

Registered number: 131882

ANGLO AMERICAN CHILE INVESTMENTS UK LTD

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**



fee - see letter

ANGLO AMERICAN CHILE INVESTMENTS UK LTD

COMPANY INFORMATION

Directors	M P Donnelly G Ingram (appointed 27 May 2021) E C Klonarides (resigned 12 November 2021) J P Maher (appointed 27 May 2021) C Murphy (appointed 12 November 2021)
Company secretary	Anglo American Corporate Secretary Limited Ogier Global Company Secretary (Jersey) Limited
Registered number	131882
Registered office	3rd Floor 44 Esplanade St Helier Jersey JE4 9WG
Administration office	17 Charterhouse Street London United Kingdom EC1N 6RA
Bankers	Barclays Bank plc 1 Churchill Place Canary Wharf London United Kingdom E14 5HP

ANGLO AMERICAN CHILE INVESTMENTS UK LTD

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ANGLO AMERICAN CHILE INVESTMENTS UK LTD

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report and the financial statements for the year ended 31 December 2021.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable Jersey law and generally accepted accounting practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity of Anglo American Chile Investments UK Ltd (the "Company") is as an investment holding company.

Dividends paid

Dividends paid in the amount of \$723,632,331 (2020 - \$NIL).

Results

The Statement of comprehensive income for the year is set out on page 3.

Directors

The directors who served during the year and up to the date of signing the financial statements were:

M P Donnelly
G Ingram (appointed 27 May 2021)
E C Klonarides (resigned 12 November 2021)
J P Maher (appointed 27 May 2021)
C Murphy (appointed 12 November 2021)

ANGLO AMERICAN CHILE INVESTMENTS UK LTD

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Future developments

The directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

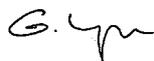
The Company's ability to operate as a going concern is assessed in conjunction with Anglo American plc and its subsidiaries (together the "Group") as it is dependent upon the ability of the Group companies to settle their intercompany balances with the Company and to provide funds for working capital and other needs. The Company's cash flow forecasts for the period to the end of June 2023, with considerations given to the uncertainty of the impact of Covid-19 pandemic on the wider macroeconomic environment and trading performance of the Group, show that the Company maintains sufficient liquidity throughout the period of assessment without the use of mitigating actions.

The directors have also received a commitment of financial support from Anglo American Services (UK) Ltd. for use to the extent that it is necessary, including but not limited to, not seeking repayment of amounts advanced to the Company by the Group unless alternative financing has been secured by the Company. This support will remain in place for the foreseeable future, including the period of at least 12 months from authorisation of the Company's financial statements.

Post balance sheet events

On 14 January 2022, the Company declared and paid a dividend of \$133,561,643 to its parent company Anglo American International Holdings Limited.

This report was approved by the board on 27 May 2022 and signed on its behalf.



G Ingram
Direct

ANGLO AMERICAN CHILE INVESTMENTS UK LTD

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$000	2020 \$000
Revenue	4	1,281,958	345,955
Gross profit		<u>1,281,958</u>	<u>345,955</u>
Investment impairment	5	74,215	(776,743)
Operating profit/(loss)		<u>1,356,173</u>	<u>(430,788)</u>
Interest payable and similar expenses	6	(8,402)	(28,421)
Profit/(loss) before tax		<u>1,347,771</u>	<u>(459,209)</u>
Taxation	7	-	-
Profit/(loss) for the financial year		<u>1,347,771</u>	<u>(459,209)</u>
Total comprehensive income/(loss) for the year		<u><u>1,347,771</u></u>	<u><u>(459,209)</u></u>

The notes on pages 7 to 15 form part of these financial statements.

The results relate to continuing operations of the Company.

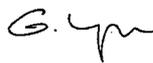
ANGLO AMERICAN CHILE INVESTMENTS UK LTD

**BALANCE SHEET
AS AT 31 DECEMBER 2021**

	Note	2021 \$000	2020 \$000
Fixed assets			
Investments	9	1,904,459	1,830,245
		<u>1,904,459</u>	<u>1,830,245</u>
Creditors: amounts falling due within one year	10	-	(549,925)
Net current assets/(liabilities)		<u>-</u>	<u>(549,925)</u>
Total assets less current liabilities		<u>1,904,459</u>	<u>1,280,320</u>
Net assets		<u><u>1,904,459</u></u>	<u><u>1,280,320</u></u>
Capital and reserves			
Called up share capital	12	376,895	376,895
Share premium account	13	1,175,012	1,175,012
Profit and loss account	13	352,552	(271,587)
Shareholders' funds		<u><u>1,904,459</u></u>	<u><u>1,280,320</u></u>

The directors consider the Company is not required to appoint an auditor under Article 113(1) of the Companies (Jersey) Law 1991 and therefore have taken exemption from the provisions of the Companies (Jersey) Law 1991 relating to the audit of accounts.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 May 2022.



G Ingram
Director

The notes on pages 7 to 15 form part of these financial statements.

ANGLO AMERICAN CHILE INVESTMENTS UK LTD

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital	Share premium account	Profit and loss account	Total equity
	\$000	\$000	\$000	\$000
At 1 January 2021	376,895	1,175,012	(271,587)	1,280,320
Comprehensive loss for the year				
Profit for the year	-	-	1,347,771	1,347,771
Total comprehensive loss for the year	-	-	1,347,771	1,347,771
Dividends: Equity capital	-	-	(723,632)	(723,632)
At 31 December 2021	376,895	1,175,012	352,552	1,904,459

The notes on pages 7 to 15 form part of these financial statements.

ANGLO AMERICAN CHILE INVESTMENTS UK LTD

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital \$000	Share premium account \$000	Profit and loss account \$000	Total equity \$000
At 1 January 2020	376,895	1,175,012	187,622	1,739,529
Comprehensive loss for the year				
Loss for the year	-	-	(459,209)	(459,209)
Total comprehensive loss for the year	-	-	(459,209)	(459,209)
At 31 December 2020	376,895	1,175,012	(271,587)	1,280,320

ANGLO AMERICAN CHILE INVESTMENTS UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Anglo American Chile Investments UK Limited is a private company limited by shares, incorporated in Jersey and centrally managed and controlled from the United Kingdom.

On 10 July 2020, the Company completed the migration requirements and formally transferred its place of registration from Cyprus to Jersey as a private limited company in accordance with Companies (Jersey) Law 1991.

The nature of the Company's operations and principal activities is set out in the Directors' report.

The address of the registered office is given on the Company Information page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies (Jersey) Law 1991.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

Changes in accounting policies and disclosures

The accounting policies applied are consistent with those adopted and disclosed in the financial statements for the year ended 31 December 2020, except for the amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform — Phase 2.

The adoption of this new accounting pronouncement has not had a significant impact on the accounting policies, methods of computation or presentation applied by the Company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

2.3 Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The Company's ability to operate as a going concern is assessed in conjunction with Anglo American plc and its subsidiaries (together the "Group") as it is dependent upon the ability of the Group companies to settle their intercompany balances with the Company and to provide funds for working capital and other needs. The Company's cash flow forecasts for the period to the end of June 2023, with considerations given to the uncertainty of the impact of Covid-19 pandemic on the wider macroeconomic environment and trading performance of the Group, show that the Company maintains sufficient liquidity throughout the period of assessment without the use of mitigating actions.

The directors have also received a commitment of financial support from Anglo American Services (UK) Ltd. for use to the extent that it is necessary, including but not limited to, not seeking repayment of amounts advanced to the Company by the Group unless alternative financing has been secured by the Company. This support will remain in place for the foreseeable future, including the period of at least 12 months from authorisation of the Company's financial statements.

ANGLO AMERICAN CHILE INVESTMENTS UK LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is United States Dollars (USD).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.6 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.7 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

ANGLO AMERICAN CHILE INVESTMENTS UK LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.9 Creditors

Creditors are amounts owed to group undertakings in respect of facility agreements.

Creditors are presented as amounts falling due within one year unless payment is not due within 12 months after the reporting period.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

There are no critical judgments made by the directors in applying the Company's accounting policies other than assessing investments for impairment.

Impairment of investments in subsidiaries

Determining whether the Company's equity investments in subsidiaries have been impaired requires estimations of the recoverable amount of the investments. Recoverable amount is the higher of fair value less costs of disposal and value in use. The value in use calculations require the Company to estimate the future cash flows expected to arise from the investments and suitable discount rates in order to calculate present values. If the recoverable amount of an investment is estimated to be less than its carrying amount, the carrying amount of the investment is reduced to its recoverable amount. An impairment loss is recognised in the Statement of comprehensive income. See Note 5 for further information.

4. Revenue

	2021 \$000	2020 \$000
Dividend revenue	1,281,958	345,955
	<u>1,281,958</u>	<u>345,955</u>

During the year, the Company received dividends of \$1,281,958,467 (2020 - \$345,955,202) from its subsidiary Anglo American Amcoll UK Ltd.

ANGLO AMERICAN CHILE INVESTMENTS UK LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

5. Investment impairment

	2021 \$000	2020 \$000
Impairment expense	(74,215)	776,743
	<u>(74,215)</u>	<u>776,743</u>

After a review of the recoverable amount of the Company's investments as at 31 December 2021, the Company has recognised an impairment reversal of \$74,215,000 (2020 - \$NIL) and an impairment expense of \$NIL (2020 - \$776,743,000) on its investment in Anglo South American Investments Limited.

6. Interest payable and similar expenses

	2021 \$000	2020 \$000
Interest payable on loans from group undertakings	8,402	28,421
	<u>8,402</u>	<u>28,421</u>

7. Taxation

The UK rate of corporation tax has been presented within the rate reconciliation below as the most applicable rate due to the Company being UK resident for tax purposes.

	2021 \$000	2020 \$000
Total current tax	-	-
	<u>-</u>	<u>-</u>

ANGLO AMERICAN CHILE INVESTMENTS UK LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - lower than) the standard rate of corporation tax of 19% (2020 - 19%). The differences are explained below:

	2021	2020
	\$000	\$000
Profit/(loss) before tax	1,347,771	(459,209)
Profit/(loss) before tax multiplied by standard rate of corporation tax of 19% (2020 - 19%)	256,076	(87,250)
Effects of:		
Impairment charge	(14,101)	147,581
Dividend income not taxable	(243,572)	(65,731)
Group relief claimed for nil consideration	1,597	5,400
Total tax charge for the year	-	-

Factors that may affect future tax charges

The Finance (No. 2) Act 2015 reduced the standard rate of corporation tax to 19%, effective from 1 April 2017. A further reduction in the UK corporation tax rate to 17% was expected to come into effect from 1 April 2020, however, legislation in the Finance Act 2020, enacted in July 2020, repealed this reduction. The Finance Act 2021 included measures to increase the standard rate of UK corporation tax to 25% with effect from 1 April 2023. The Finance Act 2021 was enacted in June 2021 and accordingly, these rates are applicable to the measurements of deferred tax balances at 31 December 2021. No deferred tax has been recognised during the year.

8. Dividends

	2021	2020
	\$000	\$000
Dividends: equity	723,632	-
	723,632	-

During the year ended 31 December 2021, the company declared and paid dividends of \$723,632,331 (2020 - \$NIL) to Anglo American International Holdings Limited.

ANGLO AMERICAN CHILE INVESTMENTS UK LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

9. Investments

	Investments in subsidiary companies \$000
Cost or valuation	
At 1 January 2021	2,608,417
At 31 December 2021	<u>2,608,417</u>
Impairment	
At 1 January 2021	778,172
Reversal of impairment losses	(74,214)
At 31 December 2021	<u>703,958</u>
Net book value	
At 31 December 2021	<u>1,904,459</u>
<i>At 31 December 2020</i>	<u><u>1,830,245</u></u>

ANGLO AMERICAN CHILE INVESTMENTS UK LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Anglo American Corporation de Chile Holdings Limited	3rd Floor, 44 Esplanade, St Helier, JE4 9WG, Jersey	Investment Holding Company	Ordinary	100%
Anglo American Amcoll UK Ltd	3rd Floor, 44 Esplanade, St Helier, JE4 9WG, Jersey	Investment Holding Company	Ordinary	100%
Anglo South American Investments Limited	3rd Floor, 44 Esplanade, St Helier, JE4 9WG, Jersey	Investment Holding Company	Ordinary	100%
Anglo American Clarent UK Ltd	3rd Floor, 44 Esplanade, St Helier, JE4 9WG, Jersey	Investment Holding Company	Ordinary	100%

Group financial statements are not presented as the Company is a wholly-owned subsidiary undertaking of Anglo American plc, which is registered in England and Wales. Accordingly, these financial statements present information about the Company as an individual undertaking and not about its group. Consolidated financial statements have not been prepared because there is no regulatory obligation to prepare consolidated financial statements in Jersey.

Further details in respect of impairment charges recognised during the year are disclosed in note 5.

10. Creditors: Amounts falling due within one year

	2021	2020
	\$000	\$000
Amounts owed to group undertakings	-	549,925
	<u>-</u>	<u>549,925</u>
	<u><u>-</u></u>	<u><u>549,925</u></u>

The Company has facility agreements with an affiliated undertaking of which \$NIL (2020 - \$544,534,000) had been drawn at year end. The balance bears interest at the three month LIBOR rate applicable to the currency of each balance plus 225 basis points. The amounts owed are unsecured and repayable on demand.

ANGLO AMERICAN CHILE INVESTMENTS UK LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

11. Financial instruments

	2021 \$000	2020 \$000
Financial liabilities		
Financial liabilities measured at amortised cost	-	(549,925)

Financial liabilities measured at amortised cost comprise amounts owed to group undertakings.

12. Called up share capital

	2021 \$000	2020 \$000
Shares classified as equity		
Authorised, allotted, called up and fully paid		
7,537,907 (2020 - 7,537,907) Ordinary shares of \$50 each	376,895	376,895

The Company has one class of ordinary shares which carry no right to fixed income.

13. Reserves

Share premium account

Share premium represents the excess of the issue price over the par value on shares issued less transaction costs arising on issue.

Profit and loss account

Profit and loss account reserve represents accumulated retained earnings or losses.

14. Post balance sheet events

On 14 January 2022, the Company declared and paid a dividend of \$133,561,643 to its parent company Anglo American International Holdings Limited.

15. Ultimate parent undertaking and controlling party

The immediate parent company is Anglo American International Holdings Limited, a company incorporated in the United Kingdom and registered in England and Wales.

The ultimate parent company and ultimate controlling entity is Anglo American plc, a company incorporated in the United Kingdom and registered in England and Wales. Anglo American plc is the parent undertaking of the largest and smallest group which includes the Company and for which group financial statements are prepared. The financial statements of both the immediate and ultimate parent companies may be obtained from the Company Secretary, 17 Charterhouse Street, London, EC1N 6RA, the registered address of both companies.