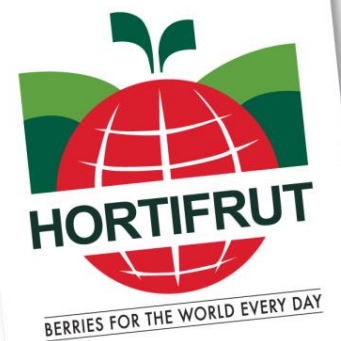




**EARNINGS  
REPORT  
SEPTEMBER  
2020**



# 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.



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# SUMMARY OF CONSOLIDATED RESULT BY SEASONS 2020-21, AND CALENDAR YEAR AS OF SEPTEMBER 19 AND SEPTEMBER 20

## Analysis of first quarter 2020-21 season (3Q20)

1. **Total income<sup>1</sup> increased 80.25%** in the first 3 months of the 2020-21 season (“3Q20”) in comparison with the same period of the 2019-20 season (“3Q19”), **reaching ThUS\$145,928**. Higher income is due to a 113.61% increase in commercialized volume, reaching 14,118 tons, linked to the early start-up of the season in Peru due to the pruning strategy, the design of the production curve and handling of programmed harvesting, and the 22.63% increase in average price per kilo. This was offset by lower Other income, per function due to the lower fair value adjustment of fruit hanging on bearer plants, which reached ThUS\$22,249 this quarter, while during the same period in 2019 it was ThUS\$36,191.

2. **Total Operating Costs** in the 3Q20 reached **ThUS\$96,077**, which represents a 119.17% increase in relation to the previous year due to higher commercialized volumes (+113.61%), higher depreciation due to investments in the last years, and the accounting recognition of administration expenses due to the consolidation of Naturipe Value Added Foods (ThUS\$1,369).

3. Thereby, during the 3Q20, the Company recorded an **EBITDA of ThUS\$70,709, increasing 68.89%** in relation to the ThUS\$41,868 EBITDA recorded in the 3Q19. EBITDA mainly increased because of the **113.61% increase in the volume** commercialized during the period, influenced by the aforementioned forwarding of the season in Peru, which meant a distributed volume of 9,800 tons during this quarter from this country (+248.12% compared to the same quarter of the previous year). Additionally, there is a 22.63% increase in the average price of the fruit mix, which, together with the higher volumes, among other factors, allowed the income from operating activities in the 3Q20 to reach ThUS\$125,777, which represents an increase of ThUS\$80,665 compared to the 3Q19. During the 3Q20, the fruit fair value adjustment net of the reversal recognized as of Jun20 had an impact on EBITDA of ThUS\$20,107 (ThUS\$34,813 as of Sep19).

The EBITDA of the 3Q20 without the fair value impact of fruit hanging on bearer plants reached ThUS\$50.602, which represents a 617.25% increase compared to the ThUS\$7,055 EBITDA of the 3Q19.

4. **The Operating Result** in the 3Q20 reached **ThUS\$50,358**, increasing 35.65% compared to the 3Q19. The ThUS\$13,234 increase in the operating result is largely linked to the same reasons that explain the variations in EBITDA. These effects are slightly offset by the higher depreciation of the period, associated to the incorporation of hectares planted in Mexico and China and a higher volume produced in Peru. Depreciation and amortization passed from ThUS\$4,744 in 3Q19 to ThUS\$20,351 in 3Q20.

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<sup>1</sup> Corresponds to the total Income from operating activities plus Other income, per function.

5. The **Non-operating result** of the 3Q20 presented a **negative result of ThUS\$6,078**, which is compared with the negative result of ThUS\$5,667 recorded in the 3Q19. The lower non-operating result is mainly explained by loss due to exchange rate fluctuations of ThUS\$1,256 in the 3Q20, compared to the ThUS\$2,832 profit in the 3Q19, impacted by the appreciation of the Mexican peso during 3Q20 and depreciation in 3Q19. This decrease was offset by: 1) the ThUS\$1,265 decrease in net financial costs; 2) increase in Other expenses (loss) of ThUS\$1.396 due to the recognition of a profit from business combination linked to the merger of Vitafoods (ThUS\$1,363); and 3) ThUS\$1,016 increase in result associated to the participation of associated companies and joint business.

6. **Profit attributable to the parent company shareholders reached ThUS\$35,801** in the first 3 months of the 2020-21 season (“3Q20”) compared to the ThUS\$22,123 recorded during the start of the 2019-2020 season (+61.83%). Higher profit is mainly due to higher Peruvian fruit sales because of the improved production curve this season and the reduction in net financial costs (-ThUS\$1,265), which was offset by a lower fair value adjustment of fruit on bearer plants recorded in the 3Q20 in relation to the same period of the previous year, and by a greater loss due to exchange rate fluctuation (-ThUS\$4,088) mainly due to the appreciation of the Mexican peso in 3Q20, which had a strong appreciation during the same period in 2019.

## Accumulated analysis for 9 months as of September 2020 (Sep20)

1. Hortifrut’s **Total accumulated income**<sup>2</sup> for 9 months as of September 2020 (“Sep20”) reached **ThUS\$411,488**, representing a **14.76% increase** compared to the same period in 2020 (“Sep19”). This increase is mainly due to the **13.88% increase in sales volume**, due to the early harvest in the fields of Peru in S20/21 (3Q20), which offsets the decrease in volume of the 1Q20 compared to the 1Q19 due to the delay of S18/19. Additionally, there is an increase in income due to the maturing of the blueberry fields in China, due to the start-up of production of the raspberry fields in Mexico which were planted in S18/19 and S19/20, and the 1.21% increase in the average price per kilo of the fruit mix, which passed from 7.15 US\$/Kg to 7.23 US\$/Kg (average of first 9 months of 2019 and 2020, respectively).

The increase in volumes and prices is partially offset by the decrease in Other income, per function, of ThUS\$11,910 mainly associated to the recognizing of a lower fair value adjustment of fruit hanging on bearer plants.

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<sup>2</sup> Corresponds to the total Income from operating activities plus Other income, per function.

Income from the “Fresh Fruit” added segment, which includes blueberries, raspberries, blackberries, strawberries and cherries, represented 93.12% of consolidated income as of Sep20, slightly higher compared to the 91.61% as of Sep19. Also, sales income from the “Value Added Products” segment represented 6.88% of consolidated income in the same period.

**2. Total operating costs** as of Sep20 reached **ThUS\$337,663**, recording a 4.52% increase, in relation to Sep19. Higher costs are mainly explained by: 1) the higher commercialized volume as of Sep20 (+13.88%), associated to the early start-up of the harvest in Peru in S20/21 during the 3Q20, 2) maturity of operations where investments have taken place in the last years (mainly Mexico and China); and 3) higher depreciation. Higher costs as of Sep20, were offset by a decrease in Other expenses, per function, associated to the lower reversal of the fair value adjustment of fruit recorded as of the closing of 2019, compared to the closing as of 2018 (ThUS\$1,401 and ThUS\$7,357, respectively). Likewise, in unit terms, total operating costs decreased from US\$7.91 per kilo as of Sep19 to US\$7.32 per kilo as of Sep20.

**3. EBITDA** reached **ThUS\$116,383** as of Sep20, recording a **77.74% increase compared to the ThUS\$65,479 EBITDA recorded in the same period of 2019**. The higher EBITDA is mainly due to the early start-up of S20/21 in Peru, improved prices in Chile during the 1Q20 as a result of an improved fruit quality and the non-overlapping of production with Peru, the maturity of the fields in China, the start-up of the harvest in the new raspberry fields in Mexico during 2020, and the decrease in operating costs per kilo, linked to the implementing of efficiencies at a field and packing level and an improved fruit quality in Peru. It must be stated that as of Sep20 a fair value adjustment was recognized for fruit hanging on bearer plants of ThUS\$22,249 (ThUS\$36,191 as of Sep19), which net of the reversal of the adjustment recognized in Dec19, impacted the EBITDA of Sep20 by ThUS\$20,848 (ThUS\$28,834 as of Sep19).

Accumulated EBITDA as of Sep20 without the fair value effect of fruit reached ThUS\$95,535, which represents a 160.70% increase, compared with the ThUS\$36,645 obtained in the same period of 2019.

**4.** As of Sep20 the **Operating Result** reached **ThUS\$75,209**, which is compared with the ThUS\$35,485 result presented as of Sep19. Also, the operating margin also experienced an increase from 9.90% to 17.94% in the period under analysis. These increases are mainly explained by the same reasons that explain the variations in the EBITDA of the period, and was offset by the increase in depreciation and amortization, which passed from ThUS\$29,994 as of Sep19 to ThUS\$41,174 as of Sep20.

The operating result, excluding the fair value adjustment of fruit on bearer plants, reached ThUS\$54.361, which represents a 717.34% increase in relation to the same period the previous year. The operating margin without the fair value effect reached 14.12%, which represents an increase compared to the 2.08% obtained as of Sep19.

5. The **Non-operating result** as of Sep20 was **negative ThUS\$16,143**, which is favorably compared with the negative ThUS\$23,663 recorded as of Sep19. The improved result is mainly associated to: 1) decrease in net financial costs of ThUS\$3,828 which is explained by the decrease in market interest rates; 2) decrease in negative result associated to participation of associates and joint business, due to the recognizing of loss for ThUS\$4,223 at the associated Munger Hortifrut NA LLC in the United States as of Sep19, while as of Sep20 it recognized a ThUS\$457 profit in this company; and 3) profit recognized in 3Q20 due to business combination associated to the aforementioned merger of Vitafoods. The more favorable non-operating result was offset by lower gains due to exchange rate fluctuation caused by depreciation of the Chilean peso and the Mexican peso.

6. In accumulated terms as of Sep20, the Company recorded a **Profit attributable to the parent company shareholders of ThUS\$38,303**, which is favorably compared with a ThUS\$5,922 profit recorded in the same period of 2019. This improvement in profit attributable to the parent company shareholders is mainly because of: 1) an increase in gross margin of ThUS\$46,659 as a result of an increase in income due to the forwarding of the Peruvian fruit harvest compared to the previous season and the decrease in costs per kilo, and 2) the ThUS\$4,780 decrease in financial costs. This was offset by: 1) the lower net fair value adjustment of fruit recorded in Sep20 compared to Sep19, and 2) the higher depreciation cost recorded in 2020 due to the higher volume produced in Peru.

## Highlighted Facts of the Period

### 1. Outstanding Peruvian campaign and maturing of investments in Mexico and China

The blueberry harvesting season in Peru for the 3Q20 has stood out due to its early start-up. During this quarter approximately **9,800 tons** have been commercialized, **which represents a 248.12% growth in relation to the same quarter last year**. Through the pruning strategy, the design of the production curve and handling of the programmed harvests, the early start-up of the Peruvian season has been obtained, which has allowed the Company to obtain a growth in the consolidated EBITDA during the 3Q20, which excluding the fair value effect of fruit hanging on bearer plants, reached US\$50.60 million, 617.25% higher than what was recorded in the same period of 2019.

Also, investments performed in China and México in previous years have been maturing. In the case of China, the planted hectares have increased production in line with their maturity. In the case of Mexico, the planted hectares of **Centennial, own raspberry variety developed by Hortifrut's genetics program**, in own and third party fields, has brought a significant increase of commercialized volumes, passing **from 784 tons as of Sep19 to 2,545 tons as of Sep20**.

It must be highlighted that the Centennial variety has shown a super quality and productivity, which has resulted in the preference of customers and producers in America and Europe.

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

Dated August 25, 2020, Hortifrut S.A. subscribed a **union credit contract and a bilateral credit contract** for the 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 **5 year term with a 2 year grace period**. The funds from these credits were totally used to refinance short term liabilities.

These operations show the wide access to the local and international financial market that the company has, which despite the adverse conditions that the market faces due to the pandemic, it has obtained favorable conditions, flexibilizing its maturity profile and strengthening its financial structure.

### 3. Start-up of Vitafoods operations

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

The merger process considered the consolidation of five frozen products productive plants, which will start producing and commercializing a volume close to 35 million kilos and with estimated sales



of over 100 million dollars during 2021, making it a very relevant global actor in its category in the international markets.

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

#### **4. Hortifrut acquires a non-controlling interest of B-Fruit**

In order to continue **strengthening its leadership position** in the commercializing of **berries in Europe**, in February 2020 Hortifrut reached an agreement to **purchase a non-controlling interest in B-Fruit** producers' organization in Portugal.

As a result of this agreement, all the volume produced by B-Fruit is commercialized through Hortifrut's commercial platform for Europe, thus increasing the volume of the already existing vertically integrated business. Also, 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.

#### **5. COVID-19 Sanitary Contingency**

In relation to the sanitary contingency due to the COVID-19 pandemic, **Hortifrut has taken actions in order to take care of the health of its workers**, adopting the home-office modality for all its workers who can perform their tasks remotely. For the workers whose task has to be done in person, all the recommendations and measures established by the governmental authorities of each country and global organizations have been applied, a traceability system was developed for the workers and communication campaigns have taken place, as well as support for them.

In order to maintain our **commitment to supply berries every day of the year**, the Company has aimed to assure the continuity of the operations, adopting measures to assure the provision of the necessary supplies for the correct 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 greatly affected.

# Analysis of Results 2020-21 Season

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

	jul19-sep19		jul20-sep20		Var %
	ThUS\$	% Rev.	ThUS\$	% Rev.	
Total revenue <sup>3</sup>	80.960		145.928		80,25%
Cost of sales	-25.788	-31,85%	-60.946	-41,76%	136,33%
Administrative Expenses	-13.303	-16,43%	-14.272	-9,78%	7,28%
<b>EBITDA</b>	<b>41.869</b>	<b>51,72%</b>	<b>70.710</b>	<b>48,46%</b>	<b>68,88%</b>
Depreciation Fixed Assets	-2.809	-3,47%	-12.911	-8,85%	359,63%
Depreciation Biological Assets	337	0,42%	-6.811	-4,67%	-2121,07%
Amortization Intangible Assets	-2.273	-2,81%	-630	-0,43%	-72,28%
<b>Operating Result (exclude assets impairment)</b>	<b>37.124</b>	<b>45,85%</b>	<b>50.358</b>	<b>34,51%</b>	<b>35,65%</b>
Asset Impairment	0	0,00%	-507	-0,35%	
<b>Operating Result</b>	<b>37.124</b>	<b>45,85%</b>	<b>49.851</b>	<b>34,16%</b>	<b>34,28%</b>
Financial income	1.415		362		-74,42%
Financial expenses	-8.341		-6.023		-27,79%
Share of profit of equity - accounted investees	-1.574		-558		-64,55%
Other profit (loss)	1		1.397		139600,00%
Exchange rate differences	2.832		-1.256		-144,35%
<b>Non Operatig Result</b>	<b>-5.667</b>	<b>-7,00%</b>	<b>-6.078</b>	<b>-4,17%</b>	<b>7,25%</b>
<b>Profit before tax</b>	<b>31.457</b>	<b>38,85%</b>	<b>43.773</b>	<b>30,00%</b>	<b>39,15%</b>
Income tax expenses	-6.368		-5.563		-12,64%
<b>Profit (loss)</b>	<b>25.089</b>	<b>30,99%</b>	<b>38.210</b>	<b>26,18%</b>	<b>52,30%</b>
Profit (loss), attributable to the parent company equity holders	22.123		35.801		61,83%
Profit (loss), attributable to non-controlling interests	2.966		2.409		-18,78%
<b>Profit (loss)</b>	<b>25.089</b>	<b>30,99%</b>	<b>38.210</b>	<b>26,18%</b>	<b>52,30%</b>
Sales volume (tons)	6.609		14.118		113,61%
EBITDA / kg (US\$)	6,33		5,01		-20,94%

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

During the 3Q20, the Company recorded an **EBITDA of ThUS\$70,709**, increasing 68.89% in relation to the ThUS\$41,868 EBITDA recorded in the 3Q19. EBITDA mainly increases due to the 113.61% increase in commercialized volume during the period, influenced by the aforementioned forwarding of the season in Peru, which meant a distributed volume of 9,800 tons during this quarter from this country (+248.12% in relation to the same quarter last year). Also, there is an increase in the average price of the fruit mix of 22.63%, which, together with higher volumes, among other factors, allow the income from operating activities in the 3Q20 to reach ThUS\$125,777, which represents an ThUS\$80,665 increase compared to 3Q19. During the 3Q20, the fair value adjustment of fruit net of the reversal recognized as of Jun20 had an impact on EBITDA of ThUS\$20,107 (ThUS\$34,813 as of Sep19).

The 3Q20 EBITDA without the impact of fair value of fruit hanging on bearer plant reached ThUS\$50,602, which represents a 617.25% increase in relation to the ThUS\$7,005 EBITDA in the 3Q19.

Also, **Total income<sup>4</sup> increased 80.25%** in the first 3 months of the S20/21 (3Q20) in comparison with the S19/20 (3Q19), reaching **ThUS\$145,928**. Higher income is due to: 1) a 113.6% increase in commercialized volume to 14,118 tons, linked to the start-up of the season in Peru and the start-up of production of the raspberry fields in Mexico which were planted in the S19/20; and 2) the higher average price per kilo of 22.63%, which passed from 6.05 US\$/Kg in 3Q19 to 7.42 US\$/Kg in 3Q20. The higher income was offset by the decrease in Other income, per function of ThUS\$15,697 due to the lower fair value adjustment of fruit hanging on bearer plant.

**The average price of blueberries recorded a 2.27% decrease** to US\$8.53, linked to a higher fruit offer in the industry. Also, the price of **raspberries** experienced an 8.76% increase to US\$8.43, **blackberries** increased 57.89% to US\$9.70, **strawberries** had a 10.71% increase to US\$5.51, and the **value added products** segment decreased 3.32% to US\$3.35.

**Total operating costs of the 3Q20 reached ThUS\$96,077**, increasing 119.17% (+ThUS\$52,241) compared to the 3Q19. The increase is mainly explained by: 1) higher costs due to the higher commercialized volume, and 2) higher depreciation. In the meantime, operating costs per kilo increased from 6.63 US\$/kg in the 3Q19 to 6.81 US\$/kg in the 3Q20, mainly associated to higher depreciation levels.

Also, **Administrative and Sales Expenses** (excluding depreciation of this item) recorded a 7.28% increase in the 3Q20 associated to the growth of operations in China and Mexico, nevertheless, also decreasing in terms of participation over total income, passing from 16.43% to 9.78% within the period under analysis.

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<sup>4</sup> Corresponds to the total of Income from Operating activities plus Other income, per function.

The following table shows the volume distributed by segment during the 3Q20 and 3Q19:

Volume Distributed (kilos)	Jul19-Sep19	Jul20-Sep20	Var %
Blueberries	2,969,707	10,024,379	237.55%
Raspberries	260,478	973,181	273.61%
Blackberries	108,505	74,448	-31.39%
Strawberries	67,670	106,903	57.98%
Cherries	0	0	0.00%
Value Added Products <sup>5</sup>	3,203,024	2,939,511	-8.23%
<b>TOTAL</b>	<b>6,609,383</b>	<b>14,118,422</b>	<b>113.61%</b>

The **Non-operating result** of the 3Q20 presented a **negative result of ThUS\$6,078**, which is compared with the negative result for ThUS\$5,667 recorded in the 3Q19. The lower non-operating result is mainly explained by a loss due to exchange rate fluctuation of ThUS\$1.256 in the 3Q20, compared to the ThUS\$2,832 profit in 3Q19, impacted by the appreciation of the Mexican peso during 3Q20 and depreciation in the 3Q19. This decrease was offset by 1) the ThUS\$1,265 decrease in net financial costs; 2) increase in Other expenses (loss) of ThUS\$1,396 due to the recognizing of a profit from joint business linked to the Vitafoods merger (ThUS\$1,363); and 3) the ThUS\$1,016 increase in result associated to the participation of associated companies and joint business.

<sup>5</sup> This volume does not consider kilos processed for third parties.

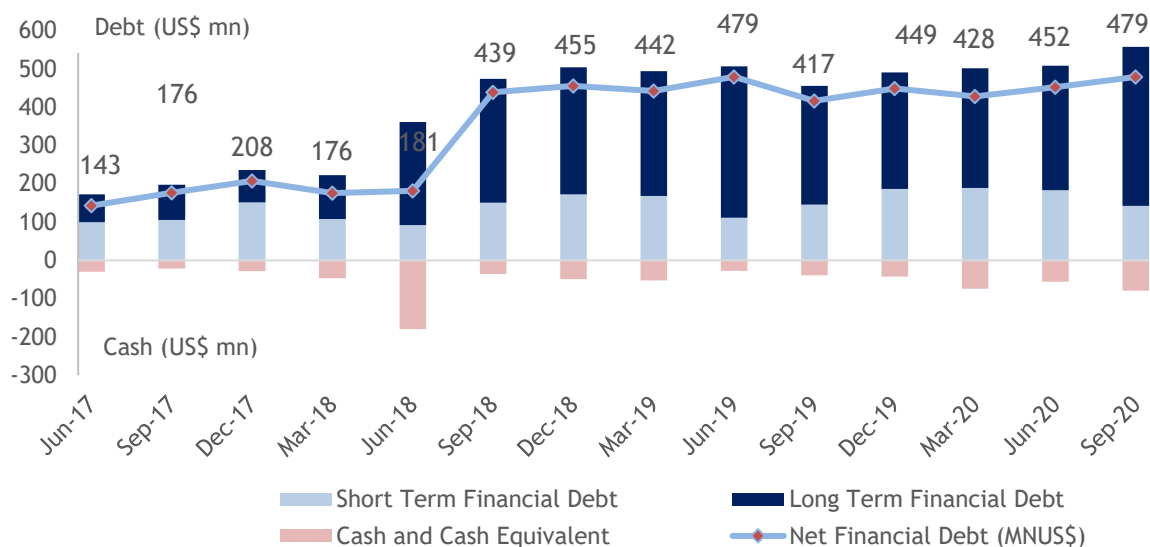
## Financial Debt and Capex

The Company's **Net financial debt** increased from ThUS\$448,914 as of December 31, 2019 to ThUS\$478,771 as of September 30, 2020, which is mainly explained by the increase in PAE credits associated to **financing of working capital**, and the **financing of investments in China and Mexico during the first half of 2020**. These effects were partly offset by the higher available cash balance. As of September 2020, liability associated to operating lease contracts that the Company has, reach ThUS\$18,835, which is compared with ThUS\$21,814 as of December 2019.

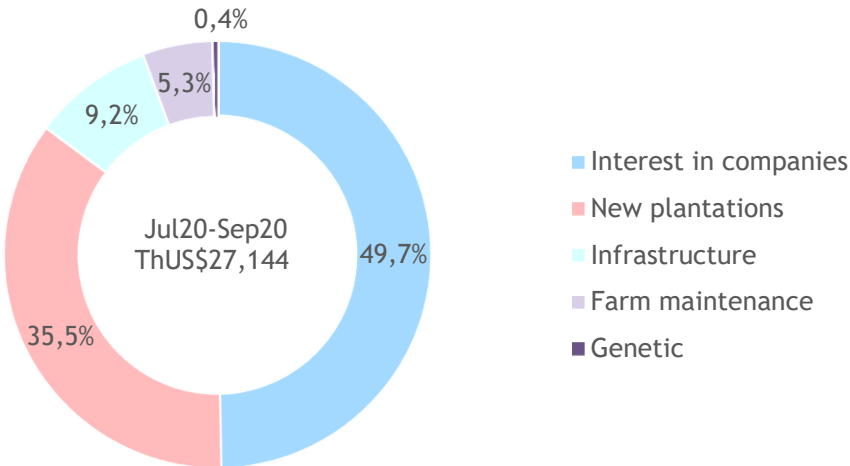
During the 3Q20, the Company **invested ThUS\$27,144**, mainly in new plantations, as well as participations in companies, maintaining existing plantations and infrastructure. This represents a **24.59% increase** compared to the same period of 2019, mainly due to the **merger of frozen products (Vitafoods)**.

The following tables and charts present the evolution of the net financial debt and the distribution of capital investments during the 3Q20:

### Evolution of Net Financial Debt (US\$ mn)



Distribution of capital investments S20/21



# CONSOLIDATED INTEGRAL INCOME STATEMENT - IFRS

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

	ene19-sep19		ene20-sep20		Var %
	ThUS\$	% Rev.	ThUS\$	% Rev.	
Total revenue	358.551		411.488		14,76%
Cost of sales	-246.368	-68,71%	-253.376	-61,58%	2,84%
Administrative Expenses	-46.703	-13,03%	-41.728	-10,14%	-10,65%
<b>EBITDA</b>	<b>65.480</b>	<b>18,26%</b>	<b>116.384</b>	<b>28,28%</b>	<b>77,74%</b>
Depreciation Fixed Assests	-15.477	-4,32%	-23.088	-5,61%	49,18%
Depreciation Biological Assets	-11.023	-3,07%	-16.083	-3,91%	45,90%
Amortization Intangible Assets	-3.495	-0,97%	-2.004	-0,49%	-42,66%
<b>Operating Result (exclude assets impairment)</b>	<b>35.485</b>	<b>9,90%</b>	<b>75.209</b>	<b>18,28%</b>	<b>111,95%</b>
Asset Impairment	0		-1.384		
<b>Operating Result</b>	<b>35.485</b>	<b>9,90%</b>	<b>73.825</b>	<b>17,94%</b>	<b>108,05%</b>
Financial income	1.932		980		-49,28%
Financial expenses	-22.038		-17.258		-21,69%
Share of profit of equity - accounted investees	-4.509		-990		-78,04%
Other profit (loss)	-345		1.063		-408,12%
Exchange rate differences	1.297		62		-95,22%
<b>Non Operatig Result</b>	<b>-23.663</b>	<b>-6,60%</b>	<b>-16.143</b>	<b>-3,92%</b>	<b>-31,78%</b>
<b>Profit before tax</b>	<b>11.822</b>	<b>3,30%</b>	<b>57.682</b>	<b>14,02%</b>	<b>387,92%</b>
Income tax expenses	-2.877		-10.966		281,16%
<b>Profit (loss)</b>	<b>8.945</b>	<b>2,49%</b>	<b>46.716</b>	<b>11,35%</b>	<b>422,26%</b>
Profit (loss), attributable to the parent company equity holders	5.922	1,65%	38.303	9,31%	546,79%
Profit (loss), attributable to non-controlling interests	3.023		8.413		178,30%
<b>Profit (loss)</b>	<b>8.945</b>	<b>2,49%</b>	<b>46.716</b>	<b>11,35%</b>	<b>422,26%</b>
Sales volume (tons)	40.512		46.134		13,88%
EBITDA / kg (US\$)	1,62		2,52		56,08%

<sup>6</sup> Corresponds to the total of Income from operating activities plus Other income, per function.

# ANALYSIS OF CONSOLIDATED INCOME STATEMENT

## Operating Result

Hortifrut S.A. and Subsidiaries' Total income<sup>7</sup> reached ThUS\$411,488 in the first 9 months of 2020, recording an increase of 14.76% in relation to the same period in 2019.

In the case of **Blueberries**, we observed a **14.57% increase in sales** reaching **ThUS\$348,275** as of Sep20. The increase in sales is explained by an **increase in distributed volume of 13.36% to 32,497 tons**, and the increase in the average price per kilo of 1.55%, passing from 8.20 US\$/kg in Sep19 to 8.32 US\$/kg in Sep20. The variation in distributed volume is mainly explained by the higher volume commercialized in the 3Q20, associated to the early start-up of the season in Peru, which offset the decrease in volumes of 1Q20 in relation to 1Q19 due to the delay of the S18/19.

Also, income from **Raspberries** increased 213.84% compared to Sep19, reaching **ThUS\$23,981** as of Sep20. This increase is explained by an increase in commercialized volume, which passed from 784 tons as of Sep19 to 2,545 tons as of Sep20, due to the start-up of production of a new surface in Mexico in its own fields and third party producers, planted with the "Centennial" variety, developed by Hortifrut. This increase was partially offset by a fall in the average price per kilo of 3.31%, mainly associated to a higher availability of fruit in Mexico for the American market.

The **Blackberries** segment recorded **income for ThUS\$5,075**, decreasing in relation to the ThUS\$8,949 as of Sep19, explained by a 29.17% decrease in commercialized volumes mainly due to the lower availability of fruit to be harvested in Mexico, and a 19.94% fall in the average price per kilo.

In relation to **Strawberries**, income decreased 31.25% in the first 9 months of 2020 in relation to the same period in 2019, reaching **ThUS\$1,760**. The decrease is explained by a fall in the distributed volume of 20.88%, mainly associated to a lower availability of fruit on the Mexican and Chilean market. To this we must add a 13.10% decrease in the average price per kilo.

**Cherries** recorded a **sales income of ThUS\$4,096** as of Sep20, decreasing 23.14% compared to Sep19. This decrease in income is due to a decrease in average price per kilo of 41.92%, partly offset by a 32.33% increase in commercialized volumes.

**Value Added Products** recorded a **sales income of ThUS\$28,301** during the first 9 months of 2020, decreasing 5.97% compared to income recorded in the same period of the previous year. This variation is explained by a decrease in the average price per kilo of 9.80%, slightly offset by a 4.25% increase in the distributed volume. This increase in volume still does not reflect the impact of the merger with Alifrut, which will start impacting consolidated income since the ending of 2020.

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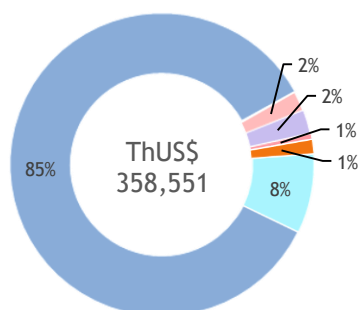
<sup>7</sup> Corresponds to the total of Income from operating activities plus Other income, per function.



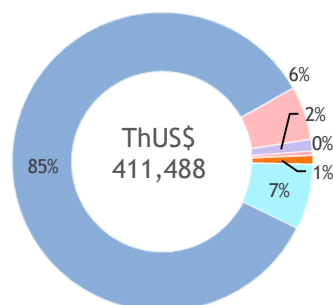
The following tables and charts summarize the detail of Operating income and its accumulated variation as of Sep19 and Sep20:

Income (Thousands of dollars)			
	Jan19-Sep19	Jan20-Sep20	Var %
Blueberries	303,973	348,275	14.57%
Raspberries	7,641	23,981	213.84%
Blackberries	8,949	5,075	-43.29%
Strawberries	2,560	1,760	-31.25%
Cherries	5,329	4,096	-23.14%
Value Added Products	30,098	28,301	-5.97%
<b>TOTAL</b>	<b>358,551</b>	<b>411,488</b>	<b>14.76%</b>

Income per Segment Jan19-Sep19



Income per Segment Jan20-Sep20



■ Blueberries ■ Raspberries ■ Blackberries ■ Strawberries ■ Cherries ■ Value Added Products

Operating Result<sup>8</sup> recorded a ThUS\$75,209 profit as of Sep20, which is favorably compared with the ThUS\$35,485 profit obtained in the same period of 2019.

It must be stated that due to the entry into effect of the amendment to IAS 16 and IAS 41 from January 01, 2016, “bearer plants” are considered a Fixed Asset, so they must be depreciated year by year, among other aspects. Due to this, the aforementioned Operating Result includes ThUS\$16,083 depreciation of “Bearer Plants”, which is compared with a depreciation of ThUS\$11,023 for this concept as of Sep19.

<sup>8</sup> The Operating Result per Operating Segment does not consider the item Impairment in the value of assets.

Also, a slight increase was observed in the amortization of the Intangible Asset, which passed from ThUS\$3,495 as of Sep19 to ThUS\$2,004 as of Sep20, mainly associated to lower Blueberry plant sales.

**Blueberries** recorded an Operating Result<sup>9</sup> of **ThUS\$67,188 as of Sep20**, increasing ThUS\$37,778 compared to Sep19, explained by the increase in commercialized volumes (+13.36%), by the increase in average price (+1.55%), and the decrease of unit costs (-9.69%). As a result of the aforementioned, the operating margin experienced an increase from 9.68% as of Sep19 to 19.29% as of Sep20.

Depreciation of “bearer plants” considered within the Blueberry segment during the first 9 months of 2020 reaches ThUS\$14,379, 37.52% higher than the ThUS\$10,456 recorded during the same period of 2019 for this concept, explained by the higher volume of produced Blueberries.

The **Raspberries** segment recorded a **positive** Operating Result<sup>9</sup> of **ThUS\$4,362 as of Sep20**, which is compared with the ThUS\$2,096 recorded as of Sep19, mainly associated to higher income linked to the increase in commercialized volume, which passed from 784 tons as of Sep19 to 2,544 tons as of Sep20. Higher income was partially offset by the increase in costs associated to said increase in volume. Depreciation of “bearer plants” considered within this segment as of Sep20 reaches ThUS\$1,704, higher compared to the ThUS\$567 depreciation recorded as of Sep19, explained by the higher produced volume.

Operating Result<sup>9</sup> of **Blackberries** was **positive at ThUS\$1,048 as of Sep20**, increasing slightly in relation to the ThUS\$824 result in the same period of 2019, mainly associated to the 50.44% fall in costs, proportionally higher than the 43.29% decrease in income. This segment does not record depreciation of “bearer plants”.

**Strawberries** recorded a **negative** Operating Result<sup>9</sup> **equal to ThUS\$672 as of Sep20**, compared with a ThUS\$735 loss recorded as of Sep19. Lower loss in the period is explained by a reduction in costs. This segment does not record depreciation of “bearer plants”.

The **Cherries** segment recorded a **positive** Operating Result<sup>9</sup> of **ThUS\$272** as of Sep20, decreasing in relation to the ThUS\$817 profit recorded in the same period of last year, linked to lower sale prices associated to port congestions in China due to the sanitary pandemic as a result of COVID-19. Due to the aforementioned, the operating margin of this product decreased from 15.34% of income to 6.64% of the same during the period under analysis. This segment does not record depreciation of “bearer plants”.

**Value Added Products** show a **positive** Operating Result<sup>9</sup> of **ThUS\$3,011** as of Sep20, in relation to the ThUS\$3,071 result as of Sep19. During this period there were lower average prices (-9.80%), offset by a decrease in costs per kilo (-10.24%). Also, the operating margin of this segment was 10.64% in the period under analysis, which shows a slight increase in relation to the 10.20% margin as of Sep19. This segment does not record depreciation of “bearer plants”.

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<sup>9</sup> The Operating Result per Operating Segment does not consider the item Impairment in the value of assets.

## Non-Operating Result

The other components of the income statement passed from a ThUS\$23,663 loss as of September 2019, to a ThUS\$16,143 loss as of September 2020 (+ThUS\$7,520).

This variation is mainly explained by the following factors:

- a. **ThUS\$3,828 decrease in net financial costs**, reaching ThUS\$16,278 as of Sep20, variation that is mainly explained by the **decrease in market interest rates**.
- b. **Interest in profit (loss) of associates** presented a ThUS\$990 loss as of September 2020, which is compared with a ThUS\$4,509 loss in the same period of the previous year. This difference is mainly explained by the recognizing of loss for ThUS\$4,223 in the associated **Munger Hortifrut NA LLC** in the United States as of Sep19, while as of Sep20 a ThUS\$457 profit was recognized in this society.
- c. A ThUS\$1,408 increase in **Other profit (loss)** due to the recognizing of a **profit for business combination** linked to the merger of **Vitafoods** (ThUS\$1,363).
- d. As of September 2020, a profit was recorded due to **exchange rate fluctuation** of ThUS\$62, compared with a ThUS\$1,297 profit in the same period of 2019. In 2020, the **depreciation of the Chilean peso and Mexican peso** caused a loss in exchange rate fluctuation which was mainly offset by the depreciation of the Peruvian nuevo sol.

## **EBITDA and Profit**

**Accumulated EBITDA as of Sep20 reached ThUS\$116,383**, which represents a 77.74% increase compared with the ThUS\$65,479 recorded as of September 2019. The higher EBITDA is mainly due to the **higher volumes from Peru** due to early harvesting in S20/21, improved prices in Chile due to an improved fruit quality and the non-overlapping of production with Peru in S19/20 (+~ThUS\$7,000), the maturing of fields in China (+~ThUS\$11,000), and the **decrease in sales costs per kilo, linked to the implementing of efficiencies at a field and packing level**, and to the obtaining of a better fruit quality.

It must be stated that as of Sep20 a fair value adjustment for fruit hanging on bearer plants was recognized for ThUS\$22,249 (ThUS\$36,191 as of Sep 19), which net of the reversal of the adjustment recognized as of Dec19, impacted the EBITDA as of Sep20 for ThUS\$20,848 (ThUS\$28,834 as of Sep19).

Accumulated EBITDA as of Sep20, without the fruit fair value effect, reached ThUS\$95,535, which represents a 160.70% increase, compared with the ThUS\$36,645 obtained in the same period in 2019.

In the 9 months ending September 30, 2020 **a profit attributable to the parent company shareholders of ThUS\$38.303** was recorded, representing a ThUS\$32,381 increase compared with the ThUS\$5,922 profit in the same period of 2019 (“Sep19”). The increase in profit attributable to the parent company shareholders in comparison with Sep19 is mainly due to: 1) the increase in gross margin of ThUS\$46,659 due to the increase in volumes because of the early harvest in Peru, the 1.21% increase in average price, and the reduction in operating costs and expenses before depreciation; 2) a ThUS\$6,118 decrease in Other expenses, per function, associated to the lower reversal of fair value adjustment of fruit on bearer plants recorded as of Sep20, in relation to Sep19 (ThUS\$1.401 as of Sep20 vs. ThUS\$7,357 as of Sep19); 3) the ThUS\$3,519 increase in result associated to interest in associated companies and joint business; and 4) lower net financial costs for ThUS\$3,828. These effects were partially offset by: 1) a decrease in Other income, per function of ThUS\$11,910 mainly due to a lower recorded fair value adjustment of fruit on bearer plants (amount that reaches ThUS\$22,249 as of Sep20 and ThUS\$36,191 as of Sep19); 2) a greater tax expense which passed from ThUS\$2,877 as of Sep19 to ThUS\$10,966 as of Sep20, associated to a higher before tax result; and 3) a lower profit due to exchange rate fluctuation because of the depreciation of the Mexican peso and the Chilean peso compared with the US dollar during 2020.

## INFORMATION PER BUSINESS SEGMENT

### “Fresh Fruit” Added Segment

#### Blueberries

#### Income Statement per Comparative Calendar Year Jan19/Sep19 - Jan20/Sep20

Blueberries	Jan19-Sep19	% Income	Jan20-Sep20	% Income	Var %
Operating Income (ThUS\$)	303,973		348,275		14.57%
Operating Costs (ThUS\$)	-274,561		-281,087		2.38%
Operating Result (ThUS\$) <sup>10</sup>	29,412	9.68%	67,188	19.29%	128.44%

#### Income Statement per Comparative Season Jul19/Sep19 - Jul20/Sep20

Blueberries	Jul19-Sep19	% Income	Jul20-Sep20	% Income	Var %
Operating Income (ThUS\$)	66,854		126,576		89.33%
Operating Costs (ThUS\$)	-30,724		-76,137		147.81%
Operating Result (ThUS\$) <sup>10</sup>	36,130	54.04%	50,439	39.85%	39.60%

#### Evolution of Sales Volume and Prices

Blueberries	Jan19-Sep19	Jan20-Sep20	Var %	Jul19-Sep19	Jul20-Sep20	Var %
Sales volume (kilos)	28,667,796	32,496,750	13.36%	2,969,707	10,024,379	237.55%
Percentage of the total	70.76%	70.44%		44.93%	71.00%	
Average Income (US\$/kg)	10.60	10.72	1.07%	22.51	12.63	-43.91%
Average Price (US\$/kg)	8.20	8.32	1.55%	8.72	8.53	-2.27%

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

## Raspberries

### Income Statement per Comparative Calendar Year Jan19/Sep19 - Jan20/Sep20

Raspberries	Jan19-Sep19	% Income	Jan20-Sep20	% Income	Var %
Operating Income (ThUS\$)	7,641		23,981		213.84%
Operating Costs (ThUS\$)	-5,545		-19,619		253.78%
<b>Operating Result (ThUS\$)<sup>11</sup></b>	<b>2,096</b>	<b>27.43%</b>	<b>4,362</b>	<b>18.19%</b>	<b>108.16%</b>

### Income Statement per Comparative Season Jul19/Sep19 - Jul20/Sep20

Raspberries	Jul19-Sep19	% Income	Jul20-Sep20	% Income	Var %
Operating Income (ThUS\$)	2,020		8,208		306.35%
Operating Costs (ThUS\$)	-2,835		-9,044		218.98%
<b>Operating Result (ThUS\$)<sup>11</sup></b>	<b>-815</b>	<b>-40.37%</b>	<b>-836</b>	<b>-10.19%</b>	<b>2.58%</b>

### Evolution of Sales Volume and Prices

Raspberries	Jan19-Sep19	Jan20-Sep20	Var %	Jul19-Sep19	Jul20-Sep20	Var %
Sales volume (kilos)	783,952	2,544,657	224.59%	260,478	973,181	273.61%
Percentage of the total	1.94%	5.52%		3.94%	6.89%	
Average Income (US\$/kg)	9.75	9.42	-3.31%	7.75	8.43	8.76%
Average Price (US\$/kg)	9.75	9.42	-3.31%	7.75	8.43	8.76%

<sup>11</sup> The Operating Result by Operating Segment does not consider the item Assets Impairment.

## Blackberries

### Income Statement per Comparative Calendar Year Jan19/Sep19 - Jan20/Sep20

Blackberries	Jan19-Sep19	% Income	Jan20-Sep20	% Income	Var %
Operating Income (ThUS\$)	8,949		5,075		-43.29%
Operating Costs (ThUS\$)	-8,125		-4,027		-50.44%
<b>Operating Result (ThUS\$)<sup>12</sup></b>	<b>824</b>	<b>9.21%</b>	<b>1,048</b>	<b>20.64%</b>	<b>27.14%</b>

### Income Statement per Comparative Season Jul19/Sep19 - Jul20/Sep20

Blackberries	Jul19-Sep19	% Income	Jul20-Sep20	% Income	Var %
Operating Income (ThUS\$)	667		722		8.33%
Operating Costs (ThUS\$)	-779		-631		-19.08%
<b>Operating Result (ThUS\$)<sup>12</sup></b>	<b>-113</b>	<b>-16.91%</b>	<b>92</b>	<b>12.68%</b>	<b>-181.22%</b>

### Evolution of Sales Volume and Prices

Blackberries	Jan19-Sep19	Jan20-Sep20	Var %	Jul19-Sep19	Jul20-Sep20	Var %
Sales volume (kilos)	1,327,061	940,019	-29.17%	108,505	74,448	-31.39%
Percentage of the total	3.28%	2.04%		1.64%	0.53%	
Average Income (US\$/kg)	6.74	5.40	-19.94%	6.14	9.70	57.89%
Average Price (US\$/kg)	6.74	5.40	-19.94%	6.14	9.70	57.89%

<sup>12</sup> The Operating Result by Operating Segment does not consider the item Assets Impairment.

## Strawberries

### Income Statement per Comparative Calendar Year Jan19/Sep19 - Jan20/Sep20

Strawberries	Jan19-Sep19	% Income	Jan20-Sep20	% Income	Var %
Operating Income (ThUS\$)	2,560		1,760		-31.25%
Operating Costs (ThUS\$)	-3,295		-2,432		-26.17%
<b>Operating Result (ThUS\$)<sup>13</sup></b>	<b>-735</b>	<b>-28.70%</b>	<b>-672</b>	<b>-38.19%</b>	<b>-8.50%</b>

### Income Statement per Comparative Season Jul19/Sep19 - Jul20/Sep20

Strawberries	Jul19-Sep19	% Income	Jul20-Sep20	% Income	Var %
Operating Income (ThUS\$)	337		589		74.90%
Operating Costs (ThUS\$)	-510		-650		27.34%
<b>Operating Result (ThUS\$)<sup>13</sup></b>	<b>-174</b>	<b>-51.52%</b>	<b>-61</b>	<b>-10.32%</b>	<b>-64.97%</b>

### Evolution of Sales Volume and Prices

Strawberries	Jan19-Sep19	Jan20-Sep20	Var %	Jul19-Sep19	Jul20-Sep20	Var %
Sales volume (kilos)	598,797	473,739	-20.88%	67,670	106,903	57.98%
Percentage of the total	1.48%	1.03%		1.02%	0.76%	
Average Income (US\$/kg)	4.28	3.72	-13.10%	4.98	5.51	10.71%
Average Price (US\$/kg)	4.28	3.72	-13.10%	4.98	5.51	10.71%

<sup>13</sup> The Operating Result by Operating Segment does not consider the item Assets Impairment.



## Cherries

### Income Statement per Comparative Calendar Year Jan19/Sep19 - Jan20/Sep20

Cherries	Jan19-Sep19	% Income	Jan20-Sep20	% Income	Var %
Operating Income (ThUS\$)	5,329		4,096		-23.14%
Operating Costs (ThUS\$)	-4,512		-3,824		-15.24%
Operating Result (ThUS\$) <sup>14</sup>	817	15.34%	272	6.64%	-66.75%

### Income Statement per Comparative Season Jul19/Sep19 - Jul20/Sep20

Cherries	Jul19-Sep19	% Income	Jul20-Sep20	% Income	Var %
Operating Income (ThUS\$)	0		0		0.00%
Operating Costs (ThUS\$)	0		0		0.00%
Operating Result (ThUS\$) <sup>14</sup>	0	0.00%	0	0.00%	0.00%

### Evolution of Sales Volume and Prices

Cherries	Jan19-Sep19	Jan20-Sep20	Var %	Jul19-Sep19	Jul20-Sep20	Var %
Sales volume (kilos)	555,833	735,556	32.33%	0	0	0.00%
Percentage of the total	1.37%	1.59%		0.00%	0.00%	
Average Income (US\$/kg)	9.59	5.57	-41.92%	0.00	0.00	0.00%
Average Price (US\$/kg)	9.59	5.57	-41.92%	0.00	0.00	0.00%

<sup>14</sup> The Operating Result by Operating Segment does not consider the item Assets Impairment.

## “Value-Added” Segment

### Income Statement per Comparative Calendar Year Jan19/Sep19 - Jan20/Sep20

Value Added Products	Jan19-Sep19	% Income	Jan20-Sep20	% Income	% Ingresos
Operating Income (ThUS\$)	30,098		28,301		-5.97%
Operating Costs (ThUS\$)	-27,027		-25,290		-6.43%
Operating Result (ThUS\$) <sup>15</sup>	3,071	10.20%	3,011	10.64%	-1.94%

### Income Statement per Comparative Season Jul19/Sep19 - Jul20/Sep20

Value Added Products	Jul19-Sep19	% Income	Jul20-Sep20	% Income	Var %
Operating Income (ThUS\$)	11,082		9,833		-11.28%
Operating Costs (ThUS\$)	-8,987		-9,108		1.35%
Operating Result (ThUS\$) <sup>15</sup>	2,096	18.91%	725	7.37%	-65.41%

### Evolution of Sales Volume and Prices

Value Added Products	Jan19-Sep19	Jan20-Sep20	Var %	Jul19-Sep19	Jul20-Sep20	Var %
Sales volume (kilos) <sup>16</sup>	8,578,938	8,943,211	4.25%	3,203,024	2,939,511	-8.23%
Percentage of the total	21.18%	19.39%		48.46%	20.82%	
Average Income (US\$/kg)	3.51	3.16	-9.80%	3.46	3.35	-3.32%
Average Price (US\$/kg)	3.51	3.16	-9.80%	3.46	3.35	-3.32%

<sup>15</sup> The Operating Result by Operating Segment does not consider the item Assets Impairment.

<sup>16</sup> This volume does not consider the kilos processed to third parties.

## PLANTED HECTARES VARIATION

Planted Surface	Productive			Non Productive <sup>17</sup>		
	sept-19	sept-20	Var. %	sept-19	sept-20	Var. %
<b>Blueberries</b>						
Surface (Hectares)	3,077	3,306	7.46%	199	764	283.80%
Percentage of the total	94.84%	93.11%		57.70%	77.41%	
<b>Raspberries</b>						
Surface (Hectares)	96	113	18.41%	85	118	38.99%
Percentage of the total	2.95%	3.19%		24.63%	11.97%	
<b>Blackberries</b>						
Surface (Hectares)	8	9	16.63%	10	41	326.98%
Percentage of the total	0.25%	0.26%		2.81%	4.20%	
<b>Strawberries</b>						
Surface (Hectares)	57	15	-73.68%	6	12	100.00%
Percentage of the total	1.76%	0.42%		1.74%	1.22%	
<b>Cherries</b>						
Surface (Hectares)	7	107	1507.51%	45	51	13.49%
Percentage of the total	0.21%	3.02%		13.11%	5.20%	
<b>TOTAL Hortifrut</b>	<b>3,244</b>	<b>3,551</b>	<b>9.46%</b>	<b>345</b>	<b>987</b>	<b>186.07%</b>

<sup>17</sup> Non-productive hectares are those planted, but they do not have capacity to produce fruit.

## FINANCIAL & PROFITABILITY RATIOS

### LIQUIDITY RATIOS

Liquidity (times)	sept-19	sept-20
<b>Current Liquidity</b>	1.45	1.72
<i>Current asset / Current liability</i>		
<b>Acid-test Ratio</b>	0.72	1.07
<i>Available asset (Current asset - Stock - Prepayments) / Current liability</i>		

### LEVERAGE RATIOS

Leverage	sept-19	sept-20
<b>Leverage Ratio</b>	1.04	1.19
<i>Total liabilities / Equity attributable to Parent Company</i>		
<b>Short Term Debt</b>	30.91%	27.73%
<i>Total current liabilities / Total liabilities</i>		
<b>Long Term Debt</b>	69.09%	72.27%
<i>Total non-current liabilities / Total liabilities</i>		
<b>Financial Expenses Hedging</b>	1.54	4.34
<i>(Before tax profit - Financial expenses) / Financial expenses</i>		
<b>Book value of the Share (US\$)</b>	1.0418	1.0893
<i>Equity attributable to Parent Company / N° of shares</i>		
<b>Net Financial Debt over Equity<sup>18</sup></b>	0.61	0.71
<i>(Financial Debt - Cash and Cash Equivalents) / Equity</i>		

<sup>18</sup> Financial Debt excludes liabilities associated to operating leases (IFRS 16)

## PROFITABILITY RATIOS

<b>Equity Profitability</b>	<b>sept-19</b>	<b>sept-20</b>
<b>Profitability of Parent Company's Equity</b> <i>Parent Company's Profit / Parent Company's Equity</i>	<b>0.98%</b>	<b>6.09%</b>
<b>Profitability of the Equity</b> <i>Profit for the year / Total equity</i>	<b>1.35%</b>	<b>6.45%</b>

## ACTIVITY RATIOS

<b>Activity</b>	<b>sept-19</b>	<b>sept-20</b>
<b>Rotation of Assets (times)</b> <i>Operating Income / Total assets year average</i>	<b>0.29</b>	<b>0.30</b>
<b>Rotation of Stock (times)</b> <i>Cost of sales / Average stock</i>	<b>5.19</b>	<b>5.45</b>
<b>Permanence of Stock (days)</b> <i>Stock / Annualized cost of sales (360 days base)</i>	<b>52</b>	<b>50</b>

# CONSOLIDATED FINANCIAL STATEMENTS - IFRS

## Consolidated Statements of Financial position - Assets

		30-Sep-20	31-Dec-19
Statement of Financial Position	Note	ThUS\$	ThUS\$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	8	78,882	42,002
Other current financial assets	9	1,200	-
Other current non-financial assets	14	7,695	8,710
Current trade debtors and other accounts receivable	10	94,415	97,066
Current accounts receivable from related entities	11	43,136	62,231
Inventories	12	70,830	70,581
Biological assets, current	13	54,980	18,225
Current tax assets	21	5,057	9,292
<b>Total Current Assets</b>		<b>356,195</b>	<b>308,107</b>
<b>Non-current assets</b>			
Other non-current financial assets	9	5,152	755
Other non-current non-financial assets	14	2,007	1,186
Non-current fees receivable	10	2,825	2,960
Non-current accounts receivable with related entities	11	4,533	4,417
Equity accounted investees	16	10,400	11,940
Intangible assets other than goodwill	17	6,854	8,855
Goodwill	18	179,770	179,770
Property, plant and equipment	19	847,088	780,496
Right of use assets	20	24,818	22,867
Deferred tax assets	21	33,915	27,991
<b>Total Non-Current Assets</b>		<b>1,117,362</b>	<b>1,041,237</b>
<b>Total Assets</b>		<b>1,473,557</b>	<b>1,349,344</b>

The accompanying notes 1 to 41 form an integral part of the interim consolidated financial statements

## Consolidated Statements of Financial position - Liabilities & Equity

		30-Sep-20	31-Dec-19
	Note	<u>MUS\$</u>	<u>MUS\$</u>
<b>Equity and Liabilities</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Other current financial liabilities	22	132,883	176,345
Current lease liabilities	23	9,302	10,614
Current trade accounts and other accounts payable	24	56,020	78,798
Current accounts payable to related entities	11	1,885	3,348
Other current provisions	25	1,736	1,409
Current provisions for employee benefits	25	4,958	3,676
Other current non-financial liabilities		868	690
<b>Total Current Liabilities</b>		<b><u>207,652</u></b>	<b><u>274,880</u></b>
<b>Non-Current Liabilities</b>			
Other non-current financial liabilities	22	397,111	279,524
Non-current lease liabilities	23	18,357	24,433
Other non-current accounts payable	24	7,247	6,506
Non-current accounts payable to related entities	11	7,915	5,784
Other provisions, non-current	25	1,669	1,222
Deferred tax liabilities	21	108,766	98,879
<b>Total Non-Current Liabilities</b>		<b><u>541,065</u></b>	<b><u>416,348</u></b>
<b>Total Liabilities</b>		<b><u>748,717</u></b>	<b><u>691,228</u></b>
<b>Equity</b>			
Issued capital	26	472,212	472,212
Retained earnings	27	173,004	134,701
Issuance premium	26	3,751	3,751
Other reserves	28	(20,111)	(15,941)
<b>Equity attributable to the parent company's equity</b>		<b><u>628,856</u></b>	<b><u>594,723</u></b>
Non-controlling interest	29	95,984	63,393
<b>Total Equity</b>		<b><u>724,840</u></b>	<b><u>658,116</u></b>
<b>Total Equity and Liabilities</b>		<b><u>1,473,557</u></b>	<b><u>1,349,344</u></b>

The accompanying notes 1 to 41 form an integral part of the interim consolidated financial statements

## Consolidated Integral Income Statement

		<b>01-Jan-20</b>	<b>01-Jan-19</b>
		<b>30-Sep-20</b>	<b>30-Sep-19</b>
<b>Income Statement</b>	<b>Note</b>	<b>ThUS\$</b>	<b>ThUS\$</b>
<b>Profit (loss)</b>			
Operating revenue	31	385,080	320,233
Cost of sales	32	(294,551)	(276,363)
<b>Gross Profit</b>		<b>90,529</b>	<b>43,870</b>
Other income, per function	31	26,408	38,318
Administration expenses	32	(37,206)	(34,679)
Other expenses, per function	32	(5,906)	(12,024)
Other profit (loss)	34	1,063	(345)
Financial income		980	1,932
Financial expenses	33	(17,258)	(22,038)
Share of profit (loss) of equity accounted investees	16	(990)	(4,509)
Exchange rate differences	35	62	1,297
<b>Profit (loss) before tax</b>		<b>57,682</b>	<b>11,822</b>
Income tax expense	21	(10,966)	(2,877)
<b>Profit (loss) from continued operations</b>		<b>46,716</b>	<b>8,945</b>
<b>Profit (loss)</b>		<b>46,716</b>	<b>8,945</b>
<b>Profit (loss) attributable to</b>			
Profit (loss), attributable to parent company equity holders		38,303	5,922
Profit (loss), attributable to non-controlling interests	29	8,413	3,023
<b>Profit (loss)</b>		<b>46,716</b>	<b>8,945</b>
<b>Earnings per share</b>			
<b>Basic earnings per share</b>			
Basic earnings (loss) per share from continued operations (US\$ per share)	30	0.066346	0.010906
<b>Basic earnings (loss) per share</b>		<b>0.066346</b>	<b>0.010906</b>
<b>Profit per diluted share</b>			
Diluted earnings (loss) per share from continued operations ((S\$ per share)		0.066346	0.010906
<b>Diluted earnings (loss) per share</b>		<b>0.066346</b>	<b>0.010906</b>

The accompanying notes 1 to 41 form an integral part of the interim consolidated financial statements



## Consolidated Statement of Changes in Net Equity

	Issued capital Note 26 ThUS\$	Issuance premium Nota 26 MUS\$	Reserves due to exchange rate differences and others 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 interest Note 29 ThUS\$	Total Equity ThUS\$
<b>Opening balance as of 01/01/2020</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>
<b>Changes in equity</b>									
<b>Comprehensive income</b>									
Profit (loss)	-	-	-	-	-	<b>38,303</b>	<b>38,303</b>	8,413	<b>46,716</b>
Other comprehensive income	-	-	(1,721)	(2,449)	(4,170)	-	(4,170)	1,394	<b>(2,776)</b>
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>(1,721)</b>	<b>(2,449)</b>	<b>(4,170)</b>	<b>38,303</b>	<b>34,133</b>	<b>9,807</b>	<b>43,940</b>
Dividend	-	-	-	-	-	-	-	(13,224)	<b>(13,224)</b>
Increase (decrease) due to transfers and other changes	-	-	-	-	-	-	-	36,008	<b>36,008</b>
<b>Total changes in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,784</b>	<b>22,784</b>
<b>Closing balance as of 30/09/2020</b>	<b>472,212</b>	<b>3,751</b>	<b>(14,181)</b>	<b>(5,930)</b>	<b>(20,111)</b>	<b>173,004</b>	<b>628,856</b>	<b>95,984</b>	<b>724,840</b>

	Issued capital Note 26 ThUS\$	Issuance premium Note 26 ThUS\$	Reserves due to exchange rate differences and others 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 interest Note 29 ThUS\$	Total Equity ThUS\$
<b>Opening balance as of 01/01/2020</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>
<b>Changes in equity</b>									
<b>Comprehensive income</b>									
Profit (loss)	-	-	-	-	-	<b>5,922</b>	<b>5,922</b>	3,023	<b>8,945</b>
Other comprehensive income	-	-	(3,179)	(939)	(4,118)	-	(4,118)	(960)	<b>(5,078)</b>
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>(3,179)</b>	<b>(939)</b>	<b>(4,118)</b>	<b>5,922</b>	<b>1,804</b>	<b>2,063</b>	<b>3,867</b>
Issuance of equity	129,242	4,315	-	-	-	-	<b>133,557</b>	-	<b>133,557</b>
Dividends	-	-	-	-	-	-	-	(202)	<b>(202)</b>
Increase (decrease) due to transfers and other changes	(4,221)	3,657	-	-	-	-	<b>(564)</b>	4,413	<b>3,849</b>
Increase (decrease) due to transactions of shares in portfolio	-	-	-	-	-	-	-	(313)	<b>(313)</b>
<b>Total changes in equity</b>	<b>125,021</b>	<b>7,972</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>132,993</b>	<b>3,898</b>	<b>136,891</b>
<b>Closing balance as of 30/09/2019</b>	<b>472,212</b>	<b>3,751</b>	<b>(13,311)</b>	<b>(2,613)</b>	<b>(15,924)</b>	<b>141,440</b>	<b>601,479</b>	<b>58,704</b>	<b>660,183</b>

The accompanying notes 1 to 41 form an integral part of the interim consolidated financial statements

## Consolidated Cash Flow Statement

<b>Direct Cash Flow Statement</b>	<b>01-Jan-20 30-Sept-20 ThUS\$</b>	<b>01-Jan-19 30-Sept-19 ThUS\$</b>
<b>Cash Flow Statement</b>		
<b>Cash flow from (used in) operating activities</b>		
<b>Types of charges per operating activities</b>		
Collection from the sale of goods and the providing of services	418,750	358,339
<b>Types of payments</b>		
Payment to suppliers for the providing of goods and services	(241,982)	(291,407)
Payments to and on behalf of employees	(80,012)	(75,516)
Paid interests	(17,258)	(18,170)
Received interests	980	1,932
Gains tax refund (paid)	(12,193)	(8,316)
Other received (paid) cash	2,992	34,927
<b>Net cash flow from (used in) operating activities</b>	<b>71,277</b>	<b>1,789</b>
<b>Cash flow from (used in) investment activities</b>		
Other payments to purchase equity or debt instruments from other entities	889	(265)
Income from the sale of property, plant and equipment	1,815	2,079
Purchase of property, plant and equipment	(94,502)	(69,777)
Purchase of intangible assets	(432)	(193)
Other cash income (expense)	18,936	4,413
<b>Net cash flow from (used in) investment activities</b>	<b>(73,294)</b>	<b>(63,743)</b>
<b>Cash flow from (used in) financing activities</b>		
Income from the issuance of shares	-	132,993
Income from long term loans	139,191	14,859
Income from short term loans	202,742	234,119
<b>Total income from loans</b>	<b>341,933</b>	<b>248,978</b>
Payment of loans	(275,022)	(316,665)
Payment of liabilities for financial lease	(10,120)	(4,109)
Paid dividends	(17,597)	(10,926)
<b>Net cash flow from (used in) financing activities</b>	<b>39,194</b>	<b>50,271</b>
<b>Net increase (decrease) of cash and cash equivalents, before exchange rate fluctuations</b>	<b>37,177</b>	<b>(11,683)</b>
<b>Effects of exchange rate fluctuations on cash and cash equivalents</b>	<b>(297)</b>	<b>1,988</b>
Effects of exchange rate fluctuations on cash and cash equivalents	(297)	1,988
<b>Net increase (decrease) of cash and cash equivalents</b>	<b>36,880</b>	<b>(9,695)</b>
Cash and cash equivalents, opening balance	42,002	48,901
<b>Cash and cash equivalents, closing balance</b>	<b>78,882</b>	<b>39,206</b>

The accompanying notes 1 to 41 form an integral part of the interim consolidated financial statements