



HORTIFRUT

BERRIES FOR THE WORLD EVERY DAY

**EARNINGS
REPORT
2nd QUARTER
2019**

SEPTEMBER 2019



OUR COMPANY

VISION:

To be the world leader in the Berries category.

MISSION:

Berries for the world, every day.

BUSINESS MODEL:

Through strategic alliances, we join the best in the southern hemisphere with the best in the northern hemisphere, in trade platforms and own brands, integrating all aspects of the business from genetics to the final customer. We supply the best customers in the main global markets.

PURPOSE:

Touching and enlightening the life of people by delivering the most wonderful and healthy berries, through its team and partnerships around the world, caring about the environment and the community.



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1. SUMMARY OF CONSOLIDATED RESULTS PER 2017-18 AND 2018-19 SEASON, AND CALENDAR YEAR AS OF JUNE18 AND JUNE19

1. Total Revenue¹ increased by 23.22% at the end of the 2018-19 season compared to the 2017-18 season, totaling **ThUS\$550,996**. The higher income is due to an increase in the volume distributed of 28.44%, mainly of fruit from Peru, partially offset by a decrease in average income per kilo of 4.07%.

On its part, **total Revenue¹** of Hortifrut during the first 6 months as of June 2019 (“Jun19”) reached **ThUS\$277,591**, representing an **increase of 5.85%** compared to the same period of 2018 (“Jun18”). This increase is mainly explained by an increase of 8.19% in the sales volume, mainly of fruit from Peru and Mexico, the sale of plants and higher income for services during the period, effects that were partially offset by a decrease of the average income per kilo of 2.17%.

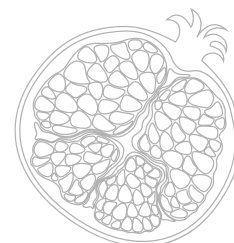
Income from the added segment “Fresh Fruit”, which includes blueberries, raspberries, blackberries, strawberries and cherries, represented 93.15% of the consolidated income as of Jun19, in line with Jun18. Likewise, operating income from “Value Added Products” segment represented 6.85% of the consolidated income during the same period.

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2. Operating costs increased by 16.37% at the end of the 2018-19 season compared to the 2017-18 season, totaling **ThUS\$490,868**, mainly explained by the increase in distributed volume and by higher costs associated with greater preventive and palliative agricultural applications associated with the maintenance of fruit quality in Peru. It is worth mentioning that this cost includes ThUS\$2,317 of impairment of assets, due to the pull-up of productive hectares in Chile and Spain, carried out in December 2018.

Operating costs as of Jun19 amounted to **ThUS\$279,230**, recording an increase of 12.76% compared to Jun18, explained by the increase in the distributed volume mentioned above and by one-time effects associated with maintaining the quality of the fruit affected by the weather events described above. On its part, in unit terms, operating costs decreased from US\$7.58 per kilo as of Jun18 to US\$7.10 per kilo as of Jun19.

¹ Corresponds to the total Operating Income plus Other income plus other income per function.



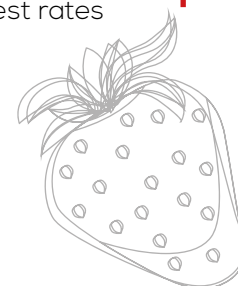
3. Thus, at the closing of the recently ended season (between July 2018 and June 2019), the Company recorded an **EBITDA of ThUS\$106,496**, increasing 120.42% compared to the EBITDA of ThUS\$48,315 recorded in the 2017-18 season. The higher EBITDA is mainly explained by the incorporation of the blueberry business of Grupo Rocio in Peru into the Company.

EBITDA as of Jun19 reached **ThUS\$23,611**, recording a decrease of 9.39% compared to the EBITDA of ThUS\$26,059 recorded at the same period in 2018. The decrease in EBITDA is mainly explained by a lower average income per kilo of 2.17%, as a result of the displacement of the production curve of Peru in 1Q19, period in which it coincided with the Chilean production that is usually marketed in this period, the lower quality of the blueberries from Peru and Chile as a result of adverse climatic effects and higher cost of sale associated with greater preventive and palliative agricultural applications to maintain fruit quality.

4. The Operating result in the 2018-19 season amounted to **ThUS\$60,128**, increasing by 137.16% compared to the 2017-18 season. The increase in the operating result of ThUS\$34,775 is mainly associated to the operation in Peru after the acquisition of the Grupo Rocio's blueberry business.

As of June19, the **Operating result** presented a **negative result of ThUS\$1,639**, compared to the positive result of ThUS\$14,626 presented as of Jun18. On its part, the operating margin also experienced a decrease from 5.58% to -0.59% in the analysis period. These decreases are mainly explained by the same reasons that explain the variations in accumulated terms in the EBITDA.

5. The **Non-operating result** of the 2018-19 season presented a **profit of ThUS\$29,394**, which compares favorably with a profit of ThUS\$253 recorded in the 2017-18 season. The positive result of the current season is mainly associated with a profit of ThUS\$60,527 in Other income/(expenses), largely due to the fair value adjustment of the 50% stake in Hortifrut Tal S.A.C. (Peru), an adjustment that amounted to ThUS\$60,990, which net of taxes amounts to ThUS \$ 44,520. Additionally, the 2018-19 season records a gain from exchange differences of ThUS\$25 compared to a loss of ThUS\$2,482 in the 2017-18 season. These effects are partially offset by an increase in the financial costs of ThUS\$17,855, due to the increase in financial debt associated with the transaction in Peru, the increase in short-term interest rates and the financing of the working capital of the season.



The **Non-operating result** as of Jun19 recorded a **loss of ThUS\$17,996**, which is compared with the losses of ThUS\$3,851 recorded as of Jun18. This variation is mainly explained by: (1) the higher net financial expenses that increased from ThUS\$3,807 as of Jun18 to ThUS\$13,180 as of Jun19, mainly due to the increase in the average balances of financial debt explained above, (2) due to a higher loss in Participations in the gains (losses) of associates and joint ventures of ThUS\$2,935 as of June 19, which is compared with losses of ThUS\$439 in the same period of 2018, mainly due to the results of Hortifrut Tal SAC (Peru), a company that generated most of the profits in associates recorded during the 2017-18 season, that began to be registered within the scope of consolidation in the financial statements of the Company resulting from the transaction in Peru and (3) an exchange difference loss of ThUS\$1,535 as of Jun19 originated by the appreciation of the Euro and Chilean Peso with respect to the US Dollar, compared to the gain of ThUS\$445 recorded to Jun18.

6. Profit attributable to the parent company reached ThUS\$62,184 in the 2018-19 season, representing an increase of 258.16% compared to the 2017-18 season. The higher profit is mainly due to an increase in the operating result of ThUS\$34,775, and to the increase in the non-operating result of ThUS\$29,141 during the analysis period. These positive effects were partially offset by a higher income tax of ThUS\$15,632 due to the higher results of the Company and a higher financial cost of ThUS\$17,855, given the increase in financial debt associated with the transaction in Peru, the increase in short-term interest rates and the greater need for working capital financing during the season due to the incorporation of the business in Peru.

In accumulated terms as of June 19, the Company presented a **loss attributable to the owners of the parent company of ThUS\$16,201**, which is compared with a profit of ThUS\$5,498 recorded in the same period of 2018. The period losses are mainly explained by the lower operational results, associated with: (1) a 120.85% increase in depreciation as a result of the incorporation of the assets acquired in the purchase and merger of the Grupo Rocío's blueberry business in Peru and (2) the lower EBITDA explained above. On its part, within the non-operating result there was an increase in the financial costs associated with the increase in the average balances of financial debt resulting from the financing of the purchase and merger of the blueberry business of the Grupo Rocío in Peru, the incorporation of the debt existing in the businesses acquired in this transaction, the rise in short-term interest rates and the financing of working capital for the season.



2. MAIN HIGHLIGHTS OF THE PERIOD

1. CAPITAL INCREASE

Regarding the Company's growth strategy, in Extraordinary Shareholders's Meeting held on April 30, 2019, the realization of a **capital increase of US\$160 million was approved**. The funds coming from this capital increase will be used to finance organic growth in the countries that supply the markets of North America, Europe and Asia, during all the weeks of the year, strengthen the commercial platforms and meet the growing demand for the company's products. This growth is projected through investments in countries physically close to the respective destination markets, which include **China, Morocco and northern Mexico**. On its part, in July 2019, the controlling group of the Company subscribed all of the corresponding pro rata (51.85%) in the shares of said increase, within the framework of the legal period of 30 days of preferential option, thus demonstrating its commitment to the Company's growth projects. Thus, **during the preferential offer period \$94,235,122,800 was raised** by subscribing a total of 51,777,240, **reaching a 84.88% subscription** of the 61,000,000 shares issued.

2. REFINANCING AND FIRST BOND ISSUANCE

In May 2019, Hortifrut S.A. finalizes 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 financial liabilities of the Company. It should be noted that the **A series has the green and social certification of Vigeo Eiris**, which aims to continue strengthening the commitment to sustainable development as one of the strategic pillars of the Company. Since the issuance of these debt instruments was in Unidades de Fomento (Chilean Peso indexed to inflation), while the functional currency of the Company is the US Dollar, **the total amount issued has been converted to dollars** by cross currency swaps.



3. CONSOLIDATED INTEGRAL INCOME STATEMENT – IFRS

HORTIFRUT S.A. AND SUBSIDIARIES
Consolidated Integral Income Statement
Accumulated as of 1st Semester 2019 (January to June)

	Jan17-Jun18		Jan18-Jun19		Var %
	ThUS\$	% Rev.	ThUS\$	% Rev.	
Total revenue ²	262,255		277,591		5.85%
Cost of sales	-217,475	-82.93%	-220,580	-79.46%	1.43%
Administrative Expenses	-18,721	-7.14%	-33,400	-12.03%	78.41%
EBITDA	26,059	9.94%	23,611	8.51%	-9.39%
Depreciation Fixed Assets	-5,635	-2.15%	-12,668	-4.56%	124.81%
Depreciation Biological Assets	-5,092	-1.94%	-11,360	-4.09%	123.10%
Amortization Intangible Assets	-706	-0.27%	-1,222	-0.44%	73.09%
Operating Result	14,626	5.58%	-1,639	-0.59%	-111.21%
Financial income	1,175		517		-56.00%
Financial expenses	-4,982		-13,697		174.93%
Share of profit of equity - accounted investees	-439		-2,935		568.56%
Other profit (loss)	-50		-346		592.00%
Exchange rate differences	445		-1,535		-444.94%
Non Operatig Result	-3,851	-1.47%	-17,996	-6.48%	367.31%
Profit before tax	10,775	4.11%	-19,635	-7.07%	-282.23%
Gains tax expenses	-2,998		3,491		-216.44%
Profit (loss)	7,777	2.97%	-16,144	-5.82%	-307.59%
Profit (loss), attributable to the parent company equity holders	5,498		-16,201		-394.67%
Profit (loss), attributable to non-controlling interests	2,279		57		-97.50%
Profit (loss)	7,777	2.97%	-16,144	-5.82%	-307.59%
Sales volume (tons)	28,707		31,059		8.19%
EBITDA / kg (US\$)	0.91		0.76		-16.26%

² Corresponds to the sum of Revenue from ordinary activities plus Other income, per function.



4. CONSOLIDATED INCOME STATEMENT ANALYSIS

OPERATING RESULTS

- **Total Income³ of Hortifrut S.A. and Subsidiaries totaled ThUS\$277,591 in the first 6 months of the year 2019, recording an increase of 5.85% compared to the same period in 2018.**

In the case of **Blueberries**, an **increase in sales of 8.25%** was observed reaching **ThUS\$235,277** as of June19. The increase in sales is mainly explained by an **increase in the volume distributed from 13.90% to 22,686** tons, partially offset by a decrease in average revenue per kilo of 4.93%. The variation in the volume distributed is mainly explained by the purchase and merger of the Grupo Rocío's blueberry business in Peru, in addition to the increase in plantation productivity in Olmos (Peru). The volume distributed from Peru increased from 3,733 tons as of Jun18 to 6,599 tons accumulated as of Jun19.

On its part, income from **Raspberries** decreased by 30.88% compared to Jun18, totaling **ThUS\$7,596** as of Jun19. This decrease is explained by a reduction in the volume distributed of 26.17%, mainly associated with a lower availability of fruit to capture in Spain and a reduction in the productive area in Mexico, added to a 6.38% drop in the average income per kilo.

The **Blackberries** segment recorded revenue of **ThUS\$8,149**, decreasing 3.75% compared to Jun18. The lower revenue is mainly explained by a 10.05% drop in the volume distributed by lower third-party fruit harvest in Mexico, offset by an increase in the average income per kilo of 7.00%.

Regarding **Strawberries**, revenue decreased by 57.41% in the first 6 months of 2019 compared to the same period of 2018, totaling **ThUS\$2,223**. The decrease is explained by a fall in the volume distributed of 58.91%, mainly associated with a lower availability of the fruit to capture in Mexico, offset by a 3.64% increase in the average income per kilo.

Cherries recorded sales revenue of **ThUS\$5,329** as of June19, increasing by 20.89% compared to Jun18. The increase in income is mainly explained because, despite a 29.46% decrease in the kilos traded, there was an increase in the average income per kilo of 71.37%.

³ Corresponds to the total Operating Income plus Other income, per function.



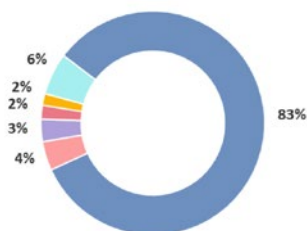
Value Added Products recorded sales revenue of **ThUS\$19,016** during the first half of 2019, increasing by 20.21% compared to the income recorded in the same period of the previous year. This variation is explained by an increase of 21.99% in the volume distributed, while the average income per kilo decreased by 1.46% in the same period.

The following charts and tables summarize the make-up of Operating revenue and its variation in the analyzed period:

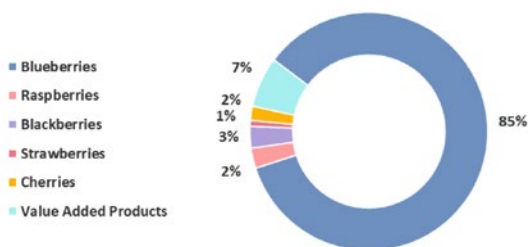
Revenue (Thousands of dollars)

	Jan18-Jun18	Jan19-Jun19	Var %
Blueberries	217,350	235,277	8.25%
Raspberries	10,990	7,596	-30.88%
Blackberries	8,467	8,149	-3.75%
Strawberries	5,221	2,223	-57.41%
Cherries	4,409	5,329	20.89%
Value Added Products	15,819	19,016	20.21%
TOTAL	262,255	277,591	5.85%

Income per Segment Jan18-Jun18



Income per Segment Jan19-Jun19



- **The Operating result recorded a loss of ThUS\$1,639 as of June19, which is compared with the positive result of US\$14,626 obtained in the same period of 2018.**

It must be stated that due to the entry into effect of the Amendment to IAS 16 and IAS 41 from January 01, 2016, “bearer plants” are considered a Fixed Asset, so they must be depreciated year by year, among other aspects. Due to this, the aforementioned Operating result includes ThUS\$11,360 of depreciation of “Bearer Plants”, which must be compared with a ThUS\$5,592 depreciation for this concept as of Jun18.

On its part, there is an increase in the amortization of the Intangible Asset, which went from ThUS\$706 as of Jun18 to ThUS\$1,222 as of Jun19, mainly associated with the greater sale of royalties from Blueberry plants.

The **Blueberry** business recorded a **negative Operational result of ThUS\$6,526** as of June 19, decreasing by 147.92% compared to Jun18, influenced by the higher administrative and sales expenses, associated with the incorporation of the blueberry business in Peru (purchase of Grupo Rocío), that did not exist in the consolidation perimeter of the Company. In the first half of 2018, in addition to unusual climatic events that delayed the production curve of Peru, a significant volume of fruit from this country was concentrated during the 1Q19, a period in which it coincided with the Chilean production that is usually marketed in this period, impacting down sales prices. To this are added quality effects of Peruvian and Chilean fruit, also as a consequence of climatic events in both countries, and higher one-time costs associated with higher preventive and palliative agricultural applications associated with maintaining the quality of the fruit. The operating margin also experienced a fall from 6.27% to -2.77%.

The **Raspberry** segment recorded a **positive Operating result of ThUS\$2,899** as of June19, which compares with the ThUS\$350 recorded as of Jun18. The depreciation of the “bearer plants” considered in this segment to Jun19 amounts to ThUS\$404, lower than the ThUS\$541 recorded as of Jun18.



The Operational result of the **Blackberry** was **positive in ThUS\$926** as of June 19, which compares with a loss of ThUS\$196 in the same period of 2018, an improvement that is associated with the increase in the sale price during the period, partially offset by the lower distributed volume. This segment does not record depreciation of “bearer plants”.

The **Strawberry** recorded a **negative Operating result of ThUS\$579** accumulated as of Jun19, compared to a loss of ThUS\$1,204 recorded at Jun18. The lower loss is explained by the sale of higher quality fruit, which resulted in an increase in the average price per kilo of 3.64%. This segment does not record depreciation of “bearer plants”.

The **Cherry** segment recorded a **positive Operational result of ThUS\$817** in the first 6 months of 2019, increasing with respect to the profit of ThUS\$419 recorded in the same period of the previous year. Given the above, the operating margin of this product increased from 9.49% of revenues to 15.32% of them during the analysis period, linked to the increase in the sale price associated with the lower volume available in the market. This segment does not record depreciation of “bearer plants”.

The **Added Value Products** show a **positive Operational result of ThUS\$826** as of June19, which is compared with a profit of ThUS\$1,638 as of June18, a drop that is explained because during the first half of 2019 a larger volume of fruit was purchased and processed compared to the first half of 2018, resulting in higher costs, fruit that will be sold in the remainder months of 2019. Likewise, the operating margin of this segment was 4.34% in the analysis period, below the positive margin of 10.35% recorded as of Jun18. This segment does not record depreciation of “bearer plants”.



NON-OPERATING RESULTS

- **Non-operating result recorded losses of ThUS\$17,996 during the first 6 months of 2019, which compares with losses of ThUS\$3,851 recorded in the same period of 2018.**

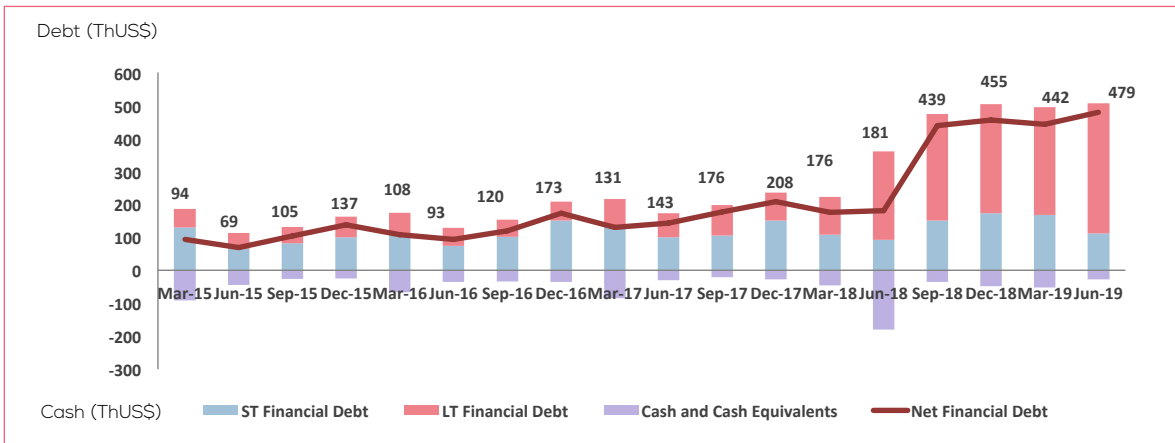
This variation is mainly explained by the following factors:

- a.** Increase in **net financial expenses**, totaling **ThUS\$13,180** at the end of the first half of 2019, which compares with net financial expenses of ThUS\$3,807 in the same period of the previous year. The increase is mainly explained by: (1) the financing of the purchase and merger of the blueberry business of the Grupo Rocio in Peru, (2) the incorporation of the existing debt of the businesses acquired in this transaction and (3) the increase in short-term interest rates.
- b.** **A loss recorded in the Participation in the profit (losses) of associates and joint ventures of ThUS\$2,935** as of June19, which is compared with the losses of ThUS\$439 obtained in the same period in 2018. The lower loss recorded as of Jun18 is mainly associated with the result generated by the operation of Hortifrut Tal S.A.C (Peru), a company that entered the consolidation perimeter in the financial statements of Hortifrut as of July 3, 2018, as a result of the purchase and merger of the Grupo Rocio's blueberry business. On its part, the losses recorded as of Jun19 are mainly associated with the negative result of the associate Munger Hortifrut NA LLC (United States) of ThUS\$2,802 (ThUS\$3,543 losses as of Jun18).

The **Net Financial Debt** of the Company increased from ThUS\$455,171 as of December 31, 2018 to **ThUS\$479,277** as of June 30, 2019, which is mainly explained by the entry into effect of IFRS 16, through which for the contracts of lease two accounting entries must be recorded, on one hand a financial liability is recognized and on the other the value of the leased asset. In the case of Hortifrut, the liability associated with the lease contracts that the Company has was ThUS\$13,486 as of Jun19. To this is added the working capital, in which it is necessary to invest for the beginning of the 2019-20 season in Peru.

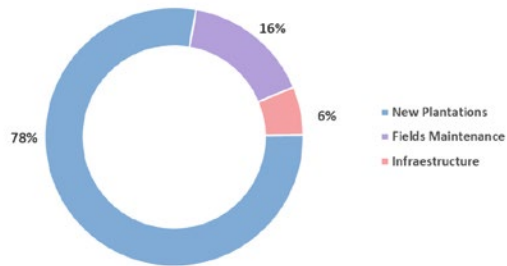


During the first half of 2019, **the Company invested ThUS\$29,977**, mainly in new plantations, in addition to infrastructure and maintenance of existing plantations. This represents an increase of 33.86% over the same period of 2018, mainly due to investments made in Trujillo, associated with maintenance of the fields, and the execution of the blueberry plantation project in China and raspberries in Mexico.



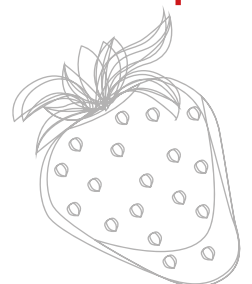
INVESTMENTS
JAN-JUN2019

ThUS\$ 29,977



NET INCOME AND EBITDA

- **The Company presented a negative Profit attributable to the parent company of ThUS\$16,201 as of Jun19**, which is compared with a profit of ThUS\$5,498 recorded to Jun18. The losses for the period are mainly due to a lower operating result of ThUS\$16,265, which is mainly explained by: (1) the incorporation of administrative and sales expenses of the business acquired in Peru, which was not in the consolidation of the period in the previous year, (2) extraordinary climatic events in Peru that delayed the production curve in that country, concentrating a relevant volume of fruit from Peru during 1Q19, period in which it coincided with the Chilean production that is usually marketed in this period, impacting down the sale prices, and (3) quality problems of Peruvian and Chilean fruit, also as a result of climatic events in both areas. Regarding the non-operating result, there is a higher financial cost of ThUS\$8,715 explained, to a large extent, by the higher financial debt associated with the purchase and merger of the Grupo Rocio's blueberry business in Peru, to the increase in short-term interest rates and financing of working capital for the period..
- The accumulated **EBITDA** as of Jun19 reached **ThUS\$23,611**, recording a decrease of 9.39% compared to the EBITDA of ThUS\$26,059 recorded in the same period in 2018. The lower EBITDA is mainly explained by the same factors that influenced the aforementioned operational result.



2018-19 SEASON RESULTS ANALYSIS

HORTIFRUT S.A. AND SUBSIDIARIES
Consolidated Integral Income Statement
For Season ending on June 30 (July 2018 to June 2019)

	Jul17-Jun18		Jul18-Jun19		Var %
	ThUS\$	% Rev.	ThUS\$	% Rev.	
Total revenue ⁴	447,178		550,996		23.22%
Cost of sales	-366,668	-82.00%	-387,055	-70.25%	5.56%
Administrative Expenses	-32,195	-7.20%	-57,445	-10.43%	78.43%
EBITDA	48,315	12.0%	106,496	19.3%	120.42%
Depreciation Fixed Assets	-10,836	-2.42%	-26,231	-4.76%	142.07%
Depreciation Biological Assets	-6,203	-1.39%	-16,279	-2.95%	162.44%
Amortization Intangible Assets	-2,708	-0.61%	-1,541	-0.28%	-43.09%
Operating Result (exclude assets impairment)	28,568	6.39%	62,445	11.33%	118.58%
Asset Impairment	-3,215	-0.72%	-2,317	-0.42%	-27.93%
Operating Result	25,353	5.67%	60,128	10.91%	137.16%
Financial income	2,221		790		-64.43%
Financial expenses	-8,114		-25,969		220.05%
Share of profit of equity - accounted investees	8,876		-5,979		-167.36%
Other profit (loss)	-248		60,527		-24506.05%
Exchange rate differences	-2,482		25		-101.01%
Non Operatig Result	253	0.06%	29,394	5.33%	11518.18%
Profit before tax	25,606	5.73%	89,522	16.25%	249.61%
Gains tax expenses	-5,295		-20,927		295.22%
Profit (loss)	20,311	4.54%	68,595	12.45%	237.72%
Profit (loss), attributable to the parent company equity holders	17,362		62,184		258.16%
Profit (loss), attributable to non-controlling interests	2,949		6,411		117.40%
Profit (loss)	20,311	4.54%	68,595	12.45%	237.72%
Sales volume (tons)	47,354		60,821		28.44%
EBITDA / kg (US\$)	1.02		1.75		71.62%

⁴ Corresponds to the sum of Revenue from ordinary activities plus Other income, by function.



In the recently completed **2018-19 season**, the Company recorded an **EBITDA of ThUS\$106,496**, higher than the ThUS\$48,315 obtained during the 2017-18 season. The increase is mainly explained by the commercialization of a higher volume of fruit coming mainly from plantations in Peru.

On its part, **Total Revenue⁵ increased by 23.22%**, reaching **ThUS\$550,996**, mainly explained by a 28.44% increase in the volume distributed, partially offset by a 2.37% decrease in the average price per kilo, adding to the sale of plants and higher revenues for services during the 2018-19 season.

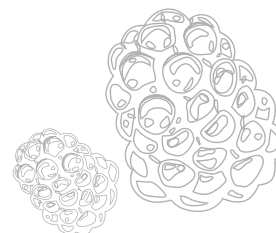
As noted above, isolating the effect of income associated with businesses other than the sale of fruit, such as the sale of plants, royalty income and income from service provision, among others, the **average price of the product mix decreased 2.37%** from US\$8.01 between July 2017 and June 2018 to US\$7.82 between July 2018 and June 2019, as a result of a fall in prices for all segments, except strawberries and cherries.

Particularly, **the average price of blueberries recorded a decrease of 6.65%** to US\$8.67, **raspberries one of 9.06%** to US\$9.21, **blackberries one of 8.30%** to US\$6.09 and **value-added products decreased 6.38%** to US\$3.52, while **cherries recorded an increase of 70.33%** to US\$9.54 and **strawberries one of 3.64%** up to US\$4.67.

Sales Costs increased 5.56% in the 2018-19 season compared to the 2017-18 season, however, their proportion with respect to Total Revenue decreased from 82.00% to 70.25% by incorporating to the consolidation of the Company's operations in Peru, which have a higher margin with respect to the operations that Hortifrut had before this operation.

On its part, **Administration Expenses** also recorded an increase of 78.43%, while, in terms of participation on Total Revenue, they went from 7.20% to 10.43% within the analysis period. The increase is largely associated with the incorporation of the Administration Expenses of the Peruvian subsidiaries that began to be within the scope of consolidation of the financial statements of Hortifrut with the occasion of the purchase and merger of the Grupo Rocio's blueberry business.

⁵ Corresponds to the sum of Revenue from ordinary activities plus Other income, by function.



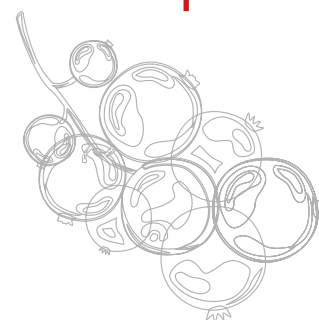
The following table shows the volume distributed per segment during the 2017-18 and 2018-19 seasons:

Volume Distributed (kilos)	Jul17-Jun18	Jul18-Jun19	Var %
Blueberries	32,791,641	47,044,824	43.47%
Raspberries	1,743,945	1,593,536	-8.62%
Blackberries	2,023,220	2,264,989	11.95%
Strawberries	2,232,911	884,876	-60.37%
Cherries	806,250	571,218	-29.15%
Value Added Products ⁶	7,756,214	8,461,649	9.10%
TOTAL	47,354,182	60,821,092	28.44%

On its part, a **positive non-operating result of ThUS\$29,394** was recorded during the 2018-19 season, which is compared with a profit of ThUS\$253 in the same period of the previous season. This variation is mainly explained by the Other income / expenses item, which amounted to ThUS\$60,527 during the 2018-19 season, linked to the recognition at fair value of the assets and liabilities of Hortifrut Tal S.A.C. (Peru), as a result of the transaction made in Peru. Additionally, there was a profit of ThUS\$25 per exchange rate differences mainly influenced by the appreciation of the dollar against the euro and Chilean peso, which compares with a loss of ThUS\$2,482 in this concept in the season 2017-18 due to an opposite movement of the parities indicated above.

The aforementioned variations were partially offset by an increase in net financial expenses which went from ThUS\$5,893 in the period July 2017-June 2018 to ThUS\$25,179 in the period July 2018-June 2019, largely due to the increase in the average debt balances for the financing of the purchase and merger of the blueberry business of the Grupo Rocio in Peru, the incorporation of the existing debt of the businesses acquired in this transaction and the working capital necessary for the operation in Peru. To this is added the lower result on participation in the Profits (losses) of associates and joint ventures, item that went from a profit of ThUS\$8,876 in the 2017-18 season to a loss of ThUS\$5,979 in the following season, mainly because Hortifrut Tal S.A.C (Peru) (a company that generated most of this profit during July 2017 - June 2018) became a subsidiary and consolidated within the Hortifrut Group as a result of the purchase and merger of the Grupo Rocio's blueberry business in Peru.

⁶ This volume does not consider the kilos processed to third parties.



6. INFORMATION PER BUSINESS SEGMENT

“FRESH FRUIT” ADDED SEGMENT

BLUEBERRIES

Income Statement per Comparative Calendar Year Jan18/Jun18 – Jan19/Jun19

Blueberries	Jan18-Jun18	% Income	Jan19-Jun19	% Income	Var %
Operating Income (ThUS\$)	217,350		235,277		8.2%
Operating Costs (ThUS\$)	-203,730		-241,803		18.7%
Operating Result (ThUS\$) ⁷	13,621	6.27%	-6,526	-2.77%	-147.9%

Income Statement per Comparative Season Jul17/Jun18 – Jul18/Jun19

Blueberries	Jul17-Jun18	% Income	Jul18-Jun19	% Income	Var %
Operating Income (ThUS\$)	372,339		483,162		29.8%
Operating Costs (ThUS\$)	-346,190		-424,803		22.7%
Operating Result (ThUS\$) ⁷	26,150	7.02%	58,358	12.08%	123.2%

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Evolution of Sales Volume and Prices

Blueberries	Jan18-Jun18	Jan19-Jun19	Var %	Jul17-Jun18	Jul18-Jun19	Var %
Sales volume (kilos)	19,917,020	22,685,697	13.90%	32,791,641	47,044,824	43.47%
Percentage of the total	69.38%	73.04%		69.25%	77.35%	
Average Income (US\$/kg)	10.91	10.37	-4.96%	11.35	10.27	-9.55%
Average Price (US\$/kg)	7.96	7.99	0.31%	9.29	8.67	-6.65%

⁷ The Operating Result by Operating Segment does not consider the Item Assets Impairment.



6. INFORMATION PER BUSINESS SEGMENT

RASPBERRIES

Income Statement per Comparative Calendar Year Jan18/Jun18 – Jan19/Jun19

Raspberries	Jan18-Jun18	% Income	Jan19-Jun19	% Income	Var %
Operating Income (ThUS\$)	10,990		7,596		-30.88%
Operating Costs (ThUS\$)	-10,640		-4,698		-55.85%
Operating Result (ThUS\$) ⁸	350	3.18%	2,899	38.16%	728.31%

Income Statement per Comparative Season Jul17/Jun18 – Jul18/Jun19

Raspberries	Jul17-Jun18	% Income	Jul18-Jun19	% Income	Var %
Operating Income (ThUS\$)	17,654		14,670		-16.90%
Operating Costs (ThUS\$)	-18,972		-13,817		-27.17%
Operating Result (ThUS\$) ⁸	-1,318	-7.46%	853	5.81%	-164.69%

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Evolution of Sales Volume and Prices

Raspberries	Jul17-Jun18	% Income	Jul18-Jun19	% Income	Var %
Operating Income (ThUS\$)	17,654		14,670		-16.90%
Operating Costs (ThUS\$)	-18,972		-13,817		-27.17%
Operating Result (ThUS\$)	-1,318	-7.46%	853	5.81%	-164.69%

⁸ The Operating Result by Operating Segment does not consider the Item Assets Impairment.



6. INFORMATION PER BUSINESS SEGMENT

BLACKBERRIES

Income Statement per Comparative Calendar Year Jan18/Jun18 – Jan19/Jun19

Blackberries	Jan18-Jun18	% Income	Jan19-Jun19	% Income	Var %
Operating Income (ThUS\$)	8,467		8,149		-3.75%
Operating Costs (ThUS\$)	-8,663		-7,223		-16.62%
Operating Result (ThUS\$) ⁹	-196	-2.32%	926	11.36%	-571.44%

Income Statement per Comparative Season Jul17/Jun18 – Jul18/Jun19

Blackberries	Jul17-Jun18	% Income	Jul18-Jun19	% Income	Var %
Operating Income (ThUS\$)	13,439		13,795		2.65%
Operating Costs (ThUS\$)	-13,977		-13,673		-2.18%
Operating Result (ThUS\$) ⁹	-539	-3.47%	123	-3.39%	-122.8%

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Evolution of Sales Volume and Prices

Blackberries	Jan18-Jun18	Jan19-Jun19	Var %	Jul17-Jun18	Jul18-Jun19	Var %
Sales volume (kilos)	1,305,540	1,174,324	-10.05%	2,023,220	2,264,989	11.95%
Percentage of the total	4.55%	3.78%		4.27%	3.72%	
Average Income (US\$/kg)	6.49	6.94	7.00%	6.64	6.09	-8.30%
Average Price (US\$/kg)	6.49	6.94	7.00%	6.64	6.09	-8.30%

⁹ The Operating Result by Operating Segment does not consider the Item Assets Impairment.



6. INFORMATION PER BUSINESS SEGMENT

STRAWBERRIES

Income Statement per Comparative Calendar Year Jan18/Jun18 – Jan19/Jun19

Strawberries	Jan18-Jun18	% Income	Jan19-Jun19	% Income	Var %
Operating Income (ThUS\$)	5,221		2,223		-57.41%
Operating Costs (ThUS\$)	-6,425		-2,802		-56.38%
Operating Result (ThUS\$) ¹⁰	-1,204	-23.07%	-579	-26.05%	-51.91%

Income Statement per Comparative Season Jul17/Jun18 – Jul18/Jun19

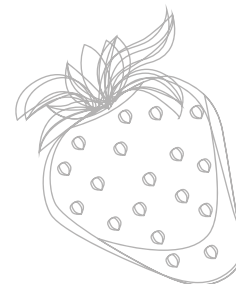
Strawberries	Jul17-Jun18	% Income	Jul18-Jun19	% Income	Var %
Operating Income (ThUS\$)	10,067		4,135		-58.93%
Operating Costs (ThUS\$)	-11,990		-5,061		-57.79%
Operating Result (ThUS\$) ¹⁰	-1,924	-19.11%	-926	-22.41%	-51.84%

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Evolution of Sales Volume and Prices

Strawberries	Jan18-Jun18	Jan19-Jun19	Var %	Jul17-Jun18	Jul18-Jun19	Var %
Sales volume (kilos)	1,292,566	531,127	-58.91%	2,232,911	884,876	-60.37%
Percentage of the total	4.50%	1.71%		4.72%	1.45%	
Average Income (US\$/kg)	4.04	4.19	3.64%	4.51	4.67	3.64%
Average Price (US\$/kg)	4.04	4.19	3.64%	4.51	4.67	3.64%

¹⁰ The Operating Result by Operating Segment does not consider the Item Assets Impairment.



6. INFORMATION PER BUSINESS SEGMENT

CHERRIES

Income Statement per Comparative Calendar Year Jan18/Jun18 – Jan19/Jun19

Cherries	Jan18-Jun18	% Income	Jan19-Jun19	% Income	Var %
Operating Income (ThUS\$)	4,409		5,329		20.89%
Operating Costs (ThUS\$)	-3,990		-4,513		13.10%
Operating Result (ThUS\$) ¹¹	419	9.49%	817	15.32%	95.10%

Income Statement per Comparative Season Jul17/Jun18 – Jul18/Jun19

Cherries	Jul17-Jun18	% Income	Jul18-Jun19	% Income	Var %
Operating Income (ThUS\$)	4,516		5,449		20.67%
Operating Costs (ThUS\$)	-4,000		-4,585		14.63%
Operating Result (ThUS\$) ¹¹	1,191	26.37%	523	9.60%	-56.05%

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Evolution of Sales Volume and Prices

Cherries	Jan18-Jun18	Jan19-Jun19	Var %	Jul17-Jun18	Jul18-Jun19	Var %
Sales volume (kilos)	787,970	555,833	-29.46%	806,250	571,218	-29.15%
Percentage of the total	2.74%	1.79%		1.70%	0.94%	
Average Income (US\$/kg)	5.59	9.59	71.37%	5.60	9.54	70.33%
Average Price (US\$/kg)	5.59	9.59	71.37%	5.60	9.54	70.33%

¹¹ The Operating Result by Operating Segment does not consider the Item Assets Impairment.



6. INFORMATION PER BUSINESS SEGMENT

“VALUE ADDED PRODUCTS” SEGMENT

Income Statement per Comparative Calendar Year Jan18/Jun18 – Jan19/Jun19

Value Added Products	Jan18-Jun18	% Income	Jan19-Jun19	% Income	% Income
Operating Income (ThUS\$)	15,819		19,016		20.21%
Operating Costs (ThUS\$)	-14,181		-18,190		28.27%
Operating Result (ThUS\$) ¹²	1,638	5.05%	826	-9.08%	-49.59%

Income Statement per Comparative Season Jul17/Jun18 – Jul18/Jun19

Value Added Products	Jul17-Jun18	% Income	Jul18-Jun19	% Income	Var %
Operating Income (ThUS\$)	29,163		29,785		2.13%
Operating Costs (ThUS\$)	-23,481		-26,611		13.33%
Operating Result (ThUS\$) ¹²	5,682	25.60%	3,174	10.02%	-44.15%

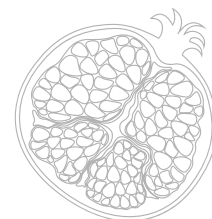
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Evolution of Sales Volume and Prices

Value Added Products	Jan18-Jun18	Jan19-Jun19	Var %	Jul17-Jun18	Jul18-Jun19	Var %
Sales volume (kilos) ¹³	4,406,836	5,375,914	21.99%	7,756,214	8,461,649	9.10%
Percentage of the total	15.35%	17.31%		16.38%	13.91%	
Average Income (US\$/kg)	3.59	3.54	-1.46%	3.76	3.52	-6.38%
Average Price (US\$/kg)	3.59	3.54	-1.46%	3.76	3.52	-6.38%

¹² The Operating Result by Operating Segment does not consider the Item Assets Impairment.

¹³ This volume does not consider kilos processed for third parties.



6. INFORMATION PER BUSINESS SEGMENT

PLANTED HECTARES VARIATION

Planted Surface	Productive			Non Productive ¹⁴		
	Jun-18	Jun-19	Var. %	Jun-18	Jun-19	Var. %
Blueberries						
Surface (Hectares)	976	3,077	215.25%	315	172	-45.33%
Percentage of the total	82.45%	94.70%		93.56%	76.53%	
Raspberries						
Surface (Hectares)	133	101	-24.20%	13	0	-100.00%
Percentage of the total	11.20%	3.09%		3.82%	0.00%	
Blackberries						
Surface (Hectares)	13	9	-28.35%	0	2	100.00%
Percentage of the total	1.07%	0.28%		0.00%	0.67%	
Strawberries						
Surface (Hectares)	56	56	0.00%	9	6	-31.82%
Percentage of the total	4.73%	1.72%		2.62%	2.67%	
Cherries						
Surface (Hectares)	7	7	2.46%	0	45	100.00%
Percentage of the total	0.55%	0.20%		0.00%	20.13%	
TOTAL Hortifrut	1,184	3,249	174.47%	336	225	-33.17%

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¹⁴ Non-productive hectares are those hectares that are planted, but they do not have the capacity to produce fruit.



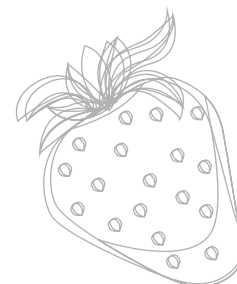
7. FINANCIAL AND PROFITABILITY RATIOS

LIQUIDITY RATIOS

Liquidity (times)	Jun-18	Jun-19
Current Liquidity	2.22	1.23
<i>Current asset / Current liability</i>		
Acid-test Ratio	2.01	0.74
<i>Available asset (Current asset - Stock - Prepayments) / Current liability</i>		

LEVERAGE RATIOS

Leverage	Jun-18	Jun-19
Leverage Ratio	2.09	1.48
<i>Total liabilities / Equity attributable to Parent Company</i>		
Short Term Debt	29.32%	23.27%
<i>Total current liabilities / Total liabilities</i>		
Long Term Debt	70.68%	76.73%
<i>Total non current liabilities / Total liabilities</i>		
Financial Expenses Hedging	3.16	-0.43
<i>(Before tax profit - Financial expenses) / Financial expenses</i>		
Book value of the Share (US\$)	0.4699	0.8563
<i>Equity attributable to Parent Company / N° of shares</i>		
Net Financial Debt over Equity	0.73	0.95
<i>(Financial Debt - Cash and Cash Equivalents) / Equity</i>		



7. FINANCIAL AND PROFITABILITY RATIOS

PROFITABILITY RATIOS

Equity Profitability	Jun-18	Jun-19
Profitability of Parent Company's Equity	2.69%	-3.60%
<i>Parent Company's Profit / Parent Company's Equity</i>		
Profitability of the Equity	3.14%	-3.20%
<i>Profit for the year / Total equity</i>		

ACTIVITY RATIOS

Activity	Jun-18	Jun-19
Rotation of Assets (times)	0.45	0.23
<i>Operating Income / Total assets year average</i>		
Rotation of Stock (times)	7.32	4.29
<i>Cost of sales / Average stock</i>		
Permanence of Stock (days)	25	42
<i>Stock / Annualized cost of sales (360 days base)</i>		



8. CONSOLIDATED FINANCIAL STATEMENT - IFRS

a) CONSOLIDATED STATEMENT OF FINANCIAL POSITION – ASSETS

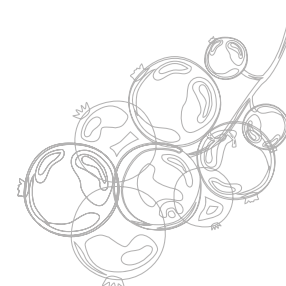
	Note	30-jun-2019 ThUS\$	31-Dec-18 ThUS\$
Assets			
Current Assets			
Cash and cash Equivalents	8	26,909	48,901
Other current financial assets	9	909	1,411
Other current non-financial assets	14	7,436	5,462
Current trade debtors and other accounts receivable	10	52,101	82,202
Current accounts receivable from related entities	11	27,918	48,317
Inventories	12	32,941	86,490
Biological assets, current	13	36,432	21,076
Current tax assets	20	6,441	2,007
Total current Assets		191,087	295,866
Non-current Assets			
Other non-current financial assets	9	1,391	317
Other non-current non-financial assets	14	1,234	1,192
Non-current fees receivable	10	5,999	1,546
Non-current accounts receivables with related entities	11	4,336	4,224
Equity accounted investees	16	26,582	29,385
Intangible assets other than appreciation	17	13,825	15,020
Goodwill	18	179,770	179,770
Property, plant and equipment	19	721,290	693,363
Deferred tax assets	20	26,208	26,637
Total non-current Assets		980,635	951,454
Total Assets		1,171,722	1,247,320



8. CONSOLIDATED FINANCIAL STATEMENT - IFRS

b) CONSOLIDATED STATEMENT OF FINANCIAL POSITION – LIABILITIES AND EQUITY

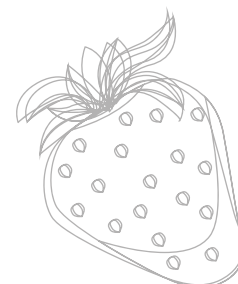
Equity and Liabilities	Note	30-jun-2019	31-Dec-18
		ThUS\$	ThUS\$
Liabilities			
Current Liabilities			
Other current financial liabilities	21	111,642	172,629
Current trade accounts and other accounts payable	22	33,295	88,319
Current accounts payable to related entities	11	4,459	7,646
Other current provisions	23	103	829
Current provisions for employee benefits	23	4,929	2,926
Other current non-financial liabilities		74	2,069
Total current Liabilities		154,502	274,418
Non-current Liabilities			
Other non-current financial liabilities	21	394,544	331,443
Other non-current accounts payable	22	6,506	6,506
Non-current accounts payable to related entities	11	9,578	8,562
Deferred tax liabilities	20	101,487	106,966
Total non-current Liabilities		512,115	453,477
Total Liabilities		666,617	727,895
Equity			
Issued capital	24	342,970	347,191
Retained earnings	25	119,317	135,518
Issuance premiums	24	0	(4,221)
Other reserves	26	(11,448)	(11,806)
Equity attributable to the parent company's equity holders		450,839	466,682
Non-controlling interest	27	54,266	52,743
Total Equity		505,105	519,425
Total Equity and Liabilities		1,171,722	1,247,320



8. CONSOLIDATED FINANCIAL STATEMENT - IFRS

c) CONSOLIDATED INTEGRAL INCOME STATEMENT

Income Statement	Note	01-Jan-19	01-Jan-18
		30-Jun-19	30-Jun-18
		ThUS\$	ThUS\$
Profit (loss)			
Revenues	29	275,121	260,683
Cost of sales	30	(245,830)	(228,908)
Gross profit		29,291	31,775
Other income, per function	29	2,470	1,572
Administrative expenses	30	(24,037)	(17,560)
Other expenses, per function	30	(9,363)	(1,161)
Other profit (loss)		(346)	(50)
Financial income		517	1,175
Financial expenses	31	(13,697)	(4,982)
Share of profit of equity - accounted investees	16	(2,935)	(439)
Exchange rate differences	32	(1,535)	445
Profit before tax		(19,635)	10,775
Gains tax expenses	20	3,491	(2,998)
Profit (loss) from continued operations		(16,144)	7,777
Profit (loss)		(16,144)	7,777
Profit (loss) attributable to			
Profit (loss), attributable to the parent company equity holders		(16,201)	5,498
Profit (loss), attributable to non-controlling interests	27	57	2,279
Profit (loss)		(16,144)	7,777
Profit per share			
Basic earning per share			
Basic earnings (loss) per share from continued operations (US\$ per share)	28	(0.030827)	0.012624
Basic earnings (loss) per share		(0.030827)	0.012624
Profit per diluted share			
Diluted earnings (loss) per share from continued operations (US\$ per share)		(0.030827)	0.012624
Diluted earnings (loss) per share		(0.030827)	0.012624



8. CONSOLIDATED FINANCIAL STATEMENT - IFRS

d) CONSOLIDATED STATEMENT OF CHANGES IN NET EQUITY

	Issued Capital Note 24 ThUS\$	Issuance premium Note 24 ThUS\$	Reserves due to exchange rate differences Note 26 ThUS\$	Cash flow hedging reserves Note 26 ThUS\$	Other reserves Note 26 ThUS\$	Accumulated profit (loss) Note 25 ThUS\$	Equity attributable to parent company equity holders ThUS\$	Non controlling interests Note 27 ThUS\$	Total Equity ThUS\$
Opening balance as of 01/01/2019	347,191	(4,221)	(10,132)	(1,674)	(11,806)	135,518	466,682	52,743	519,425
Changes in equity									
Comprehensive income									
Net profit	-	-	-	-	-	(16,201)	(16,201)	57	(16,144)
Other comprehensive income	-	-	(62)	420	358	-	358	198	556
Total comprehensive income	-	-	(62)	420	358	(16,201)	(15,843)	255	(15,588)
Issuance of Equity	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	(202)	(202)
Increase (decrease) due to transfer and other changes	(4,221)	4,221	-	-	-	-	-	1,479	1,479
Total change in equity	(4,221)	4,221	-	-	-	-	-	1,268	1,268
Closing balance as of 30/06/2019	342,970	-	(10,194)	(1,254)	(11,448)	119,317	450,839	54,266	505,105
Opening balance as of 01/01/2018	135,149	-	(2,351)	3,516	1,165	70,503	206,817	36,758	243,575
Increase (decrease) due to changes in accounting policies	-	-	-	-	-	(802)	(802)	(126)	(928)
Restated opening balance	135,149	-	(2,351)	3,516	1,165	69,701	206,015	36,632	242,647
Changes in equity									
Comprehensive income									
Net profit	-	-	-	-	-	5,498	5,498	2,279	7,777
Other comprehensive income	-	-	(2,973)	(3,874)	(6,847)	-	(6,847)	(885)	(7,732)
Total comprehensive income	-	-	(2,973)	(3,874)	(6,847)	5,498	(1,349)	1,394	45
Dividends	-	-	-	-	-	-	-	(157)	(157)
Increase (decrease) due to transfer and other changes	-	-	-	-	-	-	-	5,006	5,006
Total change in equity	-	-	-	-	-	-	-	4,849	4,849
Closing balance as of 30/06/2018	135,149	-	(5,324)	(358)	(5,682)	75,199	204,666	42,875	247,541



8. CONSOLIDATED FINANCIAL STATEMENT - IFRS

e) CONSOLIDATED CASH FLOW STATEMENT

Direct Cash Flow Statement	01-Jan-19 30-Jun-19 ThUS\$	01-Jan-18 30-Jun-18 ThUS\$
Cash flow statement		
Cash flow from (used in) operating activities		
Types of changes per operating activities		
Collection from the sale of goods and providing of services	323,687	283,705
Types of payments		
Payments to suppliers for the providing of goods and services	(219,791)	(176,791)
Payments to and on behalf of employees	(46,895)	(43,678)
Paid interests	(9,863)	(3,447)
Received interests	517	1,175
Gains tax refund (paid)	(5,623)	(5,783)
Other received (paid) cash	(253)	411
Net cash flows from (used in) operating activities	41,779	55,592
Cash flow from (used in) investment activities		
Cash flow used to purchase non parent company interests	(224)	(1,667)
Loans to related entities	-	(4,018)
Income from the sale of property, plant and equipment	1,293	252
Purchase of property, plant and equipment	(39,772)	(27,765)
Purchase of intangible assets	(401)	(1,508)
Charges to related entities	-	7,492
Other received (paid) cash	1,470	5,006
Net cash flow from (used in) investment activities	(37,634)	(22,208)
Cash flow from (used in) financing activities		
Income from long term loans	109,230	219,010
Income from short term loans	80,430	79,570
Total income from loans	189,660	298,580
Loans from related entities	-	960
Payment of loans	(202,642)	(173,475)
Payment of liabilities for financial lease	(2,223)	(1,368)
Paid dividends	(10,926)	(6,254)
Net cash flow from (used in) financing activities	(26,131)	118,443
Net increase (decrease) in cash and cash equivalents, before exchange rate fluctuations	(21,986)	151,827
Effect of exchange rate fluctuations on cash and cash equivalents	(6)	(183)
Effects of exchange rate fluctuations on cash and cash equivalents	(6)	(183)
Net increase (decrease) in cash and cash equivalents	(21,992)	151,644
Cash and cash equivalents, opening balance	48,901	27,838
Cash and cash equivalents, closing balance	26,909	179,482

