

**EMPRESAS LIPIGAS S.A.
CONSOLIDATED INTERIM
FINANCIAL STATEMENTS AS OF
JUNE 30, 2021**

(expressed in 000's Chilean pesos – Th\$)

Limited review for the period ended June 30, 2021

Audited for the fiscal year ended December 31, 2020

**Consolidated Interim Financial Statements
Empresas Lipigas S.A.
as of June 30, 2021**

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As of June 30, 2021 and December 31, 2020
(in 000's CLP)

ASSETS	Note	06.30.2021 Th\$	12.31.2020 Th\$
CURRENT ASSETS			
Cash and cash equivalent	3	62,318,595	62,317,022
Other financial assets, current	4	2,851,515	1,961,963
Trade receivables and other accounts receivable, current	7	52,237,820	36,609,778
Inventories	9	29,692,992	23,131,562
Current tax assets	10	9,798,041	6,044,108
Other non-financial assets, current	6	1,028,985	2,542,388
Total Operating Current Assets		157,927,948	132,606,821
Non-current assets or disposal groups held for sale		122,724	11,102
Total Current Assets		158,050,672	132,617,923
NON-CURRENT ASSETS			
Other financial assets, non-current	4	1,499,560	758,321
Trade accounts and other accounts receivable, non-current	7	2,454,326	9,492,935
Investments accounted for using the equity method		1,586	1,753
Intangible assets other than goodwill	11	11,163,432	10,918,432
Property, plant and equipment	13	387,160,112	377,849,963
Goodwill	12	7,435,690	7,658,969
Deferred tax assets	10	2,776,848	2,380,508
Other non-financial assets, non-current	6	18,975,147	17,568,803
Total Non-Current Assets		431,466,701	426,629,684
Total Assets		589,517,373	559,247,607

Notes 1 to 32 form an integral part of the consolidated interim financial statements of Empresas Lipigas S.A. and subsidiaries.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As of June 30, 2021 and December 31, 2020
(in 000's CLP)

EQUITY AND LIABILITIES	Note	06.30.2021 Th\$	12.31.2020 Th\$
CURRENT LIABILITIES			
Other financial liabilities, current	14	11,208,916	7,187,557
Lease liabilities, current	15	5,994,243	5,737,749
Trade accounts and other accounts payable, current	16	47,030,451	41,128,853
Other provisions, current	17	324,942	349,946
Tax liabilities, current	10	5,961,898	4,574,997
Other non-financial liabilities, current	18	10,425,415	8,233,329
Provisions for employee benefits, current	19	3,839,570	3,524,937
Total Current Liabilities		84,785,435	70,737,368
NON-CURRENT LIABILITIES			
Other financial liabilities, non-current	14	221,106,204	207,388,080
Lease liabilities, non-current	15	23,236,525	24,917,074
Deferred tax liabilities	10	44,384,316	43,243,478
Other non-financial liabilities, non-current	20	45,532,592	42,839,095
Provisions for employee benefits, non-current	19	3,857,406	4,272,495
Total Non-Current Liabilities		338,117,043	322,660,222
TOTAL LIABILITIES		422,902,478	393,397,590
EQUITY			
Issued capital	22	129,242,454	129,242,454
Other reserves	27.1	(15,245,930)	(9,555,967)
Accumulated earnings (losses)	22	47,208,929	40,349,011
Equity attributable to the owners of the controller		161,205,453	160,035,498
Non-controlling interests	22	5,409,442	5,814,519
Total Equity		166,614,895	165,850,017
Total Equity and Liabilities		589,517,373	559,247,607

Notes 1 to 32 form an integral part of the consolidated interim financial statements of Empresas Lipigas S.A. and subsidiaries.

CONSOLIDATED INCOME STATEMENT
As of June 30, 2021 and 2020
(in 000's CLP)

STATEMENT OF INCOME BY FUNCTION	Note	01.01.2021 to 06.30.2021 Th\$	01.01.2020 to 06.30.2020 Th\$	04.01.2021 to 06.30.2021 Th\$	04.01.2020 To 06.30.2020 Th\$
Revenue	22	295,565,181	235,705,477	165,414,638	122,442,610
Cost of sales	23	(201,603,066)	(150,159,473)	(113,702,671)	(76,125,911)
Gross Earnings		93,962,115	85,546,004	51,711,967	46,316,699
Other income by function	22	369,753	397,069	123,227	181,530
Other expenses by function	23	(16,455,507)	(13,975,538)	(8,439,530)	(7,055,336)
Distribution costs	23	(26,394,218)	(24,814,401)	(13,890,143)	(13,159,180)
Administrative expenses	23	(22,496,405)	(21,352,867)	(11,550,503)	(11,557,520)
Financial income	24	1,284,347	669,039	999,469	443,692
Financial costs	24	(4,466,581)	(4,853,078)	(2,010,041)	(2,273,344)
Exchange rate differential	24	(106,468)	(164,244)	(165,524)	(75,131)
Profit (loss) on indexation units	24	(2,827,085)	(2,130,892)	(1,076,525)	(525,512)
Other gains (losses)	24	5,459,233	447,635	5,100,416	300,770
Earnings (loss) before taxes		28,329,184	19,768,727	20,802,813	12,596,668
Income tax expense	10	(5,968,430)	(5,253,913)	(3,862,589)	(3,178,832)
Profit (loss)		22,360,754	14,514,814	16,940,224	9,417,836

Earnings (loss) attributable to:

Profit (loss) attributable to the owners of the controller	21	22,078,903	14,112,395	16,848,689	9,244,832
Profit (loss) attributable to non-controlling interests	21	281,851	402,419	91,535	173,004
Profit (loss)		22,360,754	14,514,814	16,940,224	9,417,836

Earnings per basic share

Earnings (loss) per basic share in continued operations	21	194.40	124.26	148.35	81.40
Earnings (loss) per basic share in discontinued operations		-	-	-	-
Earnings (loss) per basic share		194.40	124.26	148.35	81.40

Earnings per diluted share

Earnings (loss) per diluted share in continued operations	21	194.40	124.26	148.35	81.40
Earnings (loss) per diluted share in discontinued operations		-	-	-	-
Earnings (loss) per diluted share		194.40	124.26	148.35	81.40

Notes 1 to 32 form an integral part of the consolidated interim financial statements of Empresas Lipigas S.A. and subsidiaries.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
As of June 30, 2021 and 2020
(in 000's CLP)

STATEMENT OF COMPREHENSIVE INCOME	Note	01.01.2021 to 06.30.2021 Th\$	01.01.2020 to 06.31.2020 Th\$	04.01.2021 to 06.30.2021 Th\$	04.01.2020 to 06.30.2020 Th\$
Gain (loss)		22,360,754	14,514,814	16,940,224	9,417,836
Components of other comprehensive income that will not be reclassified to net income for the fiscal year, before taxes					
Other comprehensive income, actuarial gains (losses) from defined benefit plans		136,768	(168,021)	166,750	(184,277)
Other comprehensive income that will not be reclassified to net income for the fiscal year, before taxes		136,768	(168,021)	166,750	(184,277)
Components of other comprehensive income to be reclassified to net income for the fiscal year, before taxes					
Gains (losses) on exchange rate translation, before taxes		(5,371,144)	(1,557,685)	(1,971,733)	(2,844,322)
Gains (losses) from cash flow hedges, before taxes		(1,120,845)	35,736	(769,659)	(764,300)
Other comprehensive income to be reclassified to net income for the fiscal year, before taxes		(6,491,989)	(1,521,949)	(2,741,392)	(3,608,622)
Other comprehensive income, before taxes		(6,355,221)	(1,689,970)	(2,574,642)	(3,792,899)
Income taxes on components of other comprehensive income to be reclassified to net income for the fiscal year					
Income taxes on defined benefit plans		(36,927)	45,366	(45,023)	49,755
Income taxes on components of other comprehensive income not to be reclassified to net income for the fiscal year		(37)	45,366	(45,023)	49,755
Income taxes on components of other comprehensive income to be reclassified to net income for the fiscal year					
Income taxes on cash flow hedges		302,628	(9,649)	207,808	206,361
Income taxes on components of other comprehensive income to be reclassified to net income for the fiscal year		303	(9,649)	207,808	206,361
Total other comprehensive income and expenses for the fiscal year		(6,089,520)	(1,654,253)	(2,411,857)	(3,536,783)
Comprehensive income and expenses for the fiscal year		16,271,234	12,860,561	14,528,367	5,881,053
Comprehensive income and expenses attributable to:					
Comprehensive income attributable to the owners of the controller		16,388,940	12,689,586	14,436,832	5,708,949
Comprehensive income attributable to non-controlling interests		(117,706)	170,975	91,535	173,004
Total comprehensive income		16,271,234	12,860,561	14,528,367	5,881,053

Notes 1 to 32 form an integral part of the consolidated interim financial statements of Empresas Lipigas S.A. and subsidiaries.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the periods ended June 30, 2021 and 2020

(in 000's CLP)

Year 2021

Statement of Changes in Equity	Issued Capital	Reserves				Accumulated Gains (Losses)	Total equity		
	Th\$	Reserves for translation of exchange differentials	Reserves for cash flow hedges	Reserves for gains and losses on defined benefit plans	Total Other Reserves	Th\$	Equity attributable to owners of the controllers	Non-controlling interests	Total Equity
		Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Equity at January 1, 2021	129,242,454	(8,672,525)	(181,008)	(702,434)	(9,555,967)	40,349,011	160,035,498	5,814,519	165,850,017
Changes in equity									
Comprehensive income									
Gain (loss)	-	-	-	-	-	22,078,903	22,078,903	281,851	22,360,754
Other comprehensive income	-	(4,971,587)	(818,217)	99,841	(5,689,963)	-	(5,689,963)	(399,557)	(6,089,520)
Total comprehensive income	-	(4,971,587)	(818,217)	99,841	(5,689,963)	22,078,903	16,388,940	(117,706)	16,271,234
Dividends	-	-	-	-	-	(15,218,985)	(15,218,985)	(287,371)	(15,506,356)
Total increase (decrease) in equity	-	(4,971,587)	(818,217)	99,841	(5,689,963)	6,859,918	1,169,955	(405,077)	764,878
Equity at June 30, 2021	129,242,454	(13,644,112)	(999,225)	(602,593)	(15,245,930)	47,208,929	161,205,453	5,409,442	166,614,895

Notes 1 to 32 form an integral part of the consolidated interim financial statements of Empresas Lipigas S.A. and subsidiaries.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the periods ended June 30, 2021 and 2020

(in 000's CLP)

Year 2020

Statement of Changes in Equity	Issued Capital Th\$	Reserves				Accumulated Gains (Losses) Th\$	Total equity		
		Reserves for translation of exchange differentials Th\$	Reserves for cash flow hedges Th\$	Reserves for gains and losses on defined benefit plans Th\$	Total Other Reserves Th\$		Equity attributable to owners of the controllers Th\$	Non-controlling interests Th\$	Total Equity Th\$
Restated equity at January 1, 2020	129,242,454	3,592,636	110,021	(494,926)	3,207,731	32,886,953	165,337,138	6,308,312	171,645,450
Changes in equity									
Comprehensive income									
Gain (loss)	-	-	-	-	-	14,112,395	14,112,395	402,419	14,514,814
Other comprehensive income	-	(1,326,241)	26,087	(122,655)	(1,422,809)	-	(1,422,809)	(231,444)	(1,654,253)
Total comprehensive income	-	(1,326,241)	26,087	(122,655)	(1,422,809)	14,112,395	12,689,586	170,975	12,860,561
Dividends	-	-	-	-	-	(15,446,163)	(15,446,163)	(522,375)	(15,968,538)
Total increase (decrease) in equity	-	(1,326,241)	26,087	(122,655)	(1,422,809)	(1,333,768)	(2,756,577)	(351,400)	(3,107,977)
Equity at June 30, 2020	129,242,454	2,266,395	136,108	(617,581)	1,784,922	31,553,185	162,580,561	5,956,912	168,537,473

Notes 1 to 32 form an integral part of the consolidated interim financial statements of Empresas Lipigas S.A. and subsidiaries.

CONSOLIDATED STATEMENT OF CASH FLOWS
As of June 30, 2021 and 2020
(in 000's CLP)

CONSOLIDATED STATEMENT OF DIRECT CASH FLOW	Note	01.01.2021 to 06.30.2021 Th\$	01.01.2020 to 06.30.2020 Th\$
Cash flow from (used in) operating activities			
Type of collection by operating activity			
Collection from the sale of goods and services rendered		276,366,903	238,722,614
Other collections (payments) from operating activities		4,190,360	902,186
Type of payment			
Payments to suppliers for goods and services		(171,519,813)	(124,431,812)
Payments to and on behalf of employees		(22,051,147)	(19,335,281)
Other payments for operating activities		(51,941,112)	(48,156,881)
Income taxes refunded (paid)		(4,896,431)	(4,296,910)
Other cash receipts (payments)		7,836,049	6,476,915
Net cash flow from operating activities		37,984,809	49,880,831
Cash flow from (used in) investing activities			
Revenue from sales of property, plant and equipment		11,794,037	329,660
Purchases of intangible assets	11.3	(1,823,592)	(1,035,395)
Purchases of property, plant and equipment	13.2	(19,512,214)	(21,635,338)
Proceeds (payments) from other long-term assets		(2,272,000)	(5,640,641)
Other cash inflows (outflows)		(889,551)	-
Net cash flow used in investing activities		(12,703,320)	(27,981,714)
Cash flows from (used in) financing activities			
Proceeds from issuance of shares		-	-
Proceeds from long-term loans		686,326	80,812,661
Proceeds from short-term loans		765,981	734,800
Total loan proceeds		1,452,307	81,547,461
Payment of loans	14.3	(571,011)	(42,479,721)
Payment of financial lease liabilities	14.3	(2,131,967)	(2,593,615)
Payment of lease liabilities	15	(3,746,408)	(2,488,044)
Interest paid on financial leases	14.3	(3,289,152)	(3,559,069)
Interest paid on leases	15	(507,798)	(553,298)
Dividends paid		(15,506,356)	(15,968,538)
Net cash flows from (used in) financing activities		(24,300,385)	13,905,176
Net increase (decrease) in cash and cash equivalent before the effect of changes in the exchange rate		981,104	35,804,293
Effects of exchange rate variations on cash and cash equivalent		(979,531)	(144,979)
Net increase (decrease) in cash and cash equivalent		1,573	35,659,314
Cash and cash equivalent at the beginning of the period or fiscal year		62,317,022	17,040,145
Cash and cash equivalent at the end of the period or fiscal year		62,318,595	52,699,459

Notes 1 to 32 form an integral part of the consolidated interim financial statements of Empresas Lipigas S.A. and subsidiaries.

EMPRESAS LIPIGAS S.A.**Notes to the consolidated interim financial statements as of June 30, 2021****1 General information on the Company**

Empresas Lipigas S.A. (hereinafter the "Company") and its subsidiaries comprise the Lipigas Group (hereinafter the "Group"). Empresas Lipigas S.A. is an open stock corporation, and its registered office is located at Apoquindo 5400, 15th floor, in the municipality of Las Condes, Santiago, Chile

Inversiones El Espino S.A., a privately held company, was incorporated by public deed dated August 9, 2000. Subsequently, it was agreed by public deed dated October 31, 2000, to amend the corporate name from Inversiones El Espino S.A. to Empresas Lipigas S.A.

The Company's corporate purpose is, among others, the purchase, importation, storage, commercialization, distribution, sale, export and transport of liquefied petroleum gas (LPG) and all types of liquid or gaseous fuels and the provision of services to third parties related to such activities; acquire, sell and distribute all kinds of household appliances, facilities for industries and businesses, for automotive and their spare parts, provide technical services, execute works or installations to any user linked to the use of the energy and its complementary services, the generation or production of electric energy or other energy in any of its forms or nature and the commercialization, operation, sale, supply and distribution of such types of energy.

The Company was registered under number 1129 in Chile's securities issuers' registry of the Financial Market Commission (CMF - *Comisión para el Mercado Financiero*) on February 4, 2015.

The Company obtained from Chile's Financial Market Commission, the registration of its shares in the securities issuers registry of said entity on October 21, 2015.

The Company's shares began trading on the Santiago Stock Exchange (*Bolsa de Comercio de Santiago*) on November 24, 2016.

Pursuant to the material disclosure reported to the CMF on March 24, 2020, the control agreement signed by a group of shareholders of the Company was finalized on September 26, 2020, and which was effective up until that date. Consequently, as of that date, the Company does not have a controller or controller group.

The Company's Board of Directors authorized the issuance of these consolidated interim financial statements for the period ended June 30, 2021 during its session held August 25, 2021.

2 Summary of Main Accounting Policies

Described below are the main accounting policies used in preparing the consolidated financial statements. These policies have been designed based on the International Financial Reporting Standards prevailing as of June 30, 2021 and they have been applied uniformly to the periods presented in these consolidated interim financial statements.

2.1 Bases for preparation of the consolidated interim financial statements

These consolidated interim financial statements of the Company correspond to the period ended June 30, 2021 and have been prepared according to International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

The previously mentioned standards have been applied uniformly to the fiscal years presented. IFRS include International Accounting Standards (IAS) and interpretations by the respective Interpretations Committees (SIC and IFRIC) issued by IASB.

The preparation of the financial statements as described above requires that certain estimations and accounting standards be used. It also requires Management to exercise judgment in the application of the Company's accounting policies. Note 2.29 discloses the areas that imply a greater degree of judgment or complexity or the areas where the assumptions and estimations are material.

There were no uncertainties as of the date of these consolidated interim financial statements regarding events or conditions that may contribute doubt about the possibility that the Company will continue to normally operate as an ongoing business.

The consolidated interim financial statements have been presented using the historic cost criteria, except for certain financial instruments, which are disclosed at their fair value.

2.2 Currency of presentation and functional currency

These consolidated financial statements are presented in thousands of Chilean pesos (Th\$) as it is the functional currency of the main economic environment in which the Company does business.

Each entity in the Group has determined its own functional currency according to the requirements of IAS 21 "*The Effects of Changes in Foreign Exchange Rates*", and the items included in each entity's financial statements are measured using that functional currency.

2.3 Periods covered by the financial statements

The consolidated interim financial statements include the classified consolidated statement of financial position for the period ended June 30, 2021 and the fiscal year December 31, 2020, the consolidated statement of income by function, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of direct cash flows for the periods ended June 30, 2021 and 2020.

2.4 New rulings, amendments, improvements and accounting interpretations (IFRS and Interpretations of the IFRIC)

Improvements, amendments and interpretations to existing standards that have entered into force during the period ended June 30, 2021, have been published as of the date of issuance of these consolidated interim financial statements and have been adopted by the Company. These became mandatory as of the dates indicated below:

- a) First-time mandatory application of standards, interpretations and amendments for fiscal years beginning January 1, 2021.

Standards and Interpretations	Mandatory for fiscal years beginning on or after:
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 "Interest Rate Benchmark Reform (IBOR)- Phase 2". Published in August 2020. Addresses problems that arise during the reform of benchmark interest rates, including replacing a benchmark rate with an alternative rate.	January 1, 2021
Amendment to IFRS 16 "Rent Concessions" Published in March 2021. This amendment extends for one year the period of application of the practical expedient if IFRS 16 Leases (included in the amendment to that standard published in May 2020), for the purpose of helping tenants to account for COVID-19 rental concessions. The amendment is effective for annual periods beginning on or after April 1, 2021, however, early adoption is allowed even for financial statements whose issuance has not been authorized as of March 31, 2021.	January 1, 2021

Adoption of the above Standards, Amendments and Interpretations do not have a material impact on the Company's consolidated financial statements.

- b) Standards, interpretations and amendments issued, but not in effect, for the fiscal year beginning January 1, 2021 that have not been adopted early.

Standards and Interpretations	Mandatory for fiscal years beginning on or after:
IFRS 17 "Insurance Contracts". Published in May 2017, replaces current IFRS 4. IFRS 17 will mainly change accounting for all entities issuing insurance contracts and investment contracts with discretionary participation. The standard applies to annual periods beginning on January 1, 2023, allowing early application provided IFRS 15 "Revenues from client contracts" and IFRS 9 "Financial Instruments" are applied.	January 1, 2023
Amendment to IFRS 3, "Business Combinations" minor modifications were made to IFRS 3 to update references to the Conceptual	January 1, 2022

Standards and Interpretations	Mandatory for fiscal years beginning on or after:
Framework for Financial Reporting, without changing the requirements of business combinations.	
Amendment to IAS 1 "Presentation of Financial Statements" on Classification of Liabilities". These amendments of limited scope to IAS 1, "Presentation of Financial Statements", clarify that liabilities will be classified as current or non-current depending on the rights that exist at the end of the reporting period. Classification is not affected by the entity's expectations or events after the report date (for example, receipt of a waiver or non-compliance of the agreement). The amendment also clarifies what IAS 1 means when it refers to the "liquidation" of a liability. The amendment should be implemented retrospectively in accordance with IAS 8. In May 2020, the IASB issued an "Exposure Draft" proposing to defer the effective implementation date to January 1, 2023.	January 1, 2023
Amendment to IAS 16, "Property, Plant and Equipment" prohibits companies from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. The company will recognize such sales proceeds and related costs in profit or loss of the fiscal year.	January 1, 2022
Amendment to IAS 37, " Provisions, Contingent Liabilities and Contingent Assets" clarifies for onerous contracts what unavoidable costs a company should include to assess whether a contract will generate losses.	January 1, 2022
<p>Annual improvements to IFRS 2018–2020 cycle. The following improvements were finalized in May 2020:</p> <ul style="list-style-type: none"> - IFRS 9 Financial Instruments: Clarifies what fees should be included in the '10 per cent' test for derecognition of financial liabilities. - IFRS 16 Leases: Amendment to Illustrative Example 13 to remove the illustration of lessor payments in connection with lease improvements, to eliminate any confusion about the treatment of lease incentives. - IFRS 1 First time adoption of International Financial Reporting Standards: allows entities that have measured their assets and liabilities to the book values recorded in their parent company's books to also measure the conversion differences accumulated using the amounts reported by the parent company. This amendment shall also apply to associates and joint ventures that have taken the same IFRS 1 exemption. - IAS 41 Agriculture: Removes the requirement for entities to exclude taxation cash flows when measuring fair value under 	January 1, 2022

Standards and Interpretations	Mandatory for fiscal years beginning on or after:
IAS 41. This amendment is intended to align with the requirement of the rule of discounting cash flows after tax.	
Amendments to IAS 1 "Presentation of Financial Statements", Practice Statement 2 and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", published in February 2021. The changes aim to improve accounting policy disclosures and help users of financial statements distinguish between changes in accounting estimates and changes in accounting policies.	January 1, 2023
Amendment to IAS 12 - Deferred taxes related to assets and liabilities arising out of a single transaction. These amendments require companies to recognize deferred taxes on transactions that, in initial recognition, result in equal amounts of taxable and deductible temporary differences.	January 1, 2023
Amendment to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" - Published in September 2014. This amendment addresses an inconsistency between the requirements of IFRS 10 and IAS 28 in the treatment of the sale or the contribution of goods between an investor and its associate or joint venture. The main consequence of the amendments is that a complete gain or loss is recognized when the transaction involves a business (in a subsidiary or not) and a partial a gain or loss when the transaction involves assets that do not constitute a business, even if these assets are in a subsidiary.	Undetermined

The Company has not made early adoption of any of these standards. Company management estimates that the adoption of the above Standards, Amendments and Interpretations will not have a significant impact on the Company's consolidated financial statements at the time of their first application.

2.5 Basis for consolidation

2.5.1 Subsidiaries

Subsidiaries are all entities in which the Company has the power to direct the financial and operating policies, which is generally accompanied by an interest representing more than one-half of the voting rights. The evaluation of whether the Company controls another entity considers the existence and effect of potential voting rights that are currently possible to be exercised or converted. Subsidiaries are consolidated in their entirety as of the date when control is obtained, and they are excluded from the consolidation on the date when control ceases.

The acquisition method is used to account for the acquisition of subsidiaries. The acquisition cost is the fair value of the assets delivered, of the equity instruments issued and of the liabilities incurred or assumed on the date of transfer. Identifiable assets acquired, and identifiable liabilities and contingencies assumed in a business

combination are initially valued at the fair value on the date of acquisition, regardless of the scope of minority interests. Excess cost of the fair value of the Company's interest in identifiable net assets acquired is recognized as goodwill. If the acquisition cost is less than the fair value of net assets in the subsidiary acquired, the differential is recognized directly in the consolidated statement of income by function.

The transactions, balances and unrealized gains in transactions between entities in the Group are eliminated in the consolidation. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment loss in the transferred asset. Accounting policies of subsidiaries are amended, whenever necessary, to ensure uniformity in the policies adopted by the Company.

2.5.2 Non-controlling transactions and interests

The Group's policy is to consider transactions with non-controlling interests as if they were transactions with Company shareholders, disclosing such transactions as equity transactions with no impact on income, provided they do not correspond to a loss of control.

2.6 Subsidiaries

2.6.1 Directly consolidated entities

Subsidiaries included in the consolidation are itemized below:

Country	Company	Ownership interest (%)	
		06.30.2021	12.31.2020
Chile	Norgas S.A.	58.00	58.00
Chile	Inversiones Lipigas Uno Ltda.	100.00	100.00
Chile	Inversiones Lipigas Dos Ltda.	100.00	100.00
Chile	Trading de Gas SpA	100.00	100.00
Chile	Marquesa GLP SpA	65.00	65.00
Chile	Logística y Desarrollos Digitales SpA	100.00	-

Assets, liabilities and equity of the subsidiary Norgas S.A. are itemized below:

Summary Statement of Financial Position Norgas S.A	06.30.2021 Th\$	12.31.2020 Th\$
Current Assets	577,902	362,900
Non-current Assets	2,124,469	2,214,169
Total Assets	2,702,371	2,577,069
Current Liabilities	95,511	100,389
Non-current Liabilities	385,806	378,054
Equity	2,221,054	2,098,626
Total Liabilities and Equity	2,702,371	2,577,069

Income and expenses of the subsidiary Norgas S.A. are itemized below:

Summary Statement of Income Norgas S.A	06.30.2021 Th\$	06.30.2020 Th\$
Revenue	454,513	438,624
Cost of sales and expenses	(297,048)	(259,171)
Other income (expenses)	(35,037)	(36,968)
Profit (loss)	122,428	142,485

Assets, liabilities and equity of the subsidiary Trading de Gas SpA are itemized below:

Summary Statement of Financial Position Trading de Gas SpA	06.30.2021 Th\$	12.31.2020 Th\$
Current Assets	20,961,175	16,777,267
Non-current Assets	54,912,711	42,161,350
Total Assets	75,873,886	58,938,617
Current Liabilities	15,675,164	11,367,709
Non-current Liabilities	45,752,077	35,239,464
Equity	14,446,645	12,331,444
Total Liabilities and Equity	75,873,886	58,938,617

Income and expenses of the subsidiary Trading de Gas SpA are itemized below:

Summary Statement of Income Trading de Gas SpA	06.30.2021 Th\$	06.30.2020 Th\$
Revenue	78,291,664	55,198,505
Cost of sales and expenses	(73,107,875)	(48,913,385)
Other income (expenses)	(1,572,542)	(1,911,385)
Profit (loss)	3,611,247	4,373,735

Assets, liabilities and equity of the subsidiary Marquesa GLP SpA are itemized below:

Summary Statement of Financial Position Marquesa GLP SpA	06.30.2021 Th\$	12.31.2020 Th\$
Current Assets	1,994,703	1,594,661
Non-current Assets	6,708,884	6,243,563
Total Assets	8,703,587	7,838,224
Current Liabilities	6,107,648	5,137,325
Non-current liabilities	2,595,939	2,700,899
Equity	8,703,587	7,838,224
Total Liabilities and Equity	1,994,703	1,594,661

Income and expenses of the subsidiary Marquesa GLP SpA are itemized below:

Summary Statement of Income Marquesa GLP SpA	06.30.2021 Th\$	06.30.2020 Th\$
Revenue	-	-
Cost of sales and expenses	(128,246)	(100,425)
Other income (expenses)	(38,781)	23,746
Profit (loss)	(167,027)	(76,679)

The subsidiaries Inversiones Lipigas Uno Limitada and Inversiones Lipigas Dos Limitada, present in assets and liabilities, mainly investments in Peru and Colombia, itemized in Note 2.6.2 below.

2.6.2 Indirectly consolidated entities

Indirect subsidiaries included in the consolidation are itemized below:

Country	Company	Ownership Interest (%)	
		06.30.2021	12.31.2020
Colombia	Chilco Distribuidora de Gas y Energía S.A.S. E.S.P.	100.00	100.00
Colombia	Rednova S.A.S. E.S.P.	100.00	100.00
Colombia	Surcolombiana de Gas S.A. E.S.P.	51.07	51.07
Peru	Lima Gas S.A.	100.00	100.00
Peru	Limagas Natural Perú S.A.	100.00	100.00

Assets, liabilities and equity for the subsidiaries Chilco Distribuidora de Gas y Energía S.A.S. E.S.P., Rednova S.A.S. E.S.P., and Surcolombiana de Gas S.A. E.S.P. (total for Colombia) Lima Gas S.A. and Limagas Natural Perú S.A. (total for Peru) as of 06.30.2021 and 12.31.2020 are itemized below:

Summary Consolidated Statements of Financial Position - Subsidiaries	06.30.2021	12.31.2020	06.30.2021	12.31.2020
	Th\$ Colombia	Th\$ Colombia	Th\$ Peru	Th\$ Peru
Current assets	15,327,199	21,647,502	14,722,158	10,942,554
Non-current assets	57,563,895	56,546,531	50,717,028	59,804,008
Total assets	72,891,094	78,194,033	65,439,186	70,746,562
Current liabilities	10,742,012	11,124,125	9,079,380	12,682,539
Non-current liabilities	29,523,451	32,864,038	28,129,120	30,582,671
Equity	32,625,631	34,205,870	28,230,686	27,481,352
Total liabilities and equity	72,891,094	78,194,033	65,439,186	70,746,562

Income and expenses for the subsidiaries Chilco Distribuidora de Gas y Energía S.A.S. E.S.P., Chilco Metalmecánica S.A.S. Rednova S.A.S. E.S.P., and Surcolombiana de Gas S.A. E.S.P. (total for Colombia) Lima Gas S.A. and Limagas Natural Perú S.A. (total for Peru) as of 06.30.2021 and 06.30.2020 are itemized below:

Summary Consolidated Statement of Income - Subsidiaries	06.30.2021	06.30.2020	06.30.2021	06.30.2020
	Th\$ Colombia	Th\$ Colombia	Th\$ Peru	Th\$ Peru
Revenue	33,328,979	26,913,706	46,308,633	39,801,294
Cost of sales and expenses	(29,097,518)	(21,983,843)	(44,360,905)	(40,851,089)
Other income (expenses)	(2,129,522)	(1,904,459)	5,359,568	(483,996)
Profit (loss)	2,101,939	3,025,404	7,307,296	(1,533,791)

2.6.3 Changes in the perimeter of consolidation

During the period ended June 30, 2021 and the 2020 fiscal year the following variations occurred in the perimeter of consolidation of the Lipigas Group:

Colombia

During April 2020, Colombia's Superintendence of Corporations authorized the merger by absorption of the companies Chilco Distribuidora de Gas y Energía S.A.S. E.S.P. and Chilco Metalmecánica S.A.S., where the first absorbed the latter effective April 30, 2019.

Chile

On April 22, 2021, the subsidiary Logísticas y Desarrollos Digitales SpA was incorporated, a company whose corporate purpose among others will be the distribution, transport and delivery of goods and products, and the execution of logistics management, the purchase, sale and import, commercialization and distribution of tangible and intangible property and the management and implementation of digital business.

2.7 Foreign Currency Translation

2.7.1 Functional and presentation currency

The items included in the consolidated interim financial statements of the Company and its subsidiaries are valued using the currency of the main economic environment in which the Company operates ("functional currency"). The functional and presentation currency of Empresas Lipigas S.A. and its subsidiaries Norgas S.A., Trading de Gas SpA, Inversiones Lipigas Uno Limitada and Inversiones Lipigas Dos Limitada and Logística y Desarrollos Digitales SpA is the Chilean peso. For its subsidiary Marquesa GLP SpA it is the U.S. dollar. For its subsidiaries Chilco Distribuidora de Gas y Energía S.A.S. E.S.P., Rednova S.A.S. E.S.P., and Surcolombiana de Gas S.A. E.S.P. it is the Colombian peso. For Lima Gas S.A. and Limagas Natural Perú S.A. it is the Peruvian sol. For consolidation effects, the Company's subsidiaries translated their financial statements to Chilean pesos, which is the presentation currency of the Company's financial statements.

Income and financial position of all of the Company's subsidiaries (none of which uses a currency in a hyperinflationary economy) whose functional currency is different from the presentation currency are translated to the presentation currency in the following way:

- Assets and liabilities in each statement of financial position are translated using the closing exchange rate of each fiscal year or period.
- Income and expenses of each income account are translated using accumulated average monthly exchange rates for the fiscal year or period (unless this average is not a fair approximation of the exchange rates on the transaction dates, in which case income and expenses are translated at the exchange rate prevailing on the transaction date).
- All translation differentials are recognized as a separate component of equity through Other Comprehensive Income.

2.7.2 Transactions and balances

Foreign currency transactions are translated to the functional currency using the exchange rates prevailing on the dates of the respective transactions. Foreign currency losses and gains resulting from the settlement of these transactions and from the translation of foreign currency-denominated monetary assets and liabilities at the closing exchange rates are recognized as exchange differentials in the consolidated statement of income by function, unless they originate in cash and cash equivalent balances designated as foreign currency cash flow hedges, which are allocated to Other Comprehensive Income.

Foreign currency balances as of June 30, 2021 and December 31, 2020, respectively, are itemized in Note 27.

2.7.3 Exchange rates and indexation units

Assets and liabilities in foreign currency and those set in Unidades de Fomento are presented at the following exchange rates and closing values, respectively:

Date	CLP / USD	CLP / UF	CLP / COP	CLP / PEN
06.30.2021	727.76	29,709.83	0.19	188.31
12.31.2020	710.95	29,070.33	0.21	196.36
06.30.2020	821.23	28,696.42	0.22	231.99

CLP : Chilean peso
 UF : Unidad de Fomento
 USD : U.S. dollar
 COP : Colombian peso
 PEN : New Peruvian sol

2.8 Financial information by operating segment

Information by segment is presented according to IFRS 8 *Operating Segments*, consistent with internal reports regularly reviewed by Company management used in the decision-making process on allocating resources and performance evaluation of each of the operating segments.

According to IFRS 8, an operating segment is defined as a component of an entity that meets the following three requirements:

- It conducts an activity that generates income and incurs costs.
- There is separate financial information on said segment.
- The chief operating decision-maker regularly evaluates the segment's performance.

The Company's reporting segments correspond to the geographic scope of the countries where activities are developed: Chile, Colombia and Peru.

Note 26 of the consolidated interim financial statements provides detailed information.

2.9 Property, plant and equipment

2.9.1 Appraisal

Property, plant and equipment components held for use in operations or for administrative means are presented at cost, net of the corresponding accumulated depreciation and impairment losses, when relevant, including expenses directly attributable to the acquisition of the good.

Items of property, plant and equipment, are initially recognized at acquisition cost. The price of acquisition of goods and services, including the non-recoverable tax and customs charges are considered when determining the purchase price. Similarly, emplacement and start-up costs are included, until fit for operation.

On the date of transition to IFRS, the Company chose to present certain items in property, plant and equipment at fair value, using said value as the cost on the transition date pursuant to IFRS 1.

Work in progress is transferred to operating assets at the end of the test period once they are available for use. Depreciation begins as of that moment.

Subsequent costs (replacement of components, improvements, extensions, growth, etc.) are included as an increase in the value of the initial asset or recognized as a separate asset only if it is likely that future economic benefits associated with the fixed asset will flow to the Company and the cost of the element can be reliably determined. The value of the substituted component is retired in the accounting. Remaining repairs and maintenance are debited to income in the fiscal year or period when they are performed.

2.9.2 Depreciation method

Depreciation of assets and right-of-use is calculated using the linear method based on the estimated useful life of goods, taking into consideration the residual value thereof, or the term of the agreements (for certain financial leases as described in note 2.24) and whose average per item is:

Type of Property, Plant and Equipment	Life range (Years)
Buildings - Constructions and buildings	25 to 45
Natural gas - Networks - Equipment	60 10
Storage tanks	30 to 50
Property, plant and equipment in third-party facilities - Piping systems - Meters - Household tanks	16 to 50
Plant and equipment - Machinery and equipment - Cylinders - Pallets	10 to 30

Type of Property, Plant and Equipment	Life range (Years)
Leases <ul style="list-style-type: none"> - Property, plant and equipment - Vehicles - Other property, plant and equipment - Right-of-use 	3 to 25
Information Technology Equipment	4 to 5
Small motor vehicles	5 to 10
Other property, plant and equipment <ul style="list-style-type: none"> - Transportation fleet - Furniture and office equipment 	10 to 20

The residual value and useful life of assets are reviewed and adjusted, if necessary, at each financial statement closing, so that the remaining useful life is consistent with the economic use of the assets.

When the value of an asset exceeds its estimated recoverable amount, its value is immediately reduced to the recoverable amount by establishing impairment provisions.

Losses and gains on the sale or retirement of items of property, plant and equipment are calculated by comparing the income earned to the carrying value and the result (gain or loss) is included in the consolidated statement of income by function.

Interest expense incurred in building any asset that necessarily requires a substantial period before it is ready for its intended use, is capitalized during the period required to complete and prepare the asset for its intended use. Other interest expense is recorded in income (as financial costs).

Land is not depreciated because its useful life is indefinite.

2.10 Intangible assets other than goodwill

2.10.1 Computer software

Computer software licenses acquired are capitalized on the bases of the cost incurred in acquiring and preparing them to the specific program. These costs are amortized during their estimated useful life.

Expenses related to developing or maintaining computer software are recognized as an expense once they are incurred.

Costs directly related to acquiring or producing unique and identifiable computer software controlled by the Company, likely to generate economic benefits in excess of costs in more than one year are recognized as intangible assets. Direct costs include the expenses of personnel developing the computer software and an appropriate percentage of general expenses.

2.10.2 Connection rights

Connection rights are disbursements paid under a contract to access natural gas supply. These costs are amortized during the useful lives established within the term of the contract.

2.10.3 Customer-related intangible assets

Pursuant to IFRS 3, a company that acquires another company must recognize the identifiable assets acquired in a business combination separate from goodwill. An intangible asset will be distinguishable from goodwill if it meets either the separability criterion or the contractual-legal criterion.

The Company has recognized customer-related intangible assets as those assets acquired in business combinations. The value of the contracts with customers included in the combination has been calculated at the time of the combination and their fair value has been estimated based on forecasted sales and margins on those sales, to which a finite useful life has been assigned based on the duration of the business relationship with those customers. Amortization is calculated according to the useful life defined.

2.10.4 Trademarks

Trademarks acquired in a business combination are appraised at the fair value determined on the acquisition date.

The royalty savings method was used in order to calculate the value of the trademarks acquired in business combinations. The underlying premise of that method is that the intangible asset has a fair value equal to the actual savings on royalties attributable to that trademark (generated by savings earned by possessing the asset because no royalties have to be paid to a third party for use of a similar asset).

The useful life of the trademarks is set based on the Company's intention to use it, if an indefinite use of them is foreseen, they will not be amortized.

2.10.5 Other intangible assets identified in business combinations

The Company has recognized as other intangible assets those that have been able to be identified in business combinations and which comply with the criterion of separability or contractual legality.

2.11 Goodwill

Goodwill represents the excess acquisition cost on the date of acquisition above the fair value of the interest held by the Company in the identifiable net assets of the subsidiary acquired. Goodwill in relation to subsidiary acquisitions is an intangible asset and it is accounted for in intangible assets.

Goodwill relating to the acquisition of associates is included in investments in associates accounted for by the equity method and it is tested for impairment together with the total balance for the associate. Separately recognized goodwill is tested for impairment annually and valued at its cost, less accumulated impairment losses.

The transaction cost includes the carrying value of the goodwill of an entity sold, recorded in the gains and losses on the sale of that entity.

Goodwill purchased is allocated to cash-generating units to conduct impairment testing. The distribution is made among the cash-generating units or groups of cash-generating units that are expected to benefit from the business combination that included goodwill.

Negative goodwill in the acquisition of an investment or business combination is credited directly to the consolidated statement of income by function.

2.12 Impairment of non-current assets

Assets that have an indefinite useful life and that are not subject to depreciation or amortization are tested annually for impairment losses. Depreciable or amortizable assets are tested for impairment provided an event or change in circumstances indicates that the carrying value might not be recoverable or annually in the case of goodwill. The impairment loss is recognized to be the excess carrying value of the asset as compared to its recoverable amount. The recoverable amount is the fair value of an asset less costs of sale or value in use, whichever is higher. Assets are grouped at the lowest level at which there is identifiable separate cash flows (cash-generating units) in order to evaluate impairment losses.

Impairment tests are performed based on the estimates of the evolution of the market in which the generating unit operates and on forecasts of revenues, costs, expenses, investments in property, plant and equipment and working capital needs based on the business plans of each unit. In determining the recovery value of non-current assets subject to impairment tests, the resulting flows are discounted at a weighted rate of capital cost appropriate to the characteristics of the assessed business.

Goodwill recorded in the acquisition of the investments in Colombia and Peru is evaluated annually to determine whether there is any loss in value of this asset. An impairment provision is made, if there is evidence of a loss in value, which is recognized in income for the corresponding quarter or fiscal year.

2.13 Financial instruments

A financial instrument is any contract that simultaneously creates both a financial asset in one entity and a financial liability or equity instrument in another entity.

The Company recognizes financial assets and financial liabilities at the time that it assumes the obligations or when it acquires the contractual rights of those financial assets and financial liabilities.

The Company uses the “hold to collect” business model in managing its financial assets.

2.13.1 Financial assets

a) Cash and cash equivalent

Cash and cash equivalent include cash on hand and other short-term highly liquid investments originally expiring in three months or less.

b) Financial assets at fair value with change in results

Financial assets at fair value with change in results are assets held until maturity date, which are short-term. A financial asset is classified into this category if it is acquired primarily for the purpose of collecting principal and interest on the principal amount. Assets in this category are classified as current assets.

Investments in bonds have been classified in this category in other current financial assets, where payment of principal and interest correspond to the last payment flow the debtor maintains with investors. Changes in the fair value of these financial assets are recognized in gains or losses on the statement of income in financial income or expenses, as appropriate.

c) Trade accounts and other accounts receivable

Trade accounts receivable are recognized at face value, as their average collection time is reduced (generally not exceeding 90 days) and there is no material difference with their fair value, less the provision for impairment losses. A provision is established for impairment losses on trade accounts receivable based on the expected losses for non-payment of customers, which are segmented by the line of business to which they belong and where the average delinquency of each line of business has been considered as a risk variable for estimating such expected loss. In addition, the provision is increased when there is a history of possible non-insolvency of specific customers.

When a receivable is considered uncollectible and collection efforts have been exhausted, the respective uncollectible account provision is written off. The subsequent recovery of previously written off amounts is recognized as a credit in the consolidated statement of income by function.

There is no implicit interest attributable to trade receivables and other accounts receivables when accounts expire in less than 90 days.

Loans and other accounts receivable that include balances owed by distributors and other business customers are non-derivative financial assets for which there are fixed or determinable payments that are not traded on an active market. They are included in current assets unless the expiration date is longer than 12 months from the closing date of the consolidated financial statements, in which case they are classified as non-current assets.

d) Other non-current financial assets

The Company recognizes restricted availability funds in this item, as well as currency and interest rate derivative instruments (Cross Currency Swaps) used to redenominate the conditions of the liabilities originated by the placement of bonds in the local market.

e) Derivative contracts

As of June 30, 2021, the Company held liabilities related to derivative contracts, for hedging the change in the value of foreign currency in assets and liabilities and the reference value of LPG held in inventory, which were classified under Other current financial liabilities and were accounted for at their fair value in the statement of financial position. As of December 31, 2020 the net balance of those derivative contracts represented a liability and was classified in Other current financial liabilities.

On June 2 and 3, 2021, the Company signed contracts for currency and interest rate derivative instruments (Cross Currency Swaps) with Banco BCI to redenominate the conditions of the liabilities originated by the placement of bonds on the local market (BLIPI series E and G, for UF 1,000,000 -partial amount of the total liability- and UF 2,500,000, respectively). The terms of the original debts denominated in UFs and at a fixed interest rate were redenominated to a 6.33% fixed interest rate in Chilean pesos. The transaction contracted with Banco BCI resulted in an asset position, which was classified under Other non-current financial assets.

On June 3, 2021, the Company signed a currency and interest rate cross currency swap agreement with Banco Santander to redenominate the conditions of the liability arising from the placement of the bond in the local market (BLIPI series E for UF 2,500,000 -partial amount of the total liability-). The terms of the original debts denominated in UFs and at a fixed interest rate were redenominated to a 6.89% fixed interest rate in Chilean pesos. The transaction contracted with Banco Santander resulted in a liability position, which was classified under Other non-current financial liabilities.

Other current financial liabilities, Other non-current financial liabilities and Other non-current financial assets include derivative financial instruments, which are valued, both initially and subsequently, at their fair value. Accounting changes depend on the following classifications:

(i) Derivatives not qualifying for hedge accounting: When derivatives do not qualify for hedge accounting, they are recognized at their fair value with changes in profit or loss.

(ii) Derivatives qualifying for hedge accounting: Certain derivatives do qualify for hedge accounting, and they are recognized at fair value in the consolidated statement of financial situation. Changes in fair value are recognized in other comprehensive income in the consolidated statement of comprehensive income and are accumulated in the cash flow hedge reserve account in equity until the hedge risk materializes. At that time, they are reclassified to income or to the cost of the asset or liability whose acquisition or cancellation has been hedged, as the case may be. Financial derivatives are contracted to hedge exchange rate risk and price variations under a cash flow hedging strategy according to IFRS 9.

The profit or loss realized in hedge accounting is reclassified, as other comprehensive income, to the hedged items that underlie the hedge (inventories, property, plant and equipment and other non-current non-financial assets). Unrealized profits or losses are kept in the cash flow hedge reserve account.

In this case “realize” means that the risk of the hedged item has occurred, i.e., the hedged asset is received, the advance and/or account payable in the hedged foreign currency is paid or there is a variation in the realizable value of the inventory.

The Company records the relationship between the hedging instruments and hedged items at the start of the transaction, together with the risk management objectives and the strategy to manage several hedge transactions. The Company also records from the start and continuously, its evaluation of whether the derivatives used in the hedged transactions are highly effective in offsetting changes in the fair value or in the cash flows of the hedged items.

f) Fair value hierarchies

The Company uses the following hierarchy to determine and disclose the fair value of financial instruments:

Level 1: the quoted prices in a market for identical assets and liabilities.

Level 2: assumptions other than quoted prices included in level 1 and that are observable for assets or liabilities, either directly or indirectly.

Level 3: assumptions for assets or liabilities that are not based on observable information directly in the market.

During the period ended June 30, 2021, derivative instruments were measured using hierarchy level 2 and short-term investments included in Cash and cash equivalent, as well as debt financial instruments were measured using level 1.

g) Impairment of financial assets

The Company evaluates whether there is objective evidence on the closing date of the consolidated interim financial statements that a financial asset or group of financial assets may have suffered impairment losses.

2.13.2 Financial liabilities

a) Other current and non-current financial liabilities

Loans and similar financial liabilities are initially recognized at fair value, net of any costs incurred in the transaction. They are thereafter appraised at the amortized cost while any differential between the funds obtained (net of the cost required to obtain them) and the reimbursement amount is recognized in the consolidated statement of income by function during the life of the debt, using the effective interest rate method.

b) Trade and other accounts payable

Trade and other accounts payable are shown at their nominal value since the average term for payment is short and there is no significant differential compared to their fair value.

2.14 Non-current assets classified as held for sale

The Company appraises non-current assets classified as held for sale at the lower of the carrying value and fair value less costs of sale, as indicated in IFRS 5.

2.15 Inventories

Inventories are appraised at their cost or net realizable value, whichever is lower. The cost is calculated using the average weighted price (AWP).

The cost of products includes costs that are necessary to give them their current status and location, in order for goods to be in a condition to be commercialized; not including interest costs.

2.16 Issued capital

Capital is represented by common shares in one single class, and it is recorded at the value of the contributions made by the Company's owners.

2.17 Income tax and deferred taxes

Income tax expense in the fiscal year or period includes the current income tax and deferred tax. Tax is shown in the consolidated statement of income by function unless the items are recognized directly in equity in the consolidated statement of comprehensive income or result from a business combination.

Current income tax debit is calculated based on tax laws governing on the date of the consolidated financial statements.

Deferred taxes are calculated, according to the balance sheet method, based on the differentials between the tax bases of assets and liabilities and their carrying value in the consolidated financial statements. However, no record is made if deferred taxes arise from the initial recognition of a liability or asset in a transaction other than a business combination but there is no impact, at the time of the transaction, on either the carrying profit or loss or the financial profit or loss. A deferred tax is calculated according to regulations and the tax rates approved or about to be approved on the closing date of the consolidated financial statements that are expected to apply when the corresponding deferred tax asset is realized, or the deferred tax liability is settled.

Deferred tax assets are shown when it is likely that there will be future tax benefits available that can be used to offset those differentials.

2.18 Provisions

Liabilities existing at the date of the consolidated financial statements, arising as a result of past events which may derive in a probable materialization of equity decreases for the Company, whose payment amount and timing are uncertain, are recorded as provisions in the consolidated statement of financial position for the current value of the most probable amount estimated that the Company will have to pay to settle the liability.

2.19 Employee benefit provisions, current

The Company recognizes expenses by provisioning for bonuses and profit-share. These amounts are recorded at their nominal value.

2.20 Employee benefit provisions, non-current

The Company has liabilities for severance indemnities and long-service awards under collective bargaining agreements and individual employment contracts.

Defined benefit plans stipulate the payment to be received by an employee at the estimated time of enjoyment of the benefit, which usually depends on one or more factors such as the employee's age, turnover, years of employment and compensation.

The liability recognized in the consolidated statement of financial position is the present value of the defined benefit liability, calculated based on actuarial variables. The present value of the defined benefit liability is calculated by discounting the estimated outgoing cash flows using a market interest rate denominated in the same currency as the currency in which the benefits will be paid. The term approximates the requirements of the severance indemnity obligation until maturity.

The costs of past services are recognized immediately in income. Actuarial gains and losses are recognized immediately in the statement of financial position as a debit or credit to other comprehensive income in the fiscal year or period in which they occur.

The present value of severance indemnity obligations is calculated by discounting estimated future flows using adjustable interest rates in UF on government bonds, a rate differential based on top line companies' risk rating, rated AA+ or more and considering the maturity terms of the obligations.

The rates applied in the valuation of those obligations for the period and fiscal year ended June 30, 2021 and December 31, 2020 are rates established above the variation of the UF (Unidad de Fomento) for the term of the obligation, resulting in annual rates of 2.49% and 0.80% for the mentioned closing dates, respectively.

2.21 Provision for cylinder and tank guarantees

As part of the distribution and sale of LPG system, the Company and two of its subsidiaries receive cash deposits, in exchange for the delivery to clients of cylinders and tanks for storage of liquefied gas, as guaranty for the return of those containers and tanks. Customers have the right to request that this money be reimbursed provided they return the cylinder or tank in good condition, together with supporting documents.

The Company follows IAS 37 - Provisions, Contingent Liabilities and Contingent Assets in appraising this liability, provided the conditions in that standard are met (also see Note 2.29.4):

- (a) the Company has a present obligation (legal or implicit) resulting from a past event;
- (b) it is probable (that is, it is more likely than not) that the Company will have to dispose of revenue-generating resources in order to pay the obligation; and
- (c) also, the amount of the corresponding debt can be reliably estimated. The standard emphasizes that a debt will not be reliably estimable in extremely rare cases only.

This obligation is shown in non-current liabilities at the present value of the disbursements that are expected to have to be made to pay that liability, discounted at the market interest rate and denominated in the same currency in which the obligation will be paid over a term that approximates the term of the obligations, estimating a maximum period of reimbursement of the guarantee of 40 years.

In the case of Colombia, due to the recent enactment of the brand cylinder regulations, Management believes that there is insufficient information to use the IAS 37 discounting model, which is why the obligation is recorded at its nominal value within non-current liabilities.

Government bonds from each country with maturities equivalent to those of the obligations to be discounted are used to calculate the discount rate.

Discount rates for the period and fiscal year ended June 30, 2021 and December 31, 2020, respectively are: 4.71% and 4.71% annual for Chile; and 6.32% and 6.37% annual for Peru.

2.22 Classification of balances as current and non-current

Balances are classified in the consolidated statement of financial position by maturity. Balances expiring in 12 months or less from the closing date of the consolidated financial statements are classified as current and those exceeding that expiration are classified as non-current.

Any obligations expiring in less than 12 months but whose long-term refinancing is assured are reclassified as non-current at the Company's discretion.

2.23 Recognition of income

Revenue includes the fair value of the payments received or receivable for the sale of goods and services in the ordinary course of the Company's business, operating mainly in the commercialization of LPG and NG and a smaller percentage comes from other income related to the principal activity and the commercialization of electric energy. Revenue is shown net of sales tax, reimbursements, refunds and discounts.

The Company recognizes income when it can be valued reliably, it is likely that the future economic benefits will flow to the entity, control is transferred, and the specific conditions are met for each of the Company's activities as described below.

Sales of gas

Sales of gas are recorded based on the effective billing of the consumer period, in addition to including an estimate of gas to be invoiced that has been supplied until the closing date of the fiscal year or period in the case of customers who are billed monthly based on the consumption recorded on a meter.

Sales of other goods and services

Sales of other goods and services are recognized when the Company has delivered the products or customer service and there is no obligation pending fulfillment that may affect the acceptance by the customer of such goods or services. Delivery does not occur until the products have been sent to the actual location, the services have been executed, the risks of obsolescence and loss have been transferred to the customer, the customer has accepted the products or services under the sales agreement, and the acceptance period has ended, or when the Company has objective evidence that the criteria necessary for acceptance have been fulfilled, evidencing that control has been transferred to the customer.

Sales are recognized according to the price fixed in the sales agreement, net of volume discounts and returns estimated as of the date of the sale. It is assumed that there is no implicit financial component since sales are carried out with a reduced average collection time.

Interest income

Interest income is recognized according to the effective interest rate method.

2.24 Leases

Financial leases

Upon the effective date of IFRS 16, the distinction between financial and operating leases disappears and almost all leases (of any kind of good) follow the same recording model.

Pursuant to the standard, assets related to the right-of-use of leased goods and financial liabilities related to future installments to be paid for the leased goods must be recorded.

Until before the effective date of IFRS 16, the Company recorded and was a lessee of certain property, plant and equipment, and has now added those recognized for right-of-use derived from lease agreements under IFRS 16 which have been classified in Other financial liabilities and Lease liabilities, current and non-current.

Each lease payment is distributed among liabilities and finance charges to obtain a constant interest rate on the outstanding balance of the debt. The interest element in the financial cost is charged to the consolidated statement of income by function during the lease period so that there is a constant periodic interest rate on the remaining balance of the liability for each fiscal year or period. The asset acquired under a financial lease is depreciated during its useful life or the duration of the lease, if it is estimated that the Company will not acquire the good.

Dividend distribution

Dividends payable to the shareholders are recorded at the liability in the consolidated financial statements in the fiscal year or period when they are declared and approved by the Board or by the Company's shareholders and its subsidiaries.

Pursuant to its bylaws, the Company shall distribute at least 50% of net profits from each fiscal year. In the event that a lower percentage is to be distributed, an agreement by the respective Shareholders' Meeting is required, passed unanimously by voting shares.

Interim, final and eventual dividends are recorded as a reduction in "Total Equity" at the time of approval by the competent body, which is usually the Board of Directors, in the first case, while the Shareholders' Meeting of the Company and its subsidiaries, is responsible for approving final and eventual dividends.

2.25 Earnings per share

Basic earnings (loss) per share are calculated as the quotient between net earnings (loss) attributable to the shareholders of the Company in the fiscal year or period and the weighted average number of common shares in the Company in circulation in that period, excluding the mean number of shares in the Company held by an

associate, if any. The Company has not performed any type of potentially diluting transaction that supposes a gain per diluted share other than the basic per-share profit.

2.26 Current prepayments

The Company records operating insurance payments and other expenses accruable in future periods within Other non-financial assets.

2.27 Current tax assets

The Company records net income tax and other tax balances in its favor as current tax receivables.

2.28 Intercompany receivables and payables

The Company records trade accounts as intercompany receivables or payables and the sale of goods or services provided or received by the Company and dividends payable to its shareholders are accounted for as intercompany transactions.

2.29 Management estimates and judgments or critical standards

The Company makes estimations and judgments that have a direct impact on the figures in these financial statements, therefore, changes in assumptions and estimations may cause significant changes in such financial statements.

Estimations and judgments are continuously evaluated and are based on historic experience and other factors, including the expectation of future events believed to be reasonable under the circumstances and the information available at the time the consolidated financial statements are prepared. The most relevant are described below:

2.29.1 Uncollectible provision

A provision is made for impairment losses of trade accounts receivable based on the experience regarding the sales segment behavior and when it is estimated that there is evidence that the Company will not be able to collect all amounts owed to it pursuant to the original terms of the receivables (as presented in Note 5.1.1). Some indicators of said evidence are financial difficulties of the debtor, the probability of the debtor initiating a bankruptcy process or financial reorganization and default or non-payment.

2.29.2 Calculation of depreciation, amortization and estimation of associated useful lives

The Company determines on technical grounds the estimated useful lives and the corresponding charges for depreciation and amortization of the items in property, plant and equipment, intangible assets and contract costs. This estimation is based on the forecasted life cycles of the assets allocated to the operation or the extension of certain financial lease agreements and income-generation associated with the Company's business. Management

reviews the estimated useful lives of property, plant, equipment and intangibles and contract costs at the close of each reported fiscal year.

2.29.3 Non-current employee benefit provisions

The Company has agreed with certain employees, indemnities at the end of the employee's employment relationship with the Company and periodic payments for long service at the company, as discussed in note 2.20. The amount of remuneration that an employee will receive at the estimated time of benefit is established based on defined benefit plans, which usually depends on one or more factors, such as the age of the employee, rotation, years of service, discount rate and compensation.

2.29.4 Provision for cylinder and tank guarantees

In May 2008, the IFRIC (International Financial Reporting Standards Interpretations Committee) issued a notice on its deliberations regarding the accounting of containers and bottles. The discussions sustained by IFRIC to answer questions contain concept guidance to analyze the accounting of deposits in guaranty for containers. Those discussions resulted in two theoretical frameworks:

- a) Deposits in guarantee are an obligation falling within the purview of IAS 37. Under this approach, there is an obligation to refund the guarantee to customers, but that obligation is subject to a degree of uncertainty as to the time and period of payment because it depends on the customer seeking a refund. Therefore, a record is made of the best estimation of the disbursement that would be required to settle the actual obligation.
- b) Deposits in guarantee are a financial liability pursuant to IAS 32 - Financial Instruments: Presentation; and IAS 39 - Financial Instruments: Classification and Measurement. Under this approach, the obligation is considered a financial instrument and is therefore recorded at its fair value, which is, for demand deposits, the same as the amount that would be paid at the time it comes due.

For analysis purposes, guarantee refunds requested by customers totaled the following percentages, measured against the value at the start of the fiscal year or adjusted period, according to the regulations governing in each country:

	Chile	Colombia	Peru	Total
2019	0.0%	0.1%	0.7%	0.1%
2020	0.1%	0.0%	0.7%	0.2%
2021 (June)	0.1%	0.0%	0.3%	0.1%

The low percentage of refunds is due to many reasons, such as: the low individual amount of cylinder guarantees, the exchangeability of cylinders among companies in the industry (for Chile and Peru), the continuity of the relationship with customers, etc.

Pursuant to IAS 8, absent any rule applying to a specific transaction, Management must exercise its best judgment in designing and applying an accounting policy that will produce information that is:

- a) relevant to the economic decision-making needs of users; and
- b) reliable, in terms that the consolidated and/or interim financial statements:
 - a. accurately present the entity's financial position, financial performance and cash flows;
 - b. reflect the economic essence of transactions, other events and conditions, and not merely their legal form;
 - c. be neutral, i.e., free from prejudice or bias;
 - d. be prudent; and
 - e. be complete in all its significant ends.

Based on the above information, the Company considers that for Chile and Peru, following IAS 37 in recording the liability for customer guarantees for cylinders and tanks is what best reflects the value of that liability for the users of the information contained in its financial statements, i.e., at the discounted value in non-current liabilities. In the case of Colombia, due to the recent enactment of the brand cylinder regulations in Colombia, Management believes that there is insufficient information to use the IAS 37 discounting model, which is why the obligation is recorded at its undiscounted value within non-current liabilities.

2.29.5 Estimation of the impairment in goodwill purchased and non-current assets

The Company evaluates each year or at any certain time, if there are signs, whether goodwill or non-current assets have experienced impairment, in accordance with the accounting policy described in Note 2.12. In terms of goodwill, the recoverable amounts of cash-generating units have been determined based on their values in use based on the forecasts of generation of future flows.

2.29.6 Estimation of intangible assets identified in a business combination

The Company has made an evaluation to determine the value of intangible assets identified in a business combination according to the requirements in IFRS 3, as discussed in Notes 2.10.2, 2.10.3, 2.10.4 and 2.10.5.

2.30 Other non-financial liabilities, current

The Company makes advanced sales of gas to customers. The gas pending delivery to customers at the end of the fiscal year or period is recorded in the statement of financial position under "Other non-financial liabilities, current". Income recognition of these values is realized at the time that the gas sold in advance is supplied to customers and is classified under "Revenue" in the income statement by function.

Also, the market value of the points delivered by the loyalty program in Chile is recorded as a liability. Given the recent implementation of this loyalty program, it is not possible for it to be adjusted for the estimated rate of non-exchange for expiration of the benefit. Loyalty program points will expire 12 months after the initial sale.

2.31 Statement of cash flows

The statement of cash flows shows the cash and cash equivalent movements during the fiscal year or period, calculated by the direct method.

The following expressions are used in these statements of cash flows as defined below:

- **Cash flows:** receipts and disbursements of cash or cash equivalent, meaning highly liquid investments with a term of less than three months with a low risk of any change in value.
- **Operating activities:** are activities constituting the main source of revenue for the Company and other activities that cannot be qualified as an investment or financing.
- **Investing activities:** the acquisition, sale or disposal by other means of non-current assets and other assets not included in cash and cash equivalent.
- **Financing activities:** are activities that cause changes in the size and composition of total equity and of financial liabilities.

2.32 Contract costs

Pursuant to IFRS 15, an entity may recognize a contract cost as an asset, when incurred to obtain or fulfill de contract

The Company has recognized as contract costs in Other non-current non-financial assets, those related to “the expenses necessary to comply with certain contracts with customers that are not items of the “property, plant and equipment” account, as they are necessary for the fulfillment of contracts with regard to the supply of gas. These costs are capitalizable and are depreciated according to the expected duration of the relationship with the customer.

2.33 Reclassifications

Certain reclassifications were performed among items of the consolidated income statement for the period ended June 30, 2020, to uniformly reflect classification criteria used in the period ended June 30, 2021. The description of reclassifications performed is the following:

Description	06.30.2021	Reclassifications	06.30.2020
	Th\$ Before reclassifications		Th\$ After reclassifications
Other income by function	81,730	315,339	397,069
Other financial income	984,378	(315,339)	669,039

3 Cash and cash equivalent

Composition of cash and cash equivalent as of June 30, 2021 and December 31, 2020 is the following:

Types of Cash and Cash Equivalent	06.30.2021 Th\$	12.31.2020 Th\$
Cash on hand	161,531	70,157
Bank balances	10,029,787	11,807,954
Short-term investments (mutual funds, time deposits and trusts)	52,127,277	50,438,911
Cash and cash equivalent	62,318,595	62,317,022

The composition of the item by type of currency as of June 30, 2021 and December 31, 2020 is the following:

Currency	06.30.2021 Th\$	12.31.2020 Th\$
CLP	54.368.125	47.371.069
USD	1.249.524	477.514
COP	4.411.858	12.925.662
PEN	2.289.088	1.542.777
Cash and Cash Equivalent	62.318.595	62.317.022

4 Financial instruments

4.1 Financial assets

The current value and fair value of the financial assets are itemized below:

Financial Assets	Note	06.30.2021		12.31.2020	
		Fair Value Th\$	Book Value Th\$	Fair Value Th\$	Book Value Th\$
Cash and cash equivalent	3	62,318,595	62,318,595	62,317,022	62.317.022
Trade and other accounts receivable, current	7	52,237,820	52,237,820	36,609,778	36.609.778
Trade and other accounts receivable, non-current	7	2,454,326	2,454,326	9,492,935	9.492.935
Other financial assets, current	4	2,851,515	2,851,515	1,961,963	1.961.963
Other financial assets, non-current	4	1,499,560	1,499,560	758,321	758.321
Total Financial Assets		121.361.816	121,361,816	111,140,019	111,140,019

The book value of current receivables, cash and cash equivalent and other financial assets is the same as the fair value, given the nature of the classification of these instruments in current assets (short-term horizon). It is also the fair value for other non-current financial assets since losses due to any uncollectible receivable is already accounted for in the impairment loss provisions discussed in Note 7.

Other non-current financial assets include currency and interest rate hedging instruments associated with liabilities resulting from the placement of bonds in the local market presented at fair value.

Loans, receivables and trading are included in financial assets according to IFRS 9, except for those designated as cash flow hedges.

Other current financial assets include the investment in corporate bonds that will be held until maturity rated level 1 pursuant to IFRS 7 and valued at fair value pursuant to IFRS 9.

Short-term deposit balances within cash and cash equivalent are valued at fair value and rated level 1, according to IFRS 7.

The Company signed a lease and a service contract for the unloading, storage and dispatching of liquefied gas for a period of 25 years at the receiving, storage and dispatching facilities to be built by Oxiquim S.A. for the exclusive use by the Company. The services under that contract began in March 2015.

As of June 30, 2021 and December 31, 2020 the Company had receivables for Th\$ 18,513,723 and Th\$ 18,474,636, respectively, under agreements with Oxiquim S.A. for the construction of facilities. The account is presented discounting the financial lease liability with Oxiquim S.A. because they correspond to values that will be discounted from future payments of that financial lease.

Prepayments to Oxiquim S.A. as of June 30, 2021, offset within Other non-current financial liabilities in the amount of Th\$ 17,762,353 and current in the amount of Th\$ 751,370, accrue an interest rate based on the restatement of the UF and will be reimbursed by Oxiquim S.A. simultaneous to payment by the Company of the monthly installments under the lease and service contract for the unloading, storage and dispatching of LPG over a period of 25 years beginning March 2015.

In order to increase its capacity to acquire raw materials, the Company signed a new lease agreement and a service contract for the unloading, storage and dispatching of LPG for a period of 20 years for the use of LPG reception, storage and dispatching facilities to be built by Terminal Marítimo Oxiquim Mejillones S.A. (a subsidiary of Oxiquim S.A.), to be used exclusively by the Company, in the terminal located in the Bay of Mejillones.

The provision of services covered by the aforementioned agreement began in April 2021 (see Note 34.3).

As of June 30, 2021, the Company has receivables in the amount of Th\$ 8,475,170, related to the agreements signed with Terminal Marítimo Oxiquim Mejillones S.A. in connection with the construction of these facilities. The account is presented deducting the resulting financial lease liability with Terminal Marítimo Oxiquim Mejillones S.A., as it corresponds to values that will be deducted from future payments of said financial lease.

Prepayments to Terminal Marítimo Oxiquim Mejillones S.A. as of June 30, 2021, offset within Other non-current financial liabilities in the amount of Th\$ 8,134,708 and current in the amount of Th\$ 340,462, accrue an interest rate based on the restatement of the UF and will be reimbursed by Terminal Marítimo Oxiquim Mejillones S.A. simultaneous to payment by the Company of the monthly installments under the lease and service contract for the unloading, storage and dispatching of LPG over a period of 20 years beginning April 2021.

Other non-current financial assets correspond to restricted availability funds related to guaranty deposits for the delivery of cylinders to customers in Colombia.

Other non-current assets include the asset position corresponding to currency and interest rate cross currency swap agreements with Banco BCI to redenominate the currency of the UF debt to Chilean pesos and at a fixed interest rate, in connection with the liabilities resulting from the placement of bonds in the local market (BLIPI series E and G for UF 1,000,000 and UF 2,500,000, respectively).

4.2 Financial liabilities

The Company's financial liabilities currently correspond to instruments with contractual payment flows, adjustable or, in certain cases, subject to a fixed or variable interest rate.

The book values and fair values of the financial liabilities are shown below:

Other financial liabilities	Note	06.30.2021		12.31.2020	
		Fair Value Th\$	Book Value Th\$	Fair Value Th\$	Book Value Th\$
Trade and other accounts payable, current	16	47,030,451	47,030,451	41,128,853	41,128,853
Other financial liabilities, current	14	6,900,458	11,208,916	6,573,000	7,187,557
Other financial liabilities, non-current	14	215,917,529	221,106,204	249,826,228	207,388,080
Lease liabilities, current	15	5,994,243	5,994,243	5,737,749	5,737,749
Lease liabilities, non-current	15	23,236,525	23,236,525	24,917,074	24,917,074
Total Other Financial Liabilities		299,079,206	308,576,339	328,182,904	286,359,313

The Company classifies all its financial liabilities according to IFRS 9, except for those designated as hedge instruments, as loans and accounts payable.

4.3 Derivatives

4.3.1 Description of other current financial assets and liabilities

Following its risk management policy, the Company has signed derivative contracts (currency forwards and product price swaps) to hedge against the U.S. dollar exchange rate variations of expected cash flows and the changes in the inventory realization value. Some of those derivatives have been designated as hedges.

The Company's strategy for designated hedge transactions is the following:

- a) Hedge the exchange rate risk in the acquisition of items in Property, plant and equipment (cylinders, etc.) from the moment that the purchase order is placed until the Company receives the asset.

In this case, fluctuations in the fair value of the hedge instrument are recorded in other comprehensive income and accumulated in equity until the asset is received or ownership is acquired, at which time the corresponding amount accumulated in equity is reclassified as the cost of the good, as provided in IFRS 9.

- b) Hedge the exchange rate risk in foreign currency account payable flows (accounts payable for the purchase of items in Property, plant and equipment and accounts payable for the purchase of LPG) from receipt of the asset until payment of the debt.

Fluctuations in the fair value of the hedge instrument are recorded in other comprehensive income and accumulated in an Equity reserve. The portion of the fluctuation corresponding to the risk hedged that has materialized or accrued is reclassified from the equity reserve to income.

- c) Hedge the risk of a variation in the sale price of product inventory stored at the Quintero maritime terminal facilities.

In this case, changes of fair value of the hedge instrument are recorded in other comprehensive income and accumulated in Equity until the ownership and risks of the product are transferred to customers, at which point the amount allocated to equity reserves is recorded in the cost of sales.

Additionally, as described in Note 2.13.1. e), the Company has signed derivative contracts to hedge the variation of the UF in the statement of income, in which the issued bonds are expressed recorded under Other financial liabilities.

The effects of changes in the fair value of derivatives not yet allocated to hedged items are shown in Equity.

During the period from January 1 to June 30, 2021 and 2020, the allocation of the gain or loss in the valuation of financial hedges, net of income tax, is as follows:

Cash Flow and inventory price variation hedges	(Profit) Loss at 06.30.2021	(Profit) Loss at 06.30.2020
Other reserves (derivatives of raw materials and UFs)	818,217	(26,087)
Total	818,217	(26,087)

Of total other comprehensive income, Hedge effects are the only ones recycled to income in the short term.

4.3.2 Effectiveness of the hedge

The Company has signed several contracts to hedge against exchange rate variations in the price of inventory realization. The gains or losses realized during 2021 and 2020 have been allocated during the period or fiscal year to hedge the items that made those hedges necessary, as described in the preceding paragraph.

The Company estimates that hedges for cash flow and exchange rate variation in the price of inventory realization have been 100% effective.

As mentioned in note 2.13.1, letter e) the Company signed Cross Currency Swap agreements with Banco BCI and Santander to fix currency and rate for the placement of bonds in the local market for UF 6,000,000. The company estimates that these hedging operations have been 100% effective.

5 Risk management

The risk factors inherent to the Company's business are inherent to the markets in which it does business and the activity conducted by the Company. The main risk factors affecting business can be described as follows:

5.1 Credit risk

Credit risk originates in losses that might occur because of a default by counterparties on their contractual obligations regarding the Company's different financial assets.

The Company has credit policies in place to mitigate the risk of uncollectible trade receivables. Those policies establish limits on each customer's credit, based on his financial history and behavior, which are monitored constantly.

The Company's financial assets are comprised of cash and cash equivalent, trade and other accounts receivable, other financial assets and other non-current financial assets.

Credit risk is associated mainly with trade and other accounts receivable. Cash and cash equivalent balances and other financial assets are also exposed, but to a lesser extent. The exposure of cash and cash equivalent to credit risk is limited because the money is deposited in banks with a high credit rating. Deposits of cash surpluses by the Company are diversified among different financial entities that have high credit ratings. Investments classified as other current financial assets are liabilities issued by companies rated AA- or higher. Other non-current financial assets correspond to restricted availability funds related to deposits in guarantee for the delivery of cylinders to clients in Colombia and to hedging instruments contracted with high-credit quality financial institutions.

As described in Note 4.1 above, the Company signed an agreement under which it committed to making prepayments to Oxiquim S.A. and to subsidiaries of Oxiquim with which it has signed contracts for the provision of receiving, storage and dispatching of LPG in facilities built and to be built at the maritime terminals of those companies. The Company has performed a solvency analysis of Oxiquim S.A. and of its subsidiaries and concluded that there is no material risk of uncollectability. Those prepayments are offset against the debt under the financial lease with Oxiquim S.A. given the facilities at the Quintero and Mejillones maritime terminals began operation in March 2015 and April 2021, respectively or recorded as non-current trade accounts and other accounts receivable, with respect to prepayments for the construction of additional unloading, storage and dispatch facilities at the Mejillones terminal.

There are no significant guarantees to cover the credit risk, so the maximum exposure to credit risk is close to its book value, said value of financial assets is the following:

Financial Assets	Note	06.30.2021 Th\$	12.31.2020 Th\$
Cash and cash equivalent	3	62,318,595	62,317,022
Trade accounts and other accounts receivable, current	7	52,237,820	36,609,778
Trade accounts and other accounts receivable, non-current	7	2,454,326	9,492,935
Other financial assets, current	4	2,851,515	1,961,963
Other financial assets, non-current	4	1,499,560	758,321

Total	121,361,816	111,140,019
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5.1.1 Policy on uncollectible debt

Uncollectible provisions are determined according to the Company's policy on uncollectible debt.

This policy is in accordance with IFRS 9, where the recognition of uncollectible client accounts is based on the expected losses of these, establishing the following criteria to make the provisions:

- Segmentation: clients are grouped by business lines according to the Company's sales channels.
- Risk Variables: the business line and arrearage are considered.
 - o The business line because it groups different segments of clients which are possible to identify and group for risk analysis purposes.
 - o Arrearage because it is directly associated with the levels of recovery and maturity of the debt. The longer the debt is in arrears counted from its expiration date, it is considered more difficult recover.
- Simplified statistical model: the payment period of accounts receivable for this type of business is not more than 12 months, for the same reason we opted for a simplified model, which is one of the alternatives recommended by IFRS 9, when it is regarding under than one-year debts.
- Significant increase of payment risk:
 - a. A provision is made, considering partial or total debt, should the Company detect clients are presenting payment inability due to a significant risk increase, even when it has not been classified within the above criteria.
 - b. A provision is made, considering partial or total debt, should a client refinance a relevant amount of its debt.

5.2 Liquidity risk

Liquidity risk refers to the possibility that an entity cannot cope with their short-term payment commitments.

Liquidity risk is handled through the proper management of assets and liabilities, optimizing daily cash surplus, investing in top quality financial instruments, thus, ensuring compliance with debt commitments upon maturity.

The Company maintains relationships with major financial institutions in the markets in which it operates, allowing credit lines to deal with particular illiquidity situations.

Periodically, cash flow projections and analysis of the financial situation are performed, to acquire, if necessary new financing or restructuring of existing debts on terms that are consistent with the Company's business cash flow generation.

Note 14 presents an analysis of the Company's financial liabilities classified according to their expiration.

5.3 Market risk

It relates to the risk of fluctuation of fair values of financial assets and liabilities due to changes in market prices, and the risks associated with the demand and supply of marketed products. The Company's exposure to market

risks regarding financial assets and liabilities are the exchange rate risk and interest rate risk. In addition, the Company is exposed to risks related to commercialized products.

5.3.1 Exchange rate and indexation unit risk

This risk arises from the probability of loss due to the exchange rate fluctuations of the currencies in which financial assets and liabilities are denominated with respect to currencies other than the Company's functional currency:

- Purchases of goods and future payment commitments expressed in foreign currency: The Company's fund flows are constituted mainly by transactions in the functional currency of the Company and of its subsidiaries. The Company and its subsidiaries cover the risk of purchase operations of liquefied gas and imports of goods or commitments of future payments in foreign currency through forwards.

As of June 30, 2021 and December 31, 2020, the balances of accounts in currencies other than the functional currency of the Company and its subsidiaries were as follows:

Originating transaction currency: US dollar

Current and non-current assets	Assets at 06.30.2021 Th\$	Assets at 12.31.2020 Th\$
Cash and cash equivalents	1,249,524	477,514
Trade and other accounts receivable, current and non-current	1,351,737	1,064,411
Current tax assets	180,617	115,433
Property, plant and equipment	6,528,267	6,128,906

Current and non-current liabilities	Liabilities at 06.30.2021 Th\$	Liabilities at 12.31.2020 Th\$
Other financial liabilities, current	175,953	88,273
Trade and other accounts payable, current	21,232,016	14,141,224
Lease liabilities, non-current	676,344	846,072

- Foreign investments: as of June 30, 2021, the Company holds net foreign investments in Colombian pesos for an amount equivalent to Th\$ 49,297,066 (Th\$ 52,528,775 as of December 31, 2020) and in Peruvian soles for an amount equivalent to Th\$ 44,979,948 (Th\$ 49,872,495 as of December 31, 2020).

Fluctuations of the Colombian peso and the Peruvian sol to the Chilean peso would affect the value of these investments.

In the past, the evolutions of the Colombian peso and the Peruvian sol have been correlated with the Chilean peso. Company management has decided not to cover this risk, continuously monitoring the forecasted evolution for the different currencies.

- Debt securities: The Company's indebtedness for this concept corresponds to the placement of Series E bonds in the Chilean market detailed as follows:

- a) The first placement corresponds to Series E bonds carried out during April 2015 (mnemonic code BLIPI-E), charged to the 30-year bond line registered in Chile's CMF Securities Register under number 801, for UF 3,500,000. The placement rate was 3.44% annual for a face rate of 3.55%. Interest is paid semi-annually, and the principal will be amortized in a single installment on February 4, 2040.
- b) The second placement corresponds to Series G bonds carried out during January 2020 (mnemonic code BLIPI-G) charged to the 30-year bond line registered in Chile's CMF Securities Register under number 881, for UF 2,500,000. The placement rate was 2.18% annual for a face rate of 2.90%. Interests are paid semi-annually, and principal will be amortized paid in a single installment on November 5, 2044.

These liabilities are denominated in Unidades de Fomento (UF), which is indexed to inflation in Chile and differs from the Company's functional currency (CLP).

At the close of June 2021, the Company holds derivative instruments for the purpose of hedging the risk of readjustment for the Bonds placed on the local market.

- Financial lease liabilities: The Company signed a lease agreement with Oxiquim S.A. for a period of 25 years for the use of reception, storage and office facilities to be built by Oxiquim S.A. in the Bay of Quintero. To date the balance of said liabilities amount to UF 658,190. The annual interest rate is 3.0%. In addition, the Company signed a new lease agreement with Terminal Marítimo Oxiquim Mejillones S.A. (a subsidiary of Oxiquim S.A.) for a period of 20 years for the use of the reception, storage and dispatch facilities to be built by Terminal Marítimo Oxiquim Mejillones S.A. in the Bay of Mejillones. To date, the balance of these liabilities amounts to UF 372,026. The annual interest rate is 0.84%.
- The nomination currency of both liabilities is the Unidad de Fomento (UF), which is indexed to inflation in Chile, and differs from the Company's functional currency (CLP). However, this risk is mitigated since most of the Company's profit margins in Chile are correlated to the variation in the UF.
- Lease liabilities: With the entry into force of IFRS 16 "Leases", the Company has entered into agreements for periods ranging from 3 to 18 years for the use of real estate, technology and vehicles with several suppliers for UF 602,317. The average annual interest rate is 1.6%. The nomination currency of this liability is the Unidad de Fomento (UF), which is indexed to inflation in Chile, and differs from the Company's functional currency (CLP). However, this risk is mitigated since most of the Company's profit margins in Chile are correlated to the variation in the UF.
- Sensitivity analysis regarding exchange rate variations and indexation units

The Company estimates that a variation in the exchange rates and indexation units would generate the following effects:

Exchange rate Variation (*)	Increase Loss (Gain) Th\$	Decrease Loss (Gain) Th\$	Allocation
CLP/UF +/- 4.0%	7,427	7,427	Results: Results by indexation units
CLP/USD +/- 4.0%	372,033	372,033	Equity: Reserves for cash flow hedging
CLP/COP +/- 2.4%	(1,909,907)	1,909,907	Equity: Reserves for exchange rate translation differences
CLP/PEN +/- 4.2%	7,427	7,427	Equity: Reserves for exchange rate translation differences

*Percentages are equivalent to the evolution annual average of the last two years.

The unhedged portion of financial liabilities (indexed to the UF) does not have an effect on equity or results.

5.3.2 Interest rate risk

It refers to the sensitivity to interest rate fluctuations of the value of financial assets and liabilities.

The purpose of interest rate risk management is to achieve a balance in the financing structure, minimizing the cost of the debt with reduced volatility in the income statement.

As of June 30, 2021, 98.67% of the Company's financial debt is at fixed rates. As a result, the risk of fluctuations in market interest rates regarding cash flows is low. Regarding the portion in variable rates, Management permanently monitors the outlook in terms of the expected evolution of interest rates.

The breakdown of financial liabilities separated between fixed and variable interest rates is presented below as of June 30, 2021 and December 31, 2020:

Account	Note	Maturity in less than one year		Maturity in more than one year		Total	
		Fixed interest Th\$	Variable Interest Th\$	Fixed Interest Th\$	Variable Interest Th\$	Fixed interest Th\$	Variable Interest Th\$
Other financial liabilities	14	10,031,024	1,177,892	219,205,917	1,900,287	229,236,941	3,078,179
Total at 06.30.2021		10,031,024	1,177,892	219,205,917	1,900,287	229,236,941	3,078,179

Account	Note	Maturity in less than one year		Maturity in more than one year		Total	
		Fixed interest Th\$	Variable Interest Th\$	Fixed Interest Th\$	Variable Interest Th\$	Fixed interest Th\$	Variable Interest Th\$
Other financial liabilities	14	6,464,513	723,044	205,655,161	1,732,919	212,119,674	2,455,963
Total at 12.31.2020		6,464,513	723,044	205,655,161	1,732,919	212,119,674	2,455,963

5.3.3 Risks relating to commercialized products

a) LPG

The Company participates in the distribution of liquefied gas business in Chile, with coverage that extends between the Region of Arica and Parinacota and the Region of Magallanes, reaching a market share of 35.5% as of December 2020 according to information of Chile's Superintendencia de Electricidad y Combustible (*Superintendencia de Electricidad y Combustible*)

At the end of 2010, the Company entered the Colombian market through the purchase of assets from Grupo Gas País, currently achieving a presence in 25 of the 32 Colombian departments and reaching a market share of 14.5% as of December 2020 according to information of the Superintendencia de Public Services (*Sistema Único de Información de la Superintendencia de Servicios Públicos.*)

Continuing with its internalization process in the LPG industry, in July 2013, the Company acquired 100% of Lima Gas S.A., a Peruvian LPG distributing company, which as of December 2020, reached a market share of 6.5% according to information of by Peru's State Energy and Mines Investment Regulator. (*Organismo Supervisor de la Inversión en Energía y Minería del Perú.*)

a.1) Demand

The demand for residential LPG is not significantly affected by economic cycles since it is a basic consumption good in all countries where the Company operates. However, factors such as temperature, precipitation levels and the price of LPG compared with other substitute energies (natural gas, firewood, diesel, paraffin, electric energy, etc.), and can be affected by significant crises of economic activity. In some regions, demand has a high seasonality resulting from temperature variations. Demand for commercial and industrial segments is most significantly impacted by economic cycles.

Given that it participates in a highly competitive market, the business strategy of its competitors may impact the sales volume of the Company.

a.2) Supply

One of the risk factors in the business of commercializing LPG is the supply of LPG.

In Chile, the Company has the ability to minimize this risk through a network of multiple suppliers such as Enap Refinerías S.A., Gasmar S.A., and the management performed when importing this fuel from Argentina and from other countries by sea.

To strengthen its strategic position in terms of LPG supply, in 2012, the Company entered into a series of agreements with Oxiquim S.A. to develop the construction of facilities for the reception, storage and dispatch of LPG at the terminal owned by that company located in the Quintero Bay, allowing the Company to have different seaborne supply sources beginning March 2015. Additionally, in 2019 the Company signed a series of contracts with Terminal Marítimo Oxiquim Mejillones S.A. (subsidiary of Oxiquim S.A.) to develop the construction of LPG reception, storage and dispatch facilities in the terminal owned by that company located

in the Bay of Mejillones that, as of when it began operating in April 2021, has strengthened the Company's strategic positioning in terms of raw material supply.

For the Colombian market, the risk factor of commercializing LPG in terms of supply is minimized through the establishment of purchase quotas that are agreed upon with Ecopetrol S.A., which covers the greater part of the demand of distribution companies through public offerings. In addition to the agreements with Ecopetrol S.A., the Company also has purchase agreements with other local market actors and imports product by sea through facilities located in Cartagena.

For the Peruvian market, LPG supply presents a high concentration in Lima where half of this capacity is located. Since the nation's capital is the area of highest consumption, important supply facilities have been built to provide it with a greater level of reliability. In this sense, agreements have been entered into with PetroPerú (which has two supply plants: Callao and Piura) and Pluspetrol. In addition to these agreements, the Company also has purchase agreements with other local market actors and imports product from Bolivia to supply the south of the country.

a.3) Prices

LPG purchase prices are affected by the variations of international value of fuel prices and exchange rate variation of each local currency with respect to the U.S. dollar. Variation of raw material costs are considered when setting selling prices, although market competitive dynamics are always considered.

The Company maintains LPG inventories. The realization value of these inventories is affected by the variation of international prices of fuels that are the basis for establishing selling prices to customers. Variation in LPG international prices would produce a variation in the same direction and of similar magnitude in the realization price of inventories. Generally, the Company does not cover this risk, since it considers that the variations of international prices are offsetting over time. The Company permanently monitors the evolution and forecasts of international commodity prices. Since the maritime terminal located at the Quintero Bay began operating, the Company has decided to cover the risk of variation of the price of inventory realization of stored product at the maritime terminal through swaps related to LPG prices and currency forwards to hedge the effect of exchange rate variations of the U.S. dollar (currency used to express the reference price of inventories).

b) Natural gas

Residential demand for natural gas is not significantly affected by economic cycles since it is a basic consumption good, although it could be affected by significant economic activity crises. Demand for commercial and industrial segments is most significantly impacted by economic cycles.

Regarding the risk of product supply for the operations that the Company owns in the north and south of Chile, both are covered with long-term agreements entered into with several suppliers.

In Peru, the subsidiary Limagas Natural Perú S.A. has entered into supply agreements to cover the demands of natural gas distributors in the several regions.

In Colombia, the subsidiary Surcolombiana de Gas S.A. E.S.P. has entered into supply agreements with natural gas commercializing companies from several regions to cover demand needs.

c) Liquefied natural gas

The Company has agreements for the supply of liquefied natural gas (LNG) to industrial clients in Chile, including a "take or pay" clause. Such agreements contain formulas to establish the selling price that, in turn, transfer the agreed variation to the price of the agreements with the supplier of the product. To respond to commitments with customers, the Company entered into LNG supply agreements with several suppliers, which include the "take or pay" clause (with similar characteristics as of those signed with customers, mitigating the risk).

In Peru, the Company has entered into LNG supply agreements with industrial customers, which are supplied through supply agreements which the Company has entered into with several market producers and marketers.

The demand for LNG, mainly aimed at industrial customers, is impacted by economic cycles.

6 Other non-financial assets

The composition of this item as of June 30, 2021 and December 31, 2020 is as follows:

Item	Current		Non-Current	
	06.30.2021 Th\$	12.31.2020 Th\$	06.30.2021 Th\$	12.31.2020 Th\$
Prepaid expenses	1,028,985	2,542,388	-	-
Contract costs	-	-	16,544,021	16,629,488
Guaranties delivered	-	-	223,993	183,805
Other assets	-	-	2,207,133	755,510
Total	1,028,985	2,542,388	18,975,147	17,568,803

6.1 Contract costs movement

Movement	06.30.2021 Th\$	12.31.2020 Th\$
Beginning balance	16,629,488	14,635,623
Additions	520,169	829,155
Transfers	413,327	3,280,895
Disposals	(30,429)	(84,664)
Translation difference	(59,327)	(178,101)
Depreciation	(929,207)	(1,853,420)
Total Changes	(85,467)	1,993,865
Ending balance	16,544,021	16,629,488

In accordance with the analysis carried out under IFRS 15, there are expenses that are necessary for contract compliance with clients and are capitalized by: (a) relating directly to the contract; (b) relating to future performance; and (c) obtaining the corresponding recovery of the costs.

Upon first time adoption of IFRS 15, the Company reviewed the depreciation periods of these costs, which are based on the expected duration of the relationship with the customer, which terms did not change regarding the ones that were being used, which implied that there are no impacts on results, only a reclassification of these costs to Other non-financial assets.

The following table presents the accumulated depreciation movement of contract costs (classified within the statement of financial position, in other non-financial assets, non-current):

Accumulated depreciation movement	06.30.2021 Th\$	12.31.2020 Th\$
Accumulated depreciation	15,983,857	14,590,627
Depreciation for the fiscal year	929,207	1,853,420
Withdrawals, disposals and transfers	(6,638)	-
Translation difference	(94,186)	(460,190)
Ending balance	16,812,240	15,983,857

7 Trade receivables and other accounts receivables

7.1 Composition

7.1.1 Types of trade and other accounts receivable

The composition of this item as of June 30, 2021 and December 31, 2020 is as follows:

Trade and other accounts receivable, net	06.30.2021 Th\$	12.31.2020 Th\$
Trade receivables, current	48,388,845	33,602,777
Other accounts receivable, current	3,848,975	3,007,001
Trade accounts and other accounts receivable, non-current	2,454,326	9,492,935
Total	54,692,146	46,102,713

Trade receivables and other accounts receivable, gross	06.30.2021 Th\$	12.31.2020 Th\$
Trade receivables, current	51,886,039	36,559,422
Other accounts receivable, current	3,848,975	3,007,001
Trade accounts and other accounts receivable, non-current	2,454,326	9,492,935
Total	58,189,340	49,059,358

7.1.2 Impairment of trade receivables and other accounts receivables

The following table presents the impairment of trade receivables as of June 30, 2021 and December 31, 2020:

Book value of impaired trade accounts and other accounts receivable	06.30.2021 Th\$	12.31.2020 Th\$
Provisioned trade receivables	3,497,194	2,956,645
Total	3,497,194	2,956,645

Movement in the provision of the impairment in trade accounts and other accounts receivable:

Provision for trade accounts and other accounts receivable	06.30.2021 Th\$	12.31.2020 Th\$
Opening balance	2,956,645	2,877,865
Collection fees and write-off of uncollectible accounts	-	(954,401)
Provision for the fiscal year or period	534,417	1,110,155
Translation difference	6,132	(76,974)
Total	3,497,194	2,956,645

7.1.3 Portfolio stratification

June 2021

As of June 30, 2021	Current Th\$	Between 1 and 30 days Th\$	Between 31 and 60 days Th\$	Between 61 and 90 days Th\$	Between 91 and 120 days Th\$	Between 121 and 150 days Th\$	Between 151 and 180 days Th\$	Between 181 and 210 days Th\$	Between 211 and 250 days Th\$	More than 250 days Th\$	Total, Debtors Th\$	Total current Th\$	Total non-current Th\$
Trade debtors, current	28,256,071	17,654,135	1,429,706	748,171	303,138	468,413	167,611	154,146	464,909	2,239,739	51,886,039	51,886,039	-
Other accounts receivable, current	3,848,975	-	-	-	-	-	-	-	-	-	3,848,975	3,848,975	-
Trade accounts and other accounts receivable, non-current	2,383,018	-	-	-	-	-	-	-	-	71,308	2,454,326	-	2,454,326
Impairment provision	(532,320)	(41,902)	(25,734)	(63,578)	(93,450)	(88,603)	(72,981)	(110,316)	(158,507)	(2,309,803)	(3,497,194)	(3,497,194)	-
Total	33,955,744	17,612,233	1,403,972	684,593	209,688	379,810	94,630	43,830	306,402	1,244	54,692,146	52,237,820	2,454,326

December 2020

As of December 31, 2020	Current Th\$	Between 1 and 30 days Th\$	Between 31 and 60 days Th\$	Between 61 and 90 days Th\$	Between 91 and 120 days Th\$	Between 121 and 150 days Th\$	Between 151 and 180 days Th\$	Between 181 and 210 days Th\$	Between 211 and 250 days Th\$	More than 250 days Th\$	Total, Debtors Th\$	Total current Th\$	Total non-current Th\$
Trade debtors, current	19,100,879	10,496,003	2,922,582	722,475	355,324	386,647	173,378	160,098	145,374	2,096,662	36,559,422	36,559,422	-
Other accounts receivable, current	3,007,001	-	-	-	-	-	-	-	-	-	3,007,001	3,007,001	-
Trade accounts and other accounts receivable, non-current	9,492,935	-	-	-	-	-	-	-	-	-	9,492,935	-	9,492,935
Impairment provision	(270,805)	(47,544)	(76,269)	(96,303)	(120,739)	(94,263)	(78,323)	(79,875)	(97,114)	(1,995,410)	(2,956,645)	(2,956,645)	-
Total	31,330,010	10,448,459	2,846,313	626,172	234,585	292,384	95,055	80,223	48,260	101,252	46,102,713	36,609,778	9,492,935

7.1.4 Portfolio that has been protested and is in judicial collection

The portfolio that has been protested and is in judicial collection as of June 30, 2021 and December 31, 2020 is as follows:

Portfolio in Judicial Collection	06.30.2021	
	Receivables in Protested Portfolio Th\$	Receivables in Judicial Collection Th\$
Portfolio either protested or in judicial collection	5,252	239,722
Total	5,252	239,722

Portfolio in Judicial Collection	12.31.2020	
	Receivables in Protested Portfolio Th\$	Receivables in Judicial Collection Th\$
Portfolio either protested or in judicial collection	8,665	214,438
Total	8,665	214,438

8 Intercompany balances and transactions

Intercompany transactions are paid or collected at different terms, and are not subject to special conditions, except in the case of dividend payments that are subject to the terms stipulated by the approving body.

8.1 Intercompany accounts payable and receivable

There are no intercompany accounts payable and receivable as of June 30, 2021 and December 31, 2020.

8.2 Intercompany transactions and their effects on results.

Intercompany transactions (except dividends distributions) and their effects on results for the periods ended June 30, 2021 and 2020 are presented as follows:

Company	Type of relationship	Description of the transaction	01.01.2021 through 06.30.2021 Th\$	Effect on results (Debit)/Credit Th\$	01.01.2020 through 06.30.2020 Th\$	Effect on results (Debit)/Credit Th\$
Larraín Vial S.A. Corredora de Bolsa	Indirect (Director in common)	Interest earned on financial investments	152,439	152,439	30,175	30,175
Larraín Vial S.A. Corredora de Bolsa	Indirect (Director in common)	Financial services	7,346	(7,346)	8,559	(8,559)
Blumar S.A.	Indirect (Kinship with Director)	Sales of gas	17,220	17,220	13,876	13,876
Blumar S.A.	Indirect (Kinship with Director)	Sales of electric energy	98,054	98,054	42,057	42,057
Fundación Cultural Plaza Mulato Gil de Castro	Indirect (Director in common)	Donations	20,000	(20,000)	15,000	(15,000)

Intercompany transactions are recognized at market value.

8.3 Key employee compensation

Key employee compensation, which includes directors and managers, is comprised of a fixed monthly sum and a variable sum (in the case of managers).

Compensation to the Board of Directors and Directors' Committee for the period ended June 30, 2021 and 2020, respectively was:

Concept	06.30.2021 Th\$	06.30.2020 Th\$
Board of Directors Compensation	180,000	180,000
Directors' Committee Compensation	25,200	25,200
Other Committees	70,994	30,200
Total Income	276,194	235,400

Compensation accrued to managers for the periods ended June 30, 2021 and 2020, respectively was:

Type of income	06.30.2021 Th\$	06.30.2020 Th\$
Fixed	1,054,305	1,008,691
Variable	284,673	301,716
Total Income	1,338,978	1,310,407

9 Inventories

The composition of the item as of June 30, 2021 and December 31, 2020 is as follows:

Type of Inventory	06.30.2021 Th\$	12.31.2020 Th\$
LPG/NG	15,660,733	12,418,614
LPG in transit	9,258,525	6,748,768
Materials	4,823,676	4,015,793
Materials obsolescence provision	(49,942)	(51,613)
Total	29,692,992	23,131,562

9.1 Materials obsolescence provision

The materials obsolescence provision as of June 30, 2021 and December 31, 2020 is the following:

Book Value of Obsolescence Provision	06.30.2021 Th\$	12.31.2020 Th\$
Materials obsolescence provision	49,942	51,613
Total	49,942	51,613

The details of the movement in the materials obsolescence provision are:

Movements in Obsolescence Provision	06.30.2021 Th\$	12.31.2020 Th\$
Opening Balance	51,613	151,995
Decreases in the provision	49,942	(100,382)
Total	51,613	51,613

There were no inventories delivered in guarantee on the date of these consolidated interim financial statements.

The cost of inventories recognized as a cost of sale for the periods ended June 30, 2021 and 2020 is as follows:

Inventory Cost	01.01.2021 to 06.30.2021 Th\$	01.01.2020 to 06.30.2020 Th\$
Inventory cost recognized as cost of sales	197,646,551	146,917,364

10 Income tax and deferred taxes

Regulatory Framework

Chile

The Tax Reform Law 20,780 published in the *Official Gazette* of the Republic of Chile on September 29, 2014 progressively increased the corporate income tax rate and established two taxation systems:

- An attributed income system in which the income generated by a company is immediately attributed to the company's owners, reaching a 25% tax rate starting in the year 2017.
- A partially integrated income system (which is the one applied by the Company and its subsidiaries in Chile for being publicly held companies and stock corporations, conformed by legal persons, in accordance with Chile's Law No. 20,899 dated February 8, 2016), in which the income generated by a company is attributed to its owners provided the company distributes its profits, reaching a 27% tax rate starting in the year 2018.

Peru

The affiliated company Lima Gas S.A. and its subsidiary Limagas Natural Perú S.A. are subject to Peruvian tax regime. Beginning January 1, 2017, income tax rate on taxable profits was 29.5%.

Dividend distribution to a person domiciled abroad is subject to a tax withholding on dividends remitted. Within the year 2014, withholding amounted to 4.1%. Dividends to be distributed and generated in the years 2015 and 2016, will be subject to an increased withholding rate from 4.1% to 6.8%. For the years 2017 onward, the rate will be 5%.

Under certain considerations, withholdings of dividends paid in Peru to people domiciled abroad, are computable in the income tax liquidation in Chile.

Colombia

The subsidiaries Chilco Distribuidora de Gas y Energía S.A.S. E.S.P., Rednova S.A.S. E.S.P., and Surcolombiana de Gas S.A. E.S.P. are subject to the Colombian taxation regime.

Law No. 1943 of 2018 or the Financing Law, in effect beginning January 1, 2019; introduced changes to tariffs and income tax deputation.

- Beginning 2019, companies will have a rate of 33%, for 2020 the rate will be 32%, for 2021 the rate will be 31% and from 2022 onwards there will be a single rate of 30%.

The distribution of dividends to persons domiciled abroad is subject to withholding tax on dividends remitted from 5% until 2018 and 7.5% from 2019 onwards. By the Double Taxation Agreement between Chile and Colombia, for Chilean shareholders who hold more than 25% equity shareholding in a company, the applicable withholding tax rate is 0%.

Under certain considerations, withholdings of dividends paid in Colombia to people domiciled abroad, are computable in the income tax liquidation in Chile.

10.1 Current tax recoverable (payable)

Itemization	06.30.2021 Th\$	12.31.2020 Th\$
Provisional income tax monthly payments	447,465	3,014,929
Recoverable income taxes	7,474,383	1,220,366
Other recoverable taxes	1,876,193	1,808,813
Total current tax assets	9,798,041	6,044,108

Itemization	06.30.2021 Th\$	12.31.2020 Th\$
Provisional income tax monthly payments	(556,674)	(981,812)
Income tax	(130,889)	(1,441,322)
Other taxes	(5,274,335)	(2,151,863)
Total current tax liabilities	(5,961,898)	(4,574,997)

10.2 Deferred taxes

Accumulated balances and movements in deferred tax assets and liabilities as of June 30, 2021 and December 31, 2020 are the following:

Deferred tax asset	Balance 01.01.2021 Th\$	(Debit) credit to income	Others	Balance 06.30.2021 Th\$
Taxable goodwill	5,443,264	(60,044)	-	5,383,220
Tax losses	1,156,526	453,577	(42,706)	1,567,397
Current provisions	2,255,439	1,592,905	(45,854)	3,802,490
Other assets	5,192,203	(88,550)	(61,485)	5,042,168
Assets under financial leasing	1,331,740	53,899	-	1,385,639
Total	15,379,172	1,951,787	(150,045)	17,180,914

Deferred tax liability	Balance 01.01.2021 Th\$	(Debit) credit to income	Others	Balance 06.30.2021 Th\$
Property, plant and equipment	(45,675,615)	(2,550,166)	647,965	(47,577,816)
Trade and other accounts receivable	(144,547)	-	(2,041)	(146,588)
Employee benefit provisions	(125,392)	(88,235)	(36,385)	(250,012)
Other non-financial liabilities	(7,705,579)	(708,209)	33,557	(8,380,231)
Intangible assets, other than goodwill	(203,949)	-	-	(203,949)
Other liabilities	(2,387,060)	106,939	50,335	(2,229,786)
Total	(56,242,142)	(3,239,671)	693,431	(58,788,382)

Net deferred tax	(40,862,970)	(1,287,884)	543,386	(41,607,468)
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Deferred tax asset	Balance 01.01.2020 Th\$	(Debit) credit to income	Others	Balance 12.31.2020 Th\$
Taxable goodwill	5,697,009	(253,745)	-	5,443,264
Tax losses	1,497,537	(80,751)	(260,260)	1,156,526
Current provisions	1,437,493	709,353	108,593	2,255,439
Other assets	3,640,966	2,250,607	(699,370)	5,192,203
Assets under financial leasing	1,228,561	103,179	-	1,331,740
Total	13,501,566	2,728,643	(851,037)	15,379,172

Deferred tax liability	Balance 01.01.2020 Th\$	(Debit) credit to income	Others	Balance 12.31.2020 Th\$
Property, plant and equipment	(41,060,859)	(5,568,897)	954,141	(45,675,615)
Trade and other accounts receivable	(227,360)	84,837	(2,024)	(144,547)
Employee benefit provisions	(144,751)	(157,866)	177,225	(125,392)
Other non-financial liabilities, non-current	(7,689,664)	(152,647)	136,732	(7,705,579)
Intangible assets, other than goodwill	(203,949)	-	-	(203,949)
Other liabilities	(2,630,326)	(219,963)	463,229	(2,387,060)
Total	(51,956,909)	(6,014,536)	1,729,303	(56,242,142)

Net deferred tax	(38,455,343)	(3,285,893)	878,266	(40,862,970)
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10.3 Income tax recognized in income

Item	01.01.2021 to 06.30.2021 Th\$	01.01.2020 to 06.30.2020 Th\$	04.01.2021 to 06.30.2021 Th\$	04.01.2020 to 06.30.2020 Th\$
Current tax expense	4,597,080	5,918,211	3,240,592	2,495,393
Current tax adjustment previous fiscal year	83,466	(65,820)	83,466	(65,820)
Impact of temporary differentials in deferred taxes and other items	1,287,884	(598,478)	538,531	749,259
Total debit to income	5,968,430	5,253,913	3,862,589	3,178,832

The reconciliation of the tax rate is as follows:

Itemization	01.01.2021 to 06.30.2021 Th\$	01.01.2020 to 06.30.2020 Th\$	04.01.2021 to 06.30.2021 Th\$	04.01.2020 to 06.30.2020 Th\$
Before-tax profit of continued operations	28,329,184	19,768,727	20,802,813	12,596,668
Income tax (Current rate of 27%)	7,648,880	5,337,556	5,616,760	3,401,100
Tax impact of other jurisdictions' rates	391,835	212,729	263,136	92,641
Tax adjustment previous fiscal year	83,466	(65,820)	83,466	(65,820)
Other effects from permanent differentials	(2,155,751)	(230,552)	(2,100,773)	(249,089)
Income tax recognized in income	5,968,430	5,253,913	3,862,589	3,178,832

10.4 Deferred tax recognized directly in other comprehensive income

The composition of taxes recognized in other comprehensive income is as follows:

Description	Debit (credit) to equity 06.30.2021 Th\$	Debit (credit) to equity 06.30.2020 Th\$	Debit (credit) to equity 04.01.2021 to 06.30.2021 Th\$	Debit (credit) to equity 04.01.2020 to 06.30.2020 Th\$
Actuarial movements on employee benefits	36,927	(45,366)	45,023	(49,755)
Movements on cash flow hedges	(302,628)	9,649	(207,808)	(206,361)
Deferred taxes recognized in equity	(265,701)	(35,717)	(162,785)	(256,116)

10.5 Netting

Deferred tax assets and liabilities are netted when there is a legally enforceable right to offset current tax assets against current tax liabilities and the deferred income tax assets and liabilities are related to the income tax imposed by the tax authority on the same entity or different entities that intend to settle the balances on a net basis.

The deferred tax offset is:

Consolidated

Concept	Gross Assets/Liabilities Th\$	Netted amounts Th\$	Net closing balances Th\$
Assets from deferred taxes	17,180,914	(14,404,066)	2,776,848
Liabilities from deferred taxes	(58,788,382)	14,404,066	(44,384,316)
Balance as of 06.30.2021	(41,607,468)	-	(41,607,468)

Concept	Gross Assets/Liabilities Th\$	Netted amounts Th\$	Net closing balances Th\$
Assets from deferred taxes	15,379,172	(12,998,665)	2,380,508
Liabilities from deferred taxes	(56,242,142)	12,998,665	(43,243,478)
Balance as of 12.31.2020	(40,862,970)	-	(40,862,970)

Parent Company and subsidiaries - Chile

Concept	Gross Assets/Liabilities Th\$	Netted amounts Th\$	Net closing balances Th\$
Assets from deferred taxes	13,379,892	(10,782,933)	2,596,959
Liabilities from deferred taxes	(49,903,061)	10,782,933	(39,120,128)
Balance as of 06.30.2021	(36,523,169)	-	(36,523,169)

Concept	Gross Assets/Liabilities Th\$	Netted amounts Th\$	Net closing balances Th\$
Assets from deferred taxes	12,433,417	(10,052,909)	2,380,508
Liabilities from deferred taxes	(46,368,550)	10,052,909	(36,315,641)
Balance as of 12.31.2020	(33,935,133)	-	(33,935,133)

Subsidiaries – Colombia

Concept	Gross Assets/Liabilities Th\$	Netted amounts Th\$	Net closing balances Th\$
Assets from deferred taxes	-	-	-
Liabilities from deferred taxes	(5,264,188)	-	(5,264,188)
Balance as of 06.30.2021	(5,264,188)	-	(5,264,188)

Concept	Gross Assets/Liabilities Th\$	Netted amounts Th\$	Net closing balances Th\$
Assets from deferred taxes	-	-	-
Liabilities from deferred taxes	(6,099,575)	-	(6,099,575)
Balance as of 12.31.2020	(6,099,575)	-	(6,099,575)

Subsidiaries – Peru

Concept	Gross Assets/Liabilities Th\$	Netted amounts Th\$	Net closing balances Th\$
Assets from deferred taxes	3,801,022	(3,621,133)	179,889
Liabilities from deferred taxes	(3,621,133)	3,621,133	-
Balance as of 06.30.2021	179,889	-	179,889

Concept	Gross Assets/Liabilities Th\$	Netted amounts Th\$	Net closing balances Th\$
Assets from deferred taxes	2,945,755	(2,945,755)	-
Liabilities from deferred taxes	(3,774,017)	2,945,755	(828,262)
Balance as of 12.31.2020	(828,262)	-	(828,262)

11 Intangible assets other than goodwill

11.1 Account composition

The composition of this account as of June 30, 2021 and December 31, 2020 is as follows:

Type of Intangible Assets, net	06.30.2021 Th\$	12.31.2020 Th\$
Software	2,457,041	2,590,032
Connection rights, networks and other contracts	1,719,713	778,069
Clients and Commercial assets	5,250,809	5,753,932
Trademarks	1,735,869	1,796,399
Total intangible assets, net	11,163,432	10,918,432

Type of Intangible Assets, gross	06.30.2021 Th\$	12.31.2020 Th\$
Software	8,640,770	8,381,029
Connection rights, networks and other contracts	3,753,009	3,102,072
Clients and Commercial assets	11,336,498	11,240,543
Trademarks	1,874,203	1,883,537
Total intangible assets, gross	25,604,480	24,607,181

Accumulated amortization of intangible assets	06.30.2021 Th\$	12.31.2020 Th\$
Software	6,183,729	5,790,997
Connection rights, networks and other contracts	470,048	467,124
Clients and Commercial assets	5,927,584	5,486,611
Trademark	78,839	87,138
Total accumulated amortization of intangible assets	12,660,200	11,831,870

Impairment provision	06.30.2021 Th\$	12.31.2020 Th\$
(*)Connection rights, networks and other contracts	1,780,848	1,856,879

(*) During 2018 the subsidiary Limagas Natural Perú S.A. signed several agreements and pursuant to them, made agreed disbursements, in order to have LNG supply from the supplier Lantera Energy S.A.C. who for this purpose built a liquefaction plant in the department of Piura in northern Peru.

In November 2018, the supplier began supplying LNG. However, supply failed to reach agreed levels. Finally, in August 2019, the supplier suspended supply. During August and September, efforts to normalize the situation were made, but they were not successful. In October 2019, the subsidiary Limagas Natural Perú S.A. filed an application for arbitration with the International Chamber of Commerce (ICC) based in Lima, on the basis of the agreements signed with the supplier. In turn, the supplier also filed an arbitration request with the New York-based ICC. See also note 29 on Contingencies, lawsuits and other similar events.

Based on this situation, during the 2019 fiscal year the Company made an impairment provision on the assets related to the payments made for Th\$ 1,801,676.

For all other intangible assets, the Company has no restrictions limiting the right to them.

11.2 Useful lives

The following table shows the estimated useful lives by type of intangibles:

Estimated Useful Lives	Estimated useful life range
Software	4
Connection rights, networks and other contracts	7
Clients and Commercial assets	4 to 20
Trademarks	Indefinite

The Company amortizes its intangible assets with finite useful lives by the straight-line method.

11.3 Movement in intangible assets

The movement in intangible assets for the period ended June 30, 2021 and fiscal year ended December 31, 2020, is as follows:

Movement in Intangible Assets	Net Software	Connection rights, networks and other agreements, net	Customers and commercial assets, net	Trademarks, net	Total intangible assets, net
	Th\$	Th\$	Th\$	Th\$	Th\$
Opening balance at 01.01.2021	2,590,032	778,069	5,753,932	1,796,399	10,918,432
Additions	388,574	1,070,408	364,610	-	1,823,592
Translation adjustment movement	(30,720)	(60,136)	(340,325)	(60,530)	(491,711)
Amortization	(490,845)	(68,628)	(527,408)	-	(1,086,881)
Total changes	(132,991)	941,644	(503,123)	(60,530)	245,000
Ending balance at 06.30.2021	2,457,041	1,719,713	5,250,809	1,735,869	11,163,432

Movement in Intangible Assets	Net Software	Connection rights, networks and other agreements, net	Customers and commercial assets, net	Trademarks, net	Total intangible assets, net
	Th\$	Th\$	Th\$	Th\$	Th\$
Opening balance at 01.01.2020	2,568,482	1,081,963	6,160,158	1,789,060	11,599,663
Additions	1,306,873	21,455	794,029	-	2,122,357
Translation adjustment movement	(190,262)	(235,854)	(316,826)	7,339	(735,603)
Amortization	(1,095,061)	(89,495)	(883,429)	-	(2,067,985)
Total changes	21,550	(303,894)	(406,226)	7,339	(681,231)
Ending balance at 12.31.2020	2,590,032	778,069	5,753,932	1,796,399	10,918,432

12 Goodwill

12.1 Account composition

As of June 30, 2021 and December 31, 2020, this account is composed as follows:

Goodwill	06.30.2021 Th\$	12.31.2020 Th\$
Lima Gas S.A.	2,767,469	2,767,469
Limagas Natural Perú S.A.	3,550,169	3,655,302
Progas Operation	316,098	349,511
Lidergas Operation	777,571	859,765
Ingasoil Operation	24,012	26,551
Marquesa GLP SpA	371	371
Total goodwill	7,435,690	7,658,969

The following table reflects estimated useful lives:

Estimated useful lives	Estimated useful life
Goodwill	Indefinite

12.2 Goodwill movement table

The movement in goodwill for the period ended June 30, 2021 and fiscal year ended December 31, 2020, respectively is as follows:

Goodwill movements	06.30.2021 Th\$	12.31.2020 Th\$
Opening balance	7,658,969	11,722,598
Impairment of investment in Limagas Natural Perú S.A.	-	(2,945,400)
Movement for translation differences and other adjustments	(223,279)	(1,118,229)
Ending goodwill balance	7,435,690	7,658,969

12.3 Impairment tests

Goodwill balances undergo impairment tests on a yearly basis.

Impairment tests are made based on estimates of the evolution of the market in which each generating unit operates and goodwill has been determined. Projections are performed on revenues, costs, expenses, investments in property, plant and equipment and working capital needs based on market growth projections and plans of each business unit. 5-year plans are considered in each case, including consideration of a perpetual flow, if applicable. The resulting flows are discounted at a nominal weighted rate of capital cost suitable to the characteristics of the business under evaluation based on the valuation model of financial assets (Capital Asset Pricing Model) to find the value of recovery of non-current assets subject to impairment test, using for the discount, a weighted rate of the cost of capital and cost of debt. As of December 31, 2020, the discount rates used were 6.87% for the Colombian operations and 5.46% for the operations in Peru.

Based on the analyses performed, during the fiscal year ended December 31, 2020, the Company determined the need to allocate to loss Th\$ 2,945,400 corresponding to the impairment of goodwill generated by the acquisition of the operation of the subsidiary Limagas Natural Perú S.A.

13 Property, plant and equipment

13.1 Account composition

The composition of this account as of June 30, 2020 and December 31, 2020 is the following:

Type of Property, plant & equipment, net	06.30.2021 Th\$	12.31.2020 Th\$
Constructions in progress	18,186,652	19,937,611
Land	17,755,260	24,407,552
Buildings	21,319,121	22,587,586
Storage tanks	3,807,023	4,139,408
PP&E at third-party facilities	87,793,049	88,737,236
Plant and equipment	108,155,004	103,643,574
IT equipment	1,144,917	1,068,827
PP&E under lease (right-of-use)	84,434,272	68,260,758
Motor vehicles	15,667,545	15,601,896
Other property, plant & equipment	2,645,378	3,303,090
Gas distribution networks and equipment	26,251,891	26,162,425
Total Property, plant & equipment, net	387,160,112	377,849,963
Type of Property, plant & equipment, gross	06.30.2021 Th\$	12.31.2020 Th\$
Constructions in progress	18,186,652	19,937,611
Land	17,755,260	24,407,552
Buildings	29,639,358	31,152,247
Storage tanks	7,527,974	7,781,914
PP&E at third-party facilities	144,556,734	142,603,579
Plant and equipment	183,892,251	177,016,699
IT equipment	5,884,796	5,646,226
PP&E under lease (right-of-use)	113,642,668	93,087,183
Motor vehicles	27,681,425	27,760,512
Other property, plant & equipment	9,399,749	9,570,460
Gas distribution networks and equipment	28,570,141	28,278,141
Total Property, plant & equipment, gross	586,737,008	567,242,124
Accumulated Depreciation - Property, plant & equipment	06.30.2021 Th\$	12.31.2020 Th\$
Constructions in progress	-	-
Land	-	-
Buildings	8,320,237	8,564,661
Storage tanks	3,720,951	3,642,506
PP&E at third-party facilities	56,763,685	53,866,343
Plant and equipment	75,737,247	73,373,125
IT equipment	4,739,879	4,577,399
PP&E under lease (right-of-use)	29,208,396	24,826,425
Motor vehicles	12,013,880	12,158,616
Other property, plant & equipment	6,754,371	6,267,370
Gas distribution networks and equipment	2,318,250	2,115,716
Total Accumulated Depreciation - Property, plant & equipment	199,576,896	189,392,161

The Company has no restrictions limiting the rights over items of Property, plant and equipment.

During the 2021 fiscal year, the Urban Transport Authority for Lima and Callao (ATU) implemented in the subsidiary Lima Gas S.A. the expropriation of land in the area of Callao where the storage and bottling plant that supplies the sales of the Lima area is located. This included a compensation in favor of the subsidiary for the value of the expropriated property, damages and loss of profits. As described in Note 24.1, the residual value recorded for the expropriated property was Th\$ 8,252,817.

13.2 Movement in property, plant and equipment

The following tables provide a reconciliation of changes in property, plant and equipment by type as of June 30, 2021 and December 31, 2020.

2021

Movements in 2021	Constructions in progress Th\$	Land Th\$	Buildings Th\$	Storage tanks Th\$	PP&E in third-party facilities Th\$	Plant and equipment Th\$	IT equipment Th\$	PP&E under lease Th\$	Motor vehicles Th\$	Other property, plant and equipment Th\$	Gas distribution networks and equipment Th\$	Total Property, plant and equipment Th\$
Opening balance on January 1, 2021	19,937,611	24,407,552	22,587,586	4,139,408	88,737,236	103,643,574	1,068,827	68,260,758	15,601,896	3,303,090	26,162,425	377,849,963
Additions IFRS 16	-	-	-	-	-	-	-	24,810,449	-	-	-	24,810,449
Additions	4,139,505	-	205,326	72,523	949,512	11,550,967	321,697	-	1,800,556	40,398	431,730	19,512,214
Transfers	(4,876,216)	-	1,396,124	-	2,548,594	745,005	308	(58,002)	45,188	(308,701)	94,373	(413,327)
Expropriation	(978,913)	(6,241,287)	(1,807,076)	-	(395,193)	(264,315)	(1,627)	(2,134,615)	(96,333)	(57,380)	-	(11,976,739)
Translation differential	(35,335)	(411,005)	(451,622)	(271,264)	(665,463)	(3,127,611)	(16,803)	(507,088)	(890,740)	(43,057)	(159,682)	(6,579,670)
Depreciation	-	-	(611,217)	(133,644)	(3,381,637)	(4,392,616)	(227,485)	(5,937,230)	(793,022)	(288,972)	(276,955)	(16,042,778)
Total Changes	(1,750,959)	(6,652,292)	(1,268,465)	(332,385)	(944,187)	4,511,430	76,090	16,173,514	65,649	(657,712)	89,466	9,310,149
Ending balance as of June 30, 2021	18,186,652	17,755,260	21,319,121	3,807,023	87,793,049	108,155,004	1,144,917	84,434,272	15,667,545	2,645,378	26,251,891	387,160,112

2020

Movements in 2020	Constructions in progress Th\$	Land Th\$	Buildings Th\$	Storage tanks Th\$	PP&E in third-party facilities Th\$	Plant and equipment Th\$	IT equipment Th\$	PP&E under lease Th\$	Motor vehicles Th\$	Other property, plant and equipment Th\$	Gas distribution networks and equipment Th\$	Total Property, plant and equipment Th\$
Opening balance on January 1, 2020	25,649,956	25,913,890	22,850,981	4,732,940	81,645,652	102,142,199	952,383	69,797,839	18,101,600	3,444,618	24,467,116	379,699,174
Additions IFRS 16	-	-	-	-	-	-	-	10,465,253	-	-	-	10,465,253
Additions	14,578,980	5,000	481,788	18,175	4,901,237	12,803,198	576,701	-	1,196,116	422,890	2,475,113	37,459,198
Additions for business combinations	-	85,376	127,570	-	-	767,298	42,095	-	-	4,235	-	1,026,574
Transfers	(16,831,190)	-	1,704,856	(20,254)	10,122,546	1,580,448	1,655	(25,022)	38,393	226,640	(78,967)	(3,280,895)
Expropriation	(2,333,901)	(62,717)	(89,089)	-	(484,958)	(672,068)	(764)	(907,315)	93,323	(4,689)	-	(4,462,178)
Translation differential	(1,126,234)	(1,533,997)	(1,131,955)	(317,055)	(1,082,085)	(4,230,397)	(55,442)	(660,471)	(1,947,662)	(190,401)	(331,077)	(12,606,776)
Depreciation	-	-	(1,356,565)	(274,398)	(6,365,156)	(8,747,104)	(447,801)	(10,409,526)	(1,879,874)	(600,203)	(369,760)	(30,450,387)
Total Changes	(5,712,345)	(1,506,338)	(263,395)	(593,532)	7,091,584	1,501,375	116,444	(1,537,081)	(2,499,704)	(141,528)	1,695,309	(1,849,211)
Ending balance as of December 31, 2020	19,937,611	24,407,552	22,587,586	4,139,408	88,737,236	103,643,574	1,068,827	68,260,758	15,601,896	3,303,090	26,162,425	377,849,963

13.3 Accumulated depreciation movement

The following table provides accumulated depreciation movement as of June 30, 2021 and December 31, 2020:

2021

Accumulated Depreciation Movement	Buildings Th\$	Storage tanks Th\$	PP&E in third-party facilities Th\$	Plant and equipment Th\$	IT equipment Th\$	PP&E under lease Th\$	Motor vehicles Th\$	Other property, plant and equipment Th\$	Gas distribution networks and equipment Th\$	Total Property, plant and equipment Th\$
Accumulated depreciation as of January 1, 2021	8,564,661	3,642,506	53,866,343	73,373,125	4,577,399	24,826,425	12,158,616	6,267,370	2,115,716	189,392,161
Depreciation in the fiscal year	611,217	133,644	3,381,637	4,392,616	227,485	5,937,230	793,022	288,972	276,955	16,042,778
Retirement, expropriations and transfers	(733,916)	-	(118,993)	(321,780)	(1,842)	(108,936)	(215,040)	-	-	(1,533,113)
Translation differentials	(121,725)	(55,199)	(365,302)	(1,706,714)	(63,163)	(553,947)	(722,718)	198,029	(41,815)	(3,432,554)
Other increases (decreases)	-	-	-	-	-	(892,376)	-	-	-	(892,376)
Ending balance as of June 30, 2021	8,320,237	3,720,951	56,763,685	75,737,247	4,739,879	29,208,396	12,013,880	6,754,371	2,318,250	199,576,896

2020

Accumulated Depreciation Movement	Buildings Th\$	Storage tanks Th\$	PP&E in third-party facilities Th\$	Plant and equipment Th\$	IT equipment Th\$	PP&E under lease Th\$	Motor vehicles Th\$	Other property, plant and equipment Th\$	Gas distribution networks and equipment Th\$	Total Property, plant and equipment Th\$
Accumulated depreciation as of January 1, 2020	7,633,517	3,424,150	48,638,490	67,735,326	4,245,162	15,774,658	11,765,129	5,865,672	1,581,021	166,663,125
Depreciation in the fiscal year	1,356,565	274,397	6,365,156	8,747,104	447,801	10,409,526	1,879,874	600,203	369,760	30,450,386
Retirement, expropriations and transfers	(63,667)	(6,707)	(14,228)	(39,165)	(5,496)	(65,987)	(310,287)	(171)	5,583	(500,125)
Translation differentials	(361,754)	(49,334)	(1,123,075)	(3,070,140)	(110,068)	(1,291,772)	(1,176,100)	(198,334)	159,352	(7,221,225)
Ending balance as of December 31, 2020	8,564,661	3,642,506	53,866,343	73,373,125	4,577,399	24,826,425	12,158,616	6,267,370	2,115,716	189,392,161

13.4 Assets under financial leases

Itemization of these accounts as of June 30, 2021 and December 31, 2020 is the following:

Property, plant and equipment under lease, net	06.30.2021 Th\$			12.31.2020 Th\$		
	Gross Value	Accumulated depreciation, amortization and impairment	Net Value	Gross Value	Accumulated depreciation, amortization and impairment	Net Value
	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Plant and equipment under financial lease	60,546,242	8,878,688	51,667,554	40,070,971	7,817,371	32,253,600
Motor vehicles under financial lease	1,143,285	283,288	859,996	12,199,196	6,072,548	6,126,648
Lease assets	51,953,142	20,046,420	31,906,722	40,817,016	10,936,506	29,880,510
Total	113,642,669	29,208,396	84,434,272	93,087,183	24,826,425	68,260,758

Minimum financial lease payments	06.30.2021 Th\$			12.31.2020 Th\$		
	Gross	Interest	Present Value	Gross	Interest	Present Value
	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Within one year	4,644,720	682,585	3,962,135	4,873,066	766,039	4,107,027
More than one year and less than 5 years	8,940,925	2,364,167	6,576,758	7,750,283	2,595,538	5,154,745
More than 5 years	26,929,394	2,660,365	24,269,029	19,393,402	3,082,380	16,311,022
Total	40,515,039	5,707,117	34,807,922	32,016,751	6,443,957	25,572,794

Minimum payments payable for lease liabilities IFRS 16	06.30.2021 Th\$			12.31.2020 Th\$		
	Gross	Interest	Present value	Gross	Interest	Present value
	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Within one year	7,283,797	1,289,554	5,994,243	7,160,045	1,422,296	5,737,749
More than one year and less than 5 years	17,822,217	2,319,674	15,502,543	18,295,966	2,786,178	15,509,788
More than 5 years	8,250,750	516,768	7,733,982	10,057,847	650,561	9,407,286
Total	33,356,764	4,125,996	29,230,768	35,513,858	4,859,035	30,654,823

13.5 Impairment of property, plant and equipment

As of the date of these consolidated financial statements, no impairment indicators have been identified and no impairment losses have been recognized for property, plant and equipment, (pursuant to IAS 16, paragraph 78).

13.6 Additional information on property, plant and equipment

Additional information disclosable on property, plant and equipment	06.30.2021 Th\$	12.31.2020 Th\$
Gross carrying value of fully depreciated property, plant and equipment still in use	44,486,495	33,073,984
Carrying value of property, plant and equipment temporarily out of service	92,497	101,610
Carrying value of property, plant and equipment retired and not held for sale	-	-

13.7 Other additional information on property, plant and equipment

The property, plant and equipment at third-party facilities are piping systems, tanks and meters used for residential, industrial and commercial consumption.

14 Other financial liabilities

This account is composed of financial lease liabilities and bank loans, bonds and balances payable resulting from derivative operations.

The closing balances as of June 30, 2021 and December 31, 2020 are the following:

Other financial liabilities	06.30.2021		12.31.2020	
	Current	Non-Current	Current	Non-Current
	Th\$	Th\$	Th\$	Th\$
Bank loans	1,173,338	1,885,220	717,674	1,713,941
Cross CLP financial liability (interest accrual)	1,742,527	-	-	-
Bonds interests payable	1,801,240	-	1,773,391	-
Bonds surcharge	452,268	9,786,255	443,530	9,786,392
Financial leases	3,962,135	30,845,787	4,107,027	21,465,767
Bonds payable	-	178,258,980	-	174,421,980
Liabilities on derivative contracts	2,077,408	-	145,935	-
Cross CLP derivative liability position (*)	-	329,962	-	-
Total Other Financial Liabilities	11,208,916	221,106,204	7,187,557	207,388,080

(*) The Cross CLP derivative liability position corresponds to a currency and interest rate derivative instrument (Cross Currency Swap) with Banco Santander to redenominate the conditions of a partial amount of the liability resulting from the placement of the BLIPI E series bond for UF 2,500,000. The terms of the original debt denominated in Unidades de Fomento and at a fixed interest rate were redenominated to a 6.89% fixed interest rate in Chilean pesos.

14.1 Loans payable and financial leases – Breakdown of currencies and maturities.

Loans payable and financial leases by currency and maturity as of June 30, 2021 and December 31, 2020 are itemized below:

Loans payable as of June 30, 2021

Country	Creditor Tax ID	Creditor	Debtor Tax ID	Debtor	Currency	Type of amortization	Annual effective rate	Annual nominal rate	Current			Non-Current					Total Non-current at 06.30.2021 Th\$	
									Maturity			Total Current at 06.30.2021 Th\$	Maturity					
									Up to 1 month	1 to 3 months	3 to 12 months		1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years		more than 5 years
									Th\$	Th\$	Th\$		Th\$	Th\$	Th\$	Th\$		Th\$
Colombia	860002964	Banco Bogotá	830510717	Surcolombiana de Gas S.A.E.S.P	COP	Monthly	3.70%	3.70%	-	185,817	557,452	743,269	743,270	309,696	-	-	-	1,052,966
Colombia	860034594	Scotiabank Colpatría	830510717	Surcolombiana de Gas S.A.E.S.P	COP	Monthly	4.28%	4.28%	-	91,833	275,498	367,331	367,330	367,330	-	-	-	734,660
Colombia	800096329	FINDETER	830510717	Surcolombiana de Gas S.A.E.S.P	COP	Monthly	0.00%	0.00%	-	11,848	35,545	47,393	47,393	23,696	-	-	-	71,089
Colombia	800096329	FINDETER	901042814	Rednova S.A.S.E.S.P	COP	Monthly	0.00%	0.00%	-	-	15,345	15,345	15,345	11,160	-	-	-	26,505
Total									-	289,498	883,840	1,173,338	1,173,338	711,882	-	-	-	1,885,220

Loans payable as of December 31, 2020:

Country	Creditor Tax ID	Creditor	Debtor Tax ID	Debtor	Currency	Type of amortization	Annual effective rate	Annual nominal rate	Current			Non-Current					Total Non-current at 12.31.2020 Th\$	
									Maturity			Total Current at 12.31.2020 Th\$	Maturity					
									Up to 1 month	1 to 3 months	3 to 12 months		1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years		more than 5 years
									Th\$	Th\$	Th\$		Th\$	Th\$	Th\$	Th\$		Th\$
Colombia	860002964	Banco Bogotá	830510717	Surcolombiana de Gas S.A.E.S.P	COP	Monthly	2.75%	2.75%	-	4,900	14,700	19,600	-	-	-	-	-	-
Colombia	860002964	Banco Bogotá	830510717	Surcolombiana de Gas S.A.E.S.P	COP	Monthly	2.75%	2.75%	-	18,550	55,650	74,200	168	-	-	-	-	168
Colombia	860002964	Banco Bogotá	830510717	Surcolombiana de Gas S.A.E.S.P	COP	Monthly	3.70%	3.70%	-	68,460	481,954	550,414	821,516	753,571	-	-	-	1,575,087
Colombia	800096329	FINDETER	830510717	Surcolombiana de Gas S.A.E.S.P	COP	Monthly	0.00%	0.00%	-	4,617	51,882	56,499	52,382	52,382	-	-	-	104,764
Colombia	800096329	FINDETER	901042814	Rednova S.A.S.E.S.P	COP	Monthly	0.00%	0.00%	-	-	16,961	16,961	16,961	16,961	-	-	-	33,922
Total									-	96,527	621,147	717,674	891,027	822,914	-	-	-	1,713,941

Financial Lease as of June 30, 2021

Creditor	Creditor tax ID	Country	Debtor Tax ID	Debtor	Currency	Type of amortization	Effective annual rate	Nominal annual rate	Balance at	up to 1 month	1 to 3 months	3 to 12 months	Currente at	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	more than 5 years	Non-current at			
									06.30.2021	Th\$	Th\$	Th\$	06.30.2021	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	06.30.2021
									Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Oxiqum S.A. - Quintero (*)	80326500-3	Chile	96.928.510-K	Empresas Lipigas S.A	UF	Month in arrears	3.00%	3.00%	38,068,435	126,988	382,872	1,035,125	1,544,985	790,026	1,616,006	1,665,159	1,715,806	30,736,453	36,523,450			
Prepayment compensation Oxiqum S.A. (**)	80326500-3	Chile	96.928.510-K	Empresas Lipigas S.A	UF	Month in arrears	3.00%	3.00%	(18,513,723)	(61,758)	(186,201)	(503,411)	(751,370)	(384,211)	(785,908)	(809,812)	(834,443)	(14,947,979)	(17,762,353)			
Terminal Marítimo Oxiqum Mejillones S.A. (*)	80326500-3	Chile	96.928.510-K	Empresas Lipigas S.A	UF	Month in arrears	0.84%	0.84%	19,527,992	75,804	227,730	609,612	913,146	459,445	924,676	932,443	940,275	15,358,007	18,614,846			
Prepayment compensation Terminal Marítimo Oxiqum Mejillones S.A. (**)	80326500-3	Chile	96.928.510-K	Empresas Lipigas S.A	UF	Month in arrears	2.40%	0.024	(8,475,170)	(28,064)	(84,526)	(227,872)	(340,462)	(173,282)	(352,790)	(361,257)	(369,927)	(6,877,452)	(8,134,708)			
Banco de Chile	97004000-5	Chile	96.928.510-K	Empresas Lipigas S.A	CLP	Monthly	4.27%	4.27%	3,979,232	235,204	704,853	1,462,692	2,402,749	1,415,164	161,319	0	0	0	1,576,483			
Banco de Occidente	890300279	Colombia	900396759	Chilco Distribuidora de Gas y Energía S.A.S	COP	Monthly	8.50%	7.25%	19,621	405	1,226	2,923	4,554	15,067	0	0	0	0	15,067			
Banco de Bogotá	860002964	Colombia	830510717	Surcolombiana de Gas S.A.E.S.P	COP	Monthly	4.28%	4.20%	16,671	902	2,767	0	3,669	3,827	3,991	5,184	0	0	13,002			
Banco Internacional del Peru-Interbank	20100053455	Peru	20100007348	Lima Gas S.A.	PEN	Monthly	7.50%	7.50%	126,147	20,709	41,794	63,644	126,147	0	0	0	0	0	0			
Banco Internacional del Peru-Interbank	20100053455	Peru	20100007348	Lima Gas S.A.	PEN	Monthly	7.50%	7.50%	58,717	9,639	19,454	29,624	58,717	0	0	0	0	0	0			
Total									34,807,922	379,829	1,109,969	2,472,337	3,962,135	2,126,036	1,567,294	1,431,717	1,451,711	24,269,029	30,845,787			

Financial Leases as of December 31, 2020

Creditor	Creditor tax ID	Country	Debtor Tax ID	Debtor	Currency	Type of amortization	Effective annual rate	Nominal annual rate	Balance at	up to 1 month	1 to 3 months	3 to 12 months	Currente at	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	more than 5 years	Non-current at		
									12.31.2020	Th\$	Th\$	Th\$	12.31.2020	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
									Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Oxiqum S.A.	80326500-3	Chile	96.928.510-K	Empresas Lipigas S.A	UF	Month in arrears	3.00%	3.00%	37,988,065	122,407	369,060	997,783	1,489,250	0	1,534,547	1,581,222	1,629,316	31,753,730	36,498,815		
Prepayment compensation Oxiqum S.A.	80326500-3	Chile	96.928.510-K	Empresas Lipigas S.A	UF	Month in arrears	3.00%	3.00%	(18,474,636)	(59,530)	(179,484)	(485,250)	(724,264)	0	(746,292)	(768,991)	(792,381)	(15,442,708)	(17,750,372)		
Banco de Chile	97004000-5	Chile	96.928.510-K	Empresas Lipigas S.A	CLP	Monthly	4.27%	4.27%	5,652,575	402,460	715,223	1,836,546	2,954,229	1,869,869	828,477	0	0	0	2,698,346		
Banco de Occidente	890300279	Colombia	900396759	Chilco Distribuidora de Gas y Energía S.A.S	COP	Monthly	8.50%	7.25%	24,348	437	1,322	3,611	5,370	5,645	13,333	0	0	0	18,978		
Banco Internacional del Peru-Interbank	20100053455	Peru	20100007348	Lima Gas S.A.	PEN	Monthly	7.50%	7.50%	258,420	20,827	42,033	195,560	258,420	0	0	0	0	0	0		
Banco Internacional del Peru-Interbank	20100053455	Peru	20100007348	Lima Gas S.A.	PEN	Monthly	7.50%	7.50%	3,742	924	1,864	954	3,742	0	0	0	0	0	0		
Banco Internacional del Peru-Interbank	20100053455	Peru	20100007348	Lima Gas S.A.	PEN	Monthly	7.50%	7.50%	120,279	9,694	19,565	91,020	120,279	0	0	0	0	0	0		
Total									25,572,794	497,219	969,583	2,640,224	4,107,027	1,875,514	1,630,065	812,231	836,935	16,311,022	21,465,767		

(*) The Company signed a long-term lease with Oxiqum S.A. for the construction of storage and dispatching facilities at Quintero Bay so that it could receive LPG by sea. This lease qualified as a financial lease according to the interpretation of IFRIC 4 and IAS 17, therefore it was recorded as a financial lease beginning March 2015 since the terminal began operating on that date. In addition, the Company signed a long-term lease agreement with Terminal Marítimo Oxiqum Mejillones S.A. (a subsidiary of Oxiqum S.A.) for the construction of storage and dispatch facilities in the Bay of Mejillones for the reception of sea-borne LPG. This agreement qualified as a financial lease according to IFRS 16, and was recorded as a financial lease beginning April 2021, since the terminal began operating on that date

(**) Prepayments made by the Company to Oxiqum S.A. and Terminal Marítimo Oxiqum Mejillones S.A. under the previously mentioned agreements are shown discounting the lease debt pursuant to paragraph 42 of IAS 32.

14.2 Bonds payable

Bonds payable correspond to UF bonds issued by the Company on the Chilean market on April 23, 2015 and January 16, 2020.

Closing balances for these instruments as of June 30, 2021 and December 31, 2020 are as follows:

As of June 30, 2021

Bond	Face Amount	Indexation Unit	Annual Effective Rate	Annual Face Rate	Current				Non-Current		
					Maturity			Total Current at 06.30.2021	Maturity		Total Non-Current at 06.30.2021
					Within 1 month	1 to 3 months	3 to 12 months		1 to 5 years	5 or more years	
					Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	
BLIPI- E	3,500,000	UF	3.44%	3.55%	-	-	-	-	-	106,764,930	106,764,930
BLIPI-G	2,500,000	UF	2.18%	2.90%	-	-	-	-	-	71,494,050	71,494,050
Bond surcharge					37,689	75,378	339,201	452,268	2,699,657	7,086,598	9,786,255
					37,689	75,378	339,201	452,268	2,699,657	185,345,578	188,045,235

As of December 31, 2020

Bond	Face Amount	Indexation Unit	Annual Effective Rate	Annual Face Rate	Current				Non-Current		
					Maturity			Total Current at 12.31.2020	Maturity		Total Non-Current at 12.31.2021
					Within 1 month	1 to 3 months	3 to 12 months		1 to 5 years	5 or more years	
					Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	
BLIPI- E	3,500,000	UF	3.44%	3.55%	-	-	-	-	-	102,927,930	102,927,930
BLIPI-G	2,500,000	UF	2.18%	2.90%	-	-	-	-	-	71,494,050	71,494,050
Bond surcharge					36,961	73,922	332,647	443,530	2,699,694	7,086,698	9,786,392
					36,961	73,922	332,647	443,530	2,699,694	181,508,678	184,208,372

Risk Rating

As of June 30, 2021, bonds issued on the Chilean market were rated as follows:

AA: by Compañía Clasificadora de Riesgo Humphreys Ltda.

AA-: by Feller Rate Clasificadora de Riesgo Limitada

Covenants

The covenants binding upon the Company related to bonds issued in 2015 and 2020, are explained below:

- Minimum equity: Th\$ 110,000,000
- Indebtedness $\leq 1.5 \times$ (net financial debt-to-equity ratio)

Covenant Status

The covenant status binding upon the Company as of June 30, 2021 is shown below:

Covenants	Status	Compliance
Minimum equity (Th\$)	165,320,507	Yes
Indebtedness	1.02	Yes

- Minimum equity used: Total equity disclosed in the statement of financial position.
- Indebtedness used: ((Other current financial liabilities + other non-current financial liabilities) - cash and cash equivalent) / total equity.

14.3 Reconciliation of financial liabilities with cash flow statement

Reconciliation as of June 30, 2021 and 2020 respectively, is as follows:

Current	Balance as of 01.01.2021	Cash Flows			Other Non-Cash Flow movements			Balance as of 06.30.2021
		Capital Obtained	Capital Paid	Paid interest	Accrued interest	Adjustment	Others	
		Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	
Bank loans	717,674	756,449	(571,011)	(36,213)	80,246	-	226,193	1,173,338
Bonds	2,216,921	-	-	(2,856,000)	2,622,567	270,020	0	2,253,508
Financial leases	4,107,027	3,670	(2,131,967)	(396,939)	732,211	22,719	1,625,414	3,962,135
Derivative contract liabilities	145,935	5,862	-	-	-	-	1,925,611	2,077,408
Cross CLP financial liability	-	-	-	-	448,139	-	1,294,388	1,742,527
Other financial liabilities, current	7,187,557	765,981	(2,702,978)	(3,289,152)	3,883,163	292,739	5,071,606	11,208,916

Non-Current	Balance as of 01.01.2021	Cash Flows			Other Non-Cash Flow movements			Balance as of 06.30.2021
		Capital Obtained	Capital Paid	Paid interest	Accrued interest	Adjustment	Others	
		Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	
Bank loans	1,713,941	686,326	-	-	-	-	(515,047)	1,885,220
Bonds	184,208,372	-	-	-	-	3,586,670	250,193	188,045,235
Financial leases	21,465,767	-	-	-	-	1,095,100	8,284,920	30,845,787
Cross CLP derivative liability position	-	-	-	-	-	-	329,962	329,962
Other financial liabilities, non-current	207,388,080	686,326	-	-	-	4,681,770	8,350,028	221,106,204

Current	Balance as of 01.01.2020	Cash Flows			Other Non-Cash Flow movements			Balance as of 06.30.2020
		Capital Obtained	Capital Paid	Paid interest	Accrued interest	Adjustment	Others	
		Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	
Bank loans	3,848,062	734,800	(1,861,539)	(510,163)	439,066	-	33,534	2,683,760
Bonds payable	1,481,942	-	-	(2,807,352)	2,393,557	15,298	1,095,433	2,178,878
Financial leases	4,091,893	-	(2,593,615)	(241,554)	773,516	(5,175)	1,396,393	3,421,458
Derivative contract liabilities	14,836	-	-	-	-	-	(14,836)	-
Other financial liabilities, current	9,436,733	734,800	(4,455,154)	(3,559,069)	3,606,139	10,123	2,510,524	8,284,096

Non-Current	Balance as of 01.01.2020	Cash Flows			Other Non-Cash Flow movements			Balance as of 06.30.2020
		Capital Obtained	Capital Paid	Paid interest	Accrued interest	Adjustment	Others	
		Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	
Bank loans	41,226,603	-	(40,618,182)	-	-	-	33,310	641,731
Bonds payable	100,506,519	80,812,661	-	-	-	2,448,360	(1,707,902)	182,059,638
Financial lease liabilities	25,032,904	-	-	-	-	238,464	(1,367,050)	23,904,318
Other financial liabilities, non-current	166,766,026	80,812,661	(40,618,182)	-	-	2,686,824	(3,041,642)	206,605,687

14.4 Guarantees

To date, the Company has not granted guarantees that exceed the limit set forth in the ninth clause of the bond issuance contracts that govern the outstanding E and G series.

In Colombia, to guarantee compliance with the loan granted by Findeter, collections from users by the Municipality of Cimitarra in Rednova S.A.S. E.S.P. for Th\$ 18,387 and those of the Municipality of Iquira in Surcolombiana de Gas S.A. E.S.P. for Th\$ 39,964 have been pledged.

14.5 Bond lines not issued

As of June 30, 2021, the Company has three bond lines without issuing, which are listed below:

Bond line CMF Securities Registry No. 800

On April 23, 2015, the Company proceeded to register in the securities registry of Chile's Financial Market Commission the following bond lines directed to the general market: (i) bond line registered in the CMF Securities Registry under No. 800, for a maximum amount of UF 3.5 million with a maturity period of 10 years from the date of registration in the aforementioned registry.

Bond lines CMF Securities Registry No. 880 and No. 881

On December 29, 2017 the Company proceeded to register in the Securities Registry of Chile's Financial Market Commission the following two bond lines directed to the general market: (i) bond line registered in the Securities Registry of the CMF under No 880, for a maximum amount of UF 4 million with a maturity period of 10 years from the date of its registration in the aforementioned Registry; and (ii) bond line registered in the Securities Registry of the CMF under No 881, for a maximum amount of UF 4 million and with a maturity period of 30 years from the date of registration in the aforementioned Registry, which was partially used as a result of the issuance made January 16, 2020 for UF 2.5 million.

15 Lease liabilities

The initial application of IFRS 16 in the statement of financial position generates right-of-use assets and, on the other hand, the respective liabilities, classified under Lease liabilities.

The composition of the lease liability as of June 30, 2021 and December 31, 2020 is as follows:

June 30, 2021

Country	Debtor tax ID	Debtor	Currency	Type of amortization	Effective annual rate	Nominal annual rate	Balance at 06.30.2021 Th\$	up to 1 month Th\$	1 to 3 months Th\$	3 to 12 months Th\$	Current at 06.30.2021 Th\$	1 to 2 years Th\$	2 to 3 years Th\$	3 to 4 years Th\$	4 to 5 years Th\$	over 5 years Th\$	Non-current at 06.30.2021 Th\$
Chile	96.928.510-K	Empresas Lipigas S.A	CLP	Monthly	4.30%	4.30%	5,443,262	104,045	314,413	832,055	1,250,513	1,159,096	785,625	786,852	359,933	1,101,243	4,192,749
Chile	96.928.510-K	Empresas Lipigas S.A	UF	Monthly	1.70%	1.70%	17,894,723	338,743	960,933	2,347,057	3,646,733	3,392,803	2,443,559	1,832,897	1,450,494	5,128,237	14,247,990
Colombia	900396759	Chilco distribuidora de Gas y Energia S.A.S. E.S.P.	COP	Monthly	7.34%	7.34%	2,873,384	55,911	167,801	447,493	671,205	462,898	462,898	462,898	462,898	350,587	2,202,179
Colombia	901042814	Rednodva S.A.S. E.S.P.	COP	Monthly	7.34%	7.34%	189,948	3,183	9,552	25,472	38,207	31,896	31,896	31,896	31,896	24,157	151,741
Colombia	830510717	Surcolombiana de Gas S.A. E.S.P.	COP	Monthly	7.34%	7.34%	56,716	4,724	14,179	37,813	56,716	-	-	-	-	-	-
Peru	20100007348	Lima Gas S.A.	PEN	Monthly	6.76%	6.76%	704,209	5,777	11,648	56,513	73,938	72,734	77,653	82,904	88,511	308,469	630,271
Peru	20516556561	Limagas Natural Perú S.A.	PEN	Monthly	6.76%	6.76%	1,408,728	15,090	29,536	142,179	186,805	199,202	144,099	154,804	155,666	568,152	1,221,923
Total							29,230,768	533,128	1,519,453	3,941,662	5,994,243	5,394,761	4,027,719	3,438,958	2,641,104	7,733,983	23,236,525

December 31, 2020:

Country	Debtor tax ID	Debtor	Currency	Type of amortization	Effective annual rate	Nominal annual rate	Balance at 12.31.2020 Th\$	within 1 month Th\$	1 to 3 months Th\$	3 to 12 months Th\$	Current at 12.31.2020 Th\$	1 to 2 years Th\$	2 to 3 years Th\$	3 to 4 years Th\$	4 to 5 years Th\$	over 5 years Th\$	Non-current at 12.31.2020 Th\$
Chile	96.928.510-K	Empresas Lipigas S.A	CLP	Monthly	4.30%	4.30%	4,446,747	127,692	385,843	923,137	1,436,672	725,679	664,288	415,965	514,664	689,479	3,010,075
Chile	96.928.510-K	Empresas Lipigas S.A	UF	Monthly	1.70%	1.70%	18,296,431	295,920	832,384	1,875,298	3,003,602	3,005,909	2,934,757	1,632,858	1,294,705	6,424,600	15,292,829
Colombia	900396759	Chilco distribuidora de Gas y Energia S.A.S. E.S.P.	COP	Monthly	7.34%	7.34%	3,184,340	60,044	180,205	480,894	721,143	517,764	517,764	517,764	517,764	392,141	2,463,197
Colombia	901042814	Rednodva S.A.S. E.S.P.	COP	Monthly	7.34%	7.34%	211,101	3,104	9,317	24,846	37,267	36,540	36,540	36,540	36,540	27,674	173,834
Colombia	830510717	Surcolombiana de Gas S.A. E.S.P.	COP	Monthly	7.34%	7.34%	63,914	4,451	13,357	35,621	53,429	2,204	2,204	2,204	2,204	1,669	10,485
Peru	20100007348	Lima Gas S.A.	PEN	Monthly	6.76%	6.76%	1,546,910	13,023	26,259	126,721	166,003	168,962	179,778	191,936	204,915	635,316	1,380,507
Peru	20516556561	Limagas Natural Perú S.A.	PEN	Monthly	6.76%	6.76%	2,905,380	26,838	52,510	240,285	319,633	337,537	333,548	327,388	350,867	1,236,407	2,585,747
Total							30,654,823	531,072	1,499,875	3,706,802	5,737,749	4,794,595	4,668,879	3,124,655	2,921,659	9,407,286	24,917,074

Reconciliation of lease liabilities with statement of cash flow
June 30, 2021

Reconciliation CF Lease Liabilities	Balance as of 01.01.2021	Cash Flows		Other Non-Cash Flow movements				Balance as of 06.30.2021
		Capital Paid	Paid interest	Accrued interest	Adjustment	New contracts	Others	
	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Financial lease liabilities IFRS 16 (current)	5,737,749	(3,746,408)	(507,798)	514,117	426,605	869,277	2,700,701	5,994,243
Financial lease liabilities IFRS 16 (non-current)	24,917,074	-	-	-	(1,048,223)	4,395,579	(5,027,905)	23,236,525
Total	30,654,823	(3,746,408)	(507,798)	514,117	(621,618)	5,264,856	(2,327,204)	29,230,768

June 30, 2020

Reconciliation CF Lease Liabilities	Balance as of 01.01.2020	Cash Flows		Other Non-Cash Flow movements				Balance as of 06.30.2020
		Capital Paid	Paid interest	Accrued interest	Adjustment	New contracts	Capital Paid	
	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Financial lease liabilities IFRS 16 (current)	4,664,076	(2,488,044)	(553,298)	557,547	40,726	399,942	2,304,183	4,925,132
Financial lease liabilities IFRS 16 (non-current)	23,236,761	-	-	-	175,627	2,669,154	(3,080,043)	23,001,499
Total	27,900,837	(2,488,044)	(553,298)	557,547	216,353	3,069,096	(775,860)	27,926,631

16 Trade accounts and other accounts payable

16.1 Trade accounts and other accounts payable, current

Type of Supplier	06.30.2021 Th\$	12.31.2020 Th\$
LPG / NG	19,905,673	16,001,402
Other suppliers	25,527,032	23,841,501
Other payments to third parties	1,597,746	1,285,950
Total trade payables and other accounts payable	47,030,451	41,128,853

Trade accounts and other accounts payable include commitments to third parties mainly for the purchase of gas, acquisition of property, plant and equipment, services and the purchase of materials and spare parts.

Average payment period of LPG and NG supplier accounts payable as of June 30, 2021 and December 31, 2020, is 19 days.

Average payment period of other supplier accounts payable as of June 30, 2021 and December 31, 2020 is 28 and 22 days, respectively.

16.2 Maturity and classification of Trade Accounts and Other Accounts Payable, Current:

As of 06.30.2021

Suppliers with up-to-date payments

Type of supplier	Amounts per payment term						Total Th\$	Average payment period (days)
	Within 30 days	31 - 60	61 - 90	91 - 120	121 - 365	366 and more		
Goods	19,905,673	-	-	-	-	-	19,905,673	19
Services	25,445,745	12,792	7,159	8,930	13,257	37,784	25,525,667	28
Others	1,597,746	-	-	-	-	-	1,597,746	30
Total Th\$	46,949,164	12,792	7,159	8,930	13,257	37,784	47,029,086	26

Suppliers with overdue payments

Type of supplier	Amounts per payment term						Total Th\$
	Within 30 days	31 - 60	61 - 90	91 - 120	121 - 180	181 and more	
Goods	-	-	-	-	-	-	-
Services	1,365	-	-	-	-	-	1,365
Others	-	-	-	-	-	-	-
Total Th\$	1,365	-	-	-	-	-	1,365

As of 12.31.2020

Suppliers with up-to-date payments

Type of supplier	Amounts per payment term						Total Th\$	Average payment period (days)
	Within 30 days	31 - 60	61 - 90	91 - 120	121 - 365	366 and more		
Goods	15,991,587	9,815	-	-	-	-	16,001,402	19
Services	23,396,308	366,783	1,540	2,974	21,083	26,931	23,815,619	22
Others	1,285,950	-	-	-	-	-	1,285,950	30
Total Th\$	40,673,845	376,598	1,540	2,974	21,083	26,931	41,102,971	24

Suppliers with overdue payments

Type of supplier	Amounts per payment term						Total Th\$
	Within 30 days	31 - 60	61 - 90	91 - 120	121 - 180	181 and more	
Goods	-	-	-	-	-	-	-
Services	25,882	-	-	-	-	-	25,882
Others	-	-	-	-	-	-	-
Total Th\$	25,882	-	-	-	-	-	25,882

17 Other provisions, current

As of June 30, 2021 and December 31, 2020, this account is itemized as follows:

Type of Provision	06.30.2021 Th\$	12.31.2020 Th\$
Lawsuits	78,258	92,716
Business combinations	246,684	257,230
Total other provisions	324,942	349,946

18 Other non-financial liabilities, current

As of June 30, 2021 and December 31, 2020, this account is itemized as follows:

Item	06.30.2021 Th\$	12.31.2020 Th\$
Advanced sales	9,473,877	7,218,967
Loyalty program	95,706	-
Advances from governmental entities	855,832	1,014,362
Total Other provisions	10,425,415	8,233,329

19 Provisions for employee benefits

19.1 Current provisions

As of June 30, 2021 and December 31, 2020, this account is itemized as follows:

Type of Provision	06.30.2021 Th\$	12.31.2020 Th\$
Personnel liabilities (bonuses, profit-share, vacation)	3,839,570	3,524,937
Total accumulated liabilities	3,839,570	3,524,937

19.2 Non-current provisions

Actuarial assumptions

The Company recorded a liability for employment benefits, which is valued based on the actuarial method, for which the following actuarial assumptions are used:

Actuarial Assumptions	06.30.2021	12.31.2020
Mortality table	RV-2009	RV-2009
Real annual interest rate	2.49%	0.80%
Voluntary retirement turnover rate, men and women respectively	1.7%/1.7%	1.7%/1.7%
Salary increase, men and women respectively	2.1%/2.1%	2.1%/2.1%
Retirement age, men	65 yrs.	65 yrs.
Retirement age, women	60 yrs.	60 yrs.

Balances and movement of this account as of June 30, 2021 and December 31, 2020 are as follows:

Provision for severance payment for years of service	06.30.2021 Th\$	12.31.2020 Th\$
Opening Balance	4,272,495	3,170,311
Error correction as of 12.31.2019	-	954,753
Actuarial variables	(136,768)	284,257
Payments	(386,155)	(462,695)
Accrual	107,834	325,869
Total	3,857,406	4,272,495

20 Other non-current, non-financial liabilities (cylinder and tank guarantees)

Balances and movement of this account for the 2021 period and 2020 fiscal year are as follows:

Other non-current liabilities	06.30.2021 Th\$	12.31.2020 Th\$
Opening Balance	42,839,095	39,312,704
Deposits	4,251,695	3,812,491
Translation differentials movement	(777,571)	(1,210,044)
Returns	(36,746)	(105,891)
Adjustment to present value	(743,881)	1,029,835
Total	45,532,592	42,839,095

The liability for customer guarantees for cylinders and tanks as of June 30, 2021 and 2020 totaled Th\$ 79,110,641 (Th\$ 74,315,939 as of December 31, 2020), considering nominal values, as adjusted according to the regulations of each country.

21 Equity

21.1 Subscribed and paid-in capital

As of June 30, 2021 and December 31, 2020, the Company's subscribed and paid-in capital totaled Th\$ 129,242,454.

The Company's objectives, in managing capital, are to safeguard the ability to continue as an ongoing business, with the aim of generating returns to its shareholders, benefits to other stakeholders and maintaining an optimal capital structure to reduce the cost of capital. The Company monitors its capital based on the leverage ratio. This ratio is calculated by dividing net debt by total capital plus net debt. Net debt corresponds to total indebtedness (including current and non-current indebtedness) less cash and cash equivalent. Total capital corresponds to equity, as shown in the classified consolidated statement of financial position.

21.2 Number of subscribed and paid-in shares

As of June 30, 2021 and December 31, 2020 the Company's capital is represented by 113,574,515 shares without par value.

On November 24, 2016, the Company's shares began trading on the Santiago Stock Exchange (*Bolsa de Comercio de Santiago*).

21.3 Dividends

During the period ended June 30, 2021, the Company's Board of Directors and the General Shareholders' Meeting agreed to distribute dividends totaling Th\$ 15,218,985 as follows:

Interim

Date	Th\$
03-03-2021	5,678,726
05-26-2021	6,814,471
Sub total	12,493,197

Total	12,493,197
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Final

Date	Th\$
04-28-2021	2,725,788
Sub total	2,725,788

Total	15,218,985
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During the fiscal year ended December 31, 2020, the Company's Board of Directors and the General Shareholders' Meeting agreed to distribute dividends totaling Th\$ 26,803,615 as follows:

Interim

Date	Th\$
03-04-2020	7,723,096
05-27-2020	5,678,726
08-26-2020	5,678,726
11-25-2020	5,678,726
Sub total	24,759,274

Final

Date	Th\$
04-22-2020	2,044,341
Sub total	2,044,341

Total	26,803,615
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21.4 Non-controlling interests

As of June 30, 2021 and December 31, 2020, this account is itemized as follows:

Subsidiary	Country of Origin	Non-controlling percentage interest in subsidiary		06.30.2021		12.31.2020	
				Non-controlling interests in equity	Earnings (loss) attributable to non-controlling interests	Non-controlling interests in equity	Earnings (loss) attributable to non-controlling interests
				Th\$	Th\$	Th\$	Th\$
		2021	2020				
Norgas S.A.	Chile	42.00%	42.00%	932,843	51,420	881,423	121,910
Chilco Distribuidora de Gas y Energía S.A.S. E.S.P.	Colombia	0.00%	0.00%	4	-	4	-
Marquesa GLP SpA	Chile	35.00%	0.00%	908,579	(58,460)	943,204	(76,636)
Surcolombiana de Gas S.A. E.S.P.	Colombia	48.93%	48.93%	3,568,016	288,891	3,989,888	683,296
Total				5,409,442	281,851	5,814,519	731,570

21.5 Reconciliation of the movement in other comprehensive income reserves

Movements as of June 30, 2021

Movement in other comprehensive income as of 06.30.2021	Equity attributable to owners of the controller	Portion attributable to non-controlling interests	Total
	Net Amount Th\$	Net Amount Th\$	Net Amount Th\$
Gain (loss) before Other comprehensive income	22,078,903	281,851	22,360,754
Gains (losses) from translation differentials, before taxes	(4,971,587)	(399,557)	(5,371,144)
Other comprehensive income, actuarial gains (losses) from defined benefits plans, before taxes	136,768	-	136,768
Gains (losses) on cash flow hedges, before taxes	(1,120,845)	-	(1,120,845)
Total movement in the fiscal year	(5,955,664)	(399,557)	(6,355,221)
Income tax on the components of other comprehensive income	265,701	-	265,701
Total comprehensive income	16,388,940	(117,706)	16,271,234

Movements as of June 30, 2020 :

Movement in other comprehensive income as of 06.30.2020	Equity attributable to owners of the controller	Portion attributable to non-controlling interests	Total
	Net Amount Th\$	Net Amount Th\$	Net Amount Th\$
Gain (loss) before Other comprehensive income	14,112,395	402,419	14,514,814
Gains (losses) from translation differentials, before taxes	(1,326,241)	(231,444)	(1,557,685)
Other comprehensive income, actuarial gains (losses) from defined benefits plans, before taxes	(168,021)	-	(168,021)
Gains (losses) on cash flow hedges, before taxes	35,736	-	35,736
Total movement in the fiscal year	(1,458,526)	(231,444)	(1,689,970)
Income tax on the components of other comprehensive income	35,717	-	35,717
Total comprehensive income	12,689,586	170,975	12,860,561

21.6 Earnings per share

The earnings per basic share shown in the consolidated statement of income by function are calculated as the quotient between the profit (loss) for the fiscal year or period and the average number of shares outstanding the same period.

Calculation of earnings per basic and diluted share as of June 30, 2021 and 2020 is the following:

Earnings per share	01.01.2021 to 06.30.2021	01.01.2020 to 06.30.2020	04.01.2021 to 06.30.2021 1	04.01.2020 to 06.30.2020 0
Earnings attributable to shareholders (Th\$)	22,078,903	14,112,395	16,848,689	9,244,832
Weighted average number of shares	113,574,515	113,574,515	113,574,515	113,574,515
Earnings per basic and diluted share (in CLP)	194.40	124.26	148.35	81.40

22 Revenue and other income by function

22.1 Revenue from ordinary activities

For the periods ended June 30, 2021 and 2020, the itemization of revenue is as follows:

Revenue	01.01.2021 to 06.30.2021 Th\$	01.01.2020 to 06.30.2020 Th\$	04.01.2021 to 06.30.2021 Th\$	04.01.2020 to 06.30.2020 Th\$
Revenue from gas sales (LPG-NG-LNG-CNG)	287,572,323	228,118,058	160,940,189	118,942,014
Revenue from the sale of other fuels	-	475,100	-	11,980
Revenue from the sale of facilities	1,599,902	1,701,977	859,313	871,187
Revenue from meter leases	712,031	907,986	356,408	399,677
Revenue from electricity market business	4,853,979	3,721,347	2,793,327	1,962,172
Revenue from other sales and services	826,946	781,009	465,401	255,580
Total revenue	295,565,181	235,705,477	165,414,638	122,442,610

The Company has not accounted for income by product line since revenue comes primarily from LPG, which represents more than 90% of total revenue.

22.2 Other income by function

For the periods ended June 30, 2021 and 2020, the itemization of other income is as follows:

Other income by function	01.01.2021 to 06.30.2021 Th\$	01.01.2020 to 06.30.2020 Th\$	04.01.2021 to 06.30.2021 Th\$	04.01.2020 to 06.30.2020 Th\$
Commercial interest	369,753	397,069	123,227	181,530
Total other income by function	369,753	397,069	123,227	181,530

23 Costs and expenses by function broken down by nature

For the periods ended June 30, 2021 and 2020, the itemization of the Company's main costs and expenses is as follows:

Description	Cost of Sales Th\$	Administrative Expenses Th\$	Other Expenses, by Function Th\$	Distribution Costs Th\$	Total as of 06.30.2021 Th\$
Gas purchases(*)	169,637,285	-	-	-	169,637,285
Electric energy costs	3,956,515	-	-	-	3,956,515
Depreciation (**)	12,156,128	1,486,677	786,289	2,542,891	16,971,985
Amortization	457,061	559,430	65,424	4,966	1,086,881
Wages and salaries	2,570,528	5,205,181	4,165,304	2,462,786	14,403,799
Benefits	991,859	1,795,488	457,195	723,719	3,968,261
Mandatory employee expenses	143,690	1,044,524	1,530,226	960,647	3,679,087
Maintenance	8,676,014	-	-	-	8,676,014
Other expenses	2,816,480	12,395,912	6,972,899	1,412,372	23,597,663
Advertising	-	-	362,661	-	362,661
Freight	197,506	9,193	16,109	18,286,837	18,509,645
Promotional campaigns	-	-	2,099,400	-	2,099,400
Balance as of 06.30.2021	201,603,066	22,496,405	16,455,507	26,394,218	266,949,196

Description	Cost of Sales Th\$	Administrative Expenses Th\$	Other Expenses, by Function Th\$	Distribution Costs Th\$	Total as of 06.30.2020 Th\$
Gas purchases(*)	118,681,910	-	-	-	118,681,910
Electric energy costs	3,242,109	-	-	-	3,242,109
Depreciation (**)	11,136,413	1,345,092	673,340	2,579,361	15,734,206
Amortization	275,070	609,614	72,392	5,495	962,571
Wages and salaries	2,718,600	4,945,868	4,190,457	2,355,792	14,210,717
Benefits	1,104,042	1,728,504	514,810	414,954	3,762,310
Mandatory employee expenses	162,059	1,510,524	1,765,039	665,289	4,102,911
Maintenance	8,972,236	-	-	-	8,972,236
Other expenses	3,498,838	11,205,011	4,075,492	3,119,759	21,899,100
Advertising	-	-	250,961	-	250,961
Freight	368,196	8,254	8,008	15,673,751	16,058,209
Promotional campaigns	-	-	2,425,039	-	2,425,039
Balance as of 06.30.2020	150,159,473	21,352,867	13,975,538	24,814,401	210,302,279

(*) Gas purchases reflect the result between purchases plus beginning inventories, less ending inventories.

(**) Depreciation includes items from "Property, plant and equipment" and "Other non-financial assets" (Contract costs).

23. Costs and expenses by function broken down by nature (continued)

Description	Cost of Sales Th\$	Administrative Expenses Th\$	Other Expenses, by Function Th\$	Distribution Costs Th\$	Total as of 04.01.2021 to 06.30.2021 Th\$
Gas purchases(*)	96,913,605	-	-	-	96,913,605
Electric energy costs	2,357,940	-	-	-	2,357,940
Depreciation (**)	6,413,333	720,270	379,056	1,150,523	8,663,182
Amortization	270,113	255,190	21,408	3,326	550,037
Wages and salaries	1,272,703	2,549,517	2,073,914	1,167,976	7,064,110
Benefits	539,563	921,905	322,005	544,497	2,327,970
Mandatory employee expenses	71,377	506,985	805,407	340,441	1,724,210
Maintenance	4,363,015	-	-	-	4,363,015
Other expenses	1,428,407	6,592,146	3,512,873	695,903	12,229,329
Advertising	-	-	194,716	-	194,716
Freight	72,615	4,490	7,344	9,987,477	10,071,926
Promotional campaigns	-	-	1,122,807	-	1,122,807
Balances as of 04.01.2021 to 06.30.2021	113,702,671	11,550,503	8,439,530	13,890,143	147,582,847

Description	Cost of Sales Th\$	Administrative Expenses Th\$	Other Expenses, by Function Th\$	Distribution Costs Th\$	Total as of 04.01.2020 to 06.30.2020 Th\$
Gas purchases(*)	60,185,442	-	-	-	60,185,442
Electric energy costs	1,789,680	-	-	-	1,789,680
Depreciation (**)	5,603,826	674,654	329,252	1,303,148	7,910,880
Amortization	140,178	307,368	35,016	2,615	485,177
Wages and salaries	1,391,308	2,499,894	2,064,130	1,202,053	7,157,385
Benefits	674,702	998,549	298,314	304,716	2,276,281
Mandatory employee expenses	72,459	642,254	790,758	286,360	1,791,831
Maintenance	4,235,456	-	-	-	4,235,456
Other expenses	1,873,687	6,431,233	2,101,099	1,988,993	12,395,012
Advertising	0	-	173,780	-	173,780
Freight	159,173	3,568	1,310	8,071,295	8,235,346
Promotional campaigns	0	-	1,261,677	-	1,261,677
Balances as of 04.01.2020 to 06.30.2020	76,125,911	11,557,520	7,055,336	13,159,180	107,897,947

24 Financial Income and other gains and losses

24.1 Financial Income

For the periods ended June 30, 2021 and 2020, the itemization of financial income is as follows:

Financial Income	01.01.2021 to 06.30.2021 Th\$	01.01.2020 to 06.30.2020 Th\$	04.01.2021 to 06.30.2021 Th\$	04.01.2020 to 06.30.2020 Th\$
Financial income				
Interest on financial instruments	169,283	337,657	74,605	252,727
Other financial income	371,183	331,382	180,983	190,965
Restatement of other non-current liabilities	743,881	-	743,881	-
Total financial income	1,284,347	669,039	999,469	443,692
Financial costs				
Bank loans interests	(79,955)	(439,066)	(54,326)	(73,533)
Financial lease interests	(732,211)	(773,516)	(385,458)	(468,486)
Lease interests IFRS 16	(514,117)	(557,547)	(242,990)	(206,732)
Bond interest	(2,622,858)	(2,393,557)	(1,326,747)	(1,260,056)
Hedging instruments interest	(448,139)	-	(448,139)	-
Other financial expenses	(69,301)	82,604	(42,735)	98,116
Restatement of other non-current liabilities	-	(771,996)	490,354	(362,653)
Total financial costs	(4,466,581)	(4,853,078)	(2,010,041)	(2,273,344)
Exchange differentials				
Positive	(124,529)	48,683	(207,028)	(75,970)
Negative	18,061	(212,927)	41,504	839
Total exchange differentials	(106,468)	(164,244)	(165,524)	(75,131)
Profit (loss) on indexation units				
Bond debt	(4,107,000)	(2,448,360)	(2,024,411)	(637,626)
Bond debt hedging	520,330	-	520,330	-
Other	759,585	317,468	427,556	112,114
Total profit (loss) on indexation units	(2,827,085)	(2,130,892)	(1,076,525)	(525,512)
Total Financial Income	(6,115,787)	(6,479,175)	2,252,621	(2,430,294)

24.2 Other gains (losses)

Other Gains (Losses)	01.01.2021 to 06.30.2021 Th\$	01.01.2020 to 06.30.2020 Th\$	04.01.2021 to 06.30.2021 Th\$	04.01.2020 to 06.30.2020 Th\$
Retirement of property, plant and equipment	(176,666)	(444,701)	(100,589)	(397,097)
Profit (loss) on the sale of property, plant & equipment	141,634	313,962	113,507	318,369
Callao Plant expropriation (Subsidiary Peru) (*)	4,409,196	-	4,409,196	-
Other gains (losses)	1,085,069	578,374	678,302	379,498
Total other gains (losses)	5,459,233	447,635	5,100,416	300,770

(*) See note 13.1

25 Number of employees and payroll cost

The average number of employees for the 2021 period and the 2020 fiscal year was 2,284 and 2,114, respectively

As of June 30, 2021, and December 31, 2020, the Company's personnel reached 2,328 and 2,204 employees respectively, distributed according to the following table:

Personnel	06.30.2021	12.31.2020
Executives	24	22
Professionals and technicians	1,007	929
Others	1,297	1,253
Total Employees	2,328	2,204

The cost of the salaries of the employees included in the above table was:

Item	06.30.2021 Th\$	06.30.2020 Th\$	04.01.2021 to 06.30.2021 Th\$	04.01.2020 to 06.30.2020 Th\$
Wages and salaries	14,403,799	14,210,717	7,064,110	7,157,385
Benefits	3,968,261	3,762,310	2,327,970	2,276,281
Mandatory employee expenses	3,679,087	4,102,911	1,724,210	1,791,831
Total payroll cost	22,051,147	22,075,938	11,116,290	11,225,497

26 Financial information by segment

The Company discloses financial items by operating segment based on the geographic area of the countries where activities are developed: Chile, Colombia and Peru. This is consistent with the management, allocation of resources and performance assessments in the Company's decision-making process,

Results, assets, liabilities and allocations to each segment are measured directly and not through a factor that allocates on the basis of a standard that must be explained.

LPG generates more than 90% of revenue and 100% corresponds to external clients, and no inter-segment revenue was generated.

At the close of these consolidated financial statements, there was no customer that represented more than 10% of the Group's revenue.

Following is an itemization of this disclosure as of June 30, 2021 and December 31, 2020 for the statement of financial position, and as of June 30, 2021 and June 30, 2020 for the statement of income and statement of direct cash flow (figures in Th\$):

26.1 Statement of financial position by segment

<u>June 2021</u>	Segments			Total Lipigas Group
	Chile	Colombia	Peru	
Total Operating Assets	392,655,215	68,479,236	66,064,332	527,198,783
Total Operating Liabilities	148,926,332	21,782,327	19,878,705	190,587,364
Total Investment by segment	243,728,883	46,696,909	46,185,627	336,611,419
Net financing (cash and cash equivalent)				169,996,524
Total net investment				166,614,895
Equity:				
Issued Capital				129,242,454
Other reserves				(15,245,930)
Accumulated gains				47,208,929
Non-controlling interests				5,409,442
Total Equity				166,614,895

<u>December 2020</u>	Segments			Total Lipigas Group
	Chile	Colombia	Peru	
Total Operating Assets	354,645,653	65,268,371	78,503,420	498,417,444
Total Operating Liabilities	133,957,619	23,474,129	22,877,064	180,308,812
Total Investment by segment	220,688,034	41,794,242	55,626,356	318,108,632
Net financing (cash and cash equivalent)				152,258,615
Total net investment				165,850,017
Equity:				
Issued Capital				129,242,454
Other reserves				(9,555,967)
Accumulated gains				40,349,011
Non-controlling interests				5,814,519
Total Equity				165,850,017

26.2 Statement of income by segment (figures in Th\$)

Statement of Income by Function	Chile		Colombia		Peru		Total Lipigas Group	
	01.01.2021	01.01.2020	01.01.2021	01.01.2020	01.01.2021	01.01.2020	01.01.2021	01.01.2020
	to	to	to	to	to	to	to	to
	06.30.2021	06.30.2020	06.30.2021	06.30.2020	06.30.2021	06.30.2020	06.30.2021	06.30.2020
Revenue	215,927,570	168,990,477	33,328,978	26,913,706	46,308,633	39,801,294	295,565,181	235,705,477
Purchases allocated to cost of sales	(120,717,096)	(83,068,666)	(18,994,050)	(11,339,783)	(33,882,652)	(27,515,570)	(173,593,798)	(121,924,019)
Cost of sales (excluding depreciation and amortization)	(10,816,972)	(11,902,733)	(2,215,444)	(2,266,251)	(2,363,661)	(2,654,987)	(15,396,077)	(16,823,971)
Other income by function	33,419	81,730	209,517	273,223	126,817	42,116	369,753	397,069
Other operating expenses	(47,284,137)	(39,924,095)	(6,250,845)	(6,509,554)	(6,365,473)	(8,423,864)	(59,900,455)	(54,857,514)
Depreciation and amortization	(14,193,211)	(12,428,059)	(1,846,695)	(1,868,255)	(2,018,960)	(2,400,461)	(18,058,866)	(16,696,775)
Operating profit	22,949,573	21,748,654	4,231,461	5,203,086	1,804,704	(1,151,472)	28,985,738	25,800,267
Non-operating profit							(656,554)	(6,031,540)
Profit before taxes							28,329,184	19,768,727
Income tax							(5,968,430)	(5,253,913)
Profit (loss)							22,360,754	14,514,814

Statement of Income by Function	Chile		Colombia		Peru		Total Lipigas Group	
	04.01.2021	04.01.2020	04.01.2021	04.01.2020	04.01.2021	04.01.2020	04.01.2021	04.01.2020
	to	to	to	to	to	to	to	to
	06.30.2021	06.30.2020	06.30.2021	06.30.2020	06.30.2021	06.30.2020	06.30.2021	06.30.2020
Revenue	123,747,973	92,660,009	16,583,495	12,151,961	25,083,170	17,630,640	165,414,638	122,442,610
Purchases allocated to cost of sales	(70,529,253)	(45,200,347)	(9,711,610)	(4,745,844)	(19,030,680)	(12,028,931)	(99,271,543)	(61,975,122)
Cost of sales (excluding depreciation and amortization)	(5,492,301)	(6,182,488)	(1,053,365)	(1,022,744)	(1,202,014)	(1,201,553)	(7,747,680)	(8,406,785)
Other income by function	16,106	17,145	104,308	273,223	2,813	42,116	123,227	332,484
Other operating expenses	(24,986,209)	(21,948,792)	(3,042,525)	(3,112,065)	(3,321,668)	(4,059,127)	(31,350,402)	(29,119,986)
Depreciation and amortization	(7,284,927)	(6,238,912)	(909,261)	(940,460)	(1,019,033)	(1,216,683)	(9,213,219)	(8,396,056)
Operating profit	15,471,389	13,106,614	1,971,042	2,604,071	512,588	(833,538)	17,955,021	14,877,146
Non-operating profit							2,847,796	(2,280,479)
Profit before taxes							20,802,813	12,596,669
Income tax							(3,862,589)	(3,178,832)
Profit (loss)							16,940,224	9,417,836

26.3 Statement of direct cash flow by segment (Figures in Th\$)

Statement of direct cash flow by segment as of June 2021

	Segments			Total Lipigas Group
	Chile	Colombia	Peru	
Net cash flow from (used in) operating activities	34,245,251	1,943,949	1,795,609	37,984,809
Net cash flow from (used in) investing activities	(14,907,570)	(8,395,554)	10,599,804	(12,703,320)
Net cash flow from (used in) financing activities	(23,971,716)	424,378	(753,047)	(24,300,385)
Effects of the variation of the exchange rate on cash and cash equivalent				(979,531)
Net increase (decrease) in cash and cash equivalent				1,573
Cash and cash equivalent at the beginning of the period or fiscal year				62,317,022
Cash and cash equivalent at the end of the period or fiscal year				62,318,595

Statement of direct cash flow by segment as of June 2020

	Segments			Total Lipigas Group
	Chile	Colombia	Peru	
Net cash flow from (used in) operating activities	43,041,486	6,262,152	577,193	49,880,831
Net cash flow from (used in) investing activities	(25,799,344)	(1,401,670)	(780,700)	(27,981,714)
Net cash flow from (used in) financing activities	14,396,208	(1,222,390)	731,358	13,905,176
Effects of the variation of the exchange rate on cash and cash equivalent				(144,979)
Net increase (decrease) in cash and cash equivalent				35,659,314
Cash and cash equivalent at the beginning of the period or fiscal year				17,040,145
Cash and cash equivalent at the end of the period or fiscal year				52,699,459

27 Foreign currency balances

Foreign currency balances are shown below for the period ended June 30, 2021 and the fiscal year ended December 31, 2020, respectively:

Foreign Currency Summary	Currency of origin	Total assets 06.30.2021 Th\$	Total assets 12.31.2020 Th\$	Foreign Currency Summary	Currency of origin	Total liabilities 06.30.2021 Th\$	Total liabilities 12.31.2020 Th\$
Current assets	USD	2,781,878	1,657,359	Current liabilities	USD	21,407,969	14,229,497
Current assets	COP	15,322,030	21,641,788	Current liabilities	COP	8,166,022	9,260,373
Current assets	PEN	13,366,704	9,820,513	Current liabilities	PEN	8,323,030	8,164,980
Non-current assets	COP	57,563,895	56,546,531	Non-current liabilities	COP	15,422,837	16,399,171
Non-current assets	PEN	47,095,895	59,804,007	Non-current liabilities	PEN	7,159,621	11,587,045
Non-current assets	USD	6,528,267	6,128,906	Non-current liabilities	USD	676,344	846,072
Total assets		142,658,669	155,599,104	Total liabilities		61,155,823	60,487,138

Balances for current and non-current assets in a foreign currency are shown below for the period ended June 30, 2021 and fiscal year ended December 31, 2020, respectively:

Current assets in a foreign currency	Currency of origin	Total current assets 06.30.2021 Th\$	Total current assets 12.31.2020 Th\$
Cash and cash equivalent	USD	1,249,524	477.514
Cash and cash equivalent	COP	4,411,858	12.925.662
Cash and cash equivalent	PEN	2,289,088	1.542.777
Other financial assets	COP	182	-
Assets classified as held for sale	PEN	35,945	-
Assets classified as held for sale	COP	86,779	11.102
Trade and other accounts receivable	USD	1,351,737	1.064.411
Trade and other accounts receivable	COP	9,099,986	7.063.273
Trade and other accounts receivable	PEN	9,343,274	6.095.081
Inventories	COP	1,466,665	1.294.313
Inventories	PEN	953,929	642.374
Tax assets	PEN	482,398	1.095.557
Other non-financial assets	COP	256,560	347.438
Other non-financial assets	PEN	262,070	444.724
Current tax assets	USD	180,617	115.433
Total current assets		31,470,612	33,119,659

27. Foreign currency balances (continued)

Non-current assets in a foreign currency	Currency of origin	Total non-current assets 06.30.2021 Th\$	Total non-current assets 12.31.2020 Th\$
Other financial assets	COP	584,081	758,321
Trade accounts and other accounts receivable	PEN	131,284	146,494
Trade accounts and other accounts receivable	COP	1,163,141	1,202,934
Investments accounted for using the equity method	COP	1,585	1,752
Intangible assets other than goodwill	COP	4,365,410	3,841,351
Intangible assets other than goodwill	PEN	859,981	929,985
Property, plant and equipment	COP	50,332,006	49,506,347
Property, plant and equipment	PEN	40,588,988	50,614,206
Property, plant and equipment	USD	6,528,267	6,128,906
Goodwill	COP	1,117,672	1,235,826
Goodwill	PEN	3,505,450	3,655,303
Deferred tax assets	PEN	179,889	2,945,755
Other non-financial assets, non-current	PEN	1,830,303	1,512,265
Total non-current assets		111,188,057	122,479,445
Total assets		142,658,669	155,599,104

Balances for current and non-current liabilities in a foreign currency are shown below for the period ended June 30, 2021 and fiscal year ended December 31, 2020, respectively:

Current liabilities in a foreign currency	Currency of origin	Total current liabilities 06.30.2021 Th\$	Total current liabilities 12.31.2020 Th\$
Other financial liabilities	USD	175,953	88,273
Other financial liabilities	COP	1,181,562	723,044
Other financial liabilities	PEN	54,554	288,815
Lease liabilities	COP	766,128	811,839
Lease liabilities	PEN	330,870	485,636
Trade and other accounts payable	USD	21,232,016	14,141,224
Trade and other accounts payable	COP	4,504,865	5,281,422
Trade and other accounts payable	PEN	4,932,893	6,186,788
Other provisions	COP	19,000	21,008
Other provisions	PEN	305,942	328,938
Tax liabilities	COP	745,633	1,143,059
Tax liabilities	PEN	1,950,742	67,535
Other non-financial liabilities	COP	844,796	1,003,677
Other non-financial liabilities	PEN	100,918	416,282
Employee benefits provisions	COP	104,038	276,324
Employee benefits provisions	PEN	647,111	390,986
Total current liabilities		37.897.021	31,654,850

27. Foreign currency balances (continued)

Non-Current liabilities in a foreign currency	Currency of origin	Total non-current liabilities 06.30.2021 Th\$	Total non-current liabilities 12.31.2020 Th\$
Other financial liabilities	COP	1,913,290	1,732,919
Other financial liabilities	USD	676,344	846,072
Lease liabilities	COP	2,353,919	2,648,573
Lease liabilities	PEN	2,441,864	3,119,525
Deferred tax liabilities	COP	-	3,774,018
Deferred tax liabilities	PEN	5,891,440	5,918,104
Other non-financial liabilities	COP	4,717,757	4,693,502
Other non-financial liabilities	PEN	1,913,290	1,732,919
Total non-current liabilities		23,258,802	28,832,288
Total liabilities		61,155,823	60,487,138

28 Contingencies, lawsuits and other similar events

Considering the information handled by Company management and in accordance with the opinion of its Legal Department, outlined below are the main claims against the Company, which should not cause any material liability to the same, except for those discussed in Note 17, for which a provision has been made.

28.1 Empresas Lipigas S.A.

JUDICIAL

Lawsuit: "Joint and several liability of Empresas Lipigas S.A."
 Court: Viña del Mar Court
 Subject: Indemnity for damages sought from the sub distributor Herrera and from the Company as a jointly and severally liable party.
 Amount: Th\$ 850,000
 Status: The insurance company is defending the case. Contingency is covered by the insurance policy, except for the insurance deductible amounting to UF 3,000; equivalent to Th\$ 88,129.

Lawsuit: "Joint and several liability of Empresas Lipigas S.A."
 Court: Viña del Mar Court
 Subject: Indemnity for damages sought from Ingeniería SpA and from the Company as a jointly and severally liable party.
 Amount: Th\$ 167,000

Status: The insurance company is defending the case. Contingency is covered by the insurance policy, except for the insurance deductible amounting to UF 3,000; equivalent to Th\$ 88,129.

LABOR

Lawsuit: "Aguilera against Empresas Lipigas S.A."
Court: Labor Court of Puerto Montt.
Subject: Dismissal without just cause and dismissal annulment.
Amount: Th\$ 60,000
Status: Hearing scheduled for August 2021.

28.2 Limagas Natural Perú S.A.

ARBITRATION PROCEEDING

"Request for Arbitration among Lantera Energy S.A.C. and Limagas Natural Perú S.A. and Empresas Lipigas S.A."

Court: International Chamber of Commerce (ICC)
Subject: "Compensation for termination of contract."
Amount: USD 9.6 million (equivalent to Th\$ 6,929,472)
Contingency: Remote

Summary of the dispute:

During 2018, the subsidiary Limagas Natural Perú S.A. signed a series of contracts and, pursuant to those contracts, made disbursements, to count on LNG supply from the supplier Lantera Energy S.A.C. that built a liquefaction plant for those purposes in the department of Piura in northern Peru.

In November 2018, the supplier began supplying LNG. However, the supply failed to reach the agreed levels. Finally, in August 2019, the supplier suspended supply. During August and September, efforts were made to normalize the situation which rendered unsuccessful.

The arbitration clauses of the supply contracts indicate that, in the event of any dispute, an arbitration based in the city of Lima (if the amount does not exceed USD 3.0 million for one of the contracts signed and USD 3.5 million for the other contract) or in New York City (if the amount exceeds the amounts mentioned).

Status:

Limagas Natural Perú S.A. filed an application for arbitration against Lantera Energy S.A.C. with the ICC, claiming an amount of USD 3.5 million for several concepts derived from the first of the contracts mentioned. Given the amount of the claim, this arbitration was to be based in the city of Lima. At the same time, Lantera Energy S.A.C. filed a request for arbitration with the ICC against Limagas Natural Perú S.A. and Empresas Lipigas S.A. claiming an amount of approximately USD 9.0

million. Due to the amount claimed, the arbitration initiated by Lantera Energy S.A.C. was to be based in New York City.

Limagas Natural Perú S.A. chose (i) to withdraw the request for arbitration filed based in the city of Lima (which only allows to claim a maximum of USD 3.5 million), (ii) to respond to the request for arbitration of Lantera Energy S.A.C. based in New York City, and (iii) to apply for the incorporation of Okra Energy LLC (controller of the Peruvian company) into arbitration. For its part, Empresas Lipigas S.A. opposed arbitration and has requested to be excluded from the proceeding because legally it does not correspond.

The cause has already progressed to the phase of presenting the complaint and answers, which took place at the beginning of August 2020 and is ongoing.

29 Administrative penalties

No material administrative penalties have been imposed on the Company, its Board of Directors or its managers by regulatory agencies during the period ended June 30, 2021 and fiscal year ended December 31, 2020.

30 Guarantees committed to third parties

The Company holds guaranty receipts and surety bonds issued by different banks and insurance companies to third parties at the close of the period ended June 30, 2021 and fiscal year ended December 31, 2020, respectively, itemized below:

Country	Currency	06.30.2021 Th\$	12.31.2020 Th\$
Chile	CLP	151,708	183,229
Chile	UF	632,959	617,017
Chile	USD	138,274	135,081
Peru	PEN	1,581,286	2,423,713
Peru	USD	3,883,976	6,024,061
Colombia	COP	5,296,000	9,921,000

31 Environment

Empresas Lipigas S.A. has been a leader in the LPG industry in Chile regarding environmental standards and it is committed to complying with governing regulations. Proof of this is the certification of its Environmental Management System according to ISO 14,001:2015 awarded to its LPG plant in Antofagasta in 2008/2009. Currently three plants of the Company are certified according to that standard: the plants in Antofagasta, Concón and Coquimbo.

In addition, the Company has been working since 2011 on measuring its carbon footprint, and mitigation measures such as the inclusion of LPG vehicles have been implemented and new

measures are planned in the future. In addition, Lipigas has been an active player in the rational use of energies and water through actions to minimize and reuse these inputs.

The tables below include the disbursements made or to be made regarding environmental standards for the period ended June 30, 2021 and fiscal year ended December 31, 2020:

Jun-21

Disbursing Company Identification	Name of the project	Disbursement concept	Disbursement Investment /Expense	Investment / Expense Description	Disbursement amount Th\$	Exact or estimated date of future disbursements
Empresas Lipigas S.A.	Liquid industrial waste control system	Mud removal and liquid industrial waste system maintenance	Expense	Operating expense	13,925	12.31.2021
Empresas Lipigas S.A.	Liquid industrial waste sampling	Liquid industrial waste sampling	Expense	Operating expense	18,369	12.31.2021
Empresas Lipigas S.A.	Household residue removal	Hazardous residue and mud removal	Expense	Operating expense	9,518	12.31.2021
Empresas Lipigas S.A.	Household residue disposal	Hazardous residue removal	Expense	Operating expense	9,001	12.31.2021
Empresas Lipigas S.A.	Isokinetic sampling	Isokinetic sampling	Expense	Operating expense	7,600	12.31.2021
Empresas Lipigas S.A.	Environmental counseling	Counseling	Expense	Operating expense	22,677	12.31.2021
Total					81,090	

Dec-20

Disbursing Company Identification	Name of the project	Disbursement concept	Disbursement Investment /Expense	Investment / Expense Description	Disbursement amount Th\$	Exact or estimated date of future disbursements
Empresas Lipigas S.A.	Liquid industrial waste control system	Mud removal and liquid industrial waste system maintenance	Expense	Operating expense	10,400	12.31.2020
Empresas Lipigas S.A.	Liquid industrial waste sampling	Liquid industrial waste sampling	Expense	Operating expense	21,570	12.31.2020
Empresas Lipigas S.A.	Household residue removal	Hazardous residue and mud removal	Expense	Operating expense	8,120	12.31.2020
Empresas Lipigas S.A.	Household residue disposal	Hazardous residue removal	Expense	Operating expense	14,024	12.31.2020
Empresas Lipigas S.A.	Isokinetic sampling	Isokinetic sampling	Expense	Operating expense	4,000	12.31.2020
Empresas Lipigas S.A.	Environmental counseling	Counseling	Expense	Operating expense	14,832	12.31.2020
Total					72,946	

32 Events occurring after the closing date of the consolidated financial statements

No other significant events relating the Company's activities have occurred between June 30, 2021, the closing date of the consolidated interim financial statements, and the date on which their publication was authorized.

* * * * *