



Empresa de Transporte de Pasajeros Metro S.A. and Subsidiaries
Consolidated Financial Statements
For years ended
As of December 31, 2021 and 2020
(A free translation from the original in Spanish)





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

CONSOLIDATED FINANCIAL STATEMENTS

**For years ended
As of December 31, 2021 and 2020**

Contents:

Independent Auditor's Report
Consolidated Statements of Financial Position
Consolidated Statements of Comprehensive Income
Consolidated Statements of Changes in Equity
Consolidated Statements of Cash Flows
Notes to the Consolidated Financial Statements

ThCh\$: Figures denominated in thousands of Chilean pesos
MCh\$: Figures denominated in millions Chilean pesos
USD : Figures denominated in United States dollars
ThUS\$: Figures denominated in thousands of United States dollars
MUSD : Figures denominated in United States dollars
ThUF : Figures expressed in thousands of Unidades de Fomento (inflation-adjusted units)
CLP : Figures denominated in Chilean pesos



INDEPENDENT AUDITOR'S REPORT
(Free translation from the original in Spanish)

Santiago, March 14, 2022

To the Shareholders and Directors
Empresa de Transporte de Pasajeros Metro S.A.

We have audited the accompanying consolidated financial statements of Empresa de Transporte de Pasajeros Metro S.A. and subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the instructions and standards for the preparation and presentation of financial information issued by the Financial Market Commission as described in Note 2.1 to the consolidated financial statements. This responsibility includes the design, implementation and maintenance of a relevant internal control for the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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




Santiago, March 14, 2022
Empresa de Transporte de Pasajeros Metro S.A.
2

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Empresa de Transporte de Pasajeros Metro S.A. and subsidiaries as of December 31, 2021, the results of its operations and cash flows for the year then ended in accordance with the instructions and standards for the preparation and presentation of financial information issued by the Financial Market Commission as described in Note 2.1 to the consolidated financial statements.

Other matters

The consolidated financial statements of Empresa de Transporte de Pasajeros Metro S.A. and subsidiaries for the year ended December 31, 2020, were audited by another auditor who expressed an unqualified opinion on those statements on March 22, 2021.

DocuSigned by:

María Soledad Quiroga M. RUT: 22.542.112-9
66B5F8D7BB42461...

PricewaterhouseCoopers



CONSOLIDATED FINANCIAL STATEMENTS

C O N T E N T S

Consolidated Statements of Financial Position	5
Consolidated Statements of Comprehensive Income	7
Consolidated Statements of Changes in Equity	9
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 Exchange rates.....	14
2.4 Property, plant and equipment	15
2.5 Investment property.....	16
2.6 Intangible assets other than goodwill	16
2.6.1 Easements.....	16
2.6.2 Computer software	17
2.7 Finance income and costs	17
2.8 Impairment loss of non-financial assets	17
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.....	18
2.9.3 Financial assets at fair value through profit or loss	18
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	Staff vacation	23
2.17.2	Severance indemnities payments	23
2.17.3	Incentive bonuses	24
2.18	Provisions.....	24
2.19	Classification of balances as current and non-current.....	24
2.20	Recognition of income and expenses	24
2.21	Lease contracts	25
2.22	New IFRS and Interpretations from the IFRS Interpretations Committee (IFRIC).....	26
Note 3	Management's accounting estimates and criteria.....	28
3.1	Employee severance indemnity obligations	28
3.2	Useful lives of property, plant and equipment	28
3.3	Litigations 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.....	34
Note 6.	Inventories.....	36
Note 7.	Intangible assets other than goodwill.....	36
Note 8.	Property, plant and equipment.....	38
Note 9.	Investment property	42
Note 10.	Other financial assets, current and non-current.....	44
Note 11.	Other non-financial assets, current and non-current	48
Note 12.	Other financial liabilities, current and non-current	48
Note 13.	Other non-financial liabilities, current and non-current	58
Note 14.	Balances and transactions with related parties	58
Note 15.	Trade and other payables	61
Note 16.	Segment reporting	61
Note 17.	Employee benefits	62
Note 18.	Income tax.....	65
Note 19.	Contingencies and guarantees	66
Note 20.	Changes in equity	68
Note 21.	Finance income and costs	71
Note 22.	Guarantees obtained from third parties	76
Note 23.	Local and foreign currency.....	77



Note 24.	Risk management policy	79
24.1	Description of the market where the Company operates.....	79
24.2	Financial risks.....	82
24.3	Capital risk management	89
24.4	Commodities risk.....	89
Note 25.	Environment	90
Note 26.	Sanctions	90
Nota 27	Subsequent events	90



Consolidated Statements of Financial Position

As of December 31, 2021 and 2020

(In thousands of Chilean pesos)

ASSETS	NOTE	12-31-2021	12-31-2020
CURRENT ASSETS			
Cash and cash equivalents	4	619,902,593	405,182,146
Other financial assets, current	10	223,868,792	94,655,396
Other non-financial assets, current	11	18,401,101	9,725,658
Trade and other receivables, current	5	27,349,886	20,509,029
Inventories	6	18,505,217	19,343,911
Current tax assets		1,994,604	1,184,782
Total current assets		910,022,193	550,600,922
NON-CURRENT ASSETS			
Other financial assets, non-current	10	148,516,763	9,665,238
Other non-financial assets, non-current	11	40,365,358	81,767,961
Trade debtors and other accounts receivable, non-current		1,027,642	953,272
Intangible assets other than goodwill	7	8,855,363	8,167,647
Property, plant and equipment	8	5,212,009,220	5,038,022,628
Investment property	9	26,480,210	25,024,188
Total non-current assets		5,437,254,556	5,163,600,934
Total assets		6,347,276,749	5,714,201,856

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



Consolidated Statements of Financial Position, continued

As of December 31, 2021 and 2020

(In thousands of Chilean pesos)

EQUITY AND LIABILITIES	NOTE	12-31-2021	12-31-2020
LIABILITIES			
CURRENT LIABILITIES			
Other financial liabilities, current	12	97,766,958	87,304,371
Trade and other payables, current	15	81,267,453	101,303,209
Accounts payable to related entities, current	14	3,674,308	75,800
Other current provisions	19	1,114,390	331,499
Current employee benefits	17	17,015,501	15,382,408
Other non-financial liabilities, current	13	19,610,307	12,915,217
Total current liabilities		220,448,917	217,312,504
NON-CURRENT LIABILITIES			
Other financial liabilities, non-current	12	3,262,453,953	2,448,997,597
Trade and other payables, non-current	15	5,075,771	2,305,527
Accounts payable to related entities, non-current	14	126,233,735	165,106,291
Employee benefits, non-current	17	11,985,464	13,061,941
Total non-financial liabilities, non-current	13	29,297,939	10,358,650
Total non-current liabilities		3,435,046,862	2,639,830,006
Total liabilities		3,655,495,779	2,857,142,510
EQUITY			
Issued capital	20	4,292,369,512	3,988,119,362
Accumulated losses	20	(1,697,868,943)	(1,152,582,203)
Other reserves	20	97,291,046	21,532,832
Equity attributable to owners of the parent		2,691,791,615	2,857,069,991
Non-controlling interests	20	(10,645)	(10,645)
Total Equity		2,691,780,970	2,857,059,346
Total liabilities and equity		6,347,276,749	5,714,201,856

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



Consolidated Statements of Comprehensive Income
For the years ended December 31, 2021 and 2020
(In thousands of Chilean pesos)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME BY FUNCTION	NOTE	ACCUMULATED	
		01-01-2021 12-31-2021	01-01-2020 12-31-2020
PROFIT (LOSS)			
Revenues	21	250,854,505	185,146,106
Cost of sales	21	(371,093,963)	(362,580,428)
Gross (loss)		(120,239,458)	(177,434,322)
Other income by function	21	2,753,958	3,178,646
Administrative expenses	21	(44,006,195)	(36,117,194)
Other expenses, by function	21	(8,087,519)	(4,989,810)
Other losses	21	(3,308,367)	(2,943,785)
Finance income	21	3,354,553	10,988,300
Finance costs	21	(110,982,664)	(99,668,759)
Foreign currency translation differences	21	(203,554,533)	66,037,702
Profit (loss) from indexation units	21	(61,052,333)	(24,539,080)
Loss before taxes		(545,122,558)	(265,488,302)
Income tax expense		-	-
Profit (loss) from continuing operations		(545,122,558)	(265,488,302)
Profit (loss) from discontinued operations		-	-
Loss		(545,122,558)	(265,488,302)
Profit (loss), attributable to			
Owners of parent		(545,122,558)	(265,488,302)
Non-controlling interests		-	-
Loss		(545,122,558)	(265,488,302)

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



Consolidated Statements of Comprehensive Income, continued
For the years ended December 31, 2021 and 2020
(In thousands of Chilean pesos)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	NOTE	ACCUMULATED	
		01-01-2021 12-31-2021	01-01-2020 12-31-2020
Loss		(545,122,558)	(265,488,302)
Other comprehensive income (loss) before income taxes, gain (loss) from remeasurement of defined benefit plans			
	21	514,254	435,831
Total other comprehensive income that will not be reclassified to profit or loss for the period, before taxes	21	514,254	435,831
Components of other comprehensive income that will not be reclassified to profit or loss for the period, before taxes			
Gains (losses) on exchange differences on translation, before taxes			
Gains (losses) on cash flows hedges, before taxes	21	75,243,960	(1,453,187)
Total other comprehensive income that will be reclassified to profit or loss for the period, before taxes	21	75,243,960	(1,453,187)
Other components of other comprehensive income, before taxes	21	75,758,214	(1,017,356)
Income taxes related to components of other comprehensive income that will be reclassified to profit or loss for the period			
Total other comprehensive income	21	75,758,214	(1,017,356)
Total comprehensive income		(469,364,344)	(266,505,658)

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



Consolidated Statement of Changes in Equity
For the years ended December 31, 2021 and 2020
(In thousands of Chilean pesos)

Items	Issued capital	Other miscellaneous reserves					Accumulated losses	Equity attributable to owners of parent	Non-controlling interests	Total net equity
		Other miscellaneous reserves	Revaluation surplus	Cash flow hedges	Actuarial gains or losses 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	-	-	-	-	-	-	(545,122,558)	(545,122,558)	-	(545,122,558)
Other comprehensive income	-	-	-	75,243,960	514,254	75,758,214	-	75,758,214	-	75,758,214
Comprehensive income	-	-	-	75,243,960	514,254	75,758,214	(545,122,558)	(469,364,344)	-	(469,364,344)
Issue of equity	304,250,150	-	-	-	-	-	-	304,250,150	-	304,250,150
Increase (decrease) due to other changes, equity	-	-	-	-	-	-	(164,182)	(164,182)	-	(164,182)
Closing balance 12/31/2021	4,292,369,512	30,336,377	3,042,584	63,562,013	350,072	97,291,046	(1,697,868,943)	2,691,791,615	(10,645)	2,691,780,970
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	-	-	-	-	-	-	(265,488,302)	(265,488,302)	-	(265,488,302)
Other comprehensive income	-	-	-	(1,453,187)	435,831	(1,017,356)	-	(1,017,356)	-	(1,017,356)
Comprehensive income	-	-	-	(1,453,187)	435,831	(1,017,356)	(265,488,302)	(266,505,658)	-	(266,505,658)
Issue of equity	275,953,354	-	-	-	-	-	-	275,953,354	-	275,953,354
Increase (decrease) due to other changes, equity	-	-	-	-	-	-	(600,013)	(600,013)	-	(600,013)
Closing balance 12-31-2020	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

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



Consolidated Statements of Cash Flows
For the years ended December 31, 2021 and 2020
(In thousands of Chilean pesos)

Consolidated Statements of Cash Flows	NOTE	01-01-2021 12-31-2021	01-01-2020 12-31-2020
Cash flows from (used in) operating activities			
Receipts from sales of goods and rendering of services		237,391,936	161,313,552
Other cash receipts from operating activities		12,329,832	13,982,503
Payments to suppliers for goods and services		(177,896,061)	(190,670,153)
Payments to and on behalf of employees		(93,612,783)	(86,265,417)
Other cash payments from operating activities		(11,113,744)	(7,336,770)
Net cash flows used in operating activities		(32,900,820)	(108,976,285)
Cash flows from (used in) investing activities			
Purchases de property, plant and equipment		(273,122,962)	(271,109,063)
Purchase of intangible assets		(828,205)	(2,500)
Cash receipts from repayment of advances made to other parties - expropriation		367,796	447,283
Cash advances made to third parties - expropriation		(7,720,983)	(53,272,540)
Other cash receipts from sales of equity or debt instruments of other entities		310,211,042	338,244,082
Other cash payments to acquire equity or debt instruments of other entities		(424,313,091)	(280,001,942)
Interests paid		(14,237,043)	(16,013,288)
Net cash flows used in investing activities		(409,643,446)	(281,707,968)
Cash flows from (used in) financing activities			
Proceeds from issuing shares		147,140,638	256,938,224
Loans from related entities - Contribution from the Chilean Treasury and other	14	123,246,061	161,606,291
Proceeds from long-term borrowings	12	513,415,828	1,220,789,305
Other cash receipts		19,662,411	46,697,356
Repayments of loans to related entities	14	(1,334,796)	(20,153)
Repayment of loans	12	(49,819,360)	(827,641,408)
Interest paid	12	(122,659,513)	(99,044,311)
Other cash outflows		(3,792,159)	(22,764,679)
Net cash flows from financing activities		625,859,110	736,560,625
Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes		183,314,844	345,876,372
Effect of exchange rate changes on cash and cash equivalents		31,405,603	(47,197,495)
Net increase (decrease) in cash and cash equivalents		214,720,447	298,678,877
Cash and cash equivalents at beginning of year	4	405,182,146	106,503,269
Cash and cash equivalents at end of year	4	619,902,593	405,182,146

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 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 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 main accounting policies

The main accounting policies adopted in preparing these 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 December 31, 2021 and have been applied on a consistent basis to all accounting periods presented in the Consolidated Financial Statements.

2.1. Basis of preparation

The Consolidated Financial Statements comprise: the Consolidated Statements of Financial Position as of December 31, 2021 and 2020; the Consolidated Statements of Comprehensive Income for the years ended December 31, 2021 and 2020 and the Consolidated Statements of Changes in Equity and Cash Flows for the years then ended, prepared in accordance with the rules and instructions issued by the Financial Market Commission (CMF). These standards and instructions require the Company to comply with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), with the exception of certain IFRS standards. 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 CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

The Company's Management is responsible for the information contained in these Consolidated Financial Statements, which have been approved by the Board of Directors on March 14, 2022, with Management being authorized for their publication.

The 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 the Consolidated Financial Statements in conformity with IFRS and the rules and instructions of the Financial Market Commission requires the use of certain critical accounting estimates necessary to quantify certain assets, liabilities, revenues 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 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.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

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 Financial Market Commission), authorized the existence of MetroPago S.A. as a special corporation, in accordance with Title XIII 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.

Taxpayer ID No.	Company	Ownership interest					
		12-31-2021			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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

Non-controlling interests - Non-controlling interests in the 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 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 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.

2.3.3. Exchange rates

Assets and liabilities in foreign currency and those agreed in unidades de fomento, are presented at the following exchange rates and year-end values, respectively:

Date	USD	EUR	UF
12-31-2021	844.69	955.64	30,991.74
12-31-2020	710.95	873.30	29,070.33

US\$ = United States dollar

EUR = Euro

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

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 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.

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. When there is major maintenance, costs incurred are capitalized and depreciated until the next maintenance.

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 based on useful lives.

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 depreciates separately the significant components of an item of property, plant and equipment that have a useful life different from the rest of its components.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

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 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.

A transfer to or from investment property requires an assessment of whether a property meets or no longer meets the definition of investment property, supported by observable evidence that a change in use has occurred.

As of the date of these financial statements, the application of these amendments has had no impact on the Company's Consolidated Financial Statements since the Company has not made any transfers to or from investment property during the period.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

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 costs

Finance income consists of interest from investing cash and cash equivalents, from derivative transactions and other finance income, and is recognized in the 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, are recognized in the 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.

2.8 Impairment loss 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, 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 Ordinary Official Letter No. 6158 dated 03/05/2012, the Financial Market Commission authorized Metro S.A. to apply IPSAS No. 21 to determine the impairment of its assets.

The application of this standard allows Metro S.A.'s Consolidated Financial Statements to reflect the economic and financial reality of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

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 through other comprehensive income (equity). 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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

As of December 31, 2021, 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.

The Company is using the expected credit loss model, which contains information on historical collections for each tranche/stratification of its accounts receivable for the last five years (using an allowance matrix stratified by maturity or days past due) and additionally incorporates the projected expected loss approach through the statistical calculation of "forward looking", which takes into account the most relevant and representative macroeconomic factors (inflow) that affect its uncollectibility, projecting based on the probability of each of the scenarios.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

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 a "Financial liability at fair value through profit or 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.

b) Other financial liabilities:

Other financial liabilities, including loans, are initially valued at the amount of cash received, net of transaction costs. Other financial liabilities are subsequently measured at the amortized cost using the effective interest rate, and interest expense is recognized based on the effective yield.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

Derecognition 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 24 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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

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 the case of an embedded derivative, and if the host contract is not accounted for at fair value, the procedure determines whether the characteristics and risks of the embedded derivative are not closely related to the host contract, in which case it requires separate accounting.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

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 additions and 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%.

Deferred tax is measured using the tax rates that are expected to apply to temporary differences in the period when they are reversed using default tax rates that will apply to them at the balance sheet 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. Staff vacation

The Company recognizes accrued vacation expenses using the accrual method.

2.17.2. Severance indemnity payments obligations

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

2.17.3. Incentive bonuses

The Company contemplates an annual incentive bonus plan for its employees for meeting objectives, in accordance with the individual conditions of each employment contract. These incentives consist of a certain portion of the monthly remuneration and are provisioned based on the estimated amount to be paid.

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 funds will be necessary to settle the obligation; and
- ✓ The amount has been reliably estimated.

The amount recognized as a provision should be the best estimate of the disbursement required to settle the present obligation at the end of the reporting period.

2.19 Classification of balances as current and non-current

In the 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 Consolidated Financial Statements and as non-current, when it is in excess of that period.

2.20 Recognition of income and expenses

The Company recognizes revenue from the following main sources:

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

The income is measured based on the consideration specified in the contracts with customers. The Company recognizes revenue when it transfers control of a product or service to a customer.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

Revenue sales channel - Santiago Metro maintains a contract with the Ministry of Transport and Telecommunications of Chile, providing services of issuance and post sale of the means of access, 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 in the means of payment. Consequently, revenues are recognized over time when the performance obligation is met.

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 technological changes: These revenues correspond to the change of the validation platform, through an agreement with the Chilean Ministry of Transportation and Telecommunications.

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, as the performance obligations established in the service contract are fulfilled.

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 contracts

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

When assets are leased under finance lease, 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 is calculated as the right to collect the lease, calculated at 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.

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, discounted at the rate implicit in the lease. If that rate cannot be readily determined, the lessee shall use their incremental borrowing rate.

2.22. New IFRS and Interpretations from 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
Amendment to IFRS 16: Rent reductions related to Covid-19	Annual periods beginning on or after January 1, 2021
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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 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 as of December 31. 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:

Amendments to IFRS	Date of mandatory application
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
Onerous Contracts – Costs to Fulfill 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
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	Annual periods beginning on or after January 1, 2024
Accounting policy disclosures (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
Amendment to IAS 12, Deferred taxes relating to assets and liabilities arising from a single transaction.	Annual periods beginning on or after January 1, 2023
Amendment IFRS 10 and IAS 28: Sale or contributions of assets	To be determined

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

3. Management's accounting estimates and 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. Employee severance indemnity obligations

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 periodically 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 lives 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 Litigations 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 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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

3.4. Measurements and/or valuations at fair value

Fair value is defined as the price that will be received for selling an asset or paid for transferring 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 hierarchy for items at fair value:

Each of the market values for the financial instruments portfolio 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 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, 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 December 31, 2021 and 2020, is as follows:

12-31-2021	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 (*)	28,377,528	-	-	28,377,528
Cash and cash equivalents	619,902,593	-	-	619,902,593
Cash and banks	4,693,138	-	-	4,693,138
Term deposits	615,209,455	-	-	615,209,455
Other financial assets (*)	248,391,149	-	123,994,406	372,385,555
Term deposits and repurchase agreements	219,088,816	-	-	219,088,816
Derivative operations	-	-	123,994,406	123,994,406
Financial lease	2,269,801	-	-	2,269,801
Promissory notes receivable	297,957	-	-	297,957
Advertising debtor	16,038,405	-	-	16,038,405
Accounts receivable technological change	10,694,466	-	-	10,694,466
Other financial assets	1,704	-	-	1,704
Total financial assets	896,671,270	-	123,994,406	1,020,665,676

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
Cash and cash equivalents	405,182,146	-	-	405,182,146
Cash and banks	3,252,563	-	-	3,252,563
Term deposits	401,929,583	-	-	401,929,583
Other financial assets (*)	100,601,181	-	3,719,453	104,320,634
Term deposits	90,864,287	-	-	90,864,287
Derivative operations	-	-	3,719,453	3,719,453
Financial lease	1,757,192	-	-	1,757,192
Promissory notes receivable	272,332	-	-	272,332
Advertising debtor	7,703,638	-	-	7,703,638
Other financial assets	3,732	-	-	3,732
Total financial assets	527,245,628	-	3,719,453	530,965,081

(*) Includes current and non-current portion

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

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

12-31-2021	Amortized Cost ThCh\$	Liabilities at fair value through profit or loss ThCh\$	Liabilities at fair value through equity ThCh\$	Total ThCh\$
Interest-bearing loans (*)	3,356,309,994	-	-	3,356,309,994
Trade and other payables (*)	86,343,224	-	-	86,343,224
Hedging liabilities	-	-	3,908,171	3,908,171
Other financial liabilities	2,746	-	-	2,746
Total financial liabilities	3,442,655,964	-	3,908,171	3,446,564,135

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
Hedging liabilities	-	-	30,974,178	30,974,178
Other financial liabilities	2,746	-	-	2,746
Total financial liabilities	2,608,936,526	-	30,974,178	2,639,910,704

(*) Includes current and non-current portion

4. Cash and cash equivalents

Balances of cash and cash equivalents are detailed as follows:

Cash	Currency	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Available			
Cash	Ch\$	24,577	18,315
	US\$	3,101	2,610
Banks	Ch\$	4,656,661	3,225,127
	US\$	8,799	6,511
Total available		4,693,138	3,252,563
Term deposits	Ch\$	360,858,399	146,416,579
	US\$	253,350,956	255,513,004
Total term deposits		614,209,355	401,929,583
Repurchase agreements	Ch\$	1,000,100	-
Total repurchase agreements		1,000,100	-
Total cash and cash equivalents		619,902,593	405,182,146
Subtotal by currency	Ch\$	366,539,737	149,660,021
	US\$	253,362,856	255,522,125

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 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	Average annual rate	Average days to maturity	Principal in domestic currency ThCh\$	Accrued interest in domestic currency ThCh\$	Carrying amount 12-31-2021 ThCh\$
MetroPago term deposits	Ch\$	2,445,000	3.87%	38	2,445,000	13,316	2,458,316
Term deposits Metro	Ch\$	357,803,808	4.39%	33	357,803,808	596,275	358,400,083
	US\$	299,914	0.16%	43	253,334,256	16,700	253,350,956
Total					613,583,064	626,291	614,209,355

Type of investment	Currency of origin	Principal in currency of origin in thousands	Average annual 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 Metro	Ch\$	143,914,119	0.32%	19	143,914,119	36,422	143,950,541
	US\$	359,386	0.13%	15	255,505,181	7,823	255,513,004
Total					401,884,302	45,281	401,929,583

Repurchase agreements 2021

Code	Dates		Counterparty	Currency of origin	Subscription value ThCh\$	Annual rate %	Closing value ThCh\$	Instrument's identification	Carrying amount 12-31-2021 ThCh\$
	Start	End							
CRV	12-30-2021	01-05-2022	ITAU CORREDOR DE BOLSA	Ch\$	1,000,000	3.60%	1,000,600	PAGARE R	1,000,100
Total					1,000,000		1,000,600		1,000,100

As of the date of these financial statements there are no differences between the amount of cash and cash equivalents recorded in the Consolidated Statement of Financial Position and the Consolidated Statement of Cash Flows.

There were no restrictions on the availability of cash.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

5. Trade and other receivables, current

The composition of this item as of December 31, 2021 and 2020 is as follows:

Trade and other receivables, gross	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Trade and other receivables, gross	28,827,291	21,737,430
Trade receivables, gross	16,401,074	11,724,338
Sales channel accounts receivable, gross	10,498,827	8,367,295
Other receivables, gross	1,927,390	1,645,797

Trade and other receivables, net	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Trade and other receivables, net	27,349,886	20,509,029
Trade receivables, net	14,923,669	10,495,937
Sales channel accounts receivable, net	10,498,827	8,367,295
Other receivables, net	1,927,390	1,645,797

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

Trade receivables, net	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Aged 3 months	12,191,639	7,480,453
Aged more than 3 months up to 1 year	1,551,894	2,013,334
Aged more than 1 year	1,180,136	1,002,150
Total	14,923,669	10,495,937

Sales channel accounts receivable, net	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Aged 3 months	10,474,004	8,066,012
Aged more than 3 months up to 1 year	-	274,279
Aged more than 1 year	24,823	27,004
Total	10,498,827	8,367,295

Other Accounts Receivable, Net	12-31-2021 ThCh\$	12-31-2020 ThCh\$
With 3 months maturity	420,468	1,249,390
With 3 months up to 1 year maturity	1,506,922	396,407
Total	1,927,390	1,645,797

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

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

Past due and outstanding trade receivables with impairment	ThCh\$
Balance as of December 31, 2019	653,886
Increases for the period	729,372
Decrease for the period	(154,314)
Write-offs for the period	(543)
Balance as of December 31, 2020	1,228,401
Increases for the period	937,936
Decrease for the period	(688,932)
Write-offs for the period	-
Balance as of December 31, 2021	1,477,405

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

The Company only uses the provision method and not that of direct write-off for a better control. Once pre-judicial and judicial collection measures have been exhausted, the assets are written-off against the provision recorded.

As of December 31, 2021 and 2020, the stratification of current debts is as follows:

Days	Non-Securitized Portfolio					
	12-31-2021			12-31-2020		
	Number of clients non-renegotiated portfolio	Gross non-renegotiated portfolio	Total gross portfolio	Number of clients non-renegotiated portfolio	Gross non-renegotiated portfolio	Total gross portfolio
1 to 30 days	126	14,770,123	14,770,123	181	14,724,538	14,724,538
Between 31 and 60 days	28	1,733,478	1,733,478	14	1,522,971	1,522,971
61 to 90 days	24	4,391,421	4,391,421	6	916,885	916,885
91 to 120 days	19	1,190,006	1,190,006	11	819,882	819,882
121 to 150 days	20	612,291	612,291	21	278,604	278,604
151 and 180 days	14	268,277	268,277	14	164,860	164,860
181 to 210 days	16	329,164	329,164	4	338,274	338,274
211 to 250 days	13	455,743	455,743	6	331,110	331,110
Over 250 days	24	3,149,398	3,149,398	33	994,509	994,509
Total	284	26,899,901	26,899,901	290	20,091,633	20,091,633

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

Notes receivable	Protested portfolio and under judicial collection			
	12-31-2021		12-31-2020	
	Number of customers	ThCh\$	Number of customers	ThCh\$
Protested	5	155,702	10	115,772
Under judicial collection	29	620,124	25	435,769
Total notes receivable	34	775,826	35	551,541

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

6. Inventories

This item comprises the following:

Classes of inventories	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Inventories and stock	2,229,503	2,453,474
Spare parts and accessories for maintenance	15,792,151	15,826,700
Imports in transit and other	483,563	1,063,737
Total	18,505,217	19,343,911

As of December 31, 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\$ 5,112,530 and ThCh\$ 4,698,240, respectively.

As of December 31, 2021 the write-offs of inventories amount to ThCh\$ 874,950 and differences of inventories, to ThCh\$ 50,021.

As of December 31, 2020, there were no inventory write-offs and inventory differences amounted to ThCh\$ 121,702, based on the analysis made by the technical Management of spare parts, maintenance accessories and supplies inventories.

As of December 31, 2021 and 2020, the Company records no inventory items subject to pledge or guarantee.

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. 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.

As of December 31, 2021 and 2020, the Company found no objective evidence of impairment for this type of asset.

The items within the 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 years 2021 and 2020, are as follows:

Concept	12-31-2021			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	10,952,964	(7,217,376)	3,735,588	9,897,488	(6,078,570)	3,818,918
Easements	5,119,775	-	5,119,775	4,348,729	-	4,348,729
Total	16,072,739	(7,217,376)	8,855,363	14,246,217	(6,078,570)	8,167,647

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

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

Movements	Licenses and software	Easements	Total intangible assets, net
	ThCh\$	ThCh\$	ThCh\$
Opening balance 01-01-2021	3,818,918	4,348,729	8,167,647
Additions	282,770	771,046	1,053,816
Transfers	772,707	-	772,707
Amortization	(1,138,807)	-	(1,138,807)
Closing balance 12-31-2021	3,735,588	5,119,775	8,855,363
Average remaining useful life	5.73 years	indefinite	

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

Movements	Licenses and software	Easements	Total intangible assets, net
	ThCh\$	ThCh\$	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	

- d) Amortization for the year

As of December 31, 2021, the amortization charge for the year amounts to ThCh\$ 1,138,807 (ThCh\$ 908,001 in 2020) and is included under Cost of sales in the Consolidated Statement of Comprehensive Income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

8. Property, plant and equipment

a) The breakdown of the item is as follows:

Property, plant and equipment	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Classes of property, plant and equipment, net		
Property, plant and equipment, net	5,212,009,220	5,038,022,628
Works in progress, net	595,221,591	611,104,988
Land, net	192,468,408	134,704,880
Civil works, net	2,739,135,180	2,662,394,693
Buildings, net	186,187,786	165,989,577
Rolling stock, net	1,102,192,757	1,061,854,095
Electrical equipment, net	332,693,144	346,101,083
Machinery and equipment, net	43,928,931	35,654,691
Other, net	20,181,423	20,218,621
Classes of property, plant and equipment, gross		
Property, plant and equipment, gross	6,239,454,230	5,954,926,462
Works in progress, gross	595,221,591	611,104,988
Land, gross	192,468,408	134,704,880
Civil works, gross	3,025,506,142	2,913,128,138
Buildings, gross	215,202,704	191,680,616
Rolling stock, gross	1,497,443,541	1,417,394,551
Electrical equipment, gross	621,410,839	606,468,617
Machinery and equipment, gross	72,019,582	60,226,051
Other, gross	20,181,423	20,218,621
Classes of accumulated depreciation and impairment, Property, Plant and Equipment		
Total accumulated depreciation and impairment, Property, plant and equipment	1,027,445,010	916,903,834
Accumulated depreciation of civil works	286,370,962	250,733,445
Accumulated depreciation of buildings	29,014,918	25,691,039
Accumulated depreciation of rolling stock	395,250,784	355,540,456
Accumulated depreciation of electrical equipment	288,717,695	260,367,534
Accumulated depreciation of machinery and equipment	28,090,651	24,571,360



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

b) Breakdown of movement of property, plant and equipment during 2021 and 2020

Movement year 2021		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	199,534,872	53,745,634	12,639,008	2,245,786	20,738,330	4,758,530	3,877,780	-	297,539,940
	Transfers	(215,418,269)	4,017,894	99,738,996	21,276,302	68,733,872	10,888,969	8,211,731	-	(2,550,505)
	Spare parts transfer	-	-	-	-	-	-	-	(37,198)	(37,198)
	Derecognition or sales	-	-	-	-	(63,019)	(231,851)	(3,890)	-	(298,760)
	Depreciation expense	-	-	(35,637,517)	(3,323,879)	(49,070,521)	(28,823,587)	(3,811,381)	-	(120,666,885)
	Total movements	(15,883,397)	57,763,528	76,740,487	20,198,209	40,338,662	(13,407,939)	8,274,240	(37,198)	173,986,592
Closing balance as of December 31, 2021		595,221,591	192,468,408	2,739,135,180	186,187,786	1,102,192,757	332,693,144	43,928,931	20,181,423	5,212,009,220

Movement year 2020		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
Closing 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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

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

Concept	years
Road network	60
Stations	100
Tunnels	100
Rolling stock	41

d) Write-offs

In the 2021 period, write-offs of property, plant and equipment with effect in income amount to ThCh\$ 298,760, (ThCh\$ 271,258 in 2020).

As of December 31, 2021 and 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 December 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\$ 248,440, composed by type of investment in: MCh\$ 148,931 Civil Works, MCh\$ 82,271 Systems and Equipment and MCh\$ 17,238 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 Systems and Equipment and MCh\$ 33,970 Rolling Stock, with completion in 2026.

f) Spare parts and accessories

As of December 31, 2021, spare parts, accessories and maintenance materials amount to ThCh\$ 22,695,432 (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) Depreciation for the year

As of December 31, 2021, the depreciation charge for the year amounts to ThCh\$ 120,666,885 (ThCh\$ 116,318,067 in 2020), of which ThCh\$ 119,826,874 is included under Cost of sales in the Consolidated Statement of Comprehensive Income (ThCh\$ 115,784,012 in 2020) and ThCh\$ 840,011 is included under Administrative expenses in the Consolidated Statement of Comprehensive Income (ThCh\$ 534,055 in 2020).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

h) Other disclosures

1. Fixed assets that are fully depreciated and in use amount to ThCh \$ 22,856,148 as of December 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\$ 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.

i) Financing costs

During the 2021 period, capitalized interest costs of property, plant and equipment amount to ThCh\$ 19,803,203 (ThCh\$ 17,331,994 for the period from January to December 2020).

j) Criteria for property, plant and equipment (PPE) additions and cash flow statements (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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

9. Investment property

Investment property correspond 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\$ 26,480,210 as of December 31, 2021 (ThCh\$ 25,024,188 in 2020).

Investment property	Commercial stores	Land	Buildings	Total
Balance as of 01-01-2021	16,352,352	607,816	8,064,020	25,024,188
Additions	-	-	-	-
Transfers	-	-	1,777,798	1,777,798
Depreciation	(215,581)	-	(106,195)	(321,776)
Balance as of 12-31-2021	16,136,771	607,816	9,735,623	26,480,210
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)
Balance 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 property 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 December 31, 2021, this fair value amounts to ThCh\$ 145,655,923 (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).

Concept	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Commercial stores	70,162,521	103,551,183
Land	65,535,548	83,090,899
Buildings	9,957,854	13,981,374
Total	145,655,923	200,623,456

As of December 31, 2021, the amortization charge for the year amounts to ThCh\$ 321,776 (ThCh\$ 319,702 in 2020) and is included under Cost of sales in the Consolidated Statement of Comprehensive Income.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

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

Investment property income and expenses	01-01-2021 12-31-2021 ThCh\$	01-01-2020 12-31-2020 ThCh\$
Commercial stores	5,893,148	4,920,972
Land	5,183,637	3,700,795
Buildings	955,729	788,380
Total rental income	12,032,514	9,410,147
Commercial stores (real estate tax)	(205,406)	(157,503)
Land (real estate tax)	(72,344)	(59,118)
Buildings (real estate tax)	(118,945)	(115,479)
Commercial stores (depreciation)	(215,581)	(225,064)
Buildings (depreciation)	(60,145)	(60,131)
Total lease expenses	(672,421)	(617,295)

The Company has not established liens, mortgages or other kind of security.

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 5.6% as of December 2021 (3.2% as of December 2020), are the following:

Concept	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Commercial stores		
Up to 1 year	4,185,475	3,576,287
More than 1 year up to 5 years	7,716,849	10,077,153
More than 5 years	63,657,969	98,626,655
Land		
Up to 1 year	3,681,560	2,689,531
More than 1 year up to 5 years	6,787,770	7,578,479
More than 5 years	55,993,794	74,171,750
Buildings		
Up to 1 year	678,785	572,951
More than 1 year up to 5 years	1,251,491	1,614,443
More than 5 years	10,323,818	15,800,809
Total	154,277,511	214,708,058

As of December 31, 2021, Metro S.A. has no indications of impairment in its investment property.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

10. Other financial assets, current and non-current

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

Item	12-31-2021		12-31-2020	
	Current ThCh\$	Non-current ThCh\$	Current ThCh\$	Non-current ThCh\$
Financial investments, more than three months	219,088,816	-	90,864,287	-
Derivative operations	4,419,136	119,575,270	3,719,453	-
Financial lease	360,840	1,908,961	71,656	1,685,536
Promissory notes receivable	-	297,957	-	272,332
Advertising debtor	-	16,038,405	-	7,703,638
Accounts receivable technological change	-	10,694,466	-	-
Other receivables	-	1,704	-	3,732
Total	223,868,792	148,516,763	94,655,396	9,665,238

Financial investments, more than three 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\$	Interests in domestic currency ThCh\$	Carrying amount 12-31-2021 ThCh\$
Term deposits	Ch\$	69,418,047	5.01%	89	69,418,047	83,300	69,501,347
	US\$	177,049	0.16%	53	149,551,314	36,155	149,587,469
Total					218,969,361	119,455	219,088,816

Type of investment	Currency of origin	Principal in domestic currency in thousands	Annual average rate	Average days to maturity	Principal in domestic currency ThCh\$	Interests 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
Total					90,849,464	14,823	90,864,287



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

Derivative operations

Financial assets of Metro S.A., Tax ID No. 61.219.000 - 3, country Chile, with local and foreign entities as of December 31, 2021.

Tax ID No.	Name	Country	Currency	Nominal rate	Type of amortization	Current			Non-current		
						Maturity		Total current 12-31-2021	Maturity		Total non-current 12-31-2021
						Up to 90 days	90 days to 1 year		1 to 3 years	Over 5 years	
						ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
97.004.000-5	Banco de Chile	Chile	US\$	4.75000%	Maturity	488,161	-	488,161	3,496,016	-	3,496,016
97.018.000-1	Scotiabank Chile	Chile	US\$	4.75000%	Maturity	488,161	-	488,161	3,694,624	-	3,694,624
97.036.000-K	Banco Santander	Chile	US\$	4.75000%	Maturity	488,161	-	488,161	3,878,921	-	3,878,921
97.018.000-1	Scotiabank Chile	Chile	US\$	4.75000%	Maturity	488,161	-	488,161	4,022,074	-	4,022,074
97.004.000-5	Banco de Chile	Chile	US\$	4.75000%	Maturity	650,882	-	650,882	6,661,252	-	6,661,252
97.036.000-K	Banco Santander	Chile	US\$	3.65000%	Maturity	-	181,561	181,561	-	9,433,485	9,433,485
97.036.000-K	Banco Santander	Chile	US\$	3.65000%	Maturity	-	181,561	181,561	-	9,777,553	9,777,553
97.036.000-K	Banco Santander	Chile	US\$	3.65000%	Maturity	-	181,561	181,561	-	9,429,395	9,429,395
97.018.000-1	Scotiabank Chile	Chile	US\$	3.65000%	Maturity	-	181,561	181,561	-	9,934,705	9,934,705
97.018.000-1	Scotiabank Chile	Chile	US\$	3.65000%	Maturity	-	181,561	181,561	-	9,975,080	9,975,080
97.036.000-K	Banco Santander	Chile	US\$	3.65000%	Maturity	-	181,561	181,561	-	9,521,723	9,521,723
97.036.000-K	Banco Santander	Chile	US\$	3.65000%	Maturity	-	181,561	181,561	-	9,803,488	9,803,488
97.036.000-K	Banco Santander	Chile	US\$	3.65000%	Maturity	-	181,561	181,561	-	10,048,851	10,048,851
97.018.000-1	Scotiabank Chile	Chile	US\$	3.65000%	Maturity	-	181,561	181,561	-	9,869,306	9,869,306
97.004.000-5	Banco de Chile	Chile	US\$	3.65000%	Maturity	-	181,561	181,561	-	10,028,797	10,028,797
Total						2,603,526	1,815,610	4,419,136	21,752,887	97,822,383	119,575,270



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

Financial assets of Metro S.A., Tax ID No. 61.219.000 - 3, country Chile, with local and foreign entities as of December 31, 2020.

Tax ID No.	Name	Country	Currency	Nominal rate	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 to 1 year		1 to 3 years	Over 5 years	
						ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
97.004.000-5	Banco de Chile	Chile	US\$	4.75000%	Maturity	410,870	-	410,870	-	-	-
97.018.000-1	Scotiabank Chile	Chile	US\$	4.75000%	Maturity	410,870	-	410,870	-	-	-
97.036.000-K	Banco Santander	Chile	US\$	4.75000%	Maturity	410,870	-	410,870	-	-	-
97.018.000-1	Scotiabank Chile	Chile	US\$	4.75000%	Maturity	410,870	-	410,870	-	-	-
97.004.000-5	Banco de Chile	Chile	US\$	4.75000%	Maturity	547,823	-	547,823	-	-	-
97.036.000-K	Banco Santander	Chile	US\$	3.65000%	Maturity	-	152,815	152,815	-	-	-
97.036.000-K	Banco Santander	Chile	US\$	3.65000%	Maturity	-	152,815	152,815	-	-	-
97.036.000-K	Banco Santander	Chile	US\$	3.65000%	Maturity	-	152,815	152,815	-	-	-
97.018.000-1	Scotiabank Chile	Chile	US\$	3.65000%	Maturity	-	152,815	152,815	-	-	-
97.018.000-1	Scotiabank Chile	Chile	US\$	3.65000%	Maturity	-	152,815	152,815	-	-	-
97.036.000-K	Banco Santander	Chile	US\$	3.65000%	Maturity	-	152,815	152,815	-	-	-
97.036.000-K	Banco Santander	Chile	US\$	3.65000%	Maturity	-	152,815	152,815	-	-	-
97.036.000-K	Banco Santander	Chile	US\$	3.65000%	Maturity	-	152,815	152,815	-	-	-
97.018.000-1	Scotiabank Chile	Chile	US\$	3.65000%	Maturity	-	152,815	152,815	-	-	-
97.004.000-5	Banco de Chile	Chile	US\$	3.65000%	Maturity	-	152,815	152,815	-	-	-
Total						2,191,303	1,528,150	3,719,453	-	-	-



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

Financial lease

On August 1, 2004 and through July 31, 2034, the Company leased out to Enel Distribución Chile S.A. (Former 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, this lease was derecognized from property, plant and equipment and 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 lessee makes are divided into two parts, one representing the financial burden and the other the reduction of existing debt. 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	12-31-2021			12-31-2020		
	Gross Amount ThCh\$	Interest ThCh\$	Current value ThCh\$	Gross amount ThCh\$	Interest ThCh\$	Current value ThCh\$
Up to 1 year	534,382	173,542	360,840	224,886	153,230	71,656
More than 1 year up to 5 years	1,335,952	707,045	628,907	1,124,432	643,219	481,213
More than 5 years	1,603,144	323,090	1,280,054	1,574,204	369,881	1,204,323
Total	3,473,478	1,203,677	2,269,801	2,923,522	1,166,330	1,757,192



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 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	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Prepaid expenses	404,594	3,036
Advance payments to suppliers and personnel	17,310,226	9,070,645
Other receivables	686,281	651,977
Total	18,401,101	9,725,658

Other non-financial assets, non-current	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Funds allocated to pay for expropriations of new lines	31,100,974	64,941,022
VAT credit	6,118,902	10,638,018
Investment land	1,113,227	1,045,027
Advance for severance indemnities and other loans to personnel	2,032,255	5,143,894
Total	40,365,358	81,767,961

12. Other financial liabilities, current and non-current

This item comprises the following:

Concept	12-31-2021		12-31-2020	
	Current ThCh\$	Non-current ThCh\$	Current ThCh\$	Non-current ThCh\$
Interest-bearing loans	3,658,790	14,509,233	3,096,527	15,289,613
Obligations with the public - Bonds	90,199,997	3,247,941,974	76,474,203	2,410,464,701
Derivative operations	3,908,171	-	7,733,641	23,240,537
Other	-	2,746	-	2,746
Total	97,766,958	3,262,453,953	87,304,371	2,448,997,597

Interest-bearing loans:

- ✓ Natixis Bank (French Government to Chilean Government Financial Protocol) for USD 87,793,769.88. As of December 31, 2021 it has been fully utilized, leaving a capital balance of USD 21,343,147.03 (USD 25,582,801.03 in 2020).
- ✓ Natixis Bank (French Government to Chilean Government Financial Protocol) for Euros 1,573,093.76. As of December 31, 2021 it has been fully utilized, leaving a capital balance of Euros 132,488.38 (Euros 211,142.32 in 2020).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 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 December 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 ThCh\$	90 days to 1 year ThCh\$	12-31-2021 ThCh\$	1 to 3 years ThCh\$	3 to 5 years ThCh\$	Over 5 years ThCh\$	12-31-2021
O-E	Natixis Bank	France	US Dollars	0.61%	775,634	2,818,438	3,594,072	8,739,765	2,151,308	3,556,077	14,447,150
O-E	Natixis Bank	France	Euros	2.00%	9,700	55,018	64,718	62,083	-	-	62,083
Total					785,334	2,873,456	3,658,790	8,801,848	2,151,308	3,556,077	14,509,233

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 December 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 ThCh\$	90 days to 1 year ThCh\$	12-31-2020 ThCh\$	1 to 3 years ThCh\$	3 to 5 years ThCh\$	Over 5 years ThCh\$	12-31-2020
O-E	Natixis Bank	France	US Dollars	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
Total					664,301	2,432,226	3,096,527	8,582,228	3,204,898	3,502,487	15,289,613



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

Obligations with the public - Bonds

Obligations of Metro S.A. Debt Tax ID 61.219.000 - 3 country Chile with national and foreign entities as of December 31, 2021.

Series	Tax ID No. Bank	Bank RTB (*) and payer	Country	Currency	Nominal rate	Effective rate	Type of amortization	Current			Non-current			
								Maturity		Total current 12-31-2021	Maturity			Total non-current 12-31-2021
								Up to 90 days	90 days to 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	5,243,357	3,254,133	8,497,490	53,693,190	16,714,442	-	70,407,632
B	97.080.000-K	Banco Bice	Chile	UF	5.6%	5.9%	Half-yearly	1,627,066	1,986,565	3,613,631	26,846,595	8,606,698	-	35,453,293
C	97.080.000-K	Banco Bice	Chile	UF	5.5%	5.5%	Half-yearly	5,115,383	3,099,174	8,214,557	40,289,262	34,042,367	-	74,331,629
D	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.1%	Half-yearly	5,270,476	3,099,174	8,369,650	29,442,153	34,090,914	18,223,853	81,756,920
E	97.004.000-5	Banco de Chile	Chile	UF	5.5%	4.9%	Half-yearly	2,169,422	2,605,644	4,775,066	16,813,019	23,863,640	19,378,942	60,055,601
F	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.0%	Half-yearly	2,577,145	1,472,107	4,049,252	8,832,646	16,193,184	17,118,698	42,144,528
G	97.080.000-K	Banco Bice	Chile	UF	4.5%	3.1%	Half-yearly	3,079,135	2,169,422	5,248,557	13,016,531	16,270,664	40,375,794	69,662,989
I	97.036.000-K	Banco Santander	Chile	UF	4.7%	4.8%	Half-yearly	5,391,019	4,014,835	9,405,854	24,089,010	16,059,340	15,762,204	55,910,554
J	97.036.000-K	Banco Santander	Chile	UF	4.5%	4.5%	Half-yearly	4,132,228	4,703,343	8,835,571	24,793,367	16,528,911	57,569,270	98,891,548
K	97.004.000-5	Banco de Chile	Chile	UF	3.8%	4.0%	Half-yearly	1,763,062	-	1,763,062	-	-	157,950,653	157,950,653
L	97.004.000-5	Banco de Chile	Chile	UF	3.9%	3.8%	Maturity	-	231,458	231,458	-	-	46,192,201	46,192,201
M	97.080.000-K	Banco Bice	Chile	UF	2.9%	2.5%	Half-yearly	1,092,589	-	1,092,589	-	-	125,972,313	125,972,313
1		Deutsche Bank T	USA	US Dollars	4.8%	5.0%	Maturity	2,658,463	-	2,658,463	136,601,951	-	-	136,601,951
2		Deutsche Bank T	USA	US Dollars	5.0%	5.2%	Maturity	9,150,808	-	9,150,808	-	-	409,009,109	409,009,109
3		Bank of New York	USA	US Dollars	3.7%	4.4%	Maturity	-	2,312,339	2,312,339	-	-	407,024,101	407,024,101
4		Bank of New York	USA	US Dollars	4.7%	4.9%	Maturity	-	5,955,065	5,955,065	-	-	832,834,680	832,834,680
5		Bank of New York	USA	US Dollars	3.7%	3.8%	Maturity	6,026,585	-	6,026,585	-	-	543,742,272	543,742,272
Total								55,296,738	34,903,259	90,199,997	374,417,724	182,370,160	2,691,154,090	3,247,941,974

(*) RTB: Representative of the Bondholders.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

Obligations with the public - Bonds

Obligations of Metro S.A. Debt Tax ID 61.219.000 - 3 country Chile with national and foreign entities as of December 31, 2020.

Series	Taxpayer ID Bank	Bank RTB (*) and payer	Country	Currency	Nominal rate	Effective rate	Type of amortization	Current			Non-current			
								Maturity		Total current	Maturity			Total non-current
								Up to 90 days	90 days to 1 year	12-31-2020	1 to 3 years	3 to 5 years	Over 5 years	12-31-2020
								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	US Dollars	4.8%	5.0%	Maturity	2,237,548	-	2,237,548	114,810,677	-	-	114,810,677
2		Deutsche Bank T	USA	US Dollars	5.0%	5.2%	Maturity	7,701,958	-	7,701,958	-	-	344,038,401	344,038,401
3		Bank of New York	USA	US Dollars	3.7%	4.4%	Maturity	-	1,946,225	1,946,225	-	-	341,317,910	341,317,910
4		Bank of New York	USA	US Dollars	4.7%	4.9%	Maturity	-	5,012,197	5,012,197	-	-	700,810,736	700,810,736
Total								45,112,063	31,362,140	76,474,203	297,947,104	180,269,485	1,932,248,112	2,410,464,701

(*) RTB: Representative of the Bondholders.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 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. As of December 31, 2021 there is no outstanding balance of the series H bonds, as the last installment of the balance due was paid on July 15, 2020.

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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

On May 04, 2020, the Company placed a bond in the international market for MUS\$ 1,000 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.

On September 13, 2021, the Company placed a bond in the international market for MUS\$ 650, at a placement interest rate of 3.693%. The coupon rate of the bond is 3.693% and is calculated based on a 360-day, forty-year term with a forty-year grace period for the payment of principal, with semi-annual interest payments and considering early redemption.

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 times, 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

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.

It should be noted that, as of December 31, 2021, this debt-equity ratio is 1.36 times, equity amounts to ThCh\$ 2,692 million and interest coverage is -0.41 times calculated as established in the agreement and its respective amendments for such bond issues.

As of December 31, 2021, 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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

Derivative operations

Obligations of Metro S.A. Debt Tax ID 61.219.000 - 3 country Chile with national entities as of December 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 to 1 year		1 to 3 years	Over 5 years	
						ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
97.004.000-5	Banco de Chile	Chile	UF	3.655%	Maturity	333,180	-	333,180	-	-	-
97.018.000-1	Scotiabank Chile	Chile	UF	3.590%	Maturity	324,941	-	324,941	-	-	-
97.036.000-K	Banco Santander	Chile	UF	3.443%	Maturity	310,057	-	310,057	-	-	-
97.018.000-1	Scotiabank Chile	Chile	UF	3.495%	Maturity	312,542	-	312,542	-	-	-
97.004.000-5	Banco de Chile	Chile	UF	3.500%	Maturity	399,843	-	399,843	-	-	-
97.036.000-K	Banco Santander	Chile	Ch\$	4.985%	Maturity	-	225,748	225,748	-	-	-
97.036.000-K	Banco Santander	Chile	Ch\$	4.950%	Maturity	-	222,123	222,123	-	-	-
97.036.000-K	Banco Santander	Chile	Ch\$	4.987%	Maturity	-	225,839	225,839	-	-	-
97.018.000-1	Scotiabank Chile	Chile	Ch\$	4.930%	Maturity	-	220,355	220,355	-	-	-
97.018.000-1	Scotiabank Chile	Chile	Ch\$	4.910%	Maturity	-	219,461	219,461	-	-	-
97.036.000-K	Banco Santander	Chile	Ch\$	4.980%	Maturity	-	224,936	224,936	-	-	-
97.036.000-K	Banco Santander	Chile	Ch\$	4.995%	Maturity	-	223,260	223,260	-	-	-
97.036.000-K	Banco Santander	Chile	Ch\$	4.970%	Maturity	-	220,679	220,679	-	-	-
97.018.000-1	Scotiabank Chile	Chile	Ch\$	5.040%	Maturity	-	224,084	224,084	-	-	-
97.004.000-5	Banco de Chile	Chile	Ch\$	4.980%	Maturity	-	221,123	221,123	-	-	-
Total						1,680,563	2,227,608	3,908,171	-	-	-



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

Derivative operations

Obligations of Metro S.A. Debt Tax ID 61.219.000 - 3 country Chile with national entities as of December 31, 2020.

Taxpayer ID	Name	Country	Currency	Nominal Rate	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 to 1 year		1 to 3 years	Over 5 years	
						ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
97.004.000-5	Banco de Chile	Chile	UF	3.655%	Maturity	312,523	-	312,523	-	680,648	680,648
97.018.000-1	Scotiabank Chile	Chile	UF	3.590%	Maturity	304,795	-	304,795	-	460,161	460,161
97.036.000-K	Banco Santander	Chile	UF	3.443%	Maturity	290,835	-	290,835	-	239,093	239,093
97.018.000-1	Scotiabank Chile	Chile	UF	3.495%	Maturity	293,165	-	293,165	-	99,333	99,333
97.004.000-5	Banco de Chile	Chile	UF	3.500%	Maturity	375,054	-	375,054	-	(1,224,942)	(1,224,942)
97.036.000-K	Banco Santander	Chile	Ch\$	4.985%	Maturity	-	225,749	225,749	-	2,096,269	2,096,269
97.036.000-K	Banco Santander	Chile	Ch\$	4.950%	Maturity	-	222,123	222,123	-	2,046,432	2,046,432
97.036.000-K	Banco Santander	Chile	Ch\$	4.987%	Maturity	-	225,839	225,839	-	2,299,820	2,299,820
97.018.000-1	Scotiabank Chile	Chile	Ch\$	4.930%	Maturity	-	220,355	220,355	-	2,755,928	2,755,928
97.018.000-1	Scotiabank Chile	Chile	Ch\$	4.910%	Maturity	-	219,461	219,461	-	2,751,405	2,751,405
97.036.000-K	Banco Santander	Chile	Ch\$	4.980%	Maturity	-	224,935	224,935	-	2,632,059	2,632,059
97.036.000-K	Banco Santander	Chile	Ch\$	4.995%	Maturity	-	223,260	223,260	-	2,272,512	2,272,512
97.036.000-K	Banco Santander	Chile	Ch\$	4.970%	Maturity	-	220,679	220,679	-	1,984,172	1,984,172
97.018.000-1	Scotiabank Chile	Chile	Ch\$	5.040%	Maturity	-	224,084	224,084	-	2,190,475	2,190,475
97.004.000-5	Banco de Chile	Chile	Ch\$	4.980%	Maturity	-	221,123	221,123	-	1,957,172	1,957,172
Total						1,576,372	2,227,608	3,803,980	-	23,240,537	23,240,537



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

Forward operations

Obligations of Metro S.A. Debt Tax ID 61.219.000 - 3 country Chile with national entities as of December 31, 2020.

Taxpayer ID	Name	Country	Currency	Nominal amount	Fair value		
					Maturity		Total current
					Up to 90 days	90 days to 1 year	12-31-2020
					ThCh\$	ThCh\$	ThCh\$
97.036.000-K	Banco Santander	Chile	US\$	12,500,000.00	660,500	-	660,500
97.036.000-K	Banco Santander	Chile	US\$	940,003.85	49,651	-	49,651
97.018.000-1	Scotiabank Chile	Chile	US\$	23,500,000.00	-	1,237,275	1,237,275
97.004.000-5	Banco de Chile	Chile	US\$	1,825,000.00	-	94,626	94,626
97.018.000-1	Scotiabank Chile	Chile	US\$	12,500,000.00	-	665,500	665,500
97.004.000-5	Banco de Chile	Chile	US\$	1,260,889.10	-	58,985	58,985
97.018.000-1	Scotiabank Chile	Chile	US\$	936,495.08	-	43,912	43,912
97.018.000-1	Scotiabank Chile	Chile	US\$	23,500,000.00	-	975,250	975,250
97.004.000-5	Banco de Chile	Chile	US\$	1,825,000.00	-	84,936	84,936
97.004.000-5	Banco de Chile	Chile	US\$	1,256,147.08	-	59,026	59,026
Total				80,043,535.11	710,151	3,219,510	3,929,661

As of December 31, 2021, the Company has no current forward operations.

Reconciliation of financial liabilities derived from financing activities.

Concept	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 12-31-2021
		From	Used	Exchange rate differences	Other	
Interest-bearing loans	18,386,140	-	(3,437,616)	3,099,377	120,122	18,168,023
Obligations with the public - Bonds	2,486,938,904	513,415,828	(149,973,368)	380,917,541	106,843,066	3,338,141,971
Derivative operations	30,974,178	-	(19,067,889)	7,267,526	(15,265,644)	3,908,171
Other	2,746	-	-	-	-	2,746
Total	2,536,301,968	513,415,828	(172,478,873)	391,284,444	91,697,544	3,360,220,911

Concept	Balance as of 12-31-2019	Cash flows from financing activities			Changes that have no effect on cash flow from financing activities		Balance as of 12-31-2020
		From	Used	CCS Settled	Exchange rate differences	Other	
Interest-bearing loans	479,081,476	-	(502,074,456)	-	32,443,953	8,935,167	18,386,140
Obligations with the public - Bonds	1,742,897,636	1,220,789,305	(419,155,894)	-	(150,187,756)	92,595,613	2,486,938,904
Derivative operations	4,203,490	-	(5,455,369)	15,448,837	20,225,000.00	(3,447,780)	30,974,178
Other	2,746	-	-	-	-	-	2,746
Total	2,226,185,348	1,220,789,305	(926,685,719)	15,448,837	(97,518,803)	98,083,000	2,536,301,968



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

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

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

Current	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Real estate tax	6,458,558	6,211,514
Unearned income (*)	4,584,078	965,469
Unearned income from advertisement	4,834,747	4,022,287
Unearned income from technological changes	1,222,225	-
Guarantees received	2,510,699	1,715,947
Total	19,610,307	12,915,217

Non-current	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Unearned income (*)	2,565,068	2,655,012
Unearned income from advertisement	16,038,405	7,703,638
Unearned income from technological changes	10,694,466	-
Total	29,297,939	10,358,650

(*) Corresponds to advances on operating leases.

14. Balances and transactions with related parties

Documents and accounts receivable:

As of December 31, 2021 and 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 December 31, 2021, contributions pending capitalization in the long term amounted to ThCh\$ 118,821,155 (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 December 31, 2021, with Empresa de Ferrocarriles del Estado is presented in current liabilities ThCh\$ 3,674,308 and in non-current liabilities ThCh\$ 7,412,580 (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)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

Transactions:

Year 2021

The Company received contributions from the Chilean Treasury amounting to ThCh\$ 262,461,793.

On December 28, 2021, Corporación de Fomento de la Producción (Chilean Economic Development Agency) paid the fiscal contributions subscribed on August 30, 2021.

On August 30, 2021, ThCh\$ 111,140,638 were capitalized through the issuance of 4,948,381,033 payment shares (to be subscribed and paid no later than December 31, 2021).

On August 30, 2021, ThCh\$ 193,109,512 were capitalized through the issuance and placement of 8,597,930,187 payment shares.

As of December 31, 2021 the balance pending capitalization amounts to ThCh\$ 118,821,155 composed of contributions received during the years 2021 and 2018.

On August 25, 2021, the Company received from Empresa de Ferrocarriles del Estado ThCh\$ 7,924,905 under a mandate and made payments of ThCh\$ 1,334,796.

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 (to be subscribed and paid no later than December 31, 2020).

On November 18, 2020, Corporación de Fomento de la Producción paid the fiscal contributions subscribed on August 18, 2020.

On December 29, ThCh\$ 2,741,030 were capitalized through the issuance and placement of 121,284,513 paid-in shares.

On December 29, ThCh\$ 164,600,372 were capitalized through the issuance and placement of 7,283,202,296 paid-in 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 bonds issued by the Company.

On November 27, 2020, the Company received from Empresa de Ferrocarriles del Estado ThCh\$ 4,516,932 under a mandate and made payments of ThCh\$ 20,153.

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).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

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

Directors' income are as follows:

Director's income	Accumulated	
	01-01-2021 12-31-2021	01-01-2020 12-31-2020
	ThCh\$	ThCh\$
Fixed remuneration	206,929	192,012
Variable remuneration	11,842	7,551
Total	218,771	199,563

Board of Director's expenses

During 2021 and 2020, there were no airplane ticket expenses.

During 2021 and 2020, there were no travel and lodging expenses.

Remunerations of the General Manager and Other Managers:

During 2021, the compensation paid to the General Manager was ThCh\$ 260,886 (ThCh\$ 226,426 as of December 2020) and compensation paid to Other Managers (19 main executives) was ThCh\$ 2,977,756 (ThCh\$ 2,579,398 paid to 20 main executives as of December 2020).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

15. Trade and other payables

This item comprises the following:

Current liabilities	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Debts for purchases or services received	58,656,210	68,191,457
Accounts payable to Transantiago system	5,668,294	5,241,857
Withholdings	722,864	552,208
Supplier of property, plant and equipment	7,824,051	23,305,926
Project contract withholding	2,546,113	2,541,835
Other payables	3,269,568	1,236,841
Accounts payable (spare parts)	2,172,743	-
Accounts payable to AVO (Americo Vespucio Oriente)	407,610	233,085
Total	81,267,453	101,303,209

Non-current liabilities	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Accounts payable to AVO (Americo Vespucio Oriente)	2,903,028	2,305,527
Accounts payable (spare parts)	2,172,743	-
Total	5,075,771	2,305,527

Suppliers with up-to-date payment	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Goods	9,555,967	11,847,478
Services	63,249,259	80,793,708
Other	8,462,227	8,662,023
Total	81,267,453	101,303,209

The main creditors of the Company as of December 31, 2021 are: Alstom Chile S.A., Besalco Dragados S.A., Obrascon Huarte Lain S.A., Hytera Chile SpA, Faiveley Transport Chile Ltda., Consorcio EI-OSSA S.A, OFC SpA, Thyssenkrupp Elevadores S.A., Siemens Mobility SpA and Sice Agencia en Chile S.A.

16. Segment reporting

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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

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

Item	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Vacation obligations	6,615,402	6,173,800
Employee benefit obligations	1,982,084	2,004,354
Production bonus obligations	8,418,015	7,204,254
Total	17,015,501	15,382,408

Non-current

Item	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Provision for terminations of employment contracts	13,176,182	14,335,663
Provision for resignations	27,466	34,742
Provision for mortality	410,367	516,136
Advance for severance indemnity payments	(1,628,551)	(1,824,600)
Total	11,985,464	13,061,941

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

Item	ThCh\$
Liabilities as of 01-01-2021	13,061,941
Service interest	711,386
Benefits paid	(1,437,791)
Actuarial (gains) losses	(350,072)
Liabilities as of 12-31-2021	11,985,464

Item	ThCh\$
Liabilities as of 01-01-2020	13,087,241
Service interest	418,229
Benefits paid	(607,711)
Actuarial (gains) losses	164,182
Liabilities as of 12-31-2020	13,061,941



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

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)	5.950%	5.450%	4.950%	11,849,587	12,125,935
Increase in salary (change of 0.5)	4.530%	4.030%	3.530%	12,141,453	11,834,288
Labor turnover (25% change)	1.740%	1.450%	1.160%	11,979,038	11,992,161
Mortality rate (25% change)	25.00%	CB14 y RV14	-25.00%	11,984,853	11,986,027

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

Projection of the actuarial calculation for the following year:

The projected calculation for the following year is ThCh\$ 12,744,917.

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\$ 119,816 as of December 31, 2021 (ThCh\$ 40,514 as of December 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 indemnities:

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 an 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

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 the Financial Market Commission were used.

2. Employee turnover:

The turnover tables were prepared using information available in the Company. Constant ratios are shown in the following table:

Reason	Rate %
Dismissal	1.26
Resignation	0.12
Other	0.07

3. Discount rate:

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

Year	Rate %
12-31-2021	5.45
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 December 31, 2021 staffing is 4,243 (average 4,374) and as of December 31, 2020 is 4,519 (average 4,580).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

18. Income tax

The Company had a negative first category (corporate) tax base of ThCh\$ 2,174,679,899 as of December 2021 and of ThCh\$1,705,229,073 as of December 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	
	12-31-2021 ThCh\$	12-31-2020 ThCh\$	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Provision for impairment of accounts receivable	369,351	315,803	-	-
Unearned income	1,787,197	905,120	-	-
Vacation provision	1,653,850	1,543,450	-	-
Severance indemnities	1,135,131	1,307,961	-	-
Provision for lawsuits	278,597	82,875	-	-
Maintenance provision	1,678,327	1,442,190	-	-
Provision for employee benefits	495,521	501,089	-	-
Provision for spare parts	660,967	660,967	-	-
Irrecoverable VAT credit for extensions	-	-	35,389,719	33,167,497
Capitalized expenses	-	-	85,341,747	73,054,195
Property, plant and equipment	282,304,412	180,180,237	-	-
Tax loss	543,669,975	426,307,268	-	-
Other	4,982,016	3,251,198	-	-
Sub-total	839,015,344	616,498,158	120,731,466	106,221,692
Deferred tax assets, net	718,283,878	510,276,466	-	-
Reduction of deferred tax assets (1)	(718,283,878)	(510,276,466)	-	-
Deferred taxes, net	-	-	-	-



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020.

19. Provisions, contingencies and guarantees

As of December 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:

Other short-term provisions	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Provision for lawsuits	1,114,390	331,499
Total	1,114,390	331,499

According to the current status of legal proceedings, Management believes those provisions recorded in the 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.

The movements of provisions are as follows:

Concept	Amount ThCh\$
Balance as of 12-31-2019	623,810
Accrued provisions	731,568
Cash payments	(1,023,879)
Balance as of 12-31-2020	331,499
Accrued provisions	1,076,199
Cash payments	(293,308)
Balance as of 12-31-2021	1,114,390



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

Direct guarantees

The outstanding performance bonds have been granted by the Company in Unidades de Fomento, expressed in thousands of Chilean pesos as of December 31, 2021, as follows.

Performance bond Number	Entity issuer	Amount UF	Beneficiary	Date of issue	Date of maturity	Value ThCh\$
572773	Banco de Crédito e Inversiones	1,128.00	Director Gral. de Concesiones de O. Publicas	12-04-2020	12-31-2021	34,959
D09077204231	Banco de Crédito e Inversiones	10,000.00	Enel Generación S.A.	11-13-2020	12-31-2021	309,917
D09040612590	Banco de Crédito e Inversiones	5,000.00	Subsecretaría de Transportes	07-27-2021	02-28-2022	154,959
D09040612591	Banco de Crédito e Inversiones	5,000.00	Subsecretaría de Transportes	07-27-2021	02-28-2022	154,959
D09040612592	Banco de Crédito e Inversiones	5,000.00	Subsecretaría de Transportes	07-27-2021	02-28-2022	154,959
D09040612593	Banco de Crédito e Inversiones	5,000.00	Subsecretaría de Transportes	07-27-2021	02-28-2022	154,959
D09040612594	Banco de Crédito e Inversiones	5,000.00	Subsecretaría de Transportes	07-27-2021	02-28-2022	154,959
D09077278190	Banco de Crédito e Inversiones	5,000.00	Subsecretaría de Transportes	07-27-2021	02-28-2022	154,959
D09077278192	Banco de Crédito e Inversiones	5,000.00	Subsecretaría de Transportes	07-27-2021	02-28-2022	154,959
D09077278193	Banco de Crédito e Inversiones	5,000.00	Subsecretaría de Transportes	07-27-2021	02-28-2022	154,959
D09077278194	Banco de Crédito e Inversiones	5,000.00	Subsecretaría de Transportes	07-27-2021	02-28-2022	154,959
D09077278195	Banco de Crédito e Inversiones	5,000.00	Subsecretaría de Transportes	07-27-2021	02-28-2022	154,959
D09077278130	Banco de Crédito e Inversiones	1,000.00	Subsecretaría de Transportes	07-26-2021	02-28-2022	30,992
D09041909839	Banco de Crédito e Inversiones	10,000.00	San Juan S.A.	03-25-2021	04-01-2022	309,917
600105	Banco de Crédito e Inversiones	6,535.87	Junaeb	06-23-2021	06-30-2022	202,558
6660585	Banco Santander Chile	5,000.00	Subsecretaría de Transportes	11-03-2021	08-31-2022	154,959
6660586	Banco Santander Chile	5,000.00	Subsecretaría de Transportes	11-03-2021	08-31-2022	154,959
6660587	Banco Santander Chile	5,000.00	Subsecretaría de Transportes	11-03-2021	08-31-2022	154,959
6660588	Banco Santander Chile	5,000.00	Subsecretaría de Transportes	11-03-2021	08-31-2022	154,959
6660589	Banco Santander Chile	5,000.00	Subsecretaría de Transportes	11-03-2021	08-31-2022	154,959
6660590	Banco Santander Chile	5,000.00	Subsecretaría de Transportes	11-03-2021	08-31-2022	154,959
6660591	Banco Santander Chile	5,000.00	Subsecretaría de Transportes	11-03-2021	08-31-2022	154,959
6660592	Banco Santander Chile	5,000.00	Subsecretaría de Transportes	11-03-2021	08-31-2022	154,959
6660593	Banco Santander Chile	5,000.00	Subsecretaría de Transportes	11-03-2021	08-31-2022	154,959
6660594	Banco Santander Chile	5,000.00	Subsecretaría de Transportes	11-03-2021	08-31-2022	154,959
6660584	Banco Santander Chile	1,000.00	Subsecretaría de Transportes	11-03-2021	08-31-2022	30,992
226583	Scotiabank	22,500.00	Pelicano Solar Company	12-16-2021	11-17-2022	697,314
7066176	Banco Santander Chile	3,000.00	EFE	11-08-2021	11-30-2022	92,975
615232	Banco de Crédito e Inversiones	10,000.00	Enel Generación S.A.	12-13-2021	12-31-2022	309,917
7066161	Banco Santander Chile	700.00	Transelec	11-08-2021	10-31-2023	21,694

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

20. Changes in equity

Capital increase 2021

On December 28, 2021, CORFO paid the fiscal contributions subscribed on August 30, 2021.

The Extraordinary Shareholders' Meeting held on August 30, 2021, agreed to:

- ✓ Increase the subscribed and paid-in capital as of the date of the Meeting, capitalizing contributions in the amount of ThCh\$ 111,140,638, to finance the new Line 7, through the issuance of 4,948,381,033 Series "A" registered shares with no par value, to be subscribed and paid in full by CORFO, at a value of Ch\$ 22.46 per share. Likewise, to increase the subscribed and paid-in capital as of the date of the Meeting, capitalizing tax contributions in the amount of ThCh\$ 193,109,512, amount allocated to finance the Metro network reconstruction plan, debt service and other general needs of the company, through the issuance of 8,597,930,187 Series "A" registered shares with no par value, fully subscribed and paid in by the Chilean Treasury, at a value of Ch\$ 22.46 per share.

The shareholders' ownership interest was as follows: 61.33% for CORFO and 38.67% for the Chilean Treasury.

Capital increase 2020

The Extraordinary Shareholders' Meeting held on December 29, 2020, agreed to:

- ✓ Increase the subscribed and paid-in capital as of the date of the Meeting, capitalizing contributions up to the amount of ThCh\$ 2,741,030, par value, amount allocated to the financing of Line 2 and 3 Extensions, Projects to strengthen the Metro System and Debt Service through the issuance of 121,284,513 registered shares with no par value, series "A", subscribed and paid-in 82,764,552 by CORFO and 38,519,961 by the Chilean Treasury, at a value of \$22.60 per share. Likewise, to increase the subscribed and paid-in capital as of the date of the Meeting, capitalizing fiscal contributions up to the amount of ThCh\$ 164,600,372, nominal value, amount allocated to the financing of the Extensions Lines 2 and 3, Projects to Strengthen the Metro System, Debt Service and reconstruction expenses and investments, through the issuance of 7,283,202,296 registered shares with no par value, Series "A", fully subscribed and paid-in by the Chilean Treasury, at a value of Ch\$ 22.60 per share. The shareholders' ownership interest was as follows: 64.12% for the CORFO and 35.88% for the Chilean Treasury.

On November 18, 2020, CORFO paid the fiscal contributions subscribed on August 18, 2020.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

The Extraordinary Shareholders' Meeting held on August 18, 2020, agreed to:

- ✓ Increase the subscribed and paid-in capital as of the date of the Meeting, capitalizing contributions in the amount of 108,611,952,000, par value, to finance the new Line 7, through the issuance of 4,453,134,563 Series "A" registered shares no par value, subscribed by CORFO at Ch\$24.39 per share, which will be paid no later than December 31, 2020. The shareholders' ownership interest was as follows: 68.24% for CORFO and 31.76% for the Chilean Treasury.

a. Capital

- ✓ As of December 31, 2021, capital is represented by 115,048,666,495 and 19,163,677,063 Series A and B registered shares no par value, respectively, corresponding to 82,315,705,542 shares held by CORFO and 51,896,638,016 shares held by the Chilean Treasury.
- ✓ As of December 31, 2020, capital is represented by 101,502,355,275 and 19,163,677,063 Series A and B registered shares no par value, respectively, corresponding to 77,367,324,509 shares held by CORFO and 43,298,707,829 shares held by the Chilean Treasury.

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

Shareholders are detailed as follows:

Shareholders	12-31-2021		12-31-2020	
	Number of shares and percentages			
	Subscribed and paid-in shares	Ownership %	Subscribed and paid-in shares	Ownership %
CORFO	82,315,705,542	61.33%	77,367,324,509	64.12%
Chilean Treasury - Ministry of Finance	51,896,638,016	38.67%	43,298,707,829	35.88%
Total	134,212,343,558	-	120,666,032,338	-
CORFO				
Series A	70,212,234,236	-	65,263,853,203	-
Series B	12,103,471,306	-	12,103,471,306	-
Total	82,315,705,542	-	77,367,324,509	-
Chilean Treasury - Ministry of Finance				
Series A	44,836,432,259	-	36,238,502,072	-
Series B	7,060,205,757	-	7,060,205,757	-
Total	51,896,638,016	-	43,298,707,829	-



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 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.

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 December 31, 2021 and 2020, respectively, is as follows:

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

c. 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	12-31-2021 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 profit (loss) on defined benefit plans	350,072	(164,182)
Cash flow hedges	63,562,013	(11,681,947)
Total	97,291,046	21,532,832

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

Note 21. Income and expenses

Revenue

For the years ended December 31, 2021 and 2020, revenue is as follows:

Revenue	01-01-2021 12-31-2021 ThCh\$	01-01-2020 12-31-2020 ThCh\$
Revenue from passenger transportation services	188,847,810	136,461,943
Sales channel income	30,843,554	24,521,059
Lease of commercial stores, and commercial and advertising spaces	17,596,110	13,024,830
Lease in inter-modal terminals	3,782,651	2,510,279
Lease of spaces for telephone and fiber optic antennas	8,449,095	7,698,715
Lease of land	913,746	760,393
Advisory services	26,201	11,237
Other	395,338	157,650
Total	250,854,505	185,146,106

Other income by function

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

Other income by function	01-01-2021 12-31-2021 ThCh\$	01-01-2020 12-31-2020 ThCh\$
Income from fines and indemnities	1,271,352	1,031,918
Funding for welfare costs	589,289	559,822
Sale of proposals	49,415	49,853
Net present value VAT	-	775,814
Other revenue	843,902	761,239
Total	2,753,958	3,178,646



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

Operating income

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

Operating income	01-01-2021 12-31-2021 ThCh\$	01-01-2020 12-31-2020 ThCh\$
Revenue	250,854,505	185,146,106
Cost of sales	(371,093,963)	(362,580,428)
Gross (loss)	(120,239,458)	(177,434,322)
Other income	2,753,958	3,178,646
Administrative expenses	(44,006,195)	(36,117,194)
Other expenses by function	(8,087,519)	(4,989,810)
Other losses	(3,308,367)	(2,943,785)
Loss from operating activities	(172,887,581)	(218,306,465)

Expenses by nature:

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

Expenses by nature	01-01-2021 12-31-2021 ThCh\$	01-01-2020 12-31-2020 ThCh\$
Employee expenses	106,727,001	94,556,431
Operation and maintenance expenses	82,866,878	86,251,988
Purchase of energy	56,704,535	54,989,779
General and other expenses	46,674,276	45,353,654
Other expenses by function	8,087,519	4,989,810
Depreciation and amortization	122,127,468	117,545,770
Total	423,187,677	403,687,432

Employee expenses:

For the years ended December 31, 2021 and 2020, this item is as follows:

Employee expenses	01-01-2021 12-31-2021 ThCh\$	01-01-2020 12-31-2020 ThCh\$
Wages and salaries	65,111,932	66,618,548
Other benefits	34,113,368	23,049,010
Expenses for social security and collective bargaining benefits	3,969,339	1,554,251
Social security contribution	3,532,362	3,334,622
Total	106,727,001	94,556,431



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

Operation and maintenance expenses

For the years ended December 31, 2021 and 2020, this item is as follows:

Operation and maintenance expenses	01-01-2021 12-31-2021 ThCh\$	01-01-2020 12-31-2020 ThCh\$
Maintenance of rolling stock, stations and other	69,054,302	72,712,081
Spare parts and materials	9,935,791	9,030,426
Repairs, leases and other	3,876,785	4,509,481
Total	82,866,878	86,251,988

General and other expenses:

For the years ended December 31, 2021 and 2020, this item is as follows:

General expenses	01-01-2021 12-31-2021 ThCh\$	01-01-2020 12-31-2020 ThCh\$
Service contracts	22,620,770	22,149,755
Real estate taxes	6,833,096	6,119,514
Corporate image expenses	300,839	431,685
Sales channel operator expense	12,865,368	13,423,625
Insurance, materials and other	4,054,203	3,229,075
Total	46,674,276	45,353,654

Other expenses by function:

For the years ended December 31, 2021 and 2020, this item is as follows:

Other expenses by function	01-01-2021 12-31-2021 ThCh\$	01-01-2020 12-31-2020 ThCh\$
Write-offs due to loss and/or PPE impairment	220,904	249,103
Inventory write-offs	924,971	121,702
Fines and Compensation	49,136	442,960
Reconstruction services contracts	367,350	2,917,719
Net present value VAT	4,744,303	-
Other expenses	1,780,855	1,258,326
Total	8,087,519	4,989,810



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

Depreciation and amortization

For the years ended December 31, 2021 and 2020, this item is as follows:

Depreciation, amortization	01-01-2021 12-31-2021 ThCh\$	01-01-2020 12-31-2020 ThCh\$
Depreciation	120,988,661	116,637,769
Amortization	1,138,807	908,001
Total	122,127,468	117,545,770

Financial income/costs results and exchange differences:

For the years ended December 31, 2021 and 2020, this item is as follows:

Financial profit or loss	01-01-2021 12-31-2021 ThCh\$	01-01-2020 12-31-2020 ThCh\$
Finance income		
Interest from cash and cash equivalents	3,031,791	2,541,688
Finance income from swaps	-	2,833,347
Other finance income	322,762	5,613,265
Subtotal	3,354,553	10,988,300
Finance expenses		
Interest and expenses on bank loans	(172,209)	(5,454,789)
Bond interest and expenses	(107,688,086)	(89,674,681)
Other finance expenses	(3,122,369)	(4,539,289)
Subtotal	(110,982,664)	(99,668,759)
Financial profit or loss	(107,628,111)	(88,680,459)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

Foreign currency translation and indexation units	01-01-2021 12-31-2021 ThCh\$	01-01-2020 12-31-2020 ThCh\$
Foreign currency translation difference		
Profit (loss) from exchange differences (foreign loans, bonds, swap and investments)	(203,554,533)	66,037,702
Total foreign currency translation difference	(203,554,533)	66,037,702
Indexation units		
Profit (loss) from Indexation unit (bonds)	(61,052,333)	(24,539,080)
Total indexation units	(61,052,333)	(24,539,080)

Other losses:

Other Company's losses for the for the years ended December 31, 2021 and 2020, are follows:

Other losses	01-01-2021 12-31-2021 ThCh\$	01-01-2020 12-31-2020 ThCh\$
Net present value of swap	(3,308,367)	(2,943,785)
Total	(3,308,367)	(2,943,785)

Other comprehensive income:

For the years ended December 31, 2021 and 2020, this item is as follows:

Other comprehensive income	01-01-2021 12-31-2021 ThCh\$	01-01-2020 12-31-2020 ThCh\$
Actuarial profit (loss) on defined benefit plans	514,254	435,831
Profit (loss) on cash flows hedges	75,243,960	(1,453,187)
Total	75,758,214	(1,017,356)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

22. Third-party guarantees

The detail of guarantees and policies received as of December 31, 2021 is as follows:

Grantor	Guarantee amount ThCh\$	Operation underlying	Relationship
Abengoa Chile S.A.	3,699,553	Service contracts	Supplier
Alstom Chile S.A.	124,426,391	Service contracts	Supplier
Besalco Dragados S.A.	82,576,166	Service contracts	Supplier
CAF Chile S.A.	701,806,913	Service contracts	Supplier
CAM CHILE SpA	5,615,134	Service contracts	Supplier
Certifer	14,414,372	Service contracts	Supplier
China Railway 16th Bureau Group	3,719,008	Service contracts	Supplier
China Railway Tunnel GR.CO. Ltda.	45,354,776	Service contracts	Supplier
China Road and Bridge Corporation	3,719,008	Service contracts	Supplier
Colas Rail	5,952,730	Service contracts	Supplier
Colas Rail Establecimiento Permanente	21,452,114	Service contracts	Supplier
Consorcio EI-OSSA S.A.	100,241,069	Construction contract	Supplier
Specialized Construction	8,713,896	Service contracts	Supplier
Construcción y Auxiliar de Ferrocarril	7,015,690	Construction contract	Supplier
Dominion Instalaciones y Montajes S.A.	8,973,592	Service contracts	Supplier
Dragados S.A. Agencia en Chile	3,409,091	Service contracts	Supplier
Echeverría Izquierdo Engineering y Construction	4,258,636	Service contracts	Supplier
ETF	17,736,185	Service contracts	Supplier
ETF Agencia en Chile	12,632,006	Service contracts	Supplier
Ferrovial Construcciones Chile S.A.	6,818,182	Service contracts	Supplier
ICA Constructora S.A.	5,268,595	Service contracts	Supplier
Indra Sistemas Chile S.A.	9,403,214	Service contracts	Supplier
Obrascon Huarte Lain	40,335,106	Service contracts	Supplier
OFC SpA	17,697,644	Service contracts	Supplier
Piques y Túneles S.A.	14,735,555	Service contracts	Supplier
PowerChina Ltda. Agencia en Chile	3,657,025	Service contracts	Supplier
Sice Agencia Chile S.A.	30,899,614	Service contracts	Supplier
Company Ibérica de Construction	3,876,652	Service contracts	Supplier
Soler y Palau S.A.	14,951,640	Service contracts	Supplier
Systra Agencia en Chile	5,378,287	Service contracts	Supplier
Thales Canadá INC.	7,898,333	Service contracts	Supplier
Thales International Chile Ltda.	20,995,938	Service contracts	Supplier
Thyssenkrupp Elevadores S.A.	7,426,976	Service contracts	Supplier
TK Elevadores Chile S.A.	9,998,421	Service contracts	Supplier
Other	124,208,011	Service contracts	Supplier
TOTAL	1,499,265,523		



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

23. Local and Foreign Currency

Local and foreign currency at 12-31-2021	Chilean pesos	Euro	Unidad Fomento	Pound Sterling	Swiss Franc	US Dollar	Total
Assets							
Current assets							
Cash and cash equivalents	366,539,737	-	-	-	-	253,362,856	619,902,593
Other financial assets, current	69,501,347	-	-	-	-	154,367,445	223,868,792
Other non-financial assets, current	15,489,499	-	749,792	-	-	2,161,810	18,401,101
Trade and other receivables, current	19,249,221	-	8,034,103	-	-	66,562	27,349,886
Current inventories	15,741,688	2,518,471	-	-	5,188	239,870	18,505,217
Tax assets, current	1,994,604	-	-	-	-	-	1,994,604
Total current assets	488,516,096	2,518,471	8,783,895	-	5,188	410,198,543	910,022,193
Non-current assets							
Other financial assets, non-current	-	-	27,032,532	-	-	121,484,231	148,516,763
Other non-financial assets, non-current	37,426,415	-	2,938,943	-	-	-	40,365,358
Non-current receivables	729,936	-	297,706	-	-	-	1,027,642
Intangible assets other than goodwill	8,855,363	-	-	-	-	-	8,855,363
Property, plant and equipment	5,212,009,220	-	-	-	-	-	5,212,009,220
Investment property	26,480,210	-	-	-	-	-	26,480,210
Total non-current assets	5,285,501,144	-	30,269,181	-	-	121,484,231	5,437,254,556
Total assets	5,774,017,240	2,518,471	39,053,076	-	5,188	531,682,774	6,347,276,749
Liabilities							
Current liabilities							
Other financial liabilities, current	2,227,608	64,718	65,777,300	-	-	29,697,332	97,766,958
Trade and other payables	69,007,323	550,734	10,090,608	-	-	1,618,788	81,267,453
Accounts payable to related entities, current	3,674,308	-	-	-	-	-	3,674,308
Other short-term provisions	1,114,390	-	-	-	-	-	1,114,390
Provisions for employee benefits, current	17,015,501	-	-	-	-	-	17,015,501
Other non-financial liabilities, current	15,875,138	40,710	3,666,718	-	-	27,741	19,610,307
Total current liabilities	108,914,268	656,162	79,534,626	-	-	31,343,861	220,448,917
Non-current liabilities							
Other financial liabilities, non-current	2,746	62,083	918,729,861	-	-	2,343,659,263	3,262,453,953
Non-current payables	5,075,771	-	-	-	-	-	5,075,771
Accounts payable to related entities, non-current	126,233,735	-	-	-	-	-	126,233,735
Provisions for employee benefits, non-current	-	-	11,985,464	-	-	-	11,985,464
Other non-financial liabilities, non-current	-	-	29,297,939	-	-	-	29,297,939
Total non-current liabilities	131,312,252	62,083	960,013,264	-	-	2,343,659,263	3,435,046,852
Total liabilities	240,226,520	718,245	1,039,547,890	-	-	2,375,003,124	3,655,495,779
Total equity	2,691,780,970	-	-	-	-	-	2,691,780,970
Total equity and liabilities	2,932,007,490	718,245	1,039,547,890	-	-	2,375,003,124	6,347,276,749



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

Local and foreign currency at 12-31-2020	Chilean pesos	Euro	Unidad Fomento	Pound Sterling	Swiss Franc	US Dollar	Total
Assets							
Current assets							
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
Current inventories	16,242,981	2,854,100	-	-	4,894	241,936	19,343,911
Tax assets, current	1,184,782	-	-	-	-	-	1,184,782
Total current assets	278,656,302	2,985,220	9,319,740	42,784	4,894	259,591,982	550,600,922
Non-current assets							
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
Non-current receivables	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 property	25,024,188	-	-	-	-	-	25,024,188
Total non-current assets	5,149,972,058	-	11,943,340	-	-	1,685,536	5,163,600,934
Total assets	5,428,628,360	2,985,220	21,263,080	42,784	4,894	261,277,518	5,714,201,856
Liabilities							
Current liabilities							
Other financial liabilities, current	2,227,608	68,950	61,152,647	-	-	23,855,166	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
Provisions for employee benefits, current	15,382,408	-	-	-	-	-	15,382,408
Other non-financial liabilities, current	6,211,514	37,203	6,539,028	-	-	127,472	12,915,217
Total current liabilities	108,352,866	2,826,014	80,604,795	-	-	25,528,829	217,312,504
Non-current liabilities							
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
Provisions for employee benefits, non-current	-	-	13,061,941	-	-	-	13,061,941
Other non-financial liabilities, non-current	-	-	10,358,650	-	-	-	10,358,650
Total non-current liabilities	167,414,564	115,702	956,148,105	-	-	1,516,151,635	2,639,830,006
Total liabilities	275,767,430	2,941,716	1,036,752,900	-	-	1,541,680,464	2,857,142,510
Total equity	2,857,059,346	-	-	-	-	-	2,857,059,346
Total equity and liabilities	3,132,826,776	2,941,716	1,036,752,900	-	-	1,541,680,464	5,714,201,856

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

24. Risk management policies

The Company faces various risks inherent to the activities carried out in public passenger transportation, in addition to the risks associated with changes in market conditions of an economic-financial nature, acts of nature or force majeure, among others. Metro has a Risk Management Policy that focuses on identifying and managing the main risks in the sustainable development of its activities, mitigating the exposure of both the business and the financing structure. The main objective is to ensure the continuity of the operation and financial sustainability, through its fare structure, controls and internal policies to mitigate the Company's main risks. In addition, Metro is governed by the regulations of the Public Company System and is required to report its position periodically. Management permanently monitors its risk matrix and ensures the correct execution of controls and mitigation of the main risks identified. Its program is periodically reviewed by Management and monitored by the Audit and Risk Committee.

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 compared to 2019 (ridership period in operational year), which has had an impact on the risk related to demand. The restrictions implemented by the government have decreased in recent months as a result of the implementation of the vaccination program and a decrease in the number of contagions. With this, the Company's transportation revenue as of December 31, 2021 has had an increase compared to the same period of the previous year (+38.4%), although they are still below the levels of 2019. Revenues from the Sales Channel increased (+25.8% compared to the same period of the previous year), leasing of premises, facilities for commercial, advertising and other purposes have shown higher revenues compared to the same period of the preceding year (+29.0% compared to the same period of the previous year).

Since 2020, management has adopted some 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 where 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

On December 14, 2012, a Transportation Agreement was signed in replacement of Annex No. 1 mentioned above.

As of February 11, 2019, a new Transportation Agreement is in effect, which establishes a flat fare of Ch\$ 480.18 per validated passenger transported, based on November 2018, and which is updated monthly by the indexation polynomial, included in this new agreement, which reflects the fluctuation of the variables that make up the Company's long-term cost structure (CPI, US Dollar, euro, price of power and electric energy). This allows for a partial natural hedge in the face of cost variations resulting from a rise in any of the variables that make up the polynomial.

On February 5, 2020, an amendment to the Transportation Agreement was signed, which became effective as of February 10, 2020. This amendment establishes a 12-month extension to the term of the agreement signed in 2019, thus making it effective until February 11, 2021. Additionally, the income related to the intermodal stations is established through a fixed remuneration, eliminating the associated concept from the base fare and replacing it with fixed income quotas expressed in UF, thus generating a new base fare of \$ 478.67 per validated passenger transported, 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 December 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\$ 547.77 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. Finally, by Resolution No. 33 dated July 30, 2021, the contract termination date was extended again until August 31, 2021.

As from September 1, 2021, a new contract between the Ministry of Transportation and Telecommunications of Chile and Metro S.A. for the provision of complementary broadcasting, commercialization, subway and surface freight network, and after-sales services for access to Santiago's public passenger transportation system, which establishes an extension of 24 months, extendable for an additional 12 months, came into effect. This contract is in the process of being acknowledged by the Comptroller General of the Republic.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

Demand

The Company is part of the Integrated Public Transportation System (Metropolitan Mobility Network). As of December 2021, Metro reached a ridership of 359.3 million passengers, with an average of 1.69 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 December 2021, there was an increase of 96.0 million trips, a positive variation of 36.5% compared to the same date in 2020. This is mainly explained by the effect of Covid-19 and the continuity of the measures implemented by the government to contain its spread and its relative moderation in recent months, which began in March 2020, and the easing of restrictions as a result of the implementation of the vaccination program and a decrease in the number of infections in recent months, which have allowed an increase in the number of passengers as of December 31, 2021, compared to the previous year.

Measures adopted due to Covid-19

The coronavirus outbreak, the measures implemented in Chile to contain its spread and the economic damage suffered as a result of the pandemic have had and will continue to have an impact on our business, financial position, operating income 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 required the implementation of cost-cutting measures.

Regarding demand, the Company is part of the Integrated Public Transportation System (Metropolitan Mobility Network). As of December 2021, Metro reached a ridership of 359.4 million passengers, which means an increase of 96.0 million trips, a positive variation of 36.5% compared to the same date in 2020. This is mainly explained by the fact that, given the context of Covid-19, the government had implemented measures to contain its spread. These measures have decreased in recent months as a result of the implementation of the vaccination program and a decrease in the number of infections, allowing an increase in the movement of people and thus an increase in the number of passengers as of December 31, 2021, compared to the previous year. However, the total number of passengers transported during 2021, considers a significant decrease compared to a year of normal passenger transport.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

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 December 2021, the supply reached a total of 139.5million car-km, which corresponds to 22.5% more than the supply in the same period of the previous year (113.9 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 December 31, 2021, the company has incurred in expenses related to sanitary measures for a total of ThCh\$ 527,974 (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.

24.2 Financial risks

In accordance with IFRS 7 "Disclosures of financial instruments", financial risks refer to assessing the nature and extent of the risks and uncertainties arising from the financial instruments to which Metro S.A. is exposed with respect to the market. 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.

Metro has a Financial Risk Policy that ensures the mitigation of market, liquidity and credit risks, and focuses on the financial sustainability of the company.

The financial risk policy is analyzed and approved annually by the Board of Directors.

Market risk

Market risk corresponds mainly to the volatility of indicators, currencies, rates and prices that could affect Metro's assets and liabilities. 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, in accordance with its financial risk management policy, contracts financial derivatives to hedge its exposure to fluctuations in currency (exchange rate) and inflation. Currency derivatives are used to fix the exchange rate of the dollar with respect to the peso (CLP) and Unidad de Fomento (UF), as a result 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 MUSD 400. As a result of the above, these contracts reach a notional balance of MUSD 560 as of December 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,



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

Metro, in accordance with its Risk Policy, entered into 10 forward contracts (USD/CLP) for exchange rates during 2020 totaling MUSD 80 of which, as of December 31, 2021, none of them is still in force.

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

Interest rate risk

As of December 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:	12-31-2021 %	12-31-2020 %
Fixed rate	100.0	100.0
Variable rate	-	-
Total	100.0	100.0

Exchange rate risk and inflation

The Company has obligations with financial institutions and has issued bonds in the foreign market, denominated in foreign currencies, to finance extensions of the Metro network. In order to minimize the exchange rate risk, the Company has contracted financial derivatives of the Cross Currency Swap type, which as of December 31, 2021 amounted to a total of MUSD 560.

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

Financial Debt Structure	12-31-2021			12-31-2020		
	Currency of origin	Equivalent in MUS\$	%	Currency of origin	Equivalent in MUS\$	%
Debt	ThUF 34,697	1,273	32%	ThUF 36,266	1,483	42%
Debt US\$	MUS\$ 2,335	2,335	59%	MUS\$ 1,605	1,605	46%
Debt Ch\$	MCh\$ 304,280	360	9%	MCh\$ 304,280	428	12%
Total Financial Debt		3,968	100%		3,516	100%

As of December 31, 2021, the structure of the financial debt is divided into UF (32%), US dollars (59%), and Chilean peso (9%). As of December 2021, the proportion of debt in USD shows a considerable variation with respect to December 2020, given that on September 13, 2021 Metro achieved the placement of a bond in the international market for MUSD 650 at 3.693% maturing in 2061. The funds raised will be used mainly to finance expansion projects and other needs of the company.

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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

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.

When we analyze the sensitivity of the Consolidated Statement of Comprehensive Income as of December 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\$ 98,617,558, 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 partially by the policy described above.

Sensitivity Analysis Effect on income as of December 2021	5% Depreciation ThCh\$	5% Appreciation ThCh\$
Impact of a 5% change in the CLP/USD exchange rate	(98,617,558)	98,617,558

Similarly, when performing the exercise in the event of a 3% appreciation in the value of the UF, considering all other parameters constant, it is estimated that an unrealized loss of ThCh\$ 32,259,413 would be generated, which corresponds to the accounting effect on the principal of the debt in UF and not to the effect on cash, since, as with the dollar currency, this is also partially covered by the Financial Risk Hedging Policy.

Sensitivity Analysis Effect on income as of December 2021	3% Appreciation ThCh\$
Impact of variation of 3% in UF	32,259,413

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

Liquidity risk is the uncertainty of not being able to meet the committed and future disbursements held by Metro. Metro's objective is to ensure sufficient funds to continue with the operation and expansion projects, therefore, as part of the liquidity risk management, a constant monitoring of the balance of available funds is incorporated, maintaining a minimum cash balance, in addition, a detailed planning of the next payments is made to avoid deficits. In the event of a cash deficit, Metro has domestic and international financing alternatives and liquidation of investment instruments.

Fare revenues related to Metro's passenger transportation, in accordance with the Transportation Agreement, are deducted daily from the funds collected by the Company's Sales Channel, generating the necessary liquidity to cover the Company's commitments. These revenues correspond to 75% of total revenues ordinary payments received December 31, 2021.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

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\$
Capital	53,720,843	383,681,244	186,095,470	2,728,240,206	3,351,737,763
Interest	145,860,355	279,193,441	252,229,356	2,249,369,210	2,926,652,362
Total	199,581,198	662,874,685	438,324,826	4,977,609,416	6,278,390,125

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

Maturities	12-31-2021			
	Up to 30 days	30 up to 90 days	90 days up to 1 year	Total
	ThCh\$	ThCh\$	ThCh\$	
Capital maturities	14,939,423	2,941,835	35,839,585	53,720,843

Financial liability structure

Financial debt, grouped by maturity, is presented below.

Financial Liabilities	12-31-2021				
	Up to 1 year ThCh\$	1 to 3 years ThCh\$	3 to 5 years ThCh\$	Over 5 years ThCh\$	Total ThCh\$
Interest-bearing loans	3,658,790	8,801,848	2,151,308	3,556,077	18,168,023
Bonds	90,199,997	374,417,724	182,370,160	2,691,154,090	3,338,141,971
Derivatives transactions	3,908,171	-	-	-	3,908,171
Total	97,766,958	383,219,572	184,521,468	2,694,710,167	3,360,218,165

Financial Liabilities	12-31-2020				
	Up to 1 year ThCh\$	1 to 3 years ThCh\$	3 to 5 years ThCh\$	Over 5 years ThCh\$	Total 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
Derivatives transactions	7,733,641	-	23,240,537	-	30,974,178
Total	87,304,371	306,529,332	206,714,920	1,935,750,599	2,536,299,222

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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

Carrying amounts and fair value of the debt in loans and bonds of the Company as at 31 December 2021 are detailed as follows

	Carrying amount ThCh\$	Fair value ThCh\$
Loans	18,168,023	17,715,353
Bonds	3,338,141,971	3,622,717,514

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 loan using the SORF rate curve at the end of each quarter, where the fair value is the sum of the present value of each loan.

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.

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.

Trade and other receivables	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Trade receivables, gross	16,401,074	11,724,338
Impairment of trade receivables	-1,477,405	-1,228,401
Trade receivables, net	14,923,669	10,495,937
Sales channel accounts receivable, net	10,498,827	8,367,295
Other receivables, net	1,927,390	1,645,797
Total	27,349,886	20,509,029



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

Debtors correspond mainly to leases of commercial premises, advertising and invoices receivable, with low delinquency in normal situations. The Company is using the expected credit loss model, which contains information on historical collections for each tranche/stratification of its accounts receivable for the last five years, mainly real estate debtors, since as a result of Covid-19, these are the ones that have experienced significant changes with respect to these levels (using an allowance matrix stratified by maturity or arrears by days) In addition, it incorporates the approach of projected expected losses through the statistical calculation of "forward looking", which takes into account the most relevant and representative macroeconomic factors (inflow) that affect its uncollectibility, projecting based on the probability of each of the scenarios.

The Company constantly monitors the financial impact and evolution of debtors.

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.

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

Age of trade receivables, net	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Less than a 3 months	12,191,639	7,480,453
3 months to 1 year	1,551,894	2,013,334
More than 1 year	1,180,136	1,002,150
Total	14,923,669	10,495,937

Age of Sales channel accounts receivable, net	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Less than a 3 months	10,474,004	8,066,012
3 months to 1 year	-	274,279
More than 1 year	24,823	27,004
Total	10,498,827	8,367,295

Maturity of other receivables, net	12-31-2021 ThCh\$	12-31-2020 ThCh\$
Less than a 3 months	420,468	1,249,390
3 months to 1 year	1,506,922	396,407
Total	1,927,390	1,645,797



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

Financial assets

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

As of December 2021, the financial assets' maturity schedule is as follows:

Financial assets	12-31-2021			
	Up to 1 year ThCh\$	1 to 5 years ThCh\$	Over 5 years ThCh\$	Total ThCh\$
Trade and other receivables	28,377,528	-	-	28,377,528
Cash and Cash Equivalents				
Cash	4,693,138	-	-	4,693,138
Term deposits	614,209,355	-	-	614,209,355
Repurchase agreements	1,000,100	-	-	1,000,100
Subtotal	619,902,593	-	-	619,902,593
Other Financial Assets				
Financial investments	219,088,816	-	-	219,088,816
Derivatives transactions	4,419,136	119,575,270	-	123,994,406
Financial lease	360,839	628,908	1,280,054	2,269,801
Promissory notes receivable	-	297,957	-	297,957
Advertising receivables	-	-	16,038,405	16,038,405
Accounts receivable - Technological change	-	10,694,466	-	10,694,466
Other accounts receivable	-	1,704	-	1,704
Subtotal	223,868,791	131,198,305	17,318,459	372,385,555
Total	872,148,912	131,198,305	17,318,459	1,020,665,676

At year-end 2020, financial asset balances are 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
Cash and Cash Equivalents				
Cash	3,252,563	-	-	3,252,563
Term deposits	401,929,583	-	-	401,929,583
Subtotal	405,182,146	-	-	405,182,146
Other Financial Assets				
Financial investments	90,864,287	-	-	90,864,287
Derivatives transactions	3,719,453	-	-	3,719,453
Financial 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
Subtotal	94,655,396	8,460,915	1,204,323	104,320,634
Total	521,299,843	8,460,915	1,204,323	530,965,081

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

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

Regarding capital management, the Company seeks to maintain an optimal capital structure by reducing its cost and ensuring long-term financial stability, as well as ensuring compliance with its obligations and financial covenants established in the debt agreements.

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:

Ratios	12-31-2021	12-31-2020
Indebtedness (times)	1.36	1.00
Equity (MCh\$)	2,691,781	2,857,059

24.4 Commodities risk

One of the risk factors of the Company's commodities is the supply of electric energy required for its operation and the need for continuity in the service, in the event of supply interruptions. In this regard, the Company has a power supply system that allows it to reduce exposure to supply cuts, as it has direct connection to four points of the National Electric System, which feed Lines 1, 2 and 5, two points that feed Lines 3 and 6, as well as two points for feeding Lines 4 and 4A.

In addition, it should be noted that the power supply systems are duplicated and in the event of failure of one of them there is always a backup that allows maintaining the power supply for the normal operation of the network.

The operational control systems are designed with redundant criteria, i.e., they operate in stand-by mode, so that in the absence of one of the systems, the other one starts operating immediately, ensuring the normal operation of the network.

For Lines 1, 2 and 5, in the event of a failure in the National Electric System, the distribution company has defined as first priority the restoration of the supply that feeds the civic neighborhood of Santiago, which allows the Metro network to have energy available simultaneously, since Metro is supplied by the same feeders.

Electricity is currently supplied by three companies: San Juan S.A., El Pelicano Solar Company and Enel Generación. The first two correspond to wind and photovoltaic energy generation, respectively, whose contracts were signed on May 19, 2016 for a 15-year term and supply 60% of Metro's energy through Non-Conventional Renewable Energies (NCRE). In addition, the last company (Enel Generación) is a generating company with which we have contracted 40% of the energy with renewable energy certification (IREC). This last contract is valid until December 2032.

On December 29, 2018, the El Pelicano power plant was sold, changing only its controller (Sunpower), without generating operational risks for Metro's electricity supply.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2021 AND 2020.

25. Environment

Disbursements related to improvement and/or investment that directly or indirectly affect the protection of the environment, for the years ended December 31, 2021 and 2020, are as follows:

Project	Allocated to administrative expenses		Allocated to property, plant and equipment		Expenditures committed in the future
	01-01-2021 12-31-2021 ThCh\$	01-01-2020 12-31-2020 ThCh\$	01-01-2021 12-31-2021 ThCh\$	01-01-2020 12-31-2020 ThCh\$	2022 Amount ThCh\$
Noises and vibrations	79,340	54,901	890,757	2,473,664	2,730,133
Waste treatment	52,161	65,728	364,194	1,061,550	130,329
Run-off water	117,812	145,092	-	-	-
Environmental management	2,211	39,176	4,360,602	2,272,803	9,170,669
Monitoring of polluting parameters	5,875	7,523	-	-	11,711
Total	257,399	312,420	5,615,553	5,808,017	12,042,842

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

26. Sanctions

During the years 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

The Board of Directors informed through letter No. 016 dated January 11, 2022 that, at the ordinary Board meeting held on January 10, 2022, the Board took notice of the resignation submitted on January 8, 2022 by Mr. Germán Concha Zavala, from his position as a director of the Company, which will be effective as of February 2, 2022.

Except as mentioned above, there are no other subsequent events between January 1, 2022 and the date of issuance of these consolidated financial statements that would significantly affect the information in the consolidated financial statements as of December 31, 2021.

Isabel Ruiz Muñoz
Assistant Accounting Manager

Rubén Alvarado Vigar
General Manager