



**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**For the periods ending September 30, 2017 and 2016**

**HORTIFRUT S.A. AND SUBSIDIARIES**  
**Thousands of United States Dollars**

**INTERIM FINANCIAL STATEMENTS**

Independent auditor's revision report  
Consolidated interim statement of financial position  
Consolidated interim income statement  
Consolidated integral interim income statement  
Consolidated interim statement of changes in net equity  
Consolidated interim cash flow statement  
Consolidated interim financial statement notes

## **HORTIFRUT S.A. AND SUBSIDIARIES**

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## **HORTIFRUT S.A. AND SUBSIDIARIES**

### **CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**

**As of September 30, 2017, and December 31, 2016.**

| <b>Statement of Financial Position</b>                | <b>Note</b> | <b>30-Sep-17</b> | <b>31-Dec-16</b> |
|---|-------------|------------------|------------------|
|   |             | <b>KUS\$</b>     | <b>KUS\$</b>     |
| <b>Assets</b>   |             |                  |                  |
| <b>Current Assets</b>                                 |             |                  |                  |
| Cash and cash equivalents                             | 8           | 21,240           | 35,245           |
| Other current financial assets                        | 9           | 3,761            | 3,155            |
| Other current non-financial assets                    | 14          | 5,616            | 5,520            |
| Current trade debtors and other accounts receivable   | 10          | 35,106           | 42,578           |
| Current accounts receivable from related entities     | 11          | 25,368           | 45,759           |
| Stock   | 12          | 26,243           | 56,811           |
| Current biological assets                             | 13          | 9,033            | 6,856            |
| Current tax assets                                    | 20          | 791              | -                |
| <b>Total current assets</b>                           |             | <b>127,158</b>   | <b>195,924</b>   |
| <b>Non-current assets</b>                             |             |                  |                  |
| Other non-current financial assets                    | 9           | 414              | 1,101            |
| Other non-current non-financial assets                | 14          | 1,533            | 1,516            |
| Non-current fees receivable                           | 10          | 2,067            | 1,794            |
| Non-current accounts receivable with related entities | 11          | 11,988           | 7,660            |
| Investments recorded using the equity method          | 16          | 76,860           | 66,654           |
| Intangible assets other than appreciation             | 17          | 15,720           | 21,794           |
| Appreciation  | 18          | 26,769           | 26,769           |
| Property, plant and equipment                         | 19          | 235,774          | 207,870          |
| Deferred tax assets                                   | 20          | 16,774           | 14,950           |
| <b>Total non-current assets</b>                       |             | <b>387,899</b>   | <b>350,108</b>   |
| <b>Total Assets</b>                                   |             | <b>515,057</b>   | <b>546,032</b>   |

The attached notes number 1 to 38 form an integral part of these consolidated interim financial statements

# **HORTIFRUT S.A. AND SUBSIDIARIES**

## **CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**

**As of September 30, 2017, and as of December 31, 2016.**

|   |             | <b>30-Sep-17</b> | <b>31-Dec-16</b> |
|---|-------------|------------------|------------------|
| <b>Equity and Liabilities</b>                                     | <b>Note</b> | <b>KUS\$</b>     | <b>KUS\$</b>     |
| <b>Liabilities</b>  |             |                  |                  |
| <b>Current liabilities</b>  |             |                  |                  |
| Other current financial liabilities                               | 21          | 105,237          | 150,787          |
| Current trade accounts and other accounts payable                 | 22          | 11,835           | 60,009           |
| Current accounts payable to related entities                      | 11          | 11,795           | 6,711            |
| Other current provisions  | 23          | 30               | 160              |
| Current tax liabilities   | 20          | -                | 1,698            |
| Current provisions for employee benefits                          | 23          | 1,673            | 1,592            |
| Other current non financial liabilities                           |             | 2,287            | 2,658            |
| <b>Total current liabilities</b>                                  |             | <b>132,857</b>   | <b>223,615</b>   |
| <b>Non-current liabilities</b>                                    |             |                  |                  |
| Other non-current financial liabilities                           | 21          | 92,326           | 57,630           |
| Non-current accounts payable to related entities                  | 11          | 11,671           | 11,690           |
| Other non-current provisions                                      |             | 150              | 134              |
| Deferred tax liabilities  | 20          | 21,333           | 23,492           |
| <b>Total non current liabilities</b>                              |             | <b>125,480</b>   | <b>92,946</b>    |
| <b>Total liabilities</b>  |             | <b>258,337</b>   | <b>316,561</b>   |
| <b>Equity</b>   |             |                  |                  |
| Issued capital  | 24          | 136,411          | 136,411          |
| Accumulated profit (loss)   | 25          | 62,020           | 40,094           |
| Issuance premium  | 24          | (1,262)          | (1,262)          |
| Other reserves  | 26          | 27,264           | 24,108           |
| <b>Equity attributable to the parent company's equity holders</b> |             | <b>224,433</b>   | <b>199,351</b>   |
| Non parent company ownership                                      | 27          | 32,287           | 30,120           |
| <b>Total equity</b>   |             | <b>256,720</b>   | <b>229,471</b>   |
| <b>Total equity and liabilities</b>                               |             | <b>515,057</b>   | <b>546,032</b>   |

The attached notes number 1 to 38 form an integral part of these consolidated interim financial statements

## HORTIFRUT S.A. AND SUBSIDIARIES

### CONSOLIDATED INTERIM INCOME STATEMENT

**For the nine-month and three-month periods ending September  
30, 2017 and 2016 (unaudited).**

|   |             | 1-Jan-17<br>30-Sep-17<br>KUS\$ | 1-Jan-16<br>30-Sep-16<br>KUS\$ | 1-Jul-17<br>30-Sep-17<br>KUS\$ | 1-Jul-16<br>30-Sep-16<br>KUS\$ |
|---|-------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>Income Statement</b>   | <b>Note</b> |                                |                                |                                |                                |
| <b>Profit (loss)</b>  |             |                                |                                |                                |                                |
| Operating revenue   | 29          | 241,081                        | 274,514                        | 37,493                         | 37,768                         |
| Cost of sales   | 30          | (197,628)                      | (223,877)                      | (30,417)                       | (32,479)                       |
| <b>Gross profit</b>   |             | <b>43,453</b>                  | <b>50,637</b>                  | <b>7,076</b>                   | <b>5,289</b>                   |
| Other income, per function  | 29          | 369                            | 740                            | 135                            | 349                            |
| Administrative expenses   | 30          | (20,250)                       | (19,463)                       | (6,141)                        | (6,640)                        |
| Other expenses, per function  | 30          | (1,050)                        | (915)                          | (332)                          | (365)                          |
| Other profit (loss)   |             | (175)                          | (234)                          | (10)                           | (171)                          |
| Financial income  |             | 1,218                          | 494                            | 518                            | 122                            |
| Financial expenses  | 31          | (3,623)                        | (3,112)                        | (1,044)                        | (928)                          |
| Interest in profit (loss) of related companies and joint ventures<br>which are recorded using the equity method | 16          | 7,409                          | 5,804                          | 7,256                          | 2,882                          |
| Exchange rate difference  | 32          | (4,500)                        | 1,911                          | (2,171)                        | (250)                          |
| <b>Before tax profit</b>  |             | <b>22,851</b>                  | <b>35,862</b>                  | <b>5,287</b>                   | <b>288</b>                     |
| Gains tax profit  | 20          | (1,997)                        | (8,398)                        | 396                            | (274)                          |
| <b>Profit (loss) from continued operations</b>  |             | <b>20,854</b>                  | <b>27,464</b>                  | <b>5,683</b>                   | <b>14</b>                      |
| <b>Profit (loss)</b>  |             | <b>20,854</b>                  | <b>27,464</b>                  | <b>5,683</b>                   | <b>14</b>                      |
| <b>Profit (loss) attributable to</b>  |             |                                |                                |                                |                                |
| Profit (loss) attributable to parent company equity holders   |             | 20,544                         | 23,331                         | 5,845                          | 292                            |
| Profit (loss) attributable to non parent company equity holders   | 27          | 310                            | 4,133                          | (162)                          | (278)                          |
| <b>Profit (loss)</b>  |             | <b>20,854</b>                  | <b>27,464</b>                  | <b>5,683</b>                   | <b>14</b>                      |
| <b>Profit per share</b>   |             |                                |                                |                                |                                |
| <b>Profit per basic share</b>   |             |                                |                                |                                |                                |
| Profit (loss) per basic share from continued operations (US\$ per<br>share)                                     | 28          | 0.047171                       | 0.053570                       | 0.013421                       | 0.000670                       |
| Profit (loss) per basic share from discontinued operations (US\$<br>per share)                                  |             | -                              | -                              | -                              | -                              |
| <b>Profit (loss) per basic share</b>  |             | <b>0.047171</b>                | <b>0.053570</b>                | <b>0.013421</b>                | <b>0.000670</b>                |
| <b>Profit per diluted share</b>   |             |                                |                                |                                |                                |
| Diluted profit (loss) per share from continued operations (US\$ per<br>share)                                   |             | 0.047171                       | 0.053570                       | 0.013421                       | 0.000670                       |
| Ganancia (pérdida) diluida por acción procedente de operaciones<br>discontinuas (US\$ por acción)               |             | -                              | -                              | -                              | -                              |
| <b>Diluted profit (loss) per share</b>  |             | <b>0.047171</b>                | <b>0.053570</b>                | <b>0.013421</b>                | <b>0.000670</b>                |

The attached notes number 1 to 38 form an integral part of these consolidated interim financial statements

# HORTIFRUT S.A. AND SUBSIDIARIES

## CONSOLIDATED INTEGRAL INTERIM INCOME STATEMENT

**For the nine-month and three-month periods ending September 30, 2017 and 2016 (unaudited).**

| Statement of other integral results   | 1-Jan-17<br>30-Sep-17<br>KUS\$ | 1-Jan-16<br>30-Sep-16<br>KUS\$ | 1-Jul-17<br>30-Sep-17<br>KUS\$ | 1-Jul-16<br>30-Sep-16<br>KUS\$ |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Profit (loss)   | 20,854                         | 27,464                         | 5,683                          | 14                             |
| <b>Other integral result</b>  |                                |                                |                                |                                |
| <b>Components of other integral result, which is not re-classified to the result of the period, before tax</b>  |                                |                                |                                |                                |
| Interest of other integral result of associated and joint ventures recorded using the equity method which is not re-classified to the results of the period, before tax | -                              | 9,557                          | -                              | (245)                          |
| <b>Other integral result which is not re-classified to the results of the period, before tax</b>  | -                              | 9,557                          | -                              | (245)                          |
| <b>Components of other integral result, before tax</b>  |                                |                                |                                |                                |
| <b>Exchange rate fluctuations</b>   |                                |                                |                                |                                |
| Profit (loss) due to exchange rate differences, before tax  | 6,893                          | 886                            | 661                            | (105)                          |
| <b>Other integral result, before tax, exchange rate fluctuations</b>  | 6,893                          | 886                            | 661                            | (105)                          |
| <b>Cash flow hedging</b>  |                                |                                |                                |                                |
| Profit (loss) due to cash flow hedging, before tax  | (477)                          | 6,650                          | 879                            | 1,083                          |
| <b>Other integral result, before tax, cash flow hedging</b>   | (477)                          | 6,650                          | 879                            | 1,083                          |
| <b>Other components of other integral result, before tax</b>  | 6,416                          | 17,093                         | 1,540                          | 733                            |
| <b>Gains tax related with components of other integral result</b>   |                                |                                |                                |                                |
| Gains tax related with cash flow hedging of other integral result   | 73                             | (1,427)                        | (89)                           | (246)                          |
| <b>Total gains tax related with components of other integral result</b>   | 73                             | (1,427)                        | (89)                           | (246)                          |
| <b>Other integral results</b>   | 6,489                          | 15,666                         | 1,451                          | 487                            |
| <b>Total integral result</b>  | 27,343                         | 43,130                         | 7,134                          | 501                            |
| <b>Integral result attributable to</b>  |                                |                                |                                |                                |
| Integral result attributable to parent company equity holders   | 25,082                         | 38,509                         | 6,735                          | 604                            |
| Integral result attributable to non-parent company equity holders   | 2,261                          | 4,621                          | 399                            | (103)                          |
| <b>Total integral result</b>  | 27,343                         | 43,130                         | 7,134                          | 501                            |

The attached notes number 1 to 38 form an integral part of these consolidated interim financial statements

# **HORTIFRUT S.A. AND SUBSIDIARIES**

## **CONSOLIDATED INTERIM STATEMENT OF CHANGES IN NET EQUITY**

**As of September 30, 2017, and 2016 (unaudited)**

|  | Issued<br>Capital<br>Note 24<br>KUS\$ | Issuance<br>premium<br>Note 24<br>KUS\$ | Surplus<br>revaluation<br>Bearer<br>Plants<br>Note 26<br>KUS\$ | Reserves due<br>to exchange<br>rate<br>differences<br>and others<br>Note 26<br>KUS\$ | Cash flow<br>hedging<br>reserves<br>Note 26<br>KUS\$ | Other<br>reserves<br>Note 26<br>KUS\$ | Accumulated<br>profit (loss)<br>Note 25<br>KUS\$ | Equity<br>attributable to<br>parent<br>company<br>equity holders<br>KUS\$ | Non parent<br>company<br>interests<br>Note 27<br>KUS\$ | Total equity<br>KUS\$ |
|--|---------------------------------------|---|--|--|--|---------------------------------------|--|---|--|-----------------------|
| Opening balance as of 01/01/2017                       | 136,411                               | (1,262)                                 | 29,027   | (7,617)  | 2,698  | 24,108                                | 40,094   | 199,351   | 30,120   | 229,471               |
| <b>Changes in equity</b>                               |                                       |   |  |  |  |                                       |  |   |  |                       |
| <b>Integral result</b>                                 |                                       |   |  |  |  |                                       |  |   |  |                       |
| Profit (loss)  | -                                     | -                                       | -  | -  | -  | -                                     | 20,544   | 20,544  | 310  | 20,854                |
| Other integral result                                  | -                                     | -                                       | -  | 4,942  | (404)  | 4,538                                 | -  | 4,538   | 1,951  | 6,489                 |
| <b>Integral result</b>                                 | -                                     | -                                       | -  | 4,942  | (404)  | 4,538                                 | 20,544   | 25,082  | 2,261  | 27,343                |
| Dividends  | -                                     | -                                       | -  | -  | -  | -                                     | -  | -   | (94)   | (94)                  |
| Increase (decrease) due to transfers and other changes | -                                     | -                                       | (1,382)  | -  | -  | (1,382)                               | 1,382  | -   | -  | -                     |
| <b>Total changes in equity</b>                         | -                                     | -                                       | (1,382)  | -  | -  | (1,382)                               | 1,382  | -   | (94)   | (94)                  |
| Closing balance as of 30/09/2017                       | 136,411                               | (1,262)                                 | 27,645   | (2,675)  | 2,294  | 27,264                                | 62,020   | 224,433   | 32,287   | 256,720               |

|  | Issued<br>Capital<br>Note 24<br>KUS\$ | Issuance<br>premium<br>Note 24<br>KUS\$ | Surplus<br>revaluation<br>Bearer<br>Plants<br>Note 26<br>KUS\$ | Reserves due<br>to exchange<br>rate<br>differences<br>and others<br>Note 26<br>KUS\$ | Cash flow<br>hedging<br>reserves<br>Note 26<br>KUS\$ | Other<br>reserves<br>Note 26<br>KUS\$ | Accumulated<br>profit (loss)<br>Note 25<br>KUS\$ | Equity<br>attributable to<br>parent<br>company<br>equity holders<br>KUS\$ | Non parent<br>company<br>interests<br>Note 27<br>KUS\$ | Total equity<br>KUS\$ |
|--|---------------------------------------|---|--|--|--|---------------------------------------|--|---|--|-----------------------|
| Opening balance as of 01/01/2016                       | 136,411                               | (1,262)                                 | 24,936   | (7,682)  | (2,851)  | 14,403                                | 25,302   | 174,854   | 30,213   | 205,067               |
| <b>Changes in equity</b>                               |                                       |   |  |  |  |                                       |  |   |  |                       |
| <b>Integral result</b>                                 |                                       |   |  |  |  |                                       |  |   |  |                       |
| Profit (loss)  | -                                     | -                                       | -  | -  | -  | -                                     | 23,331   | 23,331  | 4,133  | 27,464                |
| Other integral result                                  | -                                     | -                                       | 9,557  | 398  | 5,223  | 15,178                                | -  | 15,178  | 488  | 15,666                |
| <b>Integral result</b>                                 | -                                     | -                                       | 9,557  | 398  | 5,223  | 15,178                                | 23,331   | 38,509  | 4,621  | 43,130                |
| Dividends  | -                                     | -                                       | -  | -  | -  | -                                     | (10,891)   | (10,891)  | (1,604)  | (12,495)              |
| Increase (decrease) due to transfers and other changes | -                                     | -                                       | (1,399)  | -  | -  | (1,399)                               | 1,399  | -   | -  | -                     |
| <b>Total changes in equity</b>                         | -                                     | -                                       | (1,399)  | -  | -  | (1,399)                               | (9,492)  | (10,891)  | (1,604)  | (12,495)              |
| Closing balance as of 30-09-2016                       | 136,411                               | (1,262)                                 | 33,094   | (7,284)  | 2,372  | 28,182                                | 39,141   | 202,472   | 33,230   | 235,702               |

The attached notes number 1 to 38 form an integral part of these consolidated interim financial statements



# **HORTIFRUT S.A. AND SUBSIDIARIES**

## **CONSOLIDATED INTERIM CASH FLOW STATEMENT**

**For the periods ending September 30, 2017 and 2016 (unaudited).**

| <b>Direct Cash Flow Statement</b>  | <b>1-Jan-17<br/>30-Sep-17<br/>KUS\$</b> | <b>1-Jan-16<br/>30-Sep-16<br/>KUS\$</b> |
|--|---|---|
| <b>Cash flow statement</b>   |   |   |
| <b>Cash flow from (used in) operating activities</b>   |   |   |
| <b>Types of charges per operating activities</b>   |   |   |
| Charges from the sale of goods and the providing of services                                   | 269,318                                 | 301,810                                 |
| <b>Types of payments</b>   |   |   |
| Payments to suppliers for the providing of goods and services                                  | (163,542)                               | (194,331)                               |
| Payments to an on behalf of employees  | (42,837)                                | (40,963)                                |
| Paid interests   | (3,623)                                 | (3,112)                                 |
| Received interests   | 1,218                                   | 494                                     |
| Gains tax refund (paid)  | (8,469)                                 | (5,865)                                 |
| Other received (paid) cash   | (681)                                   | (175)                                   |
| <b>Net cash flow from (used in) operating activities</b>                                       | <b>51,384</b>                           | <b>57,858</b>                           |
| <b>Cash flow from (used in) investment activities</b>  |   |   |
| Other payments to purchase equity or debt instruments from other entities                      | (138)                                   | (594)                                   |
| Loans to related entities  | (9,683)                                 | (1,983)                                 |
| Income from the sale of property, plant and equipment  | 1,271                                   | 936                                     |
| Purchase of property, plant and equipment  | (39,305)                                | (37,493)                                |
| Purchase of intangible assets  | (138)                                   | (1,255)                                 |
| Charges to related entities  | 512                                     | 1,300                                   |
| <b>Net cash flow from (used in) investment activities</b>                                      | <b>(47,481)</b>                         | <b>(39,089)</b>                         |
| <b>Cash flow from (used in) financing activities</b>   |   |   |
| Income from long term loans  | 44,064                                  | 8,483                                   |
| Income from short term loans   | 30,219                                  | 46,939                                  |
| <b>Total income from loans</b>   | <b>74,283</b>                           | <b>55,422</b>                           |
| Loans from related entities  | 1,204                                   | -                                       |
| Payment of loans   | (84,492)                                | (60,531)                                |
| Payment of liabilities for financial lease   | (1,057)                                 | -                                       |
| Paid dividends   | (7,377)                                 | (4,477)                                 |
| <b>Net cash flow from (used in) financing activities</b>                                       | <b>(17,439)</b>                         | <b>(9,586)</b>                          |
| <b>Net increase (decrease) in cash and cash equivalents, before exchange rate fluctuations</b> | <b>(13,536)</b>                         | <b>9,183</b>                            |
| <b>Effects of exchange rate fluctuations on cash and cash equivalents</b>                      | <b>(469)</b>                            | <b>13</b>                               |
| Effects of exchange rate fluctuations on cash and cash equivalents                             | (469)                                   | 13                                      |
| <b>Net increase (decrease) of cash and cash equivalents</b>                                    | <b>(14,005)</b>                         | <b>9,196</b>                            |
| Cash and cash equivalents, opening balance   | 35,245                                  | 24,599                                  |
| <b>Cash and cash equivalents, closing balance</b>  | <b>21,240</b>                           | <b>33,795</b>                           |

The attached notes number 1 to 38 form an integral part of these consolidated interim financial statements

## **HORTIFRUT S.A. AND SUBSIDIARIES**

### **CONSOLIDATED CLASSIFIED INTERIM FINANCIAL STATEMENT NOTES**

**As of September 30, 2017, and December 31, 2016.**

#### **NOTE 1 - CORPORATE INFORMATION**

##### **1.1. Information of the reporting entity**

Hortifrut S.A. RUT 96.896.990 – or (hereinafter “Hortifrut” or the “Company”) is a Publicly Traded Company, inscribed in the Securities Registry of the Superintendencia de Valores y Seguros de Chile (Chilean Securities and Exchange Commission) under number 1.096 dated June 13, 2012, so it is subject to the supervision of the Superintendencia de Valores y Seguros de Chile (hereinafter “SVS”).

The Company is also inscribed in the Santiago Stock Exchange dated July 3, 2012, with the objective that the Company’s shares be traded in the “Emerging Companies Markets” which regulate the Stock Market, in accordance with what is stated in second subsection of article 8° of Law 18.045 of the Stock Market and under General Character Norm N° 118 of the SVS. The Company’s shares are acknowledged under mnemonic code “HF”.

The Company was initially constituted as a Closely held Corporation under the name of Inversiones Hortisur S.A., as per public deed dated June 4, 1999, issued at the Santiago Notary of Mr. Patricio Raby Benavente, subsequently by public deed dated May 29, 2007, issued at the Santiago Notary of Mr. Iván Torrealba Acevedo, the company changed its corporate name to Hortifrut S.A.

Hortifrut, has as its objective the purchase, production, elaboration, transformation, industrialization, distribution, commercialization, export, import of all kinds of horticultural, fruit, agricultural and other products or byproducts, as well as the providing of services or consulting in relation to said matters and other activities which the Board or the assemblies agree, and which are related with the aforementioned activities or that complement them; the maintenance of investments in real estate and in instruments, securities, and rights in partnerships, and in the receipt of their earnings and, in general, to enter into and execute all the acts, contracts, businesses, procedures or actions that have as their aim to comply with the corporate purpose.

The Company has its address at Avda. del Cóndor 600, 4th floor, Huechuraba, Santiago, regardless of the agencies, offices or branches which could be established in the country and overseas. The Company’s corporate life is indefinite.

##### **1.1. History**

**1983** – Hortifrut begins its operations in Chile.

**1984** – Hortifrut becomes the first Chilean company to export berries to the United States in counter-seasons.

**1985** – Hortifrut inaugurates a distribution and commercialization office in the United States.

**1986** – First export of berries from Chile to Europe under its brand Southern Sun and the berries crop is expanded to blackberries, blueberries, raspberries and sarsaparillas.

**1987** – First export of berries to Asia from Chile.

**1988** - Hortifrut concretes the first strategic alliance when it associates with the Californian company Coastal Berries.

**1989** - Hortifrut defines its business model: vertical integration and offer during the 52 weeks of the year.

Hortifrut defines its company dream and Vision, to supply the counter-season market with the full berries category (strawberries, raspberries, blackberries and blueberries), in just one organization, under one brand, supplying the market 52 weeks a year, integrated from the paddock to the final customer, defining the great dream with the sentence: "**Berries For The World, Every Day**". Thus Hortifrut created a global and successful business model.

**1990** – Hortifrut invites the main berries producers from the United States, they purchase the brand Naturipe® and form Naturipe Farms.

**1995** – Export and producer subsidiaries are created in Mexico and Guatemala.

**1999** – Hortifrut Argentina is created.

**2000** – Hortifrut Spain is created together with the main Spanish blueberries producer.

**2001** – Start up of the genetic development program for blueberries, raspberries and blackberries.

**2004** – Hortifrut and Atlantic Blue create Euroberry Marketing, in charge of distributing and commercializing in Europe.

**2007** – Hortifrut's President receives the ICARE prize for businessman of the year.

**2008** - Hortifrut becomes the largest organic blueberry producer in the world. It receives the Marketer of the Year prize (PMA Produce Marketing Association USA), opens its distribution office in Brazil and begins implementing the SAP system.

**2010** – Begins the Ready to Eat ("RTE") program.

**2011** – Hortifrut and its partner Munger Brothers receive the prestigious award for innovation for the RTE product in the PMA USA.

**2012** – Start supplying RTE blueberries to food-service leaders.

Successful entrance into the stock market, raising over 67 million dollars in capital.

2012 Agricultural Innovation Prize for Víctor Moller Schiavetti, for having contributed in a relevant manner to transforming the national agro-forestry and food sector and the economic, productive and technological process in the country.

**2013** – On August 21, 2013 Hortifrut obtained control of VitalBerry's operations, which must be understood as performed by the first, all in accordance with the merger agreement adopted at the VitalBerry and Hortifrut shareholder's meetings, held on April 29 and 30, 2013, respectively.

Hortifrut has been delivering Berries to the world for 30 years, every day of the year.

**2014** – The constitution of a closely-held corporation in Peru, denominated Hortifrut – Tal SAC, with the objective of producing and commercializing berries, from this country.

Association with the Argentine company Expofresh, for the production and commercializing of early fruit.

Development of the first Hortifrut Technology and Innovation fair.

Signing of the Joint Venture with Joyvio for genetic development in China.

**2015** – The constitution of a closely-held corporation in Peru, denominated HFE Berries Peru SAC, with the objective of producing and commercializing berries, from this country.

Launching of the Agrinnovation and Blue Challenge platform.

**2016** – The Joint Venture between Hortifrut and the Munger Brother Group was constituted, with the objective of producing and commercializing berries in the United States.

Development of Hortifrut's second Technology and Innovation Fair.

**2017** – Hortifrut's President receives Entrepreneur of the Year prize, granted by EY and El Mercurio, in Chile. The latter also distinguished him within the EY World Entrepreneur of the Year competition, in Monaco.

## 1.2. Shareholders

### 1.2.1. Parent Company Shareholders

The Company is jointly controlled by the Moller Group and the VitalBerry Group through a Shareholders Agreement, subscribed on August 22, 2013. The Moller Group is formed by Inversiones IMG Ltda., San Juan de Virquenco Tres S.A. and Agrícola San Nicolás Ltda. The VitalBerry Group is formed by San José Farms S.A., Exportadora San José Trading Ltda., Valles del Sur SpA, and Inmobiliaria Algeciras Ltda.

The Agreement covers 204,737,990 of Hortifrut S.A.'s shares, which represent 47.01% of the Company's capital (out of a total of 435,520,079 Hortifrut issued shares), through which they have control of the Company. The Agreement establishes limits to the free disposal of shares. However as of September 30, 2017, the Moller Group and the Vitalberry Group together own 48.21% of the Company's capital, considering the shares that they have in custody.

To date the shareholder's agreement records the following shares:

| <u>Shareholder's Agreement</u>                        | <u>Total Shares</u> | <u>Ownership Percentage</u> | <u>Control Shares</u> | <u>Control Percentage</u> |
|---|---------------------|-----------------------------|-----------------------|---------------------------|
| <b><u>Moller Family</u></b>                           |                     |                             |                       |                           |
| Inversiones IMG Limitada                              | 109,316,620         | 25.10%                      | 109,316,620           | 25.10%                    |
| San Juan de Virquenco Tres S.A.                       | 7,344,255           | 1.69%                       | 7,344,255             | 1.69%                     |
| Agrícola San Nicolás Limitada                         | 929,550             | 0.21%                       | 929,550               | 0.21%                     |
| <b>Total Moller Family</b>                            | <b>117,590,425</b>  | <b>27.00%</b>               | <b>117,590,425</b>    | <b>27.00%</b>             |
| <b><u>Entities related to Mr. Ignacio Del Río</u></b> |                     |                             |                       |                           |
| San José Farms S.A.                                   | 23,293,100          | 5.35%                       | 21,418,100            | 4.92%                     |
| Exportadora San José Trading Ltda.                    | 13,359,181          | 3.07%                       | 13,359,181            | 3.07%                     |
| Valles del Sur S.P.A.                                 | 13,480,494          | 3.09%                       | 12,718,288            | 2.92%                     |
| <b>Total Entities related to Mr. Ignacio Del Río</b>  | <b>50,132,775</b>   | <b>11.51%</b>               | <b>47,495,569</b>     | <b>10.91%</b>             |
| <b><u>Entities related to Mr. Eduardo Elberg</u></b>  |                     |                             |                       |                           |
| Inmobiliaria Algeciras Ltda.                          | 42,243,674          | 9.70%                       | 39,651,996            | 9.10%                     |
| <b>Total Entities related to Mr. Eduardo Elberg</b>   | <b>42,243,674</b>   | <b>9.70%</b>                | <b>39,651,996</b>     | <b>9.10%</b>              |
| <b>Total shareholder's agreement</b>                  | <b>209,966,874</b>  | <b>48.21%</b>               | <b>204,737,990</b>    | <b>47.01%</b>             |

## 1.2.2. Distribution of shares as of September 30, 2017

| <u>Shareholders</u>                                     | <u>30-Sep-17</u>         |                    |                   |
|---|--------------------------|--------------------|-------------------|
|   | <u>Subscribed shares</u> | <u>Paid shares</u> | <u>Percentage</u> |
| Inversiones IMG Limitada                                | 109,316,620              | 109,316,620        | 25.10%            |
| Inmobiliaria Algeciras Ltda.                            | 42,243,674               | 42,243,674         | 9.70%             |
| Costanera SACI  | 30,079,545               | 30,079,545         | 6.91%             |
| Inmobiliaria Alianza S.A.                               | 29,552,009               | 29,552,009         | 6.79%             |
| AFP Habitat S.A. para Fondo de Pensiones (A,B,C,D)      | 25,830,364               | 25,830,364         | 5.93%             |
| Compass Small Cap Chile Fondo de Inversión              | 25,466,620               | 25,466,620         | 5.85%             |
| San José Farms S.A.                                     | 23,293,100               | 23,293,100         | 5.35%             |
| Agrícola Costanera S.A.                                 | 16,239,705               | 16,239,705         | 3.73%             |
| BTG Pactual Chile S.A. Administradora General de Fondos | 14,737,849               | 14,737,849         | 3.38%             |
| Comercial Epysa S.A.                                    | 14,000,000               | 14,000,000         | 3.21%             |
| Valles del Sur S.P.A.                                   | 13,480,494               | 13,480,494         | 3.10%             |
| Exportadora San José Trading Ltda.                      | 13,359,181               | 13,359,181         | 3.07%             |
| Siglo XXI Fondo de Inversión                            | 12,552,832               | 12,552,832         | 2.88%             |
| AFP Cuprum S.A. para Fondo de Pensiones (A,B,C,D)       | 10,865,156               | 10,865,156         | 2.49%             |
| Chile Fondo de Inversión Small Cap                      | 10,009,337               | 10,009,337         | 2.30%             |
| San Juan de Virquenco Tres S.A.                         | 7,344,255                | 7,344,255          | 1.69%             |
| Empresas Penta S.A.                                     | 5,306,908                | 5,306,908          | 1.22%             |
| Fondo de Inversión Santander Small Cap.                 | 4,831,483                | 4,831,483          | 1.11%             |
| Asesorías e Inversiones Pacific Trust Limitada          | 4,732,485                | 4,732,485          | 1.09%             |
| Banco Santander Chile - on behalf of foreign investors  | 4,653,029                | 4,653,029          | 1.07%             |
| Inversiones Fural Limitada                              | 3,905,756                | 3,905,756          | 0.90%             |
| Inversiones Canihua S.A.                                | 1,577,475                | 1,577,475          | 0.36%             |
| BCI Small Cap Chile Fondo de Inversión                  | 1,453,595                | 1,453,595          | 0.33%             |
| Banco Itau por Cuenta de Inversionistas Extranjeros     | 1,323,412                | 1,323,412          | 0.30%             |
| Asesorías, Inversiones e Inmobiliaria María Elena Ltda. | 1,198,249                | 1,198,249          | 0.28%             |
| Inversiones Alba S.A.                                   | 1,163,066                | 1,163,066          | 0.27%             |
| Inmobiliaria e Inversiones Alquileria Ltda.             | 965,947                  | 965,947            | 0.22%             |
| Agrícola San Nicolás Limitada                           | 929,550                  | 929,550            | 0.21%             |
| Banco de Chile (on behalf of third parties)             | 792,416                  | 792,416            | 0.18%             |
| BTG Pactual Chile S.A. C de B                           | 629,087                  | 629,087            | 0.14%             |
| Valores Security S.A. C de B                            | 609,817                  | 609,817            | 0.14%             |
| Banchile C de B S.A.                                    | 433,767                  | 433,767            | 0.10%             |
| Asesorías e Inversiones A y D S.A.                      | 397,483                  | 397,483            | 0.09%             |
| BTG Pactual Chile Compañía de Seguros de Vida S.A.      | 350,000                  | 350,000            | 0.08%             |
| Inversiones FJ  | 330,019                  | 330,019            | 0.08%             |
| Euroamerica C de B S.A.                                 | 212,857                  | 212,857            | 0.05%             |
| Santander C de B  | 204,240                  | 204,240            | 0.05%             |
| BBVA Asset Management Administradora General de Fondos  | 192,612                  | 192,612            | 0.04%             |
| Soc. de Inversiones Santa Isabel Limitada               | 100,000                  | 100,000            | 0.02%             |
| BCI Corredores de Bolsa S.A.                            | 91,965                   | 91,965             | 0.02%             |
| BICE Inversiones Corredores de Bolsa S.A.               | 87,994                   | 87,994             | 0.02%             |
| Brokering Alacid Karin Lisbeth                          | 86,433                   | 86,433             | 0.02%             |
| Brokering Alacid Waleter Alexander                      | 76,649                   | 76,649             | 0.02%             |
| Larrain Vial S.A. Corredores de Bolsa                   | 73,498                   | 73,498             | 0.02%             |
| Others  | 439,546                  | 439,546            | 0.10%             |
| <b>Total shares</b>                                     | <b>435,520,079</b>       | <b>435,520,079</b> | <b>100.00%</b>    |

### 1.2.2. Distribution of shares as of September 30, 2017

These shareholders include shares that are in custody at Banks and/or brokers, as detailed below:

| <u>Shareholders</u>                                     | <u>Custodian</u>                      | <u>Paid shares</u> | <u>Ownership percentage</u> |
|---|---------------------------------------|--------------------|-----------------------------|
| Asesorías e Inversiones Pacific Trust Limitada          | BCI Corredores de Bolsa S.A.          | 4,732,482          | 1.09%                       |
| Inversiones Fural Limitada                              | BCI Corredores de Bolsa S.A.          | 3,905,756          | 0.90%                       |
| Inversiones Canihua S.A.                                | BCI Corredores de Bolsa S.A.          | 1,577,475          | 0.36%                       |
| Asesorías, Inversiones e Inmobiliaria María Elena Ltda. | BTG Pactual Chile S.A. C de B         | 1,198,249          | 0.28%                       |
| Asesorías e Inversiones A y D S.A.                      | Larrain Vial S.A. Corredores de Bolsa | 67,464             | 0.02%                       |
|   | <b>Total shares</b>                   | <b>11,481,426</b>  | <b>2.65%</b>                |

## **NOTE 2 – PREPARATION BASES**

### **2.1 Compliance Declaration**

The information contained in these consolidated interim financial statements, is the responsibility of the Company's Board and were approved on November 28, 2017.

### **2.2 Preparation Bases**

The current consolidated interim financial statements for Hortifrut S.A and Subsidiaries as of September 30, 2017 and December 31, 2016 have been prepared in accordance with the International Financial Reporting Standards, issued by the International Accounting Standards Board (from hereon IASB).

Since it is interim financial information, the norms of IAS 34 have been applied.

The consolidated interim financial statements have been prepared under the historic cost criteria, though modified by the valuation to fair value of certain financial instruments.

The preparing of the consolidated interim financial statements as per the aforementioned, requires the use of certain critical accounting estimations. It also demands that Management exercises its judgment in the process of applying the Company's accounting policies. In Note 2.6, we reveal the areas that imply a greater level of judgment or complexity or the areas where the hypothesis and estimations are significant for the consolidated interim financial statements.

Minor re-classifications have been performed to the interim consolidated financial statements from the previous period in order to be able to better compare the exposed information, these arise from the recurring analysis performed by Management, always with the perspective of uniform financial information and changes in criteria or accounting estimations as per what is stated in IAS 8 are not applied.

The current interim consolidated financial statements have been prepared from the accounting records kept by the parent company and by the other entities that form part of the consolidated holding. Each entity prepares its financial statements following the accounting principles and criteria valid for each country, so it requires a consolidation process. We have incorporated the adjustments and re-classification necessary to unify said principles and criteria to adapt them to IFRS.

As of the date of the current interim financial statements, there are no important uncertainties regarding events or conditions that could provide significant doubts regarding the possibility that the entity will continue operating normally as a going concern.

### **2.3 Covered period**

The current consolidated interim financial statements cover the following periods:

- Consolidated interim Statements of Financial Position as of September 30, 2017 and December 31, 2016.
- Consolidated interim Income Statement, for the three month periods and the nine month periods ending September 30, 2017 and 2016.
- Consolidated interim Cash Flow Statement, for the nine month periods ending September 30, 2017 and 2016.
- Consolidated interim Statement of Changes in Net Equity, for the periods ending September 30, 2017 and 2016.



## 2.4 Reporting currency and functional currency

The items included in the financial statements of each of Hortifrut S.A. and its subsidiaries entities are valued using the currency of the main economic environment where the entity operates (functional currency). Hortifrut S.A.'s functional currency is the United States dollar, which also constitutes the reporting currency of the consolidated statement of financial position. All of the information is presented in thousands of United States dollars and has been rounded to the closest unit (KUS\$).

### 2.4.1 Transactions and balances

Transactions in foreign currency, with this being any currency different to the functional currency, are converted to the functional currency by using the valid exchange rates on the dates of the transactions. Profit and loss in foreign currency that results from the liquidation of these transactions and conversion to the exchange rate valid at the closing of the monetary assets and liabilities denominated in foreign currency, are acknowledged in the consolidated income statement.

### 2.4.2 Foreign currency exchange rate

The exchange rates of the main currencies used in Hortifrut and its subsidiaries' accounting process, in relation to the dollar, as of September 30, 2017 and December 31, 2016, are the following:

| Currency           | Nemo | 30-Sep-17 |                | 31-Dec-16 |                |
|--------------------|------|-----------|----------------|-----------|----------------|
|                    |      | Closing   | Annual average | Closing   | Annual average |
| Chilean Peso       | CLP  | 637.93    | 654.45         | 669.47    | 676.83         |
| Euro               | EUR  | 0.85      | 0.90           | 0.95      | 0.90           |
| Mexican Peso       | MXN  | 18.20     | 18.92          | 20.66     | 18.66          |
| Argentine Peso     | ARS  | 17.50     | 16.22          | 15.90     | 14.75          |
| Brazilian Real     | RBL  | 3.17      | 3.17           | 3.26      | 3.49           |
| Peruvian Nuevo Sol | PEN  | 3.27      | 3.26           | 3.36      | 3.37           |

The calculating of the exchange rate corresponding to the accumulated monthly average, is determined over the average base of the monthly average exchange rates.

### 2.4.3 Entities corresponding to Hortifrut and subsidiaries

The results and financial position of all of Hortifrut and subsidiaries' entities (none of which have the currency of a hyperinflationary economy) which have a functional currency different to the reporting currency are converted to the reporting currency as follows:

- i) The assets and liabilities of each presented statement of financial position are converted at the closing exchange rate of the period;
- ii) Income and expenses of each income statement account are converted at the daily exchange rate or when this is not possible, the average monthly exchange rate is used as a reasonable approximation; and
- iii) All of the resulting exchange rate differences are acknowledged under other integral results and the conversion reserve under net equity.

The assets and liabilities of the consolidated Subsidiaries expressed in a currency different to the United States dollar are converted using the valid Exchange rate on the date of the statement of financial position; income and expenses are converted at the average monthly exchange rate of the period covered by the financial

statements. The differences resulting from the application of this method are classified in other integral results forming part of the exchange rate fluctuation reserve.

## 2.5 New issued norms and interpretations

### New norms, amendments to norms and interpretations that are mandatory for the first time from the periods starting on January 01, 2017

| Amendments to IFRS   | Mandatory application date  |
|--|---|
| IAS 7: Initiative to reveal, amendments to IAS 7.  | Annual periods starting on or after January 1, 2017. Allows anticipated adoption. |
| IAS 12, Acknowledgment of Assets by Deferred Taxes by Non Realized Losses (modifications to IAS 12). | Annual periods starting on or after January 1, 2017. Allows anticipated adoption. |
| Cycle of annual improvements to IFRS Norms 2014-2016. Modifications to IFRS 12.                      | Annual periods starting on or after January 1, 2017. Allows anticipated adoption. |

The aforementioned norms, amendments and interpretations, do not have a significant impact on the consolidated interim financial statements.

### New accounting pronouncements

The improvements and modifications to IFRS, as well as the interpretations that have been published in the period are detailed below. As of the date of these consolidated financial statements, these norms have not yet become valid and the Company has not applied them in an anticipated manner:

| New IFRS  | Mandatory application date   |
|---|--|
| IFRS 9, Financial Instruments   | Annual periods starting on or after January 1, 2018. Allows anticipated adoption.  |
| IFRS 15 Operating Activity Revenue from contracts with customers  | Annual periods starting on or after January 1, 2018. Allows anticipated adoption.  |
| IFRS 16: Lease  | Annual periods starting on or after January 1, 2019. Allows anticipated adoption for entities that apply IFRS 15 on or before this date.     |
| IFRS 17: Insurance Contracts  | Annual periods starting on or after January 1, 2021. Allows anticipated adoption for entities that apply IFRS 9 and IFRS 15 on or this date. |
| New Interpretations   |  |
| IFRIC 22: Foreign Currency Transactions and Advance Considerations  | Annual periods starting on or after January 1, 2018. Allows anticipated adoption.  |
| IFRIC 23: Uncertainty over Income Tax Treatments  | Annual periods starting on or after January 1, 2019. Allows anticipated adoption.  |
| Amendments to IFRS  |  |
| IAS 28: Long Term Interests in Associated Companies and Joint Ventures  | Annual periods starting on or after January 1, 2019. Allows anticipated adoption.  |
| IAS 40: Investment Property Transfers (Modifications to IAS 40, Investment Properties).   | Annual periods starting on or after January 1, 2018.   |
| IFRS 2, <i>Payments Based on Shares</i> : Clarifying of the recording of certain types of transactions of share based payments.   | Annual periods starting on or after January 1, 2018. Allows anticipated adoption.  |
| IFRS 9: Prepayment clauses with negative compensation   | Annual periods starting on or after January 1, 2019. Allows anticipated adoption.  |
| IFRS 10, Consolidated Financial Statements, and IAS 28, <i>Investments in Associated Companies and Joint Ventures</i> : Transfer or contribution of assets between an investor and its associated company or joint venture. | Effective date indefinitely deferred.  |
| IFRS 15, Revenue from Operating Activities from Contracts with Customers: Amendment clarifying requirements and granting additional transition release from companies that implement the new norm.                          | Annual periods starting on or after January 1, 2018. Allows anticipated adoption.  |
| Cycle of annual improvements to IFRS 2014-2016. Amendments to IFRS 12.  | Annual periods starting on or after January 1, 2018. Allows anticipated adoption.  |

Management is evaluating the impact of the application of IFRS 9, IFRS 15 and IFRS 16; nevertheless, it is not possible to provide a fair estimation of the effects that these norms will have until Management performs a detailed revision. In Management's opinion, it is estimated that the future application of other norms and amendments will not have a significant impact on the consolidated interim financial statements.

## **2.6 Use of estimations and judgments**

In accordance with IAS 1, when preparing the consolidated financial statements, estimations realized by management have been used, to quantify some assets, liabilities, income, expenses and commitments that have been recorded.

These estimations basically refer to:

- The valuation of intangible assets different to appreciation, appreciation originated in the acquisition of companies, which could affect the determining of loss due to impairment in value of these expressed in Note 17 and 18.
- Determining fair value of biological assets based on non-observable significant data entry (Note 13).
- Estimating the fair value of “bearer plants” (Note 19).
- Useful life and residual values of property, plants and equipment (Note 19).
- The hypothesis used to calculate the estimations of non-collectability of sales debtors and customer accounts receivable (Note 10).
- Acknowledging Income (Note 3.20)
- Cost Provisions (Note 3.19).

These estimations have been realized based on the best information available on the date of issuance of the current consolidated financial statements, but it is possible that events that could take place in the future could force these to be modified (increase or decrease) in future periods, which would be done in a prospective manner, acknowledging the effects of change in estimation in the future corresponding consolidated financial statements.

## **2.7 Changes in accounting policies**

The consolidated financial statements as of September 30, 2017, do not present changes in the accounting policies in relation to the same date last year.

## **NOTE 3 - MAIN APPLIED ACCOUNTING POLICIES**

### **3.1 Consolidation Bases**

#### **3.1.1 Business combination**

Hortifrut S.A. and its subsidiaries, acknowledge in their consolidated financial statements the identifiable assets (including intangible assets that have not been acknowledged beforehand) and the assumed liabilities of any interest in companies acquired at fair value, as per IFRS 3, issued and revised by IASB. Also, it acknowledges and measures any appreciation or gains from the purchase of these entities. The appreciation generated in a business combination is initially measured at cost. After the initial acknowledgment, it is measured at cost minus any accumulated loss due to impairment. For the purpose of impairment tests, purchased appreciation acquired in a business combination is assigned from the date of acquisition to each cash generating unit or group of these which is expected to benefit from the synergies of the combination.

If the cost of acquisition is lower than the fair value of the net assets of the acquired company, the difference is acknowledged in results and is presented in the line Other profit (loss). If the initial accounting of a business combination is determined only in a provisional manner, the Company, during the measuring period, will retroactively adjust the acquired provisional amounts, in accordance with the new information obtained. Furthermore, it will acknowledge any additional asset or liability if any new information is obtained, as long as the measuring period does not exceed a year from the date of the purchase. The business combinations are recorded using the acquisition method as of the date when control is transferred to the Group. Control is understood to be the power to direct the accounting policies and the operation of an entity in order to obtain benefits from its activities.

The Group values appreciation as of the acquisition date as:

- The fair value of the transferred considerations;
- The acknowledged amount of any non parent company interest in the acquired company;
- Plus if the business combination is performed in stages, the fair value of the existing interest in the equity of the acquired;
- Minus the net acknowledged amount (in general, the fair value) of the identifiable acquired assets and the identifiable assumed liabilities.

When the excess is negative, a sales gain in advantageous conditions is immediately acknowledged in result.

#### **3.1.2 Subsidiaries**

The consolidated statements of financial position incorporate the Company's financial statements and those of the companies controlled by the Company (its subsidiaries). To have control is when the Company has power over the subsidiary, when it has exposure or the right to variable yields from its implication in the subsidiary and when it has the capacity to use its power to influence the amount of the investor's returns. When evaluating if the Group controls another entity, it must consider the existence and the effect of the potential rights to vote that can currently be executed or converted. The subsidiaries are consolidated from the date when control is transferred and are excluded from the consolidation on the date that this ends.

The acquisition method is used to record the acquisition of subsidiaries. The cost of acquisition is the fair value of the delivered assets, of the issued equity instruments and of the incurred or assumed liabilities on the date of the exchange. The acquired identifiable assets and the identifiable liabilities and contingencies assumed in a business combination are initially valued at their fair value on the date of the purchase, regardless of the scope of the interests of non-parent companies. The excess acquisition cost over the fair value of the Company's interests in the acquired net identifiable assets, is acknowledged as lower value or goodwill. If the acquisition cost is lower than the fair value of the net assets of the acquired subsidiary, the difference will be

directly acknowledged in the income statement.

Inter-company transactions, balances and earnings not realized for transactions between related entities are eliminated. The non-realized losses are also eliminated, unless the transaction provides evidence of a loss due to impairment of the transferred asset. When it is necessary to assure its uniformity with the policies adopted by Hortifrut and subsidiaries, then the accounting policies of the subsidiaries are modified.

Below is a detail of the front-line companies included in the current consolidated financial statements:

| <u>Companies</u>                            | <u>RUT</u>   | <u>Country<br/>of Origin</u> | <u>Functional<br/>Currency</u> | <u>30-Sep-17</u> |                   |                | <u>31-Dec-16</u> |
|---|--------------|------------------------------|--------------------------------|------------------|-------------------|----------------|------------------|
|   |              |                              |                                | <u>Direct %</u>  | <u>Indirect %</u> | <u>Total %</u> | <u>Total %</u>   |
| Agrícola El Avellano S.A. and subsidiaries  | 96.923.620-6 | Chile                        | US\$                           | 40.0000          | -                 | 40.0000        | 40.0000          |
| Agrícola Mataquito S.A.                     | 76.306.130-2 | Chile                        | US\$                           | 50.0000          | -                 | 50.0000        | 50.0000          |
| Agrícola Sta. Rosa del Parque S.A.          | 99.584.440-0 | Chile                        | US\$                           | 30.0000          | -                 | 30.0000        | 30.0000          |
| Agrícola Hortifrut S.A.                     | 79.764.840-k | Chile                        | US\$                           | 99.9900          | 0.0100            | 100.0000       | 100.0000         |
| Agrícola y Gan. Santa Rebeca Ltda.          | 78.988.990-2 | Chile                        | US\$                           | 25.0000          | -                 | 25.0000        | 25.0000          |
| Agrícola Vida Nueva S.A.                    | 96.996.290-k | Chile                        | US\$                           | 50.0000          | -                 | 50.0000        | 50.0000          |
| Colmenares Hortisur SPA                     | 99.568.520-5 | Chile                        | CLP                            | 100.0000         | -                 | 100.0000       | 100.0000         |
| Hortifrut Chile S.A. and subsidiaries       | 99.524.450-0 | Chile                        | US\$                           | 99.9900          | 0.0100            | 100.0000       | 100.0000         |
| Top Berries & Fruit SPA                     | 76.023.726-4 | Chile                        | US\$                           | 100.0000         | -                 | 100.0000       | 100.0000         |
| Berries de Panguipulli SPA                  | 76.243.167-K | Chile                        | US\$                           | 100.0000         | -                 | 100.0000       | 100.0000         |
| Inversiones Hortifrut S.A. and subsidiaries | 99.524.540-k | Chile                        | US\$                           | 99.9999          | 0.0001            | 100.0000       | 100.0000         |

The detailed Companies correspond to front line companies where control is kept. In the case of those subsidiaries which directly or indirectly maintain an interest equal to or lower than 50%, they have been included in the consolidation process because the Company has the power to direct the financial and operating policies (see Note 15).

### Modifications to the consolidation base

During the period ending September 30, 2017, no modifications have been incorporated in the consolidation bases.

### 3.1.3 Transactions and interests of non-parent company

The interests of non-parent companies are presented in the item Net Equity of the consolidated classified statement of financial position. The profit or loss attributable to the non-controlling interest is presented in the consolidated income statement, constituting the profit (loss) of the period. The results of the transactions between the non-parent company shareholders and the parent company shareholders of the companies where the property is shared, are recorded under equity and, therefore, are shown in the consolidated statement of changes under net equity.

### 3.1.4 Associates

Associates are all the entities over which Hortifrut S.A. and its subsidiaries have a significant influence, but do not have control over the financial and operating policies, generally with an ownership between 10% and 50%. Investments in associates are recorded when formed or purchased at cost and are subsequently adjusted via the equity method. Hortifrut and its subsidiaries' investments in associates include Appreciation identified in the acquisition, net of any loss due to accumulated impairment.

The non-realized earnings due to transactions between the Group and its associates are eliminated based on the Group's interest percentage. The non-realized losses are also eliminated, except if the transaction provides evidence of loss due to impairment of the asset that is transferred.

Hortifrut and its subsidiaries' participation in the profit or loss after the acquisition of its associates is acknowledged in results, and its interest in the equity activities after the acquisition is acknowledged under the corresponding reserve within Net Equity. When Hortifrut and its subsidiaries' interests in the loss of an associate is the same or higher than its investment in it, including any other non-insured account receivable, Hortifrut and its subsidiaries will not acknowledge additional loss, unless it has incurred in obligations or performed payments on behalf of the associate.

### **3.2 Financial information per operating segments**

IFRS 8 demands that entities adopt "the Administration focus" when revealing information regarding the result of its operating segments. In general, this is the information that Management and the board use internally to evaluate the performance of the segments and to decide how to assign resources for these.

Hortifrut and its subsidiaries present the information by segments (which correspond to business areas) based on the financial information placed at the disposition of the decision makers, in relation to matters such as measuring profitability and assigning investments and based on the difference in products, as indicated in IFRS 8 – Financial Information by Segments. This information is detailed in Note 6.

The determined Segments which correspond to the business areas are the following:

Blueberry Segment  
Raspberry Segment  
Blackberry Segment  
Strawberry Segment  
Cherry Segment  
Value Added Products Segment (Frozen, dehydrated, retail products and any other fruit product which is not fresh)  
Others Segment

### **3.3 Property, plant and equipment**

The Company's property, plant and equipment are made up of land, constructions, infrastructure, machines, equipment, bearer plants and other fixed assets.

#### **3.3.1 Land, constructions, plants, equipment and machinery**

Land is acknowledged at its purchase cost. Constructions, plants, equipment and machinery are acknowledged, both at the initial moment and subsequently, at cost minus the corresponding accumulated depreciation and impairment, in case it exists.

Subsequent costs (improvements, expansions and works in progress) are included in the value of the initial asset or are acknowledged as a separate asset, only when it is probable that the future economic benefits associated with the fixed asset elements will flow to the Company and the cost of the element can be determined in a reliable manner. In the case of the replacement of components, the value of the substituted component is cancelled for accounting purposes.

Derivative costs from daily maintenance and common repairs are acknowledged in the period's result.

Profit or loss from the sale of property, plants and equipment are calculated comparing income obtained from the sale with the book value of the asset (net of depreciation) and are recorded in the consolidated income statement.

### 3.3.2 “Bearer Plants”

Due to the application of Amendment to IAS 16 and IAS 41, which became valid on January 1, 2016, fruit “bearer plants”, are considered a machinery item in a manufacturing process, so, their value is classified under Property, plant and equipment and recorded as specified in IAS 16.

Fruit “bearer plants” can be differentiated depending on their productive state between the development stage and production stage, and are valued as per the following criteria:

a) “Bearer plants” in development

“Bearer plants” in development are valued at the acquisition and/or production cost of the plants plus the costs to maintain them until the date when they start producing.

b) “Bearer plants” in production

“Bearer plants” in production have been acknowledged at revalued cost, which is their fair value, minus the accumulated depreciation and the accumulated amount of the loss due to impairment in value which has taken place. The revaluations are performed every 3 or 5 years or when there is evidence that the fair value of the revalued asset significantly differs from its book value, for which management annually checks the fair value of its “bearer plants”. The last valuation took place on December 31, 2016. The method is detailed below.

“Bearer plants” are considered to be in production as per the following:

#### **Blueberry:**

- Chile, Mexico and Spain: a plantation in production is when the volume of produced fruit surpasses 30% of the potential volume of the variety, which is estimated by expert agronomists.
- Peru: a plantation is considered to be in production when the volume of produced fruit surpasses 50% of the potential volume of the variety, which is estimated by expert agronomists.

Nevertheless, if the period of time that passes between the date of the plantation and the date of the valuation is equal to or higher than 6 years, the plantation must be considered in production, regardless of the reached level of production.

#### **Raspberry:**

A plantation is considered to be in production the season after the plantation takes place, this is regardless of the geographical area where it is located.

#### **Blackberry:**

A plantation is considered to be in production the season after the plantation takes place, this is regardless of the geographical area where it is located.

Due to the different varieties that the company has, the different geographic areas and the different climates and countries where the planting takes place, the Company estimates that it is necessary to wait for certain production levels to be able to evaluate the potential and the fair value of the “bearer plants”. During this period, given the level of uncertainty, the Company values “bearer plants” under development at cost.

When the book value of the “bearer plants” is modified, as a result of a revaluation, said variation is taken directly to a revaluation reserves account in net equity.



If the book value is modified due to the presence of impairment in “bearer plants”, said decrease in the value will be attributed first to the revaluation reserves account under net equity, to its complete extinction, and if there is a remaining balance, it will be directly attributed to the results of the period under the account Other expenses, per function.

Since there is not an active market for the products elaborated by the Company, or a price reference or observable market values for the different varieties planted by it, among other things due to the differentiation of its products, the Company uses as a method to determine the fair value of “bearer plants” the discount cash flow model, through which the fair value of the “bearer plants” is calculated by using the cash flows of continuous operations, based on harvesting plans. This means that the fair value of the “bearer plants” is measured as the current value of the harvest of a growth cycle based on productive fruit plantations. This valuation is performed on a 20-year production horizon for blueberries and 5 years for raspberries and blackberries. In case the plantations are on leased land and/or taken in usufruct, with expiry lower than the previously stated terms, the valuation will be adjusted to those expiries.

This method corresponds to an estimation of the fair value of Level III, as is established in IAS 13.

The most significant variables used in the fair value model described beforehand are the following:

- a) **Production Volume:** this estimation is performed by expert agronomists, who based on the age of the plantations, the varieties and the planted surface, perform projections of the volume of fruit that each field will generate, which, for valuation purposes, incorporate volatility through a distribution of Normal probability, with an average equal to the estimated production volume for each field and a standard deviation of 10% of the average. This production volume is differentiated depending on if it is sold as fresh fruit or if it is destined to the frozen fruit market.
- b) **Producer return:** from the weekly historical sale price in the 8 season final market, we determine the weekly historical producer return for the fresh fruit from each of the fields, this considers the production curve, data with which we determine the distribution of probability with which said returns are distributed, distributions that are used to incorporate risk to the calculation of the fair value of “bearer plants”. In the case of producer return of the fruit destined to the frozen fruit market, the spot price present in the market at the moment of the valuation is used.
- c) **Fixed cost per hectare:** corresponds to the cost for maintaining plantations, which incorporates tasks such as pruning, phytosanitary controls, pollination, fertilization, irrigation, weed control, general expenses and the cost of the use of the land, among other items, incorporating the supplies used in these tasks, and the workforce necessary to execute them. The best estimation of these costs corresponds to the budget of the current season, every time that a corresponding valuation is realized.
- d) **Variable cost per kilo:** corresponds to harvesting costs incurred to extract fruit from “bearer plants”, mainly considering the harvesting workforce and harvesting and supplies support personnel used for this task. The best estimation of this cost corresponds to the budget of the current season, each time the corresponding valuation is performed.



- e) **Discount rate:** the discount rates employed in the valuation model have been determined using the CAPM model, commonly used in similar market practices, to determine reference discount rates.

The formula specifically considers the following variables:

Expected return rate ( $R_i$ )

$$= \text{Risk free rate } (R_f) + \text{Beta of the asset } (\beta_i) * \text{Risk premium}$$

Where:

$R_f$  - risk free rate  $R_f$

$\beta_i$  - Beta of assets representing the relationship between the return of an asset and the market

**Risk premium** – estimated based on the average difference between the market return and the risk free rate  $R_f$

Based on the preceding formula, the Company uses the following discount rates as of December 31, 2016:

| <b>Hortifrut S.A.</b>           | <b>Chile<br/>(USD)</b> | <b>Mexico<br/>(USD)</b> | <b>Spain<br/>(EUR)</b> |
|---------------------------------|------------------------|-------------------------|------------------------|
| Risk free rate                  | 3.19%                  | 4.13%                   | 0.41%                  |
| Beta HF (Agricultural Business) | 0.92                   | 1.20                    | 1.20                   |
| Risk premium                    | 6.00%                  | 6.00%                   | 6.00%                  |
| <b>Discount rate (CAPM)</b>     | <b>8.71%</b>           | <b>11.33%</b>           | <b>7.61%</b>           |

The corresponding sovereign bond rates in the indicated currencies (source: Bloomberg) were used for risk free rates, which are detailed as follows:

- Chile: bond EK6406467, with expiry on March 27, 2025, in United States currency
- Mexico: bond EK6138946, with expiry on January 30, 2025, in United States currency
- Spain: bond EK1464453, with expiry January 31, 2022, in Euro currency

The calculation of Beta is based on a sample of 37 companies from the Farming/Agriculture sector of the United States, which gave a result of 0.92 (source: Damodaran on January 5, 2017). In the case of Chile it is reasonable to use this indicator because of the geographic diversification of its fields. This is not the case of Mexico and Spain, where plantations are not so diversified, so Betas of 1.20 were used.

The used risk premium is 6%, which has been historically observed in the main stock markets in the world, including the Chilean, Mexican and Spanish markets.

- f) **Exchange Rate:** the exchange rate is a relevant variable within the valuation model of “bearer plants” in Chile and Mexico, because most fixed costs per hectare and variable costs per kilo are denominated in local currency, while the valuation model uses cash flow in American dollars. For this calculation we incorporate risk into this variable through a distribution of Normal probability, with an average equal to the exchange rate observed as of December 31 of each year and with a standard deviation equal to 10% of the average. In the case of Spain, the valuation is directly realized in Euros and the final result is translated at the closing Exchange rate of the financial statements. The used exchange rates are detailed in Note 2.4.2.

### 3.3.3 Depreciation

Depreciation of the fixed assets (except for “bearer plants”) is calculated using the lineal method, distributing it in a systematic manner during its useful life. This useful life has been determined based on the natural

expected impairment, technical or commercial obsolescence derived from the changes and/or improvements in production and changes in the market's demands for the products obtained in the operation with said assets. Land is not depreciated.

Depreciation of "bearer plants" is calculated according to its production forecasted in the useful life of the plant and is assigned as per the real production curves. In the case of plantations that are located on leased land, the useful life is adjusted as per the expiry of the corresponding lease contract.

The estimated useful lives are as follows:

|  | <b>Minimum Life<br/>or Rate<br/>Years</b> | <b>Maximum<br/>Life or Rate<br/>Years</b> |
|--|---|---|
| <b>Construction and infrastructure works</b>               |   |   |
| Steel, reinforced concrete constructions                   | 50  | 80  |
| Wooden buildings   | 10  | 30  |
| Provisional constructions                                  | 5   | 10  |
| Minor agricultural constructions (macro-tunnel and others) | 3   | 8   |
| <b>Machinery and equipment</b>                             | 8   | 10  |
| <b>Information technology (IT) equipment</b>               | 3   | 6   |
| <b>Furniture and supplies</b>                              | 5   | 10  |
| <b>Motor vehicles</b>                                      | 8   | 10  |
| <b>Bearer Plants</b>                                       |   |   |
| Blueberries  | 10  | 20  |
| Raspberries and others                                     | 3   | 5   |

The installations that the Company keeps inactive, continue with their depreciation as per the lineal method.

The residual value and the useful life of the assets are checked, and adjusted if necessary, at each closing of the financial statements of position in order to obtain a remaining useful life as per the value of the assets.

The effects of depreciation are presented under Cost of Sales.

### 3.4 Current Biological Assets

As per what is established in IAS 41, agricultural products that grow on fruit "bearer plants" will follow this norm, which must be measured at their fair value minus sales costs, recording the changes in valuation under results as the product grows.

The minimum amount of said fair value is the cost incurred in during the season in course. Additionally, said fair value would include the margin expected for the fruit that is closest to the harvest, based on the maturity curve of the fruit. Regardless, when the estimation of said margin per subsidiary does not significantly differ from the cost incurred as of the date of the Financial Statements, this value will not be recorded.

The variables used to calculate fair value are the following:

- **Volume:** Corresponds to the fruit which at the closing of the financial statements is estimated to be harvested in no more than 80 days in the case of blueberries and no more than 30 days in the case of raspberries. This estimation of harvest volumes is performed by expert agronomists, who based on the phenological state of the fruit hanging on the "bearer plants", of the variety and geographic location of the plantations, perform a projection of the volume of fruit that will be harvested during the next weeks.

- **Producer return:** From the weekly historical sale price in the final market (taking as a reference the prices published by USDA - United States Department of Agriculture- for the last 8 seasons), we determine the return that the field will receive, based on the date when the fruit is expected to be sold which, to the closing of each financial statement, is hanging from the “bearer plants”, deducting all the costs that must be incurred from the harvest to the arrival to the final customer.
- **Production Cost:** is determined through the accumulation of real costs for each productive hectare, considering all the maintenance tasks and depreciation of fixed assets used in each of the plantations until the moment of the evaluation.

### 3.5 Intangible assets other than appreciation

#### a) Varietals Licenses

The acquired varietals licenses are shown at purchase cost, and are amortized charged to the cost of sale as income from sales is generated, or by the plant’s development cost.

Corresponds to the rights acquired for the production and commercialization of varieties of Berries.

#### b) IT programs

Correspond to licenses for acquired software, which are capitalized over the base of the costs incurred in to acquire and prepare them to use the specific program. These costs are amortized during their useful lives estimated at 6 years.

Expenses related with the development or maintenance of software are acknowledged as expenses when they arise. Costs directly related with the production of unique and identifiable software controlled by Hortifrut and subsidiaries, and which will probably generate superior economic benefits than their costs for over a year, are acknowledged as intangible assets. Direct costs include expenses corresponding to the personnel that develop the software and any kind of expense incurred in for its development or maintenance.

#### c) Water rights

Water rights which have an indefinite useful life, since as per all the considered factors, there is no time limit when the asset generates net cash flows for the Company. It is recorded at the cost incurred in its acquisition.

#### d) Relationship with Customers

Intangibles generated in the acquisition of Vitalberry Marketing SpA due to the latter’s relationship with customers, transferred as part of the merger process. The estimation of returns demanded from this company, considered a customer “outflow” rate of an annual 10%, establishing an amortization period for this intangible of 15 years, which is recorded in the consolidated income statement under the item of administration expenses.

e) VitalBerry Brand

Due to the market participation in the different continents where Vitalberry sold its products, at the moment of its acquisition, it was considered that this brand has a value. The used focus was the “Relief from Royalty” method based on the assumption that the owner of the intangible asset, saves the payment of Royalty for the use of said asset.

### **3.6 Appreciation**

Appreciation arises from the acquisition of subsidiaries and represents the excess of the considerations transferred over Hortifrut S.A. and subsidiaries’ interests in the net fair value of the identifiable net assets, liabilities and contingent liabilities of the acquired and the fair value of the non dominating interest in the acquired.

In order to perform the tests for loss due to impairment, the appreciation acquired in a business combination is assigned to each one of the cash generating units, or Groups of cash generating units, that are expected to benefit from the synergies of the combination. Each unit or Group of units which are assigned the appreciation represent the lowest level within the entity where appreciation is controlled for internal management purposes. Appreciation is controlled at the operating segment level.

Revisions of the loss due to impairment of the value of the appreciation are performed annually or more often if events or changes in circumstances indicate a potential loss due to impairment. The book value of appreciation is compared with the recoverable amount, which is the used value or the fair value minus sales costs, the highest of these values. Any loss due to impairment is immediately acknowledged as an expense and is not subsequently reverted.

### **3.7 Interest Costs**

Interest costs which can be directly attributed to the construction of any rated asset are capitalized during the time that is needed to complete and prepare the asset for the intended use. Other interest costs are recorded under results.

### **3.8 Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortization and are subjected on a yearly basis to loss due to impairment of value tests.

Assets subject to depreciation are subjected to loss due to impairment tests as long as some event or change in the circumstances of the business indicates that the book value of the assets may not be recoverable. A loss due to impairment is acknowledged when the book value is higher than its recoverable value.

The recoverable value of an asset is the highest between the fair value of an asset minus sales cost and its value in use. In order to evaluate the loss due to impairment of value, assets are grouped at the lowest level for which cash flows that can be separately identified (CGU) exist.

Non-financial assets other than purchased Appreciation which have suffered a loss due to impairment are subjected to revision on each closing date of the financial statement of position to verify if reversals of the loss have been produced.

Loss due to impairment in value can be reversed in accounting only up to the amount of the loss acknowledged in previous periods, so that the book value of these assets does not surpass the value that they would have had if said adjustments had not taken place. This reversal is recorded in the Other profit (loss) account.

### **3.9 Financial Assets**

Hortifrut and subsidiaries classify their financial assets under the following categories: a) fair value with changes in results and b) loans and accounts receivable. The Group does not maintain financial instruments held until their expiry or available for sale. The classification depends on the purpose with which the financial assets were acquired. Administration determines the classification of its financial assets at the moment of the initial acknowledgment.

#### **3.9.1 Classification of financial assets**

##### **a) Financial assets at fair value with changes in results**

Financial assets at fair value with changes in results are financial assets held for negotiation. A financial asset is classified in this category if it is mainly acquired with the purpose of selling it in the short term. Assets in this category are classified as current assets.

##### **b) Loans and accounts receivable**

Loans and accounts receivable are non-derivative financial assets with fixed or determinable payments, which are not quoted on an active market. Those items with expiry less than 12 months are classified as current assets. Items with expiry over 12 months are classified as non-current assets.

The category loans and accounts receivable includes trade debtors and other accounts receivable, accounts receivable with related entities, term deposits and cash and bank balances.

#### **3.9.2 Acknowledging and measuring financial assets**

The acquisition and disposal of financial assets is acknowledged on the date of the negotiation, in other words, the date on which Hortifrut and subsidiaries commit to acquiring or selling the asset.

##### **i) Initial acknowledgment**

Financial assets are initially acknowledged by the fair value plus the costs of the transaction, for all the financial assets not taken to fair value with changes in results. In case there is no significant difference between the fair value and the nominal value of the financial asset, these are recorded at their nominal value.

Financial assets at fair value with changes in results are initially acknowledged by their fair value, and the costs of the transaction are taken to results.

##### **ii) Subsequent valuation**

Financial assets at fair value with changes in result are subsequently recorded by their fair value with an offsetting entry in results. Loans and accounts receivable are recorded at their amortized cost in accordance with the effective interest rate method.

Financial assets are written off when the rights to receive cash flows from investments have expired or have been transferred and Hortifrut and subsidiaries have substantially transferred all the risks and advantages derived from their ownership.

The Company evaluates on the date of each consolidated statement of financial position if there exists objective evidence that a financial asset or a group of financial assets could have suffered loss due to impairment. In the case of financial assets held up to their expiry, if there is evidence of impairment, the amount of the provision

is the difference between the book value of the asset and the current value of the future estimated cash flows, discounted at the original effective interest rate.

### **3.10 Derivative financial instruments and hedging activities**

Derivatives are initially acknowledged at fair value on the date that the derivatives contract has taken place and they are subsequently valued again at their fair value. The method to acknowledge the resulting loss or profit depends on if the derivative has been designated as a hedging instrument and, if so, on the nature of the item that is being hedged. The Company designates certain derivatives such as:

- (a) Fair value hedging of acknowledged assets or liabilities (fair value hedging);
- (b) Hedging of a concrete risk associated to an acknowledged liability or a highly probable foreseen transaction (cash flow hedging); or
- (c) Derivatives that do not qualify for hedging accounting

The Company records at the start of the transaction the existing relationship between hedging instruments and the hedged items, as well as their objectives for risk management and the strategy to perform different hedging operations. The Company also records its evaluation, both at the start and over a continuous base, to see if the derivatives that are used in the hedging transactions are highly effective to compensate the changes in fair value or in the cash flows of the hedged items.

The total fair value of the derivatives is classified as Other assets or non-current financial liabilities if the remaining expiry of the hedged item is over 12 months and as Other current financial assets or liabilities if the remaining expiry of the hedged item is less than 12 months.

- (a) Fair value hedging

Changes in the fair value of derivatives that are designated and rated as fair value hedging are recorded in the consolidated income statement, together with any change in the fair value of the hedged asset or liability which can be attributed to the hedged risk.

- (b) Cash flow hedging

The effective part of changes in the fair value of the derivatives that are designated and classified as cash flow hedging are acknowledged as cash flow hedging reserves under net equity. Profit or loss related with the non-effective part is immediately acknowledged in the consolidated income statement, under “Other profit (loss)”.

In the case of variable interest rate hedging, the amounts acknowledged under equity are reclassified to results in the financial expenses line as the interests of the associated debts are accrued.

In the case of exchange rate hedging associated to costs and expenses to be incurred in Chilean pesos and associated to income to be received in Euros, the amounts acknowledged in equity are reclassified to results in the cost of sales item as the corresponding costs and expenses are accrued.

When a hedging instrument expires or is sold or no longer complies with the requirements demanded for hedging accounting, any profit or loss accumulated in net equity up to that moment remains under equity and is acknowledged when the foreseen hedged transaction is finally acknowledged in the consolidated income statement. When it is expected that the foreseen transaction will not take place, the profit or loss accumulated in net equity will immediately be taken to the consolidated income statement under “Other profit (loss)”.

### **3.11 Stock**

Stocks are valued at their acquisition cost or at their net realizable value, the lower of the two. Cost is determined by the weighted average price (WAP) method.

The cost of the finished products and the products in process include raw materials, direct labor force, other direct costs and general manufacturing expenses (based on a normal operating capacity), but do not include interest costs.

Net realizable value is the estimated sale price during the regular course of business, minus the variable costs of applicable sales.

Obsolete or slow moving materials and supplies are acknowledged at their realization value.

### **3.12 Trade debtors and other accounts receivable**

Receivable trade accounts are acknowledged at their nominal value, since average expiry terms do not surpass 90 days.

Additionally, estimations are performed over the doubtful collection accounts based on an objective revision of all the amounts pending at the end of each period. Loss due to impairment related to doubtful credits are recorded in the consolidated income statement in the period that they are produced. Trade credits are included in current asset under Trade debtors and other accounts receivable, in the measure that their estimation for collection is less than a year from the date of the financial statement.

### **3.13 Cash and cash equivalents**

Hortifrut S.A. and subsidiaries consider as cash and cash equivalents the cash balances held at hand and in current bank accounts, term deposits and other financial investments (negotiable securities of easy liquidation) with an expiry of less than 90 days. Within this item, the administration's own cash investments are also included, with an expiry which is in accordance with the aforementioned and whose funds are of free disposal.

Used bank overdraft lines are included in Other financial liabilities.

### **3.14 Corporate capital**

Corporate capital is represented by ordinary shares of a single kind.

Incremental costs which can be directly attributed to the issuance of new shares or options are presented in net equity as a deduction, of the obtained income.

The minimum legal dividends over ordinary shares are acknowledged as equity goodwill when they are approved by the shareholder's board.

### **3.15 Payable trade accounts and other accounts payable**

Payable trade accounts are initially acknowledged at their fair value and are subsequently valued by their amortized cost using the effective interest rate method when they have a term of over 90 days for their payment. Lower terms are recorded at nominal value because they do not present significant differences with their fair value.

### **3.16 Other financial liabilities**

Financial liabilities are initially acknowledged, by their fair value, net of costs incurred in the transaction. Subsequently, they are valued at their amortized cost and any difference between the obtained funds (net of the necessary costs for its obtention) and the reimbursement value, are acknowledged in the income statement during the life of the debt as per the effective interest rate method. The effective interest rate method consists on applying the market rate as a reference for debts with similar characteristics to the value of the debt (net of the necessary costs for its obtention).

It must be stated that if the difference between the nominal value and the fair value is not significant, the nominal value is used.

Financial liabilities are classified under current liability and non-current liability over the base of the contractual expiry of the nominal capital.

### **3.17 Gains tax and deferred taxes**

Hortifrut and its subsidiaries have acknowledged their tax rights and obligations based on the valid legal dispositions.

Expenses due to gains tax are acknowledged in the income statement, and correspond to tax payment determined over the taxable income of the year, applying the valid tax rates as of the closing date of the financial statements, any adjustment to payable tax for previous years and the effect of the variation of assets and liabilities due to deferred taxes.

When dealing with items acknowledged in other integral results or directly in net equity, in this case, tax is also acknowledged in the other integral results or directly in net equity, respectively.

Deferred tax effects are recorded over the temporary differences that arise between the tax base of assets and liabilities and their corresponding values shown in the financial statements. Deferred tax assets and liabilities are determined using the tax rates that have been promulgated as of the date of the financial statements and are expected to be applicable when the income tax asset is realized or the income tax liability is paid.

Regardless of the aforementioned, deferred tax which is the result of temporary differences that arise from investments in subsidiaries and related companies is not acknowledged if the opportunity to reverse the temporary difference is controlled by the group and it is probable that the temporary difference will not be reverted in the foreseeable future.

### **3.18 Employee Benefits**

#### **a) Employee vacations**

Hortifrut and its subsidiaries acknowledge the expense for employee vacations through the accrued method, which is recorded at its nominal value.



b) Benefits for termination of labor relationship

Hortifrut S.A. and its subsidiaries do not present obligations due to indemnity for termination of employee services, because there is no legal obligation associated or a non-formalized practice which results in said obligation.

These are recorded in results (expense) at the moment the employees are paid, as a consequence of the Company's decision to rescind their work contract, before the normal retirement age.

c) Other benefits

Hortifrut and its subsidiaries acknowledge a liability for bonus to its employees, when it is contractually obligated or when the practice in the past has created an implicit obligation, which is historically defined at the end of the season. If it exists, the provision is presented under current liability.

### **3.19 Provisions**

Hortifrut S.A. and subsidiaries acknowledge a provision when they are contractually obligated or when there is a practice in the past which has created an assumed obligation.

Provisions for onerous contracts, lawsuits and other contingencies are acknowledged when:

- (i) Hortifrut S.A. and subsidiaries has a current obligation, whether it is legal or implicit, as a result of past events,
- (ii) It is probable that an exit of resources will be necessary to liquidate the obligation; and
- (iii) The value has been estimated in a reliable form.

Provisions are valued by the current value of the disbursements which are expected to be necessary to liquidate the obligation, using Hortifrut S.A. and subsidiaries' best estimation. The discount rate used to determine the current value reflects the current market evaluations, on the date of the consolidated statement of financial position, the temporary value of money, as well as the specific risk related with the specific liability.

### **3.20 Acknowledging income**

Income is acknowledged in the measure that it is probable that the economic benefits will flow towards the Company and can be reliably measured. Income is measured at the fair value of the economic benefits received or to be received and are presented net of value added tax, specific taxes, returns and discounts.

Income from the sale of goods is acknowledged when the Company has transferred to the buyer the risks and benefits that are inherent to the property of these goods and does not maintain the right to dispose of them, or to maintain an efficient control; in general, this means that sales are recorded at the moment the risks and benefits are transferred to the customers as per the terms agreed in commercial agreements, as is described below:

a) Sale of products in the local market

The Company generates its income mainly from the sale of fruit, product that is distributed through retailers, wholesale distributors and supermarket chains. None of them acts as a trade agent of the Company. Income from sales in local markets, net of value added tax, specific taxes, returns and discounts to customers, are acknowledged at the moment that the products are delivered together with the transferring of all their risks and benefits.

#### b) Export

In general, the Company's delivery conditions for export sales are based on Incoterms 2000, with these being the official rules for interpreting trade terms issued by the International Chamber of Commerce. The structure for acknowledging income is based on the group of Incoterms, mainly in the following groups:

- "FOB (Free on Board) and similar", where the buyer organizes and pays for the transport, so, the point of sale is the delivery of the goods to the transporter hired by the buyer, moment that income is acknowledged.
- "CIF (Cost, Insurance & Freight) and similar", through which the Company organizes and pays the external transport expense and some other expenses, even though the Company ceases to be responsible for the goods once they have been delivered to the maritime or airline Company within the corresponding term. The point of sale is the delivery of the goods to the transporter hired by the seller for transporting to destination, moment that income is acknowledged.

In case there are discrepancies between the trade agreements and the Incoterms defined for the operation, those established in the contracts will apply.

#### c) Estimating Income

The Company, for those sales that to the closing of the Financial Statements are recorded at the invoicing price at the moment of their dispatch and not their final liquidation, adjust the value of invoicing to the value of the sale price obtained in the markets where its products are commercialized.

#### d) Income from interests

Income from interests is acknowledged using the effective interest rate method.

#### e) Sale of services

Operating income from the sale of services, is recorded when said service has been provided. A service is considered to have been provided when it is received in agreement by the customer.

#### f) Income from dividends

Income from dividends is acknowledged when the right to receive the payment has been established.

### 3.21 Trade agreements with distributors and supermarket chains

The Company performs trade agreements with its main distributors and supermarkets through which they establish: (i) discounts for volume and other customer variables: (ii) promotional discounts, which correspond to an additional reduction in the price of the sold products, due to the development of trade initiatives (temporary promotions) and the granting of considerations (use of preferential spaces and others) and (iii) shared advertising, which corresponds to the Company's participation in advertising campaigns, promotional magazines and the opening up of new sales points.

Discounts due to volume and promotional discounts are acknowledged as a reduction in the sale price of the sold products. The contributions for shared advertising are acknowledged when the advertising campaigns agreed with the distributor have taken place and are recorded as incurred commercializing expenses.

The Company acknowledges the cost of the benefits granted by commercial agreements with distributors only when there is formal evidence of the agreement, the amount of the benefit can be reasonably estimated and its payment is probable.

Commitments with distributors or importers in the exports environment are acknowledged when there is formal evidence of the agreement and its amount can be reliably estimated.

### **3.22 Cost of Sales**

Sales costs include the cost of production of the sold products and other costs incurred in to leave stock at the locations and under the necessary conditions for its sale. These costs include, among others, cost of raw materials, packing costs, labor costs of production personnel, depreciation of assets related with production, payment of leaves of absence and operating costs and maintenance of plants and equipment.

### **Estimating Cost of Sales**

In the case of fruit produced by third parties, for sales which to the closing of the period have not yet been liquidated (approximately between 20 and 45 days as per destination), the premium over the contractual price previously agreed with the producer is estimated. The estimated premium plus the agreed price constitute the cost of fruit.

The premium is estimated taking as a reference the real placement prices experienced in the destination market as of the closing date of the financial statements.

In the case of fruit packing, a standard material cost is assigned per species. Based on the arrived shipments, the standard cost is calculated for each of the shipments and by the difference with the materials that appear as used in the accounting records, an adjustment in relation to the materials in transit as of the closing date of the periods takes place. At the same time, 2% of this cost is provisioned as decrease in materials.

### **3.23 Administrative expenses**

Administrative expenses include remunerations and compensation of personnel at the back up units, the depreciation of offices, equipment, installations and furniture used in these functions, the amortization of non-current assets and other general and administrative expenses.

### **3.24 Lease**

#### **a) Financial Lease.**

Hortifrut S.A. and its subsidiaries lease determined fixed assets. The fixed asset lease, when the Company substantially has all the risks and benefits inherent to the property, is classified as financial lease. Financial lease is capitalized at the start of the lease at the fair value of the property or leased asset or at the current value of the minimum payments for the lease, the lower of the two.

Each lease payment is distributed between the liability and the financial burdens to obtain a constant interest rate over the pending balance of the debt. The corresponding obligations for lease, net of financial burdens, are included in Other financial liabilities. The interest element of the financial cost is charged in the income statement during the lease period in order to obtain a constant periodic interest rate over the remaining balance of the liability for each period. The asset acquired under a financial lease regime is depreciated during its useful life or the duration of the contract, the lower of the two.

#### **b) Operating Lease.**

The leases where the lessor keeps an important part of the risks and advantages derived from the ownership of the good are classified as operating lease. The payments for the concept of operating lease (net of any incentive received from the lessor) are charged in the income statement over a lineal base during the lease period.

### **3.25 Non-current assets or groups of assets (or disposal groups) classified as held for sale**

Non-current assets or disposal groups are classified as assets held for sale and are acknowledged at the lower value between the book value and the fair value minus sales cost. When the value will be recovered mainly through its sale, as long as the sale is considered highly probable.

### **3.26 Environment**

In the case of environmental liabilities, these are recorded over the base of the current interpretation of environmental laws and rulings, when it is probable that a current obligation will be produced and the amount of said responsibility can be calculated in a reliable manner.

Investments in infrastructure works destined to complying with environmental requirements are activated by following general accounting criteria for Property, plant and equipment.

### **3.27 Investigation and development**

Investigation and development expenses are presented under the Other expenses by function item in the consolidated income statement, because the realized investigations form a normal part of Hortifrut S.A. and its subsidiaries' operations.

### **3.28 Advertising expenses**

Advertising expenses are acknowledged under results when they take place.

### **3.29 Profits per share**

Net profits per share are calculated by dividing the net profit attributable to the shareholders by the weighted average of the number of ordinary shares in circulation during the period, excluding shares acquired by the company.

### **3.30 Expenses due to goods and services insurances**

The payment of different insurance policies which the Company hires is acknowledged under expenses in proportion to the period of time that they cover, regardless of the payment terms. The paid and non consumed values are acknowledged as advanced payments under current assets.

The costs of the claims are acknowledged under results immediately after known, net of the amount recoverable from the insurance companies. The amounts to be recovered are recorded as an asset to be reimbursed by the insurance Company under the item Trade Debtors and other accounts receivable, calculated according to what was established in the insurance policies.

## **NOTE 4 RISK MANAGEMENT**

The berries business intrinsically involves a series of risk factors which, in one way or another, affect the development of the industry. Within these factors, we can mention the following:

### **4.1. Financial Risk**

#### **4.1.1 Credit Risk**

##### **a) Cash surplus investment risk:**

The financial institutions with whom Hortifrut S.A. and subsidiaries operate and the type of financial products where they materialize said cash surplus investments, are considered low risk for the Company (see note 7.1b).

The Company's policy regulates investment and debt, trying to limit the impact of the exchange rate fluctuations in the valuation of currencies and interest rates over the Company's net results, through cash surplus investments and the hiring of forwards and other instruments in order to maintain a balanced rate and exchange rate position.

Within the authorized instruments, are those whose expiry terms do not exceed 90 days and have high liquidity.

- Cash at hand
- Term deposits
- Investments in mutual funds
- Other short term and high liquidity investments.

The financial entities where the investments are placed have a high creditworthiness.

##### **b) Risk from sales operations:**

Hortifrut has diversified sales in several countries.

The main customers are supermarkets in the United States, where the fresh fruit business is subject to the PACA law. This law protects fresh fruit and vegetable suppliers in the USA.

For sales outside the United States, the Company's policy is to obtain credit insurance policies. For those customers whose policies have a maximum limit, the Company evaluates the risk of exposure every week and decreases/increases deliveries in accordance with the performed analysis or demands advanced payment from the customers.

Regardless of the fact that to date Hortifrut has not had any problems in relation to credit risk, it is important to bear in mind that this fact does not guarantee that in the future, Hortifrut may be exposed to this risk.

As a mitigation measure for this risk, the Company has obtained credit insurance for the parent company and subsidiaries as of September 30, 2017 (See Note 4.3).

#### **4.1.2 Liquidity risk**

This risk is associated to the probability that Hortifrut S.A. and its subsidiaries cannot comply with their obligations, as a result of insufficient liquidity or the impossibility to obtain credits.

The Hortifrut Group centrally administers these risks from the parent company through an appropriate distribution, extension of terms and by limiting the amount of its debt, as well as the maintenance of an

adequate liquidity reserve, constantly monitoring the debt of the Subsidiaries and Associated Companies. In the case of subsidiaries such as Hortifrut España Southern Sun SL, and related companies such as Hortifrut Tal S.A.C. and Munger Hortifrut N.A. LLC in the United States, credit decisions are made at these business units in coordination with Hortifrut S.A. Debts are incurred through bank credits in Chile and overseas, aiming to optimize the credit conditions based on the financing needs to face investment plans and requirements for work capital.

Regardless of the fact that to date Hortifrut has not had any problems in relation to liquidity risk, it is important to bear in mind that this fact does not guarantee that in the future, Hortifrut may be exposed to this risk.

Hortifrut has available short term credit lines, approved and valid for work capital, which as of September 30, 2017 reach US\$233.7 million (includes credit lines committed with BCI bank for US\$42 million, commitment fixed for 2018 and of which US\$42 million have been used), distributed among 13 banks. The used amount reaches US\$86.4 million, with an unused balance of US\$147.3 million. The credit lines are distributed among the following companies: Hortifrut Chile S.A. with US\$222.3 million, Hortifrut S.A. with US\$5.0 million, Agrícola El Pampino S.A. with US\$0.75 million, Agrícola Santa Rosa del Parque S.A. with US\$0.50 million, Agrícola Vida Nueva S.A. with US\$0.40 million, Agrícola Mataquito S.A. with US\$1.3 million, Agrícola El Avellano with US\$0.50 million and Hortifrut Import Inc., with US\$3.0 million.

Based on the current operational performance and its liquidity position, the Company estimates that cash flows from operating activities and available cash will be enough to finance work capital and interest payments, for the next 12 months and the foreseeable future.

To administer short term liquidity, the Company uses as a base its cash flows forecasted for a mobile period of twelve months and maintains cash and cash equivalents which are available to comply with its future obligations.

Below we summarize the expiry of the Company's bank loans as of September 30, 2017, based on the undiscounted contractual cash flows:

|                                      | Capital             | Interests           | Flows               |                     |                     |                     | Total               |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                      |                     |                     | From 0 to 3 months  | From 3 to 12 months | From 1 to 5 years   | Over 5 years        |                     |
| <b><u>Creditor Bank</u></b>          | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> |
| Banco de Crédito e Inversiones       | 72,420              | 363                 | 42,400              | 5,864               | 21,924              | 7,957               | 78,145              |
| Banco Santander Chile                | 17,614              | 60                  | 1,921               | 15,470              | 420                 | -                   | 17,811              |
| Banco de Chile                       | 4,946               | 31                  | 3,704               | 35                  | 1,365               | -                   | 5,104               |
| Banco Bilbao Vizcaya Argentaria      | 22,168              | 80                  | 4,438               | 3,076               | 15,388              | -                   | 22,902              |
| Banco Santander Central Hispano S.A. | 16,069              | -                   | 608                 | 3,611               | 12,253              | -                   | 16,472              |
| Banco Scotiabank                     | 11,517              | 10                  | 11,015              | -                   | -                   | -                   | 11,015              |
| Banco Estado                         | 11,412              | 73                  | 6,277               | 1,258               | 4,045               | -                   | 11,580              |
| La Caixa                             | 5,904               | -                   | 16                  | 410                 | 5,664               | -                   | 6,090               |
| Banco Intercontinental Español       | 3,540               | -                   | 10                  | 462                 | 3,170               | -                   | 3,642               |
| Banco RaboFinance Chile              | 22,960              | 90                  | -                   | 1,274               | 8,312               | 20,337              | 29,923              |
| BBC Tecnología Agrícola Ltda.        | 505                 | 2                   | 507                 | -                   | -                   | -                   | 507                 |
| Banco Itaú                           | 5,339               | 4                   | 5,051               | 293                 | 80                  | -                   | 5,424               |
| Caja Madrid                          | 42                  | -                   | 6                   | 19                  | 17                  | -                   | 42                  |
| Caja Rural Asturias                  | 33                  | -                   | 7                   | 21                  | 7                   | -                   | 35                  |
| Financial Services                   | 19                  | -                   | 1                   | 2                   | 21                  | -                   | 24                  |
| Banco Sabadell                       | 2,361               | -                   | 6                   | 19                  | 2,415               | -                   | 2,440               |
| Banco de Crédito Perú                | 1                   | -                   | 1                   | -                   | -                   | -                   | 1                   |
| <b>Total</b>                         | <b>196,850</b>      | <b>713</b>          | <b>75,968</b>       | <b>31,814</b>       | <b>75,081</b>       | <b>28,294</b>       | <b>211,157</b>      |

Below is a summary of the expiries of the total financial liabilities as of September 30, 2017:

| <u>Detail</u>                             | <u>Flows</u>   |                                   |               |                  |                  |               | <u>Total</u> |
|---|----------------|-----------------------------------|---------------|------------------|------------------|---------------|--------------|
|   | <u>Capital</u> | <u>Accounting</u><br><u>Value</u> | <u>From 0</u> | <u>From 3 to</u> | <u>From 1 to</u> | <u>Over 5</u> |              |
|   |                |                                   | <u>to 3</u>   | <u>12</u>        | <u>5 years</u>   | <u>years</u>  |              |
|   | <u>KUS\$</u>   | <u>KUS\$</u>                      | <u>months</u> | <u>months</u>    | <u>KUS\$</u>     | <u>KUS\$</u>  | <u>KUS\$</u> |
| Bank loans                                | 196,850        | 197,563                           | 75,968        | 31,814           | 75,081           | 28,294        | 211,157      |
| Trade accounts and other accounts payable | 11,835         | 11,835                            | 10,692        | 1,143            | -                | -             | 11,835       |
| Accounts payable to related entities      | 23,466         | 23,466                            | -             | 11,795           | 11,671           | -             | 23,466       |

#### 4.1.3 Exchange rate risk

The international character of its business and operations in different countries expose Hortifrut to risks due to exchange rate fluctuations. The main exposures refer to exchange rate fluctuations in US Dollar versus Chilean Peso, Mexican Peso, Euro.

##### a) Exposure to Chilean Pesos

The source of exposure to Chilean Pesos mainly comes from the costs of the Chilean companies denominated in said currency, trade accounts receivable with national customers and liquid funds held in financial instruments and bank obligations.

Hortifrut performs actions to mitigate the exposure to costs of the Chilean companies by contracting derivative instruments. Likewise, in the Chilean companies, Cross Currency Swap instruments are used to mitigate the exchange rate risk in bank obligations in Chilean Pesos.

##### b) Exposure to Mexican Pesos

The source of exposure to Mexican Pesos mainly comes from agricultural operating costs in Mexico which are mostly denominated in said currency and, at a lower scale, trade accounts receivable with Mexican customers.

Hortifrut performs mitigation measures over the exposure to costs of Mexican companies, through the contracting of derivative instruments.

##### c) Exposure to Euros

The source of exposure to Euros comes from sales performed in said currency, bank obligations and at a lower scale liquid funds held in financial instruments. Hortifrut performs actions to mitigate the exposure to sales in Euros through the use of forward derivative contracts.

Regardless of the fact that to date Hortifrut has not had any problems in relation to exchange rate risk, it is important to bear in mind that this fact does not guarantee that in the future, Hortifrut may be exposed to this risk.

### Exposure in currencies different to the dollar

The following table shows the exposure in currencies different to the dollar, over the Company's assets and liabilities as of September 30, 2017:

|   | <u>Peso/UF</u> | <u>Euro</u>     | <u>Mexican \$</u> | <u>Argentine \$</u> | <u>Real/others</u> |
|---|----------------|-----------------|-------------------|---------------------|--------------------|
|   | <u>KUS\$</u>   | <u>KUS\$</u>    | <u>KUS\$</u>      | <u>KUS\$</u>        | <u>KUS\$</u>       |
| <b>As of September 30, 2017</b>                       |                |                 |                   |                     |                    |
| <b><u>Financial Assets</u></b>                        |                |                 |                   |                     |                    |
| Cash and Cash Equivalents                             | 2,641          | 9,780           | 545               | 91                  | 483                |
| Other current non financial assets                    | 979            | 833             | 2,143             | -                   | 360                |
| Current trade debtors and other accounts receivable   | 4,559          | 5,903           | 1,197             | 206                 | 7,951              |
| Current accounts receivable with Related Entities     | 7              | 3,434           | -                 | -                   | -                  |
| Non-current accounts receivable with Related Entities | -              | 7,342           | -                 | -                   | -                  |
| <b><u>Total Financial Assets</u></b>                  | <b>8,186</b>   | <b>27,292</b>   | <b>3,885</b>      | <b>297</b>          | <b>8,794</b>       |
| <b><u>Current Liabilities</u></b>                     |                |                 |                   |                     |                    |
| Other current financial liabilities                   | -              | 6,324           | -                 | -                   | 273                |
| Current trade accounts and other accounts payable     | 4,024          | 2,686           | 404               | 34                  | 842                |
| Current account payable to Related Entities           | 2,302          | 186             | -                 | -                   | -                  |
| Current provision for employee benefits               | 441            | -               | 507               | -                   | -                  |
| Other non current financial liabilities               | -              | 34,016          | -                 | -                   | 67                 |
| Non current accounts payable to Related Entities      | 1,474          | 10,197          | -                 | -                   | -                  |
| <b><u>Total Financial Liabilities</u></b>             | <b>8,241</b>   | <b>53,409</b>   | <b>911</b>        | <b>34</b>           | <b>1,182</b>       |
| <b>Net exposure as of September 30, 2017</b>          | <b>(55)</b>    | <b>(26,117)</b> | <b>2,974</b>      | <b>263</b>          | <b>7,612</b>       |

### Effects of a potential exchange rate fluctuation

The potential effect of a 10% devaluation of the United States dollar in front of all the other relevant currencies to which the Company is exposed, would have an approximate effect of KUS\$1,534 as a higher charge to the company's results as of September 30, 2017, the aforementioned maintaining all the other variables constant. The calculation considers the Company's exposure in financial assets and liabilities denominated in currency different to the dollar.

|                   | <u>Assets</u> | <u>Liabilities</u> | <u>Net</u>      | <u>Net (10% Devaluation)</u> | <u>Variation</u> |
|-------------------|---------------|--------------------|-----------------|------------------------------|------------------|
| <u>Currencies</u> | <u>KUS\$</u>  | <u>KUS\$</u>       | <u>KUS\$</u>    | <u>KUS\$</u>                 | <u>KUS\$</u>     |
| Peso/UF           | 8,186         | 8,241              | (55)            | (50)                         | 5                |
| Euro              | 27,292        | 53,409             | (26,117)        | (23,505)                     | 2,612            |
| Mexican \$        | 3,885         | 911                | 2,974           | 2,677                        | (297)            |
| Argentine \$      | 297           | 34                 | 263             | 237                          | (26)             |
| Real              | 8,794         | 1,182              | 7,612           | 6,851                        | (761)            |
| <b>Total</b>      | <b>48,454</b> | <b>63,777</b>      | <b>(15,323)</b> | <b>(13,790)</b>              | <b>1,533</b>     |



#### 4.1.4 Interest rate risk

The Hortifrut Group has its long term financial liabilities linked to long term investments. All of these long term liabilities are at fixed rates and mostly in dollars to avoid cost variations and to be aligned with the Company's functional currency. Even though short term financial liabilities, linked to temporary work capital are at a fixed rate, an exposure to fluctuations in the market rates at the moment of its contracting and/or renewal is experienced. If Hortifrut held a whole year the debt that it has at a variable rate, which is KUS\$86,041 and the rate increased 10%, the impact of the annual financial cost would be KUS\$143.

Below is a detail of the short term financial liabilities, linked to temporary work capital:

|                                 |                                |  | <u>10%</u><br><u>interest</u><br><u>variation</u><br><u>in the rate</u><br><u>KUS\$</u> | <u>Due to</u><br><u>Variation</u><br><u>in Rate</u><br><u>KUS\$</u> |
|---------------------------------|--------------------------------|--|---|---|
| <u>Creditor Bank</u>            | <u>Capital</u><br><u>KUS\$</u> | <u>Annual</u><br><u>Interest</u><br><u>KUS\$</u> |   |   |
| Banco Santander Chile           | 16,900                         | 291  | 319   | 28  |
| Banco Itaú                      | 5,140                          | 77   | 85  | 8   |
| Banco Bilbao Vizcaya Argentaria | 3,000                          | 52   | 57  | 5   |
| Banco de Crédito e Inversiones  | 42,000                         | 731  | 803   | 72  |
| Banco de Chile                  | 3,000                          | 48   | 53  | 5   |
| Banco Scotiabank                | 11,000                         | 187  | 205   | 18  |
| Banco Estado                    | 5,000                          | 78   | 85  | 7   |
| Banco de Crédito Perú           | 1                              | -  | -   | -   |
| <b>Total</b>                    | <b>86,041</b>                  | <b>1,464</b>                                     | <b>1,607</b>  | <b>143</b>  |

#### 4.2 Operating Risks

Hortifrut's operating risks are administered by the corresponding management, in accordance with the norms and standards defined at a corporate level. Below is a detail of those that management considers to be of greater relevance:

##### 4.2.1 Competition's genetic development

The lack of modern varieties of plants could affect the competitiveness of the business, both agricultural and export and trade. The Hortifrut Group currently counts with varietal development programs, maintaining in Chile and overseas strategic alliances with universities and companies dedicated to this sector, as well as establishing agreements with the main nurseries in the world, guaranteeing Hortifrut access to a large spectrum of modern and attractive plant varieties.

##### 4.2.2 Significant increase in offer

In the case of very significant increases in the planted hectares at a global level, a scenario of over-supply of berries could be generated, which would lead to a fall in prices at the destination markets. Nevertheless, this phenomenon would affect Hortifrut only if it takes place in the windows of the year when the Company operates.

Also, at the main markets where Hortifrut operates we can still observe a great growth potential in the demand for berries, due to the combination of (i) a product with very positive health effects; (ii) the growing importance for healthy food that consumers seek and (iii) a still relatively low consumption of berries per capita.

#### **4.2.3 Intensification of competition**

The Company also faces the risk of an eventual intensification of competition or the appearance of new actors in the berries market. To face these risks, the Company concentrates its efforts on actions aimed at maintaining its leadership in costs, maintaining a strong distribution chain, constantly improving the offer of products and obtaining brand acknowledgment, among others. Likewise, Hortifrut has privileged an international expansion through strategic alliances both in the productive and commercial area, which allows it to better face competition and be able to supply its customers with fresh berries every day of the year.

#### **4.2.4 Climatic risks**

Climate is an external factor which is difficult to control, which can affect quality and cause variations in the volume of fruit available to commercialize during the year. Even though it is difficult to control, this risk can be geographically diversified and can be mitigated with correct management. The Company administers this risk by creating export companies and obtaining fruit from different producers in Chile and the rest of the world; investing in agriculture in different countries and in each country in different zones; building deep wells to assure the availability of water in the fields that require it and investing in infrastructure to control rain, frost and hail, among other initiatives.

#### **4.2.5 Plagues and disease**

It is unavoidable for a large surface of any crop to be affected by some incidence of plagues and/or disease. Therefore efficient control of these is as necessary as fertilizing or watering. Risk associated with plagues or disease impact on the quality and/or performance, being able to affect appearance and post-harvest life of the fruit; in some cases this risk involves the application of quarantines in specific productive zones on behalf of the phytosanitary authorities of the countries where the fruit is destined. Nevertheless, through a good control (search and monitoring) an outbreak of plagues or disease can be detected on time, allowing to eliminate the problem before it causes greater damage.

From 2013, the United States applied quarantine to some regions in Chile due to the detection of the Lobesia Botrana moth. These quarantines can generally be lifted immediately through fumigation of the fruit at destination or, in the medium term, working with the authorities on preventive measures to control the plague which prove contention or eradication, ending up in the lifting of the quarantine. Other solution measures are to destine the fruit in quarantine zones to markets that have different phytosanitary restrictions.

#### **4.2.6 Food-Safety**

As in all foods, there is always the risk of a “recall” in the industry (term employed in case a product is removed from the market if there is a suspicion or a certainty that it violates the valid food laws or that the quality standards established by the company for said market are transgressed) which could considerably affect the Company’s results. Until now Hortifrut has never had a problem in this aspect, nevertheless, this does not assure that it won’t occur in the future. The Company guarantees the quality and sanity of its berries by investing in technology, specifically traceability systems, working with a rigorous quality assurance and food safety program which applies during all the phases of the productive process (pre-harvest, harvest and post-harvest), which allows to circumscribe the eventual problem to a lower volume, not affecting the complete production.

#### **4.2.7 Continuity and costs of supplies and services**

The development of Hortifrut’s business involves a complex logistic regarding the opportune supply of quality supplies and services which are fundamental to maintain competitiveness. Regarding electrical energy, Hortifrut’s process plants count with generators that allow to assure the continuity of the operation in front of supply cuts. Also, all the plants have contingency plans to face restrictive supply scenarios. Nevertheless, it is not possible to discard that in the future, supply shortages could generate a discontinuity in the supply and/or

higher costs at Hortifrut's plants. It is also important to consider eventual paralyzations at ports and transport companies in general, which could affect Hortifrut's performance if the events extend in time.

#### **4.2.8 Risk associated to new technologies**

Hortifrut, in its varied entrepreneurship, throughout the world, is incorporating growing new technologies in the whole production process. The aforementioned involves risks associated to the lack of knowledge of all the involved behaviors. Even though most of its technologies are widely widespread in the world, there is still no extended history which allows to know beforehand all the adverse effects that could derive from it.

#### **4.3 Insurance**

The Hortifrut group has contracted insurance policies to cover exposure to the main financial and operational risks, considering that the hedging of these policies is adequate.

The main insurances contracted as of September 30, 2017 are the following:

| <u>COUNTRY</u> | <u>TYPE OF INSURANCE</u>                       | <u>CURRENCY</u> | <u>COVERED AMOUNT</u>            |
|----------------|--|-----------------|----------------------------------|
| Chile          | Infrastructure Fire                            | UF              | 1,469,132                        |
| Chile          | Mobile Agricultural Equipment                  | UF              | 70,244                           |
| Chile          | Motor Vehicles                                 | UF              | 131,400                          |
| Chile          | General and Product Civil Responsibility       | UF              | 127,144                          |
| Chile          | Maritime Transport                             | UF              | 305,147                          |
| Chile          | Credit Insurance                               | UF              | 254,289                          |
| Chile          | Fruit and Materials Insurance                  | UF              | 249,481                          |
| Chile          | Terrorism                                      | UF              | 500,000                          |
| Chile          | Business Interruption                          | UF              | 250,000                          |
| USA            | Product Civil Liability                        | USD             | 20,000,000                       |
| Mexico         | Transporting of Load                           | USD             | 200,000/shipment                 |
| Mexico         | Infrastructure Fire, Theft and Civil Liability | USD             | 48,000,000                       |
| Mexico         | Motor Vehicles                                 | USD             | Commercial Value                 |
| Spain          | Motor Vehicles                                 | EUR             | Commercial Value / without limit |
| Spain          | Installations                                  | EUR             | 350,000 per event                |
| Spain          | Goods  | EUR             | 50,000 per event                 |
| Spain          | Civil Liability                                | EUR             | 6,500,000                        |
| Spain          | Credit Insurance                               | EUR             | 90% unpaid                       |
| Peru           | Fire   | PEN             | 618,320                          |
| Peru           | Motor Vehicles                                 | USD             | 261,820                          |

#### 4.4 Risk in the Estimations

##### 4.4.1. Effects in the valuation of “bearer plants” in case of changes in the discount rate

Based on the valuation methodology of “bearer plants” described in Note 3.3.2, we proceeded to realize a sensitization to determine the effect that it would have on the value of these assets, a variation of the discount rates used in the model.

Below we present the effect that an increase and a decrease in the discount rate of 50bps would have on said valuation, compared to what was acknowledged as of December 31, 2016 (See Note 19 d)):

|              | <b>Impairment<br/>Book Value<br/>Acknowledged<br/>as of 31-Dec-16</b> | <b>Impairment<br/>Book Value<br/>Increased<br/>50bps</b> | <b>Effect of<br/>Exch. Rate<br/>on Discount<br/>Rate</b> |
|--------------|---|--|--|
|              | <u>KUS\$</u>  | <u>KUS\$</u>   | <u>KUS\$</u>   |
| Chile        | (11,590)  | (12,838)   | (1,248)  |
| Mexico       | (3,612)   | (3,835)  | (223)  |
| Spain        | (495)   | (683)  | (188)  |
| <b>Total</b> | <b><u>(15,697)</u></b>  | <b><u>(17,356)</u></b>                                   | <b><u>(1,659)</u></b>                                    |

|              | <b>Impairment<br/>Book Value<br/>Acknowledged<br/>as of 31-Dec-16</b> | <b>Impairment<br/>Book Value<br/>Decreased<br/>50bps</b> | <b>Effect of<br/>Exch. Rate<br/>on Discount<br/>Rate</b> |
|--------------|---|--|--|
|              | <u>KUS\$</u>  | <u>KUS\$</u>   | <u>KUS\$</u>   |
| Chile        | (11,590)  | (10,502)   | 1,088  |
| Mexico       | (3,612)   | (3,434)  | 178  |
| Spain        | (495)   | (483)  | 12   |
| <b>Total</b> | <b><u>(15,697)</u></b>  | <b><u>(14,419)</u></b>                                   | <b><u>1,278</u></b>                                      |

##### 4.4.2 Effects on the valuation of fruits that grow on “bearer plants” considering changes in volume and price

As per what is established in IAS 41, agricultural products that grow on fruit bearer plants will remain within the scope of this norm, which must be measured at their fair value minus sales costs, recording the changes in the valuation under result as the product grows.

Since this valuation corresponds to an estimation, it could vary when fruit sales are perfected, moment when said result is realized.

As of September 30, 2017, the expected margin of fruit on bearer plants of the HFE Berries Perú S.A.C. company was acknowledged, for the amount of KUS\$1,715.

Below we detail the effect that a 10% reduction in price and volume would have on said margin:

|                                    | <b>Fair Value<br/>adjustment as<br/>of 30-09-2017</b> | <b>10% Reduction<br/>Volume (KUS\$)</b> | <b>10% Reduction<br/>Price (KUS\$)</b> | <b>10% Reduction<br/>Volume and Price<br/>(KUS\$)</b> |
|------------------------------------|---|---|--|---|
| <b>HFE Berries Perú<br/>S.A.C.</b> | <b>1,715</b>  | <b>1,543</b>                            | <b>1,245</b>                           | <b>1,121</b>  |

On the other hand, within the item Investments recorded using the equity method, the expected margin of fruit on bearer plants of the company Hortifrut Tal S.A.C. (Peru) has been acknowledged based on the interest percentage that it has in it, amount that reaches KUS\$3,664.

Below is a detail of the effect that a 10% reduction in price and volume would have:

|                                 | <b>Fair value<br/>adjustment as<br/>of 30-09-2017</b> | <b>10% Reduction<br/>Volume (KUS\$)</b> | <b>10% Reduction<br/>Price (KUS\$)</b> | <b>10% Reduction<br/>Volume and Price<br/>(KUS\$)</b> |
|---------------------------------|---|---|--|---|
| <b>Hortifrut Tal<br/>S.A.C.</b> | <b>3,664</b>  | <b>3,298</b>                            | <b>3,073</b>                           | <b>2,766</b>  |

## **NOTE 5 – CHANGES IN ACCOUNTING POLICIES**

During the period ending September 30, 2017, no changes in the Company's accounting policies have been realized.

## **NOTE 6 - FINANCIAL INFORMATION PER SEGMENT**

The Company reports financial information per segments as per what is established in IFRS 8 "Operating Segments". Said norm establishes standards for the reporting of information per segments in the financial statements as well as revelations regarding products and services, geographical areas and main customers. An operating segment is defined as a component of an entity over which separate financial information is obtained, which is regularly evaluated by upper management to make decisions regarding the assigning of resources and the evaluating of results.

The performance of the segments is evaluated via the Operating Margin (see how to calculate), by sales volumes and income. When evaluating the performance of the segments, assets and liabilities that are attributed to it are not considered.

### **Calculating Operating Margin:**

+ Operating revenue  
+ Other revenue, per function  
= Total revenue

### **Minus:**

- Sales cost  
- Administrative expenses  
- Other expenses, per function, the impairment in the value of assets is excluded from the latter  
= Total costs

### **Geographic Location**

The information of net sales per geographic location is based on the destination continent where our products are consumed (North America – South America -Europe - Asia).

For the period ending September 30, 2017 and 2016, Operating revenue per geographic location is as follows:

| <b><u>Sales per geographic destination</u></b> | <b><u>30-Sep-17</u></b> |                       | <b><u>30-Sep-16</u></b> |                       |
|--|-------------------------|-----------------------|-------------------------|-----------------------|
|  | <b><u>KUS\$</u></b>     | <b><u>%</u></b>       | <b><u>KUS\$</u></b>     | <b><u>%</u></b>       |
| North America                                  | 131,153                 | 54.30%                | 163,532                 | 59.41%                |
| Europe   | 64,363                  | 26.66%                | 71,155                  | 25.85%                |
| South America                                  | 21,896                  | 9.07%                 | 20,964                  | 7.62%                 |
| Asia and others                                | 24,038                  | 9.97%                 | 19,603                  | 7.12%                 |
| <b>Total revenue</b>                           | <b><u>241,450</u></b>   | <b><u>100.00%</u></b> | <b><u>275,254</u></b>   | <b><u>100.00%</u></b> |

For the third quarter of 2017 and 2016, operating income per geographic location is as follows:

| <b>Sales per geographic destination</b> | <b>Third quarter of 2017</b> |                 | <b>Third quarter of 2017</b> |                 |
|---|------------------------------|-----------------|------------------------------|-----------------|
|   | <b>KUS\$</b>                 | <b>%</b>        | <b>KUS\$</b>                 | <b>%</b>        |
| North America                           | 17,374                       | 46.17 %         | 19,673                       | 51.61 %         |
| Europe                                  | 8,267                        | 21.97 %         | 7,053                        | 18.50 %         |
| South America                           | 5,038                        | 13.39 %         | 8,348                        | 21.90 %         |
| Asia and others                         | 6,949                        | 18.47 %         | 3,043                        | 7.99 %          |
| <b>Total revenue</b>                    | <b>37,628</b>                | <b>100.00 %</b> | <b>38,117</b>                | <b>100.00 %</b> |

### **North America**

In North America, through its subsidiary Hortifrut Imports Inc., the Company is associated with three of the largest berries producers: Michigan Blueberry Growers Association, Naturipe Berry Growers and Munger Brothers, to together commercialize under the brand Naturipe, during the 52 weeks of the year.

Through Hortifrut Imports Inc., it supplies a wide mix of conventional and organic berries to all of the United States and Canada during the whole year.

The commercializing is mainly performed through the Retail and Foodservice channels, reaching the main supermarkets in the country. Naturipe Farms is recognized as one of the main berries brands in the United States and is present in one of the main fruit categories and with the highest growth.

### **Europe**

Hortifrut S.A. is present in the European continent through Euroberry Marketing S.A. (Spain), Euroberry Ltd. (England) and Euroberry GmbH. (Germany), directly participating in the commercializing, production, third party sourcing and distribution centers. Together with its partner Atlantic Blue, the largest producer of blueberries in Spain, it now maintains a year-round offer with the brands “Southern Sun” and “Berry Collection” in continental Europe and the United Kingdom.

Our customers are the main wholesalers and supermarkets of the largest countries in Europe, with a wide atomization of customers.

### **South America**

Hortifrut Comercial S.A., subsidiary of Hortifrut S.A, maintains the leadership in Chile in the Berries category in the Retail and Food service segments.

The main species commercialized in Chile continues to be strawberries out of the total national commercialized volume. It is of vital relevance to mention that since 2011 the blueberry has been consolidated as the second highest selling berry, above raspberries and blackberries.

Hortifrut Comercial S.A. continues to work on its marketing plan focused on introducing the brand and its products, as well as obtaining the loyalty of its final consumers and the Food Service segment.

In order to maximize the consumption alternatives that the brand offers, the different product lines are highlighted in its advertising: Fresh and Frozen.

The Company commercializes its products in Brazil through its subsidiary Berrygood, with commercial offices in Sao Paulo and operations in the northern and southern states of the country, mainly focusing on the cities of Rio de Janeiro, Brasília, Campinas, Curitiba and Sao Paulo.

It was created in March 2008 and has focused on the development and growth of the industry of these special fruits in Brazil, strengthening the logistics, sourcing and market establishing areas.

## Asia

The Asian market continues to grow at two digit rates for the Company, delivering to the main markets of the region under the brands Southern Sun and Naturipe, with exports from Chile, Argentina, Mexico, United States, Peru, Spain and Canada and a 52 week a year program with the different berries.

The main Asian countries where the Company commercializes its berries are Japan, Taiwan, Hong Kong, Singapore and Malaysia. It is interesting to state that, together with Naturipe Farms, we are advancing in direct trading with the supermarket chains that both Hortifrut and Naturipe work with in other continents, which places us at the forefront in the development of consumption in these markets.

Likewise, the Hortifrut-San Clemente office located in Shanghai, is advocated to the development of direct business with the international and local chains, and those located in regions far from the large cities, as well as continuing developing business with operators at the terminal markets of Guangzhou, Beijing, Shanghai and Dalian, among others.

The Group segments the financial information per business unit, identifying the following segments:

- a) Blueberries segment
- b) Raspberries segment
- c) Blackberries segment
- d) Strawberries segment
- e) Cherries segment
- f) Value added products segment
- g) Others segment

Results per segment as of September 30, 2017 and 2016, are the following:

### **Operating Margin**

| <u>Segment</u>       | <u>30-Sep-17</u>                   |   |                                       | <u>30-Sep-16</u>                   |   |                                       |
|----------------------|------------------------------------|---|---------------------------------------|------------------------------------|---|---------------------------------------|
|                      | <u>Total<br/>revenue<br/>KUS\$</u> | <u>Total costs and<br/>expenses<br/>KUS\$</u> | <u>Operating<br/>result<br/>KUS\$</u> | <u>Total<br/>revenue<br/>KUS\$</u> | <u>Total costs and<br/>expenses<br/>KUS\$</u> | <u>Operating<br/>result<br/>KUS\$</u> |
| Blueberries          | 186,137                            | (165,379)                                     | 20,758                                | 195,406                            | (171,038)                                     | 24,368                                |
| Raspberries          | 12,836                             | (13,327)                                      | (491)                                 | 15,444                             | (13,849)                                      | 1,595                                 |
| Blackberries         | 11,581                             | (11,605)                                      | (24)                                  | 21,402                             | (19,422)                                      | 1,980                                 |
| Strawberries         | 9,172                              | (10,086)                                      | (914)                                 | 9,938                              | (10,157)                                      | (219)                                 |
| Cherries             | 2,873                              | (2,269)                                       | 604                                   | 1,765                              | (1,386)                                       | 379                                   |
| Value Added Products | 18,851                             | (16,262)                                      | 2,589                                 | 31,299                             | (28,403)                                      | 2,896                                 |
| <b>Total</b>         | <b>241,450</b>                     | <b>(218,928)</b>                              | <b>22,522</b>                         | <b>275,254</b>                     | <b>(244,255)</b>                              | <b>30,999</b>                         |



| Segment              | Third quarter of 2017 |                          |                   | Third quarter of 2016 |                          |                       |
|----------------------|-----------------------|--------------------------|-------------------|-----------------------|--------------------------|-----------------------|
|                      | Total revenue         | Total costs and expenses | Operating result  | Total revenue         | Total costs and expenses | Operating result      |
|                      | <u>KUS\$</u>          | <u>KUS\$</u>             | <u>KUS\$</u>      | <u>KUS\$</u>          | <u>KUS\$</u>             | <u>KUS\$</u>          |
| Blueberries          | 26,476                | (27,086)                 | (610)             | 25,607                | (26,522)                 | (915)                 |
| Raspberries          | 1,151                 | (2,002)                  | (851)             | 1,529                 | (1,684)                  | (155)                 |
| Blackberries         | 432                   | (334)                    | 98                | 880                   | (1,040)                  | (160)                 |
| Strawberries         | 1,207                 | (1,646)                  | (439)             | 867                   | (1,325)                  | (458)                 |
| Cherries             | -                     | -                        | -                 | -                     | -                        | -                     |
| Value Added Products | 8,362                 | (5,822)                  | 2,540             | 9,234                 | (8,913)                  | 321                   |
| <b>Total</b>         | <b><u>37,628</u></b>  | <b><u>(36,890)</u></b>   | <b><u>738</u></b> | <b><u>38,117</u></b>  | <b><u>(39,484)</u></b>   | <b><u>(1,367)</u></b> |

### Calculating total revenue

|                             | 30-Sep-17             | 30-Sep-16             | 1-Jul-17             | 1-Jul-16             |
|-----------------------------|-----------------------|-----------------------|----------------------|----------------------|
| DETERMINING TOTAL REVENUE   | <u>KUS\$</u>          | <u>KUS\$</u>          | <u>KUS\$</u>         | <u>KUS\$</u>         |
| Operating Revenue           | 241,081               | 274,514               | 37,493               | 37,768               |
| Other revenue, per function | 369                   | 740                   | 135                  | 349                  |
| <b>Total Revenue</b>        | <b><u>241,450</u></b> | <b><u>275,254</u></b> | <b><u>37,628</u></b> | <b><u>38,117</u></b> |

|   | 30-Sep-17             | 30-Sep-16             | 1-Jul-17             | 1-Jul-16             |
|---|-----------------------|-----------------------|----------------------|----------------------|
| DETERMINING TOTAL COSTS AND EXPENSES                                      | <u>KUS\$</u>          | <u>KUS\$</u>          | <u>KUS\$</u>         | <u>KUS\$</u>         |
| Cost of sales   | 197,628               | 223,877               | 30,417               | 32,479               |
| Administrative expenses   | 20,250                | 19,463                | 6,141                | 6,640                |
| Other expenses, per function, excluding impairment in the value of assets | 1,050                 | 915                   | 332                  | 365                  |
| <b>Total Costs and Expenses</b>   | <b><u>218,928</u></b> | <b><u>244,255</u></b> | <b><u>36,890</u></b> | <b><u>39,484</u></b> |

## Other results not attributable to segments

|  | QUARTER              |                      |                     |                     |
|--|----------------------|----------------------|---------------------|---------------------|
|  | 30-Sep-17            | 30-Sep-16            | 1-Jul-17            | 1-Jul-16            |
|  | <u>KUS\$</u>         | <u>KUS\$</u>         | <u>KUS\$</u>        | <u>KUS\$</u>        |
| Financial Revenue  | 1,218                | 494                  | 518                 | 122                 |
| Financial Expenses   | (3,623)              | (3,112)              | (1,044)             | (928)               |
| Other profit (loss)  | (175)                | (234)                | (10)                | (171)               |
| Interest in profit (loss) of associated companies and joint ventures that are recorded using the equity method | 7,409                | 5,804                | 7,256               | 2,882               |
| Exchange rate fluctuations   | (4,500)              | 1,911                | (2,171)             | (250)               |
| <b>Total</b>   | <b><u>329</u></b>    | <b><u>4,863</u></b>  | <b><u>4,549</u></b> | <b><u>1,655</u></b> |
| <b>Before tax profit</b>   | <b><u>22,851</u></b> | <b><u>35,862</u></b> | <b><u>5,287</u></b> | <b><u>288</u></b>   |
| Gains tax expense  | (1,997)              | (8,398)              | 396                 | (274)               |
| <b>Profit from continued operations</b>  | <b><u>20,854</u></b> | <b><u>27,464</u></b> | <b><u>5,683</u></b> | <b><u>14</u></b>    |
| Profit (loss), attributable to the equity holders of the parent company  | 20,544               | 23,331               | 5,845               | 292                 |
| Profit (loss), attributable to non parent company equity holders   | 310                  | 4,133                | (162)               | (278)               |
| <b>Profit of the period</b>  | <b><u>20,854</u></b> | <b><u>27,464</u></b> | <b><u>5,683</u></b> | <b><u>14</u></b>    |

## NOTE 7 – FINANCIAL INSTRUMENTS

### 7.1 FINANCIAL INSTRUMENTS PER CATEGORY

| <b>Assets</b>   | <b>Financial assets<br/>and accounts<br/>receivable<br/>KUS\$</b> | <b>Assets at fair<br/>value through<br/>results<br/>KUS\$</b> | <b>Hedging<br/>instruments<br/>KUS\$</b> | <b>Total<br/>KUS\$</b> |
|---|---|---|--|------------------------|
| <b><u>30-Sep-17</u></b>                               |   |   |  |                        |
| Cash and cash equivalents                             | 16,188  | 5,052   | -  | 21,240                 |
| Other current financial assets                        | -   | -   | 3,761                                    | 3,761                  |
| Current trade debtors and other accounts receivable   | 35,106  | -   | -  | 35,106                 |
| Current accounts receivable from related entities     | 25,368  | -   | -  | 25,368                 |
| Other non current financial assets                    | -   | -   | 414                                      | 414                    |
| Non-current accounts receivable from related entities | 11,988  | -   | -  | 11,988                 |
| Non-current fees receivable                           | 2,067   | -   | -  | 2,067                  |
| <b>Total</b>  | <b>90,717</b>   | <b>5,052</b>  | <b>4,175</b>                             | <b>99,944</b>          |

| <b>Liabilities</b>                                | <b>Other financial<br/>liabilities<br/>KUS\$</b> | <b>Liabilities at fair<br/>value with<br/>changes in result<br/>KUS\$</b> | <b>Hedging<br/>instruments<br/>KUS\$</b> | <b>Total<br/>KUS\$</b> |
|---|--|---|--|------------------------|
| <b><u>30-Sep-17</u></b>                           |  |   |  |                        |
| Current trade accounts and other accounts payable | 11,835   | -   | -  | 11,835                 |
| Current accounts payable to related entities      | 11,795   | -   | -  | 11,795                 |
| Non-current accounts payable to related entities  | 11,671   | -   | -  | 11,671                 |
| Other current financial liabilities               | 104,720  | -   | 517                                      | 105,237                |
| Other non-current financial liabilities           | 91,754   | -   | 572                                      | 92,326                 |
| <b>Total</b>                                      | <b>231,775</b>                                   | <b>-</b>  | <b>1,089</b>                             | <b>232,864</b>         |

| <b>Assets</b>   | <b>Financial assets<br/>and accounts<br/>receivable<br/>KUS\$</b> | <b>Assets at fair<br/>value through<br/>results<br/>KUS\$</b> | <b>Hedging<br/>instruments<br/>KUS\$</b> | <b>Total<br/>KUS\$</b> |
|---|---|---|--|------------------------|
| <b><u>31-Dec-16</u></b>                               |   |   |  |                        |
| Cash and cash equivalents                             | 21,841  | 13,404  | -  | 35,245                 |
| Other current financial assets                        | -   | -   | 3,155                                    | 3,155                  |
| Current trade debtors and other accounts receivable   | 42,578  | -   | -  | 42,578                 |
| Current accounts receivable from related entities     | 45,759  | -   | -  | 45,759                 |
| Other non current financial assets                    | -   | -   | 1,101                                    | 1,101                  |
| Non-current accounts receivable from related entities | 7,660   | -   | -  | 7,660                  |
| Non-current fees receivable                           | 1,794   | -   | -  | 1,794                  |
| <b>Total</b>  | <b>119,632</b>  | <b>13,404</b>   | <b>4,256</b>                             | <b>137,292</b>         |

| <b>Liabilities</b>                                | <b>Other financial<br/>liabilities<br/>KUS\$</b> | <b>Liabilities at fair<br/>value with<br/>changes in result<br/>KUS\$</b> | <b>Hedging<br/>instruments<br/>KUS\$</b> | <b>Total<br/>KUS\$</b> |
|---|--|---|--|------------------------|
| <b><u>31-Dec-16</u></b>                           |  |   |  |                        |
| Current trade accounts and other accounts payable | 60,009   | -   | -  | 60,009                 |
| Current accounts payable to related entities      | 6,711  | -   | -  | 6,711                  |
| Non-current accounts payable to related entities  | 11,690   | -   | -  | 11,690                 |
| Other non-current financial liabilities           | 150,787  | -   | -  | 150,787                |
| Otros pasivos financieros, no corrientes          | 56,952   | -   | 678                                      | 57,630                 |
| <b>Total</b>                                      | <b>286,149</b>                                   | <b>-</b>  | <b>678</b>                               | <b>286,827</b>         |

## 7.2 CREDITWORTHINESS OF FINANCIAL ASSETS

The Company's financial assets can be mainly classified into two large groups i) Commercial Credits with Customers which to measure their risk level are classified according to the age of the debt and provisions are made for bad debt, and ii) Financial investments performed by the Company in accordance with the criteria indicated in Note 4.1.1:

| <b>Current assets</b>  | <b>30-Sep-17</b> | <b>31-Dec-16</b> |
|--|------------------|------------------|
|  | <b>KUS\$</b>     | <b>KUS\$</b>     |
| Mutual Funds and term deposits classification AA+fm/M1               | 5,052            | 13,404           |
| Bank Current Accounts AAA  | 16,188           | 21,841           |
| <b>Sub-total Cash and Cash Equivalents</b>                           | <b>21,240</b>    | <b>35,245</b>    |
| Swap rate operations   | 82               | 8                |
| Forwards currency operations   | 2,748            | 2,792            |
| Hedging-option operations  | 931              | 355              |
| <b>Total other current financial assets</b>                          | <b>3,761</b>     | <b>3,155</b>     |
| Trade debtors and other accounts receivable without credit rating    | 35,106           | 42,578           |
| <b>Sub-total Current trade debtors and other accounts receivable</b> | <b>35,106</b>    | <b>42,578</b>    |
| <b>Total</b>   | <b>60,107</b>    | <b>80,978</b>    |

None of the financial assets pending expiry have been the object of renegotiation during the period.

There are no significant expired financial assets as of the closing of the period.

## 7.3 ESTIMATING FAIR VALUE

Financial assets recorded at fair value in the consolidated statement of financial position, have been measured based on the methods stated in IAS 13. For the application of criteria when determining the fair value of the financial assets, the following parameters have been considered:

Level I: Values or quotation prices in active markets for identical assets and liabilities.

Level II: Information from sources that differ from the Level I quotation values, but that can be observed in markets for the assets and liabilities, whether it is in a direct manner (prices) or indirect (derived from prices).

Level III: Information for assets or liabilities that is not based on observable market data.

The following table presents the financial assets that are measured at fair value as of September 30, 2017 and December 31, 2016:

| <u>Assets/(Liabilities)</u>                | Fair value<br>September 30,<br>2017<br><u>KUS\$</u> | Fair value measurements using values<br>considered as |              |              |
|--|---|---|--------------|--------------|
|  |   | Level I   | Level II     | Level III    |
|  |   | <u>KUS\$</u>  | <u>KUS\$</u> | <u>KUS\$</u> |
| Short term mutual funds                    | 5,052   | 5,052   | -            | -            |
| Cross Currency Swap Operations             | 82  | -   | 82           | -            |
| Forwards currency operations               | 2,748   | -   | 2,748        | -            |
| Forwards currency operations               | (517)   | -   | (517)        | -            |
| Hedging-option operations                  | 931   | -   | 931          | -            |
| Non-current forwards currency operations   | 363   | -   | 363          | -            |
| Non-current Cross Currency Swap Operations | 51  | -   | 51           | -            |
| Non-current Cross Currency Swap Operations | (572)   | -   | (572)        | -            |

| <u>Assets/(Liabilities)</u>                | Fair value<br>December 31,<br>2016<br><u>KUS\$</u> | Fair value measurements using values<br>considered as |              |              |
|--|--|---|--------------|--------------|
|  |  | Level I   | Level II     | Level III    |
|  |  | <u>KUS\$</u>  | <u>KUS\$</u> | <u>KUS\$</u> |
| Short term mutual funds                    | 13,404   | 13,404  | -            | -            |
| Cross Currency Swap Operations             | 8  | -   | 8            | -            |
| Forwards currency swap operations          | 2,792  | -   | 2,792        | -            |
| Hedging-option operations                  | 355  | -   | 355          | -            |
| Non-current forwards currency operations   | 709  | -   | 709          | -            |
| Non-current hedging-option operations      | 347  | -   | 347          | -            |
| Non-current Cross Currency Swap Operations | 45   | -   | 45           | -            |
| Non-current Cross Currency Swap Operations | (678)  | -   | (678)        | -            |

#### 7.4 INFORMATIVE FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table shows fair values, based on financial instrument categories, compared with the current and non-current book value included in the consolidated statements of financial position:

|   |       | 30-Sep-17    |              | 31-Dec-16    |              |
|---|-------|--------------|--------------|--------------|--------------|
|   |       | Book value   | Fair value   | Book value   | Fair value   |
|   | Notes | <u>KUS\$</u> | <u>KUS\$</u> | <u>KUS\$</u> | <u>KUS\$</u> |
| <b>Assets</b>   |       |              |              |              |              |
| Cash and cash equivalents   | 8     |              |              |              |              |
| Bank balances   |       | 16,188       | 16,188       | 21,841       | 21,841       |
| Mutual funds  |       | 5,052        | 5,052        | 13,404       | 13,404       |
| Other current financial assets  | 9     | 3,761        | 3,761        | 3,155        | 3,155        |
| Current trade debtors and other accounts receivable and non-current fees receivable | 10    | 37,173       | 37,173       | 44,372       | 44,372       |
| Current accounts receivable from related entities                                   | 11    | 25,368       | 25,368       | 45,759       | 45,759       |
| Other non-current financial assets  | 9     | 414          | 414          | 1,101        | 1,101        |
| Non-current accounts receivable from related entities                               | 11    | 11,988       | 11,988       | 7,660        | 7,660        |
| <b>Liabilities</b>  |       |              |              |              |              |
| Other current financial liabilities   | 21    | 105,237      | 105,237      | 150,787      | 150,787      |
| Other non-current financial liabilities   | 21    | 92,326       | 92,326       | 57,630       | 57,630       |
| Current trade accounts and other accounts payable                                   | 22    | 11,835       | 11,835       | 60,009       | 60,009       |
| Current accounts payable to related entities  | 11    | 11,795       | 11,795       | 6,711        | 6,711        |
| Non-current accounts payable to related entities                                    | 11    | 11,671       | 11,671       | 11,690       | 11,690       |

The book value of current accounts receivable, cash and cash equivalents, and other financial assets and liabilities is close to the fair value because of the short-term nature of these instruments and for accounts receivable, because any loss due to recoverability is already reflected in the loss due to impairment provisions. The fair value of non-derivative financial assets and liabilities, without quotations on active markets, is estimated via the use of discounted cash flows calculated over market variables that can be observed on the date of the financial statements. The fair value of the derivative instruments is estimated via the future discount cash flows, determined based on information that can be observed in the market or over variables and prices obtained from third parties.

## NOTE 8 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents correspond to money balances held in current bank accounts, term deposits and other financial investments with an expiry of less than 90 days.

The detail of cash and cash equivalents as of September 30, 2017 and December 31, 2016, is as follows:

| <b>Types of Cash and Cash Equivalents</b> | <b>30-Sep-17</b>     | <b>31-Dec-16</b>     |
|---|----------------------|----------------------|
|   | <b><u>KUS\$</u></b>  | <b><u>KUS\$</u></b>  |
| Bank balances                             | 16,188               | 21,841               |
| Mutual funds                              | 5,052                | 13,404               |
| <b>Total cash and cash equivalents</b>    | <b><u>21,240</u></b> | <b><u>35,245</u></b> |

The detail per currency of Cash and cash equivalents as of September 30, 2017 and December 31, 2016, is as follows:

| <b>Type of currency</b> | <b>30-Sep-17</b>     | <b>31-Dec-16</b>     |
|-------------------------|----------------------|----------------------|
|                         | <b><u>KUS\$</u></b>  | <b><u>KUS\$</u></b>  |
| United States Dollar    | 7,700                | 19,921               |
| Chilean Peso            | 2,641                | 2,342                |
| Mexican Peso            | 545                  | 838                  |
| Euro                    | 9,780                | 11,775               |
| Brazilian Real          | 116                  | 72                   |
| Nuevo Sol               | 367                  | 291                  |
| Argentine Peso          | 91                   | 6                    |
| <b>Total</b>            | <b><u>21,240</u></b> | <b><u>35,245</u></b> |

The detail of mutual funds per bank as of September 30, 2017 and December 31, 2016, is as follows:

| <b>Investments in mutual funds</b>       | <b>30-Sep-17</b>    | <b>31-Dec-16</b>     |
|--|---------------------|----------------------|
|  | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b>  |
| Banco Crédito e Inversiones              | 2,274               | 11,831               |
| Banco Santander Chile                    | 2,557               | 1,484                |
| Banco Estado                             | 94                  | -                    |
| Itaú - Brazil                            | 127                 | 89                   |
| <b>Total investments in mutual funds</b> | <b><u>5,052</u></b> | <b><u>13,404</u></b> |

Mutual fund units are fixed income and are recorded at the market value through the unit value at the closing of each period.

Mutual funds are held by the Group until the moment that they comply with their operating obligations.

## NOTE 9 - OTHER CURRENT AND NON-CURRENT FINANCIAL ASSETS

These assets represent the effects of currency forwards instruments used to cover the potential financial risk associated to the volatility of costs and expenses to be incurred in Chilean and Mexican pesos in the agricultural and export business (see Note 4.1.3).

The detail of Other financial assets as of September 30, 2017 and December 31, 2016, is as follows:

| <b>Current</b>                              | <b>30-Sep-17</b>    | <b>31-Dec-16</b>    |
|---|---------------------|---------------------|
|   | <u><b>KUS\$</b></u> | <u><b>KUS\$</b></u> |
| Swap rate operations                        | 82                  | 8                   |
| Forward currency operations                 | 2,748               | 2,792               |
| Hedging-option operations                   | 931                 | 355                 |
| <b>Total other current financial assets</b> | <u><b>3,761</b></u> | <u><b>3,155</b></u> |

| <b>Non-Current</b>                              | <b>30-Sep-17</b>    | <b>31-Dec-16</b>    |
|---|---------------------|---------------------|
|   | <u><b>KUS\$</b></u> | <u><b>KUS\$</b></u> |
| Swap rate operations                            | 51                  | 45                  |
| Forward currency operations                     | 363                 | 709                 |
| Hedging-option operations                       | -                   | 347                 |
| <b>Total other non-current financial assets</b> | <u><b>414</b></u>   | <u><b>1,101</b></u> |

As of September 30, 2017 and December 31, 2016, no inefficiency is recorded in the Company's results, which arise from the aforementioned hedging of derivative operations.

a) Detail of the current and non-current swap operations, held by Hortifrut S.A. and subsidiaries are:

| <b>ASSETS</b>              |                             |                            |             |                      |                     |                     |
|----------------------------|-----------------------------|----------------------------|-------------|----------------------|---------------------|---------------------|
| <b>Hedging instruments</b> |                             |                            |             | <b>MtoM Value</b>    |                     |                     |
| <b>Company/Subsidiary</b>  | <b>Entities</b>             | <b>Instruments</b>         | <b>Type</b> | <b>Capital</b>       | <b>30-Sep-17</b>    | <b>31-Dec-16</b>    |
|                            |                             |                            |             | <u><b>KUS\$</b></u>  | <u><b>KUS\$</b></u> | <u><b>KUS\$</b></u> |
| Hortifrut S.A.             | Santander Santiago          | Cross Currency Swaps - USD | Rate        | 8,800                | -                   | 8                   |
| Top Berries & Fruit SAP    | BCI                         | Cross Currency Swaps - USD | Rate        | 5,033                | 82                  | -                   |
| <b>Total Current</b>       |                             |                            |             | <u><b>13,833</b></u> | <u><b>82</b></u>    | <u><b>8</b></u>     |
| Hortifrut Chile S.A.       | Banco de Crédito e Inversio | Cross Currency Swaps - USD | Rate        | 1,037                | 4                   | 1                   |
| Hortifrut Chile S.A.       | BBVA                        | Cross Currency Swaps - USD | Rate        | 6,250                | 47                  | 44                  |
| <b>Total Non-current</b>   |                             |                            |             | <u><b>7,287</b></u>  | <u><b>51</b></u>    | <u><b>45</b></u>    |



- b) The detail of the current and non-current forward operations, held by Hortifrut S.A. and subsidiaries is as follows:

**As of September 30, 2017:**

| Company              | Bank       | Contract<br>Modality | Type | Fees<br>Currency | Liabilities |          | Closing Value<br>Amount | Net Effect<br>Offsetting<br>KUS\$ | MTM                    |                        |                        |                         | Total current<br>9/30/2017<br>KUS\$ | Expiry up to<br>1 a 2 años<br>KUS\$ | Total non-current<br>9/30/2017<br>KUS\$ |     |
|----------------------|------------|----------------------|------|------------------|-------------|----------|-------------------------|-----------------------------------|------------------------|------------------------|------------------------|-------------------------|-------------------------------------|-------------------------------------|---|-----|
|                      |            |                      |      |                  | Amount      | Currency |                         |                                   | Expiry up to           |                        |                        |                         |                                     |                                     |   |     |
|                      |            |                      |      |                  |             |          |                         |                                   | 1 to 3 months<br>KUS\$ | 3 to 6 months<br>KUS\$ | 6 to 9 months<br>KUS\$ | 9 to 12 months<br>KUS\$ |                                     |                                     |   |     |
|                      |            |                      |      |                  |             |          |                         |                                   |                        |                        |                        |                         |                                     |                                     |   |     |
| Agr. Vida Nueva S.A. | BCI        | Offsetting           | Sale | USD              | 949         | CLP      | 983                     | 34                                | 7                      | 20                     | 2                      | -                       | 29                                  | -                                   | -                                       |     |
| Hortifrut Chile S.A. | BBVA       | Offsetting           | Sale | USD              | 9,300       | CLP      | 10,033                  | 733                               | 155                    | 193                    | 82                     | 34                      | 464                                 | 147                                 | 147                                     |     |
| Hortifrut Chile S.A. | BCI        | Offsetting           | Sale | USD              | 5,228       | CLP      | 6,113                   | 885                               | 310                    | 383                    | 162                    | -                       | 855                                 | -                                   | -                                       |     |
| Hortifrut Chile S.A. | Estado     | Offsetting           | Sale | USD              | 3,582       | CLP      | 3,799                   | 217                               | 69                     | 96                     | 40                     | -                       | 205                                 | -                                   | -                                       |     |
| Hortifrut Chile S.A. | Santander  | Offsetting           | Sale | USD              | 6,009       |          | 6,351                   | 342                               | 66                     | 86                     | 36                     | 20                      | 208                                 | 90                                  | 90                                      |     |
| Hortifrut Chile S.A. | Scotiabank | Offsetting           | Sale | USD              | 896         | CLP      | 940                     | 44                                | 13                     | 18                     | 8                      | -                       | 39                                  | -                                   | -                                       |     |
| Hortifrut S.A.       | BBVA       | Offsetting           | Sale | USD              | 4,849       | CLP      | 5,254                   | 405                               | 61                     | 174                    | 17                     | 12                      | 264                                 | 79                                  | 79                                      |     |
| Hortifrut S.A.       | BCI        | Offsetting           | Sale | USD              | 3,070       | CLP      | 3,588                   | 518                               | 121                    | 347                    | 33                     | -                       | 501                                 | -                                   | -                                       |     |
| Hortifrut S.A.       | Estado     | Offsetting           | Sale | USD              | 1,291       | CLP      | 1,369                   | 78                                | 15                     | 48                     | 10                     | -                       | 73                                  | -                                   | -                                       |     |
| Hortifrut Chile S.A. | Santander  | Offsetting           | Sale | USD              | 2,907       |          | 3,073                   | 166                               | 20                     | 59                     | 8                      | 9                       | 96                                  | 47                                  | 47                                      |     |
| Hortifrut S.A.       | Scotiabank | Offsetting           | Sale | USD              | 320         | CLP      | 336                     | 16                                | 3                      | 9                      | 2                      | -                       | 14                                  | -                                   | -                                       |     |
| Total                |            |                      |      |                  | 9/30/2017   |          | 38,401                  | 41,839                            | 3,438                  | 840                    | 1,433                  | 400                     | 75                                  | 2,748                               | 363                                     | 363 |

**As of December 31, 2016:**

| Company              | Bank          | Contract<br>Modality | Type  | Fees<br>Currency | Liabilities |          | Closing Value<br>Amount | Net Effect<br>Offsetting | MTM           |               |               |                | Total current<br>12/31/2016 | Expiry up to<br>1 to 2 years | Total non-current<br>12/31/2016 |
|----------------------|---------------|----------------------|-------|------------------|-------------|----------|-------------------------|--------------------------|---------------|---------------|---------------|----------------|-----------------------------|------------------------------|---------------------------------|
|                      |               |                      |       |                  | Amount      | Currency |                         |                          | 1 to 3 months | 3 to 6 months | 6 to 9 months | 9 to 12 months |                             |                              |                                 |
|                      |               |                      |       |                  |             |          |                         |                          |               |               |               |                |                             |                              |                                 |
|                      |               |                      |       |                  |             |          |                         |                          |               |               |               |                |                             |                              |                                 |
| KUS\$                | KUS\$         | KUS\$                | KUS\$ | KUS\$            | KUS\$       | KUS\$    | KUS\$                   | KUS\$                    | KUS\$         | KUS\$         | KUS\$         |                |                             |                              |                                 |
| Agr. Vida Nueva S.A. | Santander     | Offsetting           | Sale  | USD              | 685         | CLP      | 748                     | 63                       | 58            | 5             | -             | -              | 63                          | -                            | -                               |
| Hortifrut Chile S.A. | BBVA          | Offsetting           | Sale  | USD              | 4,858       | CLP      | 5,265                   | 407                      | 97            | 40            | 49            | 80             | 266                         | 141                          | 141                             |
| Hortifrut Chile S.A. | BCI           | Offsetting           | Sale  | EUR              | 3,638       | USD      | 3,836                   | 198                      | 132           | 49            | -             | -              | 181                         | -                            | -                               |
| Hortifrut Chile S.A. | BCI           | Offsetting           | Sale  | USD              | 9,716       | CLP      | 10,543                  | 827                      | 205           | 84            | 100           | 161            | 550                         | 276                          | 276                             |
| Hortifrut Chile S.A. | Chile         | Offsetting           | Sale  | EUR              | 3,638       | USD      | 3,840                   | 202                      | 134           | 49            | -             | -              | 183                         | -                            | -                               |
| Hortifrut Chile S.A. | Itau-Corbanca | Offsetting           | Sale  | EUR              | 7,792       | USD      | 8,102                   | 310                      | 199           | 73            | -             | -              | 272                         | -                            | -                               |
| Hortifrut Chile S.A. | Santander     | Offsetting           | Sale  | USD              | 1,654       | CLP      | 1,813                   | 159                      | 113           | 47            | -             | -              | 160                         | -                            | -                               |
| Hortifrut Chile S.A. | Scotiabank    | Offsetting           | Sale  | USD              | 3,854       | CLP      | 4,003                   | 149                      | 104           | 45            | -             | -              | 149                         | -                            | -                               |
| Hortifrut Chile S.A. | Security      | Offsetting           | Sale  | EUR              | 3,638       | USD      | 3,836                   | 198                      | 132           | 49            | -             | -              | 181                         | -                            | -                               |
| Hortifrut Chile S.A. | Security      | Offsetting           | Sale  | USD              | 496         | CLP      | 560                     | 64                       | 45            | 19            | -             | -              | 64                          | -                            | -                               |
| Hortifrut S.A.       | BBVA          | Offsetting           | Sale  | USD              | 2,955       | CLP      | 3,202                   | 247                      | 88            | 8             | 22            | 31             | 149                         | 98                           | 98                              |
| Hortifrut S.A.       | BCI           | Offsetting           | Sale  | USD              | 5,910       | CLP      | 6,414                   | 504                      | 186           | 17            | 44            | 63             | 310                         | 194                          | 194                             |
| Hortifrut S.A.       | Santander     | Offsetting           | Sale  | USD              | 1,159       | CLP      | 1,271                   | 112                      | 102           | 10            | -             | -              | 112                         | -                            | -                               |
| Hortifrut S.A.       | Scotiabank    | Offsetting           | Sale  | USD              | 1,159       | CLP      | 1,266                   | 107                      | 98            | 9             | -             | -              | 107                         | -                            | -                               |
| Hortifrut S.A.       | Security      | Offsetting           | Sale  | USD              | 348         | CLP      | 393                     | 45                       | 41            | 4             | -             | -              | 45                          | -                            | -                               |
| Total                |               |                      |       |                  | 12/31/2016  | 51,500   | 55,092                  | 3,592                    | 1,734         | 508           | 215           | 335            | 2,792                       | 709                          | 709                             |

Type of fees from the company's perspective.

c) The detail of the current option operations, held by Hortifrut S.A. and subsidiaries are as follows:

### As of September 30, 2017:

| Company              | Bank | Contract<br>Modality | Type | Fees             |              | Liabilities |              | Closing Value | Net Effect | MTM Closing | Expiry<br>Date |
|----------------------|------|----------------------|------|------------------|--------------|-------------|--------------|---------------|------------|-------------|----------------|
|                      |      |                      |      | Currency         | Amount       | Currency    | Amount       | Amount        | Offsetting | Exch. Rate  |                |
|                      |      |                      |      |                  | KUS\$        |             | KUS\$        | KUS\$         | KUS\$      | KUS\$       |                |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP              | 325          | USD         | 278          |               | 47         | 46          | 20-Oct-17      |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP              | 459          | USD         | 393          |               | 66         | 65          | 20-Nov-17      |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP              | 752          | USD         | 643          |               | 109        | 106         | 20-Dec-17      |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP              | 851          | USD         | 728          |               | 123        | 119         | 19-Jan-18      |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP              | 616          | USD         | 527          |               | 89         | 86          | 20-Feb-18      |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP              | 402          | USD         | 344          |               | 58         | 56          | 20-Mar-18      |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP              | 286          | USD         | 245          |               | 41         | 40          | 20-Apr-18      |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP              | 259          | USD         | 222          |               | 37         | 36          | 18-May-18      |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP              | 232          | USD         | 199          |               | 33         | 32          | 20-Jun-18      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP              | 134          | USD         | 115          |               | 19         | 19          | 20-Oct-17      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP              | 178          | USD         | 152          |               | 26         | 25          | 20-Nov-17      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP              | 290          | USD         | 248          |               | 42         | 41          | 20-Dec-17      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP              | 982          | USD         | 840          |               | 142        | 138         | 19-Jan-18      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP              | 552          | USD         | 472          |               | 80         | 77          | 20-Feb-18      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP              | 162          | USD         | 139          |               | 23         | 23          | 20-Mar-18      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP              | 69           | USD         | 59           |               | 10         | 10          | 20-Apr-18      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP              | 42           | USD         | 36           |               | 6          | 6           | 18-May-18      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP              | 48           | USD         | 41           |               | 7          | 6           | 20-Jun-18      |
| <b>Total</b>         |      |                      |      | <b>9/30/2017</b> | <b>6,639</b> |             | <b>5,681</b> |               | <b>958</b> | <b>931</b>  |                |

### As of December 31, 2016:

| Company              | Bank | Contract<br>Modality | Type | Fees              |              | Liabilities |              | Closing Value | Net Effect | MTM Closing | Expiry<br>Date |
|----------------------|------|----------------------|------|-------------------|--------------|-------------|--------------|---------------|------------|-------------|----------------|
|                      |      |                      |      | Currency          | Amount       | Currency    | Amount       | Amount        | Offsetting | Exch. Rate  |                |
|                      |      |                      |      |                   | KUS\$        |             | KUS\$        | KUS\$         | KUS\$      | KUS\$       |                |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP               | 160          | USD         | 146          |               | 14         | 14          | 20-Jan-17      |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP               | 116          | USD         | 106          |               | 10         | 10          | 20-Feb-17      |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP               | 75           | USD         | 68           |               | 7          | 6           | 20-Mar-17      |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP               | 54           | USD         | 49           |               | 5          | 5           | 20-Apr-17      |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP               | 49           | USD         | 45           |               | 4          | 4           | 19-May-17      |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP               | 44           | USD         | 40           |               | 4          | 4           | 20-Jun-17      |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP               | 280          | USD         | 255          |               | 25         | 23          | 20-Jul-17      |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP               | 301          | USD         | 274          |               | 27         | 25          | 21-Aug-17      |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP               | 363          | USD         | 330          |               | 33         | 30          | 20-Sep-17      |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP               | 325          | USD         | 296          |               | 29         | 26          | 20-Oct-17      |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP               | 459          | USD         | 417          |               | 42         | 37          | 20-Nov-17      |
| Hortifrut Chile S.A. | BCI  | Offsetting           | ZCC  | CLP               | 752          | USD         | 684          |               | 68         | 59          | 20-Dec-17      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP               | 184          | USD         | 167          |               | 17         | 16          | 20-Jan-17      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP               | 104          | USD         | 95           |               | 9          | 9           | 20-Feb-17      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP               | 30           | USD         | 27           |               | 3          | 2           | 20-Mar-17      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP               | 13           | USD         | 12           |               | 1          | 1           | 20-Apr-17      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP               | 8            | USD         | 7            |               | 1          | 1           | 19-May-17      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP               | 9            | USD         | 8            |               | 1          | 1           | 20-Jun-17      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP               | 146          | USD         | 133          |               | 13         | 12          | 20-Jul-17      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP               | 133          | USD         | 121          |               | 12         | 11          | 21-Aug-17      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP               | 139          | USD         | 126          |               | 13         | 11          | 20-Sep-17      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP               | 134          | USD         | 122          |               | 12         | 11          | 20-Oct-17      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP               | 178          | USD         | 162          |               | 16         | 14          | 20-Nov-17      |
| Hortifrut S.A.       | BCI  | Offsetting           | ZCC  | CLP               | 290          | USD         | 264          |               | 26         | 23          | 20-Dec-17      |
| <b>Total</b>         |      |                      |      | <b>12/31/2016</b> | <b>4,346</b> |             | <b>3,954</b> |               | <b>392</b> | <b>355</b>  |                |

d) The detail of the non-current operations, held by Hortifrut S.A. and subsidiaries is as follows:

**As of December 31, 2016:**

| <u>Contract</u>      |             |                 | <u>Fees</u>       |                 | <u>Liabilities</u> |                 | <u>Closing Value</u> | <u>Net Effect</u> | <u>MTM Closing</u> |               |
|----------------------|-------------|-----------------|-------------------|-----------------|--------------------|-----------------|----------------------|-------------------|--------------------|---------------|
| <u>Company</u>       | <u>Bank</u> | <u>Modality</u> | <u>Type</u>       | <u>Currency</u> | <u>Amount</u>      | <u>Currency</u> | <u>Amount</u>        | <u>Offsetting</u> | <u>Exch. Rate</u>  | <u>Expiry</u> |
|                      |             |                 |                   |                 | <u>KUS\$</u>       |                 | <u>KUS\$</u>         | <u>KUS\$</u>      | <u>KUS\$</u>       | <u>Date</u>   |
| Hortifrut Chile S.A. | BCI         | Offsetting      | ZCC               | CLP             | 851                | USD             | 774                  | 77                | 66                 | 19-Jan-18     |
| Hortifrut Chile S.A. | BCI         | Offsetting      | ZCC               | CLP             | 616                | USD             | 560                  | 56                | 48                 | 20-Feb-18     |
| Hortifrut Chile S.A. | BCI         | Offsetting      | ZCC               | CLP             | 402                | USD             | 366                  | 36                | 31                 | 20-Mar-18     |
| Hortifrut Chile S.A. | BCI         | Offsetting      | ZCC               | CLP             | 286                | USD             | 260                  | 26                | 22                 | 20-Apr-18     |
| Hortifrut Chile S.A. | BCI         | Offsetting      | ZCC               | CLP             | 259                | USD             | 236                  | 23                | 20                 | 18-May-18     |
| Hortifrut Chile S.A. | BCI         | Offsetting      | ZCC               | CLP             | 232                | USD             | 211                  | 21                | 17                 | 20-Jun-18     |
| Hortifrut S.A.       | BCI         | Offsetting      | ZCC               | CLP             | 982                | USD             | 893                  | 89                | 77                 | 19-Jan-18     |
| Hortifrut S.A.       | BCI         | Offsetting      | ZCC               | CLP             | 552                | USD             | 502                  | 50                | 43                 | 20-Feb-18     |
| Hortifrut S.A.       | BCI         | Offsetting      | ZCC               | CLP             | 162                | USD             | 147                  | 15                | 12                 | 20-Mar-18     |
| Hortifrut S.A.       | BCI         | Offsetting      | ZCC               | CLP             | 69                 | USD             | 63                   | 6                 | 5                  | 20-Apr-18     |
| Hortifrut S.A.       | BCI         | Offsetting      | ZCC               | CLP             | 42                 | USD             | 38                   | 4                 | 3                  | 18-May-18     |
| Hortifrut S.A.       | BCI         | Offsetting      | ZCC               | CLP             | 48                 | USD             | 44                   | 4                 | 3                  | 20-Jun-18     |
| <b>Total</b>         |             |                 | <b>12/31/2016</b> |                 | <b>4,501</b>       |                 | <b>4,094</b>         | <b>407</b>        | <b>347</b>         |               |

**NOTE 10 – TRADE DEBTORS AND OTHER CURRENT ACCOUNTS RECEIVABLE/NON-CURRENT FEES RECEIVABLE**

The detail of trade debtors and other accounts receivable as of September 30, 2017 and December 31, 2016 is as follows:

| <b>30-Sep-17</b>                     |               |                  |               |                          |                  |               |
|--------------------------------------|---------------|------------------|---------------|--------------------------|------------------|---------------|
| <b>Current per country of origin</b> | <b>Sales</b>  | <b>Documents</b> | <b>Others</b> | <b>Recoverable Taxes</b> | <b>Provision</b> | <b>Total</b>  |
|                                      | <b>KUS\$</b>  | <b>KUS\$</b>     | <b>KUS\$</b>  | <b>KUS\$</b>             | <b>KUS\$</b>     | <b>KUS\$</b>  |
| Chile                                | 9,290         | 2,226            | 2,134         | 1,930                    | (715)            | 14,865        |
| Spain                                | 4,809         | -                | 794           | 6,921                    | (12)             | 12,512        |
| Mexico                               | 50            | -                | 8,463         | 248                      | (2,181)          | 6,580         |
| United States                        | -             | -                | -             | -                        | -                | -             |
| Brazil                               | 664           | -                | 182           | 231                      | (134)            | 943           |
| Argentina                            | -             | -                | 206           | -                        | -                | 206           |
| <b>Total</b>                         | <b>14,813</b> | <b>2,226</b>     | <b>11,779</b> | <b>9,330</b>             | <b>(3,042)</b>   | <b>35,106</b> |

  

| <b>31-Dec-16</b>                     |               |                  |               |                          |                  |               |
|--------------------------------------|---------------|------------------|---------------|--------------------------|------------------|---------------|
| <b>Current per country of origin</b> | <b>Sales</b>  | <b>Documents</b> | <b>Others</b> | <b>Recoverable Taxes</b> | <b>Provision</b> | <b>Total</b>  |
|                                      | <b>KUS\$</b>  | <b>KUS\$</b>     | <b>KUS\$</b>  | <b>KUS\$</b>             | <b>KUS\$</b>     | <b>KUS\$</b>  |
| Chile                                | 8,284         | 1,391            | 1,478         | 8,602                    | (467)            | 19,288        |
| Spain                                | 10,190        | -                | 639           | 3,918                    | (40)             | 14,707        |
| Mexico                               | 631           | -                | 6,820         | 1,146                    | (1,507)          | 7,090         |
| United States                        | -             | -                | 207           | -                        | -                | 207           |
| Brazil                               | 659           | -                | 100           | 147                      | (105)            | 801           |
| Argentina                            | -             | -                | 353           | 132                      | -                | 485           |
| <b>Total</b>                         | <b>19,764</b> | <b>1,391</b>     | <b>9,597</b>  | <b>13,945</b>            | <b>(2,119)</b>   | <b>42,578</b> |

The concept others, mainly corresponds to advanced payments to producers (which will be liquidated within the season) and suppliers. The provision corresponds to the impairment of trade debtors and other accounts receivable.

The detail of non-current fees receivable as of September 30, 2017 and December 31, 2016 is as follows:

| <b>Non-Current</b>                          | <b>30-Sep-17</b> | <b>31-Dec-16</b> |
|---|------------------|------------------|
|   | <b>KUS\$</b>     | <b>KUS\$</b>     |
| Non-current debtors and accounts receivable | 786              | 803              |
| Other non-current fees receivable           | 1,281            | 991              |
| <b>Total non-current fees receivable</b>    | <b>2,067</b>     | <b>1,794</b>     |

Recoverable taxes, the detail of recoverable taxes, presented in other accounts receivable are:

|                                       | <b>30-Sep-17</b>    | <b>31-Dec-16</b>     |
|---------------------------------------|---------------------|----------------------|
| <b><u>Tax receivable accounts</u></b> | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b>  |
| Iva (VAT) tax credit                  | 9,153               | 12,812               |
| Customs refund                        | -                   | 71                   |
| Other recoverable taxes               | 177                 | 1,062                |
| <b>Total</b>                          | <b><u>9,330</u></b> | <b><u>13,945</u></b> |

The fair value of trade debts and other accounts receivable does not differ from its book value.

### Stratification of the portfolio

The Company does not keep a securitized portfolio as of September 30, 2017 and December 31, 2016. Below is an analysis by age of trade debts and accounts receivable:

|                      | <b>30-Sep-17</b>                             |   | <b>31-Dec-16</b>                             |   |
|----------------------|--|---|--|---|
|                      | <b>NON SECURITIZED PORTFOLIO</b>             |   | <b>NON SECURITIZED PORTFOLIO</b>             |   |
|                      | <b>Customers non re-negotiated portfolio</b> | <b>Amount non re-negotiated portfolio</b> | <b>Customers non re-negotiated portfolio</b> | <b>Amount non re-negotiated portfolio</b> |
| <b>Terms</b>         | <b><u>Nº</u></b>                             | <b><u>KUSD</u></b>                        | <b><u>Nº</u></b>                             | <b><u>KUSD</u></b>                        |
| Up to date           | 532  | 14,796                                    | 588  | 19,360                                    |
| From 1 to 30 days    | 153  | 1,145                                     | 42   | 843                                       |
| From 31-60 days      | 40   | 593                                       | 30   | 300                                       |
| From 61-90 days      | 17   | 34  | 25   | 271                                       |
| From 91-120 days     | 56   | 220                                       | 25   | 207                                       |
| From 121-150 days    | 18   | 77  | 12   | 173                                       |
| From 151 to 180 days | 21   | 279                                       | 9  | 81  |
| From 181 to 210 days | 13   | 81  | 12   | 3   |
| From 211 to 250 days | 14   | 30  | 17   | 39  |
| Over 250 days        | 174  | 570                                       | 217  | 681                                       |
| <b>Total</b>         | <b><u>1,038</u></b>                          | <b><u>17,825</u></b>                      | <b><u>977</u></b>                            | <b><u>21,958</u></b>                      |
| <b>Provision</b>     |  | <b><u>(897)</u></b>                       |  | <b><u>(675)</u></b>                       |
| <b>Total (net)</b>   |  | <b><u>16,928</u></b>                      |  | <b><u>21,283</u></b>                      |

The stratification of the portfolio includes: Sales debtors, Notes receivable, non-current debtors in the item non-current accounts receivable.

Analysis of future expiries (future flows) of these accounts is as follows:

|                      | <b>30-Sep-17</b>     | <b>31-Dec-16</b>     |
|----------------------|----------------------|----------------------|
| <b>Terms</b>         | <b><u>KUS\$</u></b>  | <b><u>KUS\$</u></b>  |
| Up to date           | 11,020               | 7,993                |
| From 1 to 30 days    | 9,655                | 11,976               |
| From 31-60 days      | 5,020                | 10,961               |
| From 61-90 days      | 294                  | 1,065                |
| From 91-120 days     | 841                  | 2,252                |
| From 121-150 days    | 2                    | 2,180                |
| From 151 to 180 days | 2                    | 442                  |
| From 181 to 210 days | 5                    | 130                  |
| From 211 to 250 days | 1,093                | -                    |
| Over 250 days        | 7,174                | 5,579                |
| <b>Total</b>         | <b><u>35,106</u></b> | <b><u>42,578</u></b> |

The amounts corresponding to trade debtors and other accounts receivable individually impaired, which are provisioned as bad debt in their total, are as follows:

|                           | <b>30-Sep-17</b>    | <b>31-Dec-16</b>    |
|---------------------------|---------------------|---------------------|
|                           | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> |
| National trade debtors    | 451                 | 447                 |
| Receivable documents      | 446                 | 228                 |
| Other accounts receivable | 2,145               | 1,444               |
| <b>Total</b>              | <b><u>3,042</u></b> | <b><u>2,119</u></b> |

Balances due to currency that make up trade debtors and other current accounts receivable as of September 30, 2017 and December 31, 2016, are as follows:

| <b>Type of currency</b> | <b>30-Sep-17</b>     | <b>31-Dec-16</b>     |
|-------------------------|----------------------|----------------------|
|                         | <b><u>KUS\$</u></b>  | <b><u>KUS\$</u></b>  |
| United States Dollar    | 15,290               | 12,903               |
| Chilean Peso            | 4,559                | 13,500               |
| Euro                    | 5,903                | 11,088               |
| Mexican Peso            | 1,197                | 792                  |
| Argentine Peso          | 206                  | 489                  |
| Brazilian Real          | 905                  | 801                  |
| Nuevo Sol               | 7,046                | 3,005                |
| <b>Total</b>            | <b><u>35,106</u></b> | <b><u>42,578</u></b> |

The Company constitutes provisions based on estimations and due to the evidence of impairment of trade debts and others. The criteria used to determine if there is objective evidence of loss due to impairment are the maturity of the portfolio, concrete acts of impairment (default) and concrete market signs.

The movement of provision due to loss caused by the impairment of the value of trade debtor and others as of September 30, 2017 and December 31, 2016, is as follows:

|                          | <b>30-Sep-17</b>    | <b>31-Dec-16</b>    |
|--------------------------|---------------------|---------------------|
| <b>Movement</b>          | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> |
| As of January 01         | 2,119               | 2,315               |
| Write-offs               | (82)                | (732)               |
| Increase in provision    | 942                 | 674                 |
| Exchange rate difference | 63                  | (138)               |
| <b>Total</b>             | <b><u>3,042</u></b> | <b><u>2,119</u></b> |

Once all the preliminary and judicial collection efforts have been made, we proceed to write off the assets against the constituted provision.

The historical renegotiations and those which are currently valid are not very relevant and the policy is to analyze case by case in order to classify them depending on the existence of risk, determining if its reclassification to prejudicial collection accounts corresponds. If reclassification corresponds, it is constituted a provision of the overdue and nearly overdue.

The maximum exposure to credit risk as of the presentation date of the information is the book value of each of the accounts receivable categories indicated beforehand.

|                           | <b>As of September 30, 2017</b>      |                                |   | <b>As of December 31, 2016</b>       |                                |   |
|---------------------------|--------------------------------------|--------------------------------|---|--------------------------------------|--------------------------------|---|
|                           | <b>Gross exposure as per balance</b> | <b>Gross impaired exposure</b> | <b>Net exposure concentration of risk</b> | <b>Gross exposure as per balance</b> | <b>Gross impaired exposure</b> | <b>Net exposure concentration of risk</b> |
|                           | <b><u>KUS\$</u></b>                  | <b><u>KUS\$</u></b>            | <b><u>KUS\$</u></b>                       | <b><u>KUS\$</u></b>                  | <b><u>KUS\$</u></b>            | <b><u>KUS\$</u></b>                       |
| Trade debtors             | 14,813                               | (451)                          | 14,362                                    | 19,764                               | (447)                          | 19,317                                    |
| Notes receivable          | 2,226                                | (446)                          | 1,780                                     | 1,391                                | (228)                          | 1,163                                     |
| Other accounts receivable | 11,779                               | (2,145)                        | 9,634                                     | 9,597                                | (1,444)                        | 8,153                                     |
| Recoverable taxes         | 9,330                                | -                              | 9,330                                     | 13,945                               | -                              | 13,945                                    |
| <b>Total</b>              | <b><u>38,148</u></b>                 | <b><u>(3,042)</u></b>          | <b><u>35,106</u></b>                      | <b><u>44,697</u></b>                 | <b><u>(2,119)</u></b>          | <b><u>42,578</u></b>                      |

## NOTE 11– BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Related parties include the following entities and individuals:

- Shareholders with the possibility to exercise control
- Subsidiaries and members of subsidiaries
- Parties with an interest in the entity which grants them significant influence over it
- Parties with joint control over the entity
- Associates
- Interests in joint business
- Key management personnel, from the entity or its parent company
- Relatives close to the individuals described in the previous points
- An entity that is controlled, or is controlled in a joint manner by any of the individuals described in the two previous points.

### 11.1. Accounts receivable from related entities

In general, transactions with related Companies are of immediate payment or charge and are not subject to special conditions. These operations adjust to what is established under title XVI of Law N° 18.046, regarding Closely-held Corporations and in Title XV of law N°18.045.

The transfer of short term funds from and to the parent company or between related Companies, which do not correspond to the charging or payment of services, are structured under the trade current account modality, establishing an interest rate for the monthly balance, as per market conditions.

Accounts receivable and accounts payable to related entities as of September 30, 2017 and December 31, 2016, are detailed as follows:

| <u>Current Accounts Receivable</u>  | <u>RUT</u>   | <u>Country of Origin</u> | <u>Nature of the relationship</u>                | <u>Type of Currency</u> | <u>30-Sep-17</u> | <u>31-Dec-16</u> |
|-------------------------------------|--------------|--------------------------|--|-------------------------|------------------|------------------|
|                                     |              |                          |  |                         | <u>KUS\$</u>     | <u>KUS\$</u>     |
| Naturipe Value Added Foods LLC      | o-E          | USA                      | Associated                                       | USD                     | 9,136            | 9,892            |
| Naturipe Farms LLC                  | o-E          | USA                      | Associated                                       | USD                     | 5,756            | 27,168           |
| Expofresh S.A.                      | o-E          | Argentina                | Common Shareholder                               | USD                     | 3,946            | -                |
| S.A.T. Hortifrut H-0030             | o-E          | Spain                    | Associated                                       | EUR                     | 2,900            | 1,503            |
| Valles del Sur SpA                  | 76.243.329-k | Chile                    | Shareholder                                      | USD                     | 1,579            | 939              |
| Munger Farms, LLC                   | o-E          | USA                      | Common Shareholder                               | USD                     | 495              | 117              |
| Euroberry GmbH                      | o-E          | Germany                  | Shareholder in subsidiary                        | EUR                     | 452              | 1,179            |
| Tal S.A.C.                          | o-E          | Peru                     | Common Shareholder                               | USD                     | 339              | -                |
| Hortifrut Expofresh S.A.            | o-E          | Argentina                | Associated                                       | USD                     | 169              | 647              |
| Margesi S.A.                        | o-E          | Argentina                | Associated                                       | USD                     | 142              | 59               |
| Tierra de Arándanos S.R.L.          | o-E          | Argentina                | Common shareholder in associated                 | USD                     | 118              | -                |
| Naturipe Berry Growers, LLC         | o-E          | USA                      | Associated                                       | USD                     | 93               | -                |
| Agrícola San José de Tilama S.A.    | 76.043.289-K | Chile                    | Common Shareholder                               | USD                     | 60               | 36               |
| Cooperativa de Agricultores Gijón.  | o-E          | Spain                    | Affiliated of a common shareholder in subsidiary | EUR                     | 50               | 39               |
| Tierra de Ibatín S.A.               | o-E          | Argentina                | Common Shareholder                               | USD                     | 50               | -                |
| Euroberry UK Ltd.                   | o-E          | Inglaterra               | Common Shareholder                               | EUR                     | 32               | -                |
| Juan Carlos García                  | o-E          | Spain                    | Common Shareholder                               | USD                     | 27               | 33               |
| Agrícola Nueva Cabildo S.A.         | 76.107.465-2 | Chile                    | Common Shareholder                               | USD                     | 10               | 1                |
| Munger Hortifrut North America, LLC | o-E          | USA                      | Associated                                       | USD                     | 7                | 3,710            |
| Agrícola e Inmobiliaria Lumaco S.A. | 96.761.430-0 | Chile                    | Common Shareholder                               | CLP                     | 4                | -                |
| Global Organics S.A.                | 76.404.690-0 | Chile                    | Common Shareholder                               | CLP                     | 2                | -                |
| Inversiones IMG Dos Limitada.       | 76.376.222-K | Chile                    | Shareholder                                      | CLP                     | 1                | -                |
| Atlantic Blue,S.L.                  | o-E          | Spain                    | Common Shareholder                               | EUR                     | -                | 205              |
| Naturipe Brand, LLC                 | o-E          | USA                      | Associated                                       | USD                     | -                | 200              |
| Atlantic Green S.L.                 | o-E          | Spain                    | Common Shareholder                               | EUR                     | -                | 31               |
| <b>Total</b>                        |              |                          |  |                         | <b>25,368</b>    | <b>45,759</b>    |

Current accounts receivable correspond to trade operations whose collection period is between 1 and 3 months.



Non-current accounts receivable correspond to the financing of investments whose collection period is over 3 years.

| <u>Non-current accounts receivable</u> | <u>RUT</u> | <u>Country of Origin</u> | <u>Nature of the relationship</u> | <u>Type of Currency</u> | <u>30-Sep-17</u> | <u>31-Dec-16</u> |
|--|------------|--------------------------|-----------------------------------|-------------------------|------------------|------------------|
|  |            |                          |                                   |                         | <u>KUS\$</u>     | <u>KUS\$</u>     |
| S.A.T. Hortifrut H-0030                | 0-E        | Spain                    | Associated                        | EUR                     | 3,485            | 3,485            |
| Hortifrut Berries Maroc SRL            | 0-E        | Morocco                  | Associated                        | EUR                     | 3,857            | 1,983            |
| Tierras de Berries S.A.                | 0-E        | Argentina                | Common shareholder in associated  | US\$                    | 2,096            | 2,192            |
| Asian Berries Limited                  | 0-E        | China                    | Associated                        | US\$                    | 2,550            | -                |
| <b>Total</b>                           |            |                          |                                   |                         | <b>11,988</b>    | <b>7,660</b>     |

Accounts receivable held with Hortifrut, Berries, Maroc SARL correspond to successive work capital loans granted by Hortifrut España Southern Sun SL, while the development stage of this investment lasts. These loans accrue an annual 4% interest.

The collection balance held with Tierra de Berries S.A. corresponds to the financing granted in 2015, by Naturipe Farms Imports LLC, to finance the purchase of Sociedad Margesi S.A. This financing will be recovered through the delivery of the berries production of the fields that this company owns in two seasons, extendable to three.

The collection balance with Asian Berries Limited, corresponds to financing granted by Hortifrut Inversiones Internacionales S.A. to finance the investments of the Honghe Jiayu Agriculture Limited (China) company. This financing does not accrue interests.

## 11.2. Accounts payable to related entities

Accounts payable to related entities as of September 30, 2017 and December 31, 2016, are detailed as follows:

| <u>Current accounts payable</u>          | <u>RUT</u>   | <u>Country of Origin</u> | <u>Nature of the relationship</u>         | <u>Type of Currency</u> | <u>30-Sep-17</u> | <u>31-Dec-16</u> |
|--|--------------|--------------------------|---|-------------------------|------------------|------------------|
|  |              |                          |   |                         | <u>KUS\$</u>     | <u>KUS\$</u>     |
| Hortifrut Tal S.A.C                      | 0-E          | Peru                     | Associated                                | US\$                    | 9,066            | 727              |
| Andes del Sur Inversiones Ltda.          | 76.463.392-K | Chile                    | Common shareholder                        | CLP                     | 2,150            | 888              |
| Sociedad Agrícola Catapilco Limitada     | 78.241.100-4 | Chile                    | Shareholder in subsidiary                 | CLP                     | 152              | 314              |
| Agrícola Santa Carmen Ltda               | 86.776.400-3 | Chile                    | Common shareholder                        | US\$                    | 123              | 324              |
| Monarch Nut Company, LLC                 | 0-E          | USA                      | Common shareholder                        | US\$                    | 113              | -                |
| Atlantic Green, S.L                      | 0-E          | Spain                    | Common shareholder                        | EUR                     | 85               | -                |
| Atlantic Blue Berries Maroc, SARL        | 0-E          | Spain                    | Common shareholder                        | EUR                     | 43               | 14               |
| Hortifrut Berries Maroc SRL.             | 0-E          | Morocco                  | Associated                                | EUR                     | 35               | -                |
| Atlantic Blue, S.L.                      | 0-E          | Spain                    | Common shareholder                        | EUR                     | 23               | -                |
| Pacific Berry Breeding, LLC              | 0-E          | USA                      | Associated                                | US\$                    | 4                | 13               |
| Atlantic Orange, S.L.                    | 0-E          | Spain                    | Affiliated of a Shareholder in subsidiary | US\$                    | 1                | -                |
| Expofresh S.A.                           | 0-E          | Argentina                | Common shareholder                        | US\$                    | -                | 2,905            |
| Tal S.A.C.                               | 0-E          | Peru                     | Affiliated of a Shareholder in subsidiary | US\$                    | -                | 1,163            |
| Naturipe Berry Growers, LLC              | 0-E          | USA                      | Associated                                | US\$                    | -                | 177              |
| Munger Bros, LLC                         | 0-E          | USA                      | Common shareholder                        | US\$                    | -                | 125              |
| Arandanos del Rocío, S.L.                | 0-E          | Spain                    | Common shareholder                        | EUR                     | -                | 32               |
| Santa Maria de Gorbea S.A.               | 99.567.570-6 | Chile                    | Common shareholder                        | CLP                     | -                | 23               |
| Agrícola e Inmobiliaria Don Vitoco Ltda. | 76.849.930-6 | Chile                    | Common shareholder                        | CLP                     | -                | 3                |
| Agrícola e Inmobiliaria Lumaco S.A.      | 96.761.430-0 | Chile                    | Common shareholder                        | CLP                     | -                | 3                |
| <b>Total</b>                             |              |                          |   |                         | <b>11,795</b>    | <b>6,711</b>     |

Current accounts payable correspond to trade operations, the payment period is between 1 and 45 days.

| <u>Non current accounts payable</u> | <u>RUT</u>   | <u>Country of Origin</u> | <u>Nature of the relationship</u>         | <u>Type of Currency</u> | <u>30-Sep-17</u> | <u>31-Dec-16</u> |
|-------------------------------------|--------------|--------------------------|---|-------------------------|------------------|------------------|
|                                     |              |                          |   |                         | <u>KUS\$</u>     | <u>KUS\$</u>     |
| Royal Berries S.L.                  | 0-E          | Spain                    | Affiliated of a Shareholder in subsidiary | EUR                     | 10,197           | 10,286           |
| Inversiones Canihua S.A.            | 95.526.000-7 | Chile                    | Common shareholder                        | CLP                     | 1,019            | 971              |
| Inversiones Purranque S.A.          | 96.539.710-8 | Chile                    | Shareholder in subsidiary                 | CLP                     | 455              | 433              |
| <b>Total</b>                        |              |                          |   |                         | <b>11,671</b>    | <b>11,690</b>    |

The payable balance held with Royal Berries SL corresponds to the pending instalment payments for the purchase of the berries varietal license to exploit in America. The contract was subscribed in July 2015 for the total amount of US\$20 million, with Hortifrut immediately paying 50%. The balance is being paid in seven annual instalments until the year 2022, which will accrue an annual interest of 2.9%.

Accounts payable to Inversiones Canihua S.A. and Inversiones Purranque S.A., correspond to investment financing with a liquidation period higher than 3 years.

### 11.3. Transactions with related parties and their effects on results

The operations and their effects on results for the periods ending September 30, 2017 and 2016 are presented:

| <u>Company</u>                           | <u>RUT</u>   | <u>Nature of the relationship</u> | <u>Description of the transaction</u>              | <u>30-Sep-17</u>             |   | <u>30-Sep-16</u>             |   |
|--|--------------|-----------------------------------|--|------------------------------|---|------------------------------|---|
|  |              |                                   |  | <u>Amount of Transaction</u> | <u>Effect on result (charge)/ deposit</u> | <u>Amount of Transaction</u> | <u>Effect on result (charge)/ deposit</u> |
|  |              |                                   |  |                              |   |                              |   |
|  |              |                                   |  | <u>KUS\$</u>                 | <u>KUS\$</u>                              | <u>KUS\$</u>                 | <u>KUS\$</u>                              |
| Naturipe Farms LLC                       | 0-E          | Associated                        | Fruit sales  | 108,265                      | 10,420                                    | 132,510                      | 15,048                                    |
| Naturipe Farms LLC                       | 0-E          | Associated                        | Income from packing services, materials and others | 69                           | 7   | -                            | -   |
| Naturipe Farms LLC                       | 0-E          | Associated                        | Fruit purchase                                     | 115                          | 11  | -                            | -   |
| S.A.T. Hortifrut H-0030                  | 0-E          | Associated                        | Fruit sales  | 14,233                       | 1,370                                     | 22,877                       | 2,598                                     |
| S.A.T. Hortifrut H-0030                  | 0-E          | Associated                        | Gained interests                                   | 60                           | -   | -                            | -   |
| S.A.T. Hortifrut H-0030                  | 0-E          | Associated                        | Fruit purchase                                     | -                            | -   | 149                          | -   |
| Agricola Santa Carmen Ltda.              | 86.776.400-3 | Common shareholder                | Fruit purchase                                     | 3,931                        | -   | 6,432                        | -   |
| Agricola Santa Carmen Ltda.              | 86.776.400-3 | Common shareholder                | Income from packing services, materials and others | 312                          | -   | 114                          | -   |
| Agricola Santa Carmen Ltda.              | 86.776.400-3 | Common shareholder                | Income from plant sales                            | 70                           | 7   | 146                          | 17  |
| Naturipe Value Added Foods LLC           | 0-E          | Associated                        | Fruit sales  | 11,656                       | 1,122                                     | 20,883                       | 2,371                                     |
| Naturipe Value Added Foods LLC           | 0-E          | Associated                        | Fruit purchase                                     | -                            | -   | 205                          | -   |
| Naturipe Berry Growers                   | 0-E          | Associated                        | Fruit sales  | 2,455                        | 236                                       | 3,530                        | 401                                       |
| Sociedad Agrícola Catapilco Ltda.        | 78.241.100-4 | Common shareholder                | Advanced purchase of plants (Nursery)              | 3,878                        | -   | 3,564                        | -   |
| Agricola e Inmobiliaria Don Vitoco Ltda. | 76.849.930-6 | Common shareholder                | Fruit purchase                                     | 28                           | -   | 27                           | -   |
| Agricola e Inmobiliaria Don Vitoco Ltda. | 76.849.930-6 | Common shareholder                | Income from packing services, materials and others | 23                           | -   | 13                           | -   |
| Atlantic Blue S.L.                       | 0-E          | Common shareholder in subsidiary  | Interest expenses                                  | -                            | -   | 15                           | (15)                                      |
| Valles del Sur SpA                       | 76.243.329-k | Shareholder                       | Fruit purchase                                     | 5,476                        | -   | 5,993                        | -   |
| Valles del Sur SpA                       | 76.243.329-k | Shareholder                       | Income from packing services, materials and others | 476                          | -   | 268                          | -   |
| Valles del Sur SpA                       | 76.243.329-k | Shareholder                       | Income from plant sales                            | 65                           | 6   | 426                          | 48  |
| Agricola San José de Tilama S.A.         | 76.043.289-K | Common shareholder                | Fruit purchase                                     | 393                          | -   | 446                          | -   |
| Agricola San José de Tilama S.A.         | 76.043.289-K | Common shareholder                | Income from packing services, materials and others | -                            | -   | 2                            | -   |
| Agricola San José de Tilama S.A.         | 76.043.289-K | Common shareholder                | Income from plant sales                            | 52                           | 5   | 27                           | 3   |
| Vilcun Organics SPA                      | 76.158.225-9 | Common shareholder                | Fruit purchase                                     | -                            | -   | 1,722                        | -   |
| Santa María de Gorbea S.A.               | 99.567.570-6 | Common shareholder                | Fruit purchase                                     | 27                           | -   | 165                          | -   |
| Agricola Nueva Cabildo S.A.              | 76.107.465-2 | Common shareholder                | Fruit purchase                                     | 49                           | -   | 106                          | -   |
| Agricola Nueva Cabildo S.A.              | 76.107.465-2 | Common shareholder                | Income from packing services, materials and others | 1                            | -   | 8                            | -   |
| Horacio Schmidt Cortes                   | 3.171.221-1  | Shareholder in subsidiary         | Received services                                  | -                            | -   | 3                            | -   |
| Horacio Schmidt Cortes                   | 3.171.221-1  | Shareholder in subsidiary         | Paid dividend                                      | -                            | -   | 348                          | -   |

| Company                             | RUT          | Nature of the relationship       | Description of the transaction                     | 30-Sep-17                      |   | 30-Sep-16                      |   |
|-------------------------------------|--------------|----------------------------------|--|--------------------------------|---|--------------------------------|---|
|                                     |              |                                  |  | Amount of Transaction<br>KUS\$ | Effect on result (charge)/ deposit<br>KUS\$ | Amount of Transaction<br>KUS\$ | Effect on result (charge)/ deposit<br>KUS\$ |
| Andes Sur Inversiones Limitada      | 76.463.392-K | Shareholder in subsidiary        | Paid dividend                                      | 61                             | -   | 870                            | -   |
| Andes Sur Inversiones Limitada      | 76.463.392-K | Shareholder in subsidiary        | Received loan                                      | 1,204                          | -   | 585                            | -   |
| San José Farms S.A.                 | 77.403.750-0 | Shareholder                      | Received Services                                  | -                              | -   | 10                             | -   |
| Hortifrut Tal S.A.C                 | 0-E          | Associated                       | Fruit purchase                                     | 19,437                         | -   | 13,685                         | -   |
| Hortifrut Tal S.A.C                 | 0-E          | Associated                       | Income from plant sales                            | 2,695                          | 259   | 1,075                          | 122   |
| Tal S.A.C                           | 0-E          | Common shareholder in associated | Fruit purchase                                     | 1,893                          | -   | 7,396                          | -   |
| Tal S.A.C                           | 0-E          | Common shareholder in associated | Income from plant sales                            | 1,133                          | -   | 665                            | -   |
| Tierras de Berries S.A.             | 0-E          | Common shareholder in associated | Advanced payment to producer                       | 113                            | -   | -                              | -   |
| Tierras de Berries S.A.             | 0-E          | Common shareholder in associated | Income from plant sales                            | -                              | -   | 222                            | 66  |
| Expofresh S.A.                      | 0-E          | Common shareholder in associated | Fruit purchase                                     | 2,104                          | -   | 2,990                          | -   |
| Expofresh S.A.                      | 0-E          | Common shareholder in associated | Advanced payment to producer                       | 4,771                          | -   | 7,178                          | -   |
| Royal Berries S.L.                  | 0-E          | Common shareholder               | Fruit sales  | 9                              | 1   | 112                            | 13  |
| Royal Berries S.L.                  | 0-E          | Common shareholder               | Income from plant sales                            | 166                            | 16  | -                              | -   |
| Royal Berries S.L.                  | 0-E          | Common shareholder               | Payment - Purchase Berries Genetics (plants)       | 1,429                          | -   | 1,254                          | -   |
| Royal Berries S.L.                  | 0-E          | Common shareholder               | Interest expense                                   | 126                            | (126)                                       | 290                            | (290)                                       |
| Atlantic Green S.L.                 | 0-E          | Associated                       | Fruit sales  | -                              | -   | -                              | -   |
| Agrícola e Inmobiliaria Lumaco S.A. | 96.761.430-0 | Common shareholder               | Income from packing services, materials and others | 13                             | -   | 14                             | -   |
| Agrícola e Inmobiliaria Lumaco S.A. | 96.761.430-0 | Common shareholder               | Lease  | (16)                           | -   | (51)                           | -   |
| Inversiones Canihua                 | 95.526.000-7 | Shareholder in subsidiary        | Paid dividend                                      | -                              | -   | 375                            | -   |
| Hortifrut Berries Maroc SRL         | 0-E          | Associated                       | Granted loans                                      | 1,476                          | -   | 1,964                          | -   |
| Hortifrut Berries Maroc SRL         | 0-E          | Associated                       | Gained interests                                   | 84                             | 84  | 33                             | 33  |
| Hortifrut Berries Maroc SRL         | 0-E          | Associated                       | Income from plant sales                            | 163                            | 16  | 123                            | 14  |
| Hortifrut Berries Maroc SRL         | 0-E          | Associated                       | Fruit purchase                                     | (35)                           | -   | -                              | -   |
| Atlantic Blue Berries Maroc, SRL    | 0-E          | Common shareholder in subsidiary | Fruit purchase                                     | (7,162)                        | -   | -                              | -   |
| Tierras de Berries S.A.             | 0-E          | Common shareholder in associated | Income from plant sales                            | -                              | -   | 222                            | 66  |
| Tierras de Berries S.A.             | 0-E          | Common shareholder in associated | Charging advanced payment                          | -                              | -   | 1,300                          | -   |
| Tierras de Arándanos S.A.           | 0-E          | Common shareholder in associated | Income from plant sales                            | -                              | -   | 56                             | 16  |
| Margesi S.A.                        | 0-E          | Associated                       | Income from plant sales                            | -                              | -   | 23                             | 8   |
| Euroberry GMBH                      | 0-E          | Associated                       | Fruit sales  | 4,248                          | 409   | -                              | -   |
| Munger Farm LLC                     | 0-E          | Common shareholder               | Income from plant sales                            | 1,440                          | 139   | -                              | -   |
| Munger Farm LLC                     | 0-E          | Common shareholder               | Purchase machinery                                 | 820                            | -   | -                              | -   |
| Munger Farm LLC                     | 0-E          | Common shareholder               | Income from packing services, materials and others | 332                            | 32  | -                              | -   |
| Munger Hortifrut North America, LLC | 0-E          | Associated                       | Income from packing services, materials and others | 160                            | -   | -                              | -   |
| Munger Hortifrut North America, LLC | 0-E          | Associated                       | Income from plant sales                            | 2,936                          | 283   | -                              | -   |
| Munger Hortifrut North America, LLC | 0-E          | Associated                       | Granted loans                                      | 8,207                          | -   | -                              | -   |
| Munger Hortifrut North America, LLC | 0-E          | Associated                       | Charging loans                                     | (11,590)                       | -   | -                              | -   |

Hortifrut and subsidiaries, have as their policy to inform the main transactions that are performed with related parties during the period, except for dividends paid by the parent Company and received capital contributions.

#### 11.4. Board Remunerations and fees and Remunerations of key executives

The allowances, remunerations and ownership interests of the Board members as of September 30, 2017 reach KUS\$825, of which KUS\$258 correspond to interests. For the same period in 2016 the total of allowances, consulting and ownership interests reached KUS\$634.

The total gross remuneration received by the main executives at Hortifrut and subsidiaries reached KUS\$3,385 as of September 30, 2017 and KUS\$3,335 as of September 30, 2016.

Main executive managers are those that have the authority and the responsibility to plan, direct and control the company's activities, whether it be directly or indirectly, including any member (executive or not) of the administrative council or of a government body, its equivalent in the company.

## NOTE 12 – STOCK

The stock detail at the closing of the period ending September 30, 2017 and the period ending December 31, 2016 is as follows:

| <b><u>Types of stock</u></b> | <b><u>30-Sep-17</u></b> | <b><u>31-Dec-16</u></b> |
|------------------------------|-------------------------|-------------------------|
|                              | <b><u>KUS\$</u></b>     | <b><u>KUS\$</u></b>     |
| Finished products            | 15,144                  | 39,749                  |
| Raw material                 | 22                      | 648                     |
| Frozen finished products     | 3,027                   | 3,582                   |
| Materials and supplies       | 9,120                   | 13,749                  |
| Provision for obsolescence   | (1,070)                 | (917)                   |
| <b>Total</b>                 | <b><u>26,243</u></b>    | <b><u>56,811</u></b>    |

|  | <b><u>30-Sep-17</u></b> | <b><u>31-Dec-16</u></b> |
|--|-------------------------|-------------------------|
|  | <b><u>KUS\$</u></b>     | <b><u>KUS\$</u></b>     |
| <b><u>Provision for obsolescence</u></b> |                         |                         |
| As of January 01                         | 917                     | 696                     |
| Reversal of provision                    | (4)                     | -                       |
| Increase of provision                    | 157                     | 221                     |
| <b>Total</b>                             | <b><u>1,070</u></b>     | <b><u>917</u></b>       |

## Stock Policies

The Company's stock is measured at cost or net realization value, whichever is lower.

## Stock measuring policy

The Group values its stock according to the following:

- The production cost of the finished products includes those costs directly related with the produced units, such as labor, variable and fixed costs which have been included to transform the raw material into finished products.
- In the case of the cost of acquired stock, the cost of acquisition covers the purchase price, import fees, transport, storage and others that can be attributed to the acquisition of goods and materials.

## Formula to calculate the cost of Stock

The stock of finished products is valued using the average weighted cost method, in other words, the cost of each unit of the product is determined from the weighted average of the cost recorded at the start of the period and the cost of the items purchased or produced during the period.

Stock of raw materials, packing and materials are valued at the average weighted cost.

## Information regarding finished products

Until the closing of the corresponding periods, the Company has not performed write-offs of finished products.

During the period ending September 30, 2017 and the period ending December 31, 2016, no stock has been pledged as security.

The cost of stock acknowledged as cost of sales in the periods ending September 30, 2017 and 2016 reach KUS\$94,669 and KUS\$109,219 respectively (see Note 30.1).

In order to mitigate the risk of loss of stock, the Company maintains contracted insurances as of September 30, 2017 (See Note 4.3).

### NOTE 13 – CURRENT BIOLOGICAL ASSETS

The movements of current biological assets as of the period ending September 30, 2017 and the period ending December 31, 2016 are the following:

|                                     | 30-Sep-17           | 31-Dec-16           |
|-------------------------------------|---------------------|---------------------|
| <u>Movement</u>                     | <u>KUS\$</u>        | <u>KUS\$</u>        |
| Opening biological assets           | 6,856               | 7,182               |
| Increase due to activating of costs | 16,849              | 22,328              |
| Exchange rate adjustment            | 37                  | 95                  |
| Adjustment to fair value            | 1,715               | -                   |
| Amortization                        | (234)               | (144)               |
| Consumption                         | (16,190)            | (22,605)            |
| <b>Total</b>                        | <b><u>9,033</u></b> | <b><u>6,856</u></b> |

As described in Note 3.4, the Company performs the valuation of agricultural products that grown on “bearer plants” as of the date of issuance of the financial statements. As of September 30, 2017, the expected margin of fruit on bearer plants of the HFE Berries Perú S.A.C. company are acknowledged, for an amount that reaches KUS\$1,715.

It must be stated that this valuation corresponds to an estimation, which could vary when the sale of the fruit is perfected, moment when said result is realized.

In this item the costs of plants that produce fruit in just one season, such as strawberries, are also included.

# NOTE 14 – OTHER NON FINANCIAL ASSETS

The detail of other current non-financial assets is as follows:

|                                      | 30-Sep-17    | 31-Dec-16    |
|--------------------------------------|--------------|--------------|
| <u>Current</u>                       | <u>KUS\$</u> | <u>KUS\$</u> |
| Advanced payment of blueberry plants | 1,383        | 3,791        |
| Advanced expenses (lease)            | 977          | 676          |
| Advanced expenses                    | 3,231        | 795          |
| Payments in guarantee                | 25           | 36           |
| Advanced freight payment             | -            | 222          |
| <b>Total</b>                         | <b>5,616</b> | <b>5,520</b> |

The detail of Other non-current non-financial assets is as follows:

|   | 30-Sep-17    | 31-Dec-16    |
|---|--------------|--------------|
| <u>Non-Current</u>                        | <u>KUS\$</u> | <u>KUS\$</u> |
| Advanced payment for water fee collection | 1,366        | 1,371        |
| Advanced expenses (lease)                 | 167          | 145          |
| <b>Total</b>                              | <b>1,533</b> | <b>1,516</b> |

## NOTE 15 – INVESTMENTS IN SUBSIDIARIES

The Company has investments in companies that have been acknowledged as investment in subsidiaries. All the companies defined as subsidiaries have been consolidated in Hortifrut and subsidiaries' financial statements.

The detail of consolidated subsidiaries as of September 30, 2017 and December 31, 2016, is as follows:

| <u>Companies</u>                            | <u>RUT</u>   | <u>Country<br/>of Origin</u> | <u>Functional<br/>Currency</u> | <u>30-Sep-17</u> |                 |              | <u>31-Dec-16</u> |
|---|--------------|------------------------------|--------------------------------|------------------|-----------------|--------------|------------------|
|   |              |                              |                                | <u>Direct</u>    | <u>Indirect</u> | <u>Total</u> | <u>Total</u>     |
| Agrícola El Avellano S.A. and subsidiaries  | 96.923.620-6 | Chile                        | US\$                           | 40.0000          | -               | 40.0000      | 40.0000          |
| Agrícola El Pampino S.A.                    | 76.884.880-7 | Chile                        | US\$                           | -                | 20.0000         | 20.0000      | 20.0000          |
| Agrícola Mataquito S.A.                     | 76.306.130-2 | Chile                        | US\$                           | 50.0000          | -               | 50.0000      | 50.0000          |
| Agrícola Sta. Rosa del Parque S.A.          | 99.584.440-0 | Chile                        | US\$                           | 30.0000          | -               | 30.0000      | 30.0000          |
| Agrícola Hortifrut S.A.                     | 79.764.840-k | Chile                        | US\$                           | 99.9900          | 0.0100          | 100.0000     | 100.0000         |
| Agrícola y Gan. Santa Rebeca Ltda.          | 78.988.990-2 | Chile                        | US\$                           | 25.0000          | -               | 25.0000      | 25.0000          |
| Agrícola Vida Nueva S.A.                    | 96.996.290-k | Chile                        | US\$                           | 50.0000          | -               | 50.0000      | 50.0000          |
| Colmenares Hortisur SPA                     | 99.568.520-5 | Chile                        | CLP                            | 100.0000         | -               | 100.0000     | 100.0000         |
| Hortifrut Chile S.A. and subsidiaries       | 99.524.450-0 | Chile                        | US\$                           | 99.9900          | 0.0100          | 100.0000     | 100.0000         |
| Hortifrut Comercial S.A.                    | 99.535.510-8 | Chile                        | CLP                            | 0.0100           | 99.9900         | 100.0000     | 100.0000         |
| Viveros Hortifrut Chile S.A.                | 99.524.470-5 | Chile                        | CLP                            | -                | 51.0000         | 51.0000      | 51.0000          |
| Top Berries & Fruit SPA                     | 76.023.726-4 | Chile                        | CLP                            | 100.0000         | -               | 100.0000     | 100.0000         |
| Berries de Panguipulli SPA                  | 76.243.167-K | Chile                        | US\$                           | 100.0000         | -               | 100.0000     | 100.0000         |
| Inversiones Hortifrut S.A. and subsidiaries | 99.524.540-k | Chile                        | US\$                           | 99.9999          | 0.0001          | 100.0000     | 100.0000         |
| Berygood Comercial Importadora              |              | Brasil                       | RBR                            | 40.0100          | 59.9900         | 100.0000     | 100.0000         |
| Hortifrut Inversiones Int. S.A.             | 76.043.425-6 | Chile                        | US\$                           | 49.4874          | 50.5126         | 100.0000     | 100.0000         |
| Hortifrut Argentina S.A.                    | Foreigner    | Argentina                    | \$AR                           | -                | 95.9000         | 95.9000      | 95.9000          |
| Hortifrut North America Inc.                | Foreigner    | USA                          | US\$                           | -                | 100.0000        | 100.0000     | 100.0000         |
| Hortifrut S.A. de C.V. and subsidiaries     | Foreigner    | Mexico                       | US\$                           | -                | 99.9900         | 99.9900      | 99.9900          |
| Hortifrut Import, Inc.                      | Foreigner    | USA                          | US\$                           | -                | 100.0000        | 100.0000     | 100.0000         |
| Naturipe Farm Import, Inc.                  | Foreigner    | USA                          | US\$                           | -                | 100.0000        | 100.0000     | 100.0000         |
| Hortifrut Europa SL                         | Foreigner    | Spain                        | EUR                            | 0.0300           | 99.9700         | 100.0000     | 100.0000         |
| Hortifrut España Southern Sun SL            | Foreigner    | Spain                        | EUR                            | -                | 50.0000         | 50.0000      | 50.0000          |
| Asturian Berries SL                         | Foreigner    | Spain                        | EUR                            | -                | 25.5000         | 25.5000      | 25.5000          |
| HFE Berries Perú S.A.C.                     | Foreigner    | Peru                         | US\$                           | -                | 50.0000         | 50.0000      | 50.0000          |
| Euroberry Marketing S.A.                    | Foreigner    | Spain                        | EUR                            | -                | 50.0000         | 50.0000      | 50.0000          |

The Companies detailed in the first margin, correspond to front line companies and those in the second margin are the companies where control is maintained, but that form part of the consolidated financial statements of front line companies (note 3.1.2).

In the case of those subsidiaries that directly or indirectly maintain an ownership equal to or lower than 50%, these have been included in the consolidation process because the Company has the power to direct the financial and operating policies.

### Movements in Subsidiaries in 2017

During the period ending September 30, 2017, no new companies were incorporated into Hortifrut group's financial statement consolidation.

On August 31, 2017, the company Colmenares Hortisur SpA, was absorbed by the company Berries de Panguipulli SpA.

Euroberry Ltd. (England), subsidiary of Hortifrut Europa S.L., was dissolved in April 2017.



## Movements in Subsidiaries in 2016

In this period no new companies were incorporated into Hortifrut group's financial statement consolidation. Nevertheless, a restructuring of the company took place, where 99.9% of the companies Hortifrut Import, Inc. and Naturipe Farm Import, Inc., passed from Hortifrut S.A. de C.V. (Mexico) to Hortifrut Inversiones Internacionales S.A. (Chile).

Euroberry B.V. (Holland), subsidiary of Hortifrut Europa SL, was dissolved in September 2016.

## Summarized financial information of significant subsidiaries

Below we present the statements of financial position as of September 30, 2017 and December 31, 2016 and the financial statements as of September 30, 2017 and 2016:

|   | 30-Sep-17      |                |                |                |                |                |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
|   | Assets         |                | Assets         | Liabilities    |                | Equity         |
|   | Current        | Non-current    | Total          | Current        | Non-current    | Total          |
|   | KUS\$          | KUS\$          | KUS\$          | KUS\$          | KUS\$          | KUS\$          |
| Hortifrut Chile and Subsidiaries            | 91,501         | 121,163        | 212,664        | 104,998        | 47,730         | 152,728        |
| Inversiones Hortifrut S.A. and Subsidiaries | 67,300         | 193,245        | 260,545        | 15,388         | 155,648        | 171,036        |
| Agrícola Vida Nueva S.A.                    | 952            | 11,489         | 12,441         | 2,713          | 1,839          | 4,552          |
| Colmenares Hortisur SpA                     | -              | -              | -              | -              | -              | -              |
| Agrícola El Avellano S.A. and Subsidiaries  | 1,129          | 8,936          | 10,065         | 2,230          | 1,632          | 3,862          |
| Agrícola Hortifrut S.A.                     | 3,868          | 26,722         | 30,590         | 1,132          | 4,753          | 5,885          |
| Agrícola Mataquito S.A.                     | 1,443          | 16,474         | 17,917         | 9,428          | 5,611          | 15,039         |
| Agrícola Santa Rosa del Parque S.A.         | 1,131          | 5,924          | 7,055          | 1,086          | 1,809          | 2,895          |
| Top Berries & Fruit SpA                     | 1,131          | 12,061         | 13,192         | 1,139          | 6,258          | 7,397          |
| Berries de Panguipulli SpA                  | 2,469          | 22,358         | 24,827         | 613            | 4,919          | 5,532          |
| Agrícola y Ganadera Sta Rebeca Ltda         | 16             | 163            | 179            | 14             | 4              | 18             |
| <b>Total</b>                                | <b>170,940</b> | <b>418,535</b> | <b>589,475</b> | <b>138,741</b> | <b>230,203</b> | <b>368,944</b> |

|   | 30-Sep-17         |                    |               |                |               |
|---|-------------------|--------------------|---------------|----------------|---------------|
|   | Operating Revenue | Costs and Expenses | Other Results | Taxes          | Gains (loss)  |
|   | KUS\$             | KUS\$              | KUS\$         | KUS\$          | KUS\$         |
| Hortifrut Chile and Subsidiaries            | 144,056           | (124,609)          | (2,129)       | (4,176)        | 13,142        |
| Inversiones Hortifrut S.A. and Subsidiaries | 177,204           | (177,221)          | 3,676         | 1,897          | 5,556         |
| Agrícola Vida Nueva S.A.                    | 3,338             | (2,886)            | (100)         | (28)           | 324           |
| Colmenares Hortisur SpA                     | 4                 | (87)               | 2             | 23             | (58)          |
| Agrícola El Avellano S.A. and Subsidiaries  | 2,894             | (2,548)            | (79)          | 61             | 328           |
| Agrícola Hortifrut S.A.                     | 6,891             | (5,845)            | (4)           | (92)           | 950           |
| Agrícola Mataquito S.A.                     | 2,109             | (1,904)            | (422)         | 132            | (85)          |
| Agrícola Santa Rosa del Parque S.A.         | 1,621             | (1,017)            | (62)          | (80)           | 462           |
| Top Berries & Fruit SpA                     | 2,939             | (1,881)            | (128)         | (146)          | 784           |
| Berries de Panguipulli SpA                  | 4,873             | (4,291)            | 0             | (49)           | 533           |
| Agrícola y Ganadera Sta Rebeca Ltda         | 18                | (30)               | 1             | 7              | (4)           |
| <b>Total</b>                                | <b>345,947</b>    | <b>(322,319)</b>   | <b>755</b>    | <b>(2,451)</b> | <b>21,932</b> |

| 31-Dec-16                                   |                |                |                |                |                |                |                |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|   | Assets         |                | Assets         | Liabilities    |                | Liabilities    | Equity         |
|   | Current        | Non-current    | Total          | Current        | Non-current    | Total          | Total          |
|   | KUS\$          | KUS\$          | KUS\$          | KUS\$          | KUS\$          | KUS\$          | KUS\$          |
| Hortifrut Chile and Subsidiaries            | 175,468        | 93,161         | 268,629        | 188,015        | 33,598         | 221,613        | 47,016         |
| Inversiones Hortifrut S.A. and Subsidiaries | 83,300         | 154,221        | 237,521        | 97,151         | 62,928         | 160,079        | 77,442         |
| Agrícola Vida Nueva S.A.                    | 1,200          | 12,303         | 13,503         | 3,813          | 2,099          | 5,912          | 7,591          |
| Colmenares Hortisur SpA                     | 276            | 158            | 434            | 28             | -              | 28             | 406            |
| Agrícola El Avellano S.A. and Subsidiaries  | 702            | 8,904          | 9,606          | 1,687          | 2,043          | 3,730          | 5,876          |
| Agrícola Hortifrut S.A.                     | 1,941          | 27,547         | 29,488         | 637            | 5,095          | 5,732          | 23,756         |
| Agrícola Mataquito S.A.                     | 1,106          | 12,319         | 13,425         | 6,867          | 3,595          | 10,462         | 2,963          |
| Agrícola Santa Rosa del Parque S.A.         | 1,726          | 5,547          | 7,273          | 1,790          | 1,664          | 3,454          | 3,819          |
| Top Berries & Fruit SpA                     | 919            | 12,505         | 13,424         | 1,549          | 6,949          | 8,498          | 4,926          |
| Berries de Panguipulli SpA                  | 3,395          | 23,357         | 26,752         | 870            | 5,349          | 6,219          | 20,533         |
| Agrícola y Ganadera Sta Rebeca Ltda         | 53             | 145            | 198            | 20             | 1              | 21             | 177            |
| <b>Total</b>                                | <b>270,086</b> | <b>350,167</b> | <b>620,253</b> | <b>302,427</b> | <b>123,321</b> | <b>425,748</b> | <b>194,505</b> |

| 30-Sep-16                                   |                   |                    |               |                |               |
|---|-------------------|--------------------|---------------|----------------|---------------|
|   | Operating Revenue | Costs and Expenses | Other Results | Taxes          | Gains (loss)  |
|   | KUS\$             | KUS\$              | KUS\$         | KUS\$          | KUS\$         |
| Hortifrut Chile and Subsidiaries            | 160,959           | (142,760)          | 782           | (4,315)        | 14,666        |
| Inversiones Hortifrut S.A. and Subsidiaries | 213,823           | (205,673)          | 5,831         | (4,224)        | 9,757         |
| Agrícola Vida Nueva S.A.                    | 4,092             | (2,946)            | (207)         | (179)          | 760           |
| Colmenares Hortisur SpA                     | 37                | (83)               | 2             | 15             | (29)          |
| Agrícola El Avellano S.A. and Subsidiaries  | 2,958             | (2,656)            | (190)         | 165            | 277           |
| Agrícola Hortifrut S.A.                     | 7,029             | (6,401)            | (145)         | 149            | 632           |
| Agrícola Mataquito S.A.                     | 1,747             | (1,692)            | (246)         | 158            | (33)          |
| Agrícola Santa Rosa del Parque S.A.         | 3,108             | (1,213)            | (138)         | (363)          | 1,394         |
| Top Berries & Fruit SpA                     | 3,039             | (1,685)            | (17)          | (186)          | 1,151         |
| Berries de Panguipulli SpA                  | 5,343             | (3,826)            | (86)          | (227)          | 1,204         |
| Agrícola y Ganadera Sta Rebeca Ltda         | 32                | (32)               | 3             | 5              | 8             |
| <b>Total</b>                                | <b>402,167</b>    | <b>(368,967)</b>   | <b>5,589</b>  | <b>(9,002)</b> | <b>29,787</b> |

## NOTE 16 – INVESTMENTS RECORDED USING THE EQUITY METHOD

The Company has acknowledged as investment in companies the ownership that it has in the following companies and in accordance with the detailed movement as of September 30, 2017 and December 31, 2016:

| <u>Company</u>                         | <u>RUT</u> | <u>Country</u> | <u>Functional<br/>currency</u> | <u>Interest %<br/>Indirect</u> | <u>1-Jan-17</u> | <u>Investments</u> | <u>Interest in<br/>result</u> | <u>Exchange<br/>rate<br/>difference</u> | <u>Other increase<br/>(decrease)</u> | <u>Balance<br/>30-Sep-17</u> |
|--|------------|----------------|--------------------------------|--------------------------------|-----------------|--------------------|-------------------------------|---|--------------------------------------|------------------------------|
| Berry Blue LLC                         | 0-E        | USA            | Dollar                         | 50.00%                         | (5)             | 285                | (235)                         | -                                       | -                                    | 45                           |
| Pacific Berry Breeding LLC             | 0-E        | USA            | Dollar                         | 50.00%                         | 243             | 100                | (218)                         | -                                       | -                                    | 125                          |
| Munger Hortifrut N.A. LLC              | 0-E        | USA            | Dollar                         | 50.00%                         | 25,539          | -                  | (707)                         | -                                       | -                                    | 24,832                       |
| Naturipe Brands LLC                    | 0-E        | USA            | Dollar                         | 30.00%                         | 855             | 1,167              | 61                            | -                                       | -                                    | 2,083                        |
| Naturipe Farms LLC                     | 0-E        | USA            | Dollar                         | 30.00%                         | 1,432           | (1,414)            | 180                           | -                                       | -                                    | 198                          |
| Naturipe Value Added Foods LLC         | 0-E        | USA            | Dollar                         | 27.00%                         | 193             | -                  | -                             | -                                       | -                                    | 193                          |
| Naturipe Value Added Fresh, LLC        | 0-E        | USA            | Dollar                         | 33.33%                         | 4,491           | -                  | 561                           | -                                       | -                                    | 5,052                        |
| S.A.T. Hortifrut H-0030                | 0-E        | Spain          | Euro                           | 33.00%                         | 1               | -                  | -                             | -                                       | -                                    | 1                            |
| Hortifrut Berries Maroc S.R.L.         | 0-E        | Morocco        | Dirham                         | 51.00%                         | 64              | -                  | (520)                         | (24)                                    | -                                    | (480)                        |
| Euroberry GmbH                         | 0-E        | Germany        | Euro                           | 50.00%                         | 13              | -                  | -                             | 2                                       | -                                    | 15                           |
| Margesi S.A.                           | 0-E        | Argentina      | Argentine \$                   | 50.00%                         | 2,441           | -                  | (238)                         | (214)                                   | -                                    | 1,989                        |
| San Clemente Vitalberry (Shanghai) SpA | 0-E        | Chile          | Dollar                         | 50.00%                         | 853             | -                  | 161                           | -                                       | -                                    | 1,014                        |
| Hortifrut Tal S.A.C                    | 0-E        | Peru           | Nuevo Sol                      | 50.00%                         | 30,727          | -                  | 8,147                         | 2,899                                   | -                                    | 41,773                       |
| Hortifrut Expofresh S.A.               | 0-E        | Argentina      | Argentine \$                   | 50.00%                         | (193)           | -                  | 217                           | (4)                                     | -                                    | 20                           |
| <b>Total</b>                           |            |                |                                |                                | <b>66,654</b>   | <b>138</b>         | <b>7,409</b>                  | <b>2,659</b>                            | <b>-</b>                             | <b>76,860</b>                |

| <u>Company</u>                         | <u>RUT</u> | <u>Country</u> | <u>Functional<br/>currency</u> | <u>Interest %<br/>Indirect</u> | <u>1-Jan-16</u> | <u>Investments</u> | <u>Interest in<br/>result</u> | <u>Exchange<br/>rate<br/>difference</u> | <u>Other Increase<br/>(decrease)</u> | <u>Balance<br/>31-Dec-16</u> |
|--|------------|----------------|--------------------------------|--------------------------------|-----------------|--------------------|-------------------------------|---|--------------------------------------|------------------------------|
| Berry Blue LLC                         | 0-E        | USA            | Dollar                         | 50.00%                         | 15              | 250                | (270)                         | -                                       | -                                    | (5)                          |
| Pacific Berry Breeding LLC             | 0-E        | USA            | Dollar                         | 50.00%                         | 415             | -                  | (172)                         | -                                       | -                                    | 243                          |
| Munger Hortifrut N.A. LLC              | 0-E        | USA            | Dollar                         | 50.00%                         | 3               | 25,972             | (436)                         | -                                       | -                                    | 25,539                       |
| Naturipe Brands LLC                    | 0-E        | USA            | Dollar                         | 30.00%                         | 149             | 278                | 200                           | -                                       | 228                                  | 855                          |
| Naturipe Farms LLC                     | 0-E        | USA            | Dollar                         | 30.00%                         | 1,388           | -                  | 44                            | -                                       | -                                    | 1,432                        |
| Naturipe Value Added Foods LLC         | 0-E        | USA            | Dollar                         | 27.00%                         | 193             | -                  | -                             | -                                       | -                                    | 193                          |
| Naturipe Value Added Fresh, LLC        | 0-E        | USA            | Dollar                         | 33.33%                         | 3,930           | -                  | 561                           | -                                       | -                                    | 4,491                        |
| S.A.T. Hortifrut H-0030                | 0-E        | Spain          | Euro                           | 33.00%                         | 1               | -                  | -                             | -                                       | -                                    | 1                            |
| Hortifrut Berries Maroc S.R.L.         | 0-E        | Morocco        | Dirham                         | 51.00%                         | 3               | 104                | (36)                          | (7)                                     | -                                    | 64                           |
| Euroberry GmbH                         | 0-E        | Germany        | Euro                           | 50.00%                         | -               | 14                 | -                             | (1)                                     | -                                    | 13                           |
| Margesi S.A.                           | 0-E        | Argentina      | Argentine \$                   | 50.00%                         | 2,796           | -                  | 564                           | (919)                                   | -                                    | 2,441                        |
| San Clemente Vitalberry (Shanghai) SpA | 0-E        | Chile          | Dollar                         | 50.00%                         | 726             | -                  | 127                           | -                                       | -                                    | 853                          |
| Hortifrut Tal S.A.C                    | 0-E        | Peru           | Nuevo Sol                      | 50.00%                         | 14,761          | -                  | 4,574                         | 212                                     | 11,180                               | 30,727                       |
| Hortifrut Expofresh S.A.               | 0-E        | Argentina      | Argentine \$                   | 50.00%                         | 215             | -                  | (216)                         | (192)                                   | -                                    | (193)                        |
| <b>Total</b>                           |            |                |                                |                                | <b>24,595</b>   | <b>26,618</b>      | <b>4,940</b>                  | <b>(907)</b>                            | <b>11,408</b>                        | <b>66,654</b>                |

The detail of movements as of September 30, 2017 and December 31, 2016:

| <b><u>Movement</u></b>                       | <b><u>30-Sep-17</u></b> | <b><u>31-Dec-16</u></b> |
|--|-------------------------|-------------------------|
|  | <b><u>KUS\$</u></b>     | <b><u>KUS\$</u></b>     |
| <b>Opening balance as of January 1</b>       | <b>66,654</b>           | <b>24,595</b>           |
| Interest in results                          | 7,409                   | 4,940                   |
| Capital contributions (a)                    | 138                     | 26,618                  |
| Surplus of revaluation Bearer Plants         | -                       | 11,180                  |
| Other adjustments                            | -                       | 228                     |
| Adjustment due to exchange rate fluctuations | 2,659                   | (907)                   |
| <b>Closing balance</b>                       | <b><u>76,860</u></b>    | <b><u>66,654</u></b>    |

The associated Hortifrut Tal S.A.C, as per what is established in IAS 41, indicates that the agricultural products that grow on fruit bearer plants must be measured at their fair value minus the cost of sales, recording the changes in valuation under result as the product grows, so the effect of this valuation has been acknowledged. Additionally and applying the valuation criteria for bearer plants, adopted by Hortifrut (see Note 3.2.2), it valued as of December 31, 2016, its 294 hectares which are under production at re-valued cost. The net interest in said adjustment on behalf of Hortifrut is KUS\$11,180, and is recorded in the Revaluation reserve of bearer plants.

a) Capital contributions

Capital contributions during the periods ending September 30, 2017 and the period ending December 31, 2016, are shown in the following detail:

| <b><u>Capital contibutions (decrease)</u></b> | <b><u>30-Sep-17</u></b> | <b><u>31-Dec-16</u></b> |
|---|-------------------------|-------------------------|
| <b><u>Company</u></b>                         | <b><u>KUS\$</u></b>     | <b><u>KUS\$</u></b>     |
| Berry Blue LLC                                | 285                     | 250                     |
| Pacific Berry Breeding LLC                    | 100                     | -                       |
| Munger Hortifrut N.A. LLC                     | -                       | 25,972                  |
| Naturipe Brands LLC                           | 1,167                   | 278                     |
| Naturipe Farms LLC                            | (1,414)                 | -                       |
| Naturipe Value Added Foods LLC                | -                       | -                       |
| Naturipe Value Added Fresh, LLC               | -                       | -                       |
| S.A.T. Hortifrut H-0030                       | -                       | -                       |
| Hortifrut Berries Maroc S.R.L.                | -                       | 104                     |
| Euroberry GmbH                                | -                       | 14                      |
| <b>Total contributions</b>                    | <b><u>138</u></b>       | <b><u>26,618</u></b>    |

Contributions to Limited Liability Companies (LLC) in the United States, aim to maintain the interest in said companies, except for Munger Hortifrut N.A. LLC, which corresponds to capitalization with the purpose of developing the 344-hectare organic blueberry investment plan.

b) New Investments

During the period ending September 30, 2017, no new investments were incorporated.

In the period ending December 31, 2016, the following new investments were incorporated:

Dated June 21, 2016, Euroberry Marketing S.A., formed the company Euroberry GmbH in Germany. The new company has as its corporate purpose the commercializing of berries in that country.

Dated April 07, 2017, Euroberry Marketing S.A., formed the company Euroberry UK Ltd. in England. The new company has as its corporate purpose the commercializing of berries in that country.

c) Reclassification of investment for sale

During the period ending September 30, 2017 and the period ending December 31, 2016 no reclassifications of investments for sale took place.

d) Other changes

No other changes in investments have been incorporated.

e) Summarized financial information

The summarized financial information, which is presented below, corresponds to the total assets, liabilities and equity and a summary of the results of the associated companies, for the periods under analysis.

| Associated                             | 30-Sep-17      |                |                |                |               |                |                |                |                  |                |               |
|--|----------------|----------------|----------------|----------------|---------------|----------------|----------------|----------------|------------------|----------------|---------------|
|  | Current        | Non-current    | Total          | Current        | Non-current   | Total          | Equity         | Operating      | Costs and        | Other          | Net Profit    |
|  | Assets         | Assets         | Assets         | Liabilities    | Liabilities   | Liabilities    |                | Revenue        | Expenses         | results        | (Loss)        |
|  | KUS\$          | KUS\$          | KUS\$          | KUS\$          | KUS\$         | KUS\$          | KUS\$          | KUS\$          | KUS\$            | KUS\$          | KUS\$         |
| Berry Blue LLC                         | 220            | -              | 220            | 130            | -             | 130            | 90             | 51             | (521)            | -              | (470)         |
| Pacific Berry Breeding LLC             | 228            | 106            | 334            | 84             | -             | 84             | 250            | 432            | (868)            | -              | (436)         |
| Munger Hortifrut N.A. LLC              | 685            | 81,154         | 81,839         | 3,821          | 28,354        | 32,175         | 49,664         | -              | (1,099)          | (315)          | (1,414)       |
| Naturipe Brands LLC                    | 2,761          | 5,728          | 8,489          | 1,546          | -             | 1,546          | 6,943          | 1,000          | (799)            | 2              | 203           |
| Naturipe Farms LLC                     | 80,937         | 973            | 81,910         | 80,305         | 945           | 81,250         | 660            | 581,256        | (579,618)        | (1,038)        | 600           |
| Naturipe Value Added Foods LLC         | 7,640          | 29             | 7,669          | 6,916          | 38            | 6,954          | 715            | 6,577          | (6,634)          | 57             | -             |
| Naturipe Value Added Fresh, LLC        | 6,735          | 11,558         | 18,293         | 3,135          | -             | 3,135          | 15,158         | 16,738         | (14,876)         | (179)          | 1,683         |
| S.A.T. Hortifrut H-0030                | 9              | -              | 9              | 6              | -             | 6              | 3              | -              | -                | -              | -             |
| Hortifrut Berries Maroc S.R.L          | 790            | 2,329          | 3,119          | 591            | 3,469         | 4,060          | (941)          | 157            | (1,094)          | (83)           | (1,020)       |
| Euroberry GmbH                         | 7,496          | -              | 7,496          | 7,466          | -             | 7,466          | 30             | 14,200         | (14,015)         | (185)          | -             |
| Margesi S.A.                           | 1,968          | 3,023          | 4,991          | 432            | 581           | 1,013          | 3,978          | 443            | (894)            | (25)           | (476)         |
| San Clemente Vitalberry (Shanghai) SpA | 4,088          | 38             | 4,126          | 2,098          | -             | 2,098          | 2,028          | 10,964         | (10,531)         | (111)          | 322           |
| Hortifrut Tal S.A.C                    | 44,980         | 96,976         | 141,956        | 20,091         | 38,319        | 58,410         | 83,546         | 26,580         | (5,553)          | (4,733)        | 16,294        |
| Hortifrut Expofresh S.A.               | 279            | 39             | 318            | 278            | -             | 278            | 40             | 1,066          | (643)            | 11             | 434           |
| <b>Total</b>                           | <b>158,816</b> | <b>201,953</b> | <b>360,769</b> | <b>126,899</b> | <b>71,706</b> | <b>198,605</b> | <b>162,164</b> | <b>659,464</b> | <b>(637,145)</b> | <b>(6,599)</b> | <b>15,720</b> |

  

| Associated                             | 31-Dec-16      |               |                |               |               |                | 30-Sep-16      |                |                  |                |               |
|--|----------------|---------------|----------------|---------------|---------------|----------------|----------------|----------------|------------------|----------------|---------------|
|  | Current        | Non-current   | Total          | Current       | Non-current   | Total          | Equity         | Operating      | Costs and        | Other          | Net Profit    |
|  | Assets         | Assets        | Assets         | Liabilities   | Liabilities   | Liabilities    |                | Revenue        | Expenses         | results        | (Loss)        |
|  | KUS\$          | KUS\$         | KUS\$          | KUS\$         | KUS\$         | KUS\$          | KUS\$          | KUS\$          | KUS\$            | KUS\$          | KUS\$         |
| Berry Blue LLC                         | 103            | -             | 103            | 113           | -             | 113            | (10)           | 34             | (384)            | -              | (350)         |
| Pacific Berry Breeding LLC             | 433            | 129           | 562            | 76            | -             | 76             | 486            | 703            | (1,003)          | -              | (300)         |
| Munger Hortifrut N.A. LLC              | 51,078         | -             | 51,078         | -             | -             | -              | 51,078         | -              | (12)             | -              | (12)          |
| Naturipe Brands LLC                    | 3,057          | 870           | 3,927          | 1,077         | -             | 1,077          | 2,850          | 90             | (293)            | -              | (203)         |
| Naturipe Farms LLC                     | 52,736         | 5,802         | 58,538         | 51,997        | 1,768         | 53,765         | 4,773          | 612,308        | (609,231)        | (2,750)        | 327           |
| Naturipe Value Added Foods LLC         | 14,979         | 26            | 15,005         | 14,195        | 95            | 14,290         | 715            | 7,828          | (6,895)          | (933)          | -             |
| Naturipe Value Added Fresh, LLC        | 4,268          | 11,511        | 15,779         | 2,285         | 20            | 2,305          | 13,474         | 16,344         | (13,560)         | (1,614)        | 1,170         |
| S.A.T. Hortifrut H-0030                | 9              | -             | 9              | 6             | -             | 6              | 3              | -              | -                | -              | -             |
| Hortifrut Berries Maroc S.R.L          | 1,159          | 1,418         | 2,577          | 359           | 2,093         | 2,452          | 125            | -              | -                | -              | -             |
| Euroberry GmbH                         | 26             | -             | 26             | -             | -             | -              | 26             | -              | -                | -              | -             |
| Margesi S.A.                           | 3,359          | 3,432         | 6,791          | 1,277         | 632           | 1,909          | 4,882          | 50             | (152)            | (48)           | (150)         |
| San Clemente Vitalberry (Shanghai) SpA | 2,671          | 113           | 2,784          | 1,078         | -             | 1,078          | 1,706          | 2,194          | (1,939)          | 3              | 258           |
| Hortifrut Tal S.A.C                    | 27,413         | 71,967        | 99,380         | 13,882        | 24,044        | 37,926         | 61,454         | 23,100         | (8,785)          | (2,381)        | 11,934        |
| Hortifrut Expofresh S.A.               | 219            | 58            | 277            | 663           | -             | 663            | (386)          | 2,790          | (3,052)          | (364)          | (626)         |
| <b>Total</b>                           | <b>161,510</b> | <b>95,326</b> | <b>256,836</b> | <b>87,008</b> | <b>28,652</b> | <b>115,660</b> | <b>141,176</b> | <b>665,441</b> | <b>(645,306)</b> | <b>(8,087)</b> | <b>12,048</b> |

## NOTE 17 – INTANGIBLE ASSETS OTHER THAN APPRECIATION

The detail of the main types of intangible assets is shown as follows:

|                             | <u>Useful Life</u> | <u>30-Sep-17</u><br><u>KUS\$</u> | <u>31-Dec-16</u><br><u>KUS\$</u> |
|-----------------------------|--------------------|----------------------------------|----------------------------------|
| Varietal licenses           | Finite             | 11,044                           | 16,969                           |
| VBM Brand                   | Indefinite         | 977                              | 977                              |
| Water Rights                | Indefinite         | 469                              | 469                              |
| Relationship with Customers | Finite             | 2,907                            | 3,107                            |
| Software                    | Finite             | 323                              | 272                              |
| <b>Total</b>                |                    | <b>15,720</b>                    | <b>21,794</b>                    |

### a) Varietal licenses

The acquired varietal licenses are shown at cost of acquisition, and are amortized charged to the cost of sale in the measure in which the sales income is generated or by the plant's development cost.

The movement of varietal licenses for the period ending September 30, 2017 and the period ending December 31, 2016, is as follows:

| <u>Movement</u>                  | <u>30-Sep-17</u><br><u>KUS\$</u> | <u>31-Dec-16</u><br><u>KUS\$</u> |
|----------------------------------|----------------------------------|----------------------------------|
| Opening balance as of January 01 | 16,969                           | 23,913                           |
| Sales                            | -                                | (2,401)                          |
| Amortization /consumption        | (5,925)                          | (4,543)                          |
| <b>Closing balance</b>           | <b>11,044</b>                    | <b>16,969</b>                    |

### b) Software

The acquired software is recorded over the acquisition cost base minus accumulated amortization. These assets are amortized during their useful life, estimated at 6 years by the lineal method.

The movement of software for the periods ending September 30, 2017 and the period ending December 31, 2016, is as follows:

| <u>Movement</u>                  | <u>30-Sep-17</u><br><u>KUS\$</u> | <u>31-Dec-16</u><br><u>KUS\$</u> |
|----------------------------------|----------------------------------|----------------------------------|
| Opening balance as of January 01 | 272                              | 448                              |
| Investments                      | 138                              | 1                                |
| Amortization                     | (87)                             | (177)                            |
| <b>Closing balance</b>           | <b>323</b>                       | <b>272</b>                       |

The amortization of intangible assets is recorded in the consolidated income statement under the item cost of sales and administration expenses.

Management has not observed signs of impairment in relation to intangible assets.

Intangible assets in use which are totally amortized are not kept.

c) Other intangibles

The identified intangible assets are detailed as follows:

|                             |                    | <b>30-Sep-17</b> | <b>31-Dec-16</b> |
|-----------------------------|--------------------|------------------|------------------|
|                             | <b>Useful Life</b> | <b>KUS\$</b>     | <b>KUS\$</b>     |
| VBM Brand                   | Indefinite         | 977              | 977              |
| Water Rights                | Indefinite         | 469              | 469              |
| Relationship with Customers | Finite             | 2,907            | 3,107            |
| <b>Total</b>                |                    | <b>4,353</b>     | <b>4,553</b>     |

| <b>Movement</b>                  | <b>30-Sep-17</b> | <b>31-Dec-16</b> |
|----------------------------------|------------------|------------------|
|                                  | <b>KUS\$</b>     | <b>KUS\$</b>     |
| Opening balance as of January 01 | 4,553            | 4,820            |
| Amortization                     | (200)            | (267)            |
| <b>Closing balance</b>           | <b>4,353</b>     | <b>4,553</b>     |

Water rights have an indefinite useful life, since in accordance with the considered factors, there is not a time limit where the asset generates net cash flows for the Company, these are recorded at cost incurred in its purchase.

In accordance with IFRS 3 norm, it is established that, from the date of acquisition, the purchaser must acknowledge, separate from appreciation, the identifiable assets acquired, the assumed liabilities and any non-parent company interest of the acquired. Therefore in the acquisition of Vital Berry Marketing, intangibles denominated Relationship with Customers and Vitalberry Brand Marketing were generated. (See Note 3.7).

For the period ending September 30, 2017 and the period ending December 31, 2016 Management has not observed signs of impairment in relation to intangible assets denominated water rights, relationship with customers and VBM brand.

d) Intangibles subject to guarantees or restrictions

There are no intangible assets over which there is a restriction in its titles, nor have partial or total guarantees been constituted over them, as of September 30, 2017 and December 31, 2016.

e) Impairment of Intangibles with indefinite useful life

The Company determines annually if the intangible assets with an indefinite useful life are impaired. This test requires an estimation of 'value in use' of the cash generating units to which the Intangibles with an indefinite useful life are associated. The estimation of the value in use requires that Management performs an estimation of the future cash flows of the cash generating unit (or group of CGU's), and that it also defines an appropriate discount rate to calculate the current value of those cash flows.

Management has not observed signs of impairment in relation to intangibles with an indefinite useful life.

## NOTE 18 - APPRECIATION

Appreciation represents the surplus of the acquisition cost over the fair value of the Company's interests in the net identifiable assets of the subsidiary or related company on the date of acquisition.

The balance of appreciation compared as of the closing of each period is as follows:

| <b>Investor</b>        | <b>Issuer</b>              | <b>30-Sep-17</b>     | <b>31-Dec-16</b>     |
|------------------------|----------------------------|----------------------|----------------------|
|                        |                            | <b><u>KUS\$</u></b>  | <b><u>KUS\$</u></b>  |
| Hortifrut S.A.         | Agrícola El Avellano S.A.  | 344                  | 344                  |
| Hortifrut S.A. de C.V. | Hortifrut ABA S.A. de C.V. | 342                  | 342                  |
| Hortifrut S.A.         | Vital Berry Marketing SPA  | 26,083               | 26,083               |
|                        | <b>Total</b>               | <b><u>26,769</u></b> | <b><u>26,769</u></b> |

No movement has taken place under Appreciation between January 1 and September 30, 2017.

The Company determines annually if Appreciation and intangible assets with an indefinite useful life are impaired. This test requires an estimation of 'value in use' of the cash generating units to which Appreciation and Intangibles with an indefinite useful life are associated. The estimation of the value in use requires that Management performs an estimation of the future cash flows of the cash generating unit (or group of CGU's), and that it also defines an appropriate discount rate to calculate the current value of those cash flows.

Management has not observed signs of impairment in relation to appreciation.



## NOTE 19 – PROPERTY, PLANT AND EQUIPMENT

The detail of the different categories of Property, Plant and Equipment and their movements as of September 30, 2017 is as follows:

|                                    | Construction<br>and<br>infrastructure<br>works | Land          | Machinery<br>and<br>equipment | Leased<br>Equipment | IT Equipment | Furniture<br>and<br>Supplies | Motor<br>Vehicles | Bearer<br>Plants | Works in<br>progress | Total other<br>property, plant<br>and equipment |
|------------------------------------|--|---------------|-------------------------------|---------------------|--------------|------------------------------|-------------------|------------------|----------------------|---|
|                                    | <u>KUS\$</u>                                   | <u>KUS\$</u>  | <u>KUS\$</u>                  | <u>KUS\$</u>        | <u>KUS\$</u> | <u>KUS\$</u>                 | <u>KUS\$</u>      | <u>KUS\$</u>     | <u>KUS\$</u>         | <u>KUS\$</u>                                    |
| As of January 01, 2017             |  |               |                               |                     |              |                              |                   |                  |                      |   |
| Cost or valuation                  | 74,483   | 20,507        | 24,152                        | 14,334              | 2,602        | 1,899                        | 7,045             | 129,916          | 13,725               | 288,663   |
| Accumulated depreciation           | (31,085)                                       | -             | (14,210)                      | (2,132)             | (1,898)      | (1,071)                      | (4,316)           | (26,081)         | -                    | (80,793)  |
| <b>Net amount as of 01/01/2017</b> | <b>43,398</b>                                  | <b>20,507</b> | <b>9,942</b>                  | <b>12,202</b>       | <b>704</b>   | <b>828</b>                   | <b>2,729</b>      | <b>103,835</b>   | <b>13,725</b>        | <b>207,870</b>                                  |
| Investments                        | 1,119  | 168           | 4,353                         | 2,438               | 230          | 183                          | 970               | 15,187           | 14,657               | 39,305  |
| Expropriation and write-off        | (181)  | (249)         | (697)                         | -                   | -            | (63)                         | (49)              | -                | (32)                 | (1,271)   |
| Reclassification                   | 2,870  | -             | 634                           | -                   | (3)          | -                            | -                 | 12               | (3,512)              | 1   |
| Depreciation                       | (4,021)  | -             | (1,501)                       | (535)               | (183)        | (177)                        | (604)             | (5,801)          | -                    | (12,822)  |
| Exchange rate adjustment           | 596  | 428           | 64                            | 1                   | 5            | 33                           | 33                | 1,320            | 211                  | 2,691   |
| <b>Net amount as of 30/09/2017</b> | <b>43,781</b>                                  | <b>20,854</b> | <b>12,795</b>                 | <b>14,106</b>       | <b>753</b>   | <b>804</b>                   | <b>3,079</b>      | <b>114,553</b>   | <b>25,049</b>        | <b>235,774</b>                                  |

The detail of the different categories of properties, plant and equipment and their movements as of December 31, 2016 is as follows:

|                                    | Construction<br>and<br>infrastructure<br>works | Land          | Machinery<br>and<br>equipment | Leased<br>Equipment | IT Equipment | Furniture<br>and<br>Supplies | Motor<br>Vehicles | Bearer<br>Plants | Works in<br>progress | Total other<br>property, plant<br>and equipment |
|------------------------------------|--|---------------|-------------------------------|---------------------|--------------|------------------------------|-------------------|------------------|----------------------|---|
|                                    | <u>KUS\$</u>                                   | <u>KUS\$</u>  | <u>KUS\$</u>                  | <u>KUS\$</u>        | <u>KUS\$</u> | <u>KUS\$</u>                 | <u>KUS\$</u>      | <u>KUS\$</u>     | <u>KUS\$</u>         | <u>KUS\$</u>                                    |
| As of January 01, 2016             |  |               |                               |                     |              |                              |                   |                  |                      |   |
| Cost or valuation                  | 67,450   | 16,735        | 22,705                        | 5,506               | 2,497        | 1,663                        | 6,375             | 124,347          | 7,323                | 254,601   |
| Accumulated depreciation           | (26,763)                                       | -             | (12,120)                      | (1,459)             | (1,688)      | (899)                        | (3,696)           | (6,074)          | -                    | (52,699)  |
| <b>Net amount as of 01/01/2016</b> | <b>40,687</b>                                  | <b>16,735</b> | <b>10,585</b>                 | <b>4,047</b>        | <b>809</b>   | <b>764</b>                   | <b>2,679</b>      | <b>118,273</b>   | <b>7,323</b>         | <b>201,902</b>                                  |
| Investments                        | 4,125  | 3,703         | 1,987                         | 7,226               | 173          | 251                          | 858               | 9,322            | 12,089               | 39,734  |
| Revaluation (Impairment)           | -  | -             | -                             | -                   | -            | -                            | -                 | (11,014)         | -                    | (11,014)  |
| Expropriation and Write-Off        | (498)  | -             | (118)                         | (1)                 | (39)         | (5)                          | (42)              | (4,683)          | -                    | (5,386)   |
| Reclassification                   | 3,649  | -             | 165                           | 1,602               | 1            | 11                           | 3                 | 449              | (5,833)              | 47  |
| Depreciation                       | (4,796)  | -             | (2,694)                       | (674)               | (248)        | (206)                        | (781)             | (8,105)          | -                    | (17,504)  |
| Exchange rate adjustment           | 231  | 69            | 17                            | 2                   | 8            | 13                           | 12                | (407)            | 146                  | 91  |
| <b>Net amount as of 31/12/2016</b> | <b>43,398</b>                                  | <b>20,507</b> | <b>9,942</b>                  | <b>12,202</b>       | <b>704</b>   | <b>828</b>                   | <b>2,729</b>      | <b>103,835</b>   | <b>13,725</b>        | <b>207,870</b>                                  |

The valuation method of the items that make up Property, Plant and Equipment, as well as their depreciation criteria, are described in Note 3.3.

The method to calculate the Fair Value of Bearer Plants, establishes that in the cases when the plantations are on land that is leased and/or taken in usufruct, with expiry lower than the terms stated in Note 3.3.2 b), the valuation is adjusted to these expiries.

Except for the contracts entered into with Inversiones IMG Ltda. and Agrícola e Inmobiliaria Lumaco S.A., which represent 9% of the total hectares planted by the Company at a global level, a valuation horizon higher than the current expiry of the leases and/or usufructs is used, since dated March 24, 2014 a “Contract for Irrevocable Option of Extension of Lease Contracts” was subscribed, where it establishes that both companies granted in a unilateral and irrevocable manner an option in favor of Hortifrut S.A. for the latter to execute under its exclusive discretion the renewal of the currently valid contracts. It must be stated that this contract assures the lease, nevertheless, the amount of annual income per hectare is subject to negotiation. The mentioned contracts expire in December 2017.

As of September 30, 2017, they detail of property, plant and equipment is as follows:

| <b>September 30, 2017</b>                  |                     |                                 |                     |
|--|---------------------|---------------------------------|---------------------|
|  | <b>Gross Value</b>  | <b>Accumulated depreciation</b> | <b>Net value</b>    |
|  | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b>             | <b><u>KUS\$</u></b> |
| Construction and infrastructure works      | 79,420              | (35,639)                        | 43,781              |
| Land                                       | 20,854              | -                               | 20,854              |
| Machinery and equipment                    | 27,558              | (14,763)                        | 12,795              |
| Leased equipment                           | 16,775              | (2,669)                         | 14,106              |
| Information technology (IT) equipment      | 2,849               | (2,096)                         | 753                 |
| Furniture and supplies                     | 2,012               | (1,208)                         | 804                 |
| Motor vehicles                             | 7,890               | (4,811)                         | 3,079               |
| Bearer plants                              | 152,922             | (38,369)                        | 114,553             |
| Works in progress                          | 25,049              | -                               | 25,049              |
| <b>Total Property, Plant and Equipment</b> | <b>335,329</b>      | <b>(99,555)</b>                 | <b>235,774</b>      |

As of December 31, 2016, they detail of property, plant and equipment is as follows:

| <b>December 31, 2016</b>                   |                     |                                 |                     |
|--|---------------------|---------------------------------|---------------------|
|  | <b>Gross Value</b>  | <b>Accumulated depreciation</b> | <b>Net value</b>    |
|  | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b>             | <b><u>KUS\$</u></b> |
| Construction and infrastructure works      | 74,483              | (31,085)                        | 43,398              |
| Land                                       | 20,507              | -                               | 20,507              |
| Machinery and equipment                    | 24,152              | (14,210)                        | 9,942               |
| Leased equipment                           | 14,334              | (2,132)                         | 12,202              |
| Information technology (IT) equipment      | 2,602               | (1,898)                         | 704                 |
| Furniture and supplies                     | 1,899               | (1,071)                         | 828                 |
| Motor vehicles                             | 7,045               | (4,316)                         | 2,729               |
| Bearer plants                              | 129,916             | (26,081)                        | 103,835             |
| Works in progress                          | 13,725              | -                               | 13,725              |
| <b>Total Property, Plant and Equipment</b> | <b>288,663</b>      | <b>(80,793)</b>                 | <b>207,870</b>      |

a) Estimated economic useful life or depreciation rate

The estimated economic useful life per type of asset is as follows:

|  | <b>Minimum<br/>Life or Rate<br/>Years</b> | <b>Maximum<br/>Life or Rate<br/>Years</b> |
|--|---|---|
| <b>Construction and infrastructure works</b>               |   |   |
| Steel, reinforced concrete constructions                   | 50  | 80  |
| Wooden buildings   | 10  | 30  |
| Provisional constructions                                  | 5   | 10  |
| Minor agricultural constructions (macro-tunnel and others) | 3   | 8   |
| <b>Machinery and equipment</b>                             | 8   | 10  |
| <b>Information technology (IT) equipment</b>               | 3   | 6   |
| <b>Furniture and supplies</b>                              | 5   | 10  |
| <b>Motor vehicles</b>                                      | 8   | 10  |
| <b>Bearer plants</b>                                       |   |   |
| Blueberries  | 10  | 20  |
| Raspberries and others                                     | 3   | 5   |

The residual value and the useful life of the assets will be checked, and adjusted if necessary, at each closing of the consolidated statements of financial position.

b) Insurance

Hortifrut S.A. and subsidiaries have contracted insurance policies to cover the risks that movable goods, vehicles, equipment, plants and machinery are subject to. The Company considers that the hedging of these policies is adequate for risks inherent to the activity (See Note 4.3).

c) Information regarding “Bearer Plants”

Hortifrut’s “Bearer Plants” correspond to berries plantations, that are on leased and own lands.

The Company’s berries plantations are located in Chile between the Coquimbo Region and Los Ríos Region, in Mexico in the states of Jalisco and Michoacán, in Brazil in Barrio Lagoa Grande, Sn - Senador Amaral, in Spain in the localities of Huelva and Asturias, and in Peru in the locality of Chiclayo.

Said geographic dispersion allows the Company to count with a diversified offer during the year, which is complemented by the producer partners that the Company has in USA and in Europe. Thereby, Hortifrut’s trade platforms and distributors can have berries during the 52 weeks of the year. The productive areas also allow greater closeness with the consumption centers. This is the case of plantations located in Mexico which mainly supply the North American market, main berries consumer in the world. Likewise, our plantations in Spain are able to supply part of the European market. Chile and Peru contribute the counter-season production for said markets.

Below is a detail of the hectares planted per type of fruit:

| <b>Surface in Hectares</b>      | <b><u>30-Sep-17</u></b> | <b><u>31-Dec-16</u></b> |
|---------------------------------|-------------------------|-------------------------|
| Blueberries                     | 803                     | 635                     |
| Organic Blueberries             | 402                     | 401                     |
| Raspberries                     | 157                     | 163                     |
| Blackberries                    | 13                      | 14                      |
| Strawberries                    | 62                      | 32                      |
| Cherries                        | 7                       | 7                       |
| <b>Total Planted Hectares</b>   | <b><u>1,444</u></b>     | <b><u>1,252</u></b>     |
| Own Hectares                    | 785                     | 545                     |
| Leased Hectares                 | 659                     | 707                     |
| Productive Hectares             | 1,221                   | 1,063                   |
| Non Productive Planted Hectares | 223                     | 189                     |

d) Loss due to impairment in value

As of September 30, 2017, no events or changes in circumstances have taken place in the business that imply that the book value of property, plant and equipment may not be recoverable.

In the specific case of “bearer plants” there were changes in the circumstances of the business as of December 31, 2016, which generated an impairment in their book value, as per the application of the valuation method described in Note 3.3.2. Particularly in the case of Chilean plantations, a reduction in expected “producer returns” was observed due to the concentration, in certain weeks, of high volumes of berries in the destination markets. At the Mexican plantations, the impairment in value was mainly associated to the reduction in the expected performance of these. In Spain, there was a start-up of productive hectares.

As indicated in Note 3.3.2, if the book value is modified due to the presence of impairment of “bearer plants”, said decrease in value will first be attributed to the Revaluation Reserves account under Net Equity, until its complete extinction, and if there is a remaining balance, it will be directly attributed to the results of the period under the account Other expenses, per function.

As per the aforementioned criteria, the effect of the previously mentioned impairment was recorded in the financial statements as of December 31, 2016, as detailed below:

|              | <b>Bearer Plant<br/>Revaluation<br/>Reserves</b> | <b>Other<br/>expenses, per<br/>function</b> | <b>Book Value<br/>Bearer Plants</b> |
|--------------|--|---|-------------------------------------|
|              | <b><u>KUS\$</u></b>                              | <b><u>KUS\$</u></b>                         | <b><u>KUS\$</u></b>                 |
| Chile        | (10,801)   | (789)                                       | (11,590)                            |
| Mexico       | -  | (3,612)                                     | (3,612)                             |
| Spain        | (213)  | (282)                                       | (495)                               |
| <b>Total</b> | <b><u>(11,014)</u></b>                           | <b><u>(4,683)</u></b>                       | <b><u>(15,697)</u></b>              |

e) Financial lease

The net book value as of September 30, 2017 and December 31, 2016 of the assets under financial lease, classified as Assets in Leasing under the item Property, plant and equipment, is as follows:

| <b><u>Denomination</u></b>                 | <b><u>30-Sep-17</u></b> | <b><u>31-Dec-16</u></b> |
|--|-------------------------|-------------------------|
|  | <b><u>KUS\$</u></b>     | <b><u>KUS\$</u></b>     |
| <b><u>Construction</u></b>                 |                         |                         |
| Administrative offices                     | 1,019                   | 1,053                   |
| Parking administrative offices             | 37                      | 38                      |
| Metallic Structure 5.3 hectares            | 253                     | 260                     |
| Metallic Structure 2.0 hectares            | 61                      | 62                      |
| Metallic Structure Roof                    | 286                     | -                       |
| Greenhouse 4.08 hectares                   | 1,093                   | 1,093                   |
| Greenhouse 4.00 hectares                   | 862                     | -                       |
| Molina Plant                               | 4,125                   | 4,194                   |
| <b>Total Constructions</b>                 | <b><u>7,736</u></b>     | <b><u>6,700</u></b>     |
| <b><u>Land</u></b>                         |                         |                         |
| Land Molina Plant                          | 236                     | 236                     |
| <b>Total Land</b>                          | <b><u>236</u></b>       | <b><u>236</u></b>       |
| <b><u>Machinery and equipment</u></b>      |                         |                         |
| Blueberries processing line                | 515                     | 555                     |
| IQF processing line                        | 265                     | 324                     |
| Molina Plant processing line and Machinery | 1,241                   | 1,352                   |
| BBC Filling Machine                        | 645                     | 681                     |
| BBC Soft Sorter Machine                    | 672                     | 710                     |
| Calibrating and Classifying Machine        | 1,423                   | 1,503                   |
| Plant pots for Greenhouse                  | 1,260                   | -                       |
| Fertigation machinery                      | 10                      | 17                      |
| Sulfur Burners                             | 31                      | -                       |
| Several Equipment                          | 14                      | 45                      |
| <b>Total Machinery and equipment</b>       | <b><u>6,076</u></b>     | <b><u>5,187</u></b>     |
| <b><u>Motor vehicles</u></b>               |                         |                         |
| Vans                                       | 54                      | 74                      |
| Tractors                                   | 4                       | 5                       |
| <b>Total motor vehicles</b>                | <b><u>58</u></b>        | <b><u>79</u></b>        |
| <b>General Total</b>                       | <b><u>14,106</u></b>    | <b><u>12,202</u></b>    |

Debt associated to these leasings as of September 30, 2017 and December 31, 2016, is presented in the item Other current financial liabilities and Other non-current financial liabilities.

The debt associated to each item under Property, plant and equipment is detailed as follows:

| <b><u>Leasing Liability</u></b>            | <b><u>30-Sep-17</u></b><br><b><u>KUS\$</u></b> | <b><u>31-Dec-16</u></b><br><b><u>KUS\$</u></b> |
|--|--|--|
| <b><u>Constructions</u></b>                |  |  |
| Administrative offices                     | 512  | 637  |
| Parking administrative offices             | 19   | 27   |
| Metallic structure 5.3 hectares            | 178  | 246  |
| Metallic structure 2.0 hectares            | 56   | 63   |
| Metallic Structure Roof                    | 270  | -  |
| Greenhouse                                 | 900  | 1,115  |
| Greenhouse                                 | 890  | -  |
| Molina Plant                               | 3,725  | 4,029  |
| <b>Total Constructions</b>                 | <b><u>6,550</u></b>                            | <b><u>6,117</u></b>                            |
| <b><u>Land</u></b>                         |  |  |
| Land Molina Plant                          | 213  | 227  |
| <b>Total Land</b>                          | <b><u>213</u></b>                              | <b><u>227</u></b>                              |
| <b><u>Machinery and equipment</u></b>      |  |  |
| IQF processing line                        | -  | -  |
| Plant pots for Greenhouse                  | 1,299  | -  |
| BBC Filling Machine                        | 252  | 247  |
| BBC Soft Sorter Machine                    | 255  | 255  |
| Molina Plant processing line and machinery | 1,121  | 1,299  |
| Calibrating and Classifying Machine        | 1,046  | 1,315  |
| Sulfur Burners                             | 31   | -  |
| <b>Total Machinery and equipment</b>       | <b><u>4,004</u></b>                            | <b><u>3,116</u></b>                            |
| <b><u>Motor Vehicles</u></b>               |  |  |
| Vans                                       | 19   | 22   |
| Tractors                                   | -  | -  |
| <b>Total motor vehicles</b>                | <b><u>19</u></b>                               | <b><u>22</u></b>                               |
| <b>General Total</b>                       | <b><u>10,786</u></b>                           | <b><u>9,482</u></b>                            |

f) Property, plant and equipment temporarily out of service

As of September 30, 2017 and December 31, 2016, there are no Property, plant and equipment temporarily out of service

g) Property, plant and equipment totally depreciated

As of September 30, 2017, the detail of property, plant and equipment which are totally depreciated is as follows:

|  | <b>Gross Value</b>  |
|--|---------------------|
|  | <b><u>KUS\$</u></b> |
| Construction and infrastructure works      | 2,721               |
| Machinery and equipment                    | 2,567               |
| Leased equipment                           | 33                  |
| Information Technology (IT) equipment      | 484                 |
| Furniture and supplies                     | 188                 |
| Motor vehicles                             | 649                 |
| <b>Total Property, Plant and Equipment</b> | <b><u>6,642</u></b> |

h) Property, plant and equipment removed from its active use

The book value of the property, plant and equipment elements which have been removed from their active use and have not been classified by the Company as held for sale reach KUS\$ 15, which will be transferred for its use in other fields.

## NOTE 20 – CURRENT INCOME TAX AND DEFERRED TAXES

In the period ending on September 30, 2017, we proceeded to calculate and record taxable net income with a 25.5% rate (as of December 31, 2016 with a 24% rate), based on what was established in Law N° 20.780, Tax Reform, published in the Diario Oficial (Official Newspaper) on September 29, 2014.

Among the main modifications, is the progressive increase of First Category Tax, reaching 27% from 2018, in case the “Partially Integrated Tax System” is applied.

The aforementioned Law establishes that since Hortifrut S.A. is a publicly traded company, as a general rule the “Partially Integrated Tax System” is applied to it.

In the other countries where Hortifrut has subsidiaries and associates, the corresponding tax rates are applied in accordance with the valid law.

Deferred tax assets and liabilities are compensated if the right to compensate the current tax assets and liabilities has been legally acknowledged and the deferred taxes refer to the same entity and tax authority.

### a) Current income tax

The Company and subsidiaries maintain as of September 30, 2017, an accumulated current income tax provision of KUS\$6,265 (KUS\$13,556 as of December 31, 2016), which is presented net of credits applicable against income tax as of these same dates for KUS\$7,056 (KUS\$11,858 as of December 31, 2016). In this manner when presented net in the statement of financial position, as of September 30, 2017, a balance is presented in favor of the company for recoverable taxes for KUS\$791 (KUS\$1,698 of payable tax as of December 31, 2016).

Provisional payments and other credits that are applied to current income tax are detailed below:

|   | 30-Sep-17    | 31-Dec-16      |
|---|--------------|----------------|
| <u>Detail Recoverable Tax</u>               | <u>KUS\$</u> | <u>KUS\$</u>   |
| Monthly provisional payments                | 7,052        | 11,318         |
| Personnel training                          | 3            | 218            |
| Other Credits                               | 1            | 140            |
| Donations Law                               | -            | 182            |
| <b>Total Credits</b>                        | <b>7,056</b> | <b>11,858</b>  |
| Income tax provision                        | (6,265)      | (13,556)       |
| <b>Total Credits (Income Tax Provision)</b> | <b>791</b>   | <b>(1,698)</b> |

### b) Deferred taxes

Deferred taxes correspond to the amount of tax over profits that Hortifrut and subsidiaries will have to pay (liabilities) or recover (assets) in future periods, related with temporary differences between the fiscal or tax base and the accounting book value of certain assets and liabilities.

The main deferred tax asset corresponds to the tax loss of subsidiaries, which will be recovered in future periods. The main deferred tax liability payable in future periods, corresponds to the temporary differences originated by manufacturing expenses, revaluation of biological assets and the revaluation of Property, plant and equipment on the transition date to IFRS.

Deferred tax assets as of September 30, 2017 and December 31, 2016, refer to the following concepts:

| Detail                               | 30-Sep-17           |                          | 31-Dec-16           |                          |
|--------------------------------------|---------------------|--------------------------|---------------------|--------------------------|
|                                      | Deferred tax assets | Deferred tax liabilities | Deferred tax assets | Deferred tax liabilities |
|                                      | KUS\$               | KUS\$                    | KUS\$               | KUS\$                    |
| Manufacturing expenses               | -                   | 1,699                    | -                   | 1,294                    |
| Valuation bearer plants              | -                   | 16,264                   | -                   | 11,924                   |
| Land appraisal                       | -                   | 34                       | -                   | 34                       |
| Anticipated income                   | -                   | -                        | -                   | 151                      |
| Tax loss                             | 11,065              | -                        | 9,482               | -                        |
| Provisions                           | 2,535               | -                        | 2,241               | -                        |
| Intangibles                          | -                   | 1,059                    | -                   | 1,103                    |
| Fixed asset                          | -                   | 2,057                    | -                   | 8,986                    |
| Forward hedging                      | -                   | 220                      | 131                 | -                        |
| Price adjustment                     | -                   | -                        | -                   | -                        |
| Others                               | 3,174               | -                        | 2,917               | -                        |
| Non realized earnings in investments | -                   | -                        | 179                 | -                        |
| <b>Total</b>                         | <b>16,774</b>       | <b>21,333</b>            | <b>14,950</b>       | <b>23,492</b>            |

Deferred tax hedging is presented net of other integral results.

Deferred taxes have not been acknowledged for the temporary differences between the tax and accounting value generated by investments in Subsidiaries, so, deferred tax due to adjustments in conversion directly recorded in net equity, exposed in the other integral income statement is also not acknowledged.

As of September 30, 2017, the deferred tax asset originated by tax loss reached KUS\$11,065 (KUS\$9,482 as of December 31, 2016) which is chargeable to the profits which could be generated in the future in the companies that present said condition, as per the following detail:

|                                 |           | 30-Sep-17     | 31-Dec-16    | Variation    |
|---------------------------------|-----------|---------------|--------------|--------------|
|                                 |           | KUS\$         | KUS\$        | KUS\$        |
| Hortifrut S.A.                  | Chile     | 1,093         | -            | 1,093        |
| Ag. Mataquito S.A.              | Chile     | 1,278         | 1,214        | 64           |
| Ag. El Avellano S.A.            | Chile     | 1,715         | 1,612        | 103          |
| Ag. y Gand. Santa Rebeca Ltda.  | Chile     | 6             | -            | 6            |
| Ag. Hortifrut S.A.              | Chile     | 299           | 813          | (514)        |
| Hortifrut Comercial S.A.        | Chile     | 74            | -            | 74           |
| Hortifrut S.A. de C.V.          | Mexico    | 5,666         | 4,963        | 703          |
| Berrygood Comercial Importadora | Brazil    | 592           | 575          | 17           |
| Hortifrut Europa                | Spain     | 65            | 23           | 42           |
| HFE Berries Perú S.A.C.         | Peru      | 43            | 123          | (80)         |
| Hortifrut Argentina S.A.        | Argentina | 231           | 159          | 72           |
| Viveros Hortifrut Chile S.A.    | Chile     | 3             | -            | 3            |
| <b>Total</b>                    |           | <b>11,065</b> | <b>9,482</b> | <b>1,583</b> |

Regarding the statute of limitations of the tax loss susceptible to be charged to future profits, we can state that in the case of those generated in companies constituted in Chile, Brazil and Spain, these do not prescribe. In Mexico, these have an expiry of 10 years and Argentina expires in 5 years.



Below is the activity of deferred tax assets:

|                                    | <b>30-Sep-17</b>     | <b>31-Dec-16</b>     |
|------------------------------------|----------------------|----------------------|
|                                    | <b><u>KUS\$</u></b>  | <b><u>KUS\$</u></b>  |
| <b>Opening balance</b>             | <b>14,950</b>        | <b>14,317</b>        |
| Provisions                         | 294                  | 393                  |
| Tax loss                           | 1,583                | (1,429)              |
| Forward hedging                    | (131)                | (209)                |
| Others                             | 257                  | 1,988                |
| Profit not realized in investments | (179)                | (110)                |
| <b>Final Balance</b>               | <b><u>16,774</u></b> | <b><u>14,950</u></b> |

Below is the activity of deferred tax liabilities:

|                         | <b>30-Sep-17</b>     | <b>31-Dec-16</b>     |
|-------------------------|----------------------|----------------------|
|                         | <b><u>KUS\$</u></b>  | <b><u>KUS\$</u></b>  |
| <b>Opening balance</b>  | <b>23,492</b>        | <b>26,626</b>        |
| Manufacturing expenses  | 405                  | (213)                |
| Fixed asset             | (6,929)              | 2,617                |
| Intangibles             | (44)                 | (72)                 |
| Advanced income         | (151)                | 151                  |
| Forward hedging         | 220                  | -                    |
| Valuation bearer plants | 4,340                | (5,532)              |
| Price adjustment        | -                    | (85)                 |
| <b>Final Balance</b>    | <b><u>21,333</u></b> | <b><u>23,492</u></b> |

Gains tax expense has the following detail:

|                          | <b>30-Sep-17</b>    | <b>30-Sep-16</b>    |
|--------------------------|---------------------|---------------------|
| <b><u>Detail</u></b>     | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> |
| Current tax expense      | 6,249               | 9,794               |
| Tax benefit for tax loss | -                   | (45)                |
| Deferred tax effect      | (4,043)             | (1,205)             |
| Adjustment previous year | (313)               | (223)               |
| Adjustment of conversion | 104                 | 77                  |
| <b>Total</b>             | <b><u>1,997</u></b> | <b><u>8,398</u></b> |

The following is the detail of the income tax expense conciliation, using the legal rate with the tax expense, using the effective rate:

|  | <u>30-Sep-17</u> |                | <u>30-Sep-16</u> |               |
|--|------------------|----------------|------------------|---------------|
|  | <u>KUS\$</u>     | <u>%</u>       | <u>KUS\$</u>     | <u>%</u>      |
| <b>Tax expense (income) using the legal rate</b>               | <b>5,827</b>     | <b>25.50%</b>  | <b>8,607</b>     | <b>24.00%</b> |
| Tax effect of rate in other jurisdictions                      | (83)             | -0.36%         | 401              | 1.12%         |
| Tax effect of non taxable operating income                     | (2,078)          | -9.09%         | (1,846)          | -5.15%        |
| Tax effect of non deductible tax expenses                      | 414              | 1.81%          | 648              | 1.81%         |
| Tax effect of fiscal currency different to functional currency | (1,941)          | -8.49%         | 808              | 2.25%         |
| Tax effect of tax provided in excess previous periods          | (142)            | -0.62%         | (223)            | -0.62%        |
| Other increase (decrease) in charge for legal taxes            | -                | 0.00%          | 3                | 0.01%         |
| <b>Total tax expense adjustment using the legal rate</b>       | <b>(3,830)</b>   | <b>-16.75%</b> | <b>(209)</b>     | <b>-0.58%</b> |
| <b>Tax expense using the effective rate</b>                    | <b>1,997</b>     | <b>8.75%</b>   | <b>8,398</b>     | <b>23.42%</b> |

|  | <u>QUARTER</u>   |               |                  |               |
|--|------------------|---------------|------------------|---------------|
|  | <u>1-Jul-17</u>  |               | <u>1-Jul-16</u>  |               |
|  | <u>30-Sep-17</u> |               | <u>30-Sep-16</u> |               |
|  | <u>KUS\$</u>     | <u>%</u>      | <u>KUS\$</u>     | <u>%</u>      |
| <b>Tax expense (income) using the legal rate</b>               | <b>1,348</b>     | <b>25.50%</b> | <b>69</b>        | <b>24.00%</b> |
| Tax effect of rate in other jurisdictions                      | (134)            | -0.65%        | (118)            | -0.34%        |
| Tax effect of non taxable operating income                     | (1,737)          | -7.15%        | (228)            | -0.60%        |
| Tax effect of non deductible tax expenses                      | 68               | -0.16%        | 162              | 0.44%         |
| Tax effect of fiscal currency different to functional currency | 443              | 5.08%         | 854              | 2.38%         |
| Tax effect of tax provided in excess previous periods          | (384)            | -2.00%        | 10               | 0.03%         |
| Other increase (decrease) in charge for legal taxes            | -                | 0.00%         | (475)            | -1.34%        |
| <b>Total tax expense adjustment using the legal rate</b>       | <b>(1,744)</b>   | <b>-4.88%</b> | <b>205</b>       | <b>0.58%</b>  |
| <b>Tax expense using the effective rate</b>                    | <b>(396)</b>     | <b>20.62%</b> | <b>274</b>       | <b>24.58%</b> |

## **NOTE 21 – OTHER FINANCIAL LIABILITIES**

As of September 30, 2017 and December 31, 2016, Hortifrut and subsidiaries maintain financial loans which are detailed below:

### **Other current financial liabilities**

|  | <b>30-Sep-17</b>      | <b>31-Dec-16</b>      |
|--|-----------------------|-----------------------|
|  | <b><u>KUS\$</u></b>   | <b><u>KUS\$</u></b>   |
| Obligations with banks and financial institutions          | 102,202               | 148,782               |
| Financial Leasing  | 2,518                 | 2,005                 |
| Forwards currency operations                               | 517                   | -                     |
| <b>Total bank obligations with expiry before 12 months</b> | <b><u>105,237</u></b> | <b><u>150,787</u></b> |

### **Other non-current financial liabilities**

|  | <b>30-Sep-17</b>     | <b>31-Dec-16</b>     |
|--|----------------------|----------------------|
|  | <b><u>KUS\$</u></b>  | <b><u>KUS\$</u></b>  |
| Obligations with banks and financial institutions        | 83,486               | 49,475               |
| Financial Leasing  | 8,268                | 7,477                |
| Cross Currency Swap Operations                           | 572                  | 678                  |
| <b>Total bank obligations with expiry over 12 months</b> | <b><u>92,326</u></b> | <b><u>57,630</u></b> |

## Detail of balance and expiries

### a) Obligations with Banks and financial institutions

Obligations with Banks and financial institutions grouped by expiries are detailed below, as of September 30, 2017 and December 31, 2016:

| Debtor Company                      | RUT          | Country | Creditor Bank                        | Currency | Type of Amortization | Effective Annual Rate | Nominal Annual Rate | Current              |               |                | Total current 9/30/2017 | Non-current         |                     |                   |                   |                 | Total Non current 9/30/2017 |
|-------------------------------------|--------------|---------|--------------------------------------|----------|----------------------|-----------------------|---------------------|----------------------|---------------|----------------|-------------------------|---------------------|---------------------|-------------------|-------------------|-----------------|-----------------------------|
|                                     |              |         |                                      |          |                      |                       |                     | Expiry up to 1 month | 1 to 3 months | 3 to 12 months |                         | Expiry 1 to 2 years | Expiry 2 to 3 years | from 3 to 4 years | from 4 to 5 years | 5 or more years |                             |
|                                     |              |         |                                      |          |                      |                       |                     | KUS\$                | KUS\$         | KUS\$          |                         | KUS\$               | KUS\$               | KUS\$             | KUS\$             | KUS\$           |                             |
| Agrícola El Pampino S.A.            | 76.884.880-7 | Chile   | Banco Santander Chile                | US\$     | Annual               | 6.06%                 | 6.06%               | -                    | -             | 213            | 213                     | -                   | -                   | -                 | -                 | -               | -                           |
| Agrícola El Pampino S.A.            | 76.884.880-7 | Chile   | Banco Santander Chile                | US\$     | Annual               | 2.15%                 | 2.15%               | 401                  | -             | -              | 401                     | -                   | -                   | -                 | -                 | -               | -                           |
| Agrícola Mataquito S.A.             | 76.306.130-2 | Chile   | Banco RaboFinance Chile              | US\$     | Annual               | 5.52%                 | 5.20%               | -                    | -             | 153            | 153                     | 150                 | -                   | -                 | -                 | -               | 150                         |
| Agrícola Mataquito S.A.             | 76.306.130-2 | Chile   | Banco RaboFinance Chile              | US\$     | Annual               | 6.26%                 | 6.03%               | -                    | -             | 19             | 19                      | -                   | 1,500               | -                 | -                 | -               | 1,500                       |
| Agrícola Mataquito S.A.             | 76.306.130-2 | Chile   | Banco Santander Chile                | US\$     | Annual               | 2.15%                 | 2.15%               | 502                  | -             | -              | 502                     | -                   | -                   | -                 | -                 | -               | -                           |
| Agrícola Mataquito S.A.             | 76.306.130-2 | Chile   | Banco Santander Chile                | US\$     | Annual               | 2.15%                 | 2.15%               | 502                  | -             | -              | 502                     | -                   | -                   | -                 | -                 | -               | -                           |
| Agrícola Santa Rosa del Parque S.A. | 99.584.440-0 | Chile   | Banco RaboFinance Chile              | US\$     | Annual               | 5.58%                 | 5.31%               | -                    | -             | 88             | 88                      | 85                  | 90                  | -                 | -                 | -               | 175                         |
| Agrícola Santa Rosa del Parque S.A. | 99.584.440-0 | Chile   | Banco RaboFinance Chile              | US\$     | Annual               | 6.23%                 | 6.01%               | -                    | -             | 11             | 11                      | -                   | 900                 | -                 | -                 | -               | 900                         |
| Agrícola Santa Rosa del Parque S.A. | 99.584.440-0 | Chile   | Banco Santander Chile                | US\$     | Annual               | 2.15%                 | 2.15%               | 502                  | -             | -              | 502                     | -                   | -                   | -                 | -                 | -               | -                           |
| Berry Good Com Imp E Dist           | 0-E          | Brazil  | Banco Itaú                           | BRL      | Monthly              | 2.02%                 | 2.02%               | -                    | -             | 88             | 88                      | -                   | -                   | -                 | -                 | -               | -                           |
| Berry Good Com Imp E Dist           | 0-E          | Brazil  | Banco Itaú                           | BRL      | Monthly              | 1.66%                 | 1.66%               | 1                    | 3             | 13             | 17                      | 17                  | 9                   | -                 | -                 | -               | 26                          |
| Berry Good Com Imp E Dist           | 0-E          | Brazil  | Banco Itaú                           | BRL      | Monthly              | 1.66%                 | 1.66%               | 1                    | 3             | 13             | 17                      | 17                  | 9                   | -                 | -                 | -               | 26                          |
| Berry Good Com Imp E Dist           | 0-E          | Brazil  | Banco Itaú                           | BRL      | Monthly              | 2.11%                 | 2.11%               | 2                    | 4             | 18             | 24                      | -                   | -                   | -                 | -                 | -               | -                           |
| Berry Good Com Imp E Dist           | 0-E          | Brazil  | Banco Itaú                           | BRL      | Monthly              | 2.14%                 | 2.14%               | 3                    | 6             | 27             | 36                      | 9                   | -                   | -                 | -                 | -               | 9                           |
| Berry Good Com Imp E Dist           | 0-E          | Brazil  | Banco Itaú                           | BRL      | Monthly              | 2.02%                 | 2.02%               | 3                    | 6             | 29             | 38                      | 6                   | -                   | -                 | -                 | -               | 6                           |
| Berry Good Com Imp E Dist           | 0-E          | Brazil  | Banco Itaú                           | BRL      | Monthly              | 2.14%                 | 2.14%               | -                    | -             | 52             | 52                      | -                   | -                   | -                 | -                 | -               | -                           |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Bilbao Vizcaya Argentaria      | US\$     | Annual               | 2.88%                 | 2.06%               | 1,328                | -             | 1,250          | 2,578                   | 2,500               | 1,250               | -                 | -                 | -               | 3,750                       |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Bilbao Vizcaya Argentaria      | US\$     | Annual               | 1.74%                 | 1.74%               | 3,003                | -             | -              | 3,003                   | -                   | -                   | -                 | -                 | -               | -                           |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco de Crédito e Inversiones       | US\$     | Annual               | 1.78%                 | 1.78%               | 5,006                | -             | -              | 5,006                   | -                   | -                   | -                 | -                 | -               | -                           |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco de Crédito e Inversiones       | US\$     | Annual               | 5.42%                 | 3.02%               | -                    | -             | 3,290          | 3,290                   | 2,633               | 3,000               | 3,000             | 3,000             | 6,000           | 17,633                      |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco de Crédito e Inversiones       | US\$     | Annual               | 1.78%                 | 1.78%               | 5,006                | -             | -              | 5,006                   | -                   | -                   | -                 | -                 | -               | -                           |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco de Crédito e Inversiones       | US\$     | Annual               | 1.75%                 | 1.75%               | 10,013               | -             | -              | 10,013                  | -                   | -                   | -                 | -                 | -               | -                           |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco de Crédito e Inversiones       | US\$     | Annual               | 1.71%                 | 1.71%               | 6,013                | -             | -              | 6,013                   | -                   | -                   | -                 | -                 | -               | -                           |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco de Crédito e Inversiones       | US\$     | Annual               | 1.71%                 | 1.71%               | 5,011                | -             | -              | 5,011                   | -                   | -                   | -                 | -                 | -               | -                           |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco de Crédito e Inversiones       | US\$     | Annual               | 1.71%                 | 1.71%               | 5,011                | -             | -              | 5,011                   | -                   | -                   | -                 | -                 | -               | -                           |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco de Chile                       | US\$     | Annual               | 1.60%                 | 1.60%               | 3,001                | -             | -              | 3,001                   | -                   | -                   | -                 | -                 | -               | -                           |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Estado                         | US\$     | Annual               | 2.20%                 | 5.03%               | 1,269                | -             | 1,200          | 2,469                   | 4,000               | -                   | -                 | -                 | -               | 4,000                       |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Estado                         | US\$     | Annual               | 1.55%                 | 1.55%               | 5,004                | -             | -              | 5,004                   | -                   | -                   | -                 | -                 | -               | -                           |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Itaú                           | US\$     | Annual               | 1.54%                 | 1.54%               | 5,004                | -             | -              | 5,004                   | -                   | -                   | -                 | -                 | -               | -                           |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco RaboFinance Chile              | US\$     | Annual               | 4.26%                 | 4.26%               | -                    | -             | 54             | 54                      | -                   | -                   | -                 | 1,819             | 18,181          | 20,000                      |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Santander Chile                | US\$     | Annual               | 1.66%                 | 1.66%               | -                    | -             | 3,008          | 3,008                   | -                   | -                   | -                 | -                 | -               | -                           |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Santander Chile                | US\$     | Annual               | 1.66%                 | 1.66%               | -                    | -             | 5,014          | 5,014                   | -                   | -                   | -                 | -                 | -               | -                           |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Santander Chile                | US\$     | Annual               | 1.66%                 | 1.66%               | -                    | -             | 7,028          | 7,028                   | -                   | -                   | -                 | -                 | -               | -                           |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Scotiabank                     | US\$     | Annual               | 1.69%                 | 1.69%               | 3,003                | -             | -              | 3,003                   | -                   | -                   | -                 | -                 | -               | -                           |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Scotiabank                     | US\$     | Annual               | 1.69%                 | 1.69%               | 3,003                | -             | -              | 3,003                   | -                   | -                   | -                 | -                 | -               | -                           |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Scotiabank                     | US\$     | Annual               | 1.69%                 | 1.69%               | 5,004                | -             | -              | 5,004                   | -                   | -                   | -                 | -                 | -               | -                           |
| Hortifrut España Southern Sun SL    | 0-E          | Spain   | Banco Santander Central Hispano S.A. | EUR      | Monthly              | 2.96%                 | 2.96%               | 244                  | 245           | 1,108          | 1,597                   | 1,496               | 756                 | -                 | -                 | -               | 2,252                       |
| Hortifrut España Southern Sun SL    | 0-E          | Spain   | Banco Santander Central Hispano S.A. | EUR      | Quarterly            | 1.15%                 | 1.15%               | -                    | -             | 2,172          | 2,172                   | 2,926               | 2,960               | 2,994             | 754               | -               | 9,634                       |
| Hortifrut España Southern Sun SL    | 0-E          | Spain   | Banco Bilbao Vizcaya Argentaria      | EUR      | Biannual             | 1.16%                 | 1.16%               | -                    | -             | 1,444          | 1,444                   | 2,917               | 2,951               | 2,986             | 1,507             | -               | 10,361                      |
| Hortifrut España Southern Sun SL    | 0-E          | Spain   | La Caixa                             | EUR      | Quarterly            | 1.10%                 | 1.10%               | -                    | -             | 361            | 361                     | 1,456               | 1,472               | 1,488             | 1,127             | -               | 5,343                       |
| Hortifrut España Southern Sun SL    | 0-E          | Spain   | Banco Intercontinental Español       | EUR      | Monthly              | 1.10%                 | 1.10%               | -                    | -             | 434            | 434                     | 802                 | 883                 | 894               | 527               | -               | 3,106                       |
| Hortifrut España Southern Sun SL    | 0-E          | Spain   | Banco Sabadell                       | EUR      | Monthly              | 1.10%                 | 1.10%               | -                    | -             | -              | -                       | 532                 | 586                 | 593               | 650               | -               | 2,361                       |
| Asturian Berries SL                 | 0-E          | Spain   | Banco Santander Central Hispano S.A. | EUR      | Monthly              | 1.38%                 | 1.38%               | 9                    | 27            | 71             | 107                     | 79                  | -                   | -                 | -                 | -               | 79                          |
| Asturian Berries SL                 | 0-E          | Spain   | Banco Santander Central Hispano S.A. | EUR      | Monthly              | 1.50%                 | 1.50%               | 13                   | 41            | 105            | 159                     | 60                  | -                   | -                 | -                 | -               | 69                          |
| Asturian Berries SL                 | 0-E          | Spain   | Caja Madrid                          | EUR      | Monthly              | 0.87%                 | 0.87%               | 2                    | 4             | 19             | 25                      | 17                  | -                   | -                 | -                 | -               | 17                          |
| Asturian Berries SL                 | 0-E          | Spain   | Caja Rural Asturias                  | EUR      | Monthly              | 5.00%                 | 5.00%               | 2                    | 6             | 16             | 24                      | 9                   | -                   | -                 | -                 | -               | 9                           |
| Asturian Berries SL                 | 0-E          | Spain   | Financial Services                   | EUR      | Monthly              | 9.20%                 | 9.20%               | -                    | -             | 1              | 1                       | 3                   | 15                  | -                 | -                 | -               | 18                          |
| Asturian Berries SL                 | 0-E          | Spain   | Banco Bilbao Vizcaya Argentaria      | EUR      | Monthly              | 1.40%                 | 1.40%               | -                    | -             | -              | -                       | 127                 | 283                 | 157               | -                 | -               | 567                         |
| Berries Peru                        | 0-E          | Peru    | Banco de Crédito Perú                | SOL      | Monthly              | 5.00%                 | 5.00%               | 1                    | -             | -              | 1                       | -                   | -                   | -                 | -                 | -               | -                           |
| Hortifrut S.A.                      | 96.896.990-0 | Chile   | Banco de Chile                       | US\$     | Annual               | 5.35%                 | 7.38%               | -                    | 678           | -              | 678                     | 648                 | 647                 | -                 | -                 | -               | 1,295                       |
| Total                               |              |         |                                      |          |                      |                       |                     | 73,880               | 1,023         | 27,299         | 102,202                 | 20,498              | 17,311              | 12,112            | 9,384             | 24,181          | 83,486                      |

|                                     |              |         |                                      |          |                      |                       |                     |                      |               |                |                                |                     |                     |                   |                   |                 | Total Non current                  |
|-------------------------------------|--------------|---------|--------------------------------------|----------|----------------------|-----------------------|---------------------|----------------------|---------------|----------------|--------------------------------|---------------------|---------------------|-------------------|-------------------|-----------------|------------------------------------|
| Debtor Company                      | RUT          | Country | Creditor Bank                        | Currency | Type of Amortization | Effective Annual Rate | Nominal Annual Rate | Current              |               |                | Total current as of 31-12-2016 | No corrientes       |                     |                   |                   |                 | Total Non current as of 31-12-2016 |
|                                     |              |         |                                      |          |                      |                       |                     | Expiry up to 1 month | 1 to 3 months | 3 to 12 months |                                | Expiry 1 to 2 years | Expiry 2 to 3 years | from 3 to 4 years | from 4 to 5 years | 5 or more years |                                    |
|                                     |              |         |                                      |          |                      |                       |                     |                      |               |                |                                |                     |                     |                   |                   |                 |                                    |
| Agrícola El Pampino S.A.            | 76.884.880-7 | Chile   | Banco Santander Chile                | US\$     | Annual               | 6.06%                 | 6.06%               | -                    | -             | 223            | 223                            | 210                 | -                   | -                 | -                 | -               | 210                                |
| Agrícola El Pampino S.A.            | 76.884.880-7 | Chile   | Banco Santander Chile                | US\$     | Annual               | 1.73%                 | 1.73%               | -                    | -             | 400            | 400                            | -                   | -                   | -                 | -                 | -               | -                                  |
| Agrícola Mataquito S.A.             | 76.306.130-2 | Chile   | Banco Rabobank Chile                 | US\$     | Annual               | 5.52%                 | 5.20%               | -                    | -             | 161            | 161                            | 150                 | 150                 | -                 | -                 | -               | 300                                |
| Agrícola Mataquito S.A.             | 76.306.130-2 | Chile   | Banco Rabobank Chile                 | US\$     | Annual               | 6.26%                 | 6.03%               | -                    | -             | 42             | 42                             | -                   | -                   | 1,500             | -                 | -               | 1,500                              |
| Agrícola Mataquito S.A.             | 76.306.130-2 | Chile   | Banco Santander Chile                | US\$     | Annual               | 1.68%                 | 1.68%               | 501                  | -             | -              | 501                            | -                   | -                   | -                 | -                 | -               | -                                  |
| Agrícola Mataquito S.A.             | 76.306.130-2 | Chile   | Banco Santander Chile                | US\$     | Annual               | 1.73%                 | 1.73%               | -                    | 500           | -              | 500                            | -                   | -                   | -                 | -                 | -               | -                                  |
| Agrícola Santa Rosa del Parque S.A. | 99.584.440-0 | Chile   | Banco Rabobank Chile                 | US\$     | Annual               | 5.58%                 | 5.31%               | -                    | -             | 94             | 94                             | 85                  | 85                  | 90                | -                 | -               | 260                                |
| Agrícola Santa Rosa del Parque S.A. | 99.584.440-0 | Chile   | Banco Rabobank Chile                 | US\$     | Annual               | 6.23%                 | 6.01%               | -                    | -             | 25             | 25                             | -                   | -                   | 900               | -                 | -               | 900                                |
| Agrícola Santa Rosa del Parque S.A. | 99.584.440-0 | Chile   | Banco Santander Chile                | US\$     | Annual               | 1.73%                 | 1.73%               | -                    | 500           | -              | 500                            | -                   | -                   | -                 | -                 | -               | -                                  |
| BerryGood Com Imp E Dist            | 0-E          | Brazil  | Banco Itaú                           | BRL      | Monthly              | 2.16%                 | 2.16%               | 6                    | 13            | 20             | 39                             | -                   | -                   | -                 | -                 | -               | -                                  |
| BerryGood Com Imp E Dist            | 0-E          | Brazil  | Banco Itaú                           | BRL      | Monthly              | 2.02%                 | 2.02%               | -                    | -             | 86             | 86                             | -                   | -                   | -                 | -                 | -               | -                                  |
| BerryGood Com Imp E Dist            | 0-E          | Brazil  | Banco Itaú                           | BRL      | Monthly              | 2.11%                 | 2.11%               | 2                    | 4             | 17             | 23                             | 17                  | -                   | -                 | -                 | -               | 17                                 |
| BerryGood Com Imp E Dist            | 0-E          | Brazil  | Banco Itaú                           | BRL      | Monthly              | 2.14%                 | 2.14%               | 3                    | 6             | 26             | 35                             | 35                  | -                   | -                 | -                 | -               | 35                                 |
| BerryGood Com Imp E Dist            | 0-E          | Brazil  | Banco Itaú                           | BRL      | Monthly              | 2.02%                 | 2.02%               | 3                    | 6             | 28             | 37                             | 34                  | -                   | -                 | -                 | -               | 34                                 |
| BerryGood Com Imp E Dist            | 0-E          | Brazil  | Banco Itaú                           | BRL      | Monthly              | 2.14%                 | 2.14%               | -                    | -             | 49             | 49                             | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Bilbao Vizcaya Argentaria      | US\$     | Annual               | 2.88%                 | 2.06%               | -                    | -             | 2,538          | 2,538                          | 2,500               | 2,500               | -                 | -                 | -               | 5,000                              |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Bilbao Vizcaya Argentaria      | US\$     | Annual               | 0.95%                 | 0.95%               | 3,009                | -             | -              | 3,009                          | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Bilbao Vizcaya Argentaria      | US\$     | Annual               | 1.03%                 | 1.03%               | -                    | 2,005         | -              | 2,005                          | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Bilbao Vizcaya Argentaria      | US\$     | Annual               | 1.10%                 | 1.10%               | -                    | 5,012         | -              | 5,012                          | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Bilbao Vizcaya Argentaria      | US\$     | Annual               | 1.01%                 | 1.01%               | 4,008                | -             | -              | 4,008                          | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco BICE                           | US\$     | Annual               | 1.05%                 | 1.05%               | 3,004                | -             | -              | 3,004                          | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco de Crédito e Inversiones       | US\$     | Annual               | 1.22%                 | 1.22%               | -                    | 15,043        | -              | 15,043                         | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco de Crédito e Inversiones       | US\$     | Annual               | 5.42%                 | 3.02%               | -                    | -             | 3,664          | 3,664                          | 2,710               | 3,000               | 3,000             | 3,000             | 9,000           | 20,710                             |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco de Crédito e Inversiones       | US\$     | Annual               | 1.00%                 | 1.00%               | -                    | 10,019        | -              | 10,019                         | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco de Crédito e Inversiones       | US\$     | Annual               | 1.00%                 | 1.00%               | 6,016                | -             | -              | 6,016                          | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco de Chile                       | US\$     | Annual               | 1.08%                 | 1.08%               | -                    | 3,003         | -              | 3,003                          | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco de Chile                       | US\$     | Annual               | 1.35%                 | 1.35%               | -                    | 5,003         | -              | 5,003                          | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco de Chile                       | US\$     | Annual               | 1.26%                 | 1.26%               | -                    | -             | 14,047         | 14,047                         | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco de Chile                       | US\$     | Annual               | 1.19%                 | 1.19%               | -                    | -             | 11,935         | 11,935                         | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Estado                         | US\$     | Annual               | 2.20%                 | 5.03%               | -                    | -             | 2,440          | 2,440                          | 5,200               | -                   | -                 | -                 | -               | 5,200                              |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Santander Chile                | US\$     | Annual               | 1.14%                 | 1.14%               | -                    | -             | 15,016         | 15,016                         | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Santander Chile                | US\$     | Annual               | 0.81%                 | 0.81%               | 3,010                | -             | -              | 3,010                          | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Scotiabank                     | US\$     | Annual               | 1.14%                 | 1.14%               | 3,008                | -             | -              | 3,008                          | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Scotiabank                     | US\$     | Annual               | 1.14%                 | 1.14%               | -                    | 3,008         | -              | 3,008                          | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Scotiabank                     | US\$     | Annual               | 1.29%                 | 1.29%               | -                    | 5,002         | -              | 5,002                          | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Santander Chile                | US\$     | Annual               | 1.11%                 | 1.11%               | -                    | 3,007         | -              | 3,007                          | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco Santander Chile                | US\$     | Annual               | 1.06%                 | 1.06%               | -                    | 5,011         | -              | 5,011                          | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco de Crédito e Inversiones       | US\$     | Annual               | 1.00%                 | 1.00%               | -                    | 6,012         | -              | 6,012                          | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco de Crédito e Inversiones       | US\$     | Annual               | 0.90%                 | 0.90%               | -                    | -             | 645            | 645                            | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut España Southern Sun SL    | 0-E          | Spain   | Banco Santander Central Hispano S.A. | EUR      | Monthly              | 1.40%                 | 1.40%               | 70                   | 141           | -              | 211                            | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut España Southern Sun SL    | 0-E          | Spain   | Banco Santander Central Hispano S.A. | EUR      | Monthly              | 2.96%                 | 2.96%               | 217                  | 216           | 979            | 1,412                          | 1,321               | 1,341               | 338               | -                 | -               | 3,000                              |
| Hortifrut España Southern Sun SL    | 0-E          | Spain   | Banco Santander Central Hispano S.A. | EUR      | Monthly              | 1.15%                 | 1.15%               | -                    | -             | -              | -                              | 1,939               | 2,612               | 2,642             | 2,673             | 769             | 10,635                             |
| Asturian Berries SL                 | 0-E          | Spain   | Banco Santander Central Hispano S.A. | EUR      | Monthly              | 1.38%                 | 1.38%               | 8                    | 24            | 61             | 93                             | 95                  | 47                  | -                 | -                 | -               | 142                                |
| Asturian Berries SL                 | 0-E          | Spain   | Banco Santander Central Hispano S.A. | EUR      | Monthly              | 1.50%                 | 1.50%               | 12                   | 35            | 94             | 141                            | 141                 | 25                  | -                 | -                 | -               | 166                                |
| Asturian Berries SL                 | 0-E          | Spain   | Caja Madrid                          | EUR      | Monthly              | 0.87%                 | 0.87%               | 2                    | 4             | 17             | 23                             | 32                  | -                   | -                 | -                 | -               | 32                                 |
| Asturian Berries SL                 | 0-E          | Spain   | Caja Rural Asturias                  | EUR      | Monthly              | 5.00%                 | 5.00%               | 2                    | 5             | 15             | 22                             | 25                  | -                   | -                 | -                 | -               | 25                                 |
| Asturian Berries SL                 | 0-E          | Spain   | Financial Services                   | EUR      | Monthly              | 9.20%                 | 9.20%               | -                    | -             | 3              | 3                              | 13                  | -                   | -                 | -                 | -               | 13                                 |
| Berries Peru                        | 0-E          | Peru    | Banco de Crédito Perú                | SOL      | Monthly              | 2.17%                 | 2.17%               | 4                    | -             | -              | 4                              | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut México S.A. de C.V.       | 0-E          | Mexico  | HSBC México S.A.                     | US\$     | Annual               | 2.20%                 | 2.20%               | -                    | 50            | 133            | 183                            | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut S.A.                      | 96.896.990-0 | Chile   | Banco Santander Chile                | US\$     | Annual               | 3.91%                 | 2.88%               | -                    | -             | 8,861          | 8,861                          | -                   | -                   | -                 | -                 | -               | -                                  |
| Hortifrut S.A.                      | 96.896.990-0 | Chile   | Banco de Chile                       | US\$     | Annual               | 5.35%                 | 7.38%               | -                    | -             | 649            | 649                            | 648                 | 648                 | -                 | -                 | -               | 1,296                              |
| Total                               |              |         |                                      |          |                      |                       |                     | 22,885               | 63,629        | 62,268         | 148,782                        | 15,155              | 10,408              | 8,470             | 5,673             | 9,769           | 49,475                             |

## b) Financial Leasing Obligations

Obligations with Banks and financial institutions per financial leasing, grouped by expiry, are detailed below, as of September 30, 2017 and December 31, 2016:

|                                     |              |         |                                 |          |                         |                             |                           |                         |               |                |               |                        |                        |                      | Total Non<br>current |                       |           |
|-------------------------------------|--------------|---------|---------------------------------|----------|-------------------------|-----------------------------|---------------------------|-------------------------|---------------|----------------|---------------|------------------------|------------------------|----------------------|----------------------|-----------------------|-----------|
| Debtor Company                      | RUT          | Country | Creditor Bank                   | Currency | Type of<br>Amortization | Effective<br>Annual<br>Rate | Nominal<br>Annual<br>Rate | Current                 |               |                | Total current | Non-current            |                        |                      |                      |                       | 9/30/2017 |
|                                     |              |         |                                 |          |                         |                             |                           | Expiry up to<br>1 month | 1 to 3 months | 3 to 12 months | 9/30/2017     | Expiry 1 to 2<br>years | Expiry 2 to 3<br>years | from 3 to 4<br>years | from 4 to 5<br>years | 5 or<br>more<br>years |           |
|                                     |              |         |                                 |          |                         |                             |                           |                         |               |                |               |                        |                        |                      |                      |                       |           |
|                                     |              |         |                                 |          |                         |                             |                           |                         |               |                |               |                        |                        |                      |                      |                       |           |
| KUS\$                               | KUS\$        | KUS\$   | KUS\$                           | KUS\$    | KUS\$                   | KUS\$                       | KUS\$                     | KUS\$                   | KUS\$         | KUS\$          | KUS\$         | KUS\$                  | KUS\$                  |                      |                      |                       |           |
| Agrícola El Pampino S.A.            | 76.884.880-7 | Chile   | Banco Santander Chile           | US\$     | Annual                  | 3.93%                       | 3.93%                     | -                       | -             | 69             | 69            | 72                     | 37                     | -                    | -                    | -                     | 109       |
| Agrícola El Pampino S.A.            | 76.884.880-7 | Chile   | Banco Santander Chile           | US\$     | Annual                  | 3.91%                       | 3.91%                     | -                       | 8             | 8              | 16            | 16                     | 16                     | 8                    | -                    | -                     | 40        |
| Agrícola Mataquito S.A.             | 76.306.130-2 | Chile   | Banco de Crédito e Inversiones  | US\$     | Annual                  | 5.25%                       | 5.25%                     | -                       | -             | 217            | 217           | 218                    | 228                    | 237                  | -                    | -                     | 683       |
| Agrícola Mataquito S.A.             | 76.306.130-2 | Chile   | Banco de Crédito e Inversiones  | US\$     | Annual                  | 5.10%                       | 5.10%                     | -                       | -             | 180            | 180           | 161                    | 169                    | 178                  | 202                  | -                     | 710       |
| Agrícola Mataquito S.A.             | 76.306.130-2 | Chile   | Banco de Crédito e Inversiones  | US\$     | Annual                  | 5.54%                       | 5.54%                     | -                       | -             | 260            | 260           | 234                    | 247                    | 261                  | 297                  | -                     | 1,039     |
| Agrícola Mataquito S.A.             | 76.306.130-2 | Chile   | Banco de Crédito e Inversiones  | US\$     | Annual                  | 5.45%                       | 5.45%                     | -                       | -             | 6              | 6             | 6                      | 6                      | 6                    | 7                    | -                     | 25        |
| Agrícola Mataquito S.A.             | 76.306.130-2 | Chile   | Banco de Crédito e Inversiones  | US\$     | Annual                  | 4.30%                       | 4.30%                     | 1                       | 1             | 5              | 7             | 7                      | 5                      | -                    | -                    | -                     | 12        |
| Agrícola Santa Rosa del Parque S.A. | 99.584.440-0 | Chile   | Banco Santander Chile           | US\$     | Annual                  | 3.74%                       | 3.74%                     | -                       | -             | 28             | 28            | 66                     | 69                     | 71                   | 36                   | -                     | 242       |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | Banco de Crédito e Inversiones  | US\$     | Annual                  | 2.79%                       | 2.79%                     | 98                      | -             | 278            | 376           | 379                    | 291                    | -                    | -                    | -                     | 670       |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | BBC Tecnología Agrícola Ltda.   | US\$     | Annual                  | 14.02%                      | 14.02%                    | 255                     | -             | -              | 255           | -                      | -                      | -                    | -                    | -                     | -         |
| Hortifrut Chile S.A.                | 99.524.450-0 | Chile   | BBC Tecnología Agrícola Ltda.   | US\$     | Annual                  | 14.02%                      | 14.02%                    | 252                     | -             | -              | 252           | -                      | -                      | -                    | -                    | -                     | -         |
| Hortifrut S.A.                      | 96.896.990-0 | Chile   | Banco Bilbao Vizcaya Argentaria | US\$     | Monthly                 | 9.79%                       | 9.79%                     | 15                      | 29            | 106            | 150           | 224                    | 157                    | -                    | -                    | -                     | 381       |
| Top Berries & Fruit SpA             | 76.023.726-4 | Chile   | Banco de Crédito e Inversiones  | US\$     | Quarterly               | 3.29%                       | 3.29%                     | -                       | 193           | 509            | 702           | 699                    | 723                    | 747                  | 773                  | 1,415                 | 4,357     |
| Total                               |              |         |                                 |          |                         |                             |                           | 621                     | 231           | 1,666          | 2,518         | 2,082                  | 1,948                  | 1,508                | 1,315                | 1,415                 | 8,268     |

|                          |              |         |                                 |          |                         |                             |                           |                         |               |                |                  |                        |                        |                      | Total Non<br>current |                       |                  |
|--------------------------|--------------|---------|---------------------------------|----------|-------------------------|-----------------------------|---------------------------|-------------------------|---------------|----------------|------------------|------------------------|------------------------|----------------------|----------------------|-----------------------|------------------|
| Debtor Company           | RUT          | Country | Creditor Bank                   | Currency | Type of<br>Amortization | Effective<br>Annual<br>Rate | Nominal<br>Annual<br>Rate | Current                 |               |                | Total current    | Non-current            |                        |                      |                      |                       | as of 31-12-2016 |
|                          |              |         |                                 |          |                         |                             |                           | Expiry up to<br>1 month | 1 to 3 months | 3 to 12 months | as of 31-12-2016 | Expiry 1 to 2<br>years | Expiry 2 to 3<br>years | from 3 to 4<br>years | from 4 to 5<br>years | 5 or<br>more<br>years |                  |
|                          |              |         |                                 |          |                         |                             |                           |                         |               |                |                  |                        |                        |                      |                      |                       |                  |
|                          |              |         |                                 |          |                         |                             |                           |                         |               |                |                  |                        |                        |                      |                      |                       |                  |
| KUS\$                    | KUS\$        | KUS\$   | KUS\$                           | KUS\$    | KUS\$                   | KUS\$                       | KUS\$                     | KUS\$                   | KUS\$         | KUS\$          | KUS\$            | KUS\$                  | KUS\$                  |                      |                      |                       |                  |
| Agrícola El Pampino S.A. | 76.884.880-7 | Chile   | Banco Santander Chile           | US\$     | Annual                  | 3.93%                       | 3.93%                     | -                       | -             | 67             | 67               | 70                     | 72                     | 37                   | -                    | -                     | 179              |
| Agrícola El Pampino S.A. | 76.884.880-7 | Chile   | Banco Santander Chile           | US\$     | Annual                  | 3.93%                       | 3.93%                     | -                       | -             | 15             | 15               | 16                     | 16                     | 16                   | -                    | -                     | 48               |
| Agrícola Mataquito S.A.  | 76.306.130-2 | Chile   | Banco de Crédito e Inversiones  | US\$     | Annual                  | 4.29%                       | 4.29%                     | -                       | -             | 223            | 223              | 209                    | 218                    | 228                  | 237                  | -                     | 892              |
| Agrícola Mataquito S.A.  | 76.306.130-2 | Chile   | Banco de Crédito e Inversiones  | US\$     | Annual                  | 4.30%                       | 4.30%                     | 1                       | 1             | 4              | 6                | 6                      | 6                      | 4                    | -                    | -                     | 16               |
| Agrícola Mataquito S.A.  | 99.524.450-0 | Chile   | BBC Tecnología Agrícola Ltda.   | US\$     | Annual                  | 14.02%                      | 14.02%                    | -                       | -             | 255            | 255              | -                      | -                      | -                    | -                    | -                     | -                |
| Hortifrut Chile S.A.     | 99.524.450-0 | Chile   | BBC Tecnología Agrícola Ltda.   | US\$     | Annual                  | 14.02%                      | 14.02%                    | 247                     | -             | -              | 247              | -                      | -                      | -                    | -                    | -                     | -                |
| Hortifrut Chile S.A.     | 99.524.450-0 | Chile   | Banco de Crédito e Inversiones  | US\$     | Annual                  | 2.79%                       | 2.79%                     | 98                      | -             | 271            | 369              | 370                    | 381                    | 195                  | -                    | -                     | 946              |
| Hortifrut S.A.           | 96.896.990-0 | Chile   | Banco Bilbao Vizcaya Argentaria | US\$     | Monthly                 | 9.79%                       | 9.79%                     | 14                      | 28            | 93             | 135              | 222                    | 200                    | 107                  | -                    | -                     | 529              |
| Top Berries & Fruit SpA  | 76.023.726-4 | Chile   | Banco de Crédito e Inversiones  | US\$     | Quarterly               | 3.29%                       | 3.29%                     | -                       | 192           | 496            | 688              | 683                    | 705                    | 729                  | 753                  | 1,997                 | 4,867            |
| Total                    |              |         |                                 |          |                         |                             |                           | 360                     | 221           | 1,424          | 2,005            | 1,576                  | 1,598                  | 1,316                | 990                  | 1,997                 | 7,477            |

Additional information regarding financial liabilities

a.1) Hortifrut Chile S.A.

a.1.1) Dated November 05, 2015, BBVA Bank granted Hortifrut Chile S.A. a credit for US\$10 million.

The Company assumes the following obligations over the base of its consolidated financial statements:

- To maintain a Net Financial Debt level divided by annual EBITDA
  - lower or equal to 6 times as of December 31 of each year;
  - lower or equal to 4.5 times as of June 30 of each year.
- To maintain financial cost hedging (EBITDA divided net financial expenses of the last 12 months)
  - higher or equal to 4 times as of June 30 of each year.
- To maintain a Net Financial Debt divided by Total Equity level
  - lower or equal to 1 time as of June 30 of each year.

a.1.2) Dated October 06, 2015, Banco del Estado de Chile bank granted Hortifrut Chile S.A. a credit for KCLP 6,855,000. For this credit, dollarization hedging was used.

The Company assumes the following obligations, over the base of its consolidated financial statements:

- To maintain a Net Financial Debt level divided by annual EBITDA
  - lower or equal to 4.5 times as of June 30, 2016;
  - lower or equal to 4 times as of June 30, 2017;
  - lower or equal to 3.5 times as of June 30, 2018.
- To maintain financial cost hedging (EBITDA divided net financial expenses of the last 12 months)
  - higher or equal to 4 times as of June 30 of each year.
- To maintain a Net Financial Debt divided by total equity level
  - not higher than 1 time as of June 30 of each year.

a.1.3) By public deed dated April 30, 2014, granted at the Notary of Santiago of Mr. José Musalem Faffie, Hortifrut Chile S.A. and Banco de Crédito e Inversiones bank subscribed a Financing Contract. In said instrument, Hortifrut S.A. was constituted as a jointly and severally liable co-debtor of the subsidiary Hortifrut Chile S.A., for a US\$ 30 million loan and an approved credit line with Banco de Crédito e Inversiones bank for the amount of US\$ 42 million.

Hortifrut S.A. maintains the security and co-debt for the loan with Banco de Crédito e Inversiones bank for US\$ 30 million, of which to date Hortifrut Chile S.A. owes US\$ 20.92 million.

The financing contract establishes certain obligations for Hortifrut S.A.'s consolidated financial statements that are normal in this type of operations, among which are the following, under the specific terms and conditions stated in the corresponding credit contract:

- To maintain the Company's current corporate purpose and its legal existence; to maintain the assets necessary for the Company's normal business; to comply with the applicable laws and norms; to opportunistically send the Company's financial information; to hire and maintain insurances that conveniently cover the risks as per what is the custom in the industry.

- To maintain a Net Financial debt level divided by EBITDA
  - lower or equal to 6 times as of December 31 of each year
  - and lower or equal to 5 times as of June 30, 2014 and 2015, considering the EBITDA of the last 12 months
  - and lower or equal to 4.5 times as of June 30, 2016 and onwards, considering the EBITDA of the last 12 months
- To maintain financial cost hedging (EBITDA divided net financial expense of the last 12 months) equal to or higher than 4 times as of June 30 of each year.
- To maintain a Net Financial Debt level divided by Total Equity
  - lower or equal to 1 time as of June 30 of each year
- Prohibition to tax assets, except under the terms agreed in the contract and to perform operations with related people mainly at market prices

a.2) Hortifrut S.A.

Dated December 26, 2011, Banco de Chile bank granted Hortifrut S.A. the following credits:

- Credit documented in promissory note number 1232 for the original amount of KCLP\$ 1,131,000.
- Credit documented in promissory note number 1230 for the original amount of KCLP\$ 1,152,180.
- Credit documented in promissory note number 1248 for the original amount of KCLP\$ 1,557,420.

As of September 30, 2017, the total owed amount of these credits is KCLP1,008,158

For these credits, dollarization hedging was used.

The Company assumes the following obligations, over the base of its consolidated financial statements accumulated at 12 months:

- Provide Consolidated Financial Statements to Banco de Chile bank, with their corresponding notes, at least twice a year, for the balances closed on December 31 and June 30 of each period, in a term lower than 120 days from said dates. The individual and consolidated Financial Statements, must be audited by Independent Auditors, and given with the opinion of these auditors.
- Maintain a net financial debt divided by annual EBITDA level lower or equal to 3 times as of June 30 of each year considering the annual EBITDA
- Maintain financial cost hedging (EBITDA divided by net financial costs of the last 12 months) equal to or higher than 4 times as of June 30 of each year.
- Maintain a total Equity of at least US\$ 25 million as of June 30 and December 31 of each year.



### a.3) Compliance of Covenants

#### a.3.1) Net financial debt divided by annual EBITDA.

Net financial debt divided by annual EBITDA was 2.35 for the 12-month period ending June 30, 2017, (lower than the 4.5 times requested by BCI, 4.5 times requested by BBVA and 4 times requested by Banco de Chile and 4 times requested by Banco Estado).

The net financial debt divided by annual EBITDA was 2.59 for the 12-month period ending December 31, 2016 (3.0 as of December 31, 2015), (lower than the 6 times requested by BCI and BBVA).

|                                    | <b>30-Jun-17</b>    | <b>31-Dec-16</b>    | <b>30-Jun-16</b>    | <b>1-Jul-16</b>     |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|
|                                    | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> |
| EBITDA                             | 37,266              | 66,902              | 43,315              | 60,853              |
| Net Financial Debt                 | 142,968             | 173,172             | 92,974              | 142,968             |
| <b>Net Financial Debt / EBITDA</b> | <b>3.84</b>         | <b>2.59</b>         | <b>2.15</b>         | <b>2.35</b>         |

#### a.3.2) Financial cost hedging (EBITDA divided by net financial costs of the last 12 months)

Financial cost hedging for a 12 month periods, was 19.8 times, higher than the 4 required as of June 30, 2017 by BCI, BBVA, Banco del Estado and Banco de Chile.

|                                    | <b>30-Jun-17</b>    | <b>31-Dec-16</b>    | <b>30-Jun-16</b>    | <b>1-Jul-16</b>     |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|
|                                    | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> |
| EBITDA                             | 37,266              | 66,902              | 43,315              | 60,853              |
| Net Financial Costs                | 1,879               | 3,041               | 1,812               | 3,108               |
| <b>EBITDA / Net Financial Cost</b> | <b>19.8</b>         | <b>22.0</b>         | <b>23.9</b>         | <b>19.6</b>         |

#### a.3.3) Net Financial Debt divided by Total Equity

As of June 30, 2017 was 0.56 times (lower than 1 time required by BCI, BBVA and Banco del Estado).

|  | <b>30-Jun-17</b>    | <b>31-Dec-16</b>    |
|--|---------------------|---------------------|
|  | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> |
| Total Equity                             | 249,680             | 229,471             |
| Net Financial Debt                       | 142,968             | 173,172             |
| <b>Net Financial Debt / Total Equity</b> | <b>0.57</b>         | <b>0.75</b>         |

#### a.3.4) Total equity not lower than US\$ 25 million as of June 30 and December 31 of each year.

Total equity was US\$249.68 million as of June 30, 2017 (higher than the requested US\$25 million), and US\$229.47 million as of December 31, 2016.

a.3.5) Parameters to calculate ratios

The EBITDA of the periods ending December 31, 2016 and the 12-month periods ending June 30, 2017 and 2016 (unaudited) are as follows:

|   | <b>12 month period</b> |                  |                  |                  |                  |
|---|------------------------|------------------|------------------|------------------|------------------|
|   | <b>30-Jun-17</b>       | <b>31-Dec-16</b> | <b>30-Jun-16</b> | <b>1-Jul-16</b>  | <b>1-Jul-15</b>  |
|   | <b>KUS\$</b>           | <b>KUS\$</b>     | <b>KUS\$</b>     | <b>KUS\$</b>     | <b>KUS\$</b>     |
| <b>DETERMINING EBITDA</b>   |                        |                  |                  |                  |                  |
| Income from operating activities  | 203,588                | 426,796          | 236,746          | 393,638          | 371,856          |
| Other income, per function  | 234                    | 1,725            | 391              | 1,568            | 484              |
| <b>Total Income</b>   | <b>203,822</b>         | <b>428,521</b>   | <b>237,137</b>   | <b>395,206</b>   | <b>372,340</b>   |
| Cost of sales   | (167,211)              | (356,758)        | (190,602)        | (333,367)        | (307,869)        |
| Administration expenses   | (14,109)               | (26,036)         | (13,619)         | (26,526)         | (26,727)         |
| Other expenses, per function, excluding impairment in the value of assets | (718)                  | (1,233)          | (550)            | (1,401)          | (1,110)          |
| <b>Total Costs and Expenses</b>   | <b>(182,038)</b>       | <b>(384,027)</b> | <b>(204,771)</b> | <b>(361,294)</b> | <b>(335,706)</b> |
| <b>Operating Result</b>   | <b>21,784</b>          | <b>44,494</b>    | <b>32,366</b>    | <b>33,912</b>    | <b>36,634</b>    |
| Depreciation and amortization   | 15,482                 | 22,408           | 10,949           | 26,941           | 18,113           |
| <b>EBITDA</b>   | <b>37,266</b>          | <b>66,902</b>    | <b>43,315</b>    | <b>60,853</b>    | <b>54,747</b>    |

The EBITDA of the periods ending September 30, 2017 and 2016 are as follows:

|                                  | <b>30-Sep-17</b> | <b>30-Sep-16</b> | <b>1-Jul-17</b>  | <b>1-Jul-16</b>  |
|----------------------------------|------------------|------------------|------------------|------------------|
|                                  | <b>KUS\$</b>     | <b>KUS\$</b>     | <b>30-Sep-17</b> | <b>30-Sep-16</b> |
|                                  | <b>KUS\$</b>     | <b>KUS\$</b>     | <b>KUS\$</b>     | <b>KUS\$</b>     |
| <b>DETERMINING EBITDA</b>        |                  |                  |                  |                  |
| Income from operating activities | 241,081          | 274,514          | 37,493           | 37,768           |
| Other income, per function       | 369              | 740              | 135              | 349              |
| <b>Total Income</b>              | <b>241,450</b>   | <b>275,254</b>   | <b>37,628</b>    | <b>38,117</b>    |
| Cost of sales                    | (197,628)        | (223,877)        | (30,417)         | (32,479)         |
| Administration expenses          | (20,250)         | (19,463)         | (6,141)          | (6,640)          |
| Other expenses                   | (1,050)          | (915)            | (332)            | (365)            |
| <b>Total Costs and Expenses</b>  | <b>(218,928)</b> | <b>(244,255)</b> | <b>(36,890)</b>  | <b>(39,484)</b>  |
| <b>Operating Result</b>          | <b>22,522</b>    | <b>30,999</b>    | <b>738</b>       | <b>(1,367)</b>   |
| Depreciation and amortization    | 18,942           | 14,909           | 3,460            | 3,960            |
| <b>EBITDA</b>                    | <b>41,464</b>    | <b>45,908</b>    | <b>4,198</b>     | <b>2,593</b>     |

The detail of depreciation and amortization as of September 30, 2017 and 2016 is as follows:

|                                      | <b>30-Sep-17</b> | <b>30-Sep-16</b> |
|--------------------------------------|------------------|------------------|
|                                      | <b>KUS\$</b>     | <b>KUS\$</b>     |
| <b>Depreciation and Amortization</b> |                  |                  |
| Property, plant and equipment        | 6,787            | 7,020            |
| Intangibles - Software               | 87               | 142              |
| Intangibles - Licenses               | 5,925            | 1,377            |
| VBM Brand                            | -                | -                |
| Relationship with customers          | 200              | 200              |
| Amortization biologicals             | 6,035            | 6,193            |
| Amortization activated / others      | (92)             | (23)             |
| <b>Total</b>                         | <b>18,942</b>    | <b>14,909</b>    |

The determining of net financial debt as of June 30, 2017 and 2016 and December 31, 2016 is as follows:

|                                    |             |             |             |
|------------------------------------|-------------|-------------|-------------|
| <b>Net Financial Debt / EBITDA</b> | <b>3.84</b> | <b>2.59</b> | <b>2.15</b> |
|------------------------------------|-------------|-------------|-------------|

|                    | <b>30-Jun-17</b>    | <b>31-Dec-16</b>    |
|--------------------|---------------------|---------------------|
|                    | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> |
| Total Equity       | 249,680             | 229,471             |
| Net Financial Debt | 142,968             | 173,172             |

#### a.4) Financial risk management policies

The Company, following the financial risk management policy described in note 4.1, contracts financial derivatives to cover its exposure to the exchange rate and interest rate fluctuations.

The derivatives to cover the exposure of the exchange rate fluctuations which Hortifrut S.A. and subsidiaries currently maintain correspond to derivative instruments classified as Cross Currency Swaps (CCS), Currency Forwards and Options. The first are used to hedge the variable interest rate of the financial debt, the others are used to assure exchange rate levels for future transactions.

#### b) Cross Currency Swap Operations:

The detail of the derivative instruments is as follows:

| <u>LIABILITIES</u>             |                              |             | Balane       | MtoM Value   |              |
|--------------------------------|------------------------------|-------------|--------------|--------------|--------------|
| Hedging instruments            |                              |             | Capital      | 30-Sep-17    | 31-Dec-16    |
|                                |                              |             | <u>KUS\$</u> | <u>KUS\$</u> | <u>KUS\$</u> |
| <u>Entities</u>                | <u>Instruments</u>           | <u>Type</u> |              |              |              |
| Banco de Crédito e Inversiones | Cross Currency Swaps - USD   | Rate        | 21,000       | 543          | 521          |
| Banco Estado                   | Cross Currency Swaps CLP/USD | Rate        | 6,400        | 12           | 64           |
| Banco de Crédito e Inversiones | Cross Currency Swaps - USD   | Rate        | 5,198        | -            | 31           |
| Banco de Chile                 | Cross Currency Swaps CLP/USD | Rate        | 1,943        | 3            | 36           |
| Banco Bilbao Viscaya           | Cross Currency Swaps CLP/USD | Currency    | 667          | 14           | 26           |
| Total non-current              |                              |             | 35,208       | 572          | 678          |

The total of the market valuation of these derivative instruments is acknowledged in the other integral results.

Swaps cover the significant variations in cash flows associated to the market risk implicit in the increase in the 6-month LIBOR interest rate for long term credits originated by investments. These contracts are recorded as cash flow hedging contracts.

The type of fees indicated in the forwards, are presented from the perspective of the Company, for banks it is the opposite.

## Conciliation of movements between financial liabilities and cash flows for financing activities

| <b>Concepts</b>                          | Non monetary movements (not flows) |                 |                  |                       |                   | Closing                          |
|--|------------------------------------|-----------------|------------------|-----------------------|-------------------|----------------------------------|
|  | Balances as of Dec 31, 2016        | Cash Flows      | Accrued interest | Changes to fair value | Reclassifications | Balance as of September 30, 2017 |
| Short term loans with financial entities | 148,782                            | (54,426)        | 153              | -                     | 7,693             | 102,202                          |
| Long term loans with financial entities  | 49,475                             | 43,504          | 561              | -                     | (10,054)          | 83,486                           |
| Short term financial leasing liabilities | 9,482                              | (1,057)         | -                | -                     | 2,361             | 10,786                           |
| Derivative instruments                   | 678                                | -               | -                | 411                   | -                 | 1,089                            |
| Paid dividends                           | -                                  | (7,377)         | -                | -                     | -                 | (7,377)                          |
| <b>Total</b>                             | <b>208,417</b>                     | <b>(19,356)</b> | <b>714</b>       | <b>411</b>            | <b>-</b>          | <b>190,186</b>                   |

**NOTE 22 – CURRENT AND NON-CURRENT TRADE ACCOUNTS AND OTHER ACCOUNTS PAYABLE.**

The concepts that make up this item are the following:

|                            | <b>30-Sep-17</b>    | <b>31-Dec-16</b>    |
|----------------------------|---------------------|---------------------|
| <b><u>Current</u></b>      | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> |
| Suppliers                  | 9,318               | 44,650              |
| Payable notes              | 546                 | 319                 |
| Retentions and payable tax | 1,971               | 7,757               |
| Payable dividend           | -                   | 7,283               |
| <b>Total</b>               | <b>11,835</b>       | <b>60,009</b>       |

As of September 30, 2017 and December 31, 2016, there are no non-current trade accounts and other accounts payable.

Accounts payable per currency are as follows:

|                       | <b>30-Sep-17</b>    | <b>31-Dec-16</b>    |
|-----------------------|---------------------|---------------------|
| <b><u>Current</u></b> | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> |
| United States Dollar  | 3,845               | 36,081              |
| Chilean Peso          | 4,024               | 19,827              |
| Euro                  | 2,686               | 1,838               |
| Mexican Peso          | 404                 | 1,382               |
| Argentine Peso        | 34                  | 113                 |
| Nuevo Sol             | 505                 | 561                 |
| Brazilian Real        | 337                 | 207                 |
| <b>Total</b>          | <b>11,835</b>       | <b>60,009</b>       |

**Suppliers with payments up to date, as of September 30, 2017**

| Type of Supplier<br>Goods/Services/Others | Amounts in thousands of dollars, as per payment terms |              |              |              |           |          | Total<br>KUS\$ | Average<br>payment<br>period (days) |
|---|---|--------------|--------------|--------------|-----------|----------|----------------|-------------------------------------|
|   | up to 30 days   | 31 - 60      | 61 - 90      | 91 - 120     | 121 - 365 | 366 plus |                |                                     |
| Goods                                     | 3,200   | 2,875        | 1,081        | 1,066        | -         | -        | 8,222          | 60                                  |
| Services                                  | 3,174   | 88           | 90           | 77           | -         | -        | 3,429          | 34                                  |
| Others                                    | 165   | 19           | -            | -            | -         | -        | 184            | 33                                  |
| <b>Total as of 30-09-2017</b>             | <b>6,539</b>  | <b>2,982</b> | <b>1,171</b> | <b>1,143</b> | <b>-</b>  | <b>-</b> | <b>11,835</b>  |                                     |

**Suppliers with payments up to date, as of December 31, 2016**

| Type of Supplier<br>Goods/Services/Others | Amounts in thousands of dollars, as per payment terms |               |              |            |              |          | Total<br>KUS\$ | Average<br>payment<br>period (days) |
|---|---|---------------|--------------|------------|--------------|----------|----------------|-------------------------------------|
|   | up to 30 days   | 31 - 60       | 61 - 90      | 91 - 120   | 121 - 365    | 366 plus |                |                                     |
| Goods                                     | 14,018  | 20,512        | 2,365        | 817        | 1,138        | -        | 38,850         | 61                                  |
| Services                                  | 12,929  | 850           | 34           | 34         | 1            | -        | 13,848         | 32                                  |
| Others                                    | 28  | -             | -            | -          | 7,283        | -        | 7,311          | 364                                 |
| <b>Total as of 31-12-2016</b>             | <b>26,975</b>   | <b>21,362</b> | <b>2,399</b> | <b>851</b> | <b>8,422</b> | <b>-</b> | <b>60,009</b>  |                                     |

The main suppliers are the following:

|                             |                                |
|-----------------------------|--------------------------------|
| - Envases Impresos S.A.     | - Autoadhesivos PyR Ltda.      |
| - Coemba Chile S. A         | - Impresos Autoadhesivos Ltda. |
| - Ultrapac Sudamérica S.A.  | - Ind. y Cia. Solucorp Ltda.   |
| - Typack S.A.               | - Cartocor Chile S. A.         |
| - Bo Packaging S.A.         | - Sof South Organic Fruits     |
| - Madeex Pallets Chile S.A. | - Wenco S.A.                   |

The average payment term of the main suppliers is 61 days. Prices are mostly agreed in dollars and there are no interests associated to the credit.

**Producing Suppliers**

The Company currently maintains over 700 producers in the countries where it has its operations. Due to the level of atomization of said producers, none of them surpasses 2% of the volume purchased from third parties.

**NOTE 23 – PROVISIONS FOR EMPLOYEE BENEFITS AND OTHER PROVISIONS**

The concepts that make up this item are the following:

|  | <b>30-Sep-17</b>    | <b>31-Dec-16</b>    |
|--|---------------------|---------------------|
| <b><u>Current Provisions</u></b>       | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> |
| <b>Other provisions</b>                |                     |                     |
| Cost provisions                        | 30                  | 160                 |
| <b>Other provisions</b>                | <b>30</b>           | <b>160</b>          |
| <b>Provision for employee benefits</b> |                     |                     |
| Vacations                              | 844                 | 967                 |
| Substitute retirement benefits         | 315                 | 324                 |
| Other benefits for personnel (bonus)   | 514                 | 301                 |
| <b>Provision for employee benefits</b> | <b>1,673</b>        | <b>1,592</b>        |
| <b>Total</b>                           | <b>1,703</b>        | <b>1,752</b>        |

The movement of provisions during the period ending September 30, 2017 and the period ending December 31, 2016, is as follows:

|                        | <b>30-Sep-17</b>    | <b>31-Dec-16</b>    |
|------------------------|---------------------|---------------------|
| <b><u>Movement</u></b> | <b><u>KUS\$</u></b> | <b><u>KUS\$</u></b> |
| Opening balance        | 1,752               | 1,361               |
| Increase in provisions | 1,416               | 1,389               |
| Used provisions        | (1,465)             | (998)               |
| <b>Total</b>           | <b>1,703</b>        | <b>1,752</b>        |

## NOTE 24 – ISSUED CAPITAL

The objectives of Hortifrut and subsidiaries when administering capital are to safeguard the capacity to continue as a going concern, in order to generate returns for its shareholders, benefits to other interest groups and to maintain an optimum structure to reduce the cost of capital.

Consistent with the industry, Hortifrut and subsidiaries monitor their capital with the leverage ratio base. This ratio is calculated by dividing the net debt between the total capital. The net debt corresponds to the total debt (including current and non-current debt) minus cash and cash equivalents. The total capital corresponds to equity just as is shown in the consolidated statement of position plus net debt.

In this aspect Hortifrut and subsidiaries have combined different sources of financing such as: operation flows, bank credits, among others.

a) Subscribed, paid, to be subscribed capital and number of shares

Subscribed and paid capital as of September 30, 2017 and December 31, 2016, reaches KUS\$136,411 equal to 435,520,079 shares of a single series and without nominal value.

b) Movements of 2017

No movements in capital have taken place in the period ending September 30, 2017 and in the period ending December 31, 2016.

There are no own shares in portfolio.

### Number of Subscribed Shares

| <u>Weighted average of ordinary shares in circulation</u> | <u>N° of days in circulation</u> | <u>N° shares</u>   | <u>% Weighting</u> | <u>Weighted average of ordinary shares in circulation</u> |                    |
|---|----------------------------------|--------------------|--------------------|---|--------------------|
|   |                                  |                    |                    | <u>30-Sep-17</u>  | <u>31-Dec-16</u>   |
| Opening balance   | 273                              | 435,520,079        | 100%               | 435,520,079   | 435,520,079        |
|   | <b>273</b>                       | <b>435,520,079</b> |                    | <b>435,520,079</b>  | <b>435,520,079</b> |

- Share issuance premiums capitalization (issuance expenses)

The movements of the share issuance premium during the period ending September 30, 2017 and the period ending December 31, 2016, are detailed below:

|  | <u>30-Sep-17</u> | <u>31-Dec-16</u> |
|--|------------------|------------------|
| <u>Movement of Capital</u>                       | <u>KUS\$</u>     | <u>KUS\$</u>     |
| Capital  | 136,411          | 136,411          |
| <b>Capital</b>                                   | <b>136,411</b>   | <b>136,411</b>   |
| <u>Capital issuance premium</u>                  |                  |                  |
| Capital issuance expense                         | (1,262)          | (1,262)          |
| <b>Share issuance premium (issuance expense)</b> | <b>(1,262)</b>   | <b>(1,262)</b>   |



## NOTE 25 – ACCUMULATED PROFIT (LOSS)

The detail of the Accumulated Result account is as follows:

|   | <b>30-Sep-17</b>     | <b>31-Dec-16</b>     |
|---|----------------------|----------------------|
| <b><u>Movement</u></b>                            | <b><u>KUS\$</u></b>  | <b><u>KUS\$</u></b>  |
| Opening balance                                   | 40,094               | 25,302               |
| Profit (loss), attributable to the parent company | 20,544               | 26,055               |
| Minimum dividend provision                        | -                    | (7,283)              |
| Reversal minimum dividend provision previous year | 7,283                | 2,873                |
| Definite Dividend                                 | (7,283)              | (2,873)              |
| Provisional Dividend                              | -                    | (5,662)              |
| Reclassification depreciation Revaluation Plants  | 1,382                | 1,682                |
| <b>Total</b>                                      | <b><u>62,020</u></b> | <b><u>40,094</u></b> |

### a) Dividend policy

As per what is stated in the Closely Held Corporation Law, the Company is obligated to the distribution of an obligatory minimum dividend equal to 30% of profits, nevertheless and as per the social statutes, the minimum dividend established for the Company is 50%, unless otherwise unanimously agreed by the shareholders at the corresponding meeting.

In virtue of what was informed to the Superintendencia de Valores y Seguros, related with regulation (circular) N° 1945, in order to determine the Company's net distributable profit, to be considered to calculate the dividend, the following will be excluded from gains attributable to the controller's parent Company:

- 1) Non-realized results linked with the fair value record of the biological assets regulated by "IAS 41" accounting norm, reintegrating them to the net profit at the moment of its realization. For these effects, the portion of said increases in fair value corresponding to the assets sold or allocated by another means will be understood to be realized.
- 2) Non-realized results generated in the acquisition of other entities and, in general, those non realized results that are produced due to the application of paragraphs 34, 42, 39 and 58 of the "International Financial Reporting Standards N° 3", amended accounting norm, that refers to business combination operations. These results are also reintegrated to the net profit at the moment of their realization. For these effects, results are understood to be realized when the acquired entities generate profit after their acquisition, or when said entities are disposed of.
- 3) The effects of deferred taxes associated to the concepts indicated in 1) y 2) will follow the same fate as the item that originated them.

b) Dividend Provision

In the period ending September 30, 2017, the Company did not record a minimum dividend provision (KUS\$7,283 as of December 31, 2016).

Below is the calculation of the accrued dividend for the period ending September 30, 2017 and the period ending December 31, 2016:

| <u>Concept</u>  | <u>30-Sep-17</u><br><u>KUS\$</u> | <u>31-Dec-16</u><br><u>KUS\$</u> |
|---|----------------------------------|----------------------------------|
| Gains attributable to owners of the parent company        | 20,544                           | 26,055                           |
| <b>Minus:</b>   |                                  |                                  |
| Increase biological assets to fair value net of tax - PEV | -                                | (165)                            |
| <b>Result to be Distributed</b>                           | <b>20,544</b>                    | <b>25,890</b>                    |
| Minimum Dividend %  | 0.00%                            | 50.00%                           |
| <b>Minimum Accrued Dividend</b>                           | <b>-</b>                         | <b>12,945</b>                    |
| <b>Minus:</b>   |                                  |                                  |
| Paid provisional dividend                                 | -                                | (5,662)                          |
| <b>Minimum dividend provision</b>                         | <b>-</b>                         | <b>7,283</b>                     |

**Paid dividends**

Below is a detail of the dividends paid in previous years:

| <u>Month and Year of Payment</u> | <u>Type</u> | <u>Last 3 years</u><br><u>KUS\$</u> |
|----------------------------------|-------------|-------------------------------------|
| May-15                           | Definite    | 2,939                               |
| Oct-15                           | Provisional | 3,920                               |
| <b>Total year 2015</b>           |             | <b>6,859</b>                        |
| May-16                           | Definite    | 2,873                               |
| Oct-16                           | Provisional | 5,662                               |
| <b>Total year 2016</b>           |             | <b>8,535</b>                        |
| May-17                           | Definite    | 7,283                               |
| <b>Total year 2017</b>           |             | <b>7,283</b>                        |

## NOTE 26 – OTHER RESERVES

The other reserves that are presented in the statement of changes in equity, are of the following nature:

**Cash Flow hedging reserve** – Corresponds to the difference between spot values and the fair value of the cash Flow hedging contracts (CCS) which are qualified as efficient, net of deferred tax.

**Reserves due to exchange rate fluctuations.** – This balance reflects the accumulated results, by exchange rate fluctuations, when converting the financial statements of overseas subsidiaries, from their functional currency to Hortifrut's reporting currency (United States Dollars).

**Reserves Revaluation Bearer Plants**– Correspond to the difference between the revalued cost at fair value and the historic cost of bearer plants, net of their deferred tax.

The detail of the account Other Reserves and its movement is as follows:

| <u>Movement</u>                         | <u>30-Sep-17</u><br><u>KUS\$</u> | <u>31-Dec-16</u><br><u>KUS\$</u> |
|---|----------------------------------|----------------------------------|
| <b>Opening balance</b>                  | 24,108                           | 14,403                           |
| Reserves revaluation bearer plants      | (1,382)                          | 4,091                            |
| Cash flow hedging reserves              | (404)                            | 5,549                            |
| Reserves for exchange rate fluctuations | 4,942                            | 65                               |
| <b>Total</b>                            | <b>27,264</b>                    | <b>24,108</b>                    |

The movement of cash Flow hedging reserves in the period ending September 30, 2017 and in the period ending December 31, 2016 is as follows:

| <u>Movement cash flow hedging reserves</u> | <u>30-Sep-17</u><br><u>KUS\$</u> | <u>31-Dec-16</u><br><u>KUS\$</u> |
|--|----------------------------------|----------------------------------|
| <b>Opening balance</b>                     | 2,698                            | (2,851)                          |
| Other integral result                      | (404)                            | 5,549                            |
| <b>Total</b>                               | <b>2,294</b>                     | <b>2,698</b>                     |

Cash flow hedging reserve is net of deferred tax.

Income tax included in cash flow hedging reserves is detailed in the following table:

|                            | <u>30-Sep-17</u><br><u>KUS\$</u> | <u>31-Dec-16</u><br><u>KUS\$</u> |
|----------------------------|----------------------------------|----------------------------------|
| Cash flow hedging reserves | 3,069                            | 3,545                            |
| Income Tax                 | (775)                            | (847)                            |
| <b>Total</b>               | <b>2,294</b>                     | <b>2,698</b>                     |

The movement of Reserves due to Exchange rate fluctuations in the period ending September 30, 2017 and in the period ending December 31, 2016 is as follows:

|  | <b>30-Sep-17</b>      | <b>31-Dec-16</b>      |
|--|-----------------------|-----------------------|
|  | <b><u>KUS\$</u></b>   | <b><u>KUS\$</u></b>   |
| <b>Movement exchange rate fluctuations reserve</b> |                       |                       |
| <b>Opening balance</b>                             | (7,617)               | (7,682)               |
| Other integral result                              | 4,942                 | 65                    |
| <b>Total</b>                                       | <b><u>(2,675)</u></b> | <b><u>(7,617)</u></b> |

The movement of Bearer Plant Revaluation Reserves in the period ending September 30, 2017 and in the period ending December 31, 2016, is as follows:

|   | <b>30-Sep-17</b>     | <b>31-Dec-16</b>     |
|---|----------------------|----------------------|
|   | <b><u>KUS\$</u></b>  | <b><u>KUS\$</u></b>  |
| <b>Reserves Revaluation Bearer Plants</b> |                      |                      |
| <b>Opening Balance</b>                    | 29,027               | 24,936               |
| Revaluation bearer plants                 | -                    | (5,407)              |
| Revaluation bearer plants associated co.  | -                    | 11,180               |
| Amortization revaluation bearer plants    | (1,382)              | (1,682)              |
| <b>Total</b>                              | <b><u>27,645</u></b> | <b><u>29,027</u></b> |

The related company Hortifrut Tal S.A.C. (Peru), applying the valuation criteria for bearer plants, adopted by Hortifrut (see Note 3.3.2), valued as of December 31, 2016, its 294 hectares that are under production at re-valued cost. The net interest in said adjustment on behalf of Hortifrut is KUS\$11,180, and is recorded under reserves of Revaluation of bearer plants.

This effect has been recorded during 2016, moment that “bearer plants” reached a production volume of 50%.

## NOTE 27 – NON PARENT COMPANY INTERESTS

Corresponds to the acknowledging of equity value and the result of the subsidiaries that correspond to minority investors.

The detail of the interests of non-parent companies is as follows:

| <u>Subsidiaries</u>                 | <u>Interest percentage of non<br/>parent companies</u> |                              | <u>Interest in equity non<br/>parent companies</u> |                                  | <u>Interest of non parent<br/>companies in profit (loss)<br/>result</u> |                                  |
|-------------------------------------|--|------------------------------|--|----------------------------------|---|----------------------------------|
|                                     | <u>30-Sep-17</u><br><u>%</u>                           | <u>31-Dec-16</u><br><u>%</u> | <u>30-Sep-17</u><br><u>KUS\$</u>                   | <u>31-Dec-16</u><br><u>KUS\$</u> | <u>30-Sep-17</u><br><u>KUS\$</u>  | <u>30-Sep-16</u><br><u>KUS\$</u> |
| Agrícola El Avellano S.A.           | 60.0%  | 60.0%                        | 2,963  | 2,864                            | 99  | 75                               |
| Agrícola El Pampino S.A.            | 80.0%  | 80.0%                        | 1,265  | 1,103                            | 163   | 152                              |
| Agrícola Santa Rebeca Ltda.         | 75.0%  | 75.0%                        | 121  | 133                              | (3)   | 6                                |
| Agrícola Vida Nueva S.A.            | 50.0%  | 50.0%                        | 3,945  | 3,796                            | 162   | 380                              |
| Viveros Hortifrut Chile S.A.        | 49.0%  | 49.0%                        | 144  | 140                              | (3)   | (24)                             |
| Hortifrut Argentina S.A.            | 4.1%   | 4.1%                         | 17   | 10                               | 3   | (7)                              |
| Agrofrutas, SRL. de C.V.            | 1.0%   | 1.0%                         | (8)  | (4)                              | (4)   | 2                                |
| Hortifrut España Southern Sun S.L.  | 50.0%  | 50.0%                        | 17,748   | 16,373                           | (371)   | 2,421                            |
| Agrícola Santa Rosa del Parque S.A. | 70.0%  | 70.0%                        | 2,912  | 2,673                            | 324   | 976                              |
| Agrícola Mataquito S.A.             | 50.0%  | 50.0%                        | 1,439  | 1,481                            | (42)  | (17)                             |
| Euroberry Marketing S.A.            | 50.0%  | 50.0%                        | 1,347  | 1,107                            | 86  | 177                              |
| Asturian Berries S.A.               | 49.0%  | 49.0%                        | 394  | 444                              | (104)   | (8)                              |
| <b>Total</b>                        |  |                              | <b>32,287</b>                                      | <b>30,120</b>                    | <b>310</b>  | <b>4,133</b>                     |

The movements of non-parent company interests are as follows:

|   | <u>30-Sep-17</u><br><u>KUS\$</u> | <u>31-Dec-16</u><br><u>KUS\$</u> |
|---|----------------------------------|----------------------------------|
| <b><u>Movement</u></b>                          |                                  |                                  |
| <b>Opening Balance</b>                          | 30,120                           | 30,213                           |
| Profit  | 310                              | 4,926                            |
| Reserves for exchange rate<br>fluctuations      | 1,965                            | (491)                            |
| Cash flow hedging reserves                      | (14)                             | 24                               |
| Capital increase (dividends) at<br>subsidiaries | (94)                             | (1,916)                          |
| Reserve for asset surplus                       | -                                | (2,636)                          |
| <b>Total</b>                                    | <b>32,287</b>                    | <b>30,120</b>                    |

## NOTE 28 – PROFITS PER SHARE AND DISTRIBUTABLE NET PROFIT

### 28.1. Profits per share

The calculation of profits per basic share has been performed by dividing the amount of profits attributable to the shareholders by the weighted average of the number of shares of the single series. Hortifrut has not issued a convertible debt or other equity values. As a result, there are no potentially diluting effects in the Company's income per share.

The detail of profits per share is as follows:

| <u>Basic profit (loss) per share</u>             | <u>Measuring unit</u> | <u>30-Sep-17</u> | <u>30-Sep-16</u> |
|--|-----------------------|------------------|------------------|
| Profit (loss) of activities continued after tax  | KUS\$                 | 20,544           | 23,331           |
| Basic weighted average of number of shares       | Unit                  | 435,520,079      | 435,520,079      |
| Basic profit per share from continued operations | (US\$ per share)      | <b>0.047171</b>  | <b>0.053570</b>  |

The calculation of the weighted average of the number of shares in circulation, is detailed below:

| <u>Weighted average of ordinary shares in circulation</u> | <u>N° of days in circulation</u> | <u>N° of Shares</u> | <u>Weighting %</u> | <u>Weighted average of ordinary shares in circulation</u> |                    |
|---|----------------------------------|---------------------|--------------------|---|--------------------|
|   |                                  |                     |                    | <u>30-Sep-17</u>  | <u>31-Dec-16</u>   |
| Opening balance   | 273                              | 435,520,079         | 100%               | 435,520,079   | 435,520,079        |
|   | <b>273</b>                       | <b>435,520,079</b>  |                    | <b>435,520,079</b>  | <b>435,520,079</b> |

### 28.2. Distributable net profit

The dividend policy consists on distributing as dividend 50% of the period's net profit, and through the distributing of a final dividend, which must be agreed by the Ordinary Shareholders Meeting, payable on the date that said meeting designates.

In virtue of what is stated in SVS regulation (circular) N° 1945, dated September 29, 2009, the Board agreed to establish as a general policy that the net profit, for the payment of the minimum 30% obligatory dividend, established in article 79 of Law 18.046, will be determined over the base of the refined profit of the relevant variations in the fair value of the assets and liabilities that are not realized, which must be re-entered into the calculation of the net profit of the period when said variations are performed.

Additional dividends will be determined based on the mentioned criteria, as per the agreement that the Shareholder's Meeting adopts.

The determining of the Result to be Distributed for the periods ending September 30, 2017 and December 31, 2016, is presented in Note 25 b).

## NOTE 29 – OPERATING REVENUE AND OTHER REVENUE, PER FUNCTION

The detail is as follows:

| Concept                           | 30-Sep-17<br>KUS\$ | 30-Sep-16<br>KUS\$ | Quarter            |                    |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|
|                                   |                    |                    | 1-Jul-17           | 1-Jul-16           |
|                                   |                    |                    | 30-Sep-17<br>KUS\$ | 30-Sep-16<br>KUS\$ |
| Revenue from operating activities | 241,081            | 274,514            | 37,493             | 37,768             |
| Other revenue, per function       | 369                | 740                | 135                | 349                |
| <b>Total</b>                      | <b>241,450</b>     | <b>275,254</b>     | <b>37,628</b>      | <b>38,117</b>      |

The detail of the Group's revenue considers Revenue from operating activities plus other revenue, per function.

| Other income, per function                    | 30-Sep-17<br>KUS\$ | 30-Sep-16<br>KUS\$ | Quarter            |                    |
|---|--------------------|--------------------|--------------------|--------------------|
|   |                    |                    | 1-Jul-17           | 1-Jul-16           |
|   |                    |                    | 30-Sep-17<br>KUS\$ | 30-Sep-16<br>KUS\$ |
| Profit from sale of fixed asset and materials | 369                | 740                | 135                | 349                |
| <b>Total</b>                                  | <b>369</b>         | <b>740</b>         | <b>135</b>         | <b>349</b>         |

Therefore, the detail per segment for the periods ending September 30, 2017 and 2016 is as follows:

| Product              | 30-Sep-17<br>KUS\$ | 30-Sep-16<br>KUS\$ | Quarter            |                    |
|----------------------|--------------------|--------------------|--------------------|--------------------|
|                      |                    |                    | 1-Jul-17           | 1-Jul-16           |
|                      |                    |                    | 30-Sep-17<br>KUS\$ | 30-Sep-16<br>KUS\$ |
| Blueberries          | 186,137            | 195,406            | 26,476             | 25,607             |
| Raspberries          | 12,836             | 15,444             | 1,151              | 1,529              |
| Blackberries         | 11,581             | 21,402             | 432                | 880                |
| Strawberries         | 9,172              | 9,938              | 1,207              | 867                |
| Cherries             | 2,873              | 1,765              | -                  | -                  |
| Value Added Products | 18,851             | 31,299             | 8,362              | 9,234              |
| <b>Total</b>         | <b>241,450</b>     | <b>275,254</b>     | <b>37,628</b>      | <b>38,117</b>      |

The Group's revenue is mainly constituted by the sale of products derived from the harvesting of bearer plants.

### NOTE 30 – DETAIL OF RELEVANT RESULTS

The items in the income statement per function for the periods ending September 30, 2017 and 2016, are detailed as indicated below:

#### 30.1 Cost of sales

Below are the main sales costs that the Company maintains to the closing of the periods:

|                                      | 30-Sep-17             | 30-Sep-16             | Quarter              |                      |
|--------------------------------------|-----------------------|-----------------------|----------------------|----------------------|
|                                      |                       |                       | 1-Jul-17             | 1-Jul-16             |
|                                      | 30-Sep-17             | 30-Sep-16             | 30-Sep-17            | 30-Sep-16            |
|                                      | <u>KUS\$</u>          | <u>KUS\$</u>          | <u>KUS\$</u>         | <u>KUS\$</u>         |
| <b>Cost of sales</b>                 |                       |                       |                      |                      |
| Cost of sales                        | 94,669                | 109,219               | 12,375               | 16,853               |
| Materials                            | 15,347                | 26,177                | 1,074                | 1,538                |
| Remunerations                        | 31,938                | 30,732                | 7,227                | 5,207                |
| Depreciations and amortizations      | 17,820                | 13,595                | 3,078                | 3,420                |
| Other general expenses               | 10,192                | 14,881                | 3,148                | 1,773                |
| Freight                              | 12,591                | 14,423                | 1,404                | 1,419                |
| Lease of properties, machinery, etc. | 4,563                 | 4,411                 | 877                  | 636                  |
| Third party services                 | 10,508                | 10,439                | 1,234                | 1,633                |
| Activating of costs                  | -                     | -                     | -                    | -                    |
| Others                               | -                     | -                     | -                    | -                    |
| <b>Total cost of sales</b>           | <b><u>197,628</u></b> | <b><u>223,877</u></b> | <b><u>30,417</u></b> | <b><u>32,479</u></b> |

#### 30.2 Administrative expenses

Below are the main administrative expenses that the Company has to the closing of the periods:

|                                      | 30-Sep-17            | 30-Sep-16            | Quarter             |                     |
|--------------------------------------|----------------------|----------------------|---------------------|---------------------|
|                                      |                      |                      | 1-Jul-17            | 1-Jul-16            |
|                                      | 30-Sep-17            | 30-Sep-16            | 30-Sep-17           | 30-Sep-16           |
|                                      | <u>KUS\$</u>         | <u>KUS\$</u>         | <u>KUS\$</u>        | <u>KUS\$</u>        |
| <b>Administration Expenses</b>       |                      |                      |                     |                     |
| Remunerations                        | 10,524               | 9,933                | 2,646               | 3,830               |
| Depreciations and amortizations      | 1,105                | 1,302                | 376                 | 536                 |
| Other general expenses               | 4,175                | 4,419                | 1,352               | 838                 |
| Lease of properties, machinery, etc. | 556                  | 720                  | 256                 | 381                 |
| Third party services                 | 3,890                | 3,089                | 1,511               | 1,055               |
| Others                               | -                    | -                    | -                   | -                   |
| <b>Total Administration Expenses</b> | <b><u>20,250</u></b> | <b><u>19,463</u></b> | <b><u>6,141</u></b> | <b><u>6,640</u></b> |



### 30.3 Other expenses, per function

|  | 30-Sep-17<br>KUS\$ | 30-Sep-16<br>KUS\$ | Quarter                        |                                |
|--|--------------------|--------------------|--------------------------------|--------------------------------|
|  |                    |                    | 1-Jul-17<br>30-Sep-17<br>KUS\$ | 1-Jul-16<br>30-Sep-16<br>KUS\$ |
| <b>Other expenses, per function</b>                            |                    |                    |                                |                                |
| Impairment value of assets                                     | -                  | -                  | -                              | -                              |
| Others   | -                  | -                  | -                              | -                              |
| <b>Sub-total impairment</b>                                    | <b>-</b>           | <b>-</b>           | <b>-</b>                       | <b>-</b>                       |
| <b>Investigation expenses</b>                                  |                    |                    |                                |                                |
| Cost of Sales  | 19                 | -                  | 12                             | -                              |
| Materials  | 11                 | 5                  | -                              | (1)                            |
| Remunerations  | 375                | 298                | 163                            | 111                            |
| Depreciations and amortizations                                | 17                 | 12                 | 6                              | 4                              |
| Other general expenses   | 182                | 181                | 35                             | 2                              |
| Freight  | 23                 | 9                  | 21                             | (18)                           |
| Lease of property, machinery, etc.                             | 17                 | 13                 | 4                              | 2                              |
| Third party services   | 247                | 171                | 59                             | 79                             |
| Received contributions   | (25)               | (59)               | -                              | -                              |
| <b>Sub-total Investigation expenses</b>                        | <b>866</b>         | <b>630</b>         | <b>300</b>                     | <b>179</b>                     |
| <b>Other expenses</b>  |                    |                    |                                |                                |
| Donations  | -                  | -                  | -                              | -                              |
| Loss from sale of assets and materials                         | 184                | 118                | 32                             | 41                             |
| Write-off of assets  | -                  | 167                | -                              | 145                            |
| Result of sale of investments recorded using the equity method | -                  | -                  | -                              | -                              |
| Other expenses   | -                  | -                  | -                              | -                              |
| Others (recoveries)  | -                  | -                  | -                              | -                              |
| <b>Sub-total Other expenses</b>                                | <b>184</b>         | <b>285</b>         | <b>32</b>                      | <b>186</b>                     |
| <b>Total Other expenses, per function</b>                      | <b>1,050</b>       | <b>915</b>         | <b>332</b>                     | <b>365</b>                     |

### NOTE 31 – FINANCIAL EXPENSES

Financial expenses for the periods ending September 30, 2017 and 2016, are detailed below:

|                                 | 30-Sep-17<br>KUS\$ | 30-Sep-16<br>KUS\$ | Quarter                        |                                |
|---------------------------------|--------------------|--------------------|--------------------------------|--------------------------------|
|                                 |                    |                    | 1-Jul-17<br>30-Sep-17<br>KUS\$ | 1-Jul-16<br>30-Sep-16<br>KUS\$ |
| <b>Financial Expenses</b>       |                    |                    |                                |                                |
| Bank loans                      | 2,702              | 2,443              | 745                            | 717                            |
| Expenses / commissions          | 446                | 238                | 149                            | 64                             |
| Interests with related parties  | 175                | 205                | 50                             | 59                             |
| Leasing interests               | 300                | 226                | 100                            | 88                             |
| <b>Total Financial Expenses</b> | <b>3,623</b>       | <b>3,112</b>       | <b>1,044</b>                   | <b>928</b>                     |

## NOTE 32 – EXCHANGE RATE DIFFERENCE

The detail of Exchange rate difference for the periods ending September 30, 2017 and 2016, are detailed as follows:

|   |          |                    |                    | Quarter            |                    |
|---|----------|--------------------|--------------------|--------------------|--------------------|
|   |          |                    |                    | 1-Jul-17           | 1-Jul-16           |
|   | Currency | 30-Sep-17<br>KUS\$ | 30-Sep-16<br>KUS\$ | 30-Sep-17<br>KUS\$ | 30-Sep-16<br>KUS\$ |
| Assets                                      |          |                    |                    |                    |                    |
| Cash and cash equivalents                   | CLP      | (206)              | 138                | 12                 | 15                 |
| Cash and cash equivalents                   | USD      | (168)              | (42)               | (179)              | (4)                |
| Cash and cash equivalents                   | EUR      | (77)               | (4)                | (17)               | 5                  |
| Cash and cash equivalents                   | MXN      | (18)               | (79)               | (35)               | 7                  |
| Trade debtors and other accounts receivable | CLP      | 89                 | 161                | 74                 | 44                 |
| Trade debtors and other accounts receivable | USD      | (4)                | (51)               | (35)               | (56)               |
| Trade debtors and other accounts receivable | EUR      | 117                | 48                 | 23                 | (1)                |
| Trade debtors and other accounts receivable | MXN      | 446                | (395)              | (59)               | (167)              |
| Accounts receivable from related entities   | EUR      | 63                 | 346                | (97)               | (58)               |
| Current tax assets                          | CLP      | 721                | 1,436              | 398                | 33                 |
| Current tax assets                          | MXN      | (674)              | 187                | (559)              | 187                |
| Current tax assets                          | EUR      | 1                  | -                  | 1                  | 17                 |
| Current tax assets                          | USD      | (14)               | (50)               | (12)               | 1                  |
| Sub-total                                   |          | 276                | 1,695              | (485)              | 23                 |
| Liabilities                                 |          |                    |                    |                    |                    |
| Other financial liabilities                 | CLP      | 9                  | 18                 | 7                  | 3                  |
| Other financial liabilities                 | EUR      | -                  | 27                 | -                  | (1)                |
| Other financial liabilities                 | MXN      | -                  | (5)                | -                  | (1)                |
| Other financial liabilities                 | USD      | (13)               | (19)               | (10)               | (81)               |
| Trade accounts and other accounts payable   | CLP      | (145)              | 119                | (254)              | 324                |
| Trade accounts and other accounts payable   | USD      | (470)              | (159)              | 314                | (150)              |
| Trade accounts and other accounts payable   | EUR      | (702)              | -                  | (16)               | 67                 |
| Trade accounts and other accounts payable   | MXN      | (190)              | 4                  | 70                 | (603)              |
| Accounts payable to related entities        | CLP      | (14)               | 761                | 14                 | 735                |
| Accounts payable to related entities        | USD      | (3,294)            | 298                | (1,809)            | (418)              |
| Accounts payable to related entities        | MXN      | 43                 | (828)              | (2)                | (148)              |
| Sub-total                                   |          | (4,776)            | 216                | (1,686)            | (273)              |
| Total exchange rate difference              |          | (4,500)            | 1,911              | (2,171)            | (250)              |

## NOTE 33 – FOREIGN CURRENCY

### 33.1 Foreign Currency Current Assets

| <b>Current Assets</b>                                     | <b>30-Sep-17<br/>KUS\$</b> | <b>31-Dec-16<br/>KUS\$</b> |
|---|----------------------------|----------------------------|
| <b>Cash and Cash Equivalents</b>                          |                            |                            |
| Dollar  | 7,700                      | 19,921                     |
| Euros   | 9,780                      | 11,775                     |
| Chilean Pesos   | 2,641                      | 2,342                      |
| Mexican Pesos   | 545                        | 838                        |
| Other currencies  | 574                        | 369                        |
| <b>Other current financial assets</b>                     |                            |                            |
| Dollar  | 3,761                      | 3,155                      |
| <b>Other current non financial assets</b>                 |                            |                            |
| Dollar  | 1,301                      | 178                        |
| Euros   | 833                        | 1,028                      |
| Chilean Pesos   | 979                        | 2,000                      |
| Mexican Pesos   | 2,143                      | 2,194                      |
| Other currencies  | 360                        | 120                        |
| <b>Current trade debtors and other account receivable</b> |                            |                            |
| Dollar  | 15,290                     | 12,903                     |
| Euros   | 5,903                      | 11,088                     |
| Chilean Pesos   | 4,559                      | 13,500                     |
| Mexican Pesos   | 1,197                      | 792                        |
| Other currencies  | 8,157                      | 4,295                      |
| <b>Current accounts receivable from related entities</b>  |                            |                            |
| Dollar  | 21,927                     | 42,769                     |
| Euros   | 3,434                      | 2,990                      |
| Chilean Pesos   | 7                          | -                          |
| <b>Stock</b>  |                            |                            |
| Dollar  | 14,859                     | 53,184                     |
| Euros   | 694                        | 1,038                      |
| Chilean Pesos   | 8,820                      | 752                        |
| Other currencies  | 1,870                      | 1,837                      |
| <b>Current biological assets</b>                          |                            |                            |
| Dollar  | 5,207                      | 4,311                      |
| Euros   | 2,704                      | 1,085                      |
| Chilean Pesos   | 943                        | 1,120                      |
| Other currencies  | 179                        | 340                        |
| <b>Current tax assets</b>                                 |                            |                            |
| Dollar  | 791                        | -                          |
| <b>Total Current Assets</b>                               | <b>127,158</b>             | <b>195,924</b>             |

### 33.2 Foreign Currency Non-Current Assets

| <b>Non Current Assets</b>                                    | <b>30-Sep-17<br/>KUS\$</b> | <b>31-Dec-16<br/>KUS\$</b> |
|--|----------------------------|----------------------------|
| <b>Other non current financial assets</b>                    |                            |                            |
| Dollar   | 414                        | 1,101                      |
| <b>Other non current non financial assets</b>                |                            |                            |
| Euros  | 1,385                      | 1,387                      |
| Chilean Pesos  | 115                        | 110                        |
| Other Currencies   | 33                         | 19                         |
| <b>Non current fees receivable</b>                           |                            |                            |
| Dollar   | 1,892                      | 1,604                      |
| Euros  | 4                          | -                          |
| Chilean Pesos  | 171                        | 190                        |
| <b>Non current accounts receivable from related entities</b> |                            |                            |
| Dollar   | 4,646                      | 2,192                      |
| Euros  | 7,342                      | 5,468                      |
| <b>Investments recorded using the equity method</b>          |                            |                            |
| Dollar   | 33,542                     | 33,601                     |
| Euros  | (464)                      | 78                         |
| Other Currencies   | 43,782                     | 32,975                     |
| <b>Intangible assets other than appreciation</b>             |                            |                            |
| Dollar   | 15,720                     | 21,794                     |
| <b>Appreciation</b>  |                            |                            |
| Dollar   | 26,769                     | 26,769                     |
| <b>Property, plant and equipment</b>                         |                            |                            |
| Dollar   | 172,973                    | 167,923                    |
| Euros  | 16,386                     | 16,171                     |
| Chilean Pesos  | 4,413                      | 3,687                      |
| Other Currencies   | 42,002                     | 20,089                     |
| <b>Deferred tax assets</b>                                   |                            |                            |
| Dollar   | 16,774                     | 14,950                     |
| <b>Total non-current assets</b>                              | <b>387,899</b>             | <b>350,108</b>             |
| <b>Total assets</b>  | <b>515,057</b>             | <b>546,032</b>             |
| <b>Dollar</b>  | <b>343,566</b>             | <b>406,355</b>             |
| <b>Euros</b>   | <b>48,001</b>              | <b>52,108</b>              |
| <b>Chilean Pesos</b>   | <b>22,648</b>              | <b>23,701</b>              |
| <b>Mexican Pesos</b>   | <b>3,885</b>               | <b>3,824</b>               |
| <b>Other currencies</b>                                      | <b>96,957</b>              | <b>60,044</b>              |
| <b>Total assets per currencies</b>                           | <b>515,057</b>             | <b>546,032</b>             |

### 33.3 Foreign Currency Current Liabilities

| <b>Current liabilities</b>                               | <b>30-Sep-17<br/>KUS\$</b> | <b>31-Dec-16<br/>KUS\$</b> |
|--|----------------------------|----------------------------|
| <b>Other current financial liabilities</b>               |                            |                            |
| Dollar   | 98,640                     | 148,610                    |
| Euros  | 6,324                      | 1,904                      |
| Other currencies   | 273                        | 273                        |
| <b>Current trade accounts and other accounts payable</b> |                            |                            |
| Dollar   | 3,845                      | 36,081                     |
| Euros  | 2,686                      | 1,838                      |
| Chilean Pesos  | 4,024                      | 19,827                     |
| Mexican Pesos  | 404                        | 1,382                      |
| Other currencies   | 876                        | 881                        |
| <b>Current accounts payable to related entities</b>      |                            |                            |
| Dollar   | 9,307                      | 5,748                      |
| Euros  | 186                        | 46                         |
| Chilean Pesos  | 2,302                      | 917                        |
| <b>Other current provisions</b>                          |                            |                            |
| Dollar   | 30                         | 160                        |
| <b>Current tax liabilities</b>                           |                            |                            |
| Dollar   | -                          | 1,698                      |
| <b>Current provisions for employee benefits</b>          |                            |                            |
| Dollar   | 725                        | 644                        |
| Chilean Pesos  | 441                        | 441                        |
| Mexican Pesos  | 507                        | 507                        |
| <b>Other current non financial liabilities</b>           |                            |                            |
| Dollar   | 1,856                      | 2,227                      |
| Euros  | 431                        | 431                        |
| <b>Total current liabilities</b>                         | <b>132,857</b>             | <b>223,615</b>             |

### 33.4 Foreign Currency Non-Current Liabilities

|   | 30-Sep-17<br>KUS\$ | 31-Dec-16<br>KUS\$ |
|---|--------------------|--------------------|
| <b>Non current liabilities</b>                          |                    |                    |
| <b>Other non current financial liabilities</b>          |                    |                    |
| Dollar  | 58,243             | 43,530             |
| Euros   | 34,016             | 14,014             |
| Other currencies  | 67                 | 86                 |
| <b>Non current accounts payable to related entities</b> |                    |                    |
| Euros   | 10,197             | 10,286             |
| Chilean pesos   | 1,474              | 1,404              |
| <b>Other non current provisions</b>                     |                    |                    |
| Dollar  | 150                | 134                |
| <b>Deferred tax liabilities</b>                         |                    |                    |
| Dollar  | 21,333             | 23,492             |
| <b>Total non current liabilities</b>                    | <b>125,480</b>     | <b>92,946</b>      |
| <b>Total liabilities</b>                                | <b>258,337</b>     | <b>316,561</b>     |
|   |                    |                    |
| <b>Dollar</b>   | 194,129            | 262,324            |
| <b>Euros</b>  | 53,840             | 28,519             |
| <b>Chilean Pesos</b>                                    | 8,241              | 22,589             |
| <b>Mexican Pesos</b>                                    | 911                | 1,889              |
| <b>Other currencies</b>                                 | 1,216              | 1,240              |
| <b>Total liabilities per currencies</b>                 | <b>258,337</b>     | <b>316,561</b>     |
| <b>Summary of thousands of net dollars per currency</b> |                    |                    |
| <b>Dollar</b>   | 149,437            | 144,031            |
| <b>Euros</b>  | (5,839)            | 23,589             |
| <b>Chilean Pesos</b>                                    | 14,407             | 1,112              |
| <b>Mexican Pesos</b>                                    | 2,974              | 1,935              |
| <b>Other currencies</b>                                 | 95,741             | 58,804             |
| <b>Total net per currency</b>                           | <b>256,720</b>     | <b>229,471</b>     |

## NOTE 34- CONTINGENCIES

### a) Pledged shares

To the closing of the current financial statement, the Company does not present pledged shares.

### b) Direct guarantees

Dated February 12, 2015, a Stand By Letter was issued with Banco Estado bank in order to guarantee the faithful compliance of the payment commitment with Royal Berries S.L. for the purchase of an operating license for varieties of berries. As of September 30, 2017, the balance of the Stand By Letter was at US\$7.15 million.

At the subsidiaries Agrícola Santa Rosa del Parque S.A., Agrícola Mataquito S.A., Agrícola El Pampino S.A., and Agrícola Hortifrut S.A. there are restrictions (guarantees and/or mortgages) over its biological assets.

Below is a detail of the book value of the assets given in guarantee, as well as the debt associated to these assets:

| <u>Company</u>  | <u>Biological</u> | <u>Other</u>      | <u>Associated</u> | <u>Bank</u>                    |
|---|-------------------|-------------------|-------------------|--------------------------------|
|   | <u>Assets</u>     | <u>Properties</u> | <u>Debt</u>       |                                |
|   | <u>KUS\$</u>      | <u>KUS\$</u>      | <u>KUS\$</u>      |                                |
| Agrícola Santa Rosa del Parque S.A                    | 3,214             | 2,685             | 1,174             | Banco RaboFinance Chile        |
| Agrícola Mataquito S.A. (Curepto Field)               | 4,005             | 1,877             | 1,822             | Banco RaboFinance Chile        |
| Agrícola El Pampino S.A.                              | 3,725             | 1,091             | 213               | Banco Santander Chile          |
| Agrícola Hortifrut S.A.                               | 18,788            | 7,586             | 1,973             | Banco de Chile                 |
| Berries de Panguipulli SpA (Curaco Field)             | -                 | 2,304             | 20,923            | Banco de Crédito e Inversiones |
| Top Berries & Fruit SpA (Colbun plant)                | -                 | 4,428             |                   |                                |
| Hortifrut S.A. (Antillanca plant)                     | -                 | 865               |                   |                                |
| Hortifrut Comercial S.A. (La Serena Field)            | -                 | 2,168             |                   |                                |
| Hortifrut Chile S.A. (Angol-Gorbea-Los Angeles Plant) | -                 | 12,346            |                   |                                |
| <b>Total</b>  | <b>29,732</b>     | <b>35,350</b>     | <b>26,105</b>     |                                |

### Detail of Properties Plants and Equipment subject to guarantees or restrictions

#### b.1) Agrícola Santa Rosa del Parque S.A.

b.1.1) Mortgage in favor of RaboFinance over: (i) Hijueta A, resulting from the division of the "El Parque" estate, Angol, (ii) water use rights corresponding to 10 water irrigators from the Parque Ñipado channel which water the aforementioned branch drain and (iii) permanent and continuous consumptive water use rights for 75 liters/sec. at Huequén River (EP 24.08.12, Not. Gloria Acharán). The amount of the used credit is KUS\$1,174.

b.1.2) Prenda sin desplazamiento a favor del RaboFinance sobre los bienes muebles ubicados en los predios singularizados en la letra b.1.1) (EP 24.08.12, Not. Gloria Acharán).

#### b.2) Agrícola El Pampino S.A.

b.2.1) Mortgages in favor of Banco Santander-Chile over: (i) Lot N°2 of the subdivision of a piece of land denominated Fundo Carihue, which forms part of the resulting of the property called "La Piedra", located in the locality of Oromo, Purranque and (ii) Lot N°2 of the subdivision of Farm N°12 of the "Los Maitenes" Subdivision Project, Purranque (EP 10.07.08, Not. C.Gomila). The amount of the used credit is KUS\$213.

b.3) Agrícola Vida Nueva S.A.

b.3.1) Pledge in favor of Banco Crédito e Inversiones without displacement over movable goods located in the property denominated "Fundo Las Encinas", locality of Santa Fe, Los Angeles (EP 24.11.05, Not. P.Zaldívar). To date the amount of the credit is at KUS\$0.

b.3.2) Pledge in favor of Banco Crédito e Inversiones without displacement over movable goods located on the property denominated Resto de la Parcela N° 33, which forms part of the Vida Nueva Subdivision Project, camino Loncovaca, Villarica (EP 09.11.05, Not. P.Zaldívar).

b.4) Agrícola Mataquito S.A.

b.4.1) Mortgages in favor of Rabobank over: (i) Hijueta Tercera of the Fundo Ponunquén Estate, commune of Curepto; (ii) Lot B of the Informe de Hijuelación map, out of a surface of 20.18 hectares, Commune of Curepto and (iii) Water rights which water the aforementioned properties (EP.27.08.12, Not. Gloria Acharán). The amount of the used credit is KUS\$1,822.

b.4.2) Pledge without displacement in favor of RaboFinance over the movable goods located on the properties described in letter b.4.1) (EP.27.08.12, Not. Gloria Acharán).

b.5) Agrícola Hortifrut S.A.

b.5.1) Mortgage in favor of Banco de Chile over: (i) Subdivision N° 10 of a surface of 53.1 hectares, of the "Santa Isabel" and "Los Cipreses" Subdivision Project, commune of Cunco; (ii) Lot N° 12-A out of a surface of 42.50 hectares of the subdivision plan of Subdivision 12 of the "Santa Isabel" Subdivision Project, Commune of Cunco; (iii) Agricultural property, located in the commune of Río Negro, with a surface of 207 hectares; (iv) Water rights to irrigate the aforementioned properties. (EP 24.04.12, Not. A.Bianchi).

b.5.2) Pledge without displacement in favor of Banco de Chile over the movable goods located on the properties detailed in letter b.5.1) (EP 21.06.12, Not. A.Bianchi). The amount of the used credit is KUS\$1,973.

As of September 30, 2017, the Company does not have a legal or contractual obligation to disassemble, remove or rehabilitate sites where its operations are developed, reason why its assets do not incorporate costs associated to said requirements.

b.6) Hortifrut Chile S.A.

b.6.1) Mortgages in favor of BCI over: (i) Lot One - B, part of El Congreso Farm, Commune of Gorbea (EP 28.07.14., Not. José Musalem S.).

b.6.2) Pledge without displacement in favor of BCI over the movable goods located on the properties detailed in letter b.6.1) (EP.02.09.14, Not. José Musalem S.).

b.6.3) Mortgages in favor of BCI over: Lot Two of Hijueta Segunda of Lot B of the Property denominated Resto Hacienda Virquenco (EP 09.12.2014, Not. José Musalem S.).

b.6.4) Pledge without displacement in favor of BCI over the movable goods located on the property detailed in letter b.6.3) (EP 13.11.2014, Not. José Musalem S.).

b.7) Berries de Panguipulli SpA.

b.7.1) Mortgage in favor of BCI over: Lot A, Vista Hermosa property; Hijueta N°1, La Pantalla and El Zarzal; Lot 4-1 Arturo Araya; Farm N° 5 Arturo Araya; Lot 6-1 Arturo Araya; Lot 8-1 Arturo Araya; and their



corresponding water rights; all corresponding to the Commune of Panguipulli (EP 28.07.14., Not. José Musalem S.).

**b.8) Hortifrut S.A.**

b.8.1) Mortgages in favor of BCI over: property located on Antillanca street N° 370 (Lot 4-B) and N° 540 (Lot 5-B), both located in the Commune of Pudahuel (EP 28.07.14., Not. José Musalem S.).

**b.9 Top Berries & Fruit SpA.**

b.9.1) Mortgages in favor of BCI over: (i) property located on Lot One of Resto del Fundo Coihuecura, Commune of Yerbos Buenas and its water rights (EP 05.08.14., and EP 17.10.14. Not. José Musalem S.).

b.9.2) Pledge without displacement in favor of BCI over the movable goods located on property detailed in letter b.9.1) (EP.02 09.14, Not. José Musalem S.).

**b.10) Hortifrut Comercial S.A.**

b.10.1) Mortgages in favor of BCI over: (i) Lots 1, 2, 4 to 16 and 55 to 84 and water rights, of the sub-division of Farm 151, of Colonia Gabriel Gonzalez Videla, Vegas Norte Sector, La Serena, (EP 18.08.14., Not. José Musalem S.).

The credit received by BCI, for the mortgages individualized in letters c.6 to c.10, correspond to the amount of US\$30 million. The amount of the used credit is KUS\$20,923.-

**c) Indirect guarantees**

Below we detail the Guarantees directly managed by the subsidiaries:

| <u>Creditor of the Guarantee</u> | <u>Debtor Name</u>                | <u>Relationship</u> | <u>Type of Guarantee</u> | <u>KUS\$</u> |
|----------------------------------|-----------------------------------|---------------------|--------------------------|--------------|
| Banco Santander (1)              | Hortifrut España Southern Sun S.L | Subsidiary          | Guarantor                | 435          |
| Banco Santander (2)              | Hortifrut España Southern Sun S.L | Subsidiary          | Guarantor                | 89           |

(1) Surety granted for the contracted obligations (Stand By Letter of credit), by Hortifrut Berries Perú S.A.C., for the contract for the providing of water collection services, which the Company contracted with the company H2 Olmos.

(2) Mortgage surety for loans granted for the amount of Eur 1,400,000, in favor of the associated S.A.T. Hortifrut H-0030, in proportion to its 33% interest.

**d) Guarantees obtained from third parties**

To the closing of the current financial statement, the Company has not received relevant guarantees from third parties.

**e) Restrictions**

Management restrictions or limit of financial indicators are presented detailed in Note 21

f) Lawsuits

Below we present the main valid lawsuits:

| <u>Plaintiff</u>                           | <u>Defendant</u>                  | <u>Type of Lawsuit</u>   | <u>Claimed Amount</u> | <u>Probable Resolution</u> | <u>Provision</u> |
|--|-----------------------------------|--------------------------|-----------------------|----------------------------|------------------|
| Hortifrut S.A de CV                        | Berries La Grana                  | Civil Mortgage (*)       | USD 589,529           | Favorable for Hortifrut    | Does not apply   |
| Hortifrut S.A. de CV                       | Agricola Gavilanes                | Executory Commercial (*) | USD 168,281           | Favorable for Hortifrut    | Does not apply   |
| Hortifrut S.A.                             | Cristina Ortiz y Otro             | Misappropriation         | CLP 100,002,477       | Uncertain                  | Does not apply   |
| Hortifrut S.A. (Ex VBM)                    | Marchant Morales                  | Executory Commercial     | USD 138,694           | Uncertain                  | Provisioned      |
| Confederación Hidrográfica de Guadalquivir | Hortifrut España Southern Sun S.L | Water Law Infringement   | Eur 127,039           | Uncertain                  | Provisioned      |

(\*) Provision does not apply because there are seizable guarantees, enough to cover the owed amount.

g) Other contingencies

The Company, to the closing of these Financial Statements, does not maintain other contingencies that could significantly affect the current financial statements.

**NOTE 35 - ENVIRONMENT**

Hortifrut is a Company that is concerned with the environment. Most of its production has been converted into organic production, thus becoming the largest organic blueberry producer in the world.

For the period ending September 30, 2017, the Company has not performed disbursements related with protecting the environment, and there are no future commitments regarding this matter.

In the future, the Company and its subsidiaries will reiterate their commitment for taking care of the environment by performing new investments, constantly training its workers and subscribing new agreements that allow it to advance towards sustainable development in order to obtain a harmonic progress between its operations and its surroundings.

# NOTE 36 – OPERATING AND FINANCIAL LEASES

The main operating lease contracts are:

| Country | Company   | Type                        | Surface  | Measuring Unit | Annual Fee | Expense of the Period | Future Flows     |                   |              | Total  |
|---------|---|-----------------------------|----------|----------------|------------|-----------------------|------------------|-------------------|--------------|--------|
|         |   |                             |          |                |            |                       | Less than 1 year | from 1 to 5 years | Over 5 years |        |
|         |   |                             |          |                | KUS\$      | KUS\$                 | KUS\$            | KUS\$             | KUS\$        | KUS\$  |
| Chile   | Agrícola El Avellano S.A.                         | Agricultural Land           | 130.00   | m <sup>2</sup> | 40         | 30                    | 40               | 160               | 390          | 590    |
| Chile   | Agrícola Hortifrut S.A.                           | Agricultural Land           | 18.00    | has            | 9          | 7                     | 9                | 36                | 17           | 62     |
| Chile   | Agrícola Mataquito S.A.                           | Agricultural Land           | 42.21    | has            | 109        | 82                    | 109              | 436               | 934          | 1,479  |
| Chile   | Agrícola Vida Nueva                               | Agricultural Land           | 81.10    | has            | 26         | 20                    | 26               | 104               | 132          | 262    |
| Chile   | Hortifrut Comercial S.A.                          | Agricultural Land           | 27.79    | has            | 19         | 12                    | 19               | 66                | 6            | 91     |
| Chile   | Hortifrut S.A.                                    | Agricultural Land           | 354.42   | has            | 256        | 192                   | 247              | 747               | 403          | 1,397  |
| Chile   | Hortifrut Chile S.A.                              | Offices                     | 291.00   | has            | 60         | 45                    | 60               | 30                | -            | 90     |
| Chile   | Hortifrut Chile S.A.                              | Collection Center           | 7,630.00 | m <sup>2</sup> | 62         | 47                    | 1                | 4                 | 9            | 14     |
| Spain   | Asturian Berries S.L                              | Agricultural Land           | 13.00    | has            | 2          | 2                     | 2                | 8                 | 18           | 28     |
| Spain   | Hortifrut España Southern Sun S.L.                | Agricultural Land           | 200.00   | has            | 448        | 336                   | 448              | 1,792             | 541          | 2,781  |
| Brazil  | BerryGood Com. Imp. y Distribuidora de Frutas Lt. | Agricultural Land           | 67.14    | has            | 88         | 66                    | 88               | 196               | -            | 284    |
| Brazil  | BerryGood Com. Imp. y Distribuidora de Frutas Lt. | Offices                     | 250.00   | m <sup>2</sup> | 146        | 110                   | 106              | -                 | -            | 106    |
| Brazil  | BerryGood Com. Imp. y Distribuidora de Frutas Lt. | Refrigeration Chamber       | 1.00     | has            | 8          | 6                     | 8                | 28                | -            | 36     |
| Brazil  | BerryGood Com. Imp. y Distribuidora de Frutas Lt. | Permanent Personnel Housing | 333.00   | m <sup>2</sup> | 5          | 4                     | 3                | -                 | -            | 3      |
| Mexico  | Agrícola Los Reyes S. de R.L. de C.V.             | Agricultural Land           | 39.74    | has            | 70         | 53                    | 62               | 84                | 9            | 155    |
| Mexico  | Agrofrutas, S. de R.L. de C.V.                    | Agricultural Land           | 3.00     | has            | 9          | 7                     | 9                | 18                | -            | 27     |
| Mexico  | HF Sarbanand, S. de R.L. De C.V.                  | Agricultural Land           | 169.30   | has            | 351        | 263                   | 351              | 1,066             | 27           | 1,444  |
| Mexico  | Hortifrut ABA S.A. de C.V.                        | Agricultural Land           | 279.34   | has            | 452        | 339                   | 452              | 1,760             | 4,329        | 6,541  |
| Mexico  | Agrícola Los Reyes S. de R.L. de C.V.             | Offices                     | 454.98   | m <sup>2</sup> | 57         | 43                    | 86               | 5                 | -            | 91     |
| Mexico  | Agrícola Los Reyes S. de R.L. de C.V.             | Temporary laborer housing   | 2,702.00 | m <sup>2</sup> | 71         | 53                    | 50               | 45                | -            | 95     |
|         |   |                             |          |                | 2,288      | 1,717                 | 2,176            | 6,585             | 6,815        | 15,576 |

The flows were determined based on the contractually agreed lease terms, without considering the negotiations that are maintained to this date to extend the validity term of said contracts.

The expense for consumed lease as of September 30, 2017 is KUS\$1,717.

The main leasing contracts are:

|                                      |                                   | Minimum payment |              |              |               |
|--------------------------------------|-----------------------------------|-----------------|--------------|--------------|---------------|
| <u>Bank or Financial Institution</u> | <u>Description of Leased Good</u> | Up to one       | Between      | Over five    | Total         |
|                                      |                                   | year            | one and      | years        |               |
|                                      |                                   | KUS\$           | four years   | years        | KUS\$         |
| Banco Santander Chile                | Macro-tunnels                     | 75              | 113          | -            | 188           |
| Banco Santander Chile                | Tunnels                           | 20              | 50           | -            | 70            |
| Banco de Crédito e Inversiones       | Greenhouse                        | 492             | 1,686        | -            | 2,178         |
| Banco Santander Chile                | Roof Structure                    | 37              | 257          | -            | 294           |
| Banco de Crédito e Inversiones       | Plant pots                        | 291             | 1,189        | -            | 1,480         |
| Banco de Crédito e Inversiones       | Sulfurer                          | 7               | 29           | -            | 36            |
| Banco de Crédito e Inversiones       | Van                               | 7               | 13           | -            | 20            |
| BBC Tecnología Agrícola Ltda.        | BBC-01                            | 255             | -            | -            | 255           |
| BBC Tecnología Agrícola Ltda.        | BBC-02                            | 252             | -            | -            | 252           |
| Banco de Crédito e Inversiones       | UNITEC                            | 393             | 689          | -            | 1,082         |
| Banco Bilbao Vizcaya Argentaria      | Offices and parking               | 216             | 379          | -            | 595           |
| Banco de Crédito e Inversiones       | Molina Plant                      | 836             | 3,344        | 1,463        | 5,643         |
|                                      | <b>General Total</b>              | <b>2,881</b>    | <b>7,749</b> | <b>1,463</b> | <b>12,093</b> |

|                                      |                                   | Future Financial Burden |            |           |              |
|--------------------------------------|-----------------------------------|-------------------------|------------|-----------|--------------|
| <u>Bank or Financial Institution</u> | <u>Description of Leased good</u> | Up to one               | Between    | Over five | Total        |
|                                      |                                   | year                    | one and    | years     |              |
|                                      |                                   | KUS\$                   | four years | years     | KUS\$        |
| Banco Santander Chile                | Macro-tunnels                     | 6                       | 4          | -         | 10           |
| Banco Santander Chile                | Tunnels                           | 2                       | 2          | -         | 4            |
| Banco de Crédito e Inversiones       | Greenhouse                        | 47                      | 154        | -         | 201          |
| Banco Santander Chile                | Roof structure                    | 9                       | 15         | -         | 24           |
| Banco de Crédito e Inversiones       | Plant pots                        | 32                      | 150        | -         | 182          |
| Banco de Crédito e Inversiones       | Sulfurer                          | 2                       | 2          | -         | 4            |
| Banco de Crédito e Inversiones       | Van                               | 1                       | -          | -         | 1            |
| BBC Tecnología Agrícola Ltda.        | BBC1                              | -                       | -          | -         | -            |
| BBC Tecnología Agrícola Ltda.        | BBC2                              | -                       | -          | -         | -            |
| Banco de Crédito e Inversiones       | UNITEC                            | 18                      | 19         | -         | 37           |
| Banco Bilbao Vizcaya Argentaria      | Offices and parking               | 37                      | 27         | -         | 64           |
| Banco de Crédito e Inversiones       | Molina Plant                      | 141                     | 402        | 48        | 591          |
|                                      | <b>General Total</b>              | <b>295</b>              | <b>775</b> | <b>48</b> | <b>1,118</b> |

## NOTE 37 – EVENTS SUBSEQUENT TO THE DATE OF THE FINANCIAL STATEMENTS

### 1.- Payment of Provisional Dividends

At the Ordinary Session of the Company Board, held on October 03 this year, and as per what was agreed in second subsection of article 79 of Closely Held Corporation Law N° 18.046, the Board agreed the payment for the shareholders of a provisional dividend of US\$6,097,281 at the rate of US\$0.0140 for each subscribed and paid share, charged to profits in 2017, its equal in pesos, as per the observed exchange rate published in the Diario Oficial on October 16, 2017. The payment of this provisional dividend will take place from October 20, 2017, at the offices of the Central Securities Depository (Deposito Central de Valores -DCV), located at Huérfanos 770, 22<sup>nd</sup> floor, Santiago, open from 9:00am to 5:00pm, from Monday to Friday.

The shareholders that request it in writing before October 13, 2017, will receive the payment of the aforementioned dividend via a deposit in their current account or savings account at the Financial Institution indicated by them, or a nominative check will be sent by certified mail to their address recorded at the Company.

The shareholders that are registered in the Company's Shareholder's Registry by midnight on October 14, 2017 will have the right to receive dividends.

The notice referred to in article 10 of the Closely Held Corporation Ruling will be published in the Diario Financiero, within the term established in the norm.

The aforementioned dividend constitutes income for the shareholders. The Company will opportunely determine and communicate the credit that due to the stated dividend, corresponds to the shareholders that contribute global complementary tax and additional tax.

### 2.- Signing of Memorandum of Understanding with the Rocío Group

Dated October 03, the following Essential Fact was informed:

- To expand and strengthen its position as a global supplier that supplies markets with fruit on a continuous basis, the Company has subscribed with the controllers of the Peruvian companies Tal S.A. and El Rocío S.A. (collectively, the "Grupo Rocío Shareholders") a memorandum of understanding (the "MoU") with respect to the transaction (the "Transaction") whose objective is the purchase, through a sale and merger, of the blueberries business (the "Blueberries Business") that are, directly or indirectly, owned by the Grupo Rocío Shareholders, one of the most important producers, exporters and distributors of blueberries in the southern hemisphere.
- Blueberry business operations, including new and productive plantations, facilities and equipment, and two packing units with cold lines, which are located in the Chao District, Viru Province, Departamento de la Libertad, Republic of Peru, and have an added extension of approximately 1,450 arable hectares. The blueberry business also includes (a) 50% of the shares of the related Peruvian company Hortifrut-Tal S.A.C. (which would become a 100% subsidiary of the Company); and (b) net cash financial liabilities for approximately US\$65.5 million.
- As consideration for the entire Blueberries Business, Grupo Rocío Shareholders will receive (x) a cash payment of US\$160 million, (y) 17.13% of Hortifrut's shares, on fully diluted basis, and (z) a future payment conditioned to the results of the Blueberries Business between 2017 and 2021.
- The structure of the Transaction contemplated in the MoU is as follows:
  - Purchase of Shares. The purchase of a percentage of the shares of a new company to be constituted in Peru by the Grupo Rocío shareholders ("Peru OpCo") which will bring together all the assets and liabilities related to the Blueberries Business, for a total price of US\$160 million (the "Sale Price").

- Merger. The merger (the “Merger”) of the Company with a new company to be constituted in Chile by the Grupo Rocio shareholders (“Chile MergerCo”) to which the remaining shares of Peru OpCo will be contributed (those not directly acquired by the Company). As a result of the Merger, the Company will absorb Chile MergerCo, becoming its legal successor and holder of the remaining shares of Peru OpCo, thereby becoming a 100% owned subsidiary of the Company. As compensation and result of the agreed Exchange ratio, for the 100% of Chile MergerCo’s shares, Grupo Rocio’s shareholders will receive shares of the Company which, after the Merger, will represent 17.13% of its share capital (“17.13% of the Company’s Shares”).
- Earn-Out. Finally, it was agreed that, due to the contribution of the Blueberries Business, the Grupo Rocio Shareholders, together with receiving 100% of the shares of Peru OpCo – which Will then sell a portion to the Company and contribute the remainder to Chile MergerCo -, will have the right to a contingent payment by Perú OpCo (the “Contingent Payment”) consisting of the excess, after taxes, of US\$281 million of the accumulated operational net cash flow (defined as the cumulative EBITDA of the Blueberries Business) over a five year period, excluding expenses for the participation of workers in Peru, capital investments and maintenance.
- Ultimately, if the Transaction is implemented, (a) the Company will become the owner of 100% of Peru OpCo, that is, of the Blueberries Business; and (b) the Grupo Rocio shareholders will receive (x) the Sale Price; (y) 17.13% of the Company’s Shares; and (z) the Contingent Payment.
- The Transaction is subject to the usual conditions of operations of this nature, including (a) the Company’s legal, operational and financial revision by Grupo Rocio Shareholders and the Blueberries Business by the Company (the “Due Diligence”); (b) the negotiation and signing of definitive agreements (the “Definitive Agreements”); (c) the approval of the National Economic Prosecutor; and (d) the applicable third party and corporate authorizations, in particular the approval of the Definitive Contracts by the Company’s Board of Directors and the approval of the Merger by the shareholders of the Company gathered at the Extraordinary Meeting.
- In parallel to the Due Diligence, the parties will negotiate the Definitive Contracts, having fixed in the MoU a period of exclusivity and signature date that extends until November 30, 2017. The Company expects to make the implementation of the Transaction during the second quarter of 2018.
- The Company has been informed that at the closing of the Transaction the current members of the controlling group of the Company will sign a new shareholder’s agreement to which the Grupo Rocio shareholders will be incorporated.
- With this date, the reservation of communications sent out in the form of a Reserved Material Fact on July 7, 2017 and August 8, 2017, whose content is consolidated in the result of the negotiations and Transaction reported with this statement.

As of this date, it is not possible to determine the financial effects that the Transaction may have on the assets, liabilities or results of the Company. It is expected to have this information for the signing of the Definitive Contracts.

Between September 30, 2017 and the date of issuance of these consolidated financial statements, no other events of a financial or other nature have taken place which could significantly affect the interpretations of these.

# NOTE 38 – OTHER INFORMATION

The number of Hortifrut and subsidiaries employees per category is as follows:

|                        | <u>30-Sep-17</u> | <u>31-Dec-16</u> | <u>30-Sep-16</u> |
|------------------------|------------------|------------------|------------------|
| Indefinite contracts   | 744              | 723              | 721              |
| Temporary contracts    | 3,546            | 8,695            | 3,328            |
| <b>Total contracts</b> | <b>4,290</b>     | <b>9,418</b>     | <b>4,049</b>     |

## Breakdown by Country

| <u>Indefinite Contracts</u> | <u>30-Sep-17</u> | <u>31-Dec-16</u> | <u>30-Sep-16</u> |
|-----------------------------|------------------|------------------|------------------|
| Chile                       | 478              | 487              | 483              |
| United States               | 23               | 9                | 9                |
| Mexico                      | 136              | 137              | 138              |
| Spain                       | 46               | 30               | 30               |
| Brazil                      | 36               | 37               | 40               |
| Argentina                   | 13               | 14               | 13               |
| Peru                        | 12               | 9                | 8                |
| <b>Total</b>                | <b>744</b>       | <b>723</b>       | <b>721</b>       |

| <u>Temporary Contracts</u> | <u>30-Sep-17</u> | <u>31-Dec-16</u> | <u>30-Sep-16</u> |
|----------------------------|------------------|------------------|------------------|
| Chile                      | 909              | 7,319            | 1,150            |
| Mexico                     | 1,526            | 936              | 1,702            |
| Spain                      | 68               | 73               | 166              |
| Brazil                     | 33               | 41               | 39               |
| Peru                       | 1,010            | 326              | 271              |
| <b>Total</b>               | <b>3,546</b>     | <b>8,695</b>     | <b>3,328</b>     |