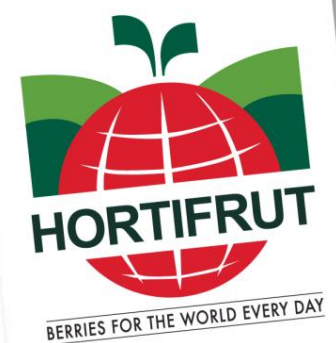




# EARNINGS REPORT DECEMBER 2019



# OUR COMPANY

**Vision:**

To be the world leader in the Berries category.

**Mission:**

Berries for the world, every day.

**Business model:**

Through strategic alliances, uniting the best in the southern hemisphere with the best in the northern hemisphere, in commercial platforms and own brands, integrating the business from genetics to the final customer. We supply the best clients in the main global markets.

**Purpose:**

Touching & enlightening the life of the people of the world by growing the most wonderful and healthy berries, through a team and partnerships that care about the environment and the community.





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## SUMMARY OF CONSOLIDATED RESULTS BY SEASON 2019/20 AND 2018/19 AND CALENDAR YEAR AS OF DECEMBER 19 AND DECEMBER 18

1. **Total Revenues increased by 10.77%** in the first 6 months of the 2019/20 season (“2H19”) compared to the same period of the 2018/19 season (“2H18”), totaling **ThUS\$302,847**. The higher income is due, in main part, to an increase in the volume marketed of 45.12%, mainly due to fruit from Peru, an increase that was partially offset by a decrease in the average income per kilo of 23.67%, associated at lower prices in all destination markets, linked to the greater supply of fruit mainly from Peru, and by a decrease in Other income by function, associated with the lower fair value of fruit in carrier plants of the company, an amount that amounts to ThUS \$ 1,053 in 2H19, compared to ThUS \$ 5,332 in 2H18.

On its part, **total Revenue<sup>1</sup>** of Hortifrut accumulated at the end of December 2019 (“Dec19”) reached **ThUS\$580,438**, representing an **increase of 8.36%** compared to the same period of 2018 (“Dec18”). This increase is mainly explained by an increase in revenue from ordinary activities as a result of the 31.49% increase in sales volume, mainly due to fruit from Peru and Mexico and value-added products. Additionally, during the period a lower fair value of the fruit was recognized in the Company's bearer plants, for a total amount of ThUS\$1,401 (ThUS\$5,332 as of Dec18), which is recorded within Other income per function. These effects were partially offset by a decrease in the average price per kilo of 8.74%, largely due to lower prices in all destination markets, linked to the higher supply of fruit mainly from Peru and extraordinary weather events in Peru during the second half of 2018 that delayed the production curve in that country, concentrating a significant volume of fruit in Peru during 1Q19, a period in which it overlapped with Chilean production, impacting downward sales prices. Added to this are the quality problems of the Peruvian and Chilean fruit during the first quarter of the year, also because of climatic events in both areas, effects that have not occurred in the first half of the 19/20 season.

Revenues from “Fresh Fruit” aggregate segment, which includes blueberries, raspberries, blackberries, strawberries and cherries, represented 94.36% of consolidated revenues as of Dec19, slightly less than 95.04% as of Dec18. On its part, Revenue from the sale of “Products with Added Value” segment represented 5.64% of consolidated revenue in the same period.

2. **Total Operating costs** increased by 21.99% in 2H19 compared to 2H18, totaling **ThUS\$258,167**, mainly explained by increases in: 1) remuneration expenses linked to the higher volume of production and strengthening of the corporate structure in line with the Company growth; 2) purchases from third parties; 3) freight, and 4) depreciation, associated with an adjustment made in July 2019, as a result of a change in the methodology for accounting for depreciation in companies in Peru Trujillo (a linear depreciation was being carried out, and it was modified to depreciation based on the production curve).

<sup>1</sup> Corresponds to the sum of Income from ordinary activities plus Other income, by function

**Total Operating costs** as of Dec19 amounted to **ThUS\$537,397**, registering an increase of 17.01%, compared to Dec18, explained by: (1) increase in the volume distributed; (2) higher preventive and palliative agricultural applications to maintain the quality of the fruit; (3) higher administration and depreciation expenses related to the incorporation of the Grupo Rocío's blueberry business in Peru, an operation that was not consolidated during the first half of 2018; and (4) reversal of the fair value of fruit in bearer plants recorded at the end of December 2018 for ThUS\$7,357, in the item Other expenses by function. On the other hand, in unit terms, costs of sales decreased from US\$6.97 per kilo as of Dec18 to US\$5.82 per kilo as of Dec19.

3. Thus, during the first half of the 19/20 season, the Company recorded an **EBITDA** of **ThUS\$75,938**, decreasing 8.38% with respect to the EBITDA of ThUS\$82,885 recorded in the same period of 2018. The lower EBITDA is mainly explained because despite registering an increase of 45.12% in the volumes traded, the average income fell by 23.67%. In turn, in line with the increase in volumes, the period recorded higher costs of sales, which increased in a greater proportion with respect to income.

**EBITDA** as of Dec19 reached **ThUS\$99,549**, registering a decrease of 8.62% with respect to the EBITDA of ThUS\$108,944 recorded in the same period in 2018. The decrease in EBITDA is mainly explained by the lower valuation of fruit in bearer plants recorded at December 2019 closing for ThUS\$1,401, compared to ThUS\$5,332 in 2018, in addition to the lower average prices, according to the aforementioned effects, and the increase in administration and sales expenses, mainly due to the effect of the acquisition of the Grupo Rocío's blueberry business in Peru, the effects of which were not during the first half of 2018 and are included during the first half of 2019. These effects were largely offset by the increase in sales volume of 31.49%.

4. **Operating income** in 2H19 amounted to **ThUS\$46,427**, decreasing by 27.55% compared to 2H18. The decrease in the operating result of ThUS\$17,657 is largely linked to the reasons explained in the previous paragraph, added to the higher depreciation for the period, associated with the adjustment made in July 2019 in the depreciation, as a result of the change in the methodology in the accounting for depreciation in Peru Trujillo, based on the production curve.

As of Dec19, the **Operating Result** reached **ThUS\$44,788**, compared to the result of ThUS\$78,710 presented as of Dec18. For its part, the operating margin also experienced a decrease from 14.69% to 7.72% in the analysis period. These decreases are explained mainly for the same reasons that explain the variations in EBITDA in 2H19, added to the greater depreciation of the period linked to the incorporation of the Grupo Rocío's blueberry business in Peru, an operation that was not found during the first half of 2018.

5. The **non-operating result** for 2H19 presented a **negative result of ThUS\$13,422**, which compares with the positive result for ThUS\$47,390 registered in 2H18. The positive result of 2H18 is mainly associated with a profit of ThUS\$60,873 in other income/(expenses), largely due to the adjustment to fair value of the 50% interest in Hortifrut Tal S.A.C. (Peru), adjustment that amounted to ThUS\$60,990, which net of taxes amounts to ThUS\$44,520. Isolating this effect, the non-operating result for the period remains in line compared to the same period of the previous year.

The **non-operating result** as of Dec19 was **negative ThUS\$31,418**, which compares with the positive ThUS\$43,539 recorded as of Dec18. The positive result as of Dec18 is mainly associated with a profit of ThUS\$60,823 in other income/(expenses), largely due to the aforementioned adjustment to fair value of the 50% interest in Hortifrut Tal S.A.C. (Peru). Isolating this effect, the non-operating result as of Dec19 was ThUS\$13,949 lower than the same period of the previous year, this mainly due to higher net financial costs, which went from ThUS\$15,806 to Dec18 to ThUS\$24,281 to Dec19, largely linked to higher average balance of financial debt during the year, associated with the financing of the purchase and merger of the Grupo Rocío blueberry business in Peru and the incorporation of existing debt from the acquired businesses, debt that generated interest only for the months of July to December in 2018 vs. 12 months during 2019, added to the costs associated with prepayments of financial debt made during 2019. In addition to this, the period presents a higher loss in the Participations in the profits (losses) of associates and joint ventures of ThUS\$5,625 as of Dec19, which compares with losses of ThUS\$3,483 in the same period of 2018, mainly associated with the higher loss of the associate Munger Hortifrut NA LLC (United States) for ThUS\$6,172 (ThUS\$3,543 of losses as of Dec18).

6. **Profit attributable to the owners of the parent company reached ThUS\$19,757** in the first 6 months of the 2019-20 season ("2H19") compared to the ThUS\$78,385 recorded during the beginning of the 2018-19 season ("2H18") (-73.85%). The lower profit is mainly due to the one-time positive effect of ThUS\$60,990 in the non-operating result of the 2H18, which is recorded in other income/(expenses) outside the operation, due to the adjustment to fair value of the 50% interest in Hortifrut Tal SAC (Peru), which net of taxes amounts to ThUS\$44,520. Isolating this effect, the profit attributable to the owners of the parent company during 2H18 would be ThUS\$33,865, ThUS\$14,102 higher than the result of 2H19. The lower profit for the period is explained because despite recording an increase of 45.12% in the volumes marketed, the average income per kilo fell by 23.67% due to lower prices in all destination markets, linked to the higher supply of fruit mainly from Peru. In turn, in line with the increase in volumes, the period recorded higher costs of sales, which increased in a greater proportion compared to revenue. The higher costs are mainly associated with increases in: 1) remuneration expenses linked to the higher volume of production and strengthening of the corporate structure in line with the growth of the Company; 2) harvest costs due to an increase in the distributed volume and higher preventive and palliative agricultural applications to maintain the quality of the fruit; and 3) depreciation, associated with an adjustment made in July 2019, as a result of a change in the methodology in accounting for depreciation in companies in Peru Trujillo (a linear depreciation was being carried out, and it was modified to depreciation based on the production curve, and 4) freight. To this are added lower other income, by function related to the lower fair value of fruit in bearer plants (ThUS\$1,053 in 2H19, vs. ThUS\$5,332 in 2H18).

At Dec19 closing, the Company presented a **profit attributable to the owners of the parent of ThUS\$3,556**, which is compared to an income of ThUS\$83,883 recorded in the same period of 2018. The lower result compared to Dec18 is mainly due to the adjustment to fair value of the 50% interest in Hortifrut Tal SAC (Peru), explained above. Isolating this effect, the Profit attributable to the owners of the parent company as of Dec18 would be ThUS\$39,363, ThUS\$35,807 higher than the

result as of Dec19. In addition to the aforementioned adjustment, the period presents a lower operating result explained by: 1) the lower average prices, according to the aforementioned effects; 2) the increase in administrative and sales expenses, mainly due to the effect of the acquisition of Grupo Rocío's blueberry business in Peru (+ ThUS\$3,722), effects that were not presented during the first half of 2018 and are included during the first half of 2019, higher third-party services in Chile (+ ThUS\$2,788), and plantation projects in China (+ ThUS\$1,056); 3) the reversal of the fair value of the fruit in bearer plants recorded at the end of December 2018, and 4) the higher depreciation of the period linked to the incorporation of the Grupo Rocío's blueberry business in Peru (+ ThUS\$13,276), operation that was not part of Hortifrut in 1H18. On its part, the non-operating result as of Dec19 presents a higher net financial cost of ThUS\$8,475, as a result of the higher average balance of financial debt associated with the financing of the merger and acquisition of the Grupo Rocío's blueberry business in Peru and the incorporation of existing debt from the acquired businesses, debt that generated interest only for the months of July to december in 2018 vs. 12 months during 2019.

## HIGHLIGHTS OF THE PERIOD

### 1. Hortifrut acquires a non-controlling interest in BFruit

With the aim of further strengthening the leadership position in the marketing of berries in Europe, Hortifrut reached an **agreement to buy a non-controlling interest** in the organization of producers of **BFruit** in Portugal, especially raspberries. **All the volume produced by BFruit will be marketed through the Hortifrut trading platform for Europe**, thus increasing the volume of the vertically integrated business that already exists. In addition, this will allow Hortifrut to carry out faster commercial scaling of new varieties of raspberries, blackberries and blueberries from its own varietal development programs around the world.

### 2. Business combination of frozen products with Alifrut

Regarding the Company's growth strategy, in October 2019, **Hortifrut and Alifrut**, a subsidiary of Duncan Fox, **reached an agreement to globally combine and develop their export business of frozen products with added value** in equal parts. The association contemplates direct distribution to customers through Hortifrut's global trading platforms and Alifrut's industrial and commercial expertise as a multi-product frozen food processor. The association will allow Hortifrut to further consolidate and strengthen its leadership position as a global business platform, by complementing its offer of value-added products.

### 3. Hortifrut establishes a commercial alliance to export from Colombia

In October 2019, within the framework of the Company's strategy of promoting the sale of blueberries and approaching the main destination markets, **Hortifrut establishes a commercial alliance with Proplantas**, a Colombian family company pioneer in the sale of strawberries and blueberries in said country. The agreement contemplates the **creation of a platform for the export of blueberries from Colombia from March 2020**, destined for the main consumer markets in the northern hemisphere, whose marketing will be in charge of Hortifrut. The company will be controlled 75% by Hortifrut and 25% by the Afanador family, owner of Proplantas.

### 4. Capital increase of US\$160 million

Regarding the Company's growth strategy, at an Extraordinary Shareholders' Meeting held on April 30, 2019, it was approved to carry out a capital increase of US \$ 160 million. The funds from this capital increase will be used to finance organic growth in the countries that supply the markets of North America, Europe and Asia, every week of the year, strengthen commercial platforms and satisfy the growing demand for products. of the company. This growth is projected through investments in countries physically close to the respective destination markets, in which China, Morocco and northern Mexico stand out.

During the preferential option period, 51,777,540 shares were subscribed, reaching an 84.88% subscription. It should be noted that **the Company's controlling group subscribed the entire corresponding pro rata (51.85%)**, thus demonstrating its commitment to the Company's growth projects.



# CONSOLIDATED INTEGRAL INCOME STATEMENT - IFRS

## HORTIFRUT S.A. AND SUBSIDIARIES Consolidated Integral Income Statement Accumulated as of December 31<sup>st</sup> 2019 (January to December)

	Jan18-Dec18		Jan19-Dec19		Var %
	ThUS\$	% Rev.	ThUS\$	% Rev.	
Total revenue <sup>2</sup>	535,660		580,438		8.36%
Cost of sales	-383,950	-71.68%	-421,120	-72.55%	9.68%
Administrative Expenses	-42,766	-7.98%	-59,769	-10.30%	39.76%
<b>EBITDA</b>	<b>108,944</b>	<b>20.34%</b>	<b>99,549</b>	<b>17.15%</b>	<b>-8.62%</b>
Depreciation Fixed Assets	-19,198	-3.58%	-33,853	-5.83%	76.34%
Depreciation Biological Assets	-10,011	-1.87%	-14,911	-2.57%	48.95%
Amortization Intangible Assets	-1,025	-0.19%	-5,997	-1.03%	485.07%
<b>Operating Result (exclude assets impairment)</b>	<b>78,710</b>	<b>14.69%</b>	<b>44,788</b>	<b>7.72%</b>	<b>-43.10%</b>
Asset Impairment	-2,317		-1,747		
<b>Operating Result</b>	<b>76,393</b>	<b>14.26%</b>	<b>43,041</b>	<b>7.42%</b>	<b>-43.66%</b>
Financial income	1,448		2,789		92.61%
Financial expenses	-17,254		-27,070		56.89%
Share of profit of equity - accounted investees	-3,483		-5,625		61.50%
Other profit (loss)	60,823		-1,759		-102.89%
Exchange rate differences	2,005		247		-87.68%
<b>Non Operatig Result</b>	<b>43,539</b>	<b>8.13%</b>	<b>-31,418</b>	<b>-5.41%</b>	<b>-172.16%</b>
<b>Profit before tax</b>	<b>119,932</b>	<b>22.39%</b>	<b>11,623</b>	<b>2.00%</b>	<b>-90.31%</b>
Gains tax expenses	-27,416		-920		-96.64%
<b>Profit (loss)</b>	<b>92,516</b>	<b>17.27%</b>	<b>10,703</b>	<b>1.84%</b>	<b>-88.43%</b>
Profit (loss), attributable to the parent company equity holders	83,883		3,556		-95.76%
Profit (loss), attributable to non-controlling interests	8,633		7,147		-17.21%
<b>Profit (loss)</b>	<b>92,516</b>	<b>17.27%</b>	<b>10,703</b>	<b>1.84%</b>	<b>-88.43%</b>
Sales volume (tons)	55,065		72,404		31.49%
EBITDA / kg (US\$)	1.98		1.37		-30.51%

<sup>2</sup> Corresponds to the sum of Income from ordinary activities plus Other income, by function

# ANALYSIS OF CONSOLIDATED INCOME STATEMENT

## Operational Results

Hortifrut S.A. and Subsidiaries Total Income<sup>2</sup> totaled ThUS\$580,438 at the end of 2019, recording an increase of 8.36% compared to the same period in 2018.

In the case of the **Blueberry**, an increase in sales of 9.17% was observed, reaching ThUS\$508,523 as of Dec19. The increase in sales is mainly explained by an **increase in the volume distributed from 38.68% to 56,831 tons**, offset by a decrease in the average income per kilo of 21.28%. The variation in the volume distributed is mainly explained by: 1) the purchase and merger of the Grupo Rocío's blueberry business in Peru, an operation acquired in July 2018; 2) to extraordinary climatic events in Peru during the second half of 2018 that delayed the production curve in that country, concentrating a significant volume of fruit in Peru during 1Q19, which added to the Chilean fruit; and 3) by maturation of the plantation in Olmos (Peru), and by new plantations in Mexico and China. Thus, the volume distributed from Peru increased from 20,669 tons as of Dec18 to 35,112 tons accumulated as of Dec19.

On its part, income from **Raspberries** decreased by 9.02% compared to Dec18, totaling ThUS\$16,236 as of Dec19. This decrease is explained by a drop of 11.53% in the average income per kilo, an effect that was partially offset by an increase in the volume distributed of 2.84%, mainly associated with a higher availability of fruit to capture in Mexico and Morocco.

The **Blackberry** segment recorded **revenues of ThUS\$13,574**, decreasing slightly from the ThUS\$13,767 as of Dec18, explained by a 3.97% decrease in the volumes marketed, which was largely offset by an increase of 2.67 % in the average price per kilo.

Regarding **Strawberries**, revenues decreased by 49.53% as of Dec19 compared to the same period in 2018, totaling ThUS\$3,599. The decrease is explained by a drop in the distributed volume of 48.51%, mainly associated with a lower availability of the fruit to capture in Mexico and Spain, and lower productivity in the Chilean fields as a result of less rainfall.

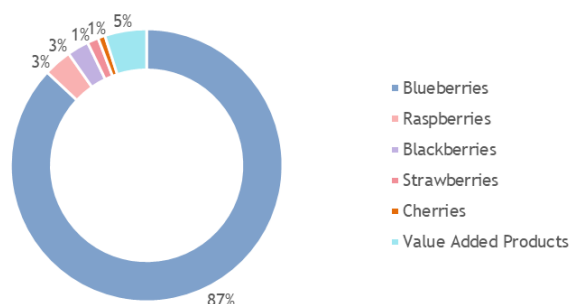
**Cherries** recorded **sales revenue of ThUS\$5,770** as of Dec19, increasing by 27.42% compared to Dec18. The increase in income is mainly explained because, despite a 21.76% decrease in the kilos sold, an increase in the average income per kilo of 62.86% was recorded.

**Value-added Products** recorded **sales income of ThUS\$32,736** at the end of 2019, increasing by 23.13% compared to the income registered in the same period of the previous year. This variation is explained by an increase of 33.40% in the volume distributed, while the average income per kilo decreased by 7.71% in the same period.

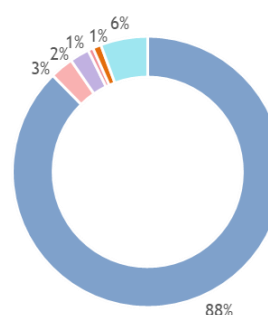
The following tables and graphs present a summary of the composition of Operating Income and its accumulated variation as of Dec18 and Dec19:

Revenue (Thousands of dollars)			
	Jan18-Sep18	Jan19-Sep19	Var %
Blueberries	465,800	508,523	9.17%
Raspberries	17,845	16,236	-9.02%
Blackberries	13,767	13,574	-1.40%
Strawberries	7,132	3,599	-49.53%
Cherries	4,529	5,770	27.42%
Value Added Products	26,588	32,736	23.13%
<b>TOTAL</b>	<b>535,660</b>	<b>580,438</b>	<b>8.36%</b>

Income per Segment 2018



Income per Segment 2019



The Operating Results recorded a profit of ThUS\$43,041 as of Dec19, which is compared to the result of US\$76,393 obtained in the same period of 2018.

It should be noted that as a result of the entry into force of the amendment to IAS 16 and IAS 41 as of January 1, 2016, “bearer plants” are considered as a Fixed Asset, therefore they should depreciate year by year, between other aspects. For this reason, the above-mentioned Operating Income includes ThUS\$14,911 of depreciation of the “Carrier Plants”, which is compared to a depreciation of ThUS\$10,011 for this concept as of Dec18.

On its part, there is an increase in the amortization of the Intangible Assets, which went from ThUS\$1,025 to Dec18 to ThUS\$5,997 to Dec19, mainly associated with the higher sale of royalties for Blueberry plants.

The **Blueberry** business recorded an Operating Results of **ThUS\$41,168** as of Dec19, decreasing by 47.68% compared to Dec18, explained mainly because, despite the period showing an increase of 38.68% in the volume sold, the average income per kilo it decreases by 21.28% associated with lower prices in all destination markets, linked to the greater supply mainly from Peru, to this are added climatic events that delayed the production curve of Peru, concentrating a relevant volume of fruit of this country in 1Q19, a period in which it coincided with the Chilean production that is usually commercialized in this period, impacting prices downward. Additionally, operating costs increase as a result of the incorporation of the blueberry business in Peru (purchase of Grupo Rocío), which did not exist in the Company's consolidation perimeter in the first half of 2018. The operating margin also experienced a drop from 16.90% to 8.10%.

The depreciation of the “bearer plants” considered within the Blueberry segment during 2019 amounts to ThUS\$14,005 a 56.31% higher than the ThUS\$8,960 registered during the same period of 2018 for this concept, explained by the higher volume of Blueberries produced.

The **Raspberry** segment recorded a **positive Operating Result of ThUS\$748** as of Dec19, which compares with the negative ThUS\$1,701 recorded as of Dec18, mainly associated with the closure of fields with low performance and the consequent increase in cost efficiency. The depreciation of the “bearer plants” considered within this segment as of Dec19 amounts to ThUS\$906, less than the ThUS\$1,051 recorded as of Dec18.

The Operating Result of the **Blackberries** was **positive in ThUS\$189** as of Dec19, which compares with a loss of ThUS\$999 in the same period of 2018, an improvement that is associated with the increase in the sale price during the period. This segment does not record depreciation of “bearer plants”.

**Strawberry** recorded a **negative Operating Result equal to ThUS\$1,197** as of Dec19, compared to a loss of ThUS\$1,573 recorded as of Dec18. The lower loss is explained by the lower operating costs, associated with the lower distributed volume of 48.51%. This segment does not record depreciation of “bearer plants”.

The **Cherry** segment recorded a **positive Operating Result of ThUS\$931** at the end of 2019, increasing compared to the profit of ThUS\$466 recorded in the same period of the previous year. Given the above, the operating margin of this product increased from 10.29% of revenues to 16.14% thereof 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”.

**Value-Added Products** show a **positive Operating Result of ThUS\$2,931** as of Dec19, decreasing compared with the profit of ThUS\$3,798 recorded as of Dec18, explained by the 7.71% decrease in average prices, added to the increase in operating costs, which increase in line with the increase in volume distributed. This was largely offset by a 23.12% increase in operating income, also associated with higher volume. On its part, the operating margin of this segment was 8,95% in the analysis period, slightly below the margin of 14.29% recorded as of Dec18. This segment does not record depreciation of “bearer plants”.



## NON-OPERATING RESULT

**Non-Operating Results recorded losses of ThUS\$31,418 at the end of December 2019, which is compared to a gain of ThUS\$43,539 registered in the same period of 2018.**

This variation is mainly explained by the following factors:

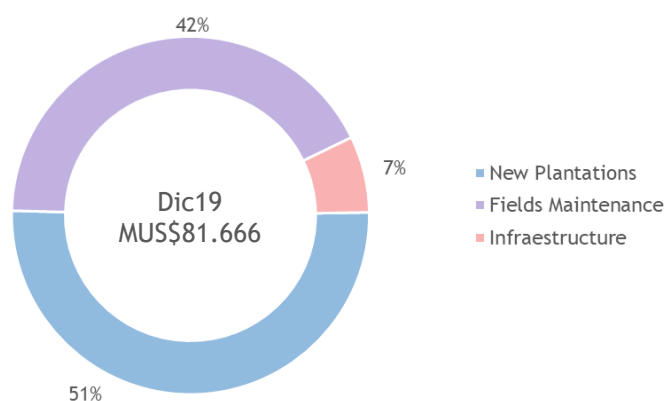
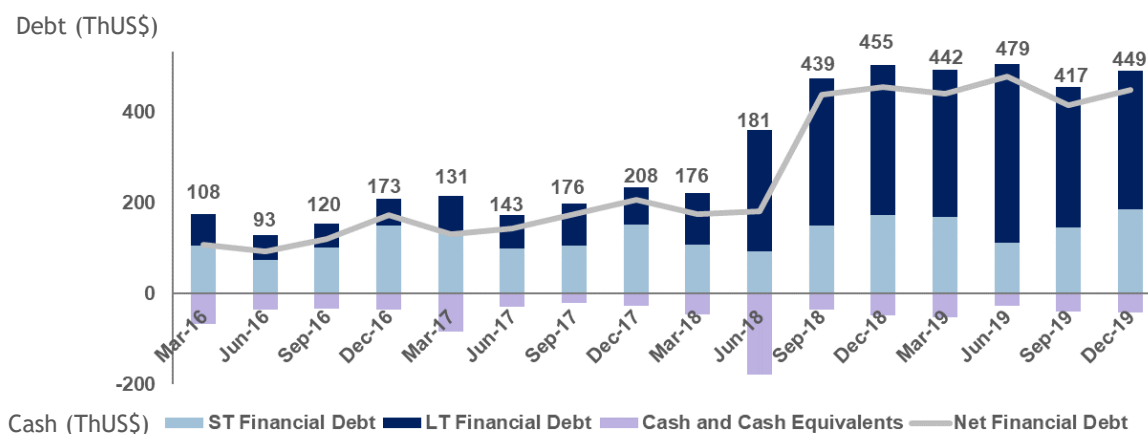
- a. Profit of ThUS\$60,823 recorded in other income / (expenses), largely due to the adjustment to fair value of the 50% interest in Hortifrut Tal S.A.C. (Peru), adjustment that amounted to ThUS\$60,990, which net of taxes amounts to ThUS\$44,520.
- b. Increase in net financial expenses, totaling ThUS\$24,281 as of Dec19, which is compared to net financial expenses of ThUS\$15,806 in the same period of the previous year. The increase is largely linked to the higher average financial debt balance during the year, associated with the financing of the purchase and merger of the Grupo Rocío blueberry business in Peru and the incorporation of existing debt from the acquired businesses, debt that generated interest only for the months of July to December in 2018 vs. 12 months during 2019, added to costs associated with prepayments of financial debt made during the second half of 2019.
- c. A loss recorded in the profit sharing (loss) of associates and joint ventures of ThUS\$5,625 as of Dec19, which is compared to the losses of ThUS\$3,483 obtained in the same period in 2018, mainly associated with the most negative result, as of Dec19, of associate Munger Hortifrut NA LLC (United States) for ThUS\$6,172 (ThUS\$3,543 of losses as of Dec18).

## FINANCIAL DEBT AND CAPEX

The Company's **net financial debt** decreased from ThUS\$455,171 as of December 31, 2018 to **ThUS\$448,914 as of December 31, 2019**, which is mainly explained by the prepayments of debt executed during 2H19 with funds from the capital increase made in July and August 2019, partially offset by higher working capital needs associated with the higher volume produced in Peru, by the beginning of the investment plan announced for Mexico and China, and by the entry into force of the standard IFRS 16, whereby two accounting entries must be recorded for lease contracts, 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 rental contracts is ThUS\$21,814 as of December 2019.

At December 2019 closing, the Company invested ThUS\$81,666, mainly in new plantations, in addition to maintaining existing plantations and infrastructure. This represents an increase of 50.17% compared to the same period in 2018, mainly due to plantation projects in Mexico and China and investments made in Trujillo, associated with field maintenance.

The following tables and graphs present the distribution of financial debt and capital investments as of Dec18 and Dec19:



## EARNINGS & EBITDA

- **The Company presented as of Dec19 a profit attributable to the owners of the parent of ThUS\$3,556**, which is compared to a gain of ThUS\$83,883 recorded in the same period of 2018. The lower result compared to Dec18 is mainly due to the adjustment to fair value of the 50% interest in Hortifrut Tal SAC (Peru), previously explained. Isolating this effect, the Profit attributable to the owners of the parent company as of Dec18 would be ThUS\$39,363, ThUS\$35,807 higher than the result as of Dec19. In addition to the aforementioned adjustment, the period presents a lower operating result due to: 1) the lower average prices, according to the aforementioned effects; 2) the increase in administrative and sales expenses, mainly due to the effect of the acquisition of Grupo Rocío's blueberry business in Peru (+ ThUS\$3,722), effects of which were not included during the first half of 2018 and they are during the first semester of 2019, greater third-party services in Chile (ThUS\$2,788), and plantation projects in China (+ ThUS\$1,056); 3) the reversal of the fair value of fruit in bearer plants recorded at the end of December 2018, and 4) the higher depreciation of the period linked to the incorporation of the Grupo Rocío's blueberry business in Peru (+ ThUS\$13,276), operation that was not part of Hortifrut in the first half of 2018. On its part, the non-operating result as of Dec19 presents a higher net financial cost of ThUS\$8,475, as a result of the higher average balance financial debt associated with the financing of the merger and acquisition of Grupo Rocío's blueberry business in Peru and the incorporation of existing debt from the acquired businesses, debt that generated interest only for the months of July to December in 2018 vs. 12 months during 2019.
- **EBITDA** as of Dec19 reached **ThUS\$99,549**, recording a decrease of 8.62% compared to the EBITDA of ThUS\$108,944 recorded in the same period in 2018. The decrease in EBITDA is mainly explained by the lower valuation of fruit in bearer plants recorded at December 2019 closing for ThUS\$1,401, compared to ThUS\$5,332 in 2018, added to the lower average prices, according to the aforementioned effects, and the increase in administration and sales expenses, mainly due to the effect of the acquisition of Grupo Rocío's blueberry business in Peru, effects that were not included during the first half of 2018 and are included during the first half of 2019. These effects were largely offset by the 31.49% increase in marketed volume.

## 2019/2020 SEASON RESULT ANALYSIS

### HORTIFRUT S.A. AND SUBSIDIARIES Consolidated Integral Income Statement For Season ending on December 31<sup>st</sup> (July 2019 to December 2019)

	Jul18-Dec18		Jul19-Dec19		Var %
	ThUS\$	% Rev.	ThUS\$	% Rev.	
Total revenue <sup>3</sup>	273,405		302,847		10.77%
Cost of sales	-166,475	-60.89%	-200,540	-66.22%	20.46%
Administrative Expenses	-24,045	-8.79%	-26,369	-8.71%	9.67%
<b>EBITDA</b>	<b>82,885</b>	<b>30.32%</b>	<b>75,938</b>	<b>25.07%</b>	<b>-8.38%</b>
Depreciation Fixed Assests	-13,563	-4.96%	-21,185	-7.00%	56.20%
Depreciation Biological Assets	-4,919	-1.80%	-3,551	-1.17%	-27.81%
Amortization Intangible Assets	-319	-0.12%	-4,775	-1.58%	1396.87%
<b>Operating Result (exclude assets impairment)</b>	<b>64,084</b>	<b>23.44%</b>	<b>46,427</b>	<b>15.33%</b>	<b>-27.55%</b>
Asset Impairment	-2,317		-1,747		
<b>Operating Result</b>	<b>61,767</b>	<b>22.59%</b>	<b>44,680</b>	<b>14.75%</b>	<b>-27.66%</b>
Financial income	273		2,272		732.23%
Financial expenses	-12,272		-13,373		8.97%
Share of profit of equity - accounted investees	-3,044		-2,690		-11.63%
Other profit (loss)	60,873		-1,413		-102.32%
Exchange rate differences	1,560		1,782		14.23%
<b>Non Operatig Result</b>	<b>47,390</b>	<b>17.33%</b>	<b>-13,422</b>	<b>-4.43%</b>	<b>-128.32%</b>
<b>Profit before tax</b>	<b>109,157</b>	<b>39.93%</b>	<b>31,258</b>	<b>10.32%</b>	<b>-71.36%</b>
Gains tax expenses	-24,418		-4,411		-81.94%
<b>Profit (loss)</b>	<b>84,739</b>	<b>30.99%</b>	<b>26,847</b>	<b>8.86%</b>	<b>-68.32%</b>
Profit (loss), attributable to the parent company equity holders	78,385		19,757		-74.79%
Profit (loss), attributable to non-controlling interests	6,354		7,090		11.58%
<b>Profit (loss)</b>	<b>84,739</b>	<b>30.99%</b>	<b>26,847</b>	<b>8.86%</b>	<b>-68.32%</b>
Sales volume (tons)	26,252		38,097		45.12%
EBITDA / kg (US\$)	3.16		1.99		-36.87%

<sup>3</sup> Corresponds to the sum of Income from ordinary activities plus Other income, by function



During the first 6 months of the 19/20 season, the Company recorded an **EBITDA** of **ThUS\$75,938**, decreasing 8.38% compared to the EBITDA of ThUS\$82,885 recorded in the same period of 2018. The lower EBITDA is mainly explained because despite the increase in marketed volume of 45.12%, the average income fell by 23.67%. In addition, in line with the increase in volumes, the period recorded higher costs of sales, which increased in a higher proportion with respect to income.

**Total Revenue<sup>3</sup>** increased **10.77%** in the first 6 months of the 2019/20 season ("2H19") compared to the same period of the 2018/19 season ("2H18"), totaling **ThUS\$302,847**. The higher income is due to an increase of 45.12% in the marketed volume, mainly fruit from Peru, an increase that was partially offset by a decrease in the average income per kilo of 23.67%, associated with lower prices in all the destination markets, linked to the higher supply of fruit mainly from Peru, and a decrease in Other income per function, associated with the lower fair value of fruit in bearer plants of the company, an amount that rose to MUS\$1,053 in 2H19, compared to ThUS\$5,332 in 2H18.

Isolating the effect of the income associated with businesses other than the sale of fruit, such as the sale of plants, income from royalties and income from the provision of services, among others, **the average price of the product mix decreased by 19.90%** from US\$8.39 between July 2018 and December 2018 up to US\$6.72 in the same period of 2019, as a consequence of a drop in prices of all segments.

In particular, the **average price of blueberries registered a decrease of 21.52%** to US\$7.31, linked to lower average prices in the destination markets, associated with the higher supply coming mainly from Peru. In addition to this, are lower exports to Europe and Asia during the first 3 months of the 19/20 season, which were replaced by sales to North America. The price of raspberries fell by 5.25% to US\$7.82, that of strawberries fell by 19.57% to US\$4.35, and that of value-added products decreased by 14.90% up to US\$2.97. On its part, the price of blackberries increased slightly by 0.89% to US\$5.28.

**Operating Costs** increased by 20.46% in 2H19 compared to 2H18, thus increasing its proportion with respect to Operating revenue from 60.89% to 66.22%. The higher costs are mainly explained by the higher volume marketed and by higher preventive and palliative agricultural applications to maintain the quality of the fruit.

On its part, the **Administration and Sales Expenses** recorded an increase of 9.67% in 2H19, while, in terms of participation on the Sales Revenue, they remained in line, going from 8.79% to 8,71% within the analysis period. The increase is largely associated with higher remuneration expenses due to the strengthening of the structure of commercial platforms, associated with the Company's growth, and the increase in volume in the period compared to the same period of the previous year.

The following table shows the volume distributed by segment during the start of the 2018/19 and 2019/20 seasons:

Volume Distributed (kilos)	Jul18-Dec18	Jul19-Dec19	Var %
Blueberries	20,984,719	30,729,308	46.44%
Raspberries	838,240	1,356,809	61.86%
Blackberries	974,434	1,002,230	2.85%
Strawberries	353,749	316,634	-10.49%
Cherries	15,385	72,710	372.60%
Value Added Products <sup>4</sup>	3,085,735	4,619,543	49.71%
<b>TOTAL</b>	<b>26,252,263</b>	<b>38,097,235</b>	<b>45.12%</b>

On its part, a **negative non-operating result of ThUS\$13,422** was recorded in the 2H19, which is compared to the positive result of ThUS\$47,390 recorded in 2H18. The positive result of 2H18 is mainly associated with a profit of ThUS\$60,873 in other income / (expenses), largely due to the adjustment to fair value of the 50% interest in Hortifrut Tal S.A.C. (Peru), adjustment that amounted to ThUS\$60,990, which net of taxes amounts to ThUS\$44,520. Isolating this effect, the non-operating result for the period remains in line compared to the same period of the previous year.

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<sup>4</sup> This volume does not consider the kilos processed to third parties.

## INFORMATION PER BUSINESS SEGMENT

### “Fresh Fruit” Added Segment

#### Blueberries

##### Income Statement per Comparative Calendar Year Jan18/Dec18 - Jan19/Dec19

Blueberries	Jan18-Dec18	% Income	Jan19-Dec19	% Income	Var %
Operating Income (ThUS\$)	465,800		508,523		9.17%
Operating Costs (ThUS\$)	-387,082		-467,336		20.73%
Operating Result (ThUS\$) <sup>5</sup>	78,718	16.90%	41,186	8.10%	-47.68%

##### Income Statement per Comparative Season Jul18/Dec18 - Jul19/Dec19

Blueberries	Jul18-Dec18	% Income	Jul19-Dec19	% Income	Var %
Operating Income (ThUS\$)	248,584		271,404		9.18%
Operating Costs (ThUS\$)	-183,481		-223,469		21.79%
Operating Result (ThUS\$) <sup>5</sup>	65,103	26.19%	47,935	17.66%	-26.37%

##### Evolution of Sales Volume and Prices

Blueberries	Jan18-Dec18	Jan19-Dec19	Var %	Jul18-Dec18	Jul19-Dec19	Var %
Sales volume (kilos)	40,981,386	56,831,294	38.68%	20,984,719	30,729,308	46.44%
Percentage of the total	74.42%	78.49%		79.93%	80.66%	
Average Income (US\$/kg)	11.37	8.95	-21.28%	11.85	8.83	-25.44%
Average Price (US\$/kg)	8.64	7.69	-11.04%	9.31	7.31	-21.52%

<sup>5</sup> The Operating Result by Operating Segment does not consider the Item Assets Impairment

## Raspberries

### Income Statement per Comparative Calendar Year Jan18/Dec18 - Jan19/Dec19

Raspberries	Jan18-Dec18	% Income	Jan19-Dec19	% Income	Var %
Operating Income (ThUS\$)	17,845		16,236		-9.02%
Operating Costs (ThUS\$)	-19,546		-15,488		-20.76%
Operating Result (ThUS\$) <sup>6</sup>	-1,701	-9.53%	748	4.60%	-143.94%

### Income Statement per Comparative Season Jul18/Dec18 - Jul19/Dec19

Raspberries	Jul18-Dec18	% Income	Jul19-Dec19	% Income	Var %
Operating Income (ThUS\$)	6,921		10,614		53.37%
Operating Costs (ThUS\$)	-8,971		-12,778		42.44%
Operating Result (ThUS\$) <sup>6</sup>	-2,050	-29.62%	-2,164	-20.38%	5.54%

### Evolution of Sales Volume and Prices

Raspberries	Jan18-Dec18	Jan19-Dec19	Var %	Jul18-Dec18	Jul19-Dec19	Var %
Sales volume (kilos)	1,828,427	1,880,282	2.84%	838,240	1,356,809	61.86%
Percentage of the total	3.32%	2.60%		3.19%	3.56%	
Average Income (US\$/kg)	9.76	8.63	-11.53%	8.26	7.82	-5.25%
Average Price (US\$/kg)	9.76	8.63	-11.53%	8.26	7.82	-5.25%

<sup>6</sup> The Operating Result by Operating Segment does not consider the Item Assets Impairment.



## Blackberries

### Income Statement per Comparative Calendar Year Jan18/Dec18 - Jan19/Dec19<sup>4</sup>

Blackberries	Jan18-Dec18	% Income	Jan19-Dec19	% Income	Var %
Operating Income (ThUS\$)	13,767		13,574		-1.40%
Operating Costs (ThUS\$)	-14,766		-13,385		-9.35%
Operating Result (ThUS\$) <sup>7</sup>	-999	-7.26%	189	1.39%	-118.95%

### Income Statement per Comparative Season Jul18/Dec18 - Jul19/Dec19

Blackberries	Jul18-Dec18	% Income	Jul19-Dec19	% Income	Var %
Operating Income (ThUS\$)	5,099		5,292		3.77%
Operating Costs (ThUS\$)	-5,903		-6,041		2.35%
Operating Result (ThUS\$) <sup>7</sup>	-803	-15.76%	-750	-14.17%	-6.68%

### Evolution of Sales Volume and Prices

Blackberries	Jan18-Dec18	Jan19-Dec19	Var %	Jul18-Dec18	Jul19-Dec19	Var %
Sales volume (kilos)	2,312,484	2,220,787	-3.97%	974,434	1,002,230	2.85%
Percentage of the total	4.20%	3.07%		3.71%	2.63%	
Average Income (US\$/kg)	5.95	6.11	2.67%	5.23	5.28	0.89%
Average Price (US\$/kg)	5.95	6.11	2.67%	5.23	5.28	0.89%

<sup>7</sup> The Operating Result by Operating Segment does not consider the Item Assets Impairment.

## Strawberries

### Income Statement per Comparative Calendar Year Jan18/Dec18 - Jan19/Dec19

Strawberries	Jan18-Dec18	% Income	Jan19-Dec19	% Income	Var %
Operating Income (ThUS\$)	7,132		3,599		-49.53%
Operating Costs (ThUS\$)	-8,705		-4,796		-44.90%
Operating Result (ThUS\$) <sup>8</sup>	-1,573	-22.05%	-1,197	-33.26%	-23.87%

### Income Statement per Comparative Season Jul18/Dec18 - Jul19/Dec19

Strawberries	Jul18-Dec18	% Income	Jul19-Dec19	% Income	Var %
Operating Income (ThUS\$)	1,911		1,376		-28.01%
Operating Costs (ThUS\$)	-2,281		-2,015		-11.67%
Operating Result (ThUS\$) <sup>8</sup>	-369	-19.32%	-639	-46.40%	72.90%

### Evolution of Sales Volume and Prices

Strawberries	Jan18-Dec18	Jan19-Dec19	Var %	Jul18-Dec18	Jul19-Dec19	Var %
Sales volume (kilos)	1,646,314	847,761	-48.51%	353,749	316,634	-10.49%
Percentage of the total	2.99%	1.17%		1.35%	0.83%	
Average Income (US\$/kg)	4.33	4.25	-1.99%	5.40	4.35	-19.57%
Average Price (US\$/kg)	4.33	4.25	-1.99%	5.40	4.35	-19.57%

<sup>8</sup> The Operating Result by Operating Segment does not consider the Item Assets Impairment.

## Cherries

### Income Statement per Comparative Calendar Year Jan18/Dec18 - Jan19/Dec19

Cherries	Jan18-Dec18	% Income	Jan19-Dec19	% Income	Var %
Operating Income (ThUS\$)	4,529		5,770		27.42%
Operating Costs (ThUS\$)	-4,062		-4,839		19.12%
Operating Result (ThUS\$) <sup>9</sup>	466	10.29%	931	16.14%	99.79%

### Income Statement per Comparative Season Jul18/Dec18 - Jul19/Dec19

Cherries	Jul18-Dec18	% Income	Jul19-Dec19	% Income	Var %
Operating Income (ThUS\$)	120		441		267.68%
Operating Costs (ThUS\$)	-73		-327		350.03%
Operating Result (ThUS\$) <sup>9</sup>	47	39.44%	114	25.88%	141.24%

### Evolution of Sales Volume and Prices

Cherries	Jan18-Dec18	Jan19-Dec19	Var %	Jul18-Dec18	Jul19-Dec19	Var %
Sales volume (kilos)	803,355	628,543	-21.76%	15,385	72,710	372.60%
Percentage of the total	1.46%	0.87%		0.06%	0.19%	
Average Income (US\$/kg)	5.64	9.18	62.86%	7.80	6.07	-22.20%
Average Price (US\$/kg)	5.64	9.18	62.86%	7.80	6.07	-22.20%

## “Value-Added” Segment

### Income Statement per Comparative Calendar Year Jan18/Dec18 - Jan19/Dec19

Value Added Products	Jan18-Dec18	% Income	Jan19-Dec19	% Income	% Income
Operating Income (ThUS\$)	26,588		32,736		23.12%
Operating Costs (ThUS\$)	-22,789		-29,805		30.79%
Operating Result (ThUS\$) <sup>10</sup>	3,798	14.29%	2,931	8.95%	-22.84%

### Income Statement per Comparative Season Jul18/Dec18 - Jul19/Dec19

Value Added Products	Jul18-Dec18	% Income	Jul19-Dec19	% Income	Var %
Operating Income (ThUS\$)	10,769		13,720		27.40%
Operating Costs (ThUS\$)	-8,613		-11,791		36.89%
Operating Result (ThUS\$) <sup>11</sup>	2,156	20.02%	1,929	14.06%	-10.50%

### Evolution of Sales Volume and Prices

Value Added Products	Jan18-Dec18	Jan19-Dec19	Var %	Jul18-Dec18	Jul19-Dec19	Var %
Sales volume (kilos) <sup>11</sup>	7,492,571	9,995,457	33.40%	3,085,735	4,619,543	49.71%
Percentage of the total	13.61%	13.81%		11.75%	12.13%	
Average Income (US\$/kg)	3.55	3.28	-7.71%	3.49	2.97	-14.90%
Average Price (US\$/kg)	3.55	3.28	-7.71%	3.49	2.97	-14.90%

<sup>11</sup> Este volumen no considera los kilos procesados a terceros.



## PLANTED HECTARES VARIATION

Planted Surface	Productive			Non Productive		
Blueberries	Dec-18	Dec-19	Var. %	Dec-18	Dec-19	Var. %
Surface (Hectares)	2,934	3,214	9.52%	260	219	-15.71%
Percentage of the total	82.45%	94.70%		93.56%	76.53%	
Raspberries	Dec-18	Dec-19	Var. %	Dec-18	Dec-19	Var. %
Surface (Hectares)	104	92	-11.46%	2	90	100.00%
Percentage of the total	11.20%	3.09%		3.82%	0.00%	
Blackberries	Dec-18	Dec-19	Var. %	Dec-18	Dec-19	Var. %
Surface (Hectares)	13	8	-36.76%	2	11	100.00%
Percentage of the total	1.07%	0.28%		0.00%	0.67%	
Strawberries	Dec-18	Dec-19	Var. %	Dec-18	Dec-19	Var. %
Surface (Hectares)	59	57	-3.06%	6	6	0.00%
Percentage of the total	4.73%	1.72%		2.62%	2.67%	
Cherries	Dec-18	Dec-19	Var. %	Dec-18	Dec-19	Var. %
Surface (Hectares)	7	7	0.00%	45	45	0.51%
Percentage of the total	0.55%	0.20%		0.00%	20.13%	
<b>TOTAL Hortifrut</b>	<b>3,116</b>	<b>3,377</b>	<b>8.38%</b>	<b>314</b>	<b>371</b>	<b>18.08%</b>

Note: Non-productive hectares are those planted, but they do not have capacity to produce fruit

## FINANCIAL & PROFITABILITY RATIOS

### LIQUIDITY RATIOS

<b>Liquidity (times)</b>	<b>Dec-18</b>	<b>Dec-19</b>
<b>Current Liquidity</b>	<b>1.08</b>	<b>1.12</b>
<i>Current asset / Current liability</i>		
<b>Acid-test Ratio</b>	<b>0.67</b>	<b>0.78</b>
<i>Available asset (Current asset - Stock - Prepayments) / Current liability</i>		

### LEVERAGE RATIOS

<b>Leverage</b>	<b>Dec-18</b>	<b>Dec-19</b>
<b>Leverage Ratio</b>	<b>1.56</b>	<b>1.16</b>
<i>Total liabilities / Equity attributable to Parent Company</i>		
<b>Short Term Debt</b>	<b>37.70%</b>	<b>39.77%</b>
<i>Total current liabilities / Total liabilities</i>		
<b>Long Term Debt</b>	<b>62.30%</b>	<b>60.23%</b>
<i>Total non current liabilities / Total liabilities</i>		
<b>Financial Expenses Hedging</b>	<b>7.95</b>	<b>1.43</b>
<i>(Before tax profit - Financial expenses) / Financial expenses</i>		
<b>Book value of the Share (US\$)</b>	<b>0.8880</b>	<b>1.1316</b>
<i>Equity attributable to Parent Company / N° of shares</i>		
<b>Net Financial Debt over Equity</b>	<b>0.88</b>	<b>0.68</b>
<i>(Financial Debt - Cash and Cash Equivalents) / Equity</i>		

## PROFITABILITY RATIOS

<b>Equity Profitability</b>	<b>Dec-18</b>	<b>Dec-19</b>
<b>Profitability of Parent Company's Equity</b>	<b>17.97%</b>	<b>1.80%</b>
<i>Parent Company's Profit / Parent Company's Equity</i>		
<b>Profitability of the Equity</b>	<b>17.81%</b>	<b>1.63%</b>
<i>Profit for the year / Total equity</i>		

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## ACTIVITY RATIOS

<b>Activity</b>	<b>Dec-18</b>	<b>Dec-19</b>
<b>Rotation of Assets (times)</b>	<b>0.62</b>	<b>0.46</b>
<i>Operating Income / Total assets year average</i>		
<b>Rotation of Stock (times)</b>	<b>9.44</b>	<b>4.29</b>
<i>Cost of sales / Average stock</i>		
<b>Permanence of Stock (days)</b>	<b>38</b>	<b>42</b>
<i>Stock / Annualized cost of sales (360 days base)</i>		

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# CONSOLIDATED FINANCIAL STATEMENTS - IFRS

## Consolidated Statements of Financial position - Assets

	Note	31-Dec-19 ThUS\$	31-Dec-18 ThUS\$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash Equivalents	8	42,002	48,901
Other current financial assets	9	0	1,411
Other current non-financial assets	14	8,710	5,462
Current trade debtors and other accounts receivable	10	97,066	82,202
Current accounts receivable from related entities	11	62,231	48,317
Inventories	12	70,581	86,490
Biological assets, current	13	18,225	21,076
Current tax assets	20	9,292	2,007
<b>Total current Assets</b>		<b>308,107</b>	<b>295,866</b>
<b>Non-current Assets</b>			
Other non-current financial assets	9	755	317
Other non-current non-financial assets	14	1,186	1,192
Non-current fees receivable	10	2,960	1,546
Non-current accounts receivables with related entities	11	4,417	4,224
Equity accounted investees	16	11,940	29,385
Intangible assets other than appreciation	17	8,855	15,020
Goodwill	18	179,770	179,770
Property, plant and equipment	19	803,363	693,363
Deferred tax assets	20	27,991	26,637
<b>Total non-current Assets</b>		<b>1,041,237</b>	<b>951,454</b>
<b>Total Assets</b>		<b>1,349,344</b>	<b>1,247,320</b>

## Consolidated Statements of Financial position - Liabilities & Equity

	Note	31-Dec-19 ThUS\$	31-Dec-18 ThUS\$
<b>Equity and Liabilities</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Other current financial liabilities	21	186,959	172,629
Current trade accounts and other accounts payable	22	78,798	88,319
Current accounts payable to related entities	11	3,348	7,646
Other current provisions	23	1,409	829
Current provisions for employee benefits	23	3,676	2,926
Other current non-financial liabilities		690	2,069
<b>Total current Liabilities</b>		<b>274,880</b>	<b>274,418</b>
<b>Non-current Liabilities</b>			
Other non-current financial liabilities	21	303,957	331,443
Other non-current accounts payable	22	6,506	6,506
Non-current accounts payable to related entities	11	5,784	8,562
Deferred tax liabilities	20	98,879	106,966
<b>Total non-current Liabilities</b>		<b>416,348</b>	<b>453,477</b>
<b>Total Liabilities</b>		<b>691,228</b>	<b>727,895</b>
<b>Equity</b>			
Issued capital	24	472,212	347,191
Retained earnings	25	134,701	135,518
Issuance premiums	24	3,751	(4,221)
Other reserves	26	(15,941)	(11,806)
<b>Equity attributable to the parent company's equity holders</b>		<b>594,723</b>	<b>466,682</b>
Non-controlling interest	27	63,393	52,743
<b>Total Equity</b>		<b>658,116</b>	<b>519,425</b>
<b>Total Equity and Liabilities</b>		<b>1,349,344</b>	<b>1,247,320</b>

## Consolidated Integral Income Statement

Income Statement	Note	01-Jan-19 30-Dec-19 ThUS\$	01-Jan-18 30-Dec-18 ThUS\$
<b>Profit (loss)</b>			
Revenues	29	576,045	528,157
Cost of sales	30	(475,881)	(414,184)
<b>Gross profit</b>		<b>100,164</b>	<b>113,973</b>
Other income, per function	29	4,393	7,503
Administrative expenses	30	(47,334)	(38,080)
Other expenses, per function	30	(14,182)	(7,003)
Other profit (loss)		(1,759)	60,823
Financial income		2,789	1,448
Financial expenses	31	(27,070)	(17,254)
Share of profit of equity - accounted investees	16	(5,625)	(3,483)
Exchange rate differences	32	247	2,005
<b>Profit before tax</b>		<b>11,623</b>	<b>119,932</b>
Gains tax expenses	20	(920)	(27,416)
<b>Profit (loss) from continued operations</b>		<b>10,703</b>	<b>92,516</b>
<b>Profit (loss)</b>		<b>10,703</b>	<b>92,516</b>
<b>Profit (loss) attributable to</b>			
Profit (loss), attributable to the parent company equity holders		3,556	83,883
Profit (loss), attributable to non-controlling interests	27	7,147	8,633
<b>Profit (loss)</b>		<b>10,703</b>	<b>92,516</b>
<b>Profit per share</b>			
<b>Basic earning per share</b>			
Basic earnings (loss) per share from continued operations (US\$ per share)	28	0.006461	0.174428
<b>Basic earnings (loss) per share</b>		<b>0.006461</b>	<b>0.174428</b>
<b>Profit per diluted share</b>			
Diluted earnings (loss) per share from continued operations (US\$ per share)		0.006461	0.174428
<b>Diluted earnings (loss) per share</b>		<b>0.006461</b>	<b>0.174428</b>



## 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\$
<b>Opening balance as of 01/01/2019</b>	<b>347,191</b>	<b>(4,221)</b>	(10,132)	(1,674)	<b>(11,806)</b>	135,518	<b>466,682</b>	52,743	<b>519,425</b>
<b>Changes in equity</b>									
<b>Comprehensive income</b>									
Net profit	-	-	-	-	-	<b>3,556</b>	<b>3,556</b>	7,147	<b>10,703</b>
Other comprehensive income	-	-	(2,328)	(1,807)	<b>(4,135)</b>	-	<b>(4,135)</b>	(717)	<b>(4,852)</b>
<b>Total comprehensive income</b>	-	-	<b>(2,328)</b>	<b>(1,807)</b>	<b>(4,135)</b>	<b>3,556</b>	<b>(579)</b>	<b>6,430</b>	<b>5,851</b>
Issuance of Equity	<b>129,242</b>	-	-	-	-	-	<b>129,242</b>	-	<b>129,242</b>
Dividends	-	-	-	-	-	<b>(4,373)</b>	<b>(4,373)</b>	(202)	<b>(4,575)</b>
Increase (decrease) due to transfer and other changes	<b>(4,221)</b>	<b>4,221</b>	-	-	-	-	-	4,735	<b>4,735</b>
Increase (decrease) due to transactions of share in portfolio	-	<b>3,751</b>	-	-	-	-	<b>3,751</b>	(313)	<b>3,438</b>
<b>Total change in equity</b>	<b>125,021</b>	<b>7,972</b>	-	-	-	<b>(4,373)</b>	<b>128,620</b>	<b>4,220</b>	<b>132,840</b>
<b>Closing balance as of 30/09/2019</b>	<b>472,212</b>	<b>3,751</b>	<b>(12,460)</b>	<b>(3,481)</b>	<b>(15,941)</b>	<b>134,701</b>	<b>594,723</b>	<b>63,393</b>	<b>658,116</b>

	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\$
<b>Opening balance as of 01/01/2018</b>	<b>135,149</b>	-	(2,351)	3,516	<b>1,165</b>	<b>70,503</b>	<b>206,817</b>	36,758	<b>243,575</b>
<b>Changes in equity</b>									
<b>Comprehensive income</b>									
Net profit	-	-	-	-	-	<b>83,883</b>	<b>83,883</b>	8,633	<b>92,516</b>
Other comprehensive income	-	-	(7,781)	(5,190)	<b>(12,971)</b>	-	<b>(12,971)</b>	(1,842)	<b>(14,813)</b>
<b>Total comprehensive income</b>	-	-	<b>(7,781)</b>	<b>(5,190)</b>	<b>(12,971)</b>	<b>83,883</b>	<b>70,912</b>	<b>6,791</b>	<b>77,703</b>
Issuance of Equity	212,042	(4,221)	-	-	-	(18,082)	<b>189,739</b>	-	<b>189,739</b>
Dividends	-	-	-	-	-	-	-	(157)	<b>(157)</b>
Increase (decrease) due to transfer and other changes	-	-	-	-	-	-	-	9,477	<b>9,477</b>
<b>Total change in equity</b>	<b>212,042</b>	<b>(4,221)</b>	-	-	-	<b>(18,082)</b>	<b>189,739</b>	<b>9,320</b>	<b>199,059</b>
<b>Closing balance as of 30/09/2018</b>	<b>347,191</b>	<b>(4,221)</b>	<b>(10,132)</b>	<b>(1,674)</b>	<b>(11,806)</b>	<b>135,518</b>	<b>466,682</b>	<b>52,743</b>	<b>519,425</b>

# Consolidated Cash Flow Statement

Direct Cash Flow Statement	01-Jan-19 30-Dec-19 ThUS\$	01-Jan-18 30-Dec-18 ThUS\$
<b>Cash flow statement</b>		
<b>Cash flow from (used in) operating activities</b>		
<b>Types of changes per operating activities</b>		
Collection from the sale of goods and providing of services	544,709	510,895
<b>Types of payments</b>		
Payments to suppliers for the providing of goods and services	(334,941)	(341,780)
Payments to and on behalf of employees	(125,098)	(93,756)
Paid interests	(23,202)	(13,424)
Received interests	2,789	1,448
Gains tax refund (paid)	(17,646)	(14,954)
Other received (paid) cash	(1,154)	(1,900)
<b>Net cash flows from (used in) operating activities</b>	<b>45,457</b>	<b>46,529</b>
<b>Cash flow from (used in) investment activities</b>		
Cash flow used to gain control of subsidiaries or other business	-	(147,674)
Cash flow used to purchase non parent company interests	(330)	(1,908)
Loans to related entities	-	(4,018)
Income from the sale of property, plant and equipment	2,327	3,682
Purchase of property, plant an equipment	(162,282)	(68,948)
Purchase of intangible assets	(349)	(1,903)
Charges to related entities	-	7,366
Other received (paid) cash	4,735	16,542
<b>Net cash flow from (used in) investment activities</b>	<b>(155,899)</b>	<b>(196,861)</b>
<b>Cash flow from (used in) financing activities</b>		
Income from the issuance of shares	132,993	-
Income from long term loans	206,804	318,010
Income from short term loans	133,720	197,373
<b>Total income from loans</b>	<b>340,524</b>	<b>515,383</b>
Loans from related entities	-	-
Payment of loans	(353,674)	(319,863)
Payment of liabilities for financial lease	(7,883)	(5,961)
Paid dividends	(10,926)	(13,696)
<b>Net cash flow from (used in) financing activities</b>	<b>101,034</b>	<b>171,642</b>
<b>Net increase (decrease) in cash and cash equivalents, before exchange rate fluctuations</b>	<b>(9,408)</b>	<b>21,310</b>
<b>Effect of exchange rate fluctuations on cash and cash equivalents</b>	<b>2,509</b>	<b>(247)</b>
Effects of exchange rate fluctuations on cash and cash equivalents	2,509	(247)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(6,899)</b>	<b>21,063</b>
Cash and cash equivalents, opening balance	48,901	48,901
<b>Cash and cash equivalents, closing balance</b>	<b>42,002</b>	<b>69,964</b>