



# EARNINGS REPORT JUNE 2020



# 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.



# TABLE OF CONTENT

1) Summary of Consolidated Results.....	4
2) Highlights of the Period.....	7
3) Comprehensive Statement of Consolidated Income - IFRS.....	8
4) Analysis of Consolidated Income Statement.....	9
5) 2019-20 Season Results Analysis.....	14
6) Data by Business Segment.....	17
7) Financial and Profitability Ratios .....	24
8) Consolidated Financial Statements - IFRS.....	26
a. Consolidated Statement of Financial Position - Assets.....	26
b. Consolidated Statement of Financial Position - Liabilities and Equity.....	27
c. Comprehensive Statement of Consolidated Result.....	28
d. Consolidated Statement of Changes in Equity.....	29
e. Consolidated Statement of Cash Flow.....	30



## SUMMARY OF CONSOLIDATED RESULTS BY SEASONS 2019/20 AND 2018/19 AND 1H20/1H19

1. **Total Revenues<sup>1</sup>** increased by **3.16%** in the 2019/20 season (“S19/20”) compared to the 2018/19 season (“S18/19”), totaling **ThUS\$568,407**. The higher revenues are due to an increase of 16.55% in the commercialized volume to 70,113 tons, mainly linked to the normalization of the production curve in Peru, the ripening of blueberry fields in China and the entry into production of the raspberry fields in Mexico that were planted in S18/19. The higher volume was partially offset by a reduction in the average price per kilo of 11.44%, which went from 7.81 US\$/Kg in S18/19 to 6.92 US\$/Kg in S19/20.

On its part, Hortifrut's **total Revenue<sup>1</sup>** at the end of June 2020 (“1H20”) reached **ThUS\$265,560**, representing a **decrease of 4.33%** compared to the same period in 2019 (“1H19”). This decrease was mainly due to a 5.57% drop in commercialized volume, due to earlier pruning in the Peruvian fields, whose fruit supply did not overlap with the Chilean fruit supply during 1Q20, partially offset by higher prices of the Chilean fruit, to a 39.84% increase in volume during 2Q20 compared to 2Q19, mainly related to the ripening of the blueberry fields in China, the early start of the blueberry harvest in Peru in June 2020, and the entry into production of the raspberry fields in Mexico that were planted in S18/19. To these effects is added a 2.86% drop in the average price per kilo, which went from 7.36 US\$/Kg in 1H19 to 7.15 US\$/Kg in 1H20.

The fall in volumes and prices is partially offset by an increase in other income per function of ThUS\$3,787 mainly associated with the recognition of a higher expected margin of fruit at the bearer plants.

Revenues from “Fresh Fruit” aggregate segment, which includes blueberries, raspberries, blackberries, strawberries and cherries, represented 93.05% of consolidated revenue in 1H20, in line compared to the 93.15% in 1H19. On its part, revenue from the sale of the “Products with Added Value” segment represented 6.95% of consolidated revenue in the same period.

2. **Total Operating costs** increased slightly by 1.81% in S19/20 compared to S18/19, totaling **ThUS\$499,753** mainly explained by: 1) higher costs given the higher volume distributed; 2) higher depreciation; 3) salaries expenses linked to the higher volume of production; and 4) amortization of the Intangible Assets (royalties), which went from ThUS\$1,541 to ThUS\$6,149, mainly associated with the higher sale of Blueberries plants. These effects were, to a large extent, offset by the decrease in other expenses, per function, related to the lower reversal of the adjustment to the fair value of fruit in bearer plants of ThUS\$2,431 in S19/20, vs. ThUS\$6,327 in S18/19 and due to lower purchases of fruit from third parties.

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

**Total Operating costs** in 1H20 amounted to **ThUS\$241,586**, registering a decrease of 13.48%, compared to 1H19. The lower costs are mainly explained by the lower distributed volume in 1Q20 compared to 1Q19, given a production curve for Peruvian fruit that did not overlap with the curve for Chilean fruit, as it did in 1Q19. Additionally, the period shows a decrease in other expenses, per function, associated with the lower reversal of the adjustment of the fair value of fruit in bearer plants recorded at the end of 2019, compared to the end of 2018, leaving a balance of ThUS\$1,401 in 1H20 vs. ThUS\$6,327 in 1H19.

On its part, in unit terms, sales costs decreased from US\$6.51 per kilo in 1H19 to US\$6.01 per kilo in 1H20.

Thus, in S19/20, the Company recorded an **EBITDA of ThUS\$121,612**, increasing by 14.19% compared to the EBITDA of ThUS\$106,496 recorded in S18/19. EBITDA increased mainly due to the 16.55% increase in the commercialized volume during the period, influenced by a better production curve and quality of the fruit, partially offset by the 11.44% reduction in the average price per kilo. Additionally, revenue for the period increased (+ ThUS\$17,411) in a larger proportion compared to the increase in costs and expenses before depreciation (+ ThUS\$2,295, from ThUS\$444,500 in S18/19 to ThUS\$446,795 in S19/20).

**EBITDA** reached **ThUS\$45,674** in 1H20, recording an increase of 93.44% compared to the EBITDA of ThUS\$23,611 recorded in the same period of 2019. The higher EBITDA is mainly due to higher prices in Chile as a result of better fruit quality and the non-overlap of production with Peru, better results in the frozen food business, the ripening of the fields in China, to the decrease in sales costs per kilo and administrative and sales expenses, linked to the implementation of efficiencies at the field level and obtaining a better quality of fruit, and the decrease in other expenses, per function, due to the lower fair value of fruit in the plant registered at the end of 2019, compared to 2018 closing.

3. **Operating income** S19/20 amounted to **ThUS\$68,654**, increasing by 14.18% compared to S18/19. The increase in operating income of ThUS\$8,526 is largely linked to the same reasons that explain the variations in EBITDA. These effects are partially offset by the higher depreciation in the period, associated with the incorporation of hectares planted in Mexico and China and the increase in amortization of intangible assets, mentioned above.

During 1H20, **Operating Income** reached **ThUS\$23,974**, which is compared to the negative result of ThUS\$1,639 presented in 1H19. On its part, the operating margin also experienced an increase from -0.59% to 9.03% in the analysis period. These increases are mainly explained by the same reasons that explain the variations in the EBITDA of the period, added to a decrease of 17.53% in the depreciation of bearer plants for the period, mainly linked to the lower distributed volume. In particular, administrative and sales expenses for the period decreased by 17.80% between 1H19 and 1H20, totaling ThUS\$27,456.

4. The **non-operating income** for S19/20 presented a **negative result of ThUS\$23,487**, which is compared to the positive result of ThUS\$29,394 recorded in S18/19. The positive result in S18/19

is mainly associated with the profit of ThUS\$60,527 recorded in other income/(expenses), largely due to the fair value adjustment of the 50% stake in Hortifrut Tal S.A.C. (Peru) due to the merger carried out in this country, an adjustment that amounted to ThUS\$60,990, which net of taxes amounts to ThUS\$44,520. Isolating this effect, the non-operating result for S18/19 would be negative ThUS\$31,596, ThUS\$8,109 less than the result for S19/20, as a result of: 1) the decrease of ThUS\$3,461 in net financial costs; 2) higher gains from exchange differences of ThUS\$3,075, and 3) increase of ThUS\$2,857 in the result associated with the participation of associates and joint ventures.

The **Non-operating income** in 1H20 was **negative ThUS\$10,065**, which compares favorably with the negative ThUS\$17,996 recorded in 1H19. The better result is mainly associated with: 1) the increase of ThUS\$2,503 in the result associated with the participation of associates and joint ventures, mainly due to a profit of ThUS\$455 during 1H20 in the associate Munger Hortifrut NA LLC in the United States compared to a loss of ThUS\$2,802 during 1H19; 2) lower net financial costs of ThUS\$2,563 linked to the debt prepayments made during 3Q19, and 3) a positive result from exchange differences of ThUS\$1,318 during 1H20, due to the appreciation of the dollar against the Chilean peso.

5. **Income attributable to the owners of the parent company reached ThUS\$22,259** in S19/20 compared to ThUS\$62,184 recorded during S18/19 (-64.20%). The lower profit is mainly due to the one-off positive effect of ThUS\$60,990 on the non-operating result of S18/19, which is recorded in other non-operating income/(expenses), due to the fair value adjustment of the 50% stake in Hortifrut Tal SAC (Peru) for the merger carried out in that country, which net of taxes amounts to ThUS\$44,520. Isolating this effect, the profit attributable to the owners of the parent company during S18/19 would be ThUS\$17,664, ThUS\$4,595 less than the result of S19/20. The higher profit for the period is mainly explained by the higher operating income previously explained, added to the higher non-operating income without the effect of the aforementioned fair value adjustment.

In 1H20, the Company recorded a **Income attributable to the owners of the parent of ThUS\$2,502**, which compares favorably with a loss of ThUS\$16,201 recorded in the same period of 2019. The improvement in income attributable to the owners of the parent in 1H20 Regarding the loss of 1H19, it is mainly due to the higher EBITDA of ThUS\$22,063, as a result of a decrease in costs proportionally larger than the decrease in sales income, due to not having the higher costs associated with maintaining the quality of Peruvian fruit, as its volume decreased during 1H20 as a result of earlier pruning to cycle the plants for the following season, and by a decrease of ThUS\$6,529 in other expenses, per function, associated with the lower reversal of the fair value adjustment of fruit in bearer plants recorded at the end of 2019, compared to the end of 2018 (ThUS\$1,401 in 1H20 vs. ThUS\$6,327 in 1H19).

## HIGHLIGHTS OF THE PERIOD

### 1. Successful debt refinancing for US\$101 million

On August 25, 2020, Hortifrut S.A. signed a **syndicated credit agreement and a bilateral credit agreement for a total of US\$101 million**, with the participation of Banco Santander, Industrial and Commercial Bank of China (ICBC Bank), Banco de Occidente, Bladex and Rabobank, both for a **term of 5 years with 2 years of grace**. The funds from these loans will be **used in their entirety to refinance short-term liabilities**.

These operations demonstrate the Company's **broad access to the local and international financial market**, which despite the adverse conditions faced in the market as a result of the pandemic, managed to obtain favorable conditions, making its maturity profile more flexible and strengthening its financial structure.

### 2. Vitafoods begins operations

In line with the Company's growth strategy, **on July 31, 2020, the merger between Hortifrut and Alifrut**, a Duncan Fox subsidiary, was finalized to **combine their operations of frozen products for export** in equal parts, thus forming **Vitafoods**.

The merger process considered the transfer of **five frozen production plants**, as well as the corresponding fixed assets to the new company, which will begin producing and marketing a **volume close to 35 million kilos** and with estimated **sales of over US\$100 million** during the year 2021, making it a very relevant global player in its category in international markets.

The new company will distribute directly to its customers through the global commercial platforms of Hortifrut and its subsidiary Naturipe Value Added Foods USA, which will be controlled by Vitafoods. In addition, Alifrut's industrial and commercial expertise as a multiproduct frozen food processor is also incorporated, which will allow Vitafoods to manage a large part of the business value chain, thus ensuring the best quality and food safety, greater stability in supply. and a varied multi-product offer for its global clients, along with the development of new products and formats.

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

In order to continue strengthening its 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.

As a result of this agreement, **all the volume produced by BFruit is marketed through the Hortifrut trading platform for Europe**, thus increasing the volume of the vertically integrated business that already exists. In addition, this allows Hortifrut to perform a faster commercial escalation of the new varieties of raspberries, blackberries and blueberries from its own varietal development programs around the world.

### 4. COVID-19 pandemic contingency

Regarding the health contingency resulting from the COVID-19 pandemic, Hortifrut has taken actions in order to protect the health of its workers and collaborators, adopting the teleworking modality for all officials who can perform their functions remotely. For workers, whose work is essential to be carried out in person, all the recommendations and measures established by government authorities in each country and world organizations have been taken, a traceability system has been

developed for workers and campaigns have been carried out. communication, as well as support for them.

In order to maintain our commitment to supply berries every day, all year round, the Company has sought to ensure the continuity of operations, adopting measures to ensure the provision of inputs necessary for the proper functioning of all our fields. As of today, the fields where the Company is harvesting are Peru (Trujillo and Olmos), Chile and Mexico, whose operations have not been largely affected.



# CONSOLIDATED INTEGRAL INCOME STATEMENT - IFRS

## HORTIFRUT S.A. AND SUBSIDIARIES Consolidated Integral Income Statement Accumulated as of June 30th 2020 (January to June)

	Jan19-Jun19		Jan20-Jun20		Var %
	ThUS\$	% Rev.	ThUS\$	% Rev.	
Total revenue <sup>2</sup>	277,591		265,560		-4.33%
Cost of sales	-220,580	-79.46%	-192,430	-72.46%	-12.76%
Administrative Expenses	-33,400	-12.03%	-27,456	-10.34%	-17.80%
<b>EBITDA</b>	<b>23,611</b>	<b>8.51%</b>	<b>45,674</b>	<b>17.20%</b>	<b>93.44%</b>
Depreciation Fixed Assets	-12,668	-4.56%	-10,177	-3.83%	-19.66%
Depreciation Biological Assets	-11,360	-4.09%	-9,272	-3.49%	-18.38%
Amortization Intangible Assets	-1,222	-0.44%	-1,374	-0.52%	12.44%
<b>Operating Result (exclude assets impairment)</b>	<b>-1,639</b>	<b>-0.59%</b>	<b>24,851</b>	<b>9.36%</b>	<b>-1616.23%</b>
Asset Impairment	0		-877		
<b>Operating Result</b>	<b>-1,639</b>	<b>-0.59%</b>	<b>23,974</b>	<b>9.03%</b>	<b>-1562.72%</b>
Financial income	517		618		19.54%
Financial expenses	-13,697		-11,235		-17.97%
Share of profit of equity - accounted investees	-2,935		-432		-85.28%
Other profit (loss)	-346		-334		-3.47%
Exchange rate differences	-1,535		1,318		-185.86%
<b>Non Operatig Result</b>	<b>-17,996</b>	<b>-6.48%</b>	<b>-10,065</b>	<b>-3.79%</b>	<b>-44.07%</b>
<b>Profit before tax</b>	<b>-19,635</b>	<b>-7.07%</b>	<b>13,909</b>	<b>5.24%</b>	<b>-170.84%</b>
Income tax expenses	3,491		-5,403		-254.77%
<b>Profit (loss)</b>	<b>-16,144</b>	<b>-5.82%</b>	<b>8,506</b>	<b>3.20%</b>	<b>-152.69%</b>
Profit (loss), attributable to the parent company equity holders	-16,201	-5.84%	2,502	0.94%	-115.44%
Profit (loss), attributable to non-controlling interests	57		6,004		10433.33%
<b>Profit (loss)</b>	<b>-16,144</b>	<b>-5.82%</b>	<b>8,506</b>	<b>3.20%</b>	<b>-152.69%</b>
Sales volume (tons)	33,903		32,016		-5.57%
EBITDA / kg (US\$)	0.70		1.43		104.85%

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

# ANALYSIS OF CONSOLIDATED INCOME STATEMENT

## Operational Results

Hortifrut S.A. and Subsidiaries Total Income<sup>2</sup> totaled ThUS\$265,560 at the end of the 1<sup>st</sup> half of 2020, recording a decrease of 4,33% compared to the same period in 2019.

In the case of **Blueberries**, **6.50% lower sales** were observed, reaching **ThUS\$221,698** in 1H20. The lower revenues are mainly explained by a **decrease in the distributed volume of 12.55% to 22,472 tons**, partially offset by a slight increase in the average price per kilo of 1.22%. The variation in the distributed volume is mainly explained by the lower volume traded in 1Q20, associated with the extraordinary weather events in Peru during the second half of 2018 that delayed the production curve in that country, concentrating a relevant volume of fruit in Peru during 1Q19, which was added to the Chilean fruit. The lower volume in 1Q20 is partially offset by a 57.03% increase in distributed volume during 2Q20.

On its part, revenues from **Raspberries** increased by 180.60% compared to 1H19, totaling **ThUS\$15,773** in 1H20. This increase is explained by an increase in the marketed volume, which went from 523 tons in 1H19 to 1,571 tons in 1H20. This increase was partially offset by a drop in the average price per kilo of 6.53%, mainly associated with a higher availability of fruit in Mexico for the American market.

The **Blackberry** segment recorded **revenues of ThUS\$4,353**, decreasing compared to ThUS\$8,283 in 1H19, explained by a 28.97% decrease in the distributed volumes and a 26.02% decrease in the average price per kilo.

Regarding **Strawberries**, revenues decreased by 47.33% in 1H20 compared to the same period of 2019, totaling **ThUS\$1,171**. The decrease is explained by a drop in the distributed volume of 30.93%, mainly associated with a lower availability of fruit to harvest in Chile and Mexico and by the lower productivity of the Chilean fields as a result of the lower rains. Added to this is a 23.74% decrease in the average price per kilo.

**Cherries** recorded **sales revenue of ThUS\$4,096** in 1H20, decreasing 23.14% compared to 1H19. This decrease in revenues is due to a decrease in the average price per kilo of 41.92%, partially offset by a 32.33% increase in the volumes sold.

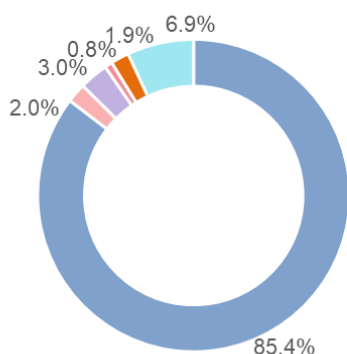
**Value-added Products** recorded **sales income of ThUS\$18,468** at the end of 1H20, slightly decreasing by 2.88% compared to the income registered in the same period of the previous year. This variation is explained by a decrease in the average price per kilo of 13.03%, offset by an increase of 11.68% in the distributed volume.

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

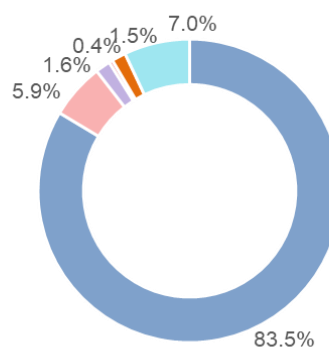
The following tables and graphs present a summary of the composition of Operating Income and its accumulated variation as of 1H19 and 1H20:

Revenue (Thousands of dollars)			
	Jan19-Jun19	Jan20-Jun20	Var %
Blueberries	237,119	221,698	-6.50%
Raspberries	5,621	15,773	180.60%
Blackberries	8,283	4,353	-47.45%
Strawberries	2,223	1,171	-47.33%
Cherries	5,329	4,096	-23.14%
Value Added Products	19,016	18,469	-2.88%
<b>TOTAL</b>	<b>277,591</b>	<b>265,560</b>	<b>-4.33%</b>

Income per Segment Jan19-Jun19



Income per Segment Jan20-Jun20



The Operating Results recorded a profit of ThUS\$23,974 in the 1H20, which compares favorably with the loss of US\$1,639 obtained in the same period of 2019.

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\$9,272 of depreciation of the “Bearer Plants”, which is compared to a depreciation of ThUS\$11,360 for this concept in the 1H19.

On its part, there is a slightly increase in the amortization of the Intangible Assets, which went from ThUS\$1,222 in the 1H19 to ThUS\$1,374 in the 1H20, mainly associated with higher sale of Blueberries plants.

The **Blueberry** business recorded an Operating Income of **ThUS\$16,749 in 1H20**, increasing by ThUS\$23,468 compared to 1H19, mainly explained by the 15.95% decrease in operating costs, related to the lower volume traded of 12.55%, lower costs in maintaining the quality of Peruvian fruit, and the increase in the average price per kilo of 1.22% compared to 1H19. The effects previously described were partially offset by the lower revenue resulting from the decrease in the volume of Peruvian fruit sold in 1Q20 due to earlier pruning to cycle the plants for the following season. The operating margin also experienced an increase from -2.83% in 1H19 to 7.55% in 1H20.

The depreciation of the “bearer plants” considered within the Blueberry segment during the 1H20 amounts to ThUS\$7,995 a 27.03% lower than the ThUS\$10,956 recorded during the same period of 2019 for this concept, explained by the lower volume of Blueberries produced.

The **Raspberry** segment recorded a **positive** Operating Income of **ThUS\$5,199 in 1H20**, which is compared to the ThUS\$2,911 recorded in 1H19, mainly associated with higher revenue related to the increase in commercialized volume, which went from 523 tons in 1H19 to 1,571 tons in 1H20. The higher revenues were partially offset by the increase in costs associated with this increase in volumes and by the decrease of 6.53% in the average price per kilo. The depreciation of the “bearer plants” considered within this segment during 1H20 amounts to ThUS\$1,277, higher compared to the depreciation of ThUS\$404 registered in 1H19, explained by the higher volume produced.

The Operating Result of the **Blackberries** was **positive** by **ThUS\$956 in 1H20**, increasing slightly compared to the result of ThUS\$937 in the same period of 2019, mainly associated with the fall in costs of 53.76%, proportionally larger to the decrease in 47.45% revenue. This segment does not record depreciation of “bearer plants”.

**Strawberry** recorded a **negative** Operating Income equal to **ThUS\$611 during 1H20**, compared to a loss of ThUS\$561 recorded in 1H19. The higher loss in the period is explained by lower revenues, associated with the decrease in distributed volume of 30.93% and in the average price per kilo of 23.74%, partially offset by lower operating costs. This segment does not record depreciation of “bearer plants”.

The **Cherry** segment recorded a **positive** Operating Result of **ThUS\$272** at the end of 1H20, decreasing compared to the profit of ThUS\$817 recorded in the same period of the previous year, linked to lower sales prices associated with port congestion in China due to the health pandemic resulting from the Covid-19 outbreak. Given the above, the operating margin of this product decreased from 15.34% of revenues to 6.64% of them during the analysis period. This segment does not record depreciation of “bearer plants”.

**Value-Added Products** show a **positive** Operating Income of **ThUS\$2,286 in 1H20**, improving with respect to the result of ThUS\$975 in 1H19, explained by the decrease in costs in a larger proportion compared to that of operating income, whose fall is explained mainly due to a drop in the average price per kilo of 13.03%. For its part, the operating margin of this segment was 12.38% in the analysis period, which compares positively with the 5.13% margin registered in 1H19. This segment does not record depreciation of “bearer plants”.

## NON-OPERATING RESULT

**Non-Operating Results recorded losses of ThUS\$10,065 at the end of June 2020, which compares favorably with the losses of ThUS\$17,996 recorded in the same period of 2019.**

This variation is mainly explained by the following elements:

- a. Lower net financial expenses of ThUS\$2,563, totaling ThUS\$10,617 in 1H20, a variation that is mainly explained by prepayments of bank debt associated with refinancing of financial debt, made during 3Q19.
- b. Lower losses in the participation in the profits (losses) of associates of ThUS\$2,503 compared to 1H19, mainly explained by a profit of ThUS\$455 in the associate Munger Hortifrut NA LLC in the United States compared to a loss of ThUS\$2,802 during 1H19.
- c. A profit for exchange difference of ThUS\$1,318 in 1H20, which compares with a loss of ThUS\$1,535 in the same period of the previous year. The profit during 1H20 is mainly associated with the appreciation of the US dollar in relation to the Chilean peso.

## FINANCIAL DEBT AND CAPEX

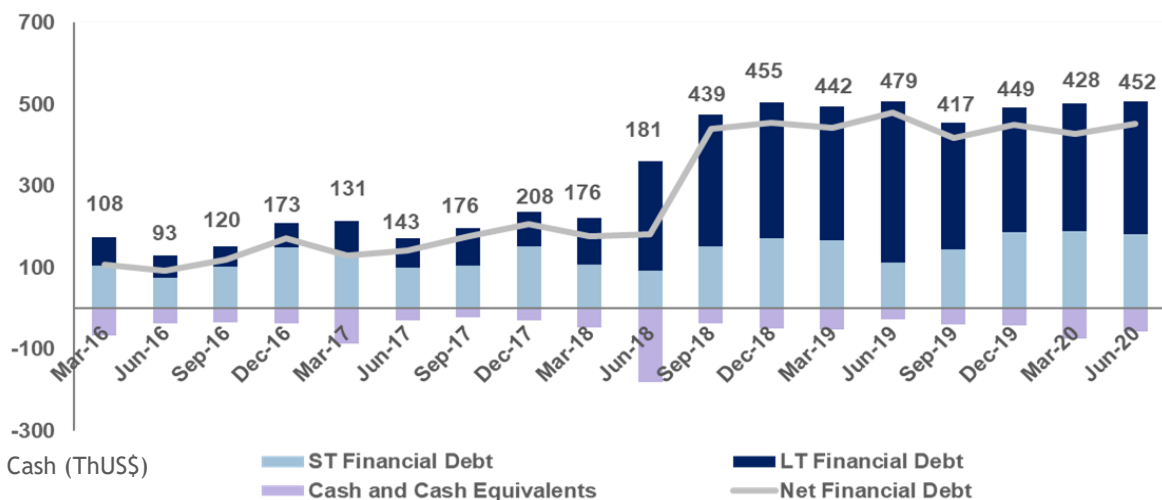
The Company's **net financial debt** increased slightly from ThUS\$448,914 as of December 31, 2019 to **ThUS\$452,175 as of June 30, 2020**, which is mainly explained by the increase in PAE loans as a measure to have additional sources of liquidity against potential requirements associated with the COVID-19 pandemic, added to the negative effect of the market valuation associated with Cross Currency Swaps for ThUS\$5,879 as a result of the appreciation of the US dollar during the period. These effects were, in part, offset by the higher available cash balance, also associated with needs that could arise from the contingency. As of June 2020, the liability associated with the lease agreements that the Company has amounts to ThUS\$19,278, which is compared to ThUS\$21,814 as of December 2019.

In S19/20, the Company invested ThUS\$110,654, mainly in new plantations, in addition to maintaining existing plantations and infrastructure. This represents an increase of 78.58% compared to S18/19, mainly due to plantation projects in Mexico and China and investments made in Trujillo, associated with maintenance and improvements to the fields.

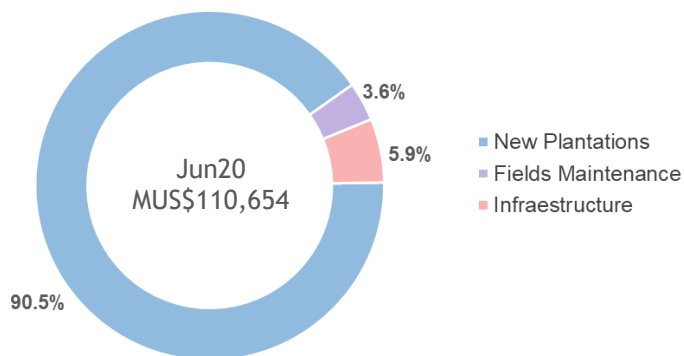
The following tables and graphs present the distribution of financial debt and capital investments as of June 2020:

### Net Financial Debt Evolution (ThUS\$)

Debt (ThUS\$)



### Capital Investments Distribution 2019/20 Season



## EARNINGS & EBITDA

- **EBITDA** reached **ThUS\$45,674** in 1H20, which represents an increase of 93.44% when compared to the ThUS\$23,611 recorded in 1H19. The higher EBITDA is mainly due to higher prices in Chile as a result of better fruit quality and the non-overlap of production with Peru (+ -ThUS\$7,000), better results in the frozen food business (+ -ThUS\$1,600), to the maturing of the fields in China (+ -ThUS\$11,000), to the decrease in selling costs per kilo and administrative and sales expenses, linked to the implementation of efficiencies at the field level and obtaining a better quality of fruit, and the decrease in other expenses, per function, due to the lower fair value of fruit in bearer plants registered at the end of 2019, compared to the end of 2018, resulting in a reversal of ThUS\$1,401 in 1H20 vs. ThUS\$6,327 in 1H19.
- **In the first half of 2020, the Company presented a Profit attributable to the owners of the parent company of ThUS\$2,502**, which represents an increase of ThUS\$18,703 when compared to the loss of ThUS\$16,201 recorded in the same period of 2019. This increase is mainly due to a: 1) the increase in EBITDA of ThUS\$22,063, because, despite registering lower revenue due to the lower volume sold during 1Q20 (-16.90%) as a result of the overlap of a relevant volume of fruit in Peru and Chile during 1Q19, this effect was more than offset by lower costs associated with a better quality of Peruvian fruit and a better return on Chilean fruit as a result of demand and price; 2) a decrease of ThUS\$6,529 in other expenses, per function, associated with the lower reversal of the fair value adjustment of fruit in bearer plants recorded at the end of 2019, compared to the end of 2018 (ThUS\$1,401 in 1H20 vs. ThUS\$6,327 in 1H19); 3) higher other income, per function of ThUS\$3,787, mainly due to a higher fair value of the fruit in bearer plants, which amounts to ThUS\$2,142 in 1H20, compared to ThUS\$348 in 1H19; 4) a positive result from exchange differences of ThUS\$1,318 in 1H20, due to the appreciation of the dollar against the Chilean peso; 5) an increase of ThUS\$2,503 in the result associated with the participation of associates and joint ventures, and 6) lower net financial costs of ThUS\$2,563. These effects are partially offset by a higher tax expense, which goes from a profit of ThUS\$3,491 in 1H19 to an expense of ThUS\$5,403 in 1H20, associated with the positive result before tax, compared to the losses recorded in the same period of the previous year.

## 2019/20 SEASON RESULT ANALYSIS

### HORTIFRUT S.A. AND SUBSIDIARIES Consolidated Integral Income Statement For Season ending on June 30th (July 2019 to June 2020)

	Jul18-Jun19		Jul19-Jun20		Var %
	ThUS\$	% Rev.	ThUS\$	% Rev.	
Total revenue <sup>3</sup>	550,996		568,407		3.16%
Cost of sales	-387,055	-70.25%	-392,970	-69.14%	1.53%
Administrative Expenses	-57,445	-10.43%	-53,825	-9.47%	-6.30%
<b>EBITDA</b>	<b>106,496</b>	<b>19.33%</b>	<b>121,612</b>	<b>21.40%</b>	<b>14.19%</b>
Depreciation Fixed Assests	-26,231	-4.76%	-31,362	-5.52%	19.56%
Depreciation Biological Assets	-16,279	-2.95%	-12,823	-2.26%	-21.23%
Amortization Intangible Assets	-1,541	-0.28%	-6,149	-1.08%	299.03%
<b>Operating Result (exclude assets impairment)</b>	<b>62,445</b>	<b>11.33%</b>	<b>71,278</b>	<b>12.54%</b>	<b>14.15%</b>
Asset Impairment	-2,317		-2,624		
<b>Operating Result</b>	<b>60,128</b>	<b>10.91%</b>	<b>68,654</b>	<b>12.08%</b>	<b>14.18%</b>
Financial income	790		2,890		265.82%
Financial expenses	-25,969		-24,608		-5.24%
Share of profit of equity - accounted investees	-5,979		-3,122		-47.78%
Other profit (loss)	60,527		-1,747		-102.89%
Exchange rate differences	25		3,100		12300.00%
<b>Non Operatig Result</b>	<b>29,394</b>	<b>5.33%</b>	<b>-23,487</b>	<b>-4.13%</b>	<b>-179.90%</b>
<b>Profit before tax</b>	<b>89,522</b>	<b>16.25%</b>	<b>45,167</b>	<b>7.95%</b>	<b>-49.55%</b>
Income tax expenses	-20,927		-9,814		-53.10%
<b>Profit (loss)</b>	<b>68,595</b>	<b>12.45%</b>	<b>35,353</b>	<b>6.22%</b>	<b>-48.46%</b>
Profit (loss), attributable to the parent company equity holders	62,184		22,259		-64.20%
Profit (loss), attributable to non-controlling interests	6,411		13,094		104.24%
<b>Profit (loss)</b>	<b>68,595</b>	<b>12.45%</b>	<b>35,353</b>	<b>6.22%</b>	<b>-48.46%</b>
Sales volume (tons)	60,155		70,113		16.55%
EBITDA / kg (US\$)	1.77		1.73		-2.02%

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



During S19/20, the Company recorded an **EBITDA of ThUS\$121,612**, increasing by 14.19% compared to the EBITDA of ThUS\$106,496 registered in S18/19. EBITDA increased mainly due to the 16.55% increase in the volume traded during the period, influenced by a better production curve and quality of the fruit, partially offset by the 11.44% reduction in the average price per kilo. Additionally, revenue for the period increased (+ThUS\$17,411) in a higher proportion compared to the increase in costs and expenses before depreciation (+ThUS\$2,295, from ThUS\$444,500 in S18/19 to ThUS\$446,795 in S19/20).

On its part, **total Revenues<sup>3</sup> increased by 3.16%** in the 2019/20 season (“S19/20”) compared to the 2018/19 season (“S18/19”), totaling **ThUS\$568,407**. The higher revenues are due to an increase of 16.55% in the commercialized volume to 70,113 tons, mainly linked to the normalization of the production curve in Peru, the ripening of blueberry fields in China and the entry into production of the raspberry fields in Mexico that were planted in S18/19. The higher volume was partially offset by a reduction in the average price per kilo of 11.44%, which went from 7.81 US\$/Kg in S18/19 to 6.92 US\$/Kg in S19/20.

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 11.44%** from US\$7.81 between July 2018 and June 2019 up to US\$6.92 in the same period of the season 2019/20, as a consequence of a drop in prices of all segments.

In particular, the **average price of blueberries registered a decrease of 11.14%** to US\$7.70, linked to the lower average prices recorded in the second half of 2019, partially offset by the increase in the average price registered in 1H20. On its part, the price of raspberries experienced a fall of 2.16% to US\$9.01, that of blackberries a 15.38% to US\$5.16, strawberries had a decrease of 20.24% to US\$3.73, that of cherries had a reduction of 41.16% to US\$5.61 and that of products with added value decreased by 13.92% to US\$3.03.

**Sales Costs** decreased by 1.53% in S19/20 compared to S18/19, totaling **ThUS\$392,970** mainly explained by the higher volume of fruit sold during S19/20. However, sales costs per kilo decreased from 6.43 US \$/kg in S18/19 to 5.60 US\$/kg in S19/20.

On its part, the **Administration and Sales Expenses** recorded a 4.78% decrease in S19/20, decreasing in terms of participation over Sales Income, going from 10.43% to 9.62% within the analysis period.

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

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

Volume Distributed (kilos)	Jul18-Jun19	Jul19-Jun20	Var %
Blueberries	46,682,648	53,201,680	13.96%
Raspberries	1,361,713	2,928,285	115.04%
Blackberries	2,192,991	1,867,802	-14.83%
Strawberries	884,876	683,470	-22.76%
Cherries	571,218	808,266	41.50%
Value Added Products <sup>4</sup>	8,461,649	10,623,244	25.55%
<b>TOTAL</b>	<b>60,155,095</b>	<b>70,112,746</b>	<b>16.55%</b>

A **negative non-operating result of ThUS\$23,487** was recorded in S19/20, which compares with the positive result of ThUS\$29,394 recorded in S18/19. The positive result in S18/19 is mainly associated with the profit of ThUS\$60,527 recorded in other income/(expenses), largely due to the fair value adjustment of the 50% stake in Hortifrut Tal S.A.C. (Peru) due to the merger carried out in this country, an adjustment that amounted to ThUS\$60,990, which net of taxes amounts to ThUS\$44,520. Isolating this effect, the non-operating result for S18/19 would be negative ThUS\$31,596, ThUS\$8,109 less than the result for S19/20, as a result of: 1) the decrease of ThUS\$3,461 in net financial costs; 2) higher gains from exchange differences of ThUS\$3,075, and 3) increase of ThUS\$2,857 in the result associated with the participation of associates and joint ventures.

---

<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 Jan19/Jun19 - Jan20/Jun20

Blueberries	Jan19-Jun19	% Income	Jan20-Jun20	% Income	Var %
Operating Income (ThUS\$)	237,119		221,698		-6.50%
Operating Costs (ThUS\$)	-243,837		-204,949		-15.95%
<b>Operating Result (ThUS\$)<sup>5</sup></b>	<b>-6,718</b>	<b>-2.83%</b>	<b>16,749</b>	<b>7.55%</b>	<b>-349.31%</b>

##### Income Statement per Comparative Season Jul18/Jun19 - Jul19/Jun20

Blueberries	Jul18-Jun19	% Income	Jul19-Jun20	% Income	Var %
Operating Income (ThUS\$)	485,703		493,103		1.52%
Operating Costs (ThUS\$)	-427,318		-428,418		0.26%
<b>Operating Result (ThUS\$)<sup>5</sup></b>	<b>58,385</b>	<b>12.02%</b>	<b>64,685</b>	<b>13.12%</b>	<b>10.79%</b>

##### Evolution of Sales Volume and Prices

Blueberries	Jan19-Jun19	Jan20-Jun20	Var %	Jul18-Jun19	Jul19-Jun20	Var %
Sales volume (kilos)	25,698,090	22,472,371	-12.55%	46,682,648	53,201,680	13.96%
Percentage of the total	75.80%	70.19%		77.60%	75.88%	
Average Income (US\$/kg)	9.23	9.87	6.92%	10.40	9.27	-10.92%
Average Price (US\$/kg)	8.14	8.24	1.22%	8.67	7.70	-11.14%

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

## Raspberries

### Income Statement per Comparative Calendar Year Jan19/Jun19 - Jan20/Jun20

Raspberries	Jan19-Jun19	% Income	Jan20-Jun20	% Income	Var %
Operating Income (ThUS\$)	5,621		15,773		180.60%
Operating Costs (ThUS\$)	-2,710		-10,574		290.17%
<b>Operating Result (ThUS\$)<sup>6</sup></b>	<b>2,911</b>	<b>51.79%</b>	<b>5,199</b>	<b>32.96%</b>	<b>78.58%</b>

### Income Statement per Comparative Season Jul18/Jun19 - Jul19/Jun20

Raspberries	Jul18-Jun19	% Income	Jul19-Jun20	% Income	Var %
Operating Income (ThUS\$)	12,542		26,387		110.39%
Operating Costs (ThUS\$)	-11,681		-23,352		99.92%
<b>Operating Result (ThUS\$)<sup>6</sup></b>	<b>861</b>	<b>6.87%</b>	<b>3,035</b>	<b>11.50%</b>	<b>252.44%</b>

### Evolution of Sales Volume and Prices

Raspberries	Jan19-Jun19	Jan20-Jun20	Var %	Jul18-Jun19	Jul19-Jun20	Var %
Sales volume (kilos)	523,473	1,571,476	200.20%	1,361,713	2,928,285	115.04%
Percentage of the total	1.54%	4.91%		2.26%	4.18%	
Average Income (US\$/kg)	10.74	10.04	-6.53%	9.21	9.01	-2.16%
Average Price (US\$/kg)	10.74	10.04	-6.53%	9.21	9.01	-2.16%

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

## Blackberries

### Income Statement per Comparative Calendar Year Jan19/Jun19 - Jan20/Jun20

<b>Blackberries</b>	<b>Jan19-Jun19</b>	<b>% Income</b>	<b>Jan20-Jun20</b>	<b>% Income</b>	<b>Var %</b>
Operating Income (ThUS\$)	8,283		4,353		-47.45%
Operating Costs (ThUS\$)	-7,346		-3,397		-53.76%
<b>Operating Result (ThUS\$)<sup>7</sup></b>	<b>937</b>	<b>11.31%</b>	<b>956</b>	<b>21.97%</b>	<b>2.07%</b>

### Income Statement per Comparative Season Jul18/Jun19 - Jul19/Jun20

<b>Blackberries</b>	<b>Jul18-Jun19</b>	<b>% Income</b>	<b>Jul19-Jun20</b>	<b>% Income</b>	<b>Var %</b>
Operating Income (ThUS\$)	13,382		9,644		-27.93%
Operating Costs (ThUS\$)	-13,249		-9,438		-28.76%
<b>Operating Result (ThUS\$)<sup>7</sup></b>	<b>133</b>	<b>1.00%</b>	<b>206</b>	<b>2.14%</b>	<b>54.84%</b>

### Evolution of Sales Volume and Prices

<b>Blackberries</b>	<b>Jan19-Jun19</b>	<b>Jan20-Jun20</b>	<b>Var %</b>	<b>Jul18-Jun19</b>	<b>Jul19-Jun20</b>	<b>Var %</b>
Sales volume (kilos)	1,218,557	865,571	-28.97%	2,192,991	1,867,802	-14.83%
Percentage of the total	3.59%	2.70%		3.65%	2.66%	
Average Income (US\$/kg)	6.80	5.03	-26.02%	6.10	5.16	-15.38%
Average Price (US\$/kg)	6.80	5.03	-26.02%	6.10	5.16	-15.38%

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

## Strawberries

### Income Statement per Comparative Calendar Year Jan19/Jun19 - Jan20/Jun20

Strawberries	Jan19-Jun19	% Income	Jan20-Jun20	% Income	Var %
Operating Income (ThUS\$)	2,223		1,171		-47.33%
Operating Costs (ThUS\$)	-2,784		-1,783		-35.98%
<b>Operating Result (ThUS\$)<sup>8</sup></b>	<b>-561</b>	<b>-25.24%</b>	<b>-611</b>	<b>-52.21%</b>	<b>8.96%</b>

### Income Statement per Comparative Season Jul18/Jun19 - Jul19/Jun20

Strawberries	Jul18-Jun19	% Income	Jul19-Jun20	% Income	Var %
Operating Income (ThUS\$)	4,135		2,547		-38.40%
Operating Costs (ThUS\$)	-5,065		-3,797		-25.04%
<b>Operating Result (ThUS\$)<sup>8</sup></b>	<b>-930</b>	<b>-22.50%</b>	<b>-1,250</b>	<b>-49.07%</b>	<b>34.34%</b>

### Evolution of Sales Volume and Prices

Strawberries	Jan19-Jun19	Jan20-Jun20	Var %	Jul18-Jun19	Jul19-Jun20	Var %
Sales volume (kilos)	531,127	366,836	-30.93%	884,876	683,470	-22.76%
Percentage of the total	1.57%	1.15%		1.47%	0.97%	
Average Income (US\$/kg)	4.19	3.19	-23.74%	4.67	3.73	-20.24%
Average Price (US\$/kg)	4.19	3.19	-23.74%	4.67	3.73	-20.24%

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

## Cherries

### Income Statement per Comparative Calendar Year Jan19/Jun19 - Jan20/Jun20

Cherries	Jan19-Jun19	% Income	Jan20-Jun20	% Income	Var %
Operating Income (ThUS\$)	5,329		4,096		-23.14%
Operating Costs (ThUS\$)	-4,512		-3,824		-15.24%
<b>Operating Result (ThUS\$)<sup>9</sup></b>	<b>817</b>	<b>15.34%</b>	<b>272</b>	<b>6.64%</b>	<b>-66.75%</b>

### Income Statement per Comparative Season Jul18/Jun19 - Jul19/Jun20

Cherries	Jul18-Jun19	% Income	Jul19-Jun20	% Income	Var %
Operating Income (ThUS\$)	5,449		4,537		-16.74%
Operating Costs (ThUS\$)	-4,585		-4,151		-9.45%
<b>Operating Result (ThUS\$)<sup>9</sup></b>	<b>865</b>	<b>15.87%</b>	<b>386</b>	<b>8.51%</b>	<b>-55.37%</b>

### Evolution of Sales Volume and Prices

Cherries	Jan19-Jun19	Jan20-Jun20	Var %	Jul18-Jun19	Jul19-Jun20	Var %
Sales volume (kilos)	555,833	735,556	32.33%	571,218	808,266	41.50%
Percentage of the total	1.64%	2.30%		0.95%	1.15%	
Average Income (US\$/kg)	9.59	5.57	-41.92%	9.54	5.61	-41.16%
Average Price (US\$/kg)	9.59	5.57	-41.92%	9.54	5.61	-41.16%

<sup>9</sup> The Operating Result by Operating Segment does not consider the item Assets Impairment.

## “Value-Added” Segment

### Income Statement per Comparative Calendar Year Jan19/Jun19 - Jan20/Jun20

Value Added Products	Jan19-Jun19	% Income	Jan20-Jun20	% Income	% Income
Operating Income (ThUS\$)	19,016		18,468		-2.88%
Operating Costs (ThUS\$)	-18,041		-16,182		-10.30%
<b>Operating Result (ThUS\$)<sup>10</sup></b>	<b>975</b>	<b>5.13%</b>	<b>2,286</b>	<b>12.38%</b>	<b>134.46%</b>

### Income Statement per Comparative Season Jul18/Jun19 - Jul19/Jun20

Value Added Products	Jul18-Jun19	% Income	Jul19-Jun20	% Income	Var %
Operating Income (ThUS\$)	29,785		32,188		8.07%
Operating Costs (ThUS\$)	-26,654		-27,972		4.95%
<b>Operating Result (ThUS\$)<sup>10</sup></b>	<b>3,131</b>	<b>10.51%</b>	<b>4,216</b>	<b>13.10%</b>	<b>34.65%</b>

### Evolution of Sales Volume and Prices

Value Added Products	Jan19-Jun19	Jan20-Jun20	Var %	Jul18-Jun19	Jul19-Jun20	Var %
Sales volume (kilos) <sup>11</sup>	5,375,914	6,003,701	11.68%	8,461,649	10,623,244	25.55%
Percentage of the total	15.86%	18.75%		14.07%	15.15%	
Average Income (US\$/kg)	3.54	3.08	-13.03%	3.52	3.03	-13.92%
Average Price (US\$/kg)	3.54	3.08	-13.03%	3.52	3.03	-13.92%

<sup>10</sup> The Operating Result by Operating Segment does not consider the iltem Assets Impairment.

<sup>11</sup> This volume does not consider the kilos processed to third parties.



## PLANTED HECTARES VARIATION

Planted Surface	Productive			Non Productive <sup>12</sup>		
	Jun-19	Jun-20	Var. %	Jun-19	Jun-20	Var. %
<b>Blueberries</b>						
Surface (Hectares)	3,077	3,163	2.80%	172	669	289.05%
Percentage of the total	94.70%	95.52%		76.53%	78.82%	
<b>Raspberries</b>						
Surface (Hectares)	101	111	10.78%	0	100	
Percentage of the total	3.09%	3.36%		0.00%	11.77%	
<b>Blackberries</b>						
Surface (Hectares)	9	8	-12.09%	2	16	993.33%
Percentage of the total	0.28%	0.24%		0.67%	1.93%	
<b>Strawberries</b>						
Surface (Hectares)	56	16	-71.43%	6	12	100.00%
Percentage of the total	1.72%	0.48%		2.67%	1.41%	
<b>Cherries</b>						
Surface (Hectares)	7	13	96.10%	45	52	13.93%
Percentage of the total	0.20%	0.39%		20.13%	6.07%	
<b>TOTAL Hortifrut</b>	<b>3,249</b>	<b>3,312</b>	<b>1.92%</b>	<b>225</b>	<b>849</b>	<b>277.78%</b>

<sup>12</sup> 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>Jun-19</b>	<b>Jun-20</b>
<b>Current Liquidity</b>	<b>1.23</b>	<b>1.02</b>
<i>Current asset / Current liability</i>		
<b>Acid-test Ratio</b>	<b>0.74</b>	<b>0.62</b>
<i>Available asset (Current asset - Stock - Prepayments) / Current liability</i>		

### LEVERAGE RATIOS

<b>Leverage</b>	<b>Jun-19</b>	<b>Jun-20</b>
<b>Leverage Ratio</b>	<b>1.48</b>	<b>1.14</b>
<i>Total liabilities / Equity attributable to Parent Company</i>		
<b>Short Term Debt</b>	<b>23.27%</b>	<b>34.10%</b>
<i>Total current liabilities / Total liabilities</i>		
<b>Long Term Debt</b>	<b>76.73%</b>	<b>65.90%</b>
<i>Total non current liabilities / Total liabilities</i>		
<b>Financial Expenses Hedging</b>	<b>-0.43</b>	<b>2.24</b>
<i>(Before tax profit - Financial expenses) / Financial expenses</i>		
<b>Book value of the Share (US\$)</b>	<b>0.8563</b>	<b>1.0172</b>
<i>Equity attributable to Parent Company / N° of shares</i>		
<b>Net Financial Debt over Equity</b>	<b>0.92</b>	<b>0.66</b>
<i>(Financial Debt - Cash and Cash Equivalents) / Equity</i>		

## PROFITABILITY RATIOS

<b>Equity Profitability</b>	<b>Jun-19</b>	<b>Jun-20</b>
<b>Profitability of Parent Company's Equity</b>	<b>-3.60%</b>	<b>0.43%</b>
<i>Parent Company's Profit / Parent Company's Equity</i>		
<b>Profitability of the Equity</b>	<b>-3.20%</b>	<b>1.29%</b>
<i>Profit for the year / Total equity</i>		

---

## ACTIVITY RATIOS

<b>Activity</b>	<b>Jun-19</b>	<b>Jun-20</b>
<b>Rotation of Assets (times)</b>	<b>0.23</b>	<b>0.20</b>
<i>Operating Income / Total assets year average</i>		
<b>Rotation of Stock (times)</b>	<b>4.29</b>	<b>4.07</b>
<i>Cost of sales / Average stock</i>		
<b>Permanence of Stock (days)</b>	<b>42</b>	<b>44</b>
<i>Stock / Annualized cost of sales (360 days base)</i>		

---

# CONSOLIDATED FINANCIAL STATEMENTS - IFRS

## Consolidated Statements of Financial position - Assets

	Note	30-Jun-20 ThUS\$	31-Dec-19 ThUS\$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash Equivalents	8	55,793	42,002
Other current financial assets	9	379	0
Other current non-financial assets	14	10,537	8,710
Current trade debtors and other accounts receivable	10	57,786	97,066
Current accounts receivable from related entities	11	22,562	62,231
Inventories	12	41,602	70,581
Biological assets, current	13	37,591	18,225
Current tax assets	20	6,468	9,292
<b>Total current Assets</b>		<b>232,718</b>	<b>308,107</b>
<b>Non-current Assets</b>			
Other non-current financial assets	9	9,625	755
Other non-current non-financial assets	14	1,384	1,186
Non-current fees receivable	10	2,903	2,960
Non-current accounts receivables with related entities	11	4,429	4,417
Equity accounted investees	16	11,191	11,940
Intangible assets other than appreciation	17	7,327	8,855
Goodwill	18	179,770	179,770
Property, plant and equipment	19	820,280	780,496
Right-of-use-assets	20	25,118	22,867
Deferred tax assets	21	33,777	27,991
<b>Total non-current Assets</b>		<b>1,095,804</b>	<b>1,041,237</b>
<b>Total Assets</b>		<b>1,328,522</b>	<b>1,349,344</b>

## Consolidated Statements of Financial position - Liabilities & Equity

	Note	30-Jun-20 ThUS\$	31-Dec-19 ThUS\$
<b>Equity and Liabilities</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Other current financial liabilities	21	173,551	176,345
Financial lease liabilities, current	23	9,525	10,614
Current trade accounts and other accounts payable	24	34,836	78,798
Current accounts payable to related entities	11	5,666	3,348
Other current provisions	25	102	1,409
Current provisions for employee benefits	24	4,027	3,676
Other current non-financial liabilities		1,087	690
<b>Total current Liabilities</b>		<b>228,794</b>	<b>274,880</b>
<b>Non-current Liabilities</b>			
Other non-current financial liabilities	22	305,092	279,524
Financial lease liabilities, non-current	23	19,799	24,433
Other non-current accounts payable	24	6,711	6,506
Non-current accounts payable to related entities	11	5,148	5,784
Other non-current provisions	25	1,401	1,222
Deferred tax liabilities	21	103,956	98,879
<b>Total non-current Liabilities</b>		<b>442,107</b>	<b>416,348</b>
<b>Total Liabilities</b>		<b>670,901</b>	<b>691,228</b>
<b>Equity</b>			
Issued capital	26	472,212	472,212
Retained earnings	27	137,203	134,701
Issuance premiums	26	3,751	3,751
Other reserves	28	(25,885)	(15,941)
<b>Equity attributable to the parent company's equity holders</b>		<b>587,281</b>	<b>594,723</b>
Non-controlling interest	29	70,340	63,393
<b>Total Equity</b>		<b>657,621</b>	<b>658,116</b>
<b>Total Equity and Liabilities</b>		<b>1,328,522</b>	<b>1,349,344</b>

## Consolidated Integral Income Statement

<b>Income Statement</b>	<b>Note</b>	<b>01-Jan-20 30-Jun-20 ThUS\$</b>	<b>01-Jan-19 30-Jun-19 ThUS\$</b>
<b>Profit (loss)</b>			
Revenues	31	259,303	275,121
Cost of sales	32	<u>(213,253)</u>	<u>(245,830)</u>
<b>Gross profit</b>		<b><u>46,050</u></b>	<b><u>29,291</u></b>
Other income, per function	31	6,257	2,470
Administrative expenses	32	(24,622)	(24,037)
Other expenses, per function	32	(3,711)	(9,363)
Other profit (loss)	32	(334)	(346)
Financial income		618	517
Financial expenses	33	(11,235)	(13,697)
Share of profit of equity - accounted investees	16	(432)	(2,935)
Exchange rate differences	35	<u>1,318</u>	<u>(1,535)</u>
<b>Profit before tax</b>		<b><u>13,909</u></b>	<b><u>(19,635)</u></b>
Gains tax expenses	21	<u>(5,403)</u>	<u>3,491</u>
<b>Profit (loss) from continued operations</b>		<b><u>8,506</u></b>	<b><u>(16,144)</u></b>
<b>Profit (loss)</b>		<b><u>8,506</u></b>	<b><u>(16,144)</u></b>
<b>Profit (loss) attributable to</b>			
Profit (loss), attributable to the parent company equity holders		2,502	(16,201)
Profit (loss), attributable to non-controlling interests	29	<u>6,004</u>	<u>57</u>
<b>Profit (loss)</b>		<b><u>8,506</u></b>	<b><u>(16,144)</u></b>
<b>Profit per share</b>			
<b>Basic earning per share</b>			
Basic earnings (loss) per share from continued operations (US\$ per share)	30	0.004334	(0.030827)
<b>Basic earnings (loss) per share</b>		<b><u>0.004334</u></b>	<b><u>(0.030827)</u></b>
<b>Profit per diluted share</b>			
Diluted earnings (loss) per share from continued operations (US\$ per share)		0.004334	(0.030827)
<b>Diluted earnings (loss) per share</b>		<b><u>0.004334</u></b>	<b><u>(0.030827)</u></b>

## Consolidated Statement of Changes in Net Equity

	Issued Capital Note 26 ThUS\$	Issuance premium Note 26 ThUS\$	Reserves due to exchange rate differences Note 28 ThUS\$	Cash flow hedging reserves Note 28 ThUS\$	Other reserves Note 28 ThUS\$	Accumulated profit (loss) Note 27 ThUS\$	Equity attributable to parent company equity holders ThUS\$	Non controlling interests Note 29 ThUS\$	Total Equity ThUS\$
Opening balance as of 01/01/2020	472,212	3,751	(12,460)	(3,481)	(15,941)	134,701	594,723	63,393	658,116
<b>Changes in equity</b>									
Comprehensive income									
Net profit	-	-	-	-	-	2,502	2,502	6,004	8,506
Other comprehensive income	-	-	(4,065)	(5,879)	(9,944)	-	(9,944)	(464)	(10,408)
<b>Total comprehensive income</b>	-	-	<b>(4,065)</b>	<b>(5,879)</b>	<b>(9,944)</b>	<b>2,502</b>	<b>(7,442)</b>	<b>5,540</b>	<b>(1,902)</b>
Dividends	-	-	-	-	-	-	-	(12)	(12)
Increase (decrease) due to transfer and other changes	-	-	-	-	-	-	-	1,419	1,419
<b>Total change in equity</b>	-	-	-	-	-	-	-	<b>1,407</b>	<b>1,407</b>
Closing balance as of 30/06/2020	472,212	3,751	(16,525)	(9,360)	(25,885)	137,203	587,281	70,340	657,621

	Issued Capital Note 26 ThUS\$	Issuance premium Note 26 ThUS\$	Reserves due to exchange rate differences Note 28 ThUS\$	Cash flow hedging reserves Note 28 ThUS\$	Other reserves Note 28 ThUS\$	Accumulated profit (loss) Note 27 ThUS\$	Equity attributable to parent company equity holders ThUS\$	Non controlling interests Note 29 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
<b>Changes in equity</b>									
Comprehensive income									
Net income	-	-	-	-	-	(16,201)	(16,201)	57	(16,144)
Other comprehensive income	-	-	(62)	420	358	-	358	198	556
<b>Total comprehensive income</b>	-	-	<b>(62)</b>	<b>420</b>	<b>358</b>	<b>(16,201)</b>	<b>(15,843)</b>	<b>255</b>	<b>(15,588)</b>
Dividends	-	-	-	-	-	-	-	(202)	(202)
Increase (decrease) due to transfer and other changes	-	-	-	-	-	-	-	1,470	1,470
<b>Total change in equity</b>	-	-	-	-	-	-	-	<b>1,268</b>	<b>1,268</b>
Closing balance as of 30/06/2019	347,191	(4,221)	(10,194)	(1,254)	(11,448)	119,317	450,839	54,266	505,105

## Consolidated Cash Flow Statement

Direct Cash Flow Statement	01-Jan-20 30-Jun-20 ThUS\$	01-Jan-19 30-Jun-19 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	340,135	323,687
<b>Types of payments</b>		
Payments to suppliers for the providing of goods and services	(199,064)	(219,791)
Payments to and on behalf of employees	(50,606)	(46,895)
Paid interests	(11,235)	(9,863)
Received interests	618	517
Gains tax refund (paid)	(1,081)	(5,623)
Other received (paid) cash	2,306	(253)
<b>Net cash flows from (used in) operating activities</b>	<b>81,073</b>	<b>41,779</b>
<b>Cash flow from (used in) investment activities</b>		
Other payments to purchase equity or debt instruments from other entities	(470)	(224)
Income from the sale of property, plant and equipment	1,842	1,293
Purchase of property, plant and equipment	(67,954)	(39,772)
Purchase of intangible assets	(125)	(401)
Other received (paid) cash	1,419	1,470
<b>Net cash flow from (used in) investment activities</b>	<b>(68,545)</b>	<b>(37,634)</b>
<b>Cash flow from (used in) financing activities</b>		
Income from long term loans	38,191	109,230
Income from short term loans	117,478	80,430
<b>Total income from loans</b>	<b>155,669</b>	<b>189,660</b>
Payment of loans	(143,629)	(202,642)
Payment of liabilities for financial lease	(6,363)	(2,223)
Paid dividends	(4,385)	(10,926)
<b>Net cash flow from (used in) financing activities</b>	<b>1,292</b>	<b>(26,131)</b>
<b>Net increase (decrease) in cash and cash equivalents, before exchange rate fluctuations</b>	<b>13,820</b>	<b>(21,986)</b>
<b>Effect of exchange rate fluctuations on cash and cash equivalents</b>	<b>(29)</b>	<b>(6)</b>
Effects of exchange rate fluctuations on cash and cash equivalents	(29)	(6)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>13,791</b>	<b>3,144</b>
Cash and cash equivalents, opening balance	42,002	48,901
<b>Cash and cash equivalents, closing balance</b>	<b>55,793</b>	<b>52,045</b>