EARNINGS REPORT OF HORTIFRUT S.A.'S CONSOLIDATED FINANCIAL STATEMENTS

As of March 31, 2019
(In thousands of United States dollars)

The current earnings report has been prepared for the period ending March 31, 2019, compared with the financial statements as of December 31, 2018 and income statement as of March 31, 2018.

1. HIGHLIGHTS OF THE PERIOD AND SUBSEQUENT FACTS

US$160 million increase in capital

Regarding the Company's growth strategy, at the Extraordinary Shareholder's Meeting, held on April 30, 2019, a capital increase for US$160 million was approved. The funds from said capital increase will be destined to financing organic growth in countries that supply the markets of North America, Europe and Asia, during all weeks of the year, strengthening the trade platforms and satisfying the growing demand for the Company's products. Said growth is forecasted through investments in countries that are physically close to the corresponding destination markets, where China, Morocco and Northern Mexico stand out. Likewise, the Company's controllers informed the Board of their intention to concur to the capital increase through the subscription and payment of the corresponding pro-rate in the shares that are issued charged to it.

Payment of final dividend charged to 2018 net income

At Ordinary Shareholders Meeting, held on April 30, 2019, the payment to shareholders of a final dividend of US$10.72 million at a rate of US$0.020405 for each subscribed and paid share was agreed, charged to 2018's net income, in its equivalent in pesos, as per the observed dollar exchange rate published in the Official Newspaper (*Diario Oficial*) dated May 20, 2019. The payment of this dividend took place as of May 24, 2019, at the offices of the Central Securities Deposit (DCV).

Refinancing and first issuance of bonds

In May 2019, Hortifrut S.A. concretes the successful inaugural placement of bonds in the local market for UF2,250,000, through the issuance of series A and B, in order to diversify the sources of financing and refinance the Company's financial liabilities. It must be stated that series A counts with the green and social certification of Vigeo Eiris, which has as its objective to continue strengthening the commitment with sustainable development as one of the Company's strategic pillars. Since the issuance of these debt instruments was in *Unidades de Fomento* (in Chilean pesos indexed to inflation), while the Company's functional currency is the American Dollar, the debt has been converted to dollars through cross currency swaps.

2. SUMMARY OF THE PERIOD

Since the Company administers its operations with a vision of agricultural season (July 2018 to June 2019) which is the relevant criteria for this type of business, in this analysis we include the comparison between the first nine months of the 17-18 and 18-19 season.

Profit attributable to the parent company shareholders reached US$73.22 million in the first 9 months of the 2018-19 season, which covers between July 2018 and March 2019, representing a 197.68% increase compared to the same period of 2017-18. The higher profit is mainly due to the increase in the operating result of US$37.28 million, mostly linked to the operation in Peru after the acquisition of Grupo Rocio blueberries business, and to the US$61.03 million increase of other income/(expense) outside the operation, mainly due to the adjustment to fair value of the 50% interest in Hortifrut Tal S.A.C. (Peru), adjustment that increased to US$60.99 million, which net of taxes reaches US$44.52 million. These positive effects were partially offset by a higher tax profit of US$17.85 million due to the Company's improved results and a higher financial expense of US$13.24 million, as a result of the increase in financial debt associated to the transaction in Peru, the increase in short term interest rates and the financing of working capital of the season.

Likewise, in the period ending March 31, 2019 ("1Q19"), profit attributable to the owners of the parent company shareholders reached losses for US$5.16 million, representing a decrease of US$17.90 million compared to the first quarter of 2018 ("1Q18"). This decrease is mainly due to a lower operating result of US$13.76 million, affected by extraordinary climatic events which delayed the production curve in Peru, concentrating a relevant volume of this country's fruit in the 1Q19, period which coincides with Chilean production which is generally commercialized in this period, causing a decrease in sale prices. To this we must add quality problems in Peruvian and Chilean fruit, also as a result of these climatic events in both countries. Regarding non-operating result, we observed a higher financial expense of US$4.10 million, mainly due to the higher financial debt associated to the purchase and merger of Grupo Rocio's blueberries business in Peru, the increase in base rate and the financing of work capital of the season.

Income from operating activities increased 33.97% in the first 9 months of the 2018-19 season compared to the same period of the 2017-18 season, reaching US$485.17 million. The higher income is due to a 34.90% increase in distributed volume, mainly due to fruit from Peru, partially offset by a 7.01% decrease in average price per kilo.

In quarterly terms, income from operating activities reached US$210.66 million during the 1Q19, representing an increase of 19.53% in relation to the same period of 2018. This increase is mainly due to a 13.58% increase in sales volume mainly due to fruit from Peru, to the sale of plants and higher income from services during 1Q19, effects that were partially offset by a lower average price of 7.25% per kilo. Also, operating costs reached US$190.63 million, a 26.44% increase due to the increase in the aforementioned distributed volume and the higher one-time cost associated to higher preventive and palliative agricultural applications associated to maintaining the quality of the fruit. As a result of the aforementioned, the gross margin reached US$20.04 million, which is 21.34% lower than the US$25.47 million recorded in 1Q18.

Therefore, during the first 9 months of the current season (between July 2018 and March 2019), the Company recorded an EBITDA of US$99.67 million, increasing 120.51% in relation to the EBITDA of US$45.20 million recorded in the same period of the 2017-18 season. The higher EBITDA is mainly explained by the increase in operating income previously explained.

Reagrding EBITDA, in 1Q19 it reached US$16.79 million, which represents a 26.85% decrease compared with the US$22.95 million reached in 1Q18. The decrease in EBITDA is mainly explained by the lower average prices per kilo, especially in the operation in Peru and Chile associated to the concentration of fruit from these two origins during 1Q19, due to the aforementioned displacement of Peru's production curve, as well as the impairment in the quality of the fruit due to adverse climatic events.

The EBITDA calculation is detailed below:

EBITDA Calculation	**Jul18-Mar19 ThUS$**	**Jul17-Mar18 ThUS$**	**31-Mar-2019 ThUS$**	**31-Mar-2018 ThUS$**
Operating income	478,138	360,904	210,664	176,242
Other income, per function	7,035	1,237	1,104	976
Total Income	**485,173**	**362,141**	**211,768**	**177,218**
Sales Cost	(375,902)	(308,275)	(190,626)	(150,768)
Administration Expenses	(30,202)	(21,642)	(9,682)	(8,978)
Other expenses	(12,087)	(1,624)	(8,562)	(814)
Total Costs and Expenses	**(418,191)**	**(331,541)**	**(208,870)**	**(160,560)**
Operating Result	**66,982**	**30,600**	**2,898**	**16,658**
Depreciation and amortization	32,689	14,601	13,888	6,289
EBITDA	**99,671**	**45,201**	**16,786**	**22,947**

The Company's net financial debt decreased from US$455.17 million as of December 31, 2018 to US$442.11 million as of March 31, 2019, which is the result of the seasonality of the business and the necessary working capital.

Net Financial Debt Calculation

Items	**31-Mar-2019 ThUS$**	**31-Dec-2018 ThUS$**
Other current financial liabilities	168,053	172,629
Other non-current financial liabilities	326,104	331,443
Total financial liability	**494,157**	**504,072**
Minus:		
Cash and cash equivalent	52,045	48,901
Total net financial debt	**442,112**	**455,171**

3. ANALYSIS OF INCOME STATEMENT

As of 1Q19 the Company presented a profit that can be attributed to the parent company shareholders of US$5.16 million negative, which can be compared with a profit of US$12.73 million in 1Q18. The losses in the quarter are mainly explained by the lower operating results, associated to: 1) a 7.25% lower average price per kilo, as a result of the displacement of the production curve in Peru towards the 1Q19, period which coincides with Chilean production which is usually commercialized in this period, 2) lower quality of blueberries from Peru and Chile as a result of adverse climatic effects, 3) higher associated one time sales cost due to greater preventive and palliative agricultural applications associated to maintaining the quality of the fruit, and 4) an increase in other expenses per function, one time effect, associated to the reversal of the adjustment to before tax fair value of “bearer plants” recognized as of December 31, 2018, for the amount of US$7.36 million (without said effect, the quarter would have presented a positive profit of approximately US$1.00 million). Likewise, within the non-operating result, an increase in financial expenses associated to the increase in average financial debt balances as a result of the financing of the acquisition and merger of Grupo Rocio’s blueberries business in Peru, the increase in base rates and financing of working capital of the season was recorded.

a) Main Components of Income

The Company’s Income includes income from operating activities and other income, per function, which increased 19.5% to US$211.77 million, as is shown in the following table:

Operating Revenue	31-Mar-2019 ThUS$	31-Mar-2018 ThUS$	variation %
Revenue from operating activities	210,664	176,242	19.53%
Other revenue, per function	1,104	976	13.11%
Operating Revenue, Total	**211,768**	**177,218**	**19.50%**

The following is the detail of total operating income per business segment:

Segment	31-Mar-19 ThUS$	31-Mar-18 ThUS$
Fresh Fruit	**205,122**	**174,162**
Blueberries	188,208	153,620
Raspberries	3,457	6,216
Blackberries	6,435	5,418
Value Added Products	**6,646**	**3,056**
Value Added Products	6,646	3,056
Total	**211,768**	**177,218**

In blueberry sales, a 22.52% increase was observed compared to the previous period, which showed a 19.79% increase in the commercialized volume and a 2.27% increase in average income per kilo compared to 1Q18.

Raspberries experienced a 44.39% decrease in sales income, as a result of a decrease in commercialized volume of 42.99% and in average income per kilo of 2.45%.

Blackberries experienced an increase in sales income of 18.77%, which is explained by a higher distributed volume compared to the same quarter in 2018 of 8.07%, together with an increase in average income per kilo of 9.90%.

Strawberries experienced a decrease in sales of 63.87% compared to 1Q18, variation which is mainly explained by a 61.71% decrease in distributed volume, associated to a lower availability of fruit in the Mexican market, which must be added to a decrease in average income per kilo of 5.65%.

Cherries recorded a sales income of US$5.34 million during 1Q19, which is compared with the US$4.25 million recorded in the same period the previous year. This increase in income is due to an increase in average income per kilo of 78.01%, slightly offset by a decrease in commercialized volume of 29.46%.

Value added products recorded sales income equal to US$6.65 million during the 1Q19, increasing 117.45% compared to income recorded during the same quarter of 2018. This variation is explained by a 51.26% increase in sold volume and an increase in average income per kilo of 43.75%.

b) Main Components of Costs and Expenses

Total Expenses and Costs	31-Mar-19 ThUS$	31-Mar-18 ThUS$	Variation %
Cost of Sales	**(190,626)**	**(150,768)**	**26.44%**
Administration Expense	(9,682)	(8,978)	7.84%
Other expenses, per function	(8,562)	(814)	951.84%
Other operating costs and expenses	**(18,244)**	**(9,792)**	**86.32%**
Total Expenses and Costs	**(208,870)**	**(160,560)**	**30.09%**

Main components of Cost of Sales

Sales costs corresponding to 1Q19 increased 26.44% compared to what was recorded in the same period in 2018. Higher costs are mainly due to the incorporation of Grupo Rocio's blueberries business in Peru, through which the total volume of commercialized fruit increased 13.58%, from 21.62 million kilos in 1Q18 to 24.56 million kilos in 1Q19. To this we must add a higher one-time cost associated to higher preventive and palliative agricultural applications associated to maintaining the fruit quality.

Main Components of Administrative Expenses

Administrative expenses increased US$0.70 million, reaching US$9.68 million. The increase in this concept is mainly due to the incorporation of the blueberries business belonging to Grupo Rocio in Peru.

Main Components of Other Expenses, per function

Other expenses per function increased US$7.75 million, reaching US$8.56 million as of 1Q19. The increase is mainly due to the reversal of the adjustment to fair value of fruit on "bearer plants" recognized as of December 31, 2018 for the amount of US$7.36 million.

c) Other Components of Income Statement

Other Income (expense)	31-Mar-19 ThUS$	31-Mar-18 ThUS$	Variation %
Other profit (loss)	(90)	(53)	69.81%
Financial income	150	325	-53.85%
Financial costs	(6,533)	(2,430)	168.85%
Interest in profit (loss) of associated companies	(1,257)	717	-275.31%
Exchange rate fluctuation	(291)	(425)	-31.53%
Other Income (expense)	**(8,021)**	**(1,866)**	**329.85%**

The other components of the income statement went from a loss of US$1.87 million as of March 31, 2018 to a loss of US$8.02 million as of March 31, 2019.

The main items that explain this variation are the following:

a. Financial expenses increased from US$2.43 million in 1Q18 to US$6.53 million in 1Q19, variation that is mainly explained by the financing of the acquisition and merger of Grupo Rocio's blueberries business in Peru, the existing debt of the business acquired in this transaction, the higher working capital necessary for the operation in Peru and the increase in short term interest rates.

b. The loss due to interest in profit (loss) of associated companies reached US$1.26 million in 1Q19, which is compared with a US$0.72 million profit in the same period the previous year. This difference is mainly made up of a lower profit of US$1.29 million in the associated Hortifrut Tal S.A.C. (Peru) due to the incorporation of this company to the consolidation of the Hortifrut Group from the acquisition and merger of Grupo Rocio's blueberries business in Peru, and a higher loss of US$0.64 million in the associated Munger Hortifrut NA LLC in the United States.

c. The previous effects are slightly offset by a lower loss generated by Exchange Rate Difference of US$0.29 million during 1Q19 (US$0.43 million loss as of 1Q18), originated by the depreciation of the Euro, the Chilean Peso and the Mexican Peso, compared with the American dollar.

d) Tax expenses

Tax expenses generated a profit of US$1.67 million in the 1Q19, which is compared with a US$2.61 million loss in 1Q18. The tax expense of the quarter is subtracted in a current tax expense of US$3.03 million (US$4.65 million as of 1Q18), deferred tax profit of US$4.48 million (US$1.81 million in profit as of 1Q18) and other adjustments, that offset the other items, of US$0.22 million (US$0.23 million as of 1Q18).

e) Other Indicators of Results

Equity Profitability:

Indicator	Unit	31-Mar-19	31-Mar-18
Profitability of parent company equity	%	-1.12%	5.85%
Profit of parent company / Equity of the parent company			
Profitability of equity	%	-0.67%	4.79%
Profit of the period / Total equity			

This index confirms the negative result attributable to the owner of the parent company, in relation to the increase in total equity and the equity attributable to the parent company shareholders.

Activity Indicators:

Indicator	Unit	31-Mar-19	31-Mar-18
Activity			
Rotation of Assets	Times	0.17	0.30
Operating Revenue / Total average assets of the period			
Rotation of inventories	Times	2.35	3.41
Cost of sales / Average inventory			
Permanence of inventory (days)	Days	38	26
Inventory / Annual cost of sale (360 day base)			

The rotation of assets between the periods ending on March 31, 2019 and 2018, decreased influenced by the increase in total operating income (+19.50%) which was proportionally lower than the increase in average total assets in the same period (+111.65%).

Likewise, the rotation of inventories decreased due to the increase in average inventories passing from US$44.18 million in 1Q18 to US$81.10 million in the same period of 2019, variation which was proportionally lower than the increase in the previously explained sales costs.

4. COMPARATIVE ANALYSIS OF MAIN TENDENCIES

The evolution of the main financial indicators are the following:

Indicator	Unit	31-03-2019	31-12-2018	Variations %
Current Liquidity *Current Asset / Current Liability*	Times	1.01	1.08	-6.72%
Acid Ratio *Current assets (-) Other non-financial assets, inventories and current biological assets / Current liability*	Times	0.76	0.67	13.63%
Debt Ratio *Total liabilities / Equity attributable to Parent Company*	Times	1.49	1.56	-4.16%
Short term debt *Total current liabilities /Total liabilities*		36.1%	37.7%	-4.31%
Long term debt *Total non-current liabilities /Total liabilities*		63.9%	62.3%	-2.61%

- Current liquidity and acid ratio, were 1.01 and 0.76 times as of 1Q19, experiencing a 6.11% decrease and a 13.63% increase, respectively, compared to the same period of 2018. The decrease in current liquidity is mainly explained by the decrease in current assets, mainly Inventories. Also, current liabilities decreased but in lower proportion. Regarding the acid ratio, it increased due to an increase in applicable current assets and a decrease in current liabilities.

- The debt ratio decreased 4.49% compared to December 31, 2018, explained by a decrease in total liabilities of US$38.51 million (5.29%), proportionally higher than the decrease in equity attributable to the parent company of US$5.50 million (1.18%).

- Short term debt percentage as of 1Q19 was 36.1%, decreasing compared to the value of 37.7% as of December 31, 2018.

- Long term debt percentage as of 1Q19 was 63.9%, higher than the value of 62.3% as of December 31, 2018.

Indicator	Unit	31-03-2019	31-03-2018	Variations %
Financial expense coverge *(Before tax profit - Financial costs)/Financial costs*	Times	0.22	7.09	96.95%
Profitability of parent company equity *Parent company gains /Parent company equity*		-1.1%	5.8%	119.14%
Profitability of equity *Profit of the period /Total equity*		-0.7%	4.8%	113.96%

- The decrease in financial expense coverage index as of 1Q19 in relation to the same period the previous year, is due to the decrease in the before tax result of US$19.92 million which can be added to the higher financial expenses, which passed from US$2.43 million during the period ending March 31, 2018 to US$6.53 million in the same period of 2019.

5. STATEMENT OF FINANCIAL POSITION ANALYSIS

Main items of the consolidated statement of financial position.

Statement of Financial Position	31-Mar-19 ThUS$	31-Dec-18 ThUS$	Variation ThUS$	%
Total current assets	250,115	295,866	(45,751)	-15.46%
Total non-current assets	956,208	951,454	4,754	0.50%
Total assets	**1,206,323**	**1,247,320**	**(40,997)**	**-3.29%**
Total current liabilities	248,692	274,418	(25,726)	-9.37%
Total non-current liabilities	440,689	453,477	(12,788)	-2.82%
Total liabilities	**689,381**	**727,895**	**(38,514)**	**-5.29%**
Equity attributable to parent company equity holders	461,181	466,682	(5,501)	-1.18%
Non-controlling interest	55,761	52,743	3,018	5.72%
Total equity	**516,942**	**519,425**	**(2,483)**	**-0.48%**

As of March 31, 2019, total assets decreased US$41.00 million compared to the existing as of December 31, 2018, which is equal to a decrease of a 3.29% variation.

Current assets decreased US$45.75 million (- 15.46%), mainly due to a decrease of: 1) inventories US$50.56 million, 2) accounts receivable US$6.25 million and 3) Biological Assets US$4.17 million. These effects are offset by the increases in: 1) tax assets US$7.92 million, 2) other non-financial assets US$3.54 million and 3) cash and cash equivalents US$$3.14 million.

Non-current assets experienced an increase of US$4.75 million (0.50%), mainly due to the increase in Property, Plant and Equipment (asset for right of use) of US$9.46 and as an offset, the decrease of deferred tax assets of US$2.58 million and investments for US$1.08 million.

Current liabilities decreased US$25.73 million (-9.37%), mainly due to the decrease in trade accounts and other accounts payable of US$22.02 million and other financial liabilities for US$4.58 million.

Also, non-current liabilities decreased US$12.79 million (-2.82%), mainly due to the decrease of other financial liabilities of US$5.34 million and deferred tax liabilities for US$7.54 million.

The Company's total equity remained in line compared to December 31, 2018, reaching US$516.94 million as of March 31, 2019.

6. MAIN COMPONENTS OF NET OPERATING INVESTMENT AND FINANCING CASH FLOWS

Main sources and uses of funds in the period (US$ million)	January-March 2019	January-March 2018	Comments
Charges from the sale of goods and providing of services	217	189	Increase in sales income due to a higher average price and higher volume from Peru
Payment to suppliers for supplying goods and services	(132)	(113)	A higher cost associated to the purchase of third party fruit
Payment for and on behalf of employees	(26)	(25)	
Net interests	(2)	(1)	
Taxes	(11)	(4)	Advanced tax payments (PMP).
Others	(7)	-	
(1) Total Cash Flow for Operating Activities	**39**	**46**	
Sale and purchase of property, plant and equipment	(13)	(11)	
Other investment activities (sum of all the rest)	1	(2)	
(2) Total Cash Flow for Investment Activities	**(12)**	**(13)**	
Net financing	37	110	Work capital financing
Payments of loans	(61)	(125)	Short term debt maturity
(3) Total Cash Flow for Financing Activities	**(24)**	**(15)**	
Net Increase of Cash and Cash Equivalents (1) + (2) + (3)	**3**	**18**	
Effect due to exchange rate fluctuation	-	-	
Cash and Cash Equivalent at the start of the period	49	28	
Cash and Cash Equivalent at the End of the Period	52	46	

7. RISK FACTORS ANALYSIS

The Company's business intrinsically involves a series of risk factors which, in one way or another, could affect the performance of the business. Within these factors, we can mention the following:

7.1 Financial Risk

7.1.1 Credit Risk

a) Investment risk of cash surpluses:

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.

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

Within the authorized instruments, are those whose maturity 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 PACA law, which 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 constantly evaluates the risk of exposure and decreases/increases deliveries in accordance with the performed analysis or demands advanced payment from 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, the Company may be exposed to this risk.

In order to mitigate this risk, the Company has credit insurance for the parent company and subsidiaries.

7.1.2 Liquidity risk and Financing

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.

Additionally, there is the risk that, due to an impairment in its operations or other circumstances, certain financial ratios could reach levels higher than the limits established in the credit contracts, which could limit the debt capacity or accelerate the maturity of the Company's valid financial liabilities.

To mitigate this risk, the Company continuously monitors its financial ratios and other affirmative and negative covenants stipulated in its credit contracts, in order to be able to take opportune actions to avoid the potential negative effects associated to this risk.

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

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 associated companies such as 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 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 March 31, 2019, reach US$258.34 million (US$238.34 million as of December 31, 2018), distributed among 15 banks. The used amount reaches US$129.68 million, with an available balance of US$128.66 million. The credit lines are distributed among the following companies: Hortifrut Chile S.A. with US$237.59 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$1.30 million, Agrícola El Avellano with US$0.50 million, Hortifrut Import Inc., with US$5.00 million and Euroberry Marketing S.A. with US$7.30 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 working 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 maturity of the Company's bank loans as of March 31, 2019, based on undiscounted contractual flows:

			Cash Flows				
	Capital	Interests	From 0 to 3 months	Between 3 and 12 months	Between 1 and 5 years	Over 5 years	Total
Creditor Bank	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**
Banco Santander Chile	76,579	483	38,282	964	43,453	-	82,699
Banco RaboFinance Chile	48,446	558	704	2,222	33,470	26,482	62,878
Banco de Crédito e Inversiones	64,163	2,063	13,005	1,680	28,100	40,685	83,470
Banco Scotiabank	50,339	498	10,343	2,613	43,408	-	56,364
Banco BICE	2,000	4	2,004	-	-	-	2,004
Banco de Chile	35,019	14	35,194	-	-	-	35,194
Banco China Construction Bank Corp.	9,000	2	9,047	-	-	-	9,047
Banco Estado	45,434	445	16,331	921	21,905	14,178	53,335
Banco Itaú	15,000	3	15,075	-	-	-	15,075
Banco Santander Central Hispano S.A.	13,117	-	1,658	6,733	5,404	-	13,795
Banco Bilbao Vizcaya Argentaria	8,475	16	-	2,883	5,765	-	8,648
La Caixa	4,583	13	359	1,078	3,234	-	4,671
Bankinter	2,542	3	215	646	1,725	-	2,586
Banco Sabadell	1,970	-	144	431	1,436	-	2,011
Banco de Crédito del Perú	5,891	-	142	3,025	3,059	-	6,226
Scotiabank Peru S.A.	20,796	74	606	4,723	17,893	-	23,222
Banco Chile	24,813	373	660	664	20,646	8,997	30,967
GC Rent Chile SPA	1	-	-	1	-	-	1
HSBC México SA, Institucion de Banca Multiple	4,500	-	-	1,476	3,274	-	4,750
Coöperatieve Rabobank U.A.	18,274	-	-	4,102	14,950	1,703	20,755
Metlife	29,271	-	-	1,560	13,466	26,798	41,824
Total as of March 31, 2019	**480,213**	**4,549**	**143,769**	**35,722**	**261,188**	**118,843**	**559,522**

Below is a summary of the maturities of the total financial liabilities as of March 31, 2019:

			Cash Flows				
	Capital	Fair Value	From 0 to 3 months	Between 3 and 12 months	Between 1 and 5 years	Over 5 years	Total
Detail	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**
Bank loans	480,213	484,762	143,769	35,722	261,188	118,843	559,522
Trade accounts and other accounts payable	66,298	66,298	63,559	2,739	-	-	66,298
Accounts payable to related companies	15,808	15,808	-	7,154	8,654	-	15,808

7.1.3 Exchange rate risk

The international character of its business and its 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 Pesos, Mexican Pesos, Peruvian Nuevo Sol and Euros.

a) Exposure to Chilean Pesos

The source of exposure to Chilean Pesos 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 denominated 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 measure, liquid funds kept in financial instruments. Hortifrut performs actions to mitigate the exposure to sales in Euros through the use of forward derivative instruments.

d) Exposure to Peruvian Soles

The source of exposure to Peruvian Soles mainly comes from agricultural operating costs in Peru, which are mainly denominated in said currency, and, at a lower measure, customer's receivable trade accounts. Hortifrut constantly evaluates the need to realize risk mitigation actions.

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 functional currency

The following table shows exposure in currencies different to the dollar, over the Company's financial assets and liabilities as of March 31, 2019:

As of March 31, 2019	Peso/UF ThUS$	Nuevo Sol ThUS$	Euro ThUS$	Mexican $ ThUS$	Argentine $ ThUS$	Real/others ThUS$
Financial Assets						
Cash and Cash Equivalents	2,907	6,375	6,881	490	527	1,108
Other current non-financial assets	936	-	3,946	2,454	34	79
Current trade debtors and other accounts receivable	4,779	14,423	41,507	2,762	166	2,251
Current accounts receivable with Related Entities	631	-	5,000	-	-	-
Non-current accounts receivable with Related Entities	-	-	4,178	-	-	-
Total Financial Assets	**9,253**	**20,798**	**61,512**	**5,706**	**727**	**3,438**
Current Liabilities						
Other current financial liabilities	360	1	9,843	-	-	-
Current trade accounts and other accounts payable	6,300	3,790	12,860	2,710	70	271
Current accounts payable to Related Entities	2,999	-	508	-	-	-
Current provisions for employee benefits	441	-	-	507	-	-
Other non-current financial liabilities	2,288	-	16,972	709	-	-
Non current accounts payable to Related Entities	1,238	-	7,416	-	-	-
Total Financial Liabilities	**13,626**	**3,791**	**47,599**	**3,926**	**70**	**271**
Net exposure as of March 31, 2019	**(4,373)**	**17,007**	**13,913**	**1,780**	**657**	**3,167**

Sensitivity analysis

The potential net effect in financial assets and liabilities of a 10% devaluation of the United States dollar against all the other relevant currencies to which the Company is exposed, would be approximately ThUS$3,216 as a higher charge to the company's results as of March 31, 2019 (ThUS$2,236 as of December 31, 2018), 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.

Currencies	Assets ThUS$	Liabilities ThUS$	Net ThUS$	Net (10% Devaluation) ThUS$	Variation ThUS$
Chilean Peso /UF	9,253	13,626	(4,373)	(3,936)	437
Nuevo Sol	20,798	3,791	17,007	15,306	(1,701)
Euro	61,512	47,599	13,913	12,522	(1,391)
Mexican Peso	5,706	3,926	1,780	1,602	(178)
Argentine Peso	727	70	657	591	(66)
Real / Others	3,438	271	3,167	2,850	(317)
Total as of 31-03-2019	**101,434**	**69,283**	**32,151**	**28,935**	**(3,216)**

7.1.4 Interest Rate Risk

The Hortifrut Group has its long-term financial liabilities linked to long term investments.

Long term liabilities are both at fixed and variable 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 ThUS$130,034 as of March 31, 2019 (ThUS$131,741 as of December 31, 2018) and the rate increased 10%, the impact on the annual financial cost would be ThUS$398 (ThUS$406 as of December 31, 2018).

7.2 Operating Risks

Hortifrut's operating risks are administered by each 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:

7.2.1 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.

7.2.2 Significant increase in Supply

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, 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 given by consumers to healthy food and (iii) a still relatively low consumption of berries per capita.

7.2.3 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 recognition, 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.

7.2.4 Climatic risks

Climate is an external factor that is difficult to control, which can affect quality and cause variations in the volume of fruit available to commercialize during the year. Even though this risk is difficult to control, the Hortifrut Group aims for a greater geographic diversification and invests in infrastructure to assure the availability of water and to face the possible climatic risks, such as rain, hail and frost control.

With the acquisition of Grupo Rocio's blueberries business, the Company's plantations in Peru reached 63.1% of the total own plantations, increasing exposure to climatic risk in this country. Nevertheless, the Company has other smaller plantations in South America, North America, Europe and Asia, which allow it to partially mitigate this risk.

7.2.5 Plagues and disease

It is unavoidable for part of the 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 impacts 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. The aforementioned does not imply that in the future the Company will not be affected by current or new plagues and/or disease.

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.

7.2.6 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 exceeded) 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.

7.2.7 Risks of Availability of Human Resources

Temporary collaborators are vital for fruit harvest, so Hortifrut has developed several initiatives to attract and maintain the temporary collaborators from one season to the next. Additionally, people are recruited through labor fairs and informative meetings organized with the intermediation the regional governments corresponding to the area of each productive unit, so a relationship of mutual collaboration with the community and its municipalities has been built. Due to the extension of operations in Peru, the human resources factor is especially critical, especially in the main production weeks. To assure the necessary quantity of collaborators for the harvesting periods, Hortifrut invests in a continuous and growing manner in infrastructure to assure housing for a constantly growing portion of collaborators, as well as constantly improving the initiatives that create loyalty with the temporary collaborators, such as for example, to develop attention channels and childcare for their children.

7.2.8 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. As in all agricultural business, the availability of water is critical to assure the Good result of the harvest, Hortifrut invests in infrastructure such as reservoirs and deep wells to partially mitigate this risk. 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 standstill at ports and transport companies in general, which could affect Hortifrut's performance if the events extend in time.

7.2.9 Risk associated to New Technologies

Hortifrut, in its varied entrepreneurships, throughout the world, is incorporating growing new technologies in the whole production process, which involves risks associated to the lack of knowledge in their 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.

7.3 Insurance

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

The main insurances contracted as of March 31, 2019 and December 31, 2018 are the following:

			31-Mar-2019	31-Dec-2018
COUNTRY	TYPE OF INSURANCE	CURRENCY	COVERED AMOUNT	COVERED AMOUNT
Chile	Infrastructure Fire	UF	1,583,352	1,658,152
Chile	Mobile Agricultural Equipment	UF	47,732	48,092
Chile	Motor Vehicles	UF	145,287	48,563
Chile	General and Product Civil Responsibility	USD	5,000,000	5,000,000
Chile	Maritime Transport	USD	7,000,000	7,000,000
Chile	Credit Insurance	USD	20,000,000	20,000,000
Chile	Fruit and Materials Insurance	USD	9,810,916	9,810,916
Chile	Terrorism	UF	500,000	500,000
Chile	Business Interruption	UF	1,227,000	1,227,000
USA	Product Civil Responsibility	USD	20,000,000	20,000,000
Mexico	Transporting of Load	USD	200,000/shipment	200,000/shipment
Mexico	Infratructure Fire, Theft and Civil Liability	USD	48,000,000	48,000,000
Mexico	Motor Vehicles	USD	Commercial Value	Commercial Value
Spain	Motor Vehicles	EUR	Commercial Value / without limit	Commercial Value / without limit
Spain	Installations	EUR	350,000 per event	350,000 per event
Spain	Goods	EUR	50,000 per event	50,000 per event
Spain	Civil Liability	EUR	6,500,000	6,500,000
Spain	Credit Insurance	EUR	90% unpaid	90% unpaid
Peru	Fire	PEN	618,320	618,320
Peru	Motor Vehicles	USD	261,820	261,820

7.4 Risk in the Estimations

Effects of the valuation of fruit that grows on "bearer plants" due to 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 standard, which must be measured at their fair value minus sale costs, recording the changes in valuation in result as the product grows.

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

As of March 31, 2019, since there is no relevant difference between the book value and the fair value of the fruit on "bearer plants" there is no recognizing of the margin for this concept.

As of December 31, 2018, the expected margin of the fruit on the Company's bearer plants was recognized, for the amount of ThUS$7,357 which is presented under other income, per function net of the amount incorporated due to the merger with Grupo Rocio on July 03, 2018, reaching ThUS$5,332.

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

Company	Fair Value Adjustment as of 12/31/2018 (ThUS$)	10% Reduction Volume (ThUS$)	10% Reduction Price (ThUS$)	10% Reduction Volume and Price (ThUS$)
Hortifrut Tal S.A.C.	4,729	4,289	3,448	3,136
Hortifrut Peru S.A.C.	1,130	1,022	516	471
Berries de Chao S.A.C.	324	294	224	204
Agrícola Hortifrut S.A.	1,174	1,057	638	574
Total	7,357	6,662	4,826	4,385

7.5 Risk Associated to Merger and Acquisition Process

Due to the global character of the business and the Company's intention to remain within the main global participants in the production and commercialization of berries and other fruits, Hortifrut has materialized different purchase and/or merger processes in the past, and could materialize other similar transactions in the future. Both the Company and the acquired companies or assets are exposed to the potential financial, operational and other previously described risks.

To mitigate these risks, the Company continuously monitors the potential effects that the merger and/or acquisition processes could have on the financial ratios, both at a profit and balance level, in order to take opportune actions to remain within the scopes allowed by its financing contracts.

Even though to date Hortifrut has not had any problems associated to the merger and acquisition processes, it must keep in mind that this fact does not guarantee that in the future Hortifrut will not be exposed to this risk.