a 360-day year, at 30-year term with 30 years of grace period for principal payment, with payment of half-yearly interest and allowing early redemption.

## **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

The Series A and B bonds are guaranteed by the State, in accordance with Law Decree 1,263 and Laws No, 18,196, 18,382 and 19,702, in Exempt Decree 117 issued by the Ministries of Finance and Economy and of Development and Reconstruction, and Supreme Decree 389 issued by the Ministry of Finance, both on April 20, 2001.

The Series C bonds are guaranteed by the State, in accordance with Law Decree 1,263 and Laws No, 18,196, 18,382 and 19,774, in Exempt Decree 274 issued by the Ministries of Finance and Economy and of Development and Reconstruction, and Supreme Decree 363 issued by the Ministry of Finance, both on May 13, 2002.

The Series D and E bonds are guaranteed by the State, in accordance with Law Decree 1,263 and Laws No, 18,196, and 19,847, in Exempt Decree 222 dated April 29, 2003 issued by the Ministries of Finance and Economy and of Development and Reconstruction, and Supreme Decree 356 issued by the Ministry of Finance, on May 7, 2003.

The Series F bonds are guaranteed by the State, in accordance with Law Decree 1,263 and Laws No, 18,196 and 19,847. The authorization to issue and guarantee bonds in the domestic market was authorized by Supreme Decree 1,024, dated November 11, 2003 issued by the Ministries of Finance and Economy and of Development and Reconstruction.

The Series G bonds are guaranteed by the State, in accordance with Law Decree 1,263 and Laws No, 18,196 and 19,847. The authorization to issue and guarantee bonds in the domestic market was authorized by Supreme Decree 592, dated May 11, 2005 issued by the Ministries of Finance and Economy and of Development and Reconstruction.

The Series I, J, K, L, M and International bonds are not guaranteed, notwithstanding the creditors' general pledge right set forth in Chilean law.

The Company is not subject to any financial or other restrictive covenants under the instruments governing its Series A to G bonds. For the Series I, J, K and L bonds, the Company is required during each calendar year to maintain a debt/equity ratio that is lower than 1,7, equity in excess of ThCh\$700 million and for the years 2020, 2021 and 2022 it is not subject to interest coverage ratio indicator. International bonds are not subject to related restrictions or covenants.

For the M series, it is established for each calendar year to maintain a debt-equity ratio of less than 1.7 times and an equity of more than ThCh\$ 700 million. These restrictions will be calculated and determined with the Consolidated Financial Statements prepared as of December 31 of each calendar year and submitted to the CMF.

As of December 31, 2020, the Company is in compliance with all the financial indicators required in the bond issuance contracts per line of securities corresponding to the lines registered in the Securities Registry under numbers 515, with current issuance corresponding to Series I, 619, with current issuance corresponding to Series J, 681 and with current issuance corresponding to Series K and L.

On December 16, 2020, the Series I, J, K and L Bondholders' Meetings agreed to modify the financial covenant involving the interest hedge ratio of the respective bond issue contracts, and agreed that, during the periods corresponding to the years ended December 31, 2020, 2021 and 2022, the Company is not obliged to comply with such financial covenant, and during the period corresponding to the year ended December 31, 2023, the Company must comply with an interest hedge ratio equal to or greater than 0.5 times.

# NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

Expected liquidity analysis (by maturity) Derivative liabilities as of 03-31-2021

Tax ID No.:	Name	Country	Currency	Nominal rate	Type of amortization	Current			Non-current		
						Maturity		Total current 03-31-2021	Maturity		Total non-current 03-31-2021
						Up to 90 days	90 days - 1 year		1 to 3 years	Over 5 years	
						TcCh\$	TcCh\$		TcCh\$	TcCh\$	
97.004.000-5	Banco de Chile	Chile	UF	3.655%	Maturity	-	121,210	121,210	494,578	-	494,578
97.018.000-1	Scotiabank Chile	Chile	UF	3.590%	Maturity	-	118,213	118,213	278,809	-	278,809
97.036.000-K	Banco Santander	Chile	UF	3.443%	Maturity	-	112,798	112,798	66,150	-	66,150
97.018.000-1	Scotiabank Chile	Chile	UF	3.495%	Maturity	-	113,702	113,702	(74,899)	-	(74,899)
97.004.000-5	Banco de Chile	Chile	UF	3.500%	Maturity	-	145,462	145,462	(1,447,003)	-	(1,447,003)
97.036.000-K	Banco Santander	Chile	Ch\$	4.985%	Maturity	609,095	-	609,095	-	2,621,639	2,621,639
97.036.000-K	Banco Santander	Chile	Ch\$	4.950%	Maturity	599,313	-	599,313	-	2,203,417	2,203,417
97.036.000-K	Banco Santander	Chile	Ch\$	4.987%	Maturity	609,339	-	609,339	-	2,626,682	2,626,682
97.018.000-1	Scotiabank Chile	Chile	Ch\$	4.930%	Maturity	594,542	-	594,542	-	2,012,226	2,012,226
97.018.000-1	Scotiabank Chile	Chile	Ch\$	4.910%	Maturity	592,130	-	592,130	-	1,962,448	1,962,448
97.036.000-K	Banco Santander	Chile	Ch\$	4.980%	Maturity	606,901	-	606,901	-	2,514,558	2,514,558
97.036.000-K	Banco Santander	Chile	Ch\$	4.995%	Maturity	602,380	-	602,380	-	2,174,004	2,174,004
97.036.000-K	Banco Santander	Chile	Ch\$	4.970%	Maturity	595,417	-	595,417	-	1,875,766	1,875,766
97.018.000-1	Scotiabank Chile	Chile	Ch\$	5.040%	Maturity	604,604	-	604,604	-	2,096,274	2,096,274
97.004.000-5	Banco de Chile	Chile	Ch\$	4.980%	Maturity	596,615	-	596,615	-	1,900,491	1,900,491
<b>Total</b>						<b>6,010,336</b>	<b>611,385</b>	<b>6,621,721</b>	<b>(682,365)</b>	<b>21,987,505</b>	<b>21,305,140</b>

# NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

Derivative liabilities as of 12-31-2020

Tax ID No.:	Name	Country	Currency	Nominal rate	Type of amortization	Current		Non-current		
						Maturity		Maturity		Total non-current
						Up to 90 days	90 days - 1 year	12-31-2020	1 to 3 years	Over 5 years
						TcCh\$	TcCh\$		TcCh\$	TcCh\$
97.004.000-5	Banco de Chile	Chile	UF	3.655%	Maturity	312,523	-	312,523	-	680,648
97.018.000-1	Scotiabank Chile	Chile	UF	3.590%	Maturity	304,795	-	304,795	-	460,161
97.036.000-K	Banco Santander	Chile	UF	3.443%	Maturity	290,835	-	290,835	-	239,093
97.018.000-1	Scotiabank Chile	Chile	UF	3.495%	Maturity	293,165	-	293,165	-	99,333
97.004.000-5	Banco de Chile	Chile	UF	3.500%	Maturity	375,054	-	375,054	-	(1,224,942)
97.036.000-K	Banco Santander	Chile	Ch\$	4.985%	Maturity	-	225,749	225,749	-	2,096,269
97.036.000-K	Banco Santander	Chile	Ch\$	4.950%	Maturity	-	222,123	222,123	-	2,046,432
97.036.000-K	Banco Santander	Chile	Ch\$	4.987%	Maturity	-	225,839	225,839	-	2,299,820
97.018.000-1	Scotiabank Chile	Chile	Ch\$	4.930%	Maturity	-	220,355	220,355	-	2,755,928
97.018.000-1	Scotiabank Chile	Chile	Ch\$	4.910%	Maturity	-	219,461	219,461	-	2,751,405
97.036.000-K	Banco Santander	Chile	Ch\$	4.980%	Maturity	-	224,935	224,935	-	2,632,059
97.036.000-K	Banco Santander	Chile	Ch\$	4.995%	Maturity	-	223,260	223,260	-	2,272,512
97.036.000-K	Banco Santander	Chile	Ch\$	4.970%	Maturity	-	220,679	220,679	-	1,984,172
97.018.000-1	Scotiabank Chile	Chile	Ch\$	5.040%	Maturity	-	224,084	224,084	-	2,190,475
97.004.000-5	Banco de Chile	Chile	Ch\$	4.980%	Maturity	-	221,123	221,123	-	1,957,172
Total						1,576,372	2,227,608	3,803,980	-	23,240,537

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

**Forward operations**

Obligations of Metro S.A. Rut Debtor 61,219,000 - 3 country Chile with national entities at 03-31-2021.

Tax ID No. :	Name	Country	Currency	Notional amount	Fair value		
					Maturity		Total, current
					Up to 90 days	90 days - 1 year	03-31-2021
					ThCh\$	ThCh\$	ThCh\$
97.018.000-1	Scotiabank Chile	Chile	USD	23,500,000.00	1,077,005	-	1,077,005
97.004.000-5	Banco de Chile	Chile	USD	1,825,000.00	82,180	-	82,180
97.018.000-1	Scotiabank Chile	Chile	USD	12,500,000.00	-	582,500	582,500
97.004.000-5	Banco de Chile	Chile	USD	1,260,889.10	50,599	-	50,599
97.018.000-1	Scotiabank Chile	Chile	USD	936,495.08	-	37,638	37,638
97.018.000-1	Scotiabank Chile	Chile	USD	23,500,000.00	-	815,685	815,685
97.004.000-5	Banco de Chile	Chile	USD	1,825,000.00	-	72,544	72,544
97.004.000-5	Banco de Chile	Chile	USD	1,256,147.08	-	50,258	50,258
<b>Total</b>				<b>66,603,531.26</b>	<b>1,209,784</b>	<b>1,558,625</b>	<b>2,768,409</b>

**Forward operations**

Obligations of Metro S.A. Rut Debtor 61,219,000 - 3 country Chile with national entities at 12-31-2020.

Tax ID No. :	Name	Country	Currency	Notional amount	Fair value		
					Maturity		Total, current
					Up to 90 days	90 days - 1 year	12-31-2020
					ThCh\$	ThCh\$	ThCh\$
97.036.000-K	Banco Santander	Chile	USD	12,500,000.00	660,500	-	660,500
97.036.000-K	Banco Santander	Chile	USD	940,003.85	49,651	-	49,651
97.018.000-1	Scotiabank Chile	Chile	USD	23,500,000.00	-	1,237,275	1,237,275
97.004.000-5	Banco de Chile	Chile	USD	1,825,000.00	-	94,626	94,626
97.018.000-1	Scotiabank Chile	Chile	USD	12,500,000.00	-	665,500	665,500
97.004.000-5	Banco de Chile	Chile	USD	1,260,889.10	-	58,985	58,985
97.018.000-1	Scotiabank Chile	Chile	USD	936,495.08	-	43,912	43,912
97.018.000-1	Scotiabank Chile	Chile	USD	23,500,000.00	-	975,250	975,250
97.004.000-5	Banco de Chile	Chile	USD	1,825,000.00	-	84,936	84,936
97.004.000-5	Banco de Chile	Chile	USD	1,256,147.08	-	59,026	59,026
<b>Total</b>				<b>80,043,535.11</b>	<b>710,151</b>	<b>3,219,510</b>	<b>3,929,661</b>

**Rollforward of financial liabilities derived from financing activities.**

Item	Balance as of 12-31-2020	Cash flows from financing activities		Changes that have no effect on cash flow from financing activities		Balance as of 03-31-2021
		From	Used	Exchange rate differences	Other	
Interest-bearing loans	18,386,140	-	(707,148)	392,404	(69,717)	18,001,679
Bonds	2,486,938,904	-	(37,703,904)	33,854,745	23,536,627	2,506,626,372
Derivative transactions	30,974,178	-	(1,941,421)	1,227,159	435,354	30,695,270
Other	2,746	-	-	-	-	2,746
<b>Total</b>	<b>2,536,301,968</b>	<b>-</b>	<b>(40,352,473)</b>	<b>35,474,308</b>	<b>23,902,264</b>	<b>2,555,326,067</b>

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

**13. Other non-financial liabilities, current and non-current**

Other current and non-current non-financial liabilities are detailed below:

<b>Current</b>	<b>03-31-2021 ThCh\$</b>	<b>12-31-2020 ThCh\$</b>
Real estate tax	7,564,460	6,211,514
Deferred income (*)	1,409,676	965,469
Deferred advertising income (**)	4,238,097	4,022,287
Guarantees received	2,147,462	1,715,947
<b>Total</b>	<b>15,359,695</b>	<b>12,915,217</b>

<b>Non-current</b>	<b>03-31-2021 ThCh\$</b>	<b>12-31-2020 ThCh\$</b>
Deferred income (*)	2,619,056	2,655,012
Deferred advertising income (**)	6,687,310	7,703,638
<b>Total</b>	<b>9,306,366</b>	<b>10,358,650</b>

(\*) Corresponds to advances on operating leases.

(\*\*) Effective as of July 1, 2018, a contract was made with Massiva S.A., lasting a period of 10 years, which establishes a minimum annual guaranteed income (MAG) payable during the term of the contract. On March 10, 2020, appendix 1 was signed, which extended the term for two years until June 2030, and the MAG was modified.



**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

**14. Balances and transactions with related parties**

Documents and accounts receivable:

As of March 31, 2021 and as of December 31, 2020, the Company records no outstanding balances of receivables from related parties.

Documents and accounts payable:

These are contributions received from the Government of Chile for network expansion projects. As of March 31, 2021, contributions pending capitalization amounted to ThCh\$187,609,512 (ThCh\$ 160,609,512 in 2020).

Additionally, commercial transactions with other related entities, as defined by IAS 24, such as “Empresa de Ferrocarriles del Estado” and “Casa de Moneda de Chile”, since they belong to the same group of companies whose owner or shareholder is the State of Chile (they are referred to as “SEP companies” in Chile).

As of March 31, 2021, non-current liabilities with Empresa de Ferrocarriles del Estado amount to ThCh\$ 4,454,641 (ThCh\$ 4,496,779 in 2020) and with Casa de Moneda de Chile for the year 2020, a balance of ThCh\$ 75,800 (current liabilities)

Transactions:

Year 2021

During the first quarter of 2021, the Company received contributions from the Chilean Treasury amounting to ThCh\$ 27,000,000 and during the first quarter of 2020 ThCh\$ 20,000,000.

The balance pending capitalization amounts to ThCh\$ 187,609,512 as of March 31, 2021 composed of contributions received during the years 2021, 2020 and 2018.

Year 2020

The Company received contributions from the Chilean Treasury amounting to ThCh\$ 414,047,736.

On August 18, 2020, ThCh\$ 108,611,952 were capitalized through the issuance of 4,453,134,563 payment shares.

On November 18, ThCh\$ 2,741,030 were capitalized through the issuance and placement of 121,284,513 cash shares.

On December 29, ThCh\$ 164,600,372 were capitalized through the issuance and placement of 7,283,202,296 cash shares. (Details of the capitalizations can be found in Note No. 20).

The balance pending capitalization amounts to ThCh\$ 160,609,512 as of December 31, 2020 composed of contributions received during 2020 and 2018.

As detailed in Note 12 to the financial statements, the Chilean Treasury is guarantor of certain bank loans and bonds issued by the Company.

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

**Key management personnel**

The key personnel of Metro S.A. are those persons with authority and responsibility for planning, directing and controlling the entity's activities. The Company has determined that the key management personnel are the Directors, General Manager and Managers of the Company's different areas (principal executives).

The expense for compensation received by key management personnel is detailed as follows:

Directors' income are as follows:

<b>Director's income</b>	<b>01-01-2021 03-31-2021 M\$</b>	<b>01-01-2020 03-31-2020 M\$</b>
Fixed remuneration	50,841	51,623
Variable remuneration	-	-
<b>Total</b>	<b>50,841</b>	<b>51,623</b>

**Board of Directors' expenses**

During the first quarter of 2021 and 2020, there were no airplane ticket expenses.

During the first quarter of 2021 and 2020, there were no travel and lodging expenses.

Remunerations of the General Manager and Other Managers:

During the first quarter of 2021, the compensation paid to the General Manager was ThCh\$101,952 (ThCh\$91,977 as of March 2020) and compensation paid to Other Managers (19 most senior executives) was ThCh\$1,008,385 (ThCh\$972,134 paid to the 20 most senior executives as of March 2020).

**15. Trade and other payables**

This item comprises the following:

<b>Current Liabilities</b>	<b>03-31-2021 ThCh\$</b>	<b>12-31-2020 ThCh\$</b>
Debts for purchases or services received	66,652,722	68,191,457
Accounts payable to Transantiago system	2,934,656	5,241,857
Withholdings	1,013,161	552,208
Supplier of property, plant and equipment	20,432,777	23,305,926
Megaproject contract withholding	3,549,530	2,541,835
Other payables	2,321,192	1,236,841
Accounts payable to AVO (Amerigo Vesputio Oriente)	233,085	233,085
<b>Total</b>	<b>97,137,123</b>	<b>101,303,209</b>

<b>Non-Current Liabilities</b>	<b>03-31-2021 ThCh\$</b>	<b>12-31-2020 ThCh\$</b>
Accounts payable to AVO (Amerigo Vesputio Oriente)	2,137,797	2,305,527
<b>Total</b>	<b>2,137,797</b>	<b>2,305,527</b>

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

<b>Suppliers with payment up to date (payable on due date)</b>	<b>03-31-2021 ThCh\$</b>	<b>12-31-2020 ThCh\$</b>
Goods	8,575,931	11,847,478
Services	80,175,817	80,793,708
Other	8,385,375	8,662,023
<b>Total</b>	<b>97,137,123</b>	<b>101,303,209</b>

The main suppliers as of March 31, 2021 are: Besalco Dragados S.A., Alstom Chile S.A., Colas Rail Establecimiento Permanente, Consorcio EI-OSSA S.A., Obras con Huarte Lain Agencia en Chile, OFC SpA, CAF Chile S.A., Thyssenkrupp Elevadores S.A., ISS Servicios Integrales Ltda.

**16. Segment information**

The Company reports segment information in accordance with IFRS 8 "Operating Segments". IFRS 8 stipulates that this Standard must be applied by entities with capital stock or debt securities which are publicly traded or by entities that are in the process of issuing securities to be traded in public markets.

Metro S.A. is a corporation that must follow the rules for publicly-traded corporations in Chile. Its corporate purpose is to carry out all the activities associated with passenger transportation in metropolitan trains or other supplementary electrical systems, and surface transportation by bus or vehicles of any technology, as well as activities that supplement this line of business. In this regard, the Company may incorporate, or have an interest in, companies, and carry out any act or operation related to its line of business, whose main income corresponds to the transportation of passengers.

Services are provided using a common technological and administrative infrastructure. The current activities consist in the provision of services in a national environment, and have a common environment in terms of economic and political conditions.

The Company manages its operations and presents its financial information as one single operating segment: transportation of passengers in the city of Santiago, Chile, considering that all other areas of business are derived from this main line of business.

**17. Employee benefits**

Current

<b>Item</b>	<b>03-31-2021 ThCh\$</b>	<b>12-31-2020 ThCh\$</b>
Accrued vacations	6,522,003	6,173,800
Employee benefit obligations	1,407,304	2,004,354
Production bonus obligations	2,060,999	7,204,254
<b>Total</b>	<b>9,990,306</b>	<b>15,382,408</b>

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

Non-current

Item	03-31-2021 ThCh\$	12-31-2020 ThCh\$
Provision for terminations of employment contracts	14,030,707	14,335,663
Provision for resignations	33,278	34,742
Provision for mortality	494,747	516,136
Advance for severance indemnity payments	(1,773,266)	(1,824,600)
<b>Total</b>	<b>12,785,466</b>	<b>13,061,941</b>

Movements in severance indemnity payments for the period ended March 31, 2021 and 2020 are detailed as follows:

Item	ThCh\$
<b>Liabilities as of 01-01-2021</b>	13,061,941
Service interest	119,995
Benefits paid	(414,243)
Actuarial profit (loss)	17,773
<b>Liabilities as of 03-31-2021</b>	<b>12,785,466</b>

Item	ThCh\$
<b>Liabilities as of 01-01-2020</b>	13,087,241
Service interest	418,229
Benefits paid	(607,711)
Actuarial profit (loss)	164,182
<b>Liabilities as of 12-31-2020</b>	<b>13,061,941</b>

Sensitivity analysis

Reasonable possible changes in the relevant actuarial assumptions at the reporting date, provided that other assumptions remain constant, would have affected the defined benefit obligation by the following amounts:

2021

Items	Increase	Base	Decrease	Increase ThCh\$	Decrease ThCh\$
Discount rates (change of 0.5)	4.175%	3.675%	3.175%	12,705,973	12,808,299
Increase in salary (change of 0.5)	4.530%	4.030%	3.530%	12,989,469	12,588,257
Labor turnover (25% change)	1.740%	1.450%	1.160%	12,768,358	12,803,152
Mortality rate (25% change)	25.00%	CB14 y RV14	-25.00%	12,777,747	12,793,226

2020

Items	Increase	Base	Decrease	Increase ThCh\$	Decrease ThCh\$
Discount rates (change of 0.5)	3.696%	3.200%	2.696%	12,978,166	13,067,073
Increase in salary (change of 0.5)	4.530%	4.030%	3.530%	13,279,062	12,852,223
Labor turnover (25% change)	1.740%	1.450%	1.160%	13,041,657	13,082,952
Mortality rate (25% change)	25.00%	CB14 y RV14	-25.00%	13,052,194	13,071,763

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

Projection of the actuarial calculation for the following year:

The projected calculation for the following year is ThCh\$13,169,030.

Estimate of expected cash flows for the following year:

The Company estimates that for the following years there will be expected payment flows for obligations on a monthly average of ThCh\$44,433 as of March 31, 2021 (ThCh\$59,881 as of March 31, 2020).

### General considerations

The Company has benefits that are agreed upon with its active employees and frozen severance indemnity payments, which require actuarial valuation and it has collective agreements, which include benefits for the concept of termination, voluntary retirement and death of an employee. In agreements with its unions, the Company froze the benefits accrued by employees on different dates.

### Frozen severance:

Frozen indemnity corresponds to the severance benefits established in the respective collective agreements of the Company. The benefit is based on the various reasons for termination of the employment contract, such as on employee's resignation and death.

The freezing dates established in the agreements are May 31, 2002, August 31, 2003 and November 30, 2003, depending on the union and the reason for the termination.

### Actuarial assumptions:

Actuarial assumptions are long-term assumptions and, should there be sufficient substantive evidence, they must be updated.

#### 1. Mortality:

The CB-H-2014 men and RV-M-2014 women's mortality tables established by the Chilean Superintendency of Pensions and Financial Market Commission were used.

#### 2. Employee turnover:

The turnover tables were prepared using information available in the Company. Constant ratios may be observed in the following table:

Reason	Rate %
Dismissal	1.26
Resignation	0.12
Other	0.07

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED  
MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

3. Discount rate:

The real annual discount rates used for each year are as follows:

Year	Rate %
03-31-2021	3.67
12-31-2020	3.20

4. Termination:

The estimated maximum average termination ages are:

Employee	Age
Women	62 years
Men	68 years

5. Staffing:

As of March 31, 2021 staffing is 4,450 (average 4,472) and as of December 31, 2020 is 4,519 (average 4,580).

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

**18. Income tax**

The Company had a negative first category (corporate) tax base of ThCh\$1,776,910,250 as of March 2021, of ThCh\$1,705,229,073 as of December 2020, and of ThCh\$1,554,630,993 as of March 2020, determined in accordance with current legal provisions; therefore no income tax provision has been recognized as of these dates.

Because the Company has consistently recorded tax losses since the 1996 taxable year, the Company considers that it is unlikely that there will be sufficient future taxable profits to allow it to reverse the deferred tax assets; therefore these have been recognized up to the amount of deferred tax liabilities(1).

Temporary Difference	Tax assets		Tax liabilities	
	03-31-2021 ThCh\$	12-31-2020 ThCh\$	03-31-2021 ThCh\$	12-31-2020 ThCh\$
Provision for impairment of accounts receivable	359,841	315,803	-	-
Deferred revenue	1,007,183	905,120	-	-
Accrued vacations	1,630,501	1,543,450	-	-
Severance indemnity	1,263,811	1,307,961	-	-
Provision for lawsuits	87,198	82,875	-	-
Maintenance provision	1,579,408	1,442,190	-	-
Provision for employee benefits	351,826	501,089	-	-
Provision for spare parts	660,967	660,967	-	-
Irrecoverable VAT credit for extensions	-	-	33,565,507	33,167,497
Capitalized expenses	-	-	73,763,239	73,054,195
Property, plant and equipment	194,373,048	180,180,237	-	-
Tax loss	444,227,563	426,307,268	-	-
Other	3,670,442	3,251,198	-	-
Subtotal	649,211,788	616,498,158	107,328,746	106,221,692
Deferred tax assets, net	541,883,042	510,276,466	-	-
Reduction of deferred tax assets (1)	(541,883,042)	(510,276,466)	-	-
Deferred taxes, net	-	-	-	-

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

**19. Provisions, contingencies and guarantees**

As of March 31, 2021, and 2020, the Company is involved in legal proceedings (civil and labor), which include subsidiary lawsuits, which are not provisioned because of the application of IAS 37, due to the remote probability of unfavorable judgment.

The amount of the provision for lawsuit is as follows:

<b>Other short-term provisions</b>	<b>03-31-2021 ThCh\$</b>	<b>12-31-2020 ThCh\$</b>
Provision for lawsuits	348,791	331,499
<b>Total</b>	<b>348,791</b>	<b>331,499</b>

According to the current status of legal proceedings, Management believes those provisions recorded in the Interim Consolidated Financial Statements properly cover the risks associated with the litigation, which are not expected to generate any additional liabilities.

Considering the risk's characteristics that these provisions cover, it is impossible to determine a reasonable payment schedule.

Movements of provisions are as follows:

<b>Item</b>	<b>Amount ThCh\$</b>
Balances as of 12-31-2019	623,810
Accrued provisions	731,568
Cash payments	(1,023,879)
Balances as of 12-31-2020	331,499
Accrued provisions	94,270
Cash payments	(76,978)
Balances as of 03-31-2021	348,791



**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

**Direct guarantees**

The guarantees granted by the Company are in UF, expressed in thousands of Chilean pesos as of March 31, 2020. They are according to the following detail.

No. of guarantee	Issuing entity	UF Amount	Beneficiary	Date entity	Date maturity	Rate ThCh\$
537164	BCI	10,000.00	San Juan S.A.	03-24-2020	04-01-2021	293,948
4419388	Banco Itaú Corpbanca	5,000.00	Subsecretaría de Transportes	07-08-2020	08-10-2021	146,974
4419389	Banco Itaú Corpbanca	5,000.00	Subsecretaría de Transportes	07-08-2020	08-10-2021	146,974
4419390	Banco Itaú Corpbanca	5,000.00	Subsecretaría de Transportes	07-08-2020	08-10-2021	146,974
4419391	Banco Itaú Corpbanca	5,000.00	Subsecretaría de Transportes	07-08-2020	08-10-2021	146,974
4419392	Banco Itaú Corpbanca	5,000.00	Subsecretaría de Transportes	07-08-2020	08-10-2021	146,974
4419393	Banco Itaú Corpbanca	5,000.00	Subsecretaría de Transportes	07-08-2020	08-10-2021	146,974
4419394	Banco Itaú Corpbanca	5,000.00	Subsecretaría de Transportes	07-08-2020	08-10-2021	146,974
4419395	Banco Itaú Corpbanca	5,000.00	Subsecretaría de Transportes	07-08-2020	08-10-2021	146,974
4419396	Banco Itaú Corpbanca	5,000.00	Subsecretaría de Transportes	07-08-2020	08-10-2021	146,974
4419397	Banco Itaú Corpbanca	5,000.00	Subsecretaría de Transportes	07-08-2020	08-10-2021	146,974
4419398	Banco Itaú Corpbanca	1,000.00	Subsecretaría de Transportes	07-08-2020	08-10-2021	29,395
567455	BCI	22,500.00	Pelicano Solar Company SPA	11-13-2020	11-17-2021	661,382
572773	BCI	1,128.00	Director General de Concesiones de Obras Públicas	12-04-2020	12-31-2021	33,157
567454	BCI	10,000.00	Enel Distribuidora S.A.	11-13-2020	12-31-2021	293,948
D09040612116	BCI	10,000.00	San Juan S.A.	03-25-2021	04-01-2022	293,948
5760260	Banco Santander	13,071.63	Junaeb	03-23-2020	06-30-2022	384,238

As of the closing date of the Interim Consolidated Financial Statements, there are no balances pending payment, since they are Performance Guarantees.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

### 20. Changes in equity

#### 2020 Capital increase

At the Extraordinary Shareholders' Meeting held on December 29, 2020, the shareholders of the Company agreed to:

- ✓ Increase the subscribed and paid-in capital as of the date of the Meeting, by capitalizing contributions up to the amount of ThCh\$ 2,741,030, at par value, an amount allocated to financing the Line 2 and 3 Extensions, projects to strengthen the Metro System and Debt Service through the issuance of 121,284,513 Series "A" registered shares with no par value, of which 82,764,552 were subscribed and paid in by Corporación de Fomento de la Producción, and 38,519,961 by the Chilean Treasury, at a value of Ch\$22.60 pesos per share. Also, increase the subscribed and paid-in capital as of the date of the Meeting, by capitalizing government contributions up to the amount of ThCh\$164,600,372, at par value, an amount allocated to financing the Line 2 and 3 Extensions, Projects to Strengthen the Metro System, Debt Service and reconstruction expenses and investments, through the issuance of 7,283,202,296 registered Series "A" shares with no par value, which were fully subscribed and paid in by the Chilean Treasury, at Ch\$ 22.60 per share. As a result, the shareholders are as follows: a 64.12% interest is held by Corporación de Fomento de la Producción and 35.88% is held by the Chilean Treasury.

On November 18, 2020, CORFO paid the government contributions signed on August 18, 2020.

At the Extraordinary Shareholders' Meeting held on August 18, 2020, the shareholders of the Company agreed to:

- ✓ Increase the subscribed and paid-in capital as of the date of the Shareholders' Meeting by capitalizing nominal contributions of Ch\$108,611,952,000, an amount allocated to financing the new Line 7, for which 4,453,134,563 ordinary no par value Series "A" shares would be issued, and that would be subscribed by CORFO at a value of Ch\$ 24.39 per share. These shares will be paid in no later than December 31, 2020. As a result, the shareholders are as follows: a 68.24% interest is held by Corporación de Fomento de la Producción and 31.76% is held by the Chilean Treasury.

#### a. Capital

As of March 31, 2021 and December 31, 2020 the capital of the Company is represented by 101,502,355,275 and 19,163,677,063 Series A and B nominative shares with no par value, respectively, with 77,367,324,509 shares corresponding to CORFO and 43,298,707,509 to the Chilean Government.

Series A shares correspond to the initial capital and capital increases that are subscribed and paid by the Government and CORFO and cannot be disposed of. Series B shares correspond to capital increases that could allow the incorporation of other shareholders.

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

Shareholders are detailed as follows:

Shareholders	03-31-2021		12-31-2020	
	Number of shares and percentages			
	Paid-in shares	Ownership %	Paid-in shares	Ownership %
Corporación de Fomento de la Producción	77,367,324,509	64.12%	77,367,324,509	64.12%
Chilean Treasury - Ministry of Finance	43,298,707,829	35.88%	43,298,707,829	35.88%
<b>Total</b>	<b>120,666,032,338</b>	-	<b>120,666,032,338</b>	-
Corporación de Fomento de la Producción				
Series A	65,263,853,203	-	65,263,853,203	-
Series B	12,103,471,306	-	12,103,471,306	-
<b>Total</b>	<b>77,367,324,509</b>	-	<b>77,367,324,509</b>	-
Chilean Treasury - Ministry of Finance				
Series A	36,238,502,072	-	36,238,502,072	-
Series B	7,060,205,757	-	7,060,205,757	-
<b>Total</b>	<b>43,298,707,829</b>	-	<b>43,298,707,829</b>	-

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

### b. Distribution of net income and dividends

The Company's dividend policy is consistent with current legislation according to which at least 30% of net profits for the year must be distributed as cash dividends, unless otherwise resolved by the Shareholders' Meeting by the unanimous vote of the outstanding shares issued.

At the Ordinary Shareholders' Meeting held on April 28, 2021, the shareholders resolved not to distribute net income or dividends.

Since the Company earned no profits, the shareholders agree not to withdraw dividends and reiterate that the Company's policy in this matter follows the provisions in the Company's by-laws and in the Chilean corporation law.

### c. Non-controlling interests

Non-controlling interests correspond to the recognition by the Company of the share in the equity and net income of its subsidiary not directly or indirectly attributable to the Company. The detail for periods ended March 31, 2021 and 2020, respectively, is as follows:

Subsidiary	Percentage		Non-controlling interest equity		Share of profit or loss income (expense)	
	Non-controlling interest					
	2021 %	2020 %	2021 ThCh\$	2020 ThCh\$	2021 ThCh\$	2020 ThCh\$
Transub S.A.	33.33	33.33	(10,645)	(10,645)		

### d. Other reserves

Other reserves are composed of revaluation of paid-in capital for the year of transition to IFRS, revaluation surplus (first-time adoption) of land and adjustments originating from the exception in IFRS accounting standards, as reiterated in Ruling 456 issued by the Financial Market Commission:

The cash flow hedge reserve arises from the application of hedge accounting on certain financial assets and liabilities. The purpose of this reserve is to affect the profit or loss when the hedged item records effects thereto.

Other reserves	03-31-2021 ThCh\$	12-31-2020 ThCh\$
Price-level restatement of paid-in capital	30,336,377	30,336,377
Revaluation surplus	3,042,584	3,042,584
Actuarial (loss) on defined benefit plans	(17,773)	(164,182)
Cash flow hedges	(13,760,880)	(11,681,947)
Total	<b>19,600,308</b>	<b>21,532,832</b>

Additional and supplementary information is presented in the Interim Consolidated Statement of Changes in Net Equity.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

### 21. Income and expenses

Revenue:

For the periods ended as of March 31, 2021 and 2020, revenue is detailed as follows:

Revenue	01-01-2021 03-31-2021 ThCh\$	01-01-2020 03-31-2020 ThCh\$
Revenue from passenger transportation services	39,139,335	62,307,089
Sales channel income	8,343,812	7,906,478
Lease of commercial stores, and commercial and advertising spaces	3,785,938	3,714,676
Lease in inter-modal terminals	910,953	336,724
Lease of spaces for telephone and fiber optic antennas	1,990,406	1,899,083
Lease of land	190,679	204,660
Advisory services	4,888	-
Other	21,826	106,682
<b>Total</b>	<b>54,387,837</b>	<b>76,475,392</b>

Other income, by function

For the periods ended March 31, 2021 and 2020, other income by function is detailed as follows:

Other income by function	01-01-2021 03-31-2021 ThCh\$	01-01-2020 03-31-2020 ThCh\$
Income from fines and indemnities (*)	291,747	578,735
Funding for welfare costs	156,791	135,957
Sale of proposals	18,455	6,300
Net present value VAT	-	1,406,588
Other income	198,257	197,283
<b>Total</b>	<b>665,250</b>	<b>2,324,863</b>

(\*) In the first quarter of 2021 and 2020, revenues from penalties and compensation correspond to the application of fines for non-compliance with supplier contracts.

Operating income

The operating income in XBRL format (common electronic format for business reporting) for the periods ended March 31, 2021 and 2020, is as follows:

Operating income	01-01-2021 03-31-2021 ThCh\$	01-01-2020 03-31-2020 ThCh\$
Revenue	54,387,837	76,475,392
Cost of sales	(89,474,312)	(96,288,825)
Gross profit	(35,086,475)	(19,813,433)
Other income	665,250	2,324,863
Administrative expenses	(10,338,090)	(8,604,002)
Other expenses by function	(2,052,735)	(1,054,128)
Other income (expenses)	(827,092)	(1,262,187)
Profit (loss) from operating activities	(47,639,142)	(28,408,887)

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

Expenses by nature:

The following is the detail of cost of sales, administrative expenses and other expenses by function for the periods ended March 31, 2021 and 2020:

Expenses by nature	01-01-2021 03-31-2021 ThCh\$	01-01-2020 03-31-2020 ThCh\$
Employee expenses	23,629,307	23,415,776
Operation and maintenance expenses	20,245,106	25,244,308
Purchase of energy	14,602,519	15,020,113
General and other expenses	11,229,088	11,982,012
Other expenses by function	2,052,735	1,054,128
Depreciation and amortization	30,106,382	29,230,618
<b>Total</b>	<b>101,865,137</b>	<b>105,946,955</b>

Personnel expenses:

For the periods ended March 31, 2021 and 2020, this item is detailed as follows:

Employee expenses	01-01-2020 03-31-2020 ThCh\$	01-01-2020 03-31-2020 ThCh\$
Salaries and wages	16,403,909	16,354,042
Other Benefits	5,245,332	5,450,270
Expenses for social security and collective bargaining benefits	953,079	519,061
Social security contribution	1,026,987	1,092,403
<b>Total</b>	<b>23,629,307</b>	<b>23,415,776</b>

Maintenance and operating expenses:

For the periods ended March 31, 2021 and 2020, this item is detailed as follows:

Operation and maintenance expenses	01-01-2021 03-31-2021 ThCh\$	01-01-2020 03-31-2020 ThCh\$
Maintenance of rolling stock, stations and other	16,286,027	21,250,758
Spare parts and materials	2,929,920	2,881,670
Repairs, leases and other	1,029,159	1,111,880
<b>Total</b>	<b>20,245,106</b>	<b>25,244,308</b>

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

General and other expenses:

For the periods ended March 31, 2021 and 2020, this item is detailed as follows:

General expenses	01-01-2021 03-31-2021 ThCh\$	01-01-2020 03-31-2020 ThCh\$
Service contracts	5,718,850	5,815,022
Real estate taxes	1,450,484	1,276,156
Corporate image expenses	37,882	128,400
Sales channel operator expense	3,115,918	4,203,389
Insurance, materials and other	905,954	559,045
<b>Total</b>	<b>11,229,088</b>	<b>11,982,012</b>

Other expenses by function:

For the periods ended March 31, 2021 and 2020, this item is detailed as follows:

Other expenses by function	01-01-2021 03-31-2021 ThCh\$	01-01-2020 03-31-2020 ThCh\$
Disposals of PPE in period	-	30
Inventories disposals	2,239	1,150
Fines and Compensation	6,321	286,137
Reconstruction services contracts	19,043	166,462
Net present value VAT	1,693,980	538,884
Other expenses	331,152	61,465
<b>Total</b>	<b>2,052,735</b>	<b>1,054,128</b>

Depreciation and amortization:

For the periods ended March 31, 2021 and 2020, this item is detailed as follows:

Depreciation, amortization	01-01-2021 03-31-2021 ThCh\$	01-01-2020 03-31-2020 ThCh\$
Depreciation	29,853,004	29,020,899
Amortization	253,378	209,719
<b>Total</b>	<b>30,106,382</b>	<b>29,230,618</b>

# NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

Financial income/costs results and exchange differences:

The Company's financial income/costs results and exchange differences for the periods ended March 31, 2021 and 2020, are detailed as follows:

Financial profit or loss	01-01-2021 03-31-2021 ThCh\$	01-01-2020 03-31-2020 ThCh\$
<b>Finance income</b>		
Interest from cash and cash equivalents	238,819	1,180,591
Finance income from swaps	-	1,484,850
Other finance income	48,674	61,967
<b>Subtotal</b>	<b>287,493</b>	<b>2,727,408</b>
<b>Finance expenses</b>		
Interest and expenses on bank loans	(1,640,378)	(4,767,808)
Bond interest and expenses	(24,379,223)	(16,493,175)
Other financial costs	(443,933)	(682,522)
<b>Subtotal</b>	<b>(26,463,534)</b>	<b>(21,943,505)</b>
Profit (loss) from financial result	(26,176,041)	(19,216,097)

Foreign currency translation and indexation units	01-01-2021 03-31-2021 ThCh\$	01-01-2020 03-31-2020 ThCh\$
<b>Foreign currency translation difference</b>		
Profit (loss) from exchange differences (foreign loans, bonds, swap and investments)	(11,764,331)	(135,279,928)
<b>Total foreign currency translation difference</b>	<b>(11,764,331)</b>	<b>(135,279,928)</b>
<b>Indexation units</b>		
Profit (loss) from Indexation unit (bonds)	(10,572,630)	(9,637,080)
<b>Total indexation units</b>	<b>(10,572,630)</b>	<b>(9,637,080)</b>



**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

Other profit (losses):

Other Company's profit (losses) for the periods ended March 31, 2021 and 2020, are detailed as follows:

Other income (expenses)	01-01-2021 03-31-2021 ThCh\$	01-01-2020 03-31-2020 ThCh\$
Net present value of swap	(827,092)	(1,262,187)
<b>Total</b>	<b>(827,092)</b>	<b>(1,262,187)</b>

Other comprehensive income:

For the periods ended March 31, 2021 and 2020, this item is detailed as follows:

Other comprehensive income	01-01-2021 03-31-2021 ThCh\$	01-01-2020 03-31-2020 ThCh\$
Actuarial profit (loss) defined benefits	146,409	(42,556)
Profit (loss) on cash flow hedges	(2,078,933)	12,181,331
<b>Total</b>	<b>(1,932,524)</b>	<b>12,138,775</b>

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

### 22. Third-party guarantees

Guarantees received as of March 31, 2021, are detailed as follows:

Grantor	Guarantee ThCh\$	Underlying Operation	Relationshi
Abengoa Chile S.A.	3,010,399	Services contract	Supplier
Alstom Chile S.A.	195,635,528	Services contract	Supplier
Alstom Transport S.A.	21,625,710	Services contract	Supplier
Besalco Dragados S.A.	68,871,896	Services contract	Supplier
CAF Chile S.A.	836,972,614	Services contract	Supplier
Certifer	12,767,261	Services contract	Supplier
China Railway Tunnel GR.CO. Ltda.	41,677,292	Services contract	Supplier
Colas Rail	4,303,649	Services contract	Supplier
Colas Rail Establecimiento Permanente	28,994,899	Services contract	Supplier
Compañía Americana de Multiservicios	4,262,000	Services contract	Supplier
Consortio El-OSSA S.A.	112,496,385	Works contract Services	Supplier
Construcción y Auxiliar de Ferrocarril	37,283,155	Works contract	Supplier
Dominion Instalaciones y Montajes S.A.	4,760,305	Services contract Works	Supplier
Eme Servicios Generales Ltda.	4,853,997	Services contract Works	Supplier
ETF	11,762,852	Services contract	Supplier
Faiveley Transport Far East	2,748,486	Services contract	Supplier
Ferrostal Chile S.A.	4,692,552	Services contract	Supplier
Ferrovial Agroman Chile S.A.	5,585,099	Services contract	Supplier
Gabriela De Las Nieves Ramirez	14,698,335	Services contract	Supplier
Geinse Ingeniería S.A.	3,453,212	Services contract	Supplier
Iron Mountain Chile S.A.	79,966,307	Services contract	Supplier
ISS Servicios Integrales Limitada	3,403,178	Services contract	Supplier
Obrascon Huarte Lain	35,607,740	Services contract	Supplier
OFC SpA	16,578,008	Services contract	Supplier
Piques y Túneles S.A.	14,392,972	Services contract	Supplier
Proyectos y Soluciones Técnicas	3,407,967	Services contract	Supplier
Servicios de Respaldo de Energía Técnica	4,851,202	Services contract	Supplier
Sice Agencia Chile S.A.	38,869,353	Services contract	Supplier
Sociedad de Mantenición e Instalaciones	5,314,899	Services contract	Supplier
Soler y Palau S.A.	12,348,233	Services contract	Supplier
Systra Agencia en Chile	4,464,958	Services contract	Supplier
Thales Canadá INC.	14,480,521	Services contract	Supplier
Thales International Chile Ltda.	18,013,183	Services contract	Supplier
Thyssenkrupp Elevadores S.A.	12,596,922	Services contract	Supplier
WSP Chile S.A.	2,864,151	Services contract	Supplier
Otros	99,014,730	Services contract	Supplier
<b>TOTAL</b>	<b>1,786,629,950</b>		

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

**23. Local and Foreign Currency**

Local and foreign currency at 03-31-2021	Pesos	Euros	Unidad Fomento	Pound Sterling	Swiss Franc	Dollars	Total
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents	180,033,858	-	-	-	-	132,471,252	312,505,110
Other financial assets, current	98,206,536	-	-	-	-	5,151,151	103,357,687
Other non-financial assets, current	9,314,018	160,157	571,582	42,784	-	4,304	10,092,845
Trade and other receivables, current	6,580,077	-	7,949,053	-	-	20,500	14,549,630
Current inventories	14,793,604	2,506,404	-	-	4,329	222,255	17,526,592
Current tax assets, current	1,415,258	-	-	-	-	-	1,415,258
<b>Total current assets</b>	<b>310,343,351</b>	<b>2,666,561</b>	<b>8,520,635</b>	<b>42,784</b>	<b>4,329</b>	<b>137,869,462</b>	<b>459,447,122</b>
<b>Non-current assets</b>							
Other financial assets, non-current	2,940	-	6,964,936	-	-	1,711,308	8,679,184
Other non-financial assets, non-current	83,027,726	-	3,432,700	-	-	-	86,460,426
Accounts receivable, non-current	895,893	-	324,543	-	-	-	1,220,436
Intangible assets other than goodwill	7,923,381	-	-	-	-	-	7,923,381
Property, plant and equipment	5,064,589,081	-	-	-	-	-	5,064,589,081
Investment property	24,946,630	-	-	-	-	-	24,946,630
<b>Total non-current assets</b>	<b>5,181,385,651</b>	<b>-</b>	<b>10,722,179</b>	<b>-</b>	<b>-</b>	<b>1,711,308</b>	<b>5,193,819,138</b>
<b>Total assets</b>	<b>5,491,729,002</b>	<b>2,666,561</b>	<b>19,242,814</b>	<b>42,784</b>	<b>4,329</b>	<b>139,580,770</b>	<b>5,653,266,260</b>
<b>Liabilities</b>							
<b>Current liabilities</b>							
Other financial liabilities	-	67,309	65,408,317	-	-	26,105,256	91,580,882
Trade and other payables	76,427,008	2,798,039	9,913,357	-	-	7,998,719	97,137,123
Other short-term provisions	348,791	-	-	-	-	-	348,791
Provisions for employee benefits, current	9,990,306	-	-	-	-	-	9,990,306
Other non-financial liabilities, current	1,659,994	36,108	13,536,101	-	-	127,492	15,359,695
<b>Total current liabilities</b>	<b>88,426,099</b>	<b>2,901,456</b>	<b>88,857,775</b>	<b>-</b>	<b>-</b>	<b>34,231,467</b>	<b>214,416,797</b>
<b>Non-current liabilities</b>							
Other financial liabilities, non-current	2,746	103,862	2,332,279,935	-	-	131,358,642	2,463,745,185
Accounts payable, non-current	2,137,797	-	-	-	-	-	2,137,797
Accounts payable to related entities, non-current	192,064,153	-	-	-	-	-	192,064,153
Provisions for employee benefits, non-current	-	-	12,785,466	-	-	-	12,785,466
Other non-financial liabilities, non-current	-	-	9,306,366	-	-	-	9,306,366
<b>Total non-current liabilities</b>	<b>194,204,696</b>	<b>103,862</b>	<b>2,354,371,767</b>	<b>-</b>	<b>-</b>	<b>131,358,642</b>	<b>2,680,038,967</b>
<b>Total liabilities</b>	<b>282,630,795</b>	<b>3,005,318</b>	<b>2,443,229,542</b>	<b>-</b>	<b>-</b>	<b>165,590,109</b>	<b>2,894,455,764</b>

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

Local and foreign currency as of 12-31-2020	Chilean peso	Euro	Unidad Fomento	Pound sterling	Swiss franc	US Dollar	Total
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents	149,660,021	-	-	-	-	255,522,125	405,182,146
Other financial assets, current	90,864,287	-	-	-	-	3,791,109	94,655,396
Other non-financial assets, current	8,865,136	131,120	682,348	42,784	-	4,270	9,725,658
Trade and other receivables, current	11,839,095	-	8,637,392	-	-	32,542	20,509,029
Inventories, current	16,242,981	2,854,100	-	-	4,894	241,936	19,343,911
Tax assets, current	1,184,782	-	-	-	-	-	1,184,782
<b>Total current assets</b>	<b>278,656,302</b>	<b>2,985,220</b>	<b>9,319,740</b>	<b>42,784</b>	<b>4,894</b>	<b>259,591,982</b>	<b>550,600,922</b>
<b>Non-current assets</b>							
Other financial assets, non-current	3,732	-	7,975,970	-	-	1,685,536	9,665,238
Other non-financial assets, non-current	78,146,313	-	3,621,648	-	-	-	81,767,961
Accounts receivable, non-current	607,550	-	345,722	-	-	-	953,272
Intangible assets other than goodwill	8,167,647	-	-	-	-	-	8,167,647
Property, plant and equipment	5,038,022,628	-	-	-	-	-	5,038,022,628
Investment properties	25,024,188	-	-	-	-	-	25,024,188
<b>Total non-current assets</b>	<b>5,149,972,058</b>	<b>-</b>	<b>11,943,340</b>	<b>-</b>	<b>-</b>	<b>1,685,536</b>	<b>5,163,600,934</b>
<b>Total assets</b>	<b>5,428,628,360</b>	<b>-</b>	<b>21,263,080</b>	<b>-</b>	<b>-</b>	<b>261,277,518</b>	<b>5,714,201,856</b>
<b>Liabilities</b>							
<b>Current liabilities</b>							
Other financial liabilities, current	-	68,950	67,309,916	-	-	19,925,505	87,304,371
Trade and other payables	84,124,037	2,719,861	12,913,120	-	-	1,546,191	101,303,209
Accounts payable to related entities, current	75,800	-	-	-	-	-	75,800
Other short-term provisions	331,499	-	-	-	-	-	331,499
Current provisions for employee benefits	15,382,408	-	-	-	-	-	15,382,408
Other non-financial liabilities, current	6,211,514	37,203	6,539,028	-	-	127,472	12,915,217
<b>Total current liabilities</b>	<b>106,125,258</b>	<b>2,826,014</b>	<b>86,762,064</b>	<b>-</b>	<b>-</b>	<b>21,599,168</b>	<b>217,312,504</b>
<b>Non-current liabilities</b>							
Other financial liabilities, non-current	2,746	115,702	932,727,514	-	-	1,516,151,635	2,448,997,597
Non-current payables	2,305,527	-	-	-	-	-	2,305,527
Accounts payable to related entities, non-current	165,106,291	-	-	-	-	-	165,106,291
Non-current provisions for employee benefits	-	-	13,061,941	-	-	-	13,061,941
Total non-financial liabilities, non-current	-	-	10,358,650	-	-	-	10,358,650
<b>Total non-current liabilities</b>	<b>167,414,564</b>	<b>115,702</b>	<b>956,148,105</b>	<b>-</b>	<b>-</b>	<b>1,516,151,635</b>	<b>2,639,830,006</b>
<b>Total liabilities</b>	<b>273,539,822</b>	<b>2,941,716</b>	<b>1,042,910,169</b>	<b>-</b>	<b>-</b>	<b>1,537,750,803</b>	<b>2,857,142,510</b>

## **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

### **24. Risk management policies**

The Company is exposed to several risks which are inherent to the activities that are carried out in the public passenger transportation services, in addition to risks of an economic and financial nature associated with changes in market conditions or force majeure, among others.

Currently, as a result of the measures implemented by the government to contain the spread of Covid-19, which include restrictions on the free movement of people, Metro has experienced a significant decrease in the number of passengers transported, which has had an impact on the risk related to demand. As a result, the Company's transportation revenues as of March 31, 2021, have had a decrease compared to the previous year (-37%). However, revenues from the Sales Channel (+6% compared to the same period of the previous year), leasing of premises, facilities for commercial, advertising and other purposes (+10% compared to the same period of the previous year), have shown higher revenues compared to the same period of the previous year.

As a result, management has adopted measures that have partially mitigated the effects of the pandemic: a reduction in operating hours, a reduction in the supply of trains, and application of sanitation plans in both Metro facilities and in trains in order to protect the health of both passengers and Metro employees.

#### **24.1 Description of the market in which the Company operates**

The main market in which the Company operates is the public transportation of passengers in the Metropolitan Region of Santiago and is composed of users seeking a quick and safe journey.

Secondary activities to the Company's main line of business include collection of transportation fees and sale of means of payment (Tarjeta Bip and tickets), leasing of advertising spaces, and leasing of business premises at the network stations, among others.

#### **Fares**

On February 10, 2007, the Company became part of the Integrated Public Passenger Transport System of Santiago (Metropolitan Mobility Network) and its fare revenue was originally based on the effectively confirmed number of passengers transported and the technical fare established in Exhibit 1 of the Tender Documents for the Use of the Thoroughfares of the City of Santiago.

On December 14, 2012 a Transportation Agreement was signed by the Company with the Ministry of Transportation and Telecommunications of Chile to replace the aforementioned Exhibit 1.

Beginning on February 11, 2019 a new transportation agreement is in force between the Company and the Ministry of Transportation and Telecommunications of Chile, which established a flat-rate technical fare of Ch\$480.18 per confirmed transported passenger, taking November 2018 as a base, and which is updated monthly by the indexation polynomial, included in this new agreement, which takes into consideration changes in the variables making up the Company's long-term cost structure (Consumer Price Index, US dollar, euro, power and electric energy price). This allows for a partial natural hedge in case of cost variations caused by an increase in certain variables making up the polynomial.

## **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

On February 5, 2020, an amendment was made to the Transportation Agreement that took effect on February 10, 2020. The amendment added a 12-month extension to the term of the agreement signed in 2019, which, as a result, will be in force until February 11, 2021. In addition, the income associated with the Inter-modal stations is established in the form of a fixed remuneration, eliminating the associated concept from the base fare and replacing it with fixed income quotas expressed in U.F., thus generating a new base fare of Ch\$ 478.67 per validated transported passenger, based on November 2018.

On February 3, 2021, a new amendment to the Transportation Agreement was signed, which establishes an extension of 12 additional months to the term of the agreement signed in 2019. This extends the term until February 11, 2022.

The fare paid by the public is different than the fare that the Company receives per transported passenger. In March 2021, customers paid Ch\$ 800 at peak hours, Ch\$ 720 at valley hours and Ch\$640 at low hours, whereas on average the Company received a technical fare of Ch\$ 513.48 per passenger.

Beginning on July 1, 2013, the supplementary contract for issuance and post-sale of means of access and provision of the network for sales and charge of the means of access to the Santiago public transportation system entered into by and between the Ministry of Transportation and Telecommunication of Chile and Metro S.A., became effective. On June 13, 2019, the contract was extended for 24 months, ending on June 13, 2021.

### **Demand**

The Company is part of the Integrated Public Transportation System (Metropolitan Mobility Network). As of March 2021, Metro reached a ridership of 76.0 million passengers, with an average of 1.05 million workday trips.

The risk related to Metro's passenger demand is mainly linked to the country's economic activity level, employment level and the quality of the surface passenger transportation service (buses); in fact, passenger transportation demand is a demand derived from other economic activities. Thus, as of March 2021, there was a decrease of 44.4 million trips, a negative variation of 36.9% compared to the same date in 2020. This is explained mainly as a result of Covid-19 and the measures implemented by the government to contain its spread, which began in March 2020.

### **Measures adopted due to Covid-19**

The coronavirus outbreak and the measures implemented in Chile to contain its spread, or the economic damage suffered as a result of the coronavirus pandemic, have had, and will continue to have, an impact on Metro's business, financial position, operating results and liquidity. In particular, the foregoing has contributed to a widespread slowdown in the Chilean economy and as a consequence the number of transported passengers has fallen significantly. The pandemic and its fallout have caused delays in the Company's projects and have required the implementation of cost-cutting measures, in order not to jeopardize compliance with Metro's financial covenants or compliance with Metro's overall obligations.

## **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

Regarding demand, the Company is part of the Integrated Public Transportation System (Metropolitan Mobility Network). As of March 2021, Metro reached a ridership of 76.0 million passengers, which means a decrease of 44.4 million trips, a negative variation of 36.9% compared to the same date in 2020. This is explained mainly as a result of Covid-19 and the measures implemented by the government to contain its

spread, which include restrictions on the free movement of people (quarantines, Step-by-step plan), in addition to social distancing, the implementation of teleworking and the suspension of classes, measures that have contributed to a significant decrease in the number of passengers we transport during the year 2021.

Some of the operational measures the company has taken to address the pandemic include:

- ✓ Reduction in Metro's hours of operation, in accordance with sanitary measures, consistent with the restriction of free movement of people at established times (curfew).
- ✓ Adjustments to the train supply programs, according to the current level of passenger demand in the network. As of March 2021, the supply reached a total of 34.1 million car-km, which corresponds to 3.6% more than the supply in the same period of the previous year (32.9 million car-km).
- ✓ Incorporation of sanitation measures for facilities and trains.

These measures aim to provide a transportation service with a sanitary standard consistent with the pandemic, seeking to safeguard the health of passengers and workers as much as possible. As of March 31, 2021, the company has incurred expenses related to sanitary measures for a total of ThCh\$ 26,291 (ThCh\$ 524,603 as of December 31, 2020), mainly derived from supplies such as masks, gloves, sanitizing elements and sanitization measures for both trains and Metro's facilities.

### **Liquidity risk due to Covid-19**

In financial terms, no liquidity or solvency issues are anticipated for Metro, since the Company raised US\$ 1,5 millions in the international market through a bond issue in May 2020, refinancing operations, thereby optimizing the financial structure.

Metro has the backing of the Chilean government, allowing the Company to execute its growth plan and the reconstruction of its network following the acts of violence that broke out in October 2019 causing damage to 118 of the 136 stations.

#### **24.2 Financial risks**

The main risks to which the Company is exposed and which arise from financial assets and liabilities are: market risk, liquidity risk and credit risk.

In loans from financial institutions, the nominal rate is similar to the effective rate since there are no additional transaction costs to be considered.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

### Market risk

The technical fare that the Company receives is updated monthly by the indexation polynomial which takes into consideration changes in the variables making up the Company's long-term cost structure (CPI, US dollar, euro, power and electric energy price). This allows for a partial natural hedge in case of cost variations caused by an increase in certain variables making up the polynomial.

The Company, as per its financial risk management policy, takes financial derivatives to hedge its exposure to currency variations (exchange rate) and to inflation. Currency derivatives are used to set the exchange rate of the US dollar against the Chilean peso (Ch\$) and Unidad de Fomento (UF), in the case of investments or obligations in currencies other than the Chilean peso. In order to safeguard the effects of exchange rates, during the months of November and December 2020, the Company entered into a total of 10 Cross Currency Swap contracts for a total amount of MMUSD 400. As a result of the above, these contracts reach a balance of MUSD 560 as of March 31, 2021, the same balance as of December 31, 2020. These instruments comply with the hedge accounting criteria under IFRS 9 as of 2019. In addition, Metro, in accordance with its Risk Policy, entered into 10 forward contracts (USD/Ch\$) for exchange rates during 2020 totaling MUSD 80.0, of which, as of March 31, 2021, 8 of them remain in force, totaling MUSD 66.6.

Particularly, the Company is exposed to two market risks, which are:

### Interest rate risk

As of March 2021, Metro has no variable rate debt, remaining unchanged as compared to December 2020. The above, as a result of refinancing operations carried out in 2020, which generated that 100% of the company's debt is associated with a fixed rate, mitigating the present risk, as shown in the following table:

Detail of debt	03-31-2021 %	12-31-2020 %
Fixed rate	100.0	100.0
Variable rate	-	-
<b>Total</b>	<b>100.0</b>	<b>100.0</b>



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

### Exchange rate risk and inflation

The Company has obligations with financial institutions and has issued bonds in foreign markets, agreed to in foreign currencies, to finance the extensions in the Metro network. To minimize exchange rate risks, the Company has contracted cross currency swap (CCS), whose notional amounts are MUS\$560, as of March 31, 2021.

The following table shows the composition of the Company's debt, expressed in millions of US dollars (current derivatives transactions are considered):

Financial Debt Structure	03-31-2021			12-31-2020		
	Original currency	Equivalent in MUS\$	%	Original currency	Equivalent in MUS\$	%
Debt in UF	ThUF 35,737	1,455	42%	MUF 36,266	1,483	42%
Debt in USD	MUS\$ 1,612	1,612	46%	MUS\$ 1,605	1,605	46%
Debt in \$	MCh\$ 304,280	421	12%	Debt \$ 304,280	428	12%
<b>Total Financial Debt</b>		3,488	100%		3,516	100%

As of March 31, 2021, the structure of the financial debt is divided into UF (42%), US dollars (46%), and Chilean peso (12%).

This composition is defined by Metro's Financial Risk Hedging Policy, which seeks to mitigate the financial risk derived from the effect of the Exchange Rate and the Interest Rates, and is intended to ensure the capacity to generate cash flows that allow the Company to fulfill its financial commitments.

This structure, divided by currency, is in line with Metro's operating cash flows, in which the indexation polynomial updates the Company's technical fare in case of changes in the US dollar and the Consumer Price Index (CPI), in addition to other variables, which produces a partial "natural hedge" between long-term operating cash flows and debt service.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

When we analyze the sensitivity of the Consolidated Statement of Comprehensive Income as of March 31, 2021, in case of a possible 5% depreciation/appreciation of the Chilean peso in respect to the US dollar, leaving all the rest of the parameters constant, we estimate that an unrealized loss or profit of ThCh\$58,164,346 would arise, which is the accounting effect on the principal of the US dollar-denominated debt, and not the effect on cash, because the latter is hedged by the policy described above.

<b>Sensitivity analysis</b> <b>Effect on profit or loss as of March 2020</b>	<b>5% Depreciation</b> <b>ThCh\$</b>	<b>5% Appreciation</b> <b>ThCh\$</b>
Impact of variation of 5% in Ch\$/ USD exchange rate	(58,164,346)	58,164,346

Likewise, in case of a possible appreciation of 3% of the value of UF, leaving all the rest of the parameters constant, we estimate that an unrealized loss of ThCh\$31,514,572 would arise, which is the accounting effect on the principal of the UF-denominated debt, and not the effect on cash, because, as in the case of the US dollar, the latter is also hedged by the Financial Risk Hedging Policy.

<b>Sensitivity analysis</b> <b>Effect on profit or loss as of March 2020</b>	<b>3% Appreciation</b> <b>ThCh\$</b>
Impact of variation of 3% in UF	31,514,572

It is worth pointing out that the results generated by the sensitivities presented above produce only an unrealized loss or profit in the items Exchange difference and Profit (loss) from inflation-adjusted units. Therefore, the foregoing does not affect the objective of hedging the company's cash flow, because, since the company has in place an indexation polynomial to update the technical fare, the latter performs the function of a partial "natural hedge", by mitigating the effects in the cash flow from operating activities of the previously analyzed macroeconomic variables, included in the polynomial, generating a hedge for Metro's cash flow.

### Liquidity risk

Revenue from fares associated with Metro S.A. passenger transportation, based on the new transport contract, are deducted daily from the funds collected by the Company's sales channel under normal conditions of passenger transportation, generating the liquidity necessary to cover the Company's commitments. These revenues correspond to 72% of total revenues ordinary payments received during the first quarter of 2021.

The maturity of interest-bearing debt, by terms, separated in principal and interest payable, is detailed as follows:

	Up to 1 year ThCh\$	1 to 3 years ThCh\$	3 to 5 years ThCh\$	Over 5 years ThCh\$	Total ThCh\$
Principal	46,935,863	316,520,886	184,716,561	1,969,880,821	2,518,054,131
Interest	107,785,784	211,583,244	192,148,000	1,399,036,885	1,910,553,913
<b>Total</b>	<b>154,721,647</b>	<b>528,104,130</b>	<b>376,864,561</b>	<b>3,368,917,706</b>	<b>4,428,608,044</b>

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

The detail of the maturities of the contracted debt, segregating the current portion into tranches by terms, is as follows:

Maturities	03-31-2021			
	Up to 30 days	30 up to 90 days	90 days up to 1 year	Total
	ThCh\$	ThCh\$	ThCh\$	
<b>Capital maturities</b>	<b>1,543,225</b>	<b>6,855,136</b>	<b>38,537,501</b>	<b>46,935,863</b>

### Financial liability structure

The Company's financial debt classified by maturity (on an accrual basis) is presented as follows:

Financial Liabilities	03-31-2021				
	Up to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Interest-bearing loans	3,143,836	8,524,983	2,920,516	3,412,344	18,001,679
Bonds	79,046,916	317,474,442	179,961,795	1,930,143,219	2,506,626,372
Derivative transactions	9,390,130	(682,365)	-	21,987,505	30,695,270
<b>Total</b>	<b>91,580,882</b>	<b>325,317,060</b>	<b>182,882,311</b>	<b>1,955,543,068</b>	<b>2,555,323,321</b>

Financial Liabilities	12-31-2020				
	Up to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Interest-bearing loans	3,096,527	8,582,228	3,204,898	3,502,487	18,386,140
Bonds	76,474,203	297,947,104	180,269,485	1,932,248,112	2,486,938,904
Derivative transactions	7,733,641	-	23,240,537	-	30,974,178
<b>Total</b>	<b>87,304,371</b>	<b>306,529,332</b>	<b>206,714,920</b>	<b>1,935,750,599</b>	<b>2,536,299,222</b>

In general, the Company's debt structure consists mainly of long-term bonds and bank loans, which are intended to ensure financial stability and improve matching with the maturity terms of the Company's assets.

Carrying amounts and fair value of the debt in loans and bonds of the Company as of March 31, 2021 are detailed as follows.

	Book value ThCh\$	Fair value ThCh\$
Loans	18,001,679	18,027,910
Bonds	2,506,626,372	3,173,541,432

Valuation technique: Discounted cash flows: The Level 2 valuation model considers the present value of expected payment, discounted using a risk adjusted discount rate.

The following methodology is used to calculate the fair value:

Loans: Discounted cash flows of each credit using the LIBOR 180 days in US dollars at each quarter-end, where the fair value is the addition of the present value of each credit.

Local bonds: Discounted cash flows of each bond using the valuation rates provided by Risk America, where each bond is discounted at its related rate.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

International bond: For such calculation the Company uses the rate reported by Bloomberg for transactions performed as of the quarter-end.

### Credit risk

The Company's credit risk refers to the exposure to possible losses due to a counterparty's breach of conditions stipulated in a contract or financial instrument. It considers both credit granted to customers and financial assets in portfolio.

#### Accounts receivable

The risk of accounts receivable arising from the Company's main business (passenger transportation) is limited, since between 70% and 80% of the Company's revenue is received daily in cash, whereas the remaining corresponds to income not related to the main business. However, as a result of the effects of the Covid-19 pandemic, the above percentages may experience changes. Such changes and their impact are being permanently monitored.

The maximum exposure to credit risk arises from trade receivables.

<b>Trade and other receivables</b>	<b>03-31-2021 ThCh\$</b>	<b>12-31-2020 ThCh\$</b>
Trade receivables, gross	10,918,255	11,724,338
Impairment of trade receivables	(1,439,365)	(1,228,401)
Trade receivables, net	<b>9,478,890</b>	<b>10,495,937</b>
Sales channel accounts receivable, net	3,174,249	8,367,295
Other receivables, net	1,896,491	1,645,797
<b>Total</b>	<b>14,549,630</b>	<b>20,509,029</b>

Other receivables relate mainly to leases of commercial stores, advertising and invoices receivable with low delinquency under normal conditions. The Company is using the expected loss model, which contains historical collection information for each tranche/stratification of its accounts receivable for the last three years, mainly receivables from the real estate sector, since as a result of Covid-19, these are the ones that have experienced significant changes with respect to these levels (using a matrix where the provision is stratified by maturity or default per days) and additionally includes the expected losses projected by the statistical calculation of a "forward look", which takes into account the most relevant macroeconomic factors that affect uncollectibility, and the projection is based on the probability of each scenario. The Company is constantly monitoring accounts receivables for any changes and for their financial impact.

Impairment of accounts receivable is determined using the reports issued by the Company's Business Division, and considering the level of default of the receivable and the judicial collection and non-judicial collection measures taken.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

Analysis of accounts receivable based on age is detailed as follows:

Age of trade receivables, net	03-31-2021 ThCh\$	12-31-2020 ThCh\$
Less than 3 month	6,752,355	7,480,453
3 months to 1 year	1,456,164	2,013,334
More than 1 year	1,270,371	1,002,150
<b>Total</b>	<b>9,478,890</b>	<b>10,495,937</b>

Age of Sales channel accounts receivable, net	03-31-2021 ThCh\$	12-31-2020 ThCh\$
Less than 3 month	3,149,426	8,066,012
3 months to 1 year	-	274,279
More than 1 year	24,823	27,004
<b>Total</b>	<b>3,174,249</b>	<b>8,367,295</b>

Age of Other receivables, net	03-31-2021 ThCh\$	12-31-2020 ThCh\$
Less than 3 month	515,982	1,249,390
3 months to 1 year	1,380,509	396,407
<b>Total</b>	<b>1,896,491</b>	<b>1,645,797</b>

### Financial assets

The level of exposure of financial assets to risk is established in the Company's financial investment policy.

As of March 2021, the financial assets' maturity schedule is a follows:

Financial Assets	03-31-2021			
	Up to 1 year ThCh\$	1 to 5 years ThCh\$	Over 5 years ThCh\$	Total ThCh\$
Trade and other receivables	15,770,066	-	-	15,770,066
<b>Cash and cash equivalents</b>				
Cash	2,122,364	-	-	2,122,364
Term deposits	310,382,746	-	-	310,382,746
<b>Subtotal</b>	<b>312,505,110</b>	-	-	<b>312,505,110</b>
<b>Other financial assets</b>				
Financial Investments	98,206,535	-	-	98,206,535
Derivative transactions	5,039,507	-	-	5,039,507
Finance lease	111,645	488,570	1,222,738	1,822,953
Promissory notes receivable	-	277,626	-	277,626
Advertising receivables	-	6,687,310	-	6,687,310
Other accounts receivable	-	2,940	-	2,940
<b>Subtotal</b>	<b>103,357,687</b>	<b>7,456,446</b>	<b>1,222,738</b>	<b>112,036,871</b>
<b>Total</b>	<b>103,357,687</b>	<b>7,456,446</b>	<b>1,222,738</b>	<b>440,312,047</b>

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

At the close of 2020, the financial assets' maturity schedule is as follows:

Financial Assets	12-31-2020			
	Up to 1 year ThCh\$	1 to 5 years ThCh\$	Over 5 years ThCh\$	Total ThCh\$
Trade and other receivables	21,462,301	-	-	21,462,301
<b>Cash and cash equivalents</b>				
Cash	3,252,563	-	-	3,252,563
Term deposits	401,929,583	-	-	401,929,583
<b>Subtotal</b>	<b>405,182,146</b>	<b>-</b>	<b>-</b>	<b>405,182,146</b>
<b>Other financial assets</b>				
Financial Investments	90,864,287	-	-	90,864,287
Derivative transactions	3,719,453	-	-	3,719,453
Finance lease	71,656	481,213	1,204,323	1,757,192
Promissory notes receivable	-	272,332	-	272,332
Advertising receivables	-	7,703,638	-	7,703,638
Other accounts receivable	-	3,732	-	3,732
<b>Subtotal</b>	<b>94,655,396</b>	<b>8,460,915</b>	<b>1,204,323</b>	<b>104,320,634</b>
<b>Total</b>	<b>521,299,843</b>	<b>8,460,915</b>	<b>1,204,323</b>	<b>530,965,081</b>

The average period of maturity of financial investments as of March 31, 2021 is less than 90 days and they are invested in banks authorized in Metro S.A.'s financial investment policy.

The above is due to the Company's financial investment policy, which focuses on reducing the risks by diversifying the portfolio, and establishing maximum limits of investment per bank and minimum risk ratings per issuer.

### 24.3 Capital risk management

Pursuant to capital management, the Company seeks to maintain an optimal capital structure while reducing its cost and ensuring its long-term financial stability. At the same time, it complies with its financial obligations and covenants established in the debt contracts.

Every year the Company, through the Extraordinary Shareholders' Meeting, capitalizes Government contributions associated with the financing of its expansion projects.

The Company follows up on the capital structure through debt and equity ratios, which are detailed below:

Index	03-31-2021	12-31-2020
Leverage (times)	1.05	1.00
Equity (MCh\$)	2,758,810	2,857,059

## NOTES TO THE NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

### 24.4 Commodities risk

The Company's commodities risk factors include the supply of electric energy it requires for its operation and the need for continuity of service, in case of possible supply interruptions. In this respect, the Company has a supply system that allows it to decrease exposure in case of supply interruption by having two points of direct connection to the National Electrical System, which supply Lines 1, 2, 3, and 5, two points that supply Lines 3 and 6, as well as two points for supplying Lines 4 and 4A.

In addition it should be noted that the electric energy supply systems are redundant and in the event either fails, there is always a back-up to ensure the Company maintains the energy supply for normal network operation.

The operating control systems are designed with redundant criteria, i.e, they operate on *stand-by*. Therefore in case of absence of one of the systems, the other begins operating immediately, resulting in normal network operation.

In the case of Lines 1, 2, 3, and 5, if there is an interruption in the National Electrical Coordinator, the distribution company has defined replacement of the supply that feeds the civic neighborhood of Santiago as a first priority, which allows the Metro network to have energy almost immediately, since Metro is supplied by the same sources.

Currently, the power supply is provided by three companies: San Juan, El Pelicano and Enel. The first two companies relate to wind and photovoltaic power generation, respectively, the contracts of which were entered into on May 19, 2016, for 15 years and both supply 60% of Metro's energy through Non-Conventional Renewable Energies (NCRE). Likewise, Enel is a distributor entity with which the Company entered into a contract on September 2015 for 40% of power supply until December 2023.

On December 29, 2018 El Pelicano was sold, resulting in the change only of its majority shareholder (Sunpower), generating no operating risks for Metro's electrical supply.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020

### 25. Environment

Disbursements related to improvements and/or investments that directly or indirectly affect protection of the environment, for the periods ended March 31, 2021 and 2020, are detailed as follows:

Project	Allocated to administration expenses		Allocated to property, plant and equipment		Expenditures committed in the future
	01-01-2021	01-01-2020	01-01-2021	01-01-2020	2021
	03-31-2021	03-31-2020	03-31-2021	03-31-2020	Amount
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Noises and vibrations	-	2,345	102,863	445,928	1,790,300
Waste treatment	6,301	37,363	226,051	1,437	292,900
Run-off water	30,125	35,724	-	-	96,003
Environmental management	-	-	1,058,751	408,558	6,912,774
Monitoring of polluting parameters	341	164	-	-	8,619
<b>Total</b>	<b>36,767</b>	<b>75,596</b>	<b>1,387,665</b>	<b>855,923</b>	<b>9,100,596</b>

The aforementioned projects are currently in progress as of March 31, 2021.

### 26. Sanctions

During the periods 2021 and 2020, the Company and its Directors have not been sanctioned by the Chilean Financial Market Commission or any other regulator.

### 27. Subsequent events

By letter 135 dated April 28, the 30th Ordinary Shareholders' Meeting of Metro S.A. was held, adopting the resolutions mentioned below:

1. The Annual Report, Balance Sheet and Consolidated Financial Statements and Report of the External Auditors, corresponding to fiscal year 2020, including the notes to the Consolidated Financial Statements, were approved, as well as the expenses of the Board of Directors contained in the Annual Report.
2. It was agreed not to distribute profits or dividends.
3. The Dividend Policy was set.
4. The directors' fees were determined.
5. Pricewaterhousecoopers Consultores Auditores SpA was appointed as external auditors for fiscal year 2021.
6. The electronic newspaper Diario Financiero, or any other more economical newspaper, was designated for summoning Shareholders' Meetings.
7. It was reported that there were no transactions with related parties nor possible conflicts of interest in the terms of Article 44 of the Corporations Law.



**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS ENDED  
MARCH 31, 2021 AND 2020 AND DECEMBER 31, 2020**

Between April 1, 2021 and the date of issuance of the financial statements, no other subsequent events have occurred that significantly affect these financial statements.

Julio E, Pérez Silva  
General Accountant

Rubén Alvarado Vigar  
General Manager