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> DECLARATION OF RESPONSIBILITY





DEAR SHAREHOLDERS AND COLLABORATORS,

During 2017 Hortifrut has shown an important progress in the future consolidation of our company.

The greatest milestone is related with the signing of the Sale-Purchase and Merger Agreement whereby 100% of Grupo Rocio's Blueberry Business in Peru will be purchased, in other words, 50% of Hortifrut Tal S.A.C., which completes a 100% participation in that company, plus 100% of Tal S.A., thereby incorporating 1,450 productive hectares of Blueberries, installations and equipment in two packing units to the Company's property.

The Rocio Group is a pioneer in the agro and agroindustrial areas in the Peruvian desert, with a trajectory that dates from 1967, behind which there are three generations of the Quevedo family working together in the positioning, diversification, regionalization and internationalization of their products (blueberries, asparagus and avocadoes, among others). Thanks to this agreement, Hortifrut consolidates its leadership as a global platform even more, which together with the 400 hectares that it already has with its partner Atlantic Blue in Olmos, will allow it to export from Peru an estimated volume of 45,000 tons of Blueberries per year to global markets and consumers.

As a second relevant step, we find the plantation of the first 30 hectares of Blueberries as the first stage of Hortifrut's entrance into China, thanks to the strategic alliance signed with our partner Joy Wing Mau during 2016. This alliance considers the joint development of the production and distribution business of Berries in China, a market that grows at rates over an annual 30%, growth potential that no other region in the world has and which we estimate will be as big as or bigger than the North American market. Joy Wing Mau (subsidiary of the Legend Group) is the leading fruit distribution company in China, with over 40 distribution centers throughout the country, covering a population of one billion people. The performance of this first plantation will

define the growth rate that Hortifrut will have as a producer in China during the following years.

Also, as part of the Company's commitment and focus on **technological innovation and development**, during 2017 Hortifrut measured its Innovation Intensity, resulting that 18% of its EBITDA comes from innovation projects, in other words, it is generated from technological solutions, new varieties, new products and services, as well as new production methods. Together with this, it is developing an innovation systemization process at a corporate level, with the objective of generating capacities by incorporating methodology and culture of innovation within Hortifrut

To the aforementioned we must add the creation of **Hortifrut Ventures**, the first step to formalize the processes of open innovation within the Company, through a platform that aims to promote and strengthen the entrepreneurship of the agro-technological industry through challenges, financed with own or government resources.

During last year we also obtained **important advance in Genetics**, highlighting the new varieties Madeleine (Blackberry), 1381 (Raspberry) and Kestrel (Blueberry) in Mexico, all of which are being produced at a commercial level

Continuing with the tendency of the large global companies, in 2017 Hortifrut started to formalize new standards regarding the relationship that the Company has with its employees, the community and the environment, assuming the challenge of **sustainable development** as one of its strategic pillars. Within this context, the first step was the evaluation of social and environmental performance, highlighting the following strengths of each of the different perspectives:

 Corporate Governance and Transparency: existence of a Board that regularly meets, following



the high standards required for companies that participate in the stock market, and of an Internal Audit area that it meets with every quarter.

- Collaborators: complementary benefits for employees, ethical salary policy above the minimum salary required by law, salary readjustments on average above inflation levels, frequent follow-up and measurement of employer satisfaction and demanding work safety and occupational health practices.
- Community: long term relationship with suppliers and producers, re-hiring of seasonal workers, follow-up of gender diversity indicators within the Company, corporate social responsibility practices and commitment with the community.
- Environment: all the fields follow international certifications demanded by our customers, context within which practices associated to optimization in the use of water resources, management of dangerous residues, management of biodiversity and the use of chemical products have been developed. To this we must add that over 50% of Hortifrut's fields at a global level are under organic management.

I would like to highlight that the investments and strategic alliances performed by Hortifrut during the last two seasons allow us to double the sale volume, expecting to reach 100,000 tons in four more years.

This allows Hortifrut and its partners around the world, throughout the whole value chain, to obtain a unique position in the Berries industry, by counting with first level production and installations in the United States, Mexico, Brazil, Argentina, Chile and now with an even stronger presence in Peru, which combined with investments in Europe, North Africa and Asia consolidate us as a global business platform, world leader and with an enormous solidity 52 weeks a year.

As always, I would like to thank our producers, all our collaborators and our partners for the obtained accomplishments and results, since without your permanent commitment and effort none of this, nor Hortifrut's future would be possible.







COMPANY INFORMATION

HORTIFRUT S.A. RUT 96.896.990-0

MAIN OFFICES

Av. Del Cóndor 600, Piso 4, Huechuraba, Santiago, Chile Tel: +56 2 2479 2610 - Fax: +56 2 2479 2679

STOCK MARKET CODE

HF: Bolsa de Comercio de Santiago

FINANCIAL INFORMATION

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Email: grojas@hortifrut.com

SHAREHOLDER CONSULTATION

Depósito Central de Valores Huérfanos 770, Piso 22, Santiago, Chile Tel: +56 2 2393 9003 - Fax: +56 2 2393 9101 Email: atencionaccionistas@dcv.cl

INDEPENDENT AUDITORS

KPMG Auditores y Consultores Ltda. Avenida Isidora Goyenechea 3520, Piso 2 Las Condes, Santiago, Chile Tel: +56 2 27981000

WEBSITE

Complete information regarding Hortifrut: www.hortifrut.com



> BERRIES FOR THE WORLD, EVERY DAY.

BUSINESS MODEL

- > BASED ON STRATEGIC ALLIANCES
- > JOINING THE SOUTHERN HEMISPHERE WITH THE NORTHERN HEMISPHERE
- > TRADE PLATFORMS AND OWN BRANDS
- > INTEGRATING OF THE BUSINESS FROM GENETICS TO THE FINAL CUSTOMER
- > SUPPLYING THE BEST CUSTOMERS IN THE MAIN GLOBAL MARKETS

GLOBAL COMPANY

HORTIFRUT
TOGETHER WITH
ITS PARTNERS IS
N°1 IN BLUEBERRY
SALES AND N°2 IN
THE SALE OF
BERRIES AT A
GLOBAL LEVEL



30 DISTRIBUTION CENTERS

AROUND THE WORLD.

COMMERCIAL PRESENCE IN

37 COUNTRIES

OVER 400 CUSTOMERS

IN THE WHOLE WORLD.

OVER 700 BERRIES PRODUCERS

IN 7 COUNTRIES.

MAIN INVESTMENT FOCUS:

INNOVATION

Strategic Alliances IN NORTH AMERICA, EUROPE AND ASIA.





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1983 1984 1985 1986

> Hortifrut begins its operations in Chile.

> Hortifrut becomes the first Chilean Company to export Berries to the United States in counter-season. Hortifrut inaugurates a distribution and commercialization office in the United States. > First export of Berries from Chile to Europe under its brand Southern Sun.

 Berries crop is expanded to Blackberries, Blueberries, Raspberries and Sarsaparillas.

1995 1999 2000 2001

 Export and producer subsidiaries are created in Mexico and Guatemala. > Hortifrut Argentina is created.

Hortifrut Spain is created together with the main Blueberries producer in Spain. Start up of the genetic development program for Blueberries, Raspberries and Blackberries.

2011 2012 2013 2014

Hortifrut and its partner Munger Brothers receive the prestigious award for innovation for the RTE product in the PMA USA.

Start supplying RTE Blueberries to food-service leaders.

Successful entrance into the stock market, raising over 67 million dollars in capital.

> 2012 Agricultural Innovation Prize for Víctor Moller Schiavetti, for having contributed in a relevant manner to transforming the national agro-forestry and food sector and the economic, productive and technological process in the country. > Merger with VitalBerry Marketing SpA, the second largest Blueberries exporter in the Southern Hemisphere, leading Berries supplier to Europe and Asia in counter-season.

> Hortifrut has been delivering Berries to the world for 30 years, every day of the year. > Entrance into the Peruvian market as producer and exporter of Berries through the Hortifrut-Tal SAC company.

Association with the Argentine company Expofresh for the production and commercializing of early fruit.

Signing of Joint-venture in China for genetic - productive development.

> Development of the 1st Hortifrut Technology and Innovation Fair.

1987 1988 1989 1990

- > First export of Berries to Asia from Chile.
- > Hortifrut concretes the first strategic alliance when it associates with the Californian company Coastal Berries.
- > Hortifrut defines its business model: vertical integration and offer during the 52 weeks of the year.
- > Hortifrut invites the main Berries producers from the United States, they purchase the Naturipe® Brand and form Naturipe Farms.

2004

> Hortifrut and Atlantic Blue create Euroberry Marketing, in charge of distributing and commercializing in Europe.

2007

> The President of the Company receives the ICARE prize for businessman of the year.

2008

- Hortifrut becomes the largest organic Blueberry producer in the world.
- > It receives the Marketer of the Year prize (PMA Produce Marketing Association USA).
- > Opens a distribution office in Brazil.
- Implementing of SAP system.

2010

> Begins the Ready to Eat ("RTE") program.

2015

- Constitution of a second company in Peru, HFE Berries Perú SAC, for the development of another productive focus in this country.
- > Launching of the Agrinnovation and Blue Challenge Platform.

2016

- > Entrance into the North American market as a Berries producer through the company Munger Hortifrut North America, LLC., in association with Munger Brothers.
- > Development of the 2nd Hortifrut Technology and Innovation Fair.

2017

- > 2017 Entrepreneur of the Year Award for Víctor Moller Schiavetti, granted by EY and El Mercurio in Chile, which distinguished him within the EY World Entrepreneur of the Year competition in Monaco.
- Signing of Framework Agreement for the Sale-Purchase and Merger with the Rocío Group, one of the most important producers, exporters and distributors of Blueberries in the southern hemisphere.



HEALTH BENEFITS OF OUR FRUIT



BLUEBERRIES

- Fight diabetes.
- Used as an antibiotic, anti-inflammatory, antidiarrheal.
- Help to improve vision problems.
- Prevent cancer.
- Prevent ageing, heart illnesses and Alzheimer.
- Help to reduce cholesterol and blood pressure.
- Protect against cerebrovascular accidents.



STRAWBERRIES

- Avoid skin ageing.
- Increase collagen.
- Reduce muscle or bone pains.
- Avoid menstrual pain.
- Reduce effects of menopause.
- Improve the functions of the immune system.
- Reduce stress levels.
- Avoid esophagus cancer.
- Stimulate long term memory.



RASPBERRIES

- Accelerate bowel transit.
- Reduce the risk of colon cancer.
- Reduce the risk of degenerative and cardiovascular disease.
- They are especially indicated during pregnancy, nursing, smoking, use of certain medicine, stress and decreased defenses, practicing of intense sports, cancer, AIDS and chronic inflammatory illnesses.
- Their consumption is very convenient in the case of high blood pressure and blood vessel and heart conditions.



SARSAPARRILLAS

- Highly recommended in the treatment of cellulitis, obesity or high blood pressure.
- Reduce cholesterol.
- Improve the mobility of the sick and decrease pain.
- They are a good remedy for the treatment of skin anomalies such as acne, eczema or dermatitis.
- Avoid inflammation of kidneys and urinary bladder.
- They are used in the treatment of sexually transmitted diseases.



PHYSALIS

- Contribute to the reconstruction and strengthening of the optic nerve.
- They are used in the treatment of mouth and throat disorders.
- Are used against intestinal parasites.
- Favor the treatment of people with prostate problems.
- They are used as a natural tranquilizer.



CHERRIES

- Reduce pain caused by arthritis, improves inflammatory conditions.
- Decrease the risk of Gout attacks.
- Reduce triglycerides, cholesterol, sugar and blood insulin levels.
- Regulate fat, glucose and control blood pressure.
- Maximize slow and deteriorated intestinal transit.
- They are diuretic and reduces liquid retention.
- Favor sleep and reduce insomnia.



BLACKBERRIES

- Avoid cancer.
- Reduce arthritis pain.
- Decrease hot flushes, irritation and excess bleeding that takes place during menopause.
- Help improve vision and avoids degeneration of eye sight.
- Favor the treatment of the urinary tracts in kidney infections.
- Avoid paralysis, eye problems and loss of hearing.



CRANBERRIES

- Improve the healing of wounds.
- Clear arterial walls.
- Reduce cardiovascular attacks, heart attacks and all kinds of heart conditions.
- · Avoid urinary infections.
- Reduce gum problems.
- Have anti-aging properties.
- Prevent cancer.



GLOBAL BERRIES INDUSTRY



At a global level, the Berries industry is mainly focused on markets with the highest fruit consumption at global level. These are North America¹, Europe and the main emerging markets such as Brazil, Japan, South Korea, China², Mexico and Singapore.

NORTH AMERICA

North America is the largest market in the Berries industry, market where the total consumption of the four most relevant Berries³ categories reached 1,400,000 tons in 2017, with a 4.8% compound annual increase during the 2000-2017 period.

Leaving Strawberries aside, which show a more stable growth since they are a variety in mature regime in North America, the rest of the Berries category increased an annual 12.4% in said period.

The North American market satisfies most of its consumption with internal production and imports mainly from Chile, Mexico, Argentina and Peru⁴. In the Northern Hemisphere, internal production is generated in the summer months and most of the imports from the Southern Hemisphere take place in winter.

The latter generate price and volume curves which are attractive for a global producer like Hortifrut, who makes good use of the advantages resulting from the falls in volume in the seasons between April and May and between September and November. The following charts show the behavior of the volumes and prices of the four Berries consumed in North America.

In the specific case of Blueberries, their consumption in the last 17 years has increased at a compound annual rate of 11.3%. Prices have experienced a relatively stable behavior in the last few years despite the growth experienced in volume, which shows the strength of demand for this product. Despite the aforementioned, volume in 2017 was slightly lower than 2016, leading to a slight increase in the average price of Blueberries.

Raspberry has also experienced a strong growth, reaching a compound annual rate of 12.4% the last 17 years.

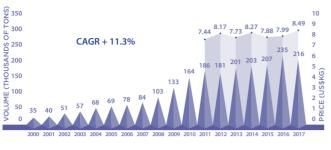
¹ North America only includes United States and Canada.

² Mainly Hong Kong.

³ Blueberries, Strawberries, Raspberries and Blackberries.

⁴ Hortifrut has export centers in these places.

EVOLUTION OF COMSUMPTION AND PRICE OF FRESH BLUEBERRIES IN NORTH AMERICA (THOUSANDS OF TONS)



◆ Volume (THOUSANDS OF TONS) • Price (US\$Kg)

SOURCE: U.S. Department of Agriculture

RASPBERRIES IN NORTH AMERICA (THOUSANDS OF TONS)

EVOLUTION OF CONSUMPTION AND PRICE OF FRESH



◆ Volume (Thousands of Tons) ◆ Price (US\$Ks SOURCE: U.S. Department of Agriculture

WEEKLY VOLUME AND PRICE 2017 OF FRESH BLUEBERRIES IN NORTH AMERICA



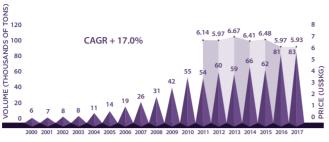
SOURCE: U.S. Department of Agriculture

WEEKLY VOLUME AND PRICE 2017 OF FRESH RASPBERRIES IN NORTH AMERICA





EVOLUTION OF CONSUMPTION AND PRICE OF FRESH BLACKBERRIES IN NORTH AMERICA (THOUSANDS OF TONS)



◆ Volume (THOUSANDS OF TONS) ◆ Price (US\$Kg)

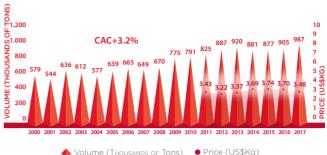
SOURCE: U.S. Department of Agriculture

WEEKLY VOLUME AND PRICE 2017 OF FRESH BLACKBERRIES IN NORTH AMERICA



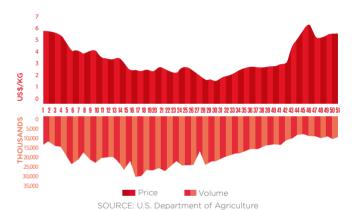
In the case of Blackberries, compound annual growth of the last 17 years in North America was 17.0%.

EVOLUTION OF CONSUMPTION AND PRICE OF FRESH STRAWBERRIES IN NORTH AMERICA (THOUSANDS OF TONS)



◆ Volume (Thousands of Tons) • Price (US\$Kg SOURCE: U.S. Department of Agriculture

WEEKLY VOLUME AND PRICE 2017 OF FRESH STRAWBERRIES IN NORTH AMERICA

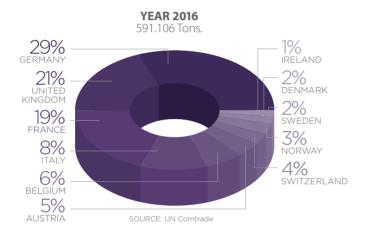


Last of all, Strawberries experienced a 3.2% growth. Its lower growth compared to the other Berries is because the comparison base is very high, since its volume had already experienced a strong growth in the decade of the 90's, reaching its maturity phase. Its high consumption is explained in part by the easiness of locally producing during the whole year.

EUROPE

In Europe, the consumption of Berries is mainly located in eleven countries, which concentrate most of the imports: Germany, Austria, Denmark, France, Ireland, Italy, Norway, Sweden, Switzerland and the United Kingdom, which represent over 95% of the total.

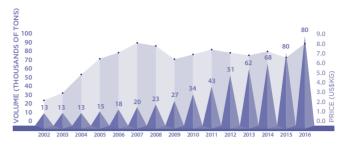
DISTRIBUTION OF IMPORTED VOLUME OF BERRIES BETWEEN THE TOP 11 IMPORTERS IN EUROPE (2016)



As per the latest information available, in 2016 the European market imported over 591,000 tons of Berries, with a compound annual growth for the 2002-2016 period of 3.1%⁵. Nevertheless, if we separate Strawberries, the compound annual increase of imports and price was 10.5% and 8.2%, respectively.

In the specific case of Blueberries, imports in Europe have increased at a compound annual rate of 15.2%, reaching almost 95,000 tons. Considering local production, consumption in Europe reached 160,000 tons⁶, which represents 70% of what is consumed in North America. Likewise, the price of Blueberries has increased at a compound annual rate of 8.0%.

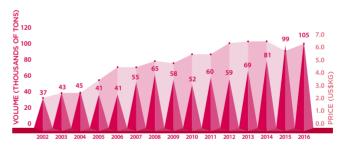
EVOLUTION OF FRESH BLUEBERRY IMPORTS AND PRICES IN EUROPE



SOURCE: UN Comtrade, imports from Germany, Austria, Belgium, Denmark, France, Ireland, Italy, Norway, Sweden, Switzerland and the United Kingdom.

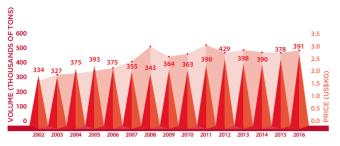
In the last 14 years, the compound annual growth rate of Raspberry production in Europe has been 7.8%, while Strawberry has been 1.1%, with prices growing at compound annual rates of 7.8% and 3.6%, respectively

EVOLUTION OF FRESH RASPBERRY IMPORTS AND PRICES IN EUROPE



SOURCE: UN Comtrade, imports from Germany, Austria, Belgium, Denmark, France, Ireland, Italy, Norway, Sweden, Switzerland and the United Kingdom.

EVOLUTION OF FRESH STRAWBERRY IMPORTS AND PRICES IN EUROPE



SOURCE: UN Comtrade, imports from Germany, Austria, Belgium, Denmark, France, Ireland, Italy, Norway, Sweden, Switzerland and the United Kingdom.

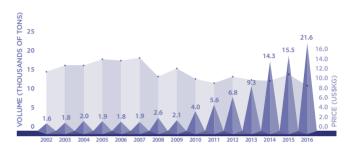
NEW CONSUMPTION MARKETS

Within these new markets, the countries that concentrate the highest consumption of Berries are Hong Kong, Japan, Singapore, China, South Korea and Brazil. These markets, in relative terms with North America and Europe, are in a very incipient development stage and together represent around 3% of the North American market.

During 2016, these countries imported in total over 36,500 tons of Berries, representing a compound annual growth of 9.3% for the 2002-2016 period. If we also consider the local production which is not exported, implicit consumption in the region was approximately 66,000 tons.

Between 2002 and 2016, the volume of imported fresh Blueberries has increased at a compound annual rate of 20.6%, surpassing the 21,600 tons in 2016. If we consider internal production⁷ for said year, this amount reaches slightly over 52,000 tons, which represents 34% of consumption in Europe and 24% of consumption in North America.

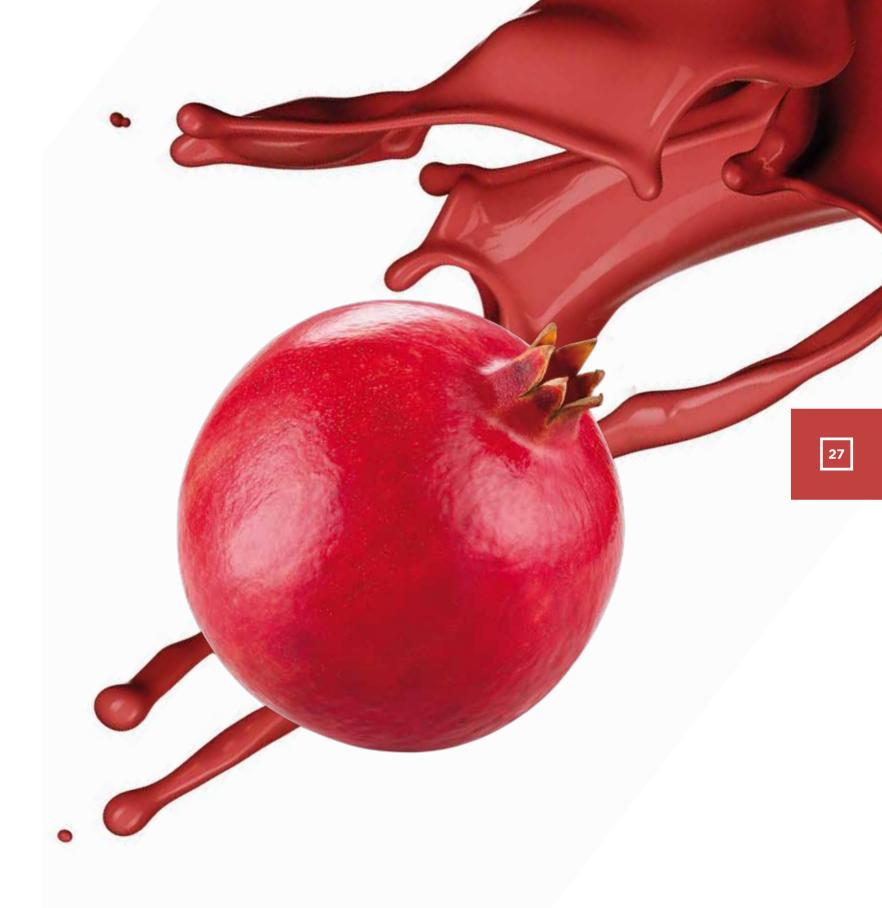
EVOLUTION OF FRESH BLUEBERRY IMPORT AND PRICES IN NEW CONSUMPTION MARKETS



SOURCE: UN Comtrade, imports for Brazil, China, Hong Kong, Japan, South Korea and Singapore.

The volume of fresh Raspberries has increased at a compound annual rate of 9.9% for the same period, reaching over 1,700 tons. This represents 1.7% of consumption in Europe and 1.5% of consumption in North America. Fresh strawberries reached a volume of 13,100 tons in 2016, recording a compound annual increase of 3.2% in the 2002-2016 period.

⁷ According to production statistics informed by IBO (International Blueberry Organization).







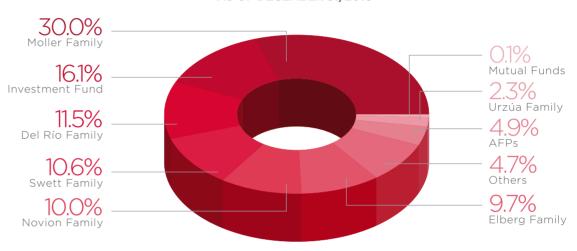
PROPERTY AND CONTROL



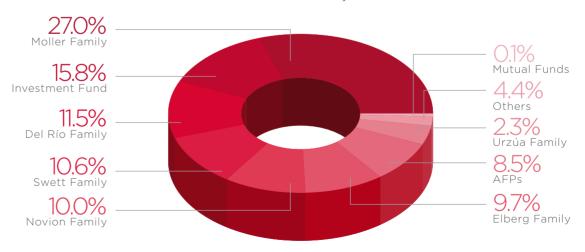
As of December 31, 2017, Hortifrut S.A.'s corporate capital reached US\$ 135,148,882 and is distributed in 435,520,079 shares of a single series, all of which are subscribed and paid by its 99 shareholders.

STRUCTURE OF THE PROPERTY

AS OF DECEMBER 31, 2016



AS OF DECEMBER 31, 2017



MAIN SHAREHOLDERS

Below is a detail of the companies that on their own or together with others own 10% or more of the Company's capital as of December 31, 2017:

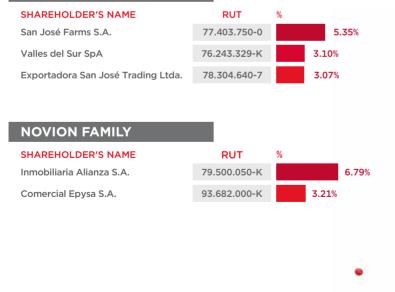
MOLLER FAMILY SHAREHOLDER'S NAME



SWETT FAMILY

SHAREHOLDER'S NAME	RUT	%	
Costanera S.A.C.I.	95.819.000-K		6.91%
Inversiones Costanera Ltda.	86.475.500-3		3.73%

IGNACIO DEL RÍO AND FAMILY



12 MAIN SHAREHOLDERS

In the following table is a list of the 12 main shareholders, indicating the number of shares and interest percentage that each of them has as of December 31, 2017:

SHAREHOLDER'S NAME	RUT	TOTAL	%
Inversiones IMG Ltda.	77.813.860-3	109,316,620	25.10%
Inmobiliaria Algeciras Ltda.	86.907.900-6	42,243,674	9.70%
Costanera S.A.C.I.	95.819.000-K	30,079,545	6.91%
Inmobiliaria Alianza S.A.	79.500.050-K	29,552,009	6.79%
Compass Small Cap Chile Fondo de Inversión	96.804.330-7	24,696,191	5.67%
San José Farms S.A.	77.403.750-0	23,293,100	5.35%
Inversiones Costanera Ltda.	86.475.500-3	16,239,705	3.73%
BTG Pactual Small Cap Chile Fondo de Inversión	96.966.250-7	15,439,253	3.55%
Comercial Epysa S.A.	93.682.000-K	14,000,000	3.21%
Valles del Sur SpA	76.243.329-K	13,480,494	3.10%
Exportadora San José Trading Ltda.	78.304.640-7	13,359,181	3.07%
AFP Habitat S.A. para Fondo Tipo C	98.000.100-8	11,633,862	2.67%
TOTAL MAIN SHAREHOLDERS		343,333,634	78.83%
Other 87 Shareholders		92,186,445	21.17%
TOTAL SUBSCRIBED AND PAID SHARES		435,520,079	100.00%

SHAREHOLDER'S AGREEMENT

The Company is jointly controlled by the *Moller Group* and the *VitalBerry Group* through a Shareholders Agreement, subscribed on August 22, 2013. The *Moller Group* is formed by Inversiones IMG Ltda., San Juan de Virquenco Tres S.A. and Agrícola San Nicolás Ltda. The *VitalBerry Group* is formed by San José Farms S.A., Valles del Sur SpA, Exportadora San José Trading Ltda., and Inmobiliaria Algeciras Ltda.

The Agreement covers 204,737,990 of Hortifrut S.A.'s shares, which represent 47.01% of the Company's capital (out of a total of 435,520,079 issued shares), through which they have control of the Company. The Agreement establishes limits to the free disposal of shares. However, as of December 31, 2017, the *Moller Group* and the *Vitalberry Group* together own 48.21% of the Company's capital.



SHAREHOLDERS RELATED TO THE MOLLER GROUP

INVERSIONES IMG LTDA.

SAN JUAN DE VIRQUENCO TRES S.A.

AGRÍCOLA SAN NICOLÁS LTDA.

TOTAL

RUT

77.813.860-3

76.079.263-2

78.464.610-6

N° OF SHARES 109,316,620 INTEREST

25.10%

7,344,255 1.69%

929,500

117,590,425 27.00%

STRUCTURE OF THE PROPERTY OF THE COMPANIES THAT FORM THE MOLLER GROUP

INVERSIONES IMG LTDA.

33.3315%

33.3315%

33.3315%

0.0054%

Inmobiliaria Fran SpA. Inversiones Vemos Ltda. 77.909.130-9

77.878.580-3

77.891.580-4

Inversiones Alberto SpA. Inversiones VM Y Cía.

76.087.607-0

SAN JUAN DE VIRQUENCO TRES S.A.

Inversiones IMG Ltda. Inmobiliaria Fran SpA.

99.9700%

0.0100%

0.0100%

0.0100%

Inversiones Vemos Ltda. Inversiones Alberto SpA.

77.813.860-3

77.909.130-9

77.878.580-3

77.891.580-4

AGRÍCOLA SAN NICOLÁS LTDA.

INMOBILIARIA FRAN SpA.

99.9750%

0.0250%

1.0000%

100.0000%

Inversiones IMG Ltda.

Víctor Moller Schiavetti

Francisca Moller Opazo

77.813.860-3

4.435.579-5

16.431.369-7

INVERSIONES VEMOS LTDA.

INVERSIONES ALBERTO SpA. 100.0000%

Víctor E. Moller Opazo Antonia Saber Morandé

Alberto Nicolás Moller Opazo

10.668.361-1

12.853.530-6

10.668.356-5

INVERSIONES VM Y CÍA.

97.0000% 4 435 579-5 1.0000%

1.0000%

1.0000%

Víctor Moller Schiavetti Francisca Moller Opazo

16.431.369-7

Víctor E. Moller Opazo 10.668.361-1

Alberto N. Moller Opazo

10.668.356-5

All of the aforementioned companies are directly or indirectly controlled by members of the Moller Family, who are detailed below:

• Francisca Moller Opazo 16.431.369-7 Víctor Edmundo Moller Opazo 10.668.361-1

 Alberto Nicolás Moller Opazo 10.668.356-5

· Víctor Moller Schiavetti

4.435.579-5



VALLES DEL INMOBILIARIA TOTAL SAN JOSÉ SAN JOSÉ FARMS S.A. SUR SPA. TRADING LTDA. ALGECIRAS LTDA. 77.403.750-0 78.304.640-7 RUT 76.243.329-K 86.907.900-6 N° OF SHARES 23,293,100 13,480,494 13,359,181 42,243,674 92,376,449 **INTEREST** 3.10% 3.07% 9.70% 21.21%

EXPORTADORA

STRUCTURE OF THE PROPERTY OF THE COMPANIES THAT FORM THE VITALBERRY GROUP

SAN JOSÉ FARMS S.A.

VALLES DEL SUR SpA.

99.9000%

0.1000%

100.0000%

Inversiones Torca Ltda.

Inversiones Torca Dos Ltda. 76.182.512-7

San José Farms S.A.

79.875.040-2

EXPORTADORA SAN JOSÉ TRADING LTDA.

INVERSIONES TORCA LTDA.

75.0000%

25.0000%

70.0000% 27.0450% 2.9550%

San José Farms S.A.

Claudio Contreras Concha

Inversiones Álamos del Río S.A.

Ignacio del Río Goudie

Alicia Álamos Jordán

77.403.750-0

5.253.501-8

99.557.930-8

6.921.717-6

8 213 284-8

INVERSIONES TORCA DOS LTDA.

0.0009%

0.1010%

0.0001%

99.8979%

Ignacio del Río Goudie

Inversiones Torca Ltda. 79.875.040-2

Alicia Álamos Jordán 8.216.284-8

Inversiones Álamos del Río S.A.

99.557.930-8

INVERSIONES ÁLAMOS DEL RÍO S.A.

20.0000% Juan Ignacio del Río Álamos

20.0000%

20.0000% Josefina del Río Álamos Francisco del Río Álamos

20.0000% Lucas del Río Álamos

20.0000% María Alicia del Río Álamos

13.829.298-3

15.384.386-4

14.120.674-5

17.090.112-6

17.702.965-3

All of the aforementioned companies are directly or indirectly controlled by those detailed below:

· Ignacio del Río Goudie 6.921.717-6 · María Alicia Álamos Jordán 8.213.284-8 · Juan Ignacio del Río Álamos 13.829.298-3 Josefina del Río Álamos 15.384.386-4 • Francisco del Río Álamos 14.120.674-5 Lucas del Río Álamos 17.090.112-6 María Alicia del Río Álamos 17.702.965-3

35

INMOBILIARIA ALGECIRAS LTDA.

61.1100% 23.0400% 11.3900% 4.4600%
Algeciras Holding SpA. | Eduardo Elberg Simi | Inv. Algeciras Chile Ltda. | Magda Sheward Mardones

76.125.318-2 6.038.150-K 76.611.485-7 5.447.768-6

ALGECIRAS HOLDING SpA.

25.0000% 25.0000% 25.0000% 25.0000%

Inversiones Paula Inversiones Karla Inversiones y Asesorías Inversiones y Asesorías Elberg Ltda. Inversiones y Asesorías Andrés Elberg Ltda.

77.255.150-9 76.269.400-K 76.336.150-0 77.244.19

INVERSIONES ALGECIRAS CHILE LTDA. INVERSIONES PAULA ELBERG LTDA.

99.9900% 0.0100% 99.9997% 0.0003%

Eduardo Elberg Simi Magda Sheward Mardones Paula Elberg Sheward Magda Sheward Mardones
6.038.150-K 5.447.768-6 8.806.583-2 5.447.768-6

INVERSIONES KARLA ELBERG LTDA. INVERSIONES Y ASESORÍAS JAVIERA ELBERG LTDA.

99.9997% 0.0003% | 99.9999% 0.0001%

Karla Elberg Sheward Magda Sheward Mardones Javiera Elberg Sheward Magda Sheward Mardones
10.009.507-6 5.447.768-6 17.995.778-7 5.447.768-6

INVERSIONES Y ASESORÍAS ANDRÉS ELBERG LTDA.

99.9999% | 0.0001%

Andrés Elberg Sheward Magda Sheward Mardones

8.548.412-5 5.447.768-6

All of the aforementioned companies are directly or indirectly controlled by those detailed below:

Eduardo Elberg Simi
Magda Sheward Mardones
Paula Elberg Sheward
Karla Elberg Sheward
Javiera Elberg Sheward
17.995.778-7









HORTIFRUT S.A. IS ADMINISTERED BY A BOARD FORMED BY NINE MEMBERS, CHOSEN BY THE SHAREHOLDERS' MEETING FOR A PERIOD OF THREE YEARS,

at the end of which it must be totally renewed and its members can be re-elected indefinitely. The Board Members are remunerated for their performance in their positions and the amount of the remuneration is fixed annually by the Ordinary Shareholders' Meeting.

At the Ordinary Shareholders' Meeting held on April 30, 2014, a new Board was chosen, because at the Board Session held on August 22, 2013 it was agreed to name in the position of Hortifrut directors Messrs. Ignacio del Río Goudie and Andrés Solari Urquieta in replacement of the directors Messrs. Juan Sutil Servoin and Heriberto Urzúa Sánchez, whose resignations took place on May 09 and August 16, 2013, respectively. Likewise, the Board had agreed to name in the position of Company Vice Chairman, Mr. Andrés Solari Urquieta.

At the Ordinary Shareholders' Meeting held on April 26, 2017, the total of the Company's Board was renewed, since they had complied with the statutory 3 year period performing their functions.

As of December 31, 2017, the Company's board is made up by Messrs.:

VÍCTOR MOLLER SCHIAVETTI

CHAIRMAN

Businessman, Chairman of Hortifrut S.A., Director of Naturipe Farms LLC., Naturipe Foods LLC., Marbella CC., Corporación Cultural Virquenco and Inversiones IMG Ltda., Consultant Empresarial Sistema B and Consultant Asociación de Emprendedores de Chile.

ANDRÉS SOLARI URQUIETA

VICE CHAIRMAN

Business Administration Universidad Adolfo Ibáñez, MBA Universidad de Los Andes. General Manager of Algeciras Ltda. Vice Chairman of Banco Internacional and Grupo Patio. Director of Autosummit S.A., Bredenmaster S.A., Nexxo S.A., Inmobiliaria Alquife SAC, Algeciras S.A., Atton S.A. and Mundocrédito S.A.

ANDRÉS CARVALLO PRIETO

DIRECTOR

Agricultural Engineer and Master in Business Administration Universidad Mayor. General Manager of BAIKA S.A. and San José Farms S.A.

VÍCTOR EDMUNDO MOLLER OPAZO

DIRECTOR

Agricultural Administration Escuela Agrícola de Paine, Post Graduate at Pontificia Universidad Católica de Chile. General Manager Hortifrut LATAM, Executive Director Holding IMG.

GERMÁN NOVION VERDUGO

DIRECTOR

Business Administration Pontificia Universidad Católica de Chile, MBA Anderson School at UCLA, Businessman, Agricultural, Managing Partner of family companies.

FRANCISCO CONDON SCHIAVETTI

DIRECTOR

Agricultural Businessman. Agricultural Manager Lumaco S.A., Inmobiliaria Curacavi S.A., Holding IMG., Global Organics S.A., Agrícola e Inmobiliaria Don Vitoco Ltda. and Agrícola y Ganadera Santa Rebeca I tda.

ALFONSO ANDRÉS SWETT OPAZO

DIRECTOR

Business Administration Pontificia Universidad Católica de Chile, MBA and Scholar of the Class Duke University. General Manager Costanera S.A.C.I.; Executive Director of Forus S.A.; Director of Olisur S.A., Inmobiliaria Costanera S.A. and Arteco S.A.; President of the National External Advisory Council CLAPES UC; Elective Counselor Sofofa, Consultant INACAP and Professor of the Business Administration Career of Pontificia Universidad Católica de Chile.

MARCO COMPARINI FONTECILLA

DIRECTOR

Business Administration Pontificia Universidad Católica de Chile. Director of Investment and Business Empresas Penta; Director of Penta Financiero and Energía Latina S.A.

MARÍA VERÓNICA MORALES MENA

INDEPENDENT DIRECTOR

Business Administration Pontificia Universidad Católica de Chile. Was Manager of Studies and Development at Empresas lansa (1980-2010), Manager of Studies of the National Agricultural Society (2004-2005) and Consultant of the Ministry of Agriculture (2010-2012).



PAYMENT TO BOARD MEMBERS

	DIRECTOR	VÍCTOR MOLLER SCHIAVETTI	ANDRÉS SOLARI URQUIETA	ANDRÉS CARVALLO PRIETO	VÍCTOR MOLLER OPAZO	
	RUT	4.435.579-5	8.667.254-5	15.383.173-4	10.668.361-1	
	APPOINTMENT/REELECTION	26-apr-17	26-apr-17	26-apr-17	26-apr-17	
	CESSATION				-	
17	ALLOWANCES AND INTEREST IN PROFIT (ThCLP)	26,289	16,610	2,670	13,144	
Year 2017	REMUNERATION (ThCLP) ⁸	218,935	-		178,856	
	TOTAL (ThCLP)	245,224	16,610	2,670	192,000	
9	ALLOWANCES AND INTEREST IN PROFIT (ThCLP)	13,781	10,285	-	6,890	
Year 2016	REMUNERATION (ThCLP) ⁸	216,301	-	-	158,788	
	TOTAL (ThCLP)	230,082	10,285	-	165,679	
	% INTEREST IN THE COMPANY'S PROPERTY	0.0015%	0.0002%	0.0000%	8.9095%	

The Board, during 2017, did not incur in expenses for the concept of consulting.

ATTENDANCE RATE TO BOARD MEETINGS

Below we present a summary table which shows the percentage of attendance of the Board Members to the Board Meetings held during 2017, compared to 2016:

		YEAR 2017			YEAR 2016	
TYPE OF SESSION	POTENTIAL	EFFECTIVE	ATTENDANCE	POTENTIAL	EFFECTIVE	ATTENDANCE
	ATTENDANCE	ATTENDANCE		ATTENDANCE	ATTENDANCE	%
ORDINARY SESSION	108	75	69%	99	61	62%
EXTRAORDINARY SESSION	36	21	58%	45	29	64%
TOTAL	144	96	67%	144	90	63%





GERMÁN NOVION VERDUGO	FRANCISCO CONDON SCHIAVETTI	ALFONSO SWETT OPAZO	MARCO COMPARINI FONTECILLA	M. VERÓNICA MORALES MENA	IGNACIO DEL RÍO GOUDIE	TOTAL
6.379.404-K	3.184.816-4	7.016.281-4	7.731.109-2	6.980.834-4	6.921.717-6	
26-apr-17	26-apr-17	26-apr-17	26-apr-17	26-apr-17	30-apr-14	
					26-apr-17	
16,339	16,345	16,877	17,143	17,408	14,205	157,030
				-	-	397,791
16,339	16,345	16,877	17,143	17,408	14,205	552,151
10,550	10,290	9,498	10,810	10,550	9,765	92,420
-	-	-	-	-	-	375,089
10,550	10,290	9,498	10,810	10,550	9,765	467,509
3.3340%	0.0071%	0.0270%	0.0011%	0.0000%	N/A	12.2804%

BOARD DIVERSITY NATIONALITY GENDER Female Chilean 0 Male Other AGE RANGE YEARS IN THE COMPANY 2 Over 70 years old Over 12 years Between 61 and 70 years Between 9 and 12 years Between 51 and 60 years Between 6 and 9 years Between 41 and 50 years Between 3 and 6 years 1 1 Between 30 and 40 years Less than 3 years 0 Under 30 years old







The Board Committee, constituted as per Article 50 Bis of Law N° 18.046, has the faculties and the rights contained in said disposition.

The Board Committee was initially constituted at the Company's Board Meeting held on March 05, 2013, as a measure of good corporate governance even though at that time there was no obligation to do so. As per Regulation (Circular) N° 1.956 of the *Superintendencia de Valores y Seguros*, the Board chosen at the Ordinary Shareholders' Meeting on April 26, 2017, nominated at the Ordinary Meeting date May 02 of the same year as a member of the Committee, Ms Verónica Morales Mena as Independent Director, who subsequently, using the faculty contemplated in Article 50 Bis of Law N° 18.046, designated Mr. Marco Comparini Fontecilla and Mr. Andrés Solari Urquieta as the remaining members of the Committee.

The remuneration of the Committee Directors, was agreed at the Company's Ordinary Shareholders' Meeting held on April 26, 2017, and is equal to 50 *Unidades de Fomento* for each session that they attend, plus an additional participation at the prorate of 1% of the profit fixed for the Board, which is paid in the same manner and on the same opportunities as the remuneration of a Director. During 2017 fees paid to the Directors Committee reached ThCLP\$ 78,046, as per the following detail:

ALLOWANCES AND INTEREST IN PROFIT (ThCLP)

DIRECTOR	YEAR 2017	YEAR 2016
M. Verónica Morales Mena	26,460	16,017
Marco Comparini Fontecilla	26,460	16,017
Andrés Solari Urquieta	25,127	10,807
TOTAL	78,046	42,841

The Directors Committee, during 2017, incurred in the following expenses charged to the Budget approved at the Ordinary Shareholders' Meeting held in April 2017:

- Hiring of legal consulting services from the company Fontaine y Cía., RUT 76.040.130-7, for ThCLP\$ 905, equal to US\$ 1,409.
- Hiring of legal consulting services from the company Barros y Errázuriz Abogados Ltda., RUT 79.806.660-9, for ThCLP\$ 9,309, equal to US\$ 14.779.

During 2017, the Committee presided by Ms. Verónica Morales Mena formally held sessions on 11 occasions to revise and treat the matters that correspond as per Article 50 Bis of Law N° 18.046.

The Committee made proposals to the Board with the names of external auditors and proposed the private credit risk classifiers to be suggested to the Ordinary Shareholders' Meeting of 2017, as per what is stated in number 2 of Article 50 Bis of Law N° 18.046. For these effects and in relation to the proposal of external auditors, the proposals of five auditor companies were studied, agreeing to propose due to reasons of prudence and good practices, a change in the auditing company, due to the time that has passed and acknowledging the good work performed by PriceWaterhouseCoopers Consultores, Auditores y Compañía Ltda. ("PwC") during their ten year work auditing the Company, five of which were as a publicly traded company. Thus, we presented to the Board as first alternative to suggest to the Ordinary Shareholders Meeting, the designation of KPMG Auditores y Consultores Ltda. ("KPMG") as the Company's auditors, and as a second alternative E&Y Servicios Profesionales de Auditoría y Asesoría Ltda. ("E&Y"). In relation to the credit risk classifiers, after an analysis of this matter, the Committee agreed to propose to the Board to maintain ICR Compañía Clasificadora de Riesgo Ltda. ("ICR") and Clasificadora de Riesgo Humphreys Ltda. ("Humphreys").

In relation to the work of the Company's external auditors during 2017, the Committee held four sessions, the first with the attendance of PwC auditors, due to the presentation of the Company's audited results as of December 31, 2016, and afterwards three meetings with KPMG, the new auditors designated by the Ordinary Shareholders Meeting held in April 2017, to, in first place, get to know and obtain the details of the scope of the Audit plan to be developed during 2017, later a second meeting to revise the Financial Statements as of June 30, 2017 and finally a third meeting with the analysis of the results in the Financial Statements as of September 30 of the same year, opportunity when the Letter of Internal Control was also revised with the evolution of the observations of the previous year and those that emerged in 2017.

The revision of the audited Financial Statements as of December 31, 2016, was verified at the session held on March 23, 2017, opportunity when, with the presence of PwC auditors, they explained the revision made to the Company and all the subsidiaries that consolidate in the Financial Statements and their corresponding scope, at the same time a detailed revision of the main variations was performed, especially in relation to the increase in assets and the Company's debt structure.

Regarding the revisions of the Financial Statements as of June 30, 2017 and September 30 of the same year, and which were performed at meetings with the presence of KPMG auditors, the Committee at the session dated August 18, 2017, revised the first and also had the opportunity to be informed by the auditors of the change in criteria for the recording of

the minimum dividend that the Company must pay, which will no longer be provisioned during the whole year since it must only take place, as per the auditor's opinion, when there is the legal obligation to pay this dividend, which is triggered on December 31, of each year. Regarding the Financial Statements as of September 30, these were revised at session on November 28, 2017, opportunity when the Committee also analyzed the alternatives that the accounting norm allows for the valuation of bearer plants (biological assets), requesting the Management Committee to work on this topic together with the auditors and to prepare simulations with the effects of each of the different alternatives.

It must be stated that on each of the aforementioned opportunities, the Committee favorably pronounced regarding the Financial Statements subjected to its consideration.

In relation to operations with related parties, the Committee performed an analysis of the transactions that were presented for this effect, thus determining in each case that they had as their objective the Company's interest and that they will take place under equal terms, similar to those currently in the market, corresponding to operations under the regular line of business of the companies.

Thus, the Committee analyzed the following transactions, whose approval was recommended to the Company's Board:

- Purchase on behalf of Hortifrut S.A. of a total of 200,000 cherry plants from Vivero Rancagua SpA for the amount of CLP\$ 760,000,000.
- Sale by Hortifrut Chile S.A. to Munger Farms LLC. and Munger Hortifrut NA LLC. of plants of the Rocio variety, for the amounts of US\$ 1,440,000 and US\$ 2,545,086, respectively.
- Sale of Hortifrut Chile S.A. to Munger Hortifrut NA LLC. of 250,000 Keepsake plants from the Berry Blue program, for the amount of US\$ 550,000.
- Loan from Hortifrut Imports Inc. to Munger Hortifrut NA LLC., for the amount of US\$ 2,000,000.
- Sale on behalf of Hortifrut S.A. of plants of the Rocio variety to Luis D'Andrea in Argentina, for the amount of US\$ 730.000.
- Financing Contract for Expofresh S.A. in Argentina for the delivery of early fruit (2017/18 season), for the total amount of US\$ 5,750,000, co-financed between subsidiaries of Hortifrut S.A. (Naturipe Farms Imports Inc. financed US\$ 4,000,000 and Hortifrut Chile S.A. financed US\$ 1,750,000).
- Hortifrut Chile S.A. Financing Contract to Valles del Sur SpA for the delivery of fruit, for the amount of US\$ 4,000,000.
- Loan from Hortifrut S.A. to Hortifrut Tal S.A.C. in Peru, for the amount of US\$ 5,000,000.
- Constitution of the company Agrícola Los Hualles S.A., property of Hortifrut S.A. and Global Organic S.A., to go ahead with a project for producing cherries through the contribution from the first company of US\$ 1,006,497, representing 40% of the investment.
- Sale on behalf of Hortifrut S.A. of cherry plants to Agrícola Los Hualles S.A. (87,500 plants) for the

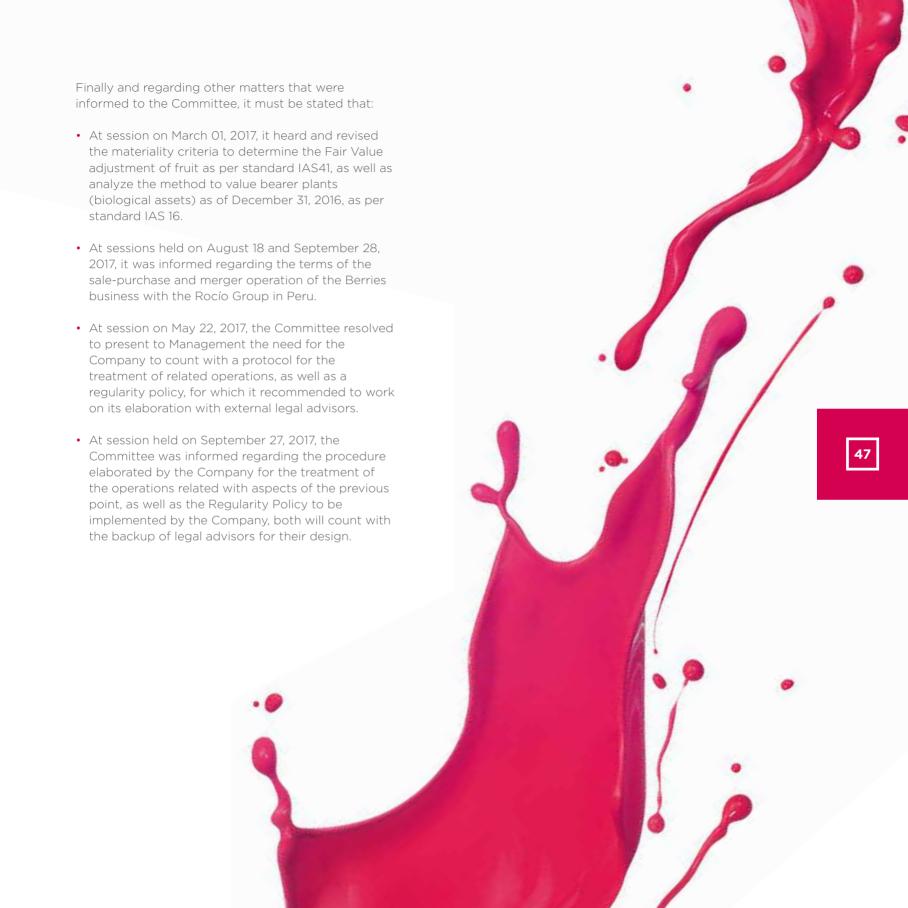
amount of CLP\$ 383,687,500, to Agrícola El Avellano S.A. (16,250 plants) for CLP\$ 71,256,250, to Agrícola Vida Nueva S.A. (60,000 plants) for CLP\$ 263,100,000, and to Agrícola Santa Carmen S.A. (20,000 plants) for CLP\$87,700,000.

- Lease Contracts to be entered into between
 Hortifrut S.A. and Inversiones IMG Dos Ltda. and
 Agrícola e Inmobiliaria Lumaco S.A., regarding
 several agricultural lands for a total surface of
 128.34 hectares and 47.92 hectares, respectively,
 and over which there were Blueberry plantations
 performed by the Company based on other
 previous contracts. It was agreed to enter into these
 contracts for a 20 year term starting on January 1,
 2018, with an annual lease of US\$ 112,297.50 in the
 first case and US\$ 41,930.00 in the second,
 incorporating into its text the recommendations
 made by the Committee.
- Approval for the consolidation of the contributions for the amount of CLP\$ 435,458,885, performed as part of the Association and Interest Accounts Contract with Agricola Santa Carmen S.A., approved in 2013.

At session held on July 03, 2017, the Committee examined the bonus for the 2016/17 season for employees, both in Chile and overseas, as per the proposal made by Human Resources Management, recommending the Board the payment of the bonus for a percentage that will vary between 90% and 95% of the proposed by said management, considering that the results of the season are not comparable with those of the previous season, except in exceptional cases where General Management determined that a 100% payment corresponds.

Regarding other matters corresponding to its responsibilities, the Committee at its session on February 01, 2017, revised and favorably ruled regarding the hiring of PwC in the United States of America for the development of an analysis of the transfer prices that affect the company Hortifrut Imports Inc. in that country, all of this as per what is stated in N°6 of Article 50 of Law N°18.046.

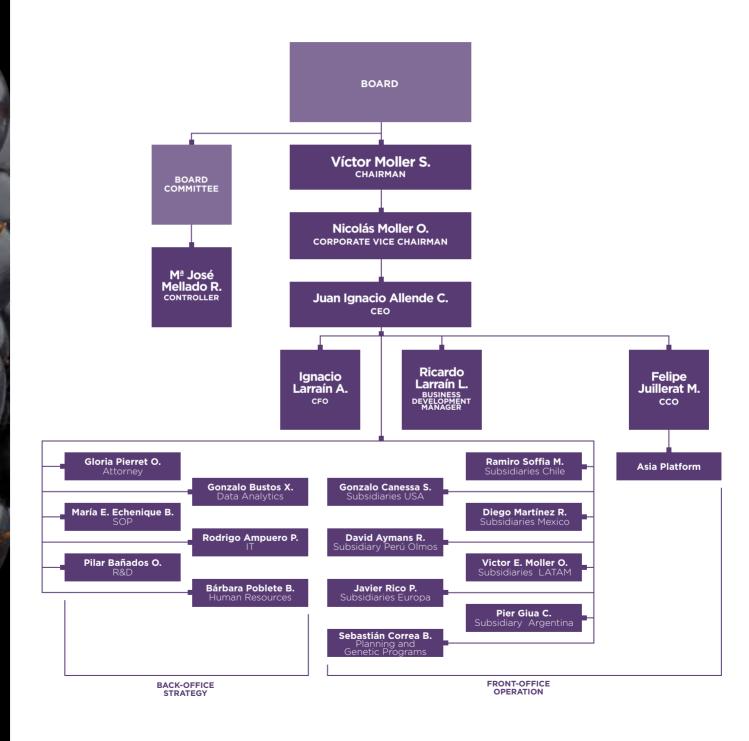








ORGANIGRAM



MAIN EXECUTIVES

Hortifrut counts with a management team with wide experience within the Berries market and within the Company.

Alberto Nicolás Moller Opazo 10.668.356-5 Corporate Vice Chairman

DD: 06-sep-16 / INT: 8.9995%

Ricardo Larraín Llona 9.485.276-5 **Corporate Business Development Manager** DD: 14-nov-14 / INT: 0.0000%

Ramiro Soffia Moller 7.010.418-0 General Manager Chile DD: 01-jul-17 / INT: 0.0004%

Bárbara Poblete Bas 14.165.464-0 Corporate Human Resources Manager DD: 15-apr-13 / INT: 0.0011%

Sebastián Correa Bulnes 12.854.246-9 Planning and Genetic **Programs Manager** DD: 04-feb-08 / INT: 0.0156%

Javier Rico Pedrazo 28900882W (SPA) **Europe Platform Manager** DD: 01-jun-06 / INT: 0.0000%

Pier Giua Castiñeira 22809008 (ARG) Argentina Export Manager DD: 31-mar-16 / INT: 0.0000%

David Aymans Rojas 13.027.846-9 Perú Olmos General Manager DD: 01-jun-15 / INT: 0.0000%

Juan Ignacio Allende Connelly 6.196.483-5 Chief Executive Officer DD: 06-sep-16 / INT: 0.2003%

Felipe Juillerat Muñoz 7.409.243-8 Chief Commercial Officer DD: 06-sep-16 / INT: 0.0386%

María Elena Echenique Braun 6.966.252-8 Corporate SOP Manager DD.: 01-nov-03 / INT.: 0.0042%

Gloria Pierret Ortiz 13.899.089-3 Attorney DD: 03-mar-08 / INT: 0.0035%

Gabriela Rojas Violic 15.308.049-6 Corporate Management **Control Manager** DD: 02-jul-12 / INT: 0.0007%

Juan Luis Navarro Sánchez 7921876R (SPA) Spain Agriculture Manager DD: 01-jun-06 / INT: 0.0000%

Gonzalo Canessa Salvat AAA197045 (ARG) Hortifrut Imports General Manager DD: 01-jun-10 / INT: 0.0242%

Gonzalo Bustos Xaus 13.027.231-2 **Head of Data Analytics** DD: 20-sep-17 / INT: 0.0000%

María Pilar Bañados Ortiz 9.831.115-7

Ignacio Larraín Arroyo

Chief Financial Officer

DD: 14-nov-14 / INT: 0.0000%

LATAM General Manager

DD: 01-feb-14 / INT: 8.9095%

Víctor Edmundo Moller Opazo

7.013.734-8

10.668.361-1

Research & Development Manager DD: 15-aug-08 / INT: 0.0056%

Wilfredo Brevis Correa 8.972.400-7 Accounting Manager DD: 01-aug-07 / INT: 0.0035%

Rodrigo Ampuero Peirano 10.510.934-2 Corporate IT Manager DD: 01-mar-09 / INT: 0.0000%

Diego Martínez Rodríguez 7.989.941-0 Mexico General Manager DD: 01-feb-12 / INT: 0.0000%

María José Mellado Robles 10.744.420-3 Controller DD: 04-aug-14 / INT: 0.0000%



DD: Designation date.

INT: Interest percentage in the property of Hortifrut S.A.

REMUNERATION MAIN EXECUTIVES

The total amount of remunerations received by the main executives of the Company and its subsidiaries during 2017 reaches ThCLP\$ 2,737,593, of which approximately 24% correspond to variable remunerations. Said amount corresponds to the total of the received remunerations.

During 2017 there was no indemnity received by main managers and executives.

COLLABORATORS

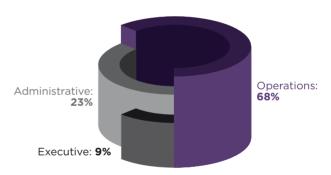
To the ending of 2017, Hortifrut counted with a total number of 764 permanent employees, distributed around the world. It must be stated that out of this total, 41% are women.

Likewise, to the same date the number of temporary employees participating in harvesting, harvesting support and operation tasks reached 7.777 people, distributed in Chile, Mexico, Spain, Brazil and Peru.

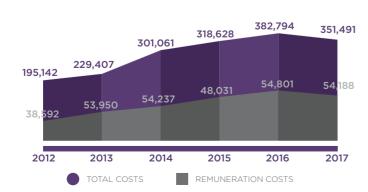
PERMANENT EMPLOYEES								
Chile	489							
United States	23							
Mexico	141							
Spain	47							
Brazil	36							
Argentina	12							
Peru	12							
Germany	2							
England	2							
TOTAL	764							

TEMPORARY EMPLOYEES								
Chile	4,857							
United States	0							
Mexico	824							
Spain	60							
Brazil	38							
Argentina	0							
Peru	1,998							
Germany	0							
England	0							
TOTAL	7,777							

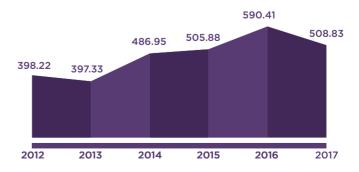
COLLABORATORS DISTRIBUTION PER TYPE OF POSITION



EVOLUTION OF TOTAL COSTS AND REMUNERATION COSTS (THOUSANDS OF DOLLARS)



RELATIONSHIP BETWEEN SALES (THOUSANDS OF DOLLARS) AND N° OF PERMANENT WORKERS









VALUE CHAIN

HORTIFRUT'S BUSINESS MODEL IS BASED
ON THE INTEGRATION OF ITS OPERATIONS
THROUGH THE WHOLE VALUE CHAIN,
PLACING A SPECIAL EMPHASIS ON

THE TWO EXTREMES OF THIS CHAIN:

GENETICS AND COMMERCIALIZATION
FOR THE FINAL CUSTOMER.

HORTIFRUT VALUE CHAIN ACTIVITIES (VERTICAL INTEGRATION)

VARIETAL DEVELOPMENT

PACIFIC BERRY

- RASPBERRIES
- BLACKBERRIES

BERRY BLUE

• BLUEBERRIES

NURSERY

HORTIFRUT NURSERIES

- BLUEBERRIES
- RASPBERRIES
- BLACKBERRIES
- STRAWBERRIES

AGRICULTURAL CROP

BLUEBERRIES
ORGANIC BLUEBERRIES
RASPBERRIES
BLACKBERRIES
STRAWBERRIES
CHERRIES





BLUEBERRIES

RASPBERRIES

BLACKBERRIES

BLUEBERRIES
ORGANIC BLUEBERRIES
RASPBERRIES
BLACKBERRIES

BLUEBERRIES

BLUEBERRIES

Traceability of the product in the whole chain

Hortifrut, thanks to its SAP development program, is able to follow up its products from varietal development to its distribution, allowing it to administer, measure and flexibilize the whole chain.



GENETICS

Based on a rigorous program, leader in the world, it contributes to create high efficiency, productivity and quality, which generates preference and fidelity in the best producers and customers in the world

COMMERCIALIZATION

Trade platforms and own brands in the main markets allow to develop the business together with the final customer, obtaining better margins, logistic efficiency, control over key processes and an adequate traceability and food safety

The Hortifrut S.A. parent Company consolidates different trade vehicles in various countries in the world where the Company is present, to operate its productive, export and trade business in an efficient manner. These companies are connected through SAP, which allows to obtain a first level operating standard through all the Company's operations in the whole world.

EXPORTER

EXPORT FROM:

- CHILE
- MEXICO
- ARGENTINA
- URUGUAY
- SPAIN
- USA • PERU

HORTIFRUT FROZEN

- BLUEBERRIES
- ORGANIC BLUEBERRIES
- RASPBERRIES
- BLACKBERRIES
- STRAWBERRIES

IMPORTER





- 8 BERRY GOOD
- SVA FRUITS
 SAN CLEMENTE VBM

DISTRIBUTOR





- BERRY GOOD
- SVA FRUITS
 SAN CLEMENTE VBM
- HORTIFRUT COMERCIAL

GENETICS PROGRAM LEADER IN THE WORLD

The permanent development of new and improved Berries is one of Hortifrut's fundamental strategic foundations. The important investments the Company has performed in the development of new varieties of Blueberries, Raspberries and Blackberries have been a differentiating and decisive element for the sustained success in the business of commercializing Berries in Chile and the world. The great push that the Company has given its program for selecting new varieties has allowed it to serve the different markets 52 weeks a year and expand to new geographic areas for the production of Berries. This has allowed the improvement of the quality of the fruit and has increased the productivity of its own cultivated fields and those of its producers.

Thus, in 2005, Hortifrut started developing two of its own genetic improvement program (GIP) of Blueberries and Blackberries. The GIP of Blueberries, Berry Blue LLC, developed together with the cooperative Michigan Blueberry Growers, is now the main and biggest program for genetic improvement of Blueberries in the world. Through conventional "breeding" and with test and evaluation stations in the different latitudes where Hortifrut cultivates Blueberries, Berry Blue LLC has already patented 10 new exclusive and owned Blueberry varieties: Prelude, Presto, Daybreak, Stellar, Bliss, Robust, Temptation, Envy, Keepsake and Sensation, with exclusive access for Hortifrut's producers around the world.

At the same time, and always in its search for the best Berries genetics in the world, Hortifrut has subscribed several agreements with private groups and universities at a worldwide level that count with superior varieties of this fruit. In 2009 the Company signed an exclusive production agreement for early varieties of Blueberries with the Spanish group Royal Berries to plant and produce the varieties Rocío and Corona in South America, United States, Peru and Mexico, whose productive and quality characteristics have made them the favorites in many markets. Since

2004, Hortifrut also counts with the exclusive license of the varieties of Blueberries with a high requirement of cold from Michigan State University (MSU), highlighting to date the Draper and Liberty varieties and the new promises Calypso and Osorno (this name is because it was selected from our testing areas in this city in the south of Chile).

Furthermore, since 2013, Hortifrut counts with the license for new "Bird" varieties from the University of Florida for Mexico, Peru and Chile, thus expanding its varietal offer for early zones even more. The Company also counts with the license for varieties from the OZ Australian program, formed by several genotypes for the areas with low accumulation of cold and focused on the productivity and quality of the fruit.

In Raspberries, Hortifrut has its own genetic improvement program called Pacific Berry Breeding (PBB) developed together with Naturipe Berry Growers, physically located in California, United States, and it has been developing new Raspberry varieties since 2005. PBB patented its first varieties in 2008, Pacific Deluxe and Pacific Royale, followed by Pacific Starlet, Pacific Gemma and, very recently PacificRasp 1348, PacificRasp 1381 and PacificRasp 1351. At the moment 100% of Hortifrut's Raspberry production is performed with some of these exclusive and owned varieties, at our fields in Mexico, Spain and Morocco, with a great acceptance on behalf of our customers, especially in relation to the recently patented varieties.

In Blackberries and through an agreement with the University of Arkansas for the selection and obtention of new varieties for the Company, Hortifrut has patented its first three varieties of primocane Blackberries, Camila, Amara and Valentina, the first Chilean Blackberries for the world with outstanding fruit characteristics. In 2016 Hortifrut expanded its tests on Blackberries from this program to three new countries in South America.

In our search to expand our products to offer our customers around the world, in 2013 Hortifrut signed an agreement to develop new varieties of *Murtilla* with the Institute of Agricultural Investigation (INIA). *Murtilla*, a native berry of Chile, with high levels of antioxidants and a long post-harvest life, complements the offer of fruits that the Company already produces.

The base of this agreement is a genetic improvement program with over 17 years of work in improving this fruit, already recording the release of two varieties of *Murtilla*.

The challenge that we have as a Company is the permanent development of new genetics and varieties of Berries which adapt to the needs of our more demanding consumers. Every year we identify at Hortifrut new genotypes in our different programs and evaluation sites, in the most diverse environments and where only the best advance. Each one of them is subjected to rigorous tests with investigators, producers and consumers to find new and better state-of-the-art Berries. These new materials could expand the production base of our producers and will help us comply with the vision of "Berry Solution" for our customers.





OWN CULTIVATED FIELDS AND SEASONALITY

As of December 31, 2017, Hortifrut counted with 1,441 hectares planted with Berries, this is on own land and on land leased from third parties. Of this total, 82% of the hectares are at the productive stage, while the rest is planted but not yet under production, assuring in this manner the necessary productive slack to grow in a sustained manner during the next seasons.

Out of the total planted hectares, the harvesting of Blueberries, both conventional and organic, uses up 84.6% of the surface. The remaining hectares are distributed between Raspberries (9.5%), Strawberries (4.5%), Blackberries (0.9%) and Cherries (0.5%).

CULTIVATED HECTARES AND ITS GEOGRAPHIC DISTRIBUTION 2017

CHILE	MEXICO	SPAIN	BRAZIL	PERU	TOTAL
99	84	106	-	301	590
630	-	-	-	-	630
7	148	-	2	-	136
1	3	1	8	-	13
62	-	_	3	-	65
7	-	-	-	-	7
806	215	107	13	301	1,441
706	215	105	11	140	1,177
101	0	2	2	160	265
438	53	-	-	301	792
368	162	107	13	-	649
	99 630 7 1 62 7 806 706 101 438	99 84 630 - 7 148 1 3 62 - 7 - 806 215 706 215 101 0 438 53	99 84 106 630 - - 7 148 - 1 3 1 62 - - 7 - - 806 215 107 706 215 105 101 0 2 438 53 -	99 84 106 - 630 - - - 7 148 - 2 1 3 1 8 62 - - - 7 - - - 806 215 107 13 706 215 105 11 101 0 2 2 438 53 - -	99 84 106 - 301 630 - - - - 7 148 - 2 - 1 3 1 8 - 62 - - 3 - 7 - - - - 806 215 107 13 301 706 215 105 11 140 101 0 2 2 160 438 53 - - 301

SOURCE: Hortifrut

Hortifrut's cultivated fields are located in Chile from regions IV to X, in Mexico in the states of Jalisco and Michoacan, in Spain in the localities of Huelva and Asturias, in Brazil in the municipality of Senador Amaral, and in Peru in the province of Chiclayo, geographic dispersion that, together with the associations that we have in the northern hemisphere, allows to have a continuous offer of all Berries during the 52 weeks of the year.

To the 1,441 total hectares planted at the end of 2017, we must add 813 hectares that, even though they are not administered by Hortifrut, the Company owns 50% of the associated companies that administer them:

- 476 hectares of Blueberries planted in Peru near the city of Trujillo, of which 475 hectares are in productive state and 1 hectare in non-productive state
- 77 hectares of Blueberries planted in Argentina, all of which are in productive state
- 236 hectares of Blueberries planted in the United States in Oregon and California, of which 128 hectares are in productive state and 108 hectares in non-productive state
- 23 hectares of Raspberries and Blackberries in Morocco, of which 16 hectares are in a productive state and 7 hectares in a non-productive state

To count with different productive zones also allows greater closeness with our consumption centers. This is the case of the plantations located in Mexico and the United States, which mainly supply the North American market, the plantations in Spain are able to supply part of the European market, Brazil commercializes its production within the local market and Chile provides counter-season production for North America, Europe and Asia, the same as Peru which contributes with early production in high price periods, all of which is complemented with third party producers in Chile,

Mexico, Argentina, Uruguay, Peru, Morocco and Europe.

Even though only a third of the kilos that Hortifrut distributes come from its own cultivated fields, the production business possesses a great strategic importance, since it allows it to count with a secure volume to attend the requirements of its customers, develop market niches, such as organic, to take advantage in an efficient manner of the opportunities to place its production in periods of scarce offer and high prices, and exercise its control over the quality of the fruit.

Also organic production

BERRIES PRODUCTION PERIOD OF HORTIFRUT AND ASSOCIATES

		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	ОСТ	NOV	DEC
BLUEBERRIES	CHILE ARGENTINA URUGUAY PERU MEXICO SPAIN MOROCCO UNITED STATES	•	•	•	•	•	•	•	•	•	0	0	0
RASPBERRIES	CHILE MEXICO SPAIN MOROCCO BRAZIL UNITED STATES									•			
BLACKBERRIES	CHILE MEXICO SPAIN MOROCCO BRAZIL UNITED STATES				•					•			
STRAWBERRIES	CHILE MEXICO SPAIN BRAZIL UNITED STATES	•			•	•	•	•	•	•	•	•	
CHERRIES	CHILE	•										•	•

TRADE PLATFORMS AND STRATEGIC ALLIANCES

The Hortifrut business model is based on strategic alliances, joining the best in the southern hemisphere with the best in the northern hemisphere, in order to have a supply all year round.

NORTH AMERICA

In the United States, the Company associated with three of the largest berries producers: Michigan Blueberry Growers Association, Naturipe Berry Growers and Munger Brothers to form Naturipe Farms. Through this company, we supply a wide mix of conventional and organic Berries to the United States and Canada during all the days of the year, with an excellent logistic and commercial chain. Commercialization is performed together under the brand Naturipe® mainly to the retail and foodservice channels, reaching the main supermarkets in the country.

During 2016, we highlight the creation of a new line of business at our Naturipe Farms platform, called "Naturipe Avocado Farms", formed by excellent Chilean, Peruvian and Mexican avocado producers, who will distribute through our platform, thus adding a new and valuable fruit to our pallet, with a huge growth potential in that market.



EUROPE

In Europe, Hortifrut participates directly in the commercialization, production, obtention of fruit from third parties and distribution. Together with Atlantic Blue, the main Blueberries producer in Spain, Euroberry Marketing (EBM) was formed, in charge of commercialization to the European continent. EBM counts with an offer for all berries during the whole year, under its brands "Southern Sun" and "Berry Collection".

The wide supply of products, access to exclusive varieties of Blueberries and Raspberries, high quality, a unified brand and the commercialization of fruit from both hemispheres, makes us strategic allies of the main wholesalers and supermarket chains in Europe. During 2015 and 2017, two new commercializing subsidiaries were incorporated in Europe, Euroberry GmbH in Germany and Euroberry UK in England, respectively.



ASIA

Hortifrut reached a relevant participation in the Asian market because, among other aspects, it is supplied from different origins: Chile, Peru, Argentina, Mexico, United States, Canada and Spain.

During 2017, the Asian market was very dynamic for the Company, maintaining high growth rates from the different origins, much higher than the rest of the destination markets. This growth was strengthened by the recent access of Peru, Mexico and Argentina as suppliers of Blueberries to China, providing important and consistent volumes and contributing to the generating of a greater presence of our brands in this market.

The main destination and that with the highest growth in the last few years has been China, followed by South Korea, Taiwan, Japan, Hong Kong and other countries in South East Asia, where our customers are attended under the brands Naturipe® and Southern Sun, with exports and programs that cover the 52 weeks of the year with Blueberries and most of the year with other Berries such as Mexican Blackberries and Raspberries.

Cherries are another very demanded product in Asia, especially in China, which is the destination where Hortifrut sends most of its production, which increases

year to year. This fruit has been developing, also conquering other Asian countries, where the Company plans to increase its presence in the next seasons.

Together with Naturipe Farms, we directly commercialize with supermarket chains, which both Hortifrut and Naturipe attend in other continents, such as Costco, Tesco, Walmart and Wellcome, among others, which places us at the forefront of consumption development and retail sales in these markets due to brand presence and supply during more months of the year. In the same direction, the Hortifrut-San Clemente (SVA Fruit) office, located in Shanghai, China, is oriented to the development of direct business with international and local chains and chains in regions far from the large cities. Likewise, we continue to strengthen the business in wholesale markets in Guangzhou, Shanghai, Beijing and Shenyang, among others.

In 2017, the Company had interesting results in this region, with sales that border US\$ 35 million and volumes of 3,000 tons from different origins.





LATIN AMERICA

Likewise, in the Latin American market Hortifrut has been present since 2008 in Brazil, where it commercializes its products through its subsidiary BerryGood, with commercial offices in Sao Paulo and commercial operations in states in the center-west, south and south-east of the country, focusing on the cities of Sao Paulo, Río de Janeiro, Brasilia, Campinas, Curitiba, Florianopolis and Porto Alegre. From the start, this subsidiary has focused on the development and growth of the Berries industry in Brazil, strengthening the areas of logistics, sourcing and entrance into the market.

This commercial platform offers fresh and frozen fruit 52 weeks a year to retail customers such as Pao de Azucar, Walmart and Carrefour, as well as other customers of the food service segment such as commercial stores, restaurants and hotels.

For commercialization in Chile, Hortifrut counts with the subsidiary Hortifrut Comercial S.A., which has maintained its leadership in the Berries category in the retail and foodservice segments for several seasons.

The most sold category is fresh, with Strawberries as the most commercialized species, followed by Blueberries. Commercialization also includes frozen products that are sold in retail under the DoyPack format and also in special formats for the Food Service segment. Due to the perishability of the fruit, distribution is maintained direct from Arica to Punta Arenas.





HORTIFRUT AND ITS ASSOCIATES' BRANDS

All the experience in the Berries business that Hortifrut and its Associates have, has been capitalized through its known brands, developed together with its associates and subsidiaries, some with almost 100 years in the market:



Naturipe Farms: second largest Berries distributor at a worldwide level with its brand Naturipe® and the first in the world with Blueberries, with sales for US\$ 713 million during 2017, which represent 150 million commercialized kilos.





Euroberry: sells and distributes Berries through its brand Southern Sun and Berry Collection in all the countries of Continental Europe, as well as England and Ireland.



Berry Good: produces, imports, sells and distributes in Brazil, to the main supermarket chains and Food Service customers. With 7 years in the market, it supplies a mix of Berries 52 weeks of the year, attending over 670 sale points.



Berry Quick: through this brand Hortifrut commercializes its Ready to Eat product.

Apart from these brands, phrases and slogans are used which allow to commercialize products and services under said names in Chile and overseas. The main advertising sentences are:

Hortifrut, Berries a todo el mundo, todos los días

Hortifrut, berries for the world, every day

Fresh Berries Every Day

MAIN CUSTOMERS

Hortifrut commercializes fruit with over 400 customers in different destination markets, having as its customers the main supermarket chains and retailers in North America, Latin America, Asia and Europe. This diversification strategy has been a fundamental fundation of the Company's success.

Among Hortifrut's main customers we find:

NORTH AMERICA



















EUROPE





































EMERGING COUNTRIES































SUPPLIER

ENVASES IMPRESOS S.A. CARTOCOR CHILE S.A.

Also, the main providers of supplies for Hortifrut S.A. and its subsidiaries are:

PRODUCT

CARDBOARD TRAYS

CARDBOARD TRAYS

COEMBAL CHILE S.A.	CLAMSHELLS	
ULTRAPAC SUDAMERICA S.A.	CLAMSHELLS AND LABELS	
TYPACK S.A.	CLAMSHELLS	
BO PACKAGING S.A.	CLAMSHELL	
MADEEX PALLETS CHILE S.A.	SET UP PALLETS	
AUTOADHESIVOS PYR LTDA.	LABELS	
IMPRESOS AUTOADHESIVOS LTDA.	LABELS	
IND Y CIA SOLUCORP LTDA.	LABELS	
WENCO S.A.	BOXES	
COPEVAL	SEFETY ARTICLES AND AGRICULTURAL SUPPLIES	
COOPRINSEM	AGRICULTURAL SUPPLIES	
RIEGO CHILE LTDA.	IRRIGATION MATERIALS	67
IMFORAN LTDA.	SAFETY ARTICLES	
COAGRA S.A.	AGRICULTURAL SUPPLIES	
LICAN ALIMENTOS	AGRICULTURAL SUPPLIES	
ECOFOS LTDA.	AGRICULTURAL SUPPLIES	
		The sales

VALUE ADDED PRODUCTS

FROZEN

During 2017, Hortifrut has continued to develop the frozen Berries area, expanding its customer network around the world, thus positioning itself in this market as a leader in the area, exporting to different markets such as United States, Europe, Asia and Latin America. With this it offers to producers new forms to commercialize its products around the whole world and every day of the year, which allows it to complement the fresh products area with frozen products, whether it be in bulk for industries or retail format, ready for sale to the final consumer.

The Company produces four types of frozen Berries (Blueberries, Raspberries, Strawberries and Blackberries), as well as products that are born from the different combinations of these. The production process is performed with the highest quality and safety standards, which allows it to comply with the highest international standards. Some of the certifications that the plants count with are the following: HACCP, Organic, Kosher, Certification SQF-2000 Level 3 and BRC Version 7.

In the production process, the Company counts with state-of-the-art technology in equipment, color and maturity selectors and calibrators, continuous frozen tunnels, tables for natural selection and weighing machines to fill the products, reaching a greater efficiency in the production processes. The storage of the finished frozen product is performed in chambers of -20°C, with storage system in racks and personnel trained in the conservation of the product, who are in charge of maintaining the ideal conditions until the final customer.

Hortifrut counts with 2 plants for frozen products, one in Molina and another in Colbún.

MOLINA PLANT

Together with a strict management system, from 2009 this plant counts with very specific certifications, as well as maintaining at every moment the product's highest quality and safety standards. From 2012 we have maintained Certification SQF-2000 Level 3, certification that is a declaration that Hortifrut's food safety plans have been developed with the HACCP method and that the applicable regulatory requirements have been efficiently valued and verified to maintain the safety and quality of the food. The plant can process 5,000 tons of Berries a year and store a total of 5,500 tons, allowing the Company to accede to a higher number of customers and supermarket chains with supply during the whole year.

COLBÚN PLANT

This frozen products plant was incorporated into Hortifrut through the merger with VitalBerry Marketing. It was built in 2009 and was designed to process high quality Berries, both in bulk format and retail pack, being able to process up to 5,000 tons of Berries a year. Its process lines were imported from the United States, Canada, New Zealand and Japan, which have a high technological level, allowing to pack the retail product in a completely automatic form, even when 4 Berries have to be mixed in the same bag. This plant counts with a food safety system based on the BRC (British Retail Consortium) standard Version 7.



READY TO EAT

Within the North American market, characterized by its high consumption of Berries, consumers perform nearly 60% of their fruit and vegetable purchases through supermarkets or other retail stores, while the remaining 40% take place at food-service establishments (mainly made up of fast food, restaurant, hotels and convenience store chains). Nevertheless, in the case of Berries, sales through this channel represent less than 5% of total sales

Therefore, Hortifrut together with the rest of the industry face a great challenge to capture in a massive manner the food-service segment. In this aspect, the Company has a high competitive advantage to attack said market, since it has already developed and is operating the adequate technology, packing and logistics to attend said segment, duplicating the size of the Berries market at a worldwide level.

After over eight years of investigation and development for the Ready to Eat category, since 2012 Hortifrut and its partners have been the suppliers of fresh Ready to Eat Blueberries for leading companies in the food-service area, marking an important milestone not only for our Company but for the whole Berries industry, since it represents the first step to enter Berries to the food-service channel as a Ready to Eat product.



To date, it counts with one plant for this product, located in the United States. Apart from commercializing Blueberries in this format, during 2013 we began commercializing other washed and ready to eat fruits, with the objective of complementing the offer.

The Ready to Eat concept is a great part of worldwide demand, which has caused a great motivation at Hortifrut to lead the chopped, washed and ready to eat fruit market. Mainly with retail sales, we aim to back the daily consumption of healthy food for people of all ages, always with an exhaustive product control during the whole production and distribution flow under a high-quality standard corresponding to the Company.









SYSTEMATIZE INNOVATION: HORTIFRUT'S NEW CHALLENGE

Hortifrut's history has been a consequence of constant innovation, where for over 30 years in the industry, its objective has been to improve its productive processes, develop new varieties, improve its business model, among other aspects, always accompanied by sustainable growth, concerned with the socio-economic and environmental surroundings, which has been reflected in the high surface with organic production distributed throughout Chile and now in almost all the countries where Hortifrut is present.

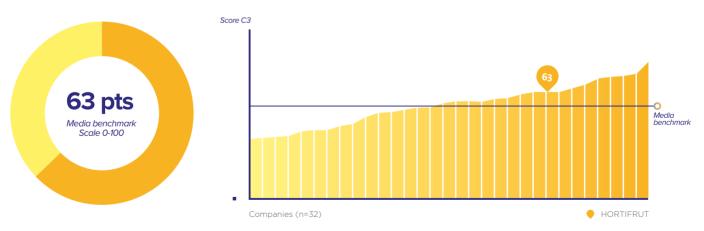
During 2017, Hortifrut measured its **Innovation Intensity (i3)**, which is a modern index developed by innovation accelerator INNSPIRAL, which quantifies the percentage of the Company's results (EBITDA) that come from innovation, in other words, technological solutions, new varieties, new products, services and new production methods. The

measurement showed that for the 2017/18 season, 18% of the Company's EBITDA will correspond to innovation projects.

To improve this index in the coming years, we began an innovation systematization process at a corporate level. This aims to generate innovation capacities through the incorporation of methodology and culture within Hortifrut.

To evaluate the Company's innovation capacity the C3 Innovation Diagnosis methodology was used, which is a multi-sector instrument oriented to measuring the innovation capacities in companies and to provide indicators that allow to strengthen innovation performance. The score obtained by Hortifrut in the survey performed with all the workers was 63 points, within a scale of 0 to 100, placing it 8 units above the C3 Benchmark 2016, as is shown in the following chart:

C3 BENCHMARK 2016: HORTIFRUT IS 8 UNITS ABOVE THE AVERAGE



Hortifrut is currently working on analyzing these indicators and strategically using their strengths and opportunities to shorten the gaps that are detected in the diagnosis, developing better capacities and making the processes more efficient so that the collaborators can systematically innovate.

CLOSED OR OPEN INNOVATION; WHICH IS THE BEST PATH?

To install innovation in Hortifrut's culture with sustainable growth, the Company has decided to direct its strategy from two areas: closed innovation and open innovation, always based on our definition of innovation which is "Generation and/or adapting of unique or radically superior solutions that create a high economic, social and/or environmental impact for our stakeholders (consumers, customers, collaborators, shareholders and communities)".

Traditionally, Hortifrut has performed *Closed Innovation*, system where the innovation and investigation projects are exclusively developed with the knowledge and the means of the organization itself. Nevertheless, analyzing the results of the Company's innovation projects, we have realized that the used strategy has always been based on a basic principle of the business model, which are "Strategic Alliances", whether it be with producers from different parts of the world, as well as with suppliers whose objective is to develop a market, a productive area or a more competitive service based on co-creation. Some concrete results of this work strategy are "Agroid", a system for controlling harvests in real time, and "Blueyes", an automatic machine for quality control of Blueberries, among other projects.

Additionally, we have performed investigation and innovation thanks to state funding reaching over ThCLP 581,000, this financing has been a great support tool for Hortifrut, allowing it to co-create new solutions in different areas of our productive chain and to back the innovation management process. During the 2017/18 season, 6 projects were awarded within this context:

1. "Non-destructive monitoring system OST SMART for controlling and managing the spatial variability of production and quality of Blueberries based on agricultural precision tools to mitigate the effect of climate change", with the Agricultural Investigation Institute (INIA-Progap) and financed by FIA (Fundación de Innovación Agrícola).

- 2. "Develop predictive models using machine learning for the making of decisions in the production of Blueberries under current conditions and forecasted climate change", with the *Universidad Adolfo Ibáñez* and financed by CORFO-Technological contracts.
- **3.** "Validation of an automatic artificial vision system for the quantification of the quality of Blueberries and segregation of storage", with AIOS and financed by CORFO-Validation and storage of innovations.
- Voucher innovation "Capture and analysis of multispectral images for the estimation of Blueberry production", with Harddrones and financed by CORFO.
- **5.** PDP diagnosis stage "Supplier development program Frutic Berries: precision agriculture", together with LB-track and financed by CORFO.
- **6.** "Install innovation as a sustainable growth strategy at Hortifrut", together with INNSPIRAL and financed by CORFO "Innovation Management".

Furthermore, since knowledge is widely distributed in the world and since it is the Company's duty to attract it, during 2017 one of our focus was to formalize the *Open Innovation* processes by creating **Hortifrut Ventures**, a platform that aims to promote and strengthen entrepreneurship within the agro-technological industry through challenges, financed with own or government resources.



Hortifrut Ventures' first challenge was "Hortifrut Challenge", which has as its objective to improve the quality and condition of Berries. Within this challenge we are working together with two partners: CORFO, through the Transform Food program, granting us the subsidy Flexible Assignment Seed for Healthy Food Challenges (SSAF), and with MeetLatam, which is a support platform for developing entrepreneurship eco-systems in Latin America, who have the function to administer the project.

The "Hortifrut Challenge" began with an active launch event in Chile, where we counted with the presence of the Economy and Tourism Minister, Mr. Luis Felipe Céspedes, and with over 250 attendants. Over 50 projects applied, of which 30 were selected to participate in commercial and legal orientation workshops, apart from visiting a fruit processing plant and a field with Blueberry production belonging to the Company. Out of these, only 7 projects are currently being financed and are in the development stage of the prototypes and validations.

APPROVED

4. ALERT FROST

Spatial prediction of

frosts

PROJECTS IN PROTOTYPE STAGE

APPROVED

1. BLUE PROTECT

Vascular and neuronal protective gel with a blueberry base

APPROVED

5. SHELL-LIFE

Organic covering for fruit

APPROVED

2. BLUE MONSTER

Low cost sensors (-10x)

APPROVED

6. MONOG TEA

Tea with blueberry leaf base

APPROVED

3. INTEL PRODUCE

Data integration platform and DPV model

APPROVED

7. HEALTHY PRUNING

Copper scissors



LAUNCHING OF HORTIFRUT VENTURES



FIRST SELECTION AND START-UP OF PRE-INCUBATION



FIELD DAY IN SANTA CARMEN, CURACAVI

To continue working in innovation, the Company has been working in looking for connection, collaboration and co-creation, which are the three fundamental and indispensable foundations to obtain growth in sustainable and high impact innovation.

We consider that innovation and technology require that workers and producers be constantly trained, so that they can be prepared to face a successful business at a global level and to generate value within the productive chain. This is where our focus is.





Hortifrut's Producer's Club is an initiative that allows its producers to connect and find new opportunities to access to a series of benefits in order to back them to find the necessary tools to improve their performance, through a variety of products, services and technologies, that aim to contribute to the efficiency and competitiveness of their fields.

During 2017, the Producer's Club mainly focused on providing technical and commercial information to its producers, performing presentations and field days at the different areas of the country, recommending intense pruning in the orchards during winter in order to leave only the best fruit on the plant, more exposed fruit to improve the production of the orchards and the quality and condition of the Berries, tasks that finally allow our producers to be more competitive in the destination markets.

During the last years, the Producer's Club has been creating new alliances to be able to offer a wider variety of products and services to our producers, completing to date 31 suppliers, who are detailed below:

	Syngenta
2	Chemie

3 AgroConnexion

Agrotechnology

5 Agrinnova

6 INIA

7 UC 8 Agroid

Copec

O MotoArt

11 WellPumps

12 Biobee

13 Agrodescuentos

Biofeed
ASECH

16 Radisson

7 Tecno Fast

18 Fitological19 WHS Australia

20 Legro

21 Aquitania

22 Compo Expert

23 Kubota

NOI Hotels
Hard Drones

26 BCI

26 BCI 27 Bayer

28 Red Agrícola

29 Bioamérica

30 Aguadulce

1 Haygrove

Our objective as a Club is to continue growing, getting closer to and incorporating new technologies and services so that day to day our producers can continue growing and innovating in their fields.





Following the tendency of the large global companies, Hortifrut has started formalizing new standards regarding the relationship that the company has with its workers, community and environment, with which it has assumed the challenge of sustainable development as one of its strategic foundations in the short, medium and long term.



Within this context, the first step was the evaluation of social and environmental performance that Hortifrut performed during 2017, highlighting the following strengths in each of the different perspectives:

• Corporate Governance and Transparency: within this perspective, the existence of a Board that meets regularly is highlighted, and it has included the highest standards, aligned with the requirement of the companies that participate in the stock market, and the existence of an Internal Audit area, which reports every quarter to the Board in relation to any corresponding matter.

- Collaborators: the main highlighted practices are related with the complementary benefits for workers (mainly life insurance, medical insurance and dental insurance), hiring of all the Company employees (whether they be permanent or temporary, allowing access to all the institutional benefits), ethical salary policy over the minimum salary demanded by law, average salary readjustments above inflation levels, frequent follow up and measurement of the satisfaction of the workers, and demanding work safety and occupational health practices.
- Community: under this perspective, we must highlight the practices related with the generation of long term relationships with suppliers and producers, with the re-hiring of seasonal workers, follow up of gender diversity indicators within the Company and with the corporate social responsibility practices and its commitment with the community.
- Environment: here we highlight the high standards that the Company complies with in its agricultural role, where all the fields are ruled by international certifications required by our customers. Among the practices, we find the optimization of water resources, management of dangerous residues, management of biodiversity and adequate use of chemical products.



CORPORATE GOVERNANCE AND TRANSPARENCY

Hortifrut counts with formal policies regarding Corporate Governance and Transparency such as Orientation Handbook for New Directors, Procedure for Replacing Executives, Procedure for Information for Candidates for Director, Procedure for Quarterly Meetings with Controller, Procedure for the Analysis and Evaluation that the Company Performs of the Market and Policy for the Hiring of Expert Consultants.

INDEPENDENT COMMUNICATION AND REPORT FOR CONTROL AREAS

Hortifrut's Board and the Board Committee maintain instances of direct and fluid communication with the following control areas:

a) External Auditors: with them we revise topics such as the External Audit program and its results. Within this, we obtain an independent point of view in relation to the risks that the Company faces, regarding implemented processes and controls and the quality and consistency of the analyzed data.

b) Controller: with whom we are informed regarding the internal audit program, risks in the processes, detected deficiencies, recommendations for improvements, follow up of action plans, strengthening of the scope of control and effectiveness of the crime prevention model.

COMPLIANCE PROGRAMS

In response to the demands of Law Nº 20.393 which establishes criminal responsibility for legal entities in crimes such as money laundering, financing of terrorism, receipt of stolen goods and bribery, the Company has implemented a Crime Prevention Model,

through which it promotes the prevention of said actions which are sanctioned by said law.

The Ethics and Behavior Code and the Denunciation Channel are fundamental components of this Model, which, together with the constant training given to the collaborators, reinforce the commitment that Hortifrut has in matters of complying with the standards.

Thereby, during the last quarter of 2017, an e-learning course was imparted for all the permanent collaborators in Chile and audiovisual material was distributed to back the training in the adoption of compliance models and crime prevention at foreign subsidiaries. Together with the aforementioned, we have held internal presentations for executives in other matters regarding compliance of standards such as Free Competition.



Modelos de Cumplimiento y Prevención de Delitos en Hortifrut



ETHICAL BEHAVIOR CODE

Since 2014, Hortifrut has worked on the base of an Ethical Behavior Code, which constitutes a formal instance that regulates internal and external ethical behavior and business behavior. The Company plans to stand out as a Company that is honest, transparent and consistent in its business behavior, and to acknowledge its collaborators, shareholders, customers, suppliers, authorities and trade partners as people who reach their objectives in a fair and respectful manner.

Within this context, the Company incorporated into its Internal Ruling articles corresponding to the new model, designating a Person in Charge of Crime Prevention, modifying the procedure in case of a denunciation and generating different activities that allow to inform, train and make this new disposition easy for the Hortifrut community.

This document is available on Hortifrut's website **www.hortifrut.com**.



COMPLAINT CHANNEL

The Company counts with a technical solution administered by Deloitte professional services consultant, whose platform for denunciations and ethical line is managed in an independent manner; available for the whole Hortifrut community and its suppliers, so that they can inform regarding money laundering crimes, financing of terrorism, receipt of stolen goods and bribery, or regarding infractions and/or suspicions of non-fulfilment of the Crime Prevention Model.

The denunciations are performed via webpage, email or post office box, which are investigated by the Person in Charge of Crime Prevention and by the Ethics Commission (formed by a Director, CFO, Human Resources Manager and Attorney), guaranteeing absolute confidentiality in relation to the identity of the denouncing people.



HANDBOOK FOR HANDLING INFORMATION OF INTEREST

As a public offering securities issuer and as per what is stated in General Character Norm N°270, in 2012 Hortifrut's Board approved its Handbook for Handling Information of Interest for the Market, which is found at the disposition of the investors in the Company's website, www.hortifrut.com, and at its main offices.

Said handbook has as its objective to establish the norms that rule all the information of interest regarding Hortifrut, establishing policies and procedures for the disclosure of said information, as well as the transactions of Hortifrut's shares which take place, all of which are mainly directed to the Directors of the Company and its subsidiaries; managers, administrators, main executives of Hortifrut and its subsidiaries: independent workers at Hortifrut and its subsidiaries that have access to information of interest, privileged information, reserved information or confidential information; permanent and sporadic advisors with access to said information; and every person that due to his/her post and/or position has access to privileged information regarding the Company.

Likewise, it establishes the policies and procedures for the safeguarding of said information and its disclosure to the market, assuring its market transparency.





COLLABORATORS



As was previously stated, our Company has the self-imposed challenge of sustainable development as one of its strategic foundations. Therefore we have been developing different actions that allow us to improve our practices oriented to our most important value, our collaborators.

ORGANIZATIONAL STRUCTURE

During 2017, Hortifrut, together with the people management consultant Denken, performed the updating and gathering of information regarding all the descriptions of positions in Chile, with the objective of establishing knowledge, experiences, formation, skills and abilities that are necessary to perform a certain task within the Company. This is how the leaders of each management selected those who stand out in their task to participate in interviews that have allowed us to advance in the standardization and homologation of our functions. 232 collaborators were interviewed in Chile and now the Company is developing the same process at the Mexican subsidiaries

COMPENSATION POLICY

Total compensation or retribution constitutes one of the strongest communication and motivation instruments between the person and the company, so it must be the answer to organizational values and philosophies which are adequate for the needs and context of each one of them, reflecting their intentions. This is why Hortifrut's compensation policy is tightly linked to its strategy, culture and values.

Hortifrut defends the idea that our most valuable asset are people, so one of our main objectives is to maintain and retain the most capable and most susceptible to be attracted by the market, always maintaining internal equity and looking to be competitive and attractive as a company in the agroindustry and the reference market.

Hortifrut's compensation strategy is defined at the level of positions, as per the reference market and the contractual characteristics of each collaborator. It is sustained on 4 fundamental foundations that define the specific actions of the administration of compensation:

- Meritocracy: guarantee coherency with the performance and the development plans, measured through management tools (Evaluation of Performance).
- Internal equity: maintain equitable retribution structures within the organization, based on the valuation of the post and position within the salary band.
- External competitiveness: comparative analysis with the market, based on the valuation and position within the salary band.
- Adjust to Budget: compensation management must be adjusted to the Company's budgets.

CLIMATE AND COMMITMENT SURVEY

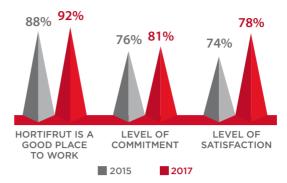


During 2017 we performed the second version of the Hortifrut Climate and Commitment Survey, prepared by the consulting company TARGETT-DDI. This process allowed us to inquire regarding the perception of our collaborators, in relation to the organization, labor environment, level of satisfaction and degree of commitment, as well as to define the interventions and aspects to work on in the next two years. Our subsidiaries in Chile, Peru, Mexico, Brazil and the United States participated in this survey, obtaining a high participation of 91%, considering that the participation standard for similar surveys is 70%.

This second application allowed Hortifrut to inquire regarding the impact of the interventions and actions performed from the information obtained in 2015 and to compare the scores of the evaluated factors, to continue developing initiatives that back continuous improvement.

The scores obtained in 2017 showed 78.3% in Level of Satisfaction, 80.7% in Level of Commitment (over the international benchmark of 72.9%) and 92.3% in the statement "I am proud to work in Hortifrut", obtaining a significant increase in relation to the survey performed in 2015. The main strengths which remain regarding the results in 2015 are Company Image, valued at 89.3% and Level of Loyalty, with 92.1%.

EVOLUCIÓN DE LA VARIABLES EVALUADAS



The statements with highest level of approval (over 90%) were:

STATEMENT	%
I have a sense of loyalty towards Hortifrut.	97.83%
In general, I have a good understanding of what I have to do in my work.	94.76%
For important topics I trust official communication more than rumors or hallway comments.	90.34%
I clearly understand the responsabilities and functions assigned to me.	93.08%
I am proud to work at Hortifrut.	95.70%
To work at Hortifrut would be attractive for many people.	90.31%
I know which are the concepts (base salary, assignments and other benefits) that make-up my total remuneration.	90.11%
Hortifrut projects a good external image.	91.05%
I find meaning and personal satisfaction in my work.	90.05%
I know who to ask for information or support related with my work.	91.99%
I would recommend for my friends or family to work at Hortifrut.	91.59%

INTERNAL COMMUNICATION

Our Internal Communication Policy is a key strategic tool to align our collaborators from different geographic zones with the organizational culture and corporate values, joining the collaborators from our different subsidiaries in the world through our main communication channels:

- Induction Handbook for new collaborators
- Wallcharts
- Communication via email
- Human Resources News (information published monthly at our subsidiaries in Chile, Mexico and United States)
- Hortinews (corporate magazine)
- Corporate videos

DRAW IN, DEVELOP AND RETAIN

RECRUITMENT AND SELECTION

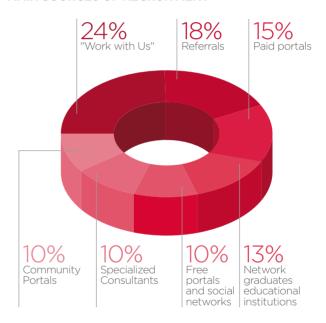
Our selection policy aims to stimulate the promotion and development of our collaborators, to attract and select people with the appropriate level of technical and practical competence, as well as personal and inter-personal competences, consistent with Hortifrut's culture and values. We have internal, mixed and external recruitment procedures, nevertheless we aim to prioritize the search among our collaborators and in case we do not have appropriate candidates for the vacant position, we use different sources of recruitment, such as our section "Work with us" on Hortifrut's web page, on-line employment portals, OMIL, agreements with educational institutions and universities and people referred to us by our collaborators, among others.

Each collaborator that enters Hortifrut with indefinite projection, as in the case of internal promotions, passes through a selection process based on interviews and occupational psychological tests, in order to evaluate the transversal competencies of the Company and specific to the area. During 2017 we incorporated The Hogan Test, an online test directed to collaborators with leadership positions, who are geographically far from our offices, which allows us to know their preferences, abilities and motivations according to the applicant's mother tongue. All of this is aimed to aligning each one of our new collaborators with Hortifrut's culture and business view.

INTERNAL PROMOTION PER AREA



MAIN SOURCES OF RECRUITMENT



SELEC	SELECTION PROCESSES IN CHILE	
YEAR	N° OF PROCESSES	PERFORMED EVALUATIONS
2013	24	34
2014	45	58
2015	39	51
2016	74	102
2017	100	158

HORTIFRUT DEVELOPMENT PROGRAMS

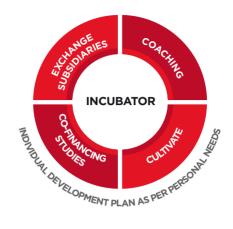


At Hortifrut we count with programs that aim to develop our collaborators based on technical knowledge and abilities required for good performance, but we also aim to anticipate future needs, preparing and developing our talents for new challenges.

The Hortifrut "Green Hands" Talent Preparation Program is an integrated process model designed to develop, encourage and promote people identified as critical to lead the priorities of our business. This program has as its core concept to generate really efficient action plans custom made for each person, thereby identifying each person's individual needs.

Likewise, the **Development Program for High Performance Collaborators** has as its objective to generate a proposal of attractive job positions to encourage the motivation of collaborators, generating the possibility of professional and salary improvement, oriented to those who are identified as people with the potential to acquire greater responsibilities and which the Company aims to retain. It implies counting on a position succession plan, identifying the starting point of a person and his/her progress possibilities.

ORGANIZATIONAL PROGRAMS THAT PREPARE THE TALENTS "GREEN HANDS"



ORGANIZATIONAL PROGRAMS FOR HIGH PERFORMANCE COLLABORATORS



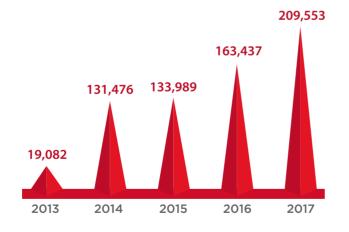
ORGANIZATIONAL DEVELOPMENT PROGRAMS FOR ALL THE PERSONNEL



Last of all, the **Development Program for All** Personnel plans to manage learning so we can decrease gaps in relation to the technical knowledge and abilities of our collaborators in accordance with the functions that they perform, increasing their performance level. Therefore, all the Company's collaborators can participate in these courses. This program is performed through training courses that consider different areas of development (Prevention, IT, Quality of Life, Techniques, Languages). The courses are researched once a year considering a Detection of Training Needs, orienting the annual training plan to Hortifrut's strategic plan, needs per area and zone, critical weaknesses depending on performance management and budget, among others. In the case of Chile, financing for most of our training plan is performed through SENCE Tax Exemption.

Investment in training in Chile and Mexico during 2017 was US\$ 209,553, 28% more than the investment in 2016.

INVESTMENT IN TRAINING (AMOUNTS IN DOLLARS)



An important part of our learning comes from ourselves, therefore we count with different opportunities focused on transferring knowledge, experience and coordination of the different areas and subsidiaries. Among these we find the committees, formed by people from each relevant management and representatives that belong to the first line of the Company, generating a work table which helps the alignment of the different practices with Hortifrut's business strategy and vision.



PRODUCTION AND AGRICULTURE MANAGEMENT COMMITTEE, CHILLÁN



SUSTAINABILITY MEETING



HIRING OF FOREIGNERS TRAINING



COMMUNICATION AND TEAM TRAINING



FIREFIGHTING COURSE

COMMITTED WITH THE WELLBEING OF OUR COLLABORATORS

At Hortifrut we have established practices that contribute to the quality of life of our workers, considering different needs that impact their wellbeing. Some of these practices are transport and parking benefits, meals, 80% financing of complementary health insurance, payment of the first days of medical permits/license, bonus for national holiday (Fiestas Patrias) and Christmas and agreements with service companies, ophthalmological clinics and gymnasium, among others.

Likewise, the children of our workers count with Christmas gifts if they are younger than 14 years old, gifts for new born babies and an award for academic performance, which is an award for obtaining an average grade of over 6.6. This year, the winners received a Lenovo Notebook and the finalists a Kindle Fire.



ACADEMIC PERFORMANCE AWARDS



ACADEMIC PERFORMANCE AWARDS



MAILING TO APPLY FOR THE ACADEMIC PERFORMANCE AWARD

In order to make room for family life and rest, we count with 5 additional vacation days, added to the 15 legal days, and a winter schedule, corresponding to finishing early on Fridays during 5 months.

The Company acknowledges that there are festivities and occasions that are important for everyone, that is why we have Corporate Greetings for special occasions, such as Father's Day, Mother's Day, Women's Day, Secretary's Day, Worker's Day, Easter and Christmas, among others.



Furthermore, we have developed different activities at each of the productive units, focused on the prevention, early detection of illness and self-care. Thereby we perform breast cancer detection workshops, ophthalmological operatives and influenza vaccine campaigns. To this we add recreational activities to reinforce communication and team work, such as pause gymnastis, soccer championships and other workshops.



SELF-CARE ACTIVITY "GOOD, TO FEEL GOOD"



OPHTHALMOLOGICAL OPERATIVE



END OF SEASON ACTIVITIES - PAINTBALL



END OF SEASON ACTIVITIES - RAFTING



INTER-AGRICULTURAL SOCCER CHAMPIONSHIPS



NATIONAL HOLIDAY CELEBRATION

CAMPAIGNS 1+1

The Company organizes solidarity collections in case of complex situations when one of our collaborators or their families need help, we also have campaigns to help countries where our subsidiaries are located and which have faced emergencies, as in the case of floods in Peru and earthquakes in Mexico during 2017. Each collection is part of 1+1, where everything obtained by the voluntary donations from our collaborators in the

campaign is doubled by Hortifrut, making the amount of the donation more important, as a way of committing ourselves to the causes that push and move our collaborators. In 2017, the total amount collected in benefit of collaborators in complex situations was CLP\$ 8,950,700, equal to US\$ 14,209.



MAILING CAMPAIGN 1+1 PERU



MAILING CAMPAIGN 1+1 MEXICO

OUR INSTANCES TO GET TOGETHER

BIKE RACE

The VII Hortifrut Bike Ride took place in September 2017, this time in the region of Valparaíso, city recognized by Unesco as World Heritage and the main port of Chile. During three days we performed the different activities that are part of this instance, with the participation of 350 competitors from our subsidiaries in Chile, Mexico, United States, Brazil, Argentina, Peru and Spain.



START OF VII HORTIFRUT BIKE RACE



AWARD 40K WOMENS CATEGORY



DAY TRIP TO VALPARAÍSO BAY

ANNUAL MEETING

Every year we perform an important meeting at the end of the season, where we invite the collaborators from each of our subsidiaries both in Chile and overseas, to evaluate the recently ended season and the new challenges for the next one. There we have a ceremony to acknowledge outstanding collaborators. The awards given in 2017 were: Hortifrut Spirit, Trajectory, Professional Excellence, Seniority and awards for people who stand out in each team due to their commitment, dedication, team spirit and contribution to Hortifrut. We performed a special award for "Best Driver", a measurement that was possible thanks to the incorporation of GPS technology in the Company's vans.



OUTSTANDING PERSON PER TEAM AWARD



"BEST DRIVER" AWARD



COMMUNITY

Hortifrut is committed with being an agent of change and contributing to solving the main social and environmental problems of the different areas where it operates. Thereby we have been able to generate long term relationships with our producers, based on trust and our suggestions to make their business more profitable. Most of them have implemented environmental care practices thanks to the Global GAP certification requirements (agricultural standards internationally recognized and dedicated to good practices in agriculture), added to the initiatives implemented by Hortifrut.

TEMPORARY COLLABORATORS

During the 2016/17 season, in Chile we reached a peak in the hiring of temporary workers, with 7,319 people. Most of them are re-hired from one season to the next, estimating that approximately 50% are people who have decided to return to work with us. The remaining percentage of collaborators are hired through labor fairs and informative meetings organized with the intermediation of the municipalities corresponding to the area of each productive unit, for which we have built a relationship of mutual collaboration with the community and its municipalities. Thanks to these initiatives we were recognized by the AIEP Professional Institute and OMIL at Expo-labor in Temuco, for giving labor opportunities, especially in harvesting tasks, to young people who aim to pay for their studies.



INFORMATIVE MEETING MELIPEUCO AREA, REGION X, CHILE

VIRQUENCO SOCIAL, CULTURAL AND SPORTS CORPORATION

In 2004 Hortifrut created the Virquenco Corporation with the aim of improving the quality of life of the inhabitants of Villa Virquenco, place where the Company's largest organic Blueberry plantation field is located and where most of the inhabitants of the town work in harvesting and maintenance tasks at this field. The Corporation is focused on cultural, social and economic aspects, benefiting over 180 people, including children and adults.

Some of its initiatives are related with encouraging sports in children and teenagers in social risk between 7 and 18 years old, developing sports activities both within and outside the region. We also count with a social worker in the locality of Santa Fe, whose work facilitates the solution and guidance in social risk topics, contributing with tools to complement family income, to diagnose and provide treatment for children with psycho-pedagogical problems, to provide counselling regarding the obtention of benefits granted by the State of Chile and provide information regarding social and private company projects to improve the community's infrastructure. Together with the aforementioned, we aim to encourage participation in activities related with maintaining Chilean traditions. thanks to its folkloric ensembles.



FOLKLORIC GROUP

MOBILE

This Project has been financed thanks to the contribution of the "Charity Fund" which Hortifrut's subsidiary, Naturipe Farms® created in 2012 to benefit the children of collaborators that work in the Company's fields. The focus of this help is health and education through projects that aim towards the welfare of its workers, children and the community close to our fields and operations.

To comply with this objective, we leased a ground vehicle where we implemented all the necessary elements to be able to develop quality dental attention, as well as implement a movable dental clinic to be able to double the attentions within the defined deadlines. We count with a team of first level professionals who transfer to each of the areas where we offer this benefit.

During this latest version, the Mobile Dental Clinic visited our productive units in Virquenco and our fields in the area of Villarrica (Don Benedicto, Huiscapi, Los Laureles and Villarrica), attending to 367 people in total, 134 children and 233 adults. The patients were favored with preventive exams, fluoride treatment, sealant, fillings and dental extractions, among others.



VÍCTOR MOLLER, ANA MARÍA OPAZO AND RAMIRO SOFFIA TOGETHER WITH THE DENTAL CARE TEAM









ATTENTION TO TEMPORARY WORKERS
AND THEIR CHILDREN

INTERNET ANTENA IN RURAL AREAS

Thanks to the contribution of our subsidiary Naturipe Farms®, from 2012 we have been concerned about contributing to the Digital Alphabetization of our workers and the community, contributing to the purchase of computers, computer courses and installation of wireless internet. This year we improved the coverage, covering areas that did not previously count with internet access.

HORTIFRUT - DESAFÍO LEVANTEMOS CHILE ALLIANCE

Hortifrut has generated a strong work relationship with the Foundation Desafío Levantemos Chile, who have helped develop our initiatives to help the community in an efficient and transparent manner. This non-profit organization is oriented to encouraging, backing, coordinating and strengthening the initiatives of economic entrepreneurship for people and families living in poverty and social risk.

Conscious of the gravity of the emergency caused by the forest fires which occurred in Chile during January and February 2017. Hortifrut began a series of solidarity actions. The first of them was to participate in Desafío Levantemos Chile's national campaign "The fire hast to stop", to in this manner, channel cash donations. The first large contribution reached US\$ 79,366, which was used depending on the priorities of the emergency and, in part, was destined to two old producers of the Company who lost everything. Together with this, we performed a voluntary campaign for the donation of money between our collaborators in Chile and Mexico, and we gathered US\$ 1,570, money that was used to purchase first necessity supplies, such as forage and drinking areas for cattle, water tanks and hygiene articles.

This campaign was extended during all of 2017, through different activities and actions that encourage solidarity help and the involvement of our

collaborators with the affected community. In March we made a call through our internal communications channel inviting our collaborators to obtain their obligatory circulation permit in some of the municipalities most affected by the emergency. Apart from collaborating with money and species, we wanted to be on site, so, at a first instance, a delegation of Hortifrut volunteers went to the locality of Santa Olga to assist the victims, thus generating a work alliance which allowed us to sponsor families in the area, in order to accompany and guide them in the different paperwork that they had to complete for the reconstruction. Afterwards, in November, a delegation of volunteers from the Company travelled once again to this locality to provide sports equipment for the juvenile team Atlético Racing, who had lost their uniforms in the emergency.





TRUCKS LOADED WITH SILO FOR CATTLE

HORTIFRUT VOLUNTEERS IN SANTA OLGA



DELIVERY OF SPORTS EQUIPMENT TO ATLÉTICO RACING, SANTA OLGA

OBTÉN TU PERMISO DE CIRCULACIÓN Y AYUDA A COMUNAS AFECTADAS

Te invitamos ayudar con la compra de fu Permiso de Circulación 2017 a las comunas que fueron más afectadas con los incendios. Los fondos que recolecten estas municipalidades servirán para reconstruir sus comunidades.

Puedes ingresar directamente a la página web de la comuna a la cual guieras ayudar y seguir los

- Santa Cruz: www.municipalidadsantacruz.cl Cauquenes: www.cauquenes.cl
- Perrillo: www.muniperafillo.cl
 La Estrella: www.munilaestrella.cl
- Coinco: www.municoinco.cl
- Vichuguén: www.munivichuguen.cl
- · Empedrado: www.empedrado.cl
- Recuerda (Estes sen ins documentes que requieres)

MAILING CIRCULATION PERMITS IN AFFECTED MUNICIPALITIES

HORTIFRUT - PROYECTA UC ALLIANCE

Proyecta UC is a volunteer activity of the students of Pontificia Universidad Católica de Chile, whose aim is to fight multi-dimensional poverty and form community in rural sectors of Chile. To do this they construct spaces for the community, in order to help people get together, such as in social headquarters, playgrounds and chapels, among others. They also organize workshops with the main objective of creating instances to share with the communities, as per their needs (first aid, entrepreneurship, sustainability and handcrafts. among others).

Within this framework, Hortifrut participated in the summer work in Curepto thanks to the invitation extended to us by volunteers of Proyecta UC in their search for financing to develop a project which consisted on the construction of a barbecue area at the senior citizen's headquarters in the area of Lien, area where one of our fields is located (Mataguito). The Company made a donation of US\$ 6,000, as well as participating with volunteers that travelled to the commune of Curepto to help with the construction, sharing with volunteers and families from the community.







CONSTRUCTION OF BARBECUE AREA IN THE LOCALITY OF LIEN

PADRE SEMERÍA FOUNDATION



Since 2016 Hortifrut has sponsored the *Fundación Padre Semería*, which counts with three homes, with 94 children between the ages of 12 and 17 years old, derived from Family Courts. The mission of this foundation is to house these children in a healthy and safe environment, where they can repair the damage suffered and move ahead by rejoining their family or obtaining an independent adult life.

By being sponsors, we have been able to perform different actions and campaigns aimed at collaborating with the quality of life of the children that participated in these centers. For the second consecutive year, during 2017, our Company's collaborators participated in a Christmas campaign for this institution, this time with the objective of providing new sneakers for the children as Christmas gifts. To this we must add campaigns during the whole year to gather funds in benefit of this foundation, so that our collaborators, in a totally voluntary manner, can collaborate with the activities that Hortifrut invites them to through its internal communication channel.



MAILING SNEAKERS CAMPAIGN



INVITATION TO ANNUAL FUNDRAISING EVENT

COANIL FOUNDATION

For the second year, the Company joined Coanil Foundation, a non-profit organization, with the objective of improving the social and economic situation of people with intellectual disability, specially focused on labor insertion. This year we performed a special sale for Children's Day, where our collaborators directly interacted with young people that work on the offered products.



SALE OF COANIL FOUNDATION PRODUCTS
AT HORTIFRUT'S OFFICES

OCCUPATIONAL HEALTH AND SAFETY

Hortifrut Counts with a team of professional specialists in risk prevention, dedicated to safeguarding the health and safety of all our collaborators, generating follow-up, control and compliance of all the legal dispositions that arise from the current legislation. Prevention programs are developed as per the geographic area where the productive units are located, as well as the needs of each of the subsidiaries. As required by law, we count with our Joint Committees constituted in each area. with the aim of controlling and cooperating with the actions to be taken following the Health Ministry's programs, among which we count with permanent first aid courses, interventions as per psycho-social risk protocol, prevention campaigns for limb care and the disposition of solar protection at all our productive units, among others.



"KEEP AN EYE ON YOUR EYES" PREVENTIVE CAMPAIGN



"STEP BY STEP" PREVENTIVE CAMPAIGN

DIVERSITY

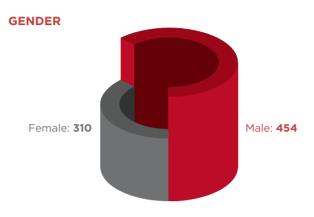
Hortifrut is permanently monitoring the gender gaps that exist within the organization. We currently count with compensation policies that allow equity in remunerations to be regulated at each of our companies.

Thanks to these actions the Company is among the 20 best companies with female presence in the IMAD 2017 (Women in Upper Management) Ranking, elaborated by the Business Women Network and the Studies Board of the Pontificia Universidad Católica de Chile. This represents an important progress in matters of gender equality. Likewise, our Company obtained third place in the category Retail, Consumption & Food Sector. At Hortifrut capacity is more important than gender, thereby contributing to decreasing the labor gap which exists in Chile and in the countries where the other subsidiaries are located.



Below is a detail of the diversity of the permanent employees at Hortifrut and its management in relation to number of people per gender, nationality, age range and years in the Company:

ORGANIZATION (764 PEOPLE IN TOTAL)



NATIONALITY

CHILEAN	496
MEXICAN	147
SPANISH	39
BRAZILIAN	37
ARGENTINIAN	13
NORTH AMERICAN	7
OTHER	25

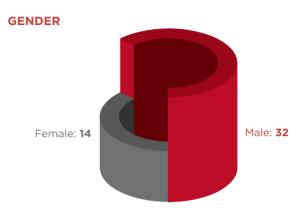
AGE RANGE

BELOW 30 YEARS OLD	156
BETWEEN 30 AND 40 YEARS	337
BETWEEN 41 AND 50 YEARS	174
BETWEEN 51 AND 60 YEARS	80
BETWEEN 61 AND 70 YEARS	14
OVER 70 YEARS OLD	3

YEARS IN THE CO.

LESS THAN 3 YEARS	298
BETWEEN 3 AND 6 YEARS	201
BETWEEN 6 AND 9 YEARS	99
BETWEEN 9 AND 12 YEARS	88
OVER 12 YEARS	78

MANAGEMENT (46 PEOPLE IN TOTAL)



NATIONALITY

CHILEAN	30
ARGENTINIAN	4
BRAZILIAN	4
SPANISH	3
BRITISH	2
MEXICAN	1
OTHER	2

AGE RANGE

BELOW 30 YEARS OLD	0
BETWEEN 30 AND 40 YEARS	12
BETWEEN 41 AND 50 YEARS	22
BETWEEN 51 AND 60 YEARS	11
BETWEEN 61 AND 70 YEARS	0
OVER 70 YEARS OLD	1

YEARS IN THE CO.

TEARS IN THE CO.	
LESS THAN 3 YEARS	9
BETWEEN 3 AND 6 YEARS	9
BETWEEN 6 AND 9 YEARS	4
BETWEEN 9 AND 12 YEARS	7
OVER 12 YEARS	17

ENVIRONMENT

Hortifrut has as its aim to be a reference for the agricultural industry in environmental practices, a challenge that not only forces us to efficiently manage the impact of our operations on the environment, but to also understand and be conscious of the risks that the environment can generate on the development of our business, spreading a culture of sustainability with our collaborators, suppliers and the community.

We know that the climatic change phenomenon will have clear repercussions on the agricultural industry, which is reflected on high temperatures, rains out of season, frost and drought, among others, bringing possible consequences in the production of Berries. That is why the development of an environmental strategy with challenges and initiatives that reflect on the reduction of water consumption, power, residues, emissions and protection of biodiversity has been Hortifrut's priority.

WATER

For Hortifrut the efficient use of water is the fundamental pillar for harvesting Berries, so our 2,254 hectares of crops (adding those of subsidiary companies and associated companies) have implemented a watering system by controlled drops, which avoids excessive drainage, reducing ground erosion and improving the fertility of the land. Additionally, we perform permanent analysis to identify the quality of the water, avoiding chemical, physical and microbial contamination.

HANDLING OF DANGEROUS RESIDUES

Hortifrut's objective in this matter is to minimize dangerous residues and to be responsible for their elimination, as per Decree 148 "Ruling for handling of dangerous residues". For this we are working on identifying the type of residue and preparing the action plan to eliminate them in a responsible manner and as per the aforementioned law.

USE OF CHEMICAL PRODUCTS

For the proper handling of agro-chemicals, every year we develop a phytosanitary and fertilization program for our producers and our own fields with the chemicals authorized in each of the countries where our fruit will be sold, as well as counting with recommendations for the proper use of agro-chemicals in relation to dosage, coverage, opportune application and to avoid spills, among others.

We also supervise a Fruit Sampling Program, where permanent samples of our fruit are sent to certified laboratories, who detect the amounts of chemical residues that these contain, to then comply with the maximum limit of residues demanded by each country for the importing of fruit and for each customer in these countries.

Also, we perform the elimination of surplus liquids, empty packages and expired agro-chemicals.

BIODIVERSITY

Biodiverstiy is applied at all the orchards that Hortirut manages, which consists on conserving the intrinsic and harmonic link that there must be between the production of Berries and the environment. For this we measure the impact of production on the environment, developing a management plan for flora and fauna and conservation, which includes an ecological improvement plan of unproductive areas in areas of ecological interest, as well as a continuous improvement program for commercially sustainable agricultural production.

We also count with a power efficiency plan, focused on choosing and maintaining agricultural machinery in order to assure optimal power efficiency, encouraging the use of renewable energy sources.

















SIGNING OF HORTIFRUT-GRUPO ROCÍO MERGER FRAMEWORK AGREEMENT











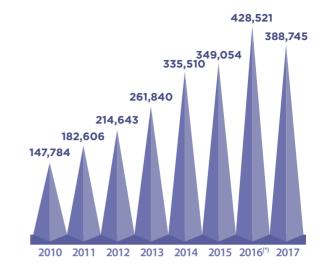
The analysis presented below compares the financial statements as of December 31, 2017, with the financial statements restated as of December 31, 2016, due to the change in the valuation methodology of "Bearer Plants" explained in Note 5 of the consolidated financial statements as of December 31, 2017.

Sales Revenue that correspond to Income from ordinary activities, plus Hortifrut's Other income, per function reached ThUS\$ 388,745, representing a 9.3% reduction compared to 2016. This is explained by a 10.5% decrease in the distributed volume, reaching 46,060 tons, while average income per kilo experienced a 1.4% increase.

Among the main factors that explain the reduction in revenue during the period under analysis we find the forwarding of the Blueberry harvest in Peru, Argentina and Chile during the previous season due to good climatic conditions, which caused important volumes of Berries to be transferred from the first quarter of 2017 to the fourth quarter of 2016, compared to what is expected in a normal year, which was already informed in the analysis at the closing of the 2016 calendar year.

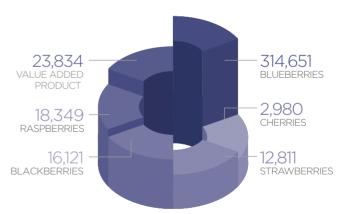
Income from the "Fresh Fruit" added segment, which include Blueberries, Raspberries, Blackberries, Strawberries and Cherries represented 94% of consolidated revenue during 2017, increasing 4.0 percent compared to 2016. Likewise, sales income from the "Value Added Products" segment represent 6% of consolidated revenue to the same date.

INCOME EVOLUTION (THOUSANDS OF DOLLARS)



(*) Due to changes in accounting policies in relation to the valuation method of "Bearer Plants", the amounts of 2016 were adjusted for comparative reasons. For more detail, see Note 5 of the Consolidated Financial Statements as of December 31 2017

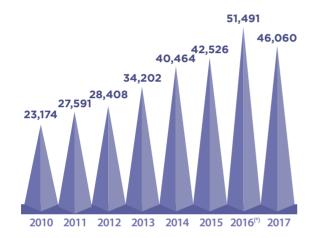
INCOMES 2017 (THOUSANDS OF DOLLARS) / DETAIL PER SEGMENT



Within the added "Fresh Fruit" segment, sales from the Blueberries segment decreased 1.8% reaching ThUS\$ 314,651 in 2017, explained by a 2.2% reduction in volume and a 0.5% increase in average income per kilo. Raspberries experienced a decrease in income of 16.8% to ThUS\$ 28,349 due to the reduction recorded in volume equal to 22.8%, while average income per kilo increased 7.7%. In the case of Blackberries, a 47.9% fall in sales volume was observed, which was slightly compensated by a 9.1% increase in average

income per kilo, producing a 43.1% reduction in incomes to ThUS\$ 16,121 during 2017. In the case of Strawberries, sales experienced a 6.9% decrease to ThUS\$ 12,811, variation which is explained by a 14.4% reduction in average income per kilo, while distributed volume experienced an 8.8% increase. During 2017, Cherries recorded a sales income of ThUS\$ 2,980, with a 33.3% increase compared to the previous year, due to the 19.4% increase in distributed kilos and the 11.7% increase in average income per kilo.

DISTRIBUTED VOLUME EVOLUTION (TONS)



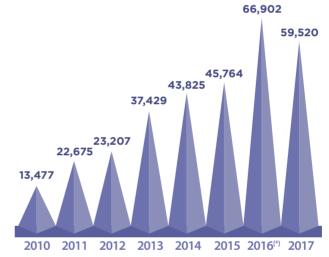
DISTRIBUTED VOLUME 2017 (TONS) / DETAIL PER SEGMENT



Value Added Products recorded sales revenue equal to ThUS\$ 23,834 during 2017, decreasing 43.0% compared to revenue recorded in 2016. This variation is explained by a 23.9% decrease in the commercialized volume and by a 25.1% reduction in average income per kilo.

The 2017 EBITDA reached ThUS\$ 59,521, decreasing 11.0% in relation to ThUS\$ 66,902 recorded in 2016, associated to the aforementioned sales gap. Likewise, the EBITDA margin was slightly reduced between the two analyzed periods, from 15.6% to 15.3%, while the EBITDA margin per kilo remained stable at US\$1.29. It must be stated that for this calculation, the item Impairment in the value of assets was excluded, because it does not constitute cash flow.

EBITDA EVOLUTION (THOUSANDS OF DOLLARS)



NOTE: EBITDA = Operating Result (excluding impairment in the value of assets) + Depreciation

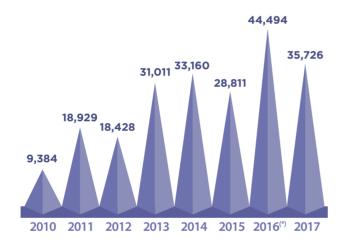
Sales costs recorded a 10% reduction in absolute terms to ThUS\$ 300,923 during 2017, associated to the reduction in the aforementioned commercialized sales volume. Also, in unit terms, they recorded an increase, passing from US\$ 6.49 per kilo in 2016 to US\$ 6.53 per kilo in 2017.

The ThUS\$ 32,511 Operating Result experienced a 26.1% increase in relation to the previous year, while the operating margin increased from 6.0% to 8.4% between 2016 and 2017. Excluding Impairment in value of assets from this calculation, which increased to ThUS\$ 3,215

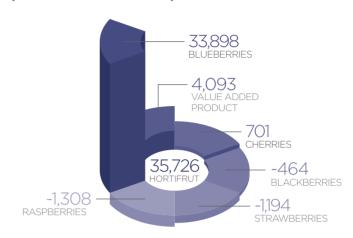


during 2017 and to ThUS\$ 18,704 a year before, the Operating Result would have reached ThUS\$ 35,726, 19.7% lower than the one recorded in 2016. The operating margin (excluding Impairment in the value of assets) decreased from 10.4% in 2016 to 9.2% in 2017. Impairment in the value of assets recorded in 2016 is related, in the case of Chile, with a reduction in "producer returns" expected due to the concentration, in certain weeks, of high volumes of Berries in the destination markets. In the case of Mexican plantations, there was a reduction in the expected performance of these. In Spain the pulling-up of hectares under production took place. Also, during 2017 all the recorded impairment is related with the pulling-up of hectares under production.

OPERATING RESULT EVOLUTION (THOUSANDS OF DOLLARS)



DETAIL PER SEGMENT OPERATING RESULT 2017 (EXCLUDING IMPAIRMENT IN VALUE OF ASSETS) (THOUSANDS OF DOLLARS)



In order to comply with Amendment to IAS 16, the Operating Result for 2017 includes ThUS\$ 6,474 of depreciation of "bearer plants", which is compared with a ThUS\$ 8,077 depreciation for this concept in 2016, reduction that is explained by the lower volume of Berries produced during 2017.

On the other hand, a significant increase in the amortization of Intangible Assets was observed, which passed from ThUS\$ 4,543 during 2016 to ThUS\$ 7,083 a year later, mainly associated to the sale of royalties of Blueberry plants.

The Blueberries business recorded an Operating Result of ThUS\$ 33,898 in 2017, decreasing 6.8% compared to what was recorded in 2016. The operating margin was also reduced from 11.4% to 10.8% of sales. The depreciation of "bearer plants" considered within this segment during 2017 reached ThUS\$ 5,355, 14.6% lower than the ThUS\$ 6.268 recorded in 2016.

The Raspberries segment obtained a negative Operating Result of ThUS\$ 1,308 during 2017, compared with a profit of ThUS\$ 1,233 a year before. Depreciation of "bearer plants" considered within this segment during 2017 reach ThUS\$ 1,119, lower than the ThUS\$ 1,809 recorded in 2016.

The Operating Result of the Blackberries business was negative by ThUS\$ 464 in 2017, compared with a profit of ThUS\$ 1,990 in 2016.

Strawberries recorded a negative Operating Result equal to ThUS\$ 1,194 during 2017, an impairment compared to the negative Operating Result equal to ThUS\$ 480 recorded during 2016.

The Cherries segment recorded an Operating Result of ThUS\$ 700 during 2017, an improvement compared to the ThUS\$ 591 recorded a year before, having a positive effect on the operating margin which increased from 23.2% of revenue to 23.5% during the period under analysis.

Value Added Products showed an Operating Result of ThUS\$ 4,094 in 2017, decreasing 15.5% from ThUS\$ 4,846 a year before, regardless of which an increase in the operating margin from 11.6% in 2016 to 17.2% in 2017

Blackberries, Strawberries, Cherries and Value Added Product segments do not record depreciation of "bearer plants".

The Non Operating Result reached a loss of ThUS\$ 116 during 2017, compared with a ThUS\$ 2,427 profit in 2016, mainly explained by the following factors:

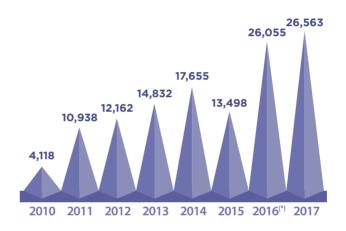
- An increase in profit was recorded within the item Interest in profit (loss) of associates and joint ventures from ThUS\$ 4,940 during 2016 to ThUS\$ 9,468 during 2017, mainly explained by the result acknowledged by Hortifrut Tal S.A.C. (Peru) of ThUS\$ 11,212 as of December 31, 2017, much higher than the ThUS\$ 4,574 acknowledged as of December 31, 2016. The aforementioned result acknowledged in the current year includes ThUS\$ 1,349 of acknowledgment of fair value of fruit on bearer plants, effect that was only ThUS\$ 100 in 2016.
- A loss generated by Exchange Rate fluctuation equal to ThUS\$ 5,256 during 2017, mainly influenced by the depreciation of the dollar in relation to the Euro. This same item generated a profit of ThUS\$ 944 in 2016.
- Net financial expenses increased 30.4% between both periods under analysis, with ThUS\$ 3,965 during 2017, compared with ThUS\$ 3,041 a year

(*) Due to changes in accounting policies regarding the valuation method of "Bearer Plants", the amounts of 2016 were adjusted for comparative effects. For more details, see Note 5 of the Consolidated Financial Statements as of December 31, 2017.

before, this is because in 2017 a higher average debt level was experienced and a higher proportion of long term debt than in 2016, effects that are partially compensated with higher financial revenue.

Profits attributable to the Parent Company Equity Holders obtained during 2017 increased 40.4% in relation to what was observed in 2016, reaching the amount of ThUS\$ 26,563, while the net margin was 6.8% of sales income, increasing 4.4% compared to the margin obtained a year before.

EVOLUTION OF PROFIT ATTRIBUTABLE TO PARENT COMPANY (THOUSANDS OF DOLLARS)



During 2017, Hortifrut performed investments for US\$ 64.9 million, in new plantations (65% of the total), maintenance of existing cultivated fields (19% of the total) and infrastructure (16% of the total). This represents a 7.5% increase compared to investments performed during 2016.





PERU-TRUJILLO AND OLMOS

TRUJILLO

At the begining of 2014, Hortifrut created its first company in Peru, denominated Hortifrut-Tal S.A.C., in order to produce and commercialize berries, which is owned by its subsidiary Hortifrut Inversiones Internacionales S.A. and Grupo Rocío in equal parts.

Under this company, a project in Valle de Chao, Provincia de Trujillo, Departamento de La Libertad, is being developed, which contemplates the plantation of 700 hectares of Blueberries and the construction of a packing to process said fruit, investment that is estimated to reach ThUS\$ 86,000 in total. The end of this investment is forecasted for April 2018, as of December 2017 only the last stage of 210 hectares were pending plantation.

The entrance into Peru was performed through the search for a Peruvian partner who could provide knowledge of the country and the area, who was located in a strategic productive area and who coincides with Hortifrut in their business philosophy.

It must be stated that on December 06, 2017. Hortifrut and the Grupo Rocío subscribed a Sale-Purchase and Merger Framework Agreement whose objective is the acquisition, through a sale-purchase and merger, of the Blueberries Business of which, directly or indirectly, the Grupo Rocío shareholders are titleholders of. The aforementioned Blueberry Business operations include plantations that are new and under a production regime, installations and equipment, and two packing units with cold lines, and have an added extension of approximately 1,450 cultivable hectares. The Blueberries Business also includes 50% of the shares of the Peruvian company Hortifrut-Tal S.A.C. (which would pass on to be a 100% subsidiary of Hortifrut). and (b) net of cash financial liabilities for approximately ThUS\$ 65,500.

Afterwards, on December 22, 2017, Hortifrut's shareholders approved said transaction at the Extraordinary Shareholders Meeting, estimating their materialization for the second quarter of 2018.



TRUJILLO PLANTATION

OLMOS

Continuing with the Company's expansion plans, during April 2015 a second company was constituted in Peru, denominated HFE Berries Perú S.A.C., through which we are developing a project to plant 407 hectares of Blueberries at Distrito de Olmos, Provincia de Lambayeque, Departamento de Lambayeque, including the construction of a packing to process said fruit. Total estimated investment for this project reaches ThUS\$ 54,200, which will be completed in August 2018. As of December 31, 2017, 107 hectares were pending plantation and the aforementioned packing is pending the construction of the second stage.

This project is being performed together with Atlantic Blue, our partners in the berries commercialization and production operations in Europe, all part of the Irrigación Olmos project, granted in concession to H2Olmos S.A., company that belongs to the Odebrecht organization, which consists on the transfer of water from the Huancabamba river from the Atlantic slope to the Pacific slope through a 20 km trans-andean tunnel, to be used for irrigating arid land in the Valle de Olmos, for the benefit of 43,500 hectares of agricultural land.



OLMOS PLANTATION

The objective of both projects is to supply Hortifrut's different trade platforms around the world with early fruit

Among the main strengths of these projects is a pro-investment Peruvian government, an accessible power and workforce cost and, the most relevant, a spectacular environment, temperature, climate and availability of water which allows us to increase our participation in early production in the southern hemisphere, consolidating Hortifrut in its leadership position for the commercializing of Berries.

These projects are totally aligned with the Company's pioneer vocation, since they make us the first Chilean company that invests in the production of Blueberries in Peru at a very important scale. It is a great initiative that has as its base the experience and knowledge of the fruit business both on behalf of the Company and our partners.

Munger, whose objective is to develop and expand the Berries business in the United States, with equal participations of 50% each party. Munger Brothers is one of the largest Blueberry producers in the west coast of the United States, which stands out because it is a pioneer in the development of this industry through the introduction of exclusive varieties, new harvesting techniques, advanced post-harvest technologies and innovations in the processing and packing installations.

This business is developed through the company Munger Hortifrut North America, LLC. and its investments contemplate the plantation of 277 hectares of organic Blueberries in the states of California and Oregon, for a total investment of ThUS\$ 80,000, using renewed technologies for plantation, as is the use of plant pots. As of December 31, 2017, 237 hectares had been planted, estimating the end of this Project for June 2018.



PLANTATION USA

UNITED STATES - CALIFORNIA AND OREGON

During 2016 we recorded an important milestone for the Company, which is the entrance into the United States market as a producer of organic Blueberries, in order to have fresh fruit available the whole year.

This was accomplished thanks to the subscription of a joint venture agreement (the "Joint Venture") with Munger Brothers, led by David Munger and Kable



CHINA

In March 2017, Hortifrut signed a joint venture agreement with Joy Wing Mau Agricultural Produce Corporation (JWM), the main industrial fruit producer in China and subsidiary of Legend Holding Corporation, to create a new company with the objective of developing and leading the fresh Berries business in continental China

In this new project Hortifrut owns 51% of the property of the Chinese company Honghe Jiayu Agriculture Ltd., where the parties are investing in Berries plantation projects to strengthen the offer of this product and its strategic position in China and Asia.

As a result of this agreement, Hortifrut will provide high quality varieties of Blueberries, Raspberries, Blackberries and Strawberries to be produced by the new company. Together with this, the Company has the mission to combine and back local production in China with Berries from the whole world in counter-season, thereby providing the most solid offer of the complete Berries category in China during the whole year.

Furthermore, JWM has the mission to provide Hortifrut with the best distribution service, in order to jointly attend to the best Chinese customers in the industry. JWM counts with over 20 subsidiaries, covering production, storage, logistics, import, export and distribution. Together with this, it has offices in 80 cities including Beijing, Shanghai and Qingdao, 40 distribution centers throughout China, attending over 2,000 sale points, reaching over a billion consumers.

As of December 31, this joint venture counts with a plantation project of 30 hectares of Blueberries to be planted in March 2018, with a total estimated

investment amount of ThUS\$ 7,300. Additionally, during the first months of 2018 the plantation of an additional 70 hectares were approved, to be planted in September 2018, with a total estimated investment of ThUS\$ 15,000 for this new stage.



CHINA PLANTATION

With these four important investments we plan to continue with the objective of assuring secure, opportune and quality supply for our customers, 52 weeks a year.







CORPORATE PURPOSE

The Company has as its objective the purchase, production, elaboration, transformation, industrialization, distribution, commercialization, export, import of all kinds of horticultural, fruit, agricultural and other products or sub-products, as well as the providing of services or consulting in relation to said matters and the other activities that the Board or the board meetings agree, and which are related with the previous activities or ones that complement them; the maintenance of investments in real estate, titles, securities and partnership rights, and the receipt of its results; and, in general, perform and execute all the acts, contracts, business, procedures or actions that have as their aim to comply with the corporate purpose.

CONSTITUTIVE DOCUMENTS

Hortifrut S.A. was constituted as a closely held corporation under the corporate name Inversiones Hortisur S.A., through public deed dated June 04, 1999, granted at the Santiago Notary of Mr. Patricio Raby Benavente under Repertoire N°2.076-99. An extract of the stated deed was inscribed in the *Registro de Comercio del Conservador de Bienes Raíces de Santiago* folio 14.913 number 11.912 of 1999, and was published in the Official Newspaper dated July 03, 1999.

In 2008, and with the objective of acceding to new forms of financing, the Company was inscribed as a public offer securities issuer in the *Registro de Valores de la Superintendencia de Valores y Seguros* (SVS), under number 997.

Regardless of the aforementioned, as per what is stated in article 7° of Law N°18.045 of the Stock Market, and considering that upon the start-up of validity of said legal disposition the Company had no public offer stocks inscribed, the SVS proceeded to cancel the Company's inscription in the *Registro de Valores*. Thereby the Company became a part of and was inscribed, only by the ministry of the law, under N°181 of the Special Registry of Informing Companies

mentioned in stated article 7° of Law N°18.045 of the Stock Market, without this generating a right to withdraw on behalf of the Company's shareholders.

By Extraordinary Shareholders Meeting held on March 15, 2012, reduced to public deed dated March 22 of the same year, at the Santiago Notary of Mr. Patricio Raby Benavente, it was agreed that the Company would be a publicly traded company. An extract of the stated deed was inscribed under Folio 22.699 number 15.912 in the *Registro de Comercio del Conservador de Bienes Raíces de Santiago* corresponding to 2012 and was published in the Official Newspaper (Diario Oficial) dated April 11 of the same year.

Dated June 13, 2012, the SVS inscribed the Company in its corresponding *Registro de Valores* under N°1.096. On this same date, the issuance of the Company's shares was inscribed in the *Registro de Valores* under N°959, shares that were inscribed to be traded on the markets for emerging companies.

To date, the statutes of the Company have been the object of the following modifications:

- By public deed dated October 01, 1999, issued at the Santiago Notary of Mr. Patricio Raby Benavente under Record N°3.843-99 the statutes were modified, the corporate purpose was expanded and corporate capital was increased. An extract from the stated deed was inscribed at the Registro de Comercio del Conservador de Bienes Raíces de Santiago under Folio 25.222 number 19.995 of 1999, and published in the Official Newspaper dated October 21, 1999.
- 2. By public deed dated November 15, 1999, issued at the Santiago Notary of Mr. Patricio Raby Benavente under Record N°4.518-99 the statutes were modified and the corporate capital was increased. An extract from the stated deed was inscribed at the *Registro de Comercio del Conservador de Bienes Raíces de Santiago* under Folio 31.020 number 24.739 of 1999, and published in the Official Newspaper dated December 24, 1999.
- 3. By public deed dated November 07, 2005, issued at the Santiago Notary of Ms. Antonieta Mendoza Escalas under Record N°9.582-05 the statutes were modified and corporate capital was increased. An extract from the stated deed was inscribed at the



Registro de Comercio del Conservador de Bienes Raíces de Santiago under Folio 41.715 number 29.729 of 2005, and published in the Official Newspaper dated November 16. 2005.

- 4. By public deed dated December 28, 2006, issued at the Santiago Notary of Ms. Antonieta Mendoza Escalas under Record N°11.965-06 the statutes were reformed as a result of the division of the Company and capital was decreased. An extract of the stated deed was inscribed in the *Registro de Comercio del Conservador de Bienes Raíces de Santiago* under Folio 6.910 number 5.091 of 2007, and published in the Official Newspaper dated February 23, 2007.
- 5. By public deed dated May 28, 2007, issued at the Santiago Notary of Ms. Antonieta Mendoza Escalas under Record N°4.636-07 the deed dated December 28, 2006, individualized in the previous number, was cleared and rectified. An extract of the stated deed was inscribed in the *Registro de Comercio del Conservador de Bienes Raíces de Santiago* under Folio 28.957 number 20.882 of 2007, and published in the Official Newspaper dated July 20, 2007.
- 6. By public deed dated May 29, 2007, issued at the Santiago Notary of Mr. Iván Torrealba under Record N°4.859-07 the statutes were reformed as a consequence of the merger and absorption of Hortifrut S.A., corporate capital was increased and the corporate name of Inversiones Hortisur S.A. was changed to Hortifrut S.A. An extract from the stated deed was inscribed in the Registro de Comercio del Conservador de Bienes Raíces de Santiago under Folio 24.942 number 18.189 of 2007, and published in the Official Newspaper dated June 25, 2007.
- 7. By public deed dated June 19, 2007, issued at the Santiago Notary of Mr. Iván Torrealba under Record N°5.726-07 the statutes were reformed and the inscription of the Company's shares at the Superintendence's Securities Registry were approved, thereby making the Company a publicly traded company. An extract of the stated deed was inscribed in the *Registro de Comercio del Conservador de Bienes Raíces de Santiago* under Folio 26.930 number 19.521 of 2007, and published in the Official Newspaper dated August 04, 2007.
- 8. By public deed dated September 26, 2007, issued at the Santiago Notary of Mr. Iván Torrealba under Record N°9.809-07 the statutes were reformed and

- corporate capital increased. An extract of the stated deed was inscribed in the *Registro de Comercio del Conservador de Bienes Raíces de Santiago* under Folio 49.855 number 35.329 of 2007, and published in the Official Newspaper dated November 21, 2007.
- 9. By public deed dated April 14, 2008, issued at the Santiago Notary of Mr. Raúl I. Perry Pefaur under Record N°15.132-08 the statutes were reformed establishing that the Company's Directors will be remunerated. An extract of the stated deed was inscribed in the *Registro de Comercio del Conservador de Bienes Raíces de Santiago* under Folio 17.749 number 12.067 of 2008, and published in the Official Newspaper dated April 23, 2008. The stated deed was rectified, rectification that was inscribed in the *Registro de Comercio del Conservador de Bienes Raíces de Santiago* under Folio 19.484 number 13.254 of 2008, and published in the Official Newspaper dated May 06, 2008.
- 10.By public deed dated September 09, 2008, issued at the Santiago Notary of Mr. Raúl I. Perry Pefaur under Record N°39.116-08 the statutes were reformed, increasing the number of directors. An extract of the referred deed was inscribed at the *Registro de Comercio del Conservador de Bienes Raíces de Santiago* under Folio 45.229 number 31.138 of 2008, and published in the Official Newspaper dated September 30, 2008.
- 11. By public deed dated December 30, 2008, issued at the Santiago Notary of Mr. Raúl I. Perry Pefaur under Record N°56.575-08 the statutes were reformed and corporate capital was increased. An extract of the stated deed was inscribed in the *Registro de Comercio del Conservador de Bienes Raíces de Santiago* under Folio 2.870 number 1.903 of 2009, and published in the Official Newspaper dated January 12, 2009.
- 12. By public deed dated June 22, 2009, issued at the Santiago Notary of Mr. Raúl I. Perry Pefaur under Record N°23.166-09 the statutes were reformed, decreasing capital and modifying the currency in which corporate capital is expressed to United States of America dollars. An extract of the stated deed was inscribed in the *Registro de Comercio del Conservador de Bienes Raíces de Santiago* under Folio 34.780 number 23.799 of 2009, and published in the Official Newspaper dated July 28, 2009.

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- 13. By public deed dated June 25, 2009, issued at the Santiago Notary of Mr. Raúl I. Perry Pefaur under Record N°23.705-09 the statutes were reformed and corporate capital was modified. An extract of the stated deed was inscribed in the *Registro de Comercio del Conservador de Bienes Raíces de Santiago* under Folio 34.750 number 23.788 of 2009, and published in the Official Newspaper dated July 29, 2009.
- 14. By public deed dated May 06, 2010, issued at the Santiago Notary of Mr. Raúl I. Perry Pefaur under Record N°17.549-10 the statutes were reformed establishing a consolidated text. An extract of the stated deed was inscribed in the *Registro de Comercio del Conservador de Bienes Raíces de Santiago* under Folio 23.236 number 15.917 of 2010, and published in the Official Newspaper dated May 14, 2010.
- 15. By public deed dated November 29, 2011, issued at the Notary of Mr. Patricio Raby Benavente under Record N°12.924-11 a decrease of full right of corporate capital was declared, which was noted at the margin of the corporate inscription, dated January 24, 2012.
- 16. By deed dated March 22, 2012, issued at the Notary of Mr. Patricio Raby Benavente under Record N°3.530-12 to which the Extraordinary Shareholders Meeting Minutes dated March 15, 2012, were reduced, the statutes were reformed establishing a consolidated text and the Company's capital was increased and the inscription of the Company and its shares in the *Registro de Valores* of the SVS was agreed. An extract of the stated deed was inscribed in the *Registro de Comercio del Conservador de Bienes Raíces de Santiago* under Folio 22.699 number 15.912 of 2012, and published in the Official Newspaper dated April 11, 2012.
- 17. By public deed dated May 27, 2013, issued at the Notary of Mr. Raúl Perry Pefaur under Record N°24.601-13 to which the Extraordinary Shareholders Meeting Minutes dated April 30, 2013, were reduced, the statutes were reformed establishing a consolidated text and the corporate capital was increased in order to allow the entrance of the company VitalBerry Marketing SpA in merger due to its incorporation into Hortifrut S.A. An extract of the stated deed was inscribed in the *Registro de Comercio del Conservador de Bienes Raíces de Santiago* under

- Folio 44.868 number 29.956 of 2013, and published in the Official Newspaper dated June 18, 2013.
- 18. By public deed dated December 27, 2017, issued before Mr. Manuel Ramírez Escobar, Substitute Notary to Public Notary Mr. Eduardo Javier Diez Morello, under Record N°29.222-173 to which the Extraordinary Shareholders Meeting Minutes dated December 22, 2017, were reduced, the statutes were reformed establishing a consolidated text and the corporate capital was increased in order to allow the entrance of the company Talsa Chile II SpA in merger due to its incorporation into Hortifrut S.A. An extract of the stated deed was inscribed in the Registro de Comercio del Conservador de Bienes Raíces de Santiago under Folio 6.615 number 3.741 of 2018, and published in the Official Newspaper dated January 31, 2018.

RELEVANT FACTS

MARCH 20, 2017 SIGNING OF JOINT VENTURE HORTIFRUT-JOY WING MAU

Through an Material Fact dated March 20, 2017, Hortifrut informed the *Superintendencia de Valores y Seguros (SVS)* the following:

- Dated March 17, 2017, the Company, directly and through a subsidiary in Hong Kong, has concluded the negotiation and has subscribed the contracts to implement a joint venture in Mainland China with Joy Wing Mau, the main fruit producer and distributor in said country ("the Joint Venture").
- The implementing of the Joint Venture will take
 place through the legal and contractual structures
 available in Mainland China for associations
 between local and foreign companies, which
 involves (i) the execution of an Equity Joint
 Venture Agreement, which is a combination of a
 shareholders agreement and a foreign investment
 statute, and (ii) the constitution of a company in
 Mainland China ("JVCo"), by the subscribing of the
 corresponding Articles of Association.

- JVCo's structure is 51% indirectly held by the Company and 49% indirectly held by Joy Wing Mau, and contemplates for the first stage an initial capital of US\$ 15,000,000, of which the partners pay US\$ 5,000,000 upon its constitution, US\$ 5,000,000 within one year and a balance of US\$ 5,000,000 is subject to the previous approval of JVCo's Board.
- The Joint Venture plans to begin its Berries plantations in Mainland China at the start of 2018. For these effects, apart from capital, the Company will provide technical assistance to JVCo. Likewise, under a *License Agreement*, the Company will provide varieties of Berries to JVCo and, under a *Nursery Agreement* with a nursery owned by Joy Wing Mau, the controlled propagation of plants in Mainland China will be implemented.
- Finally, the Joint Venture also contemplates an integral agreement with Joy Wing Mau for the distribution of the Company's products in Mainland China under a service supply agreement.

APRIL 26, 2017 ORDINARY SHAREHOLDERS' MEETING AGREEMENTS

Dated April 26, 2017, the Company's Ordinary Shareholders Meeting was held, where the following agreements were reached:

- The Company's Annual Report, Financial Statements and External Auditors Reports were approved, corresponding to the period ending December 31, 2016;
- 2. The distribution of profits for 2016 and the distribution of dividends were approved;
- 3. The following people were chosen as members of the Board:
 - a. Víctor Moller Schiavetti
 - b. Francisco Condon Schiavetti
 - c. Víctor Moller Opazo
 - d. Andrés Carvallo Prieto
 - e. Andrés Solari Urquieta
 - f. Germán Novión Verdugo
 - g. Alfonso Swett Opazo

- h. Marco Comparin.
- i. María Verónica Mc Director
- 4. The Board's remunerati expenses corresponding
- 5. The remuneration and exp Committee for 2017 were d
- 6. The Company KPMG Auditor was designated as External Au
- 7. The companies Clasificadora de Ltda. and International Credit Rate Riesgo Ltda. were designated as C Classifiers for 2017.

OCTOBER 03, 2017 PROVISIONAL DIVIDEND PAYMENT

At Ordinary Session of the Company Board, held on October 03, 2017, and in accordance with the provisions of the second paragraph of article 79 of Law N° 18.046 for Corporations, the Board agreed the payment for the shareholders of a provisional dividend of US\$ 6,097,281 at the rate of payment of US\$ 0.0140 per each subscribed and paid share, charged to profits in 2017, the equivalent in pesos, according to the dollar exchange rate observed published in the Official Newspaper on October 16, 2017. The payment of this provisional dividend took place from October 20, 2017, at the offices of the *Depósito Central de Valores (DCV)*, located in Huérfanos 770, Piso 22, Santiago, open from 9:00am to 5:00pm, from Monday to Friday.

To those shareholders who requested it in writing before October 13, 2017, the dividend in question was paid by deposit in the current account or savings account at the Financial Institution indicated by them or a nominative check was sent by certified post to their address registered at the Company.

The shareholders who were inscribed in the Company's Shareholder Registry as of midnight of October 14, 2017, were entitled to the aforementioned dividend.

The notice, to which Article 10 of the Closely-held Corporation Ruling refers to, was published in the Diario Financiero, within the period established in the regulations.

The dividend of this notice constitutes income for shareholders. The Company will opportunely determine and communicate the credit that due to the aforementioned dividend corresponds to the taxpaying shareholders' complementary global tax and additional tax.

OCTOBER 03, 2017 SIGNING OF MOU HORTIFRUT-GRUPO ROCÍO

Through an Material Fact dated October 03, 2017, Hortifrut informed the *Superintendencia de Valores y Seguros (SVS)* the following:

- To expand and strengthen its position as a global supplier who provides fruit for markets in a continuous manner, the Company has subscribed with the parent company of the Peruvian companies Tal S.A. and El Rocio S.A. (together, the "Grupo Rocío Shareholders") a memorandum of understanding (the "MoU") regarding a transaction (the "Transaction") whose objective is the acquisition, through a sale-purchase and merger, of the Blueberries business (the "Blueberries business") where, directly or indirectly, the owners are the Grupo Rocío Shareholders, one of the most important producers, exporters and distributers of Blueberries in the southern hemisphere.
- The operations of the Blueberry Business, which include new plantations and those under the production regime, installations and equipment, and two packing units with cold processing lines, are located in the District of Chao, Provincia de Virú, Departamento de la Libertad, Republic of Peru, and have an aggregate extension of approximately 1,450 cultivable hectares. The Blueberries Business also includes (a) 50% of the associated Peruvian company's shares Hortifrut-Tal S.A.C. (which will become a 100% subsidiary of the Company); and (b) net financial cash liabilities for approximately US\$ 65.5 million.

- As a consideration for the total of the Blueberries business, the Rocio Group Shareholders will receive (x) a payment in money of US\$ 160 million, (y) 17.13% of Hortifrut's shares, on a totally diluted base, and (z) a future payment conditioned to the results of the Blueberry Business between 2017 and 2021.
- The structure of the Transaction contemplated in the MoU is the following:
 - Purchase of Shares. The purchase of a percentage of shares of a new company to be constituted in Peru by the Grupo Rocío Shareholders ("Perú OpCo") which will gather all the assets and liabilities related with the Blueberry Business, for a total price of US\$ 160.0 million (the "Sale-purchase Price").
 - Merger. The merger (the "Merger") of the Company with a new company to be constituted in Chile by the Rocio Group Shareholders ("Chile MergerCo") to which the remainder of Perú OpCo's shares (those not directly acquired by the Company) have been contributed
 - Due to the Merger, the Company will absorb Chile MergerCo, becoming its legal successor and titleholder of the remainder of Perú OpCo's shares, with which said company will become a subsidiary 100% owned by the Company.
 - As a consideration and due to the agreed swap relationship, for 100% of Chile MergerCo's shares, the Grupo Rocío Shareholders will receive Company shares that, after the Merger, will represent 17.13% of its share capital ("17,13% of the Company's Shares").
 - Earn-Out. Finally, it was agreed that, due to the contribution of the Blueberry Business, the Grupo Rocío Shareholders, together with receiving 100% of Perú OpCo's shares which it will later sell one part to the Company and will contribute the remaining to Chile MergerCo –, will have the right to a contingent payment for Perú OpCo ("Contingent Payment") formed by the surplus, after tax, over US\$ 281.0 million of accumulated operational net flow (defined as the accumulated EBITDA of the Blueberries Business

in a period of five years, discounting expenses due to the participation of workers in Peru, capital investments and maintenance).

- In short, if the Transaction is implemented, (a) the Company will become the owner of 100% of Perú OpCo, this is, of the Blueberries Business; and (b) the Grupo Rocío Shareholders will receive (x) the Sale-Purchase Price; (y) 17.13% of the Company's Shares; and (z) the Contingent Payment.
- The Transaction is subject to the usual conditions for operations of this nature, including (a) the legal, operational and financial revision of the Company on behalf of the Grupo Rocío Shareholders and the Blueberries Business on behalf of the Company (the "Due Diligence"); (b) the negotiation and signing of definite agreements (the "Definite Contracts"); (c) the approval of the National Economic Prosecutor; and (d) the authorizations of third parties and corporations that are applicable, especially the approval of the Definite Contracts by the Company's Board and the approval of the Merger by the Company's shareholders gathered at the Extraordinary Meeting.
- Parallel to the realization of the Due Diligence, the parties will negotiate the Definite Contracts, having established in the MoU a period of exclusiveness and a signing date that extends until November 30, 2017. Likewise, the Company expects to finalize the implementation of the Transaction during the second quarter of 2018.
- The Company has been informed that as of the closing of the Transaction, the current members of the Company's controlling group will sign a new shareholders agreement to which the Grupo Rocío Shareholders will be incorporated.
- On this date the reservations regarding communications that were sent as a Reserved Material Fact on July 07, 2017, and August 08, 2017, have been lifted, whose content is included in the result of the negotiations and Transaction which is informed with this communication.

As of the date of publication of this essential fact, it is not possible to determine the financial effects that the Transaction could have on the Company's assets, liabilities or results. We expect the company of the Def

will keep your *Superintendence* duly informed of all relevant developments that occur in relation to the facts revealed.

DECEMBER 06, 2017 SIGNING OF HORTIFRUT-GRUPO ROCÍO MERGER FRAMEWORK AGREEMENT

Through Material Fact dated December 06, 2017, Hortifrut informed the *Superintendencia de Valores y Seguros (SVS)* the following:

- On October 03, 2017, the Company communicated as an Material Fact (the "Preliminary Material Fact") the subscription of a memorandum of understanding (the "MoU") with the controllers of the Peruvian companies Tal S.A. and El Rocío S.A.
 - The MoU contained the terms and conditions regarding a Transaction whose purpose is the acquisition, through a sale-purchase and merger, of the Blueberry Business which includes plantations that are new and in production regime, facilities and equipment, and two packing units with cold lines, that are located in the District of Chao, Provincia de Virú, Departamento de la Libertad, Republic of Peru.
 - The structure of the Transaction is detailed in the Preliminary Material Fact and is reiterated in this communication.
 - The terms defined in this communication will have the meaning given to them in the Preliminary Material Fact.



- After Due Diligence is completed, as of this date the parties have successfully concluded the negotiations by signing the Definitive Contract called Merger and Sale-Purchase Framework Agreement, whose substantial terms and conditions are those detailed in the Transaction described in the Preliminary Material Fact.
- In view of the foregoing, and following the steps to materialize the Transaction, the Board of Directors has agreed to convene an Extraordinary Shareholders Meeting for December 22, 2017, in which it shall propose to approve the Merger by which Hortifrut will absorb Chile MergerCo (existing company called Talsa Chile II SpA).
- The foundational background of the matters that will be proposed in said meeting, include (i) the terms and conditions of the merger, (ii) the audited financial statements of Chile MergeCo, Peru OpCo and Hortifrut as of September 30, 2017, (iii) a fairness opinion issued by Econsult, and (iv) the corresponding expert report, which will be uploaded to the Company's website on the same day that the first citation notice is published.

As of the date of the publishing of this essential fact it is not possible to determine the financial effects that the Transaction could have on the Company's assets, liabilities or results.

DECEMBER 22, 2017 EXTRAORDINARY SHAREHOLDERS' MEETING AGREEMENTS

Through an Material Fact dated December 22, 2017, the Company informed the *Superintendencia de Valores y Seguros (SVS)* that in Hortifrut S.A.'s Extraordinary Shareholders Meeting held on the same date, the following main agreements were adopted:

a) Approve the merger of the Company with the Chilean Company Talsa Chile II SpA, RUT 76.810.744-0 (the "Absorbed Company"), by its incorporation into the Company, which as a result of the merger will acquire all the assets, rights, authorizations, permits, obligations and liabilities of the Absorbed Company (the "Merger").

- b) For purposes of the Merger, it was agreed to increase the Company's capital by USD 212,042,205, through the issuance of 90,026,052 new shares, to be exchanged with the shareholders of the Absorbed Company, at a rate of 0.070680735 new shares of the Company for each share that is fully subscribed and paid by the Absorbed Company. The corporate articles of association were adjusted, in relation to share capital, based on the agreements adopted at the Meeting.
- c) Modify article twenty-three of the statutes, regarding the form of voting, to adapt it in a specific aspect to the current regulations applicable to closely-held corporations; and also modify the twenty-sixth article thereof, with regard to the quorum required for the distribution of profits.
- d) For the purposes of the Merger, it was agreed to approve a new consolidated text of the Company's articles of association, which included the amendments thereto approved by the Meeting.
- e) The Merger and related agreements approved in the Meeting, once certain terms and suspensive and copulative conditions are met, will take effect in the manner established in the Meeting.
- f) In accordance with the provisions in N°2 of Article 69 of the Law on Closely-held corporations, the approval of the Merger grants dissenting shareholders the right to withdraw from Hortifrut. upon payment by the latter of the value of their shares. A dissident shareholder is considered the person who, in the Meeting, opposed the agreement that gives the right to withdraw; or that, not having attended the Meeting, expresses its dissent in writing to the Company within 30 days from the date of the Meeting, that is, until January 21. 2018. The dissident shareholder must exercise the right to withdraw, by virtue of the provisions of Article 70 of the Closely-held corporations Law and 127 of its Regulations, within the same period of 30 days from the date of the Meeting, which is, until January 21, 2018. The notice of right to withdraw for dissident shareholders will be published on December 24, 2017, in the "El Mercurio" newspaper of Santiago.

As of the date of publication of this material fact, it is not possible to determine the financial effects that the Merger could have on the Company's assets, liabilities or results.

SUBSEQUENT FACTS

By an Material Fact dated March 06, 2018, Hortifrut informed the *Superintendencia de Valores y Seguros* (SVS) the following:

- On March 06, 2018, the Company's Board agreed the "General Regularity Policy for Operations with Hortifrut S.A.'s Related Parties" (the "Regularity Policy"), as per what is stated in article 147 of Law N°18.046.
- It is hereby certified that, as per what is stated in the
 aforementioned standard, regular operations with
 related parties that the Regularity Policy refers to is
 exempt from complying with the requirements and
 procedures established in numbers 1) to 7) of the
 same standard, as the formalities established for this
 effect are complied.
- Likewise, it is hereby certified that the current Regularity Policy, also applicable to the Company's subsidiaries, are at the disposition of the shareholders at the Company's offices and on its website.

SHAREHOLDERS COMMENTS AND PROPOSALS

During 2017 there were no comments or proposals on behalf of the shareholders.

LEGAL ADVISORS

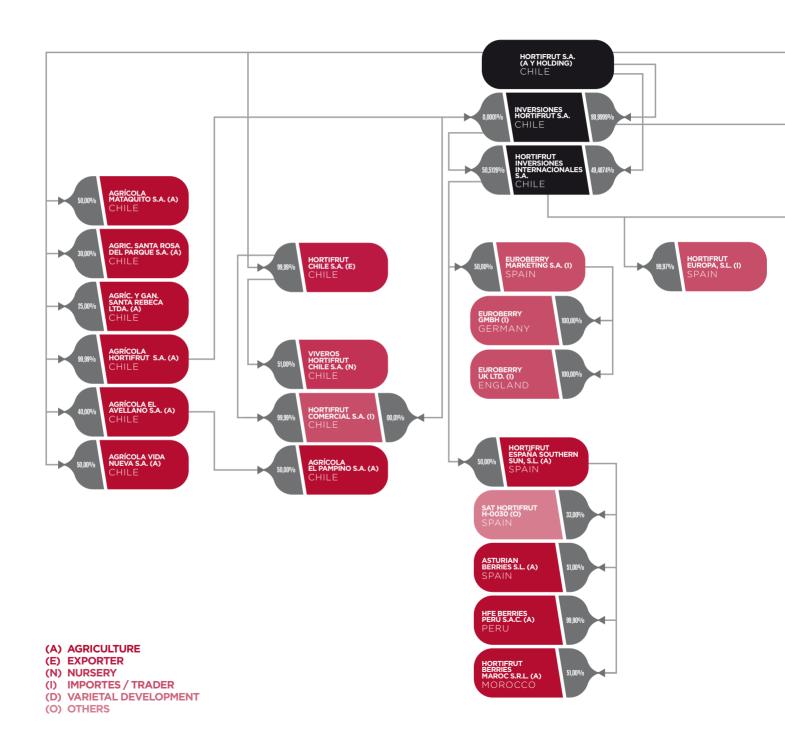
Attorney's hire third party legal services as per the specific needs.

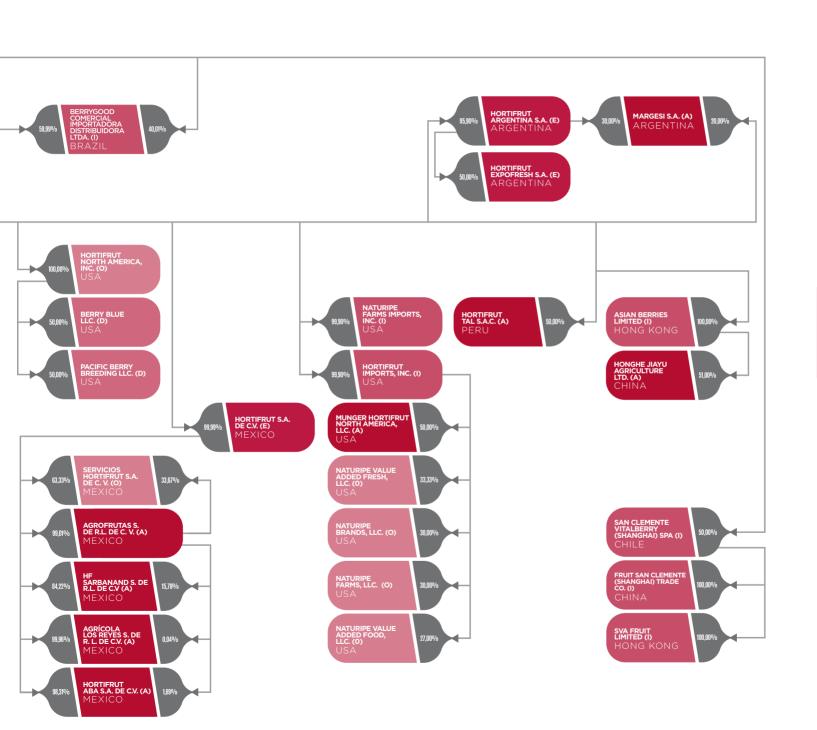
CREDIT RATING CLASSIFIERS

International Credit Rating Clasificadora de Riesgo Ltda. and Clasificadora de Riesgo Humphreys Ltda.



ORGANIZATION CHART







CHANGES IN THE ORGANIZATION CHART

2017

- 1. On October 31, 2017, the subsidiary Top Berries & Fruit SpA (Chile) was absorbed by the subsidiary Hortifrut Chile S.A. (Chile).
- 2. On October 31, 2017, the subsidiary Berries de Panguipulli SpA (Chile) was absorbed by the subsidiary Agrícola Hortifrut S.A. (Chile).
- 3. On August 31, 2017, the subsidiary Colmenares Hortisur SpA (Chile) was absorbed by the subsidiary Berries de Panguipulli SpA (Chile).
- 4. On June 20, 2017, the subsidiary Honghe Jiayu Agriculture Ltd. (China) was created.
- 5. In April 2017, the subsidiary Euroberry Marketing S.A. (Spain) formed the associated Euroberry UK Ltd. (England).

2016

- 1. In December 2016, a restructuring of the society took place, where 99.9% of the property of the subsidiaries Hortifrut Imports, Inc. (United States) and Naturipe Farms Imports, Inc. (United States) passed from Hortifrut S.A. de C.V. (Mexico) to Hortifrut Inversiones Internacionales S.A. (Chile).
- 2. In November 2016, the subsidiaries Tecnovital S.A. (Argentina) and Vitalpack S.A. (Argentina) were absorbed by the subsidiary Hortifrut Argentina S.A. (Argentina).
- 3. In September 2016, the subsidiary Euroberry B.V. (Holland), owned by Hortifrut Europa S.L. (Spain), was dissolved.
- 4. On June 21, 2016, the subsidiary Euroberry Marketing S.A. formed the associated company Euroberry GmbH (Germany).

- 5. On April 07, 2016, the subsidiary Euroberry Europa S.L. (Spain) formed the subsidiary Euroberry Ltd. (England), which was later dissolved in January 2017
- 6. During 2016, the associated Naturipe RTE LLC. changed name to Naturipe Value Added Fresh LLC. (United States).
- 7. During 2016, the associated Naturipe Foods LLC. changed name to Naturipe Value Added Foods LLC. (United States).
- 8. During 2016, 50% of the property of the associated Munger Hortifrut North America LLC. passed from Hortifrut North America LLC. to Hortifrut Imports LLC., all from the United States.

2015

- On April 08, 2015, the companies Hortifrut España Southern Sun S.L. (Spain) and Hortifrut Inversiones Internacionales S.A. (Chile) formed the subsidiary HFE Berries Perú S.A.C. (Peru).
- 2. On June 30, 2015, a 20% participation was purchased in the associated company San Clemente Vitalberry SpA (Chile), thereby owning 50% of the property.
- 3. On May 26, 2015, the subsidiary Hortifrut España Southern Sun S.L. (Spain), together with M. Ahmed Al Amouri, formed the associated company Hortifrut Berries Maroc S.R.L. (Morocco).
- 4. On April 29, 2015, a 10% participation was purchased in the associated company Margesi S.A. (Argentina), thereby owning 50% of the property.

DESCRIPTION OF MAIN SUBSIDIARIES AND ASSOCIATED

Agrícola El Avellano S.A.

96.923.620-6 (Chile)

Avda. Del Cóndor 600, Piso 4, Huechuraba, Santiago, Chile.

Type of entity

Closely-held corporation

Constitutive documents

Public deed dated June 23, 2000, Notary Patricio Raby Benavente. Inscription under folio 1.850 number 14.515 of the Registro de Comercio de Santiago of 2000. Published in the Official Newspaper dated July 21, 2000.

Corporate capital

US\$ 7.879.080 divided in 3.200.000 shares

Interest

40% direct

Corporate purpose

The operation of agricultural fields, whether it be as owner or lessee, the operation, transport, distribution and commercialization, for own account or for others, of all kinds of agricultural products or machinery related with agriculture, import and/or export of these; representation of third parties in all business or activity related with agriculture or its products; to acquire, operate and alienate for own account or for others agricultural, forestry and urban property, and in general to perform all kinds of agricultural business for its own account or for others.

Trade relationship

The company is administered by Hortifrut S.A. and all of its fruit production is sold to the trade subsidiaries of said parent company.

Víctor Moller Schiavetti/Chairman, Ricardo Swett Saavedra/Director, Alfonso Swett Opazo/Director, Enrique Acevedo Herl/Director.

Senior executives Ramiro Soffia Moller/General Manager

Agrícola El Pampino S.A.

76.884.880-7 (Chile)

Avda. Del Cóndor 600, Piso 4, Huechuraba, Santiago, Chile.

Type of entity

Closely-held corporation

Constitutive documents

Public deed dated June 20, 2007, Notary Ricardo Reveco Hormazabal, Inscription under folio 25.382 number 18.480 of the Registro de Comercio de Santiago of 2007. Published in the Official Newspaper dated June 26, 2007.

Corporate capital

US\$ 11,076 divided in 1,000 shares

Interest

20% indirect

Corporate purpose

The acquisition, production, elaboration, industrialization, distribution, commercialization, sale, export and import of all kinds of agricultural, fruit, farming and other products or sub-products, in own or third party properties; the investment in shares, titles, securities and rights in capital corporations or partnerships and the receipt of its results, as well as the providing of services or consulting in relation to said matters. The company can totally or partially develop its line of business, for itself or for third parties or through other companies where it participates or which it forms for these effects, even being able to have the position of managing partner.

Trade relationship

The company is administered by Hortifrut S.A. and all of its fruit production is sold to the trade subsidiaries of said parent company.

Board

José Ramón Achurra Larraín/Chairman, Víctor Moller Schiavetti/Director, Juan Achurra Montes/Director, Juan Sutil Servoin/Director.





76.306.130-2 (Chile)

Avda. Del Cóndor 600, Piso 4, Huechuraba, Santiago, Chile.

Type of entity

Closely-held corporation

Constitutive documents

Public deed dated June 17, 2005, Notary Antonieta Mendoza Escalas. Inscription under folio 24.329 number 17.664 of the Registro de Comercio de Santiago of 2005. Published in the Official Newspaper dated July 18, 2005.

Corporate capital US\$ 5,040,670 divided in 500,000 shares

Interest

50% direct

Corporate purpose

The acquisition, production, elaboration, industrialization, distribution, commercialization, sale, export and import of all kinds of agricultural, fruit, farming and other products or sub-products; the investment in shares, titles, securities and rights in capital corporations or partnerships and the receipt of its results, as well as the providing of services or consulting in relation to said matters.

Trade relationship

The company is administered by Hortifrut S.A. and all of its fruit production is sold to the trade subsidiaries of said parent company.

Board

Hernán Boher Rosales/Chairman, Víctor Moller Schiavetti/Director, Pablo Boher Elton/Director, Enrique Acevedo Herl/Director.

Senior executives Ramiro Soffia Moller/General Manager

Agrícola Santa Rosa del Parque S.A.

99.584.440-0 (Chile)

Avda. Del Cóndor 600, Piso 4, Huechuraba, Santiago, Chile.

Type of entity

Closely-held corporation

Constitutive documents

Public deed dated January 21, 2005, Notary Antonieta Mendoza Escalas. Inscription under folio 4.138 number 2.932 of the Registro de Comercio de Santiago of 2005. Published in the Official Newspaper dated February 02, 2005.

Corporate capital US\$ 2,600,738 divided in 1,075,810 shares

Interest

30% direct

Corporate purpose The acquisition, production, elaboration, transformation, industrialization, distribution, commercialization, sale, export and import of all kinds of agricultural, horticultural, fruit, farming and other products or sub-products; the investment in shares, titles, securities and rights in capital corporations or partnerships and the receipt of its results, as well as the providing of services or counselling in relation to said matters.

Trade relationship

The company is administered by Hortifrut S.A. and all of its fruit production is sold to the trade subsidiaries of said parent company.

Hernán Boher Rosales/Chairman, Pablo Boher Elton/Director, Víctor Moller Schiavetti/Director, Enrique Acevedo Herl/Director, Alejandro Boher Elton/Director, Horacio Schmidt Cortéz/Director.

Agrícola Hortifrut S.A.

79.764.840-K (Chile)

Avda. Del Cóndor 600, Piso 4, Huechuraba, Santiago, Chile.

Type of entity

Closely-held corporation

Constitutive documents

Public deed dated November 19, 1987, Notary Humberto Quezada Moreno. Inscription under folio 25.656 number 14.839 of the Registro de Comercio de Santiago of 1987. Published in the Official Newspaper dated December 01, 1987. Modification of the Company, from a limited liability company to a publicly traded company dated December 19, 2011 (Repertoire N°13.886-2011). Inscription under folio 198 number 165 of the Registro de Comercio de Santiago of 2012. Published in the Official Newspaper dated January 04, 2012.

Corporate capital US\$ 23.631.534 divided in 131.158 shares

Interest 99.997% direct and 0.003% indirect

Corporate purpose

The operating and handling of agriculture, fruit, livestock, forestry or in any other form of own or third party agricultural property; the commercialization, distribution, export, processing and alienation of its products and the execution of other activities that are related to the aforementioned, being able to form companies or enter into others that have already been constituted to complement its activities.

Trade relationship

The company is administered by Hortifrut S.A. and all of its fruit production is sold to the trade subsidiaries of said parent company.

Board

Víctor Moller Schiavetti/Chairman, Francisca Moller Opazo/Director, Enrique Acevedo Herl/Director, Osvaldo Erbetta Mattig/Director.

Senior executives Ramiro Soffia Moller/General Manager

Agrícola y Ganadera Santa Rebeca Ltda.

78. 988.990-2 (Chile)

Avda. Del Cóndor 600, Piso 4, Huechuraba, Santiago, Chile.

Type of entity Limited liability company

Constitutive documents

Public deed dated March 26, 1997, Notary Mario Farren Cornejo. Inscription under folio 8.065 number 6.248 of the Registro de Comercio de Santiago of 1997. Published in the Official Newspaper dated April 10, 1997.

Corporate capital US\$ 42,141

Interest 25% direct

Corporate purpose

The operating of agricultural property, whether it be as owner and/or lessee of these, the operation, transport and commercialization of the products that result from said properties and, in general, the realization of all kinds of agricultural business or related with agriculture, the same with the execution of acts and all kinds of contracts that are for the realization of these aims.

Trade relationship

The company is administered by Hortifrut S.A. and all of its fruit production is sold to the trade subsidiaries of said parent company.

Board

Administration falls on Hortifrut S.A.



Agrícola Vida Nueva S.A.

96.996.290-K (Chile)

Avda. Del Cóndor 600, Piso 4, Huechuraba, Santiago, Chile.

Type of entity

Closely-held corporation

Constitutive documents

Public deed dated July 10, 2002, Notary Patricio Raby Benavente. Inscription under folio 20.009 number 16.362 of the Registro de Comercio de Santiago of 2002. Published in the Official Newspaper dated August 09, 2002.

Corporate capital

US\$ 488.179 divided in 76.000 shares

Interest

50% direct

Corporate purpose

The operation of agricultural property, whether it be as owner, lessee, usufructuary or any other title, the operation, transport, distribution and commercialization on its own behalf or by third party, of all kinds of agricultural products or machinery related with agriculture, import and/or export of these; representation of third parties in all business or activity related with agriculture or its products; to acquire, operate and alienate on its own behalf or third party agricultural, forestry and urban property, and in general to perform all kinds of agricultural business on its own behalf or by third parties.

Trade relationship

The company is administered by Hortifrut S.A. and all of its fruit production is sold to the trade subsidiaries of said parent company.

Board

Heriberto Urzúa Sánchez/Chairman, Víctor Moller Schiavetti/Director, María Angélica Allard Serrano/Director, Ricardo Larraín Llona/Director.

Senior executives Ramiro Soffia Moller/General Manager

Hortifrut Chile S.A.

99.524.450-0 (Chile)

Avda. Del Cóndor 600, Piso 4, Huechuraba, Santiago, Chile.

Type of entity

Closely-held corporation

Constitutive documents

Public deed dated May 20, 2003, Notary Patricio Raby Benavente. Inscription under folio 14.632 number 11.186 of the Registro de Comercio de Santiago of 2003. Published in the Official Newspaper dated May 30, 2003.

Corporate capital

US\$ 39.759.084 divided in 48.692.898.864 shares

Interest

99.9999% direct and 0.00001% indirect

Corporate purpose

The acquisition, production, elaboration, transformation, industrialization, distribution, commercialization, export and import of all kinds of agricultural, horticultural, fruit, farming and other products or sub-products, the investment in shares, titles, securities and rights in capital corporations or partnerships and the receipt of its results, as well as the providing of services or consultancy in relation to said matters.

Trade relationship

Hortifrut S.A. sells most of its production to Hortifrut Chile S.A. and the latter performs the export. At the same time Hortifrut S.A. provides administration services to said subsidiary.

Board

Víctor Moller Schiavetti/Chairman, Víctor Moller Opazo/Director, Marìa Elena Echenique Braun/Director, Juan Ignacio Allende Connelly/Director, Ricardo Larrain Llona/Director.

Hortifrut Comercial S.A.

99.535.510-8 (Chile)

Avda. Del Cóndor 600, Piso 4, Huechuraba, Santiago, Chile.

Type of entity

Closely-held corporation

Constitutive documents

Public deed dated August 06, 2003, Notary Patricio Raby Benavente. Inscription under folio 24.969 number 18.808 of the Registro de Comercio de Santiago of 2003. Published in the Official Newspaper dated August 23, 2003.

Corporate capital

US\$ 5.532.717 divided in 19.724.000 shares

Interest

0.01% direct and 99.99% indirect

Corporate purpose

The acquisition, sale, production, elaboration, distribution, commercialization, export and import of all kinds of agricultural, horticultural, fruit, farming and other products or sub-products; all kinds of dairy, pastry and bakery, non-alcoholic drinks, food and other products or sub-products; all kinds of clothing, toys, library items, recreation, sports and other items; cosmetic, perfume and other products or sub-products; the operation of commercial, minimarket and similar establishments in own or third party premises and everything related with said activity; investment in tangible, intangible goods, furniture or real estate, even shares, titles, securities and rights in capital companies or partnerships, its administration and the receipt of the revenue that results from the aforementioned, as well as the providing of services or consultancy in relation to said matters.

Trade relationship

The company sells and trades Hortifrut S.A.'s production in the Chilean market.

Board

Víctor Moller Schiavetti/Chairman, Ricardo Larraín Llona/Director.

Francisco Condon Schiavetti/Director, Jorge Lima Asencio/Director, Cristian Valck Honorato/Director.

Senior executives Javier Figueroa Guilisasti/General Manager

Viveros Hortifrut Chile S.A.

99.524.470-5 (Chile)

Avda, Del Cóndor 600, Piso 4, Huechuraba, Santiago, Chile,

Type of entity

Closely-held corporation

Constitutive documents

Public deed dated May 20, 2003, Notary Patricio Raby Benavente. Inscription under folio 14.631 number 11.185 of the Registro de Comercio de Santiago of 2003. Published in the Official Newspaper dated May 30, 2003.

Corporate capital US\$ 765,177 divided in 382,269,763 shares

Interest 51% indirect

Corporate purpose

The farming, propagation, sale and/or commercialization in any form of vegetable species, whether it be on its own or with third parties, and the providing of technical assistance services in said matters; the operation, commercialization and distribution of materials or grantable mineral substances; the import and export of any vegetable species, prime material related with the farming of vegetable species and/or grantable mineral substrates and substances; the representation and/or sale and commercialization of chemical products and any other product in the agricultural field; and investment in shares, titles, securities and rights in capital companies or partnerships and the receipt of its results.

Trade relationship

The company produces and harvests plants and sells the different berries plant varieties to Hortifrut S.A.

Board

Germán Novión Verdugo/Chairman, Roberto Guzmán Lyon/Director, Paul Furniss Maillet/Director, Ricardo Larraín Llona/Director.

Senior executives Gaspar Goycolea Vial/General Manager

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99.524.540-K (Chile)

Avda. Del Cóndor 600, Piso 4, Huechuraba, Santiago, Chile.

Type of entity

Closely-held corporation

Constitutive documents

Public deed dated May 28, 2003, Notary Patricio Raby Benavente. Inscription under folio 14.628 number 11.181 of the Registro de Comercio de Santiago of 2003. Published in the Official Newspaper dated May 30, 2003.

Corporate capital

US\$ 32,737,134 divided in 545,969,508 shares

Interest

99.9998% direct and 0.00002% indirect

Corporate purpose

The realization or execution of all kinds of investments, in movable assets or real estate, corporal or incorporal assets or others of any nature; likewise, the company can invest in companies of any type or objective, whether it be through its constitution or incorporation into it under any title.

Trade relationship

Investment company

Board

Víctor Moller Schiavetti/Chairman, Francisco Condon Schiavetti/Director, Ricardo Larraín Llona/Director, Francisca Moller Opazo/Director, Victor Moller Opazo/Director.

Senior executives

Juan Ignacio Allende Connelly/General Manager

BerryGood Comercial Importadora y Distribuidora de Frutas Ltda.

10.325.008/0001-81 (Brazil)

Rua Afonso Brás, 900 CJ 175 E 176, Vila Nova Conceicao, Sao Paulo, Brazil.

Type of entity

Limited liability company

Constitutive documents Public deed dated August 21, 2008. Inscription in CNPJ/MF under number 10.325.008/0001-81. Recorded at the Commerce Meeting of the State of Sao Paulo under number 35.222.609.957.

Corporate capital

US\$ 12,178,616 divided in 34,269,398 partnership interests

Interest

40.01% direct and 59.99% indirect

Corporate purpose

The import, commercialization and distribution of fresh, frozen and dehidrated fruit and its derivatives; fresh and canned vegetables and legumes; and the interest in other societies, companies, as a partner

Trade relationship

The company receives and sells the products sent from Chile to Brazil.

Board

Administration falls on Hortifrut S.A.

Senior executives Paulo Pavan/General Manager

Hortifrut Inversiones Internacionales S.A.

76.043.425-6 (Chile)

Avda. Del Cóndor 600, Piso 4, Huechuraba, Santiago, Chile.

Type of entity

Closely-held corporation

Constitutive documents

Public deed dated December 22, 2008, Notary Iván Torrealba Acevedo. Inscription under folio 60.468 number 41.897 of the Registro de Comercio de Santiago of 2008. Published in the Official Newspaper dated March 06, 2009.

Corporate capital

US\$ 65.280.048 divided in 680.664 shares

Interest

49.4874% direct and 50.5126% indirect

Corporate purpose

The realization of all kinds of investments overseas, in movable assets or real estate, corporal or incorporal assets, in all kinds of trade effects, in rights of all kinds of companies constituted overseas, whether it be participating in its creation or acquiring rights in them once constituted; administer said investments in foreign currency and receive the results of these, and in general every other act, contract, business, activity or industry that the shareholders agree to realize overseas.

Trade relationship

Hortifrut S.A. is a shareholder of Hortifrut Inversiones Internacionales S.A., who performs the investments outside the country.

Board Víctor Moller Schiavetti/Chairman, Nicolás Moller Opazo/Director, Ricardo Larraín Llona/Director,

Senior executives Juan Ignacio Allende Connelly/General Manager

Hortifrut Argentina S.A.

30-70180143-8 (Argentina)

Libertad 1661, 5to Piso, Departamento H, Ciudad de Buenos Aires, Argentina.

Type of entity

Closely-held corporation

Constitutive documents Public deed dated April 22, 1999, Authorizing Clerk Mr. Arturo Peruzzotti. Inscription under number 5.925 of the Registry of the General Justice Inspection.

Corporate capital

US\$ 1.212.548 divided in 8.626.024 shares

Interest

95.9% indirect

Corporate purpose

Take care of, for itself or for third parties or associated to third parties, in any part of the República de Argentina or overseas, the following activities: (i) Farming: through exploitation in all its forms. agricultural establishments, livestock, fruit, forestry, owned by the company or third parties, breed. hibernating, mestization, sale, cattle cross, all types of ranch, exploitation of dairy, crops, purchase, sale and storing of cereals, incorporation and recovery of arid land, hunting, fishing, manufacturing, renovation and reconstruction of machinery and agricultural machinery to prepare the ground, planting, recolecting of crops, preparing crops for the market, preparation of dairy products or cattle, or the execution of other operations and agricultural and/or livestock processes, as well as the purchase, sale, distribution, import and export of all the raw materials and products derived from agricultural and livestock operations; (ii) Importer and Exporter: import and export of all kinds of traditional and non-traditional products, whether in their first phase or elaborated. It has the full legal capacity to acquire rights, contract obligations and perform the actions that are not prohibited by law or by the statute of constitution.

Trade relationship

The company exports fruit from Argentina which is sold to Hortifrut S.A.'s trade subsidiaries.

Board Pier Giua/Chairman, Gonzalo Canessa/Alternate Director.

Senior executives Does not apply

Hortifrut Expofresh S.A.

30-71457054-0 (Argentina)

Av. Sucre 2477 1ro F, Beccar, Provincia de Buenos Aires, Argentina.

Type of entity

Closely-held corporation

Constitutive documents

Public deed dated April 03, 2014, Authorizing Clerk Ms Andrea Sack de Iturburu. Inscription under number 11.847 of the Registro de la Inspección General de Justicia.

Corporate capital US\$ 10,424 divided in 200,000 shares

Interest

50% indirect

Corporate purpose

Realize on its own account, for third parties or associated to third parties, in the country or overseas, the following activities: a) Commercial: purchase and sale of agricultural products, raw materials related with the agricultural business and elaborated products related with food, its import and export; b) Services: purchase in the country, distribution, refrigeration, fumigation, transport, storage, holding, packing, shipment, supply of materials of a national or imported origin and everything necessary for the sale or purchase in the country or overseas of the agricultural products on its own behalf or for third parties. For said aim the company has full judicial capacity to acquire rights, contract obligations and execute the acts that are not prohibited by the laws or its constitutional status.

Trade relationship

The company exports fruit from Argentina which is sold to Hortifrut S.A.'s trade subsidiaries.

Board Luis Alfredo D'Andrea/Chairman, Pier Giua/ViceChairman, Juan Carlos Sardi/Alternate Director.

Senior executives Does not apply

Hortifrut North America Inc.

20-1505721 (United States)

9450 Corkcrew Palms Circle, Suite 202, Estero, Florida, United States.

Type of entity Closely-held corporation

Constitutive documents Public deed dated June 30, 2004. Inscription recorded in the State of Delaware, United States.

Corporate capital US\$ 4,318,612 divided in 10,000 shares

Interest

100% indirect

Corporate purpose The investment in entities that produce, process, promote, investigate and distribute agricultural products, mainly strawberries, blueberries and blueberry-based products in North America.

Trade relationship

The company mainly receives loans from Hortifrut S.A. and/or its subsidiaries to finance the operations of the different investments that Hortifrut North America Inc. has in the United States.

Board Nicolás Moller Opazo/Director, Gonzalo Canessa/Director, Aribel Beck/Director, Ignacio Larrain Arroyo/Director, Andres Cofre/Director.

Senior executives

Gonzalo Canessa/Chairman, Nicolas Moller Opazo/CEO, Aribel Beck/CFO.

Naturipe Farms Imports, Inc.

26-0546960 (United States)

9450 Corkscrew Palms Circle, Suite 202, Estero, Florida, United States.

Type of entity	Closely-held corporation
Constitutive documents	Public deed dated July 02, 2007. Inscription recorded in the State of Florida, United States.

Corporate capital US\$ 10,000 divided in 10,000 shares

Interest 100% indirect

Corporate purpose The import of agricultural products, mainly blueberries, blackberries, raspberries and strawberries, among others.

Trade relationshipThe company imports fruit to the United States from Hortifruta S.A.'s subsidiaries in Chile, Argentina, Peru and Mexico.

Board Nicolás Moller Opazo/Director, Gonzalo Canessa/Director, Aribel Beck/Director, Ignacio Larrain Arroyo/Director, Andres Cofre/Director.

Senior executives Gonzalo Canessa/Chairman, Nicolas Moller Opazo/CEO, Aribel Beck/CFO.

Hortifrut Imports, Inc.

26-0547315 (United States)

9450 Corkscrew Palms Circle, Suite 202, Estero, Florida, United States.

Type of entity	Closely-held corporation
Constitutive documents	Public deed dated July 02, 2007. Inscription recorded in the State of Florida, United States.
Corporate capital	US\$ 3,343,333 divided in 10,000 shares
Interest	100% indirect

The import of agricultural products, mainly blueberries, blackberries, raspberries and strawberries, among others.

Trade relationship The company imports fruit to the United States from Hortifrut S.A.'s subsidiaries in Chile, Argentina, Peru and Mexico.

Board Nicolás Moller Opazo/Director, Gonzalo Canessa/Director, Aribel Beck/Director, Ignacion Larrain Arroyo/Director, Andres Cofre/Director.

Senior executives Gonzalo Canessa/Chairman, Nicolas Moller Opazo/CEO, Aribel Beck/CFO.



Munger Hortifrut North America, LLC.

45-5476364 (United States)

9450 Corkscrew Palms Circle Suite 202, Estero, Florida, United States.

Type of entity Limited liability company

Constitutive documents Public deed dated June 07, 2012. Inscription recorded in the State of Delaware, United States.

Corporate capital US\$ 51,157,446

Interest

50% indirect

Corporate purpose

The realization of any licit business or another activity allowed by Law, having all the faculties of a limited liability company as per the Law. Said purpose can be accomplished by performing any action allowed by Law, for which the company has and can exercise all the powers and privileges necessary or convenient for the handling, promotion or realization of said business, purpose or activity. Effectively, the company will take care of the growth, harvest and commercialization of any type of berry in the United States of America, whether it be at own or leased lands.

Trade relationship

Hortifrut S.A. is the owner, indirectly, of the company, without counting with Trade relationship.

Board

Víctor Moller Schiavetti/Director, Nicolás Moller Opazo/Director, Víctor Moller Opazo/Director, Kewel Munger/Director, Baldev Munger/Director, Robert Hawk/Director.

Senior executives

Robert Hawk/Executive Director (Munger), Nicolás Moller Opazo/Executive Director (Hortifrut), Andres Cofre/Chief Operations Officer, Clif Woolley/Chief Administrative Officer. Aribel Beck/Secretary-Treasurer.

Hortifrut S.A. de C.V.

HOR9411237Z4 (Mexico)

Vallarta N°6503, Piso 7, Col. Ciudad Granja, Zapopán, Jalisco, Mexico.

Type of entity

Closely-held corporation with variable capital

Constitutive documents

Public deed number 53.370 book 1.213 dated November 23, 1994, Notary Cecilio González Marquéz, City of Mexico, Distrito Federal. Inscription in the Public Registry of Commerce under trade folio number 197.899 dated July 26, 1995.

Corporate capital US\$ 57,314,541 divided in 739,490,066 shares

Interest

99.9999% indirect

Corporate purpose

The production, purchase, sale, consignment, distribution, transformation, import, export, commercialization and in general the realization of of all kinds of trade acts for fruit, vegetables and other agricultural, forestry and livestock products; purchase, record and dispose of brands and patents; establishment of refrigeration plants and food product packers; manufacturing, production, commercialization of pesticides and their application; provide and receive technical and administrative services and any other service necessary for the realization of its Corporate purpose; constitution of societies and establishment of branches; obtain and grant loans; be agent, representative and commission agent; acquire movable and real estate goods; transport along local and federal roads of the products necessary for its Corporate purpose; in general the execution of all the acts and operations related with the previous items.

Trade relationship

The company exports fruit produced by Hortifrut S.A.'s subsidiaries in Mexico.

Board

Administration falls on Hortifrut S.A.

Senior executives

Diego Martínez Rodríguez/General Director, Rigoberto Guerrero Acero/Administration and Finance Director.

Hortifrut ABA S.A. de C.V.

HOR050721B73 (Mexico)

Vallarta N°6503, Piso 7, Col. Granja, Zapopán, Jalisco, Mexico.

Type of entity

Closely-held corporation with variable capital

Constitutive documents

Public deed number 6.367 dated July 21, 2005, Notary José Elgar García Rocha, Los Reyes, Michoacán. Inscription in the Registro Público de Comercio under trade folio number 12308*2 dated August 05, 2005.

Corporate capital

US\$ 20,058,764 divided in 258,684,187 shares

Interest

99.99% indirect

Corporate purpose

Realization of agricultural activities; planting, sowing and sale of fruit trees and their production; commercialize agricultural and farming products in national or foreign territory; acquire corporate parties; receive and provide services that are necessary for its Corporate purpose; obtain and commercialize patents and brands; obtain loans; grant and receive personal, real and surety guarantees; subscribe, issue and endorse credit titles; perform training, development and investigation programs; give or take land on lease; act as a commission agent and mediator; execute all the acts, contracts and operations that are necessary for the previous objectives.

Trade relationship

Hortifrut S.A., through its subsidiaries, purchases Hortifrut ABA S.A. de C.V.'s production to exploit it to North America and Europe.

Board

Administration falls on Hortifrut S.A.

Senior executives Diego Martínez Rodríguez/General Director, Rigoberto Guerrero Acero/Administration and Finance Director.

HF Sarbanand S. de R.L. de C.V.

HSA130531AL7 (Mexico)

Vallarta N°6503, Piso 7, Col. Granja, Zapopán, Jalisco, Mexico.

Type of entity

Limited liability company with variable capital

Constitutive documents

Public deed number 768 dated May 31, 2013, Notary Diego Robles Farías, San Pedro Tlaquepaque, Jalisco. Inscription in the Public Registry of Commerce under trade folio 74947*1 dated June 14, 2013.

Corporate capital

US\$ 1,202 divided in 15,000 shares

Interest

99,99% indirect

Corporate purpose

The production, purchase, consignment, import, export, commercialization and trade acts for fruit. vegetables and other agricultural, forestry and livestock products in national and foreign territory; purchase, sale, commercialization and any other act related with the food industry; establishment of refrigeration plants and food product packers; manufacturing, formulation, commercialization of pesticides, fertilizers and providing of related technical services; constitution, administration and operation of companies and establish branches; acquire movable goods, real and personal rights as well as real estate; acquire share and partnership shares; receive and provide services that are necessary to accomplish its aims and corporate purposes; buy, sell, dispose of brands, licenses and trade names; obtain loans or credits; grant financing or loans to companies; perform training programs; give or take in lease or lending movable goods or real estate; act as commission agent: transport of products that are necessary to develop its Corporate purpose; perform all the acts and contracts necessary for the realization of the previous items.

Trade relationship

Hortifrut S.A., through its subsidiaries, purchases the production of HF Sarbanand S. de R.L. de C.V. to export it to North America and Europe.

Board Administration falls on Hortifrut S.A.

Senior executives

Diego Martínez Rodríguez/General Director, Rigoberto Guerrero Acero/Administration and Finance Director.



Hortifrut Europa S.L.

B91498246 (Spain)

Av. San Francisco Javier 9, Edificio Sevilla 2, Planta 1, of. 4, Sevilla, Spain.

Type of entity Limited liability company

Constitutive documents Public deed dated October 20, 2005, Notary Javier Fernández Merino, Sevilla. Inscription under volume 4.284 folio 200 registry page 65.112 of the Registro Mercantil de Huelva of 2005.

Corporate capital US\$ 3,610

Interest

0.03% direct and 99.97% indirect

Corporate purpose

The commercialization, distribution, import, export and production of all types of plant and agricultural, fruit, vegetable and legume products.

Trade relationship

The company receives and sells the products sent from Chile to Europe.

Board

Does not apply

Senior executives

Alan Wotherspoon/ Administrator

Hortifrut Berries Maroc, S.R.L.

15251461 (Morocco)

Rue Cadi Ayad, Residence la Rencontre, immeuble G, 1e étage, n° 552, Tanger, Marruecos.

Type of entity Limited Liability Company

Constitutive documents Public deed dated May 26, 2015

Corporate capital

US\$ 212.546

Interest 25.5% indirect

Corporate purpose

The company has as its objective a) Agricultural production, packing and commercializing of agricultural products for export; b) investigation, development and innovation in agriculture and the commercializing of plants and fruit; c) the import, purchase, direct sale or commission, export, representation, distribution, intermediation and commercialization in general of all the products, articles, materials, equipment or services related with agriculture and agroindustry; d) The creation, purchase, direct or indirect operation, lease and management of commercial premises, branches and properties that are used for the aforementioned objectives, the concession, operation and sale of patents, brands, licenses, and processes within the scope of the aforementioned objective; e) import and export of all kinds of goods or products related with the aforementioned objective; f) the establishment of branches, the purchase of buildings that can be used in any manner for any of the aforementioned objectives, purchase, concession, operation and sale of all the patents, brands, licenses and processes within the scope of the aforementioned objective; g) the direct or indirect participation in all transactions or business, the creation of companies, participation in its constitution or the expansion of capital in existing companies, the purchase of securities, corporate rights, subscription, contribution of assets in kind or in another manner; h) in general, to perform any industrial, financial, commercial and civil operation related with the aforementioned topics, which could favor the company's development.

Trade relationship

The company produces fruit that is sold to the trade subsidiaries of Hortifrut S.A. in Europe.

Board

Does not apply

Senior executives Juan Luis Navarro Sánchez/General Manager

Hortifrut España Southern Sun S.L.

B21292891 (Spain)

Carretera de Almonte - El Rocío, Km. 24,2, Almonte (Huelva), Spain.

Type of entity Limited liability company

Constitutive documents Public deed dated February 03, 2000, Notary Antonio Jaén Banilla, Sevilla. Inscription under volume 574 folio 143 registry page H-8814, first inscription, of the Registro Mercantil de Huelva of 2000.

Corporate capital 216.238

Interest 50% indirect

Corporate purpose

The commercialization, distribution, import, export and production of all types of plant and agricultural, fruit, vegetable and legume products.

Trade relationship

There is no trade relationship with the parent company Hortifrut S.A., only long term loans to finance planting projects. Additionally, Hortifrut S.A. has committed with the subsidiary with a financial support letter and it is the company who, for all legal effects, directs the financial and operational policies of Hortifrut España Southern Sun S.L.

Board

Ricardo Larraín Llona/Chairman, Vicente Jiménez/ViceChairman, Carmelo Gabarro Carpio/Secretary, Sebastián Correa Bulnes/Vice Secretary.

Senior executives Juan Luis Navarro Sánchez/General Manager

Asturian Berries, S.L.

B74147000 (Spain)

Calle La Oliva 6, 3° B, Villaviciosa, Principado de Asturias, Spain.

Type of entity Limited liability company

Constitutive documents Public deed dated August 11, 2005, Notary José Luis Rodríguez García-Robes, Gijón.

Corporate capital US\$ 1,007,892

Interest 25.5% indirect

Corporate purpose

The company has as its objective: a) the development of agricultural crops of all species and especially blueberries, blackberries, currants and raspberries; b) the elaboration, transformation and commercialization of products (blueberries, blackberries, currants and raspberries); c) the purchase, sale and lease of agricultural land; d) the investigation, development and innovation, through own or concerted means, both of products and plants, fertilizers and harvesting techniques, related with the Corporate purpose; e) commercialization at a national and international level, as well as the realization of the precise operations for import and export; f) the providing of services for all kinds of customers and expecially farmers partners of the Cooperativa de Agricultores Consumidores y Usuarios of the city of Gijón. The previous activities will be performed through the corresponding professionals whenever necessary. Said activities could be developed, totally or partially, indirectly, through the ownership of shares or interests in Companies with an identical or analogue objective. All the activities for which the Law has specific requirements that the company does not comply will be excluded.

Trade relationship

The company produces fruit that is sold to Hortifrut S.A.'s trade subsidiaries in Europe

Board

Juan Luis Navarro Sánchez/Director, Alan Wotherspoon/Director, Vicente Jiménez Guijarro/Director, Joaquín Vásquez/Director, Juan Carlos García/Director.

Senior executives Paz Sanchez Pelaez/In Charge of Administration and Finance

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A91248922 (Spain)

Av. San Francisco Javier 9, Edificio Sevilla 2, Planta 1, of. 3 y 4, Sevilla, Spain.

Type of entity

Closely-held corporation

Constitutive documents

Public deed dated March 11, 2003. Inscription under volume 3,653 folio 62 registry page 51.912, inscription I/A 1, of the Registro Mercantil de Huelva of 2003.

Corporate capital US\$ 73,397

Interest

50% indirect

Corporate purpose

The acquisition, import, export, distribution, trade of horticultural products; real estate operations; tenure, management, operating of assets and securities; advisory for the development of companies, and others.

Trade relationship

The company distributes within Continental Europe the fruit sent from Hortifrut S.A.'s subsidiaries in Chile, Argentina, Peru, Mexico and Spain.

Board

Vicente Jiménez Guijarro/Chairman, Ricardo Larraín Llona/ViceChairman, Sebastián Correa Bulnes/Secretary, Carmelo Gabarro Carpio/Vice Secretary.

Senior executives

Javier Rico/General Manager, Alan Wotherspoon/Administration and Finance Manager.

Euroberry GmbH

DE306968593 (Germany)

Küstersweg 3-7, 47652, Weeze, Germany.

Type of entity Limited Liability Company

Constitutive documents Public deed dated June 21, 2016. Inscription HRB 14179, of the Trade Registry of Kleve of 2016.

Corporate capital US\$ 30,060

Interest 50% indirect

Corporate purpose

Purchase, import, export, distribution and trade of horticultural products. The company can develop any activity that is needed in a direct or indirect manner to execute this objective. Specifically, it can establish branches, constitute subsidiaries or purchase other companies of the same type or similar, or participate in the corporate capital of these, both in Germany and overseas.

Trade relationship

The company distributes within Germany the fruit sent from Hortifrut S.A.'s subsidiaries in Chile. Argentina, Peru, Mexico and Spain.

Board

Vicente Jiménez Guijarro/Administrator, Alan Wotherspoon/Administrator.

Senior executives Ahmet Aktas/General Manager



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10714917 (England)

20-22 Wenlock Road, London, England.

Type of entity Limited Liability Company

Constitutive documents Public deed dated June 26, 2017. Inscription in the Registry of Companies of England and Wales

Corporate capital US\$ 1

Interest 50% indirect

Corporate purpose Wholesale trade of fruit and vegetables

Trade relationship

The company distributes within England the fruit sent from Hortifrut S.A.'s subsidiaries in Chile. Argentina, Peru, Mexico and Spain,

Board Vicente Jiménez Guijarro/Administrator, Alan Wotherspoon/Administrator.

Senior executives David Salter/General Manager

Hortifrut-Tal S.A.C

20559912353 (Peru)

Carretera Industrial Alaredo km 1,5, Zona Industrial El Palmo. Distrito y Provincia Trujillo, Departamento de la Libertad, Peru.

Type of entity Closely-held corporation

Constitutive documents

Public deed dated March 19, 2014. Notary Ricardo Fernandín Barreda, Inscribed under number 201400028331 at the Superintendencia Nacional de los Registros Públicos. Zona Registral number V. Cede Trujillo.

Corporate capital

US\$ 9.848.724 divided in 28.512.056 shares

Interest

50% indirect

Corporate purpose

The company will be dedicated to: a) agriculture: temporary and permanent crops, the production of seeds, nurseries, fruit trees and species; b) agroindustry and commercialization of agricultural products: that cover storing actions, functions and services, classification, packing, storage, sale-purchase, export and commercialization of agricultural products that take place at the production area; c) agricultural services: such as the remunerated benefit of agricultural mechanization, advisory regarding land and the application of fertilizers, use of seeds and other vegetable preparation materials, phytosanitary control and application of pesticides and herbicides, for special tasks in cultivating or harvesting and veterinary attention and artificial insemination; d) technical advisory: dedicated to agricultural producers, such as reforestation, preparation for the agricultural livestock operation of lands and everything that contributes to an increase of the productive area. The acts related with this are understood to be included in the Corporate purpose, which contribute to the realization of its aims. Likewise, the company, in order to comply with its Corporate purpose it can realize, without reserves or limitation any all the acts and all the civil, trade or corporate acts or of any other nature that Peruvian laws allow closely-held corporations, as well as acquiring movable goods and real estate which is necessary for the development of its corporate aims.

Trade relationship

The company produces fruit that is sold to Hortifrut S.A.'s trade subsidiaries

Board

Victor Moller Opazo/Chairman, Sebastián Correa Bulnes/Director, Ulises Quevedo Berastain/Director, Juan Luis Alemparte Rozas/Director.

Senior executives Fernando Méndez Gschwend/ General Manager

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20600529481 (Peru)

Calle Lord Nelson 359, Miraflores, Lima, Peru.

Type of entity

Closely-held corporation

Constitutive documents

Public deed dated April 08, 2015, Notary Lucio Alfredo Zambrano Rodríguez. Inscribed under number 201500400766 at the Superintendencia Nacional de los Registros Públicos, Zona Registral number IX, Cede Lima.

Corporate capital

US\$ 6.085.958 divided in 19.748.393 shares

Interest

50% indirect

Corporate purpose

To dedicate itself to the operating of the blueberry business, including but not limited to the following activities a) agriculture: temporary and permanent crops, the production of seeds, nurseries, fruit trees and species; b) agroindustry and commercialization of agricultural products: that cover storing actions, functions and services, classification, packing, storage, sale-purchase, export and commercialization of agricultural products that take place at the production area; c) agricultural services: such as the remunerated benefit of agricultural mechanization, advisory regarding land and the application of fertilizers, use of seeds and other vegetable preparation materials, phytosanitary control and the application of pesticides and herbicides, for special tasks in cultivating or harvesting and veterinary attention and artificial insemination; d) technical advisory: dedicated to agricultural producers, such as reforestation, preparation for the agricultural livestock operation of lands and everything that contributes to an increase of the productive area.

Trade relationship

The company sells fruit which is sold to Hortifrut S.A.'s trade subsidiaries

Board

Juan Luis Navarro Sánchez/Director, Vicente Jiménez Guijarro/Director, Ricardo Larraín Llona/Director, Sebastián Correa Bulnes/Director.

Senior executives David Aymans Rojas / General Manager

Honghe Jiayu Agriculture Ltd.

91532500MA6KWE404E (China)

Zuntangzi Village, Chache Town, Jianshui County, Honghe Prefecture, Yunnan Province, China.

Type of entity Limited liability Company

51% indirect

Constitutive documents Articles of Association dated June 20, 2017. Registered at the Administration for Industry and Commerce of Honghe Hani & Yi Autonomous Prefecture dated July 28, 2017.

Corporate capital

US\$ 8,000,000 divided in 8,000,000 shares

Interest

Corporate purpose Growth, harvest and commercialization of any type of Berries and other fresh fruit; use, operation and development of agricultural technology, know-how and other patented vegetable material; import and export of technologies and goods.

Trade relationship

To date there is no commercial relationship between the company and Hortifrut S.A.

Board

Nicolas Moller Opazo/Director, Juan Ignacio Allende Connelly/Director, Zhang Jian/Director, Tian Lichuan/Director.

Senior executives

Wan Lang/Supervisor, Jiang Huitie/General Manager.



DIVIDEND POLICY

As per article 26 of the Corporate Statutes, the Company must annually distribute to the shareholders, as cash dividends and prorate to its shares, at least 50% of the net distributable profits for each period, unless otherwise agreed in the corresponding Meeting, by unanimity of the issued shares.

During 2017, the Ordinary Shareholders' Meeting agreed to distribute a definite dividend of US\$0.0167 per share charged to the distributable net profits of the period ending December 31, 2016, which together with a provisional dividend of US\$0.0130 per share agreed at the Company Board's Ordinary Session held on October 04, 2016, equal 50% of the distributable net profits of 2016.

DISTRIBUTABLE NET PROFIT

To determine the Company's Distributable Net Profit to be considered to calculate dividends, the following will be excluded from gains attributable to the equity holders of the parent company:

1. Non-realized results linked to the fair value record of the biological assets regulated by "IAS 41"

- accounting standard, reintegrating them to the net profit at the moment they are realized. For these effects, the portion of said increase in fair value corresponding to the assets sold or disposed of by another means will be considered realized.
- 2. The non-realized results generated in the acquisition of other entities and, in general, the non-realized results that are produced due to the application of paragraphs 24, 39, 42 and 58 of IFRS 3 accounting standard, revised, refers to business combination operations. These results will be re-integrated to the net profit at the moment of its realization. For these effects, results will be considered realized when the acquired entities generate profits after their acquisition, or when said entities are alienated.
- 3. Deferred tax effects associated to the concepts indicated beforehand will follow the same fate as the item that originated them.

Below is the detail of the Distributable Net Profit for the periods ending December 31, 2017, and 2016, as per the previously described dividend policy:

	31-dec-a17	31-dec-16
Gains attributable to the Parent Company's equity holders	26,563	18,925
Minus:		
Increase Biological Assets to Fair Value net of tax - VPP	(810)	(165)
Increase Biological Assets to Fair Value	(1,640)	-
Deferred Taxes	443	-
Net Distributable Profit	24,556	18,760

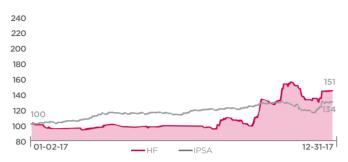
DIVIDENDS AND SHARE TRANSACTIONS

PAID DIVIDENDS

N°	24	25	26	27	28	29	30	31
PAYMENT DATE Series N° Shares Amount (USD) Amount (USD/share) Type of dividend	07-06-10 Single 16,903,986 1,859,967 0.1100 Provisional	04-08-11 Single 16,903,986 1,731,499 0.1024 Definite	07-08-11 Single 16,903,986 2,349,783 0.1390 Provisional	04-15-12 Single 16,903,986 2,944,648 0.1742 Definite	10-26-12 Single 357,126,465 2,499,923 0.0070 Provisional	04-17-13 Single 357,126,465 2,392,747 0.0067 Definite	10-25-13 Single 435,460,523 3,048,641 0.0070 Provisional	05-16-14 Single 435,520,079 3,788,558 0.0087 Definite
N°	32	33	34	35	36	37	38	
PAYMENT DATE Series N° SHARES Amount (USD) Amount (USD/share) Type of dividend	10-24-14 Single 435,520,079 3,919,681 0.0090 Provisional	05-55-15 Single 435,520,079 2,938,690 0.0067 Definite	10-23-15 Single 435,520,079 3,919,681 0.0090 Provisional	05-20-16 Single 435,520,079 2,873,068 0.0066 Definite	10-21-16 Single 435,520,079 5,661,761 0.0130 Provisional	05-19-17 Single 435,520,079 7,282,599 0.0167 Definite	10-20-17 Single 435,520,079 6,097,281 0.0140 Provisional	

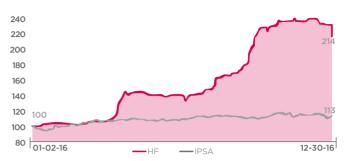
STOCK INFORMATION (BASE 100)

PRICE OF SHARE / IPSA VALUE 2017



SOURCE: Bloomberg, Closing Price adjusted per dividend.

PRICE OF SHARE /IPSA VALUE 2016



SOURCE: Bloomberg. Closing Price adjusted by dividend.

SHARE TRANSACTIONS

Hortifrut S.A.'s shares are traded on the *Bolsa de Comercio de Santiago, Bolsa Electrónica de Chile* and the *Bolsa de Valores de Valparaíso*. The following table shows a summary of the transactions performed on these 3 stock markets since the IPO:

2nd Quarter 2013

2nd Quarter 2014

2nd Quarter 2015

2nd Quarter 2016

2nd Quarter 2017

4,501,306

1,433,630

16,947,582

8,487,002

13.800.073

8,730,410

6.319.546

5,361,272

17,275,634

22,021,353

1,274.71

848.36

632.64

500.78

318.49

N° Shares

Total amount traded (ThCLP)

Average price (CLP)

N° Shares

Total amount traded (ThCLP)
Average price (CLP)

N° Shares

Total amount traded (ThCLP)
Average price (CLP)

N° Shares

Total amount traded (ThCLP)
Average price (CLP)

N° Shares

Total amount traded (ThCLP)

Average price (CLP)

N° Shares

Total amount traded (ThCLP)

Average price (CLP)

1st Quarter 2013

16,367,216 5,196,013 317.46

1st Quarter 2014

84,564,593 35,069,020 414.70

1st Quarter 2015

3,082,030 1,863,983 604.79

1st Quarter 2016

1,392,953 939,151 674.22

1st Quarter 2017

4,523,763 6,135,105 1,356.20

3rd Quarter 2012

274,411,484 87,108,862 317.44

3rd Quarter 2013

32,430,108 10,514,598 324.22

3rd Quarter 2014

41,738,901 25,728,070 616.41

3rd Quarter 2015

3,401,245 2,142,500 629.92

3rd Quarter 2016

3,828,320 4,217,148 1,101.57

3rd Quarter 2017

11,325,674 14,875,596 1,313.44

4th Quarter 2012

25,906,006 8,155,133 314.80

4th Quarter 2013

54,345,921 18,221,879 335.29

4th Quarter 2014

6,338,706 4,193,585 661.58

4th Quarter 2015

2,766,263 1,799,405 650.48

4th Quarter 2016

39,030,352 59,211,255 1,517.06

4th Quarter 2017

7,893,628 14,858,720 1,882.37

145

TRANSACTIONS OF RELATED SHAREHOLDERS

YEAR 2017

TRANSACTION DATE	COMMUNICATION DATE OF THE TRANSACTION TO THE CORPORATION	TYPE OF PERSON	RUT PERSON/ ENTITY	DV	FATHER'S SURNAME	MOTHER'S SURNAME	NAME / CORPORATE NAME	RELATIONS HIP	TYPE OF TRANSACTION	VALUE TYPE	MNEMONIC	SERIES	N° TRADED SHARES	UNIT PRICE (CLP)	AMOUNT TRANSACTION (CLP)	TRANSACTION PERFORMED IN STOCK MARKET	OBSERVATIONS
08/16/2017	08/17/2017	Natural Person	13,065,701	K	COFRE	ALONSO	ANDRES EMILIO	GA	Е	ACC	HF	SINGLE	14,670	1,310.00	19,217,700	S	
07/20/2017	07/21/2017	Natural Person	7,731,109	2	COMPARINI	FONTECILLA	MARCO	DI	Е	ACC	HF	SINGLE	51,492	1,323.80	68,165,110	S	
07/20/2017	07/21/2017	Legal entity	76,355,600	K			INVERSIONES Y ASESORIAS EL PLOMO LTDA	EDI	А	ACC	HF	SINGLE	51,492	1,323.80	68,165,110	S	
04/21/2017	04/25/2017	Legal entity	76,355,600	K			INVERSIONES Y ASESORIAS EL PLOMO LTDA	EDI	Е	ACC	HF	SINGLE	50,900	1,319.50	67,162,550	S	
04/21/2017	04/25/2017	Legal entity	76,355,600	K			INVERSIONES Y ASESORIAS EL PLOMO LTDA	EDI	Е	ACC	HF	SINGLE	70,000	1,318.50	92,295,000	S	
04/12/2017	04/12/2017	Legal entity	77,813,860	3			INVERSIONES IMG LTDA	AM	Е	ACC	HF	SINGLE	13,065,602	1,270.00	16,593,314,540	S	

YEAR 2016

TRANSACTION DATE	COMMUNICATION DATE OF THE TRANSACTION TO THE CORPORATION	TYPE OF PERSON	RUT PERSON/ ENTITY	DV	FATHER'S SURNAME	MOTHER'S SURNAME	NAME / CORPORATE NAME	RELATIONS HIP	TYPE OF TRANSACTION	VALUE TYPE	MNEMONIC	SERIES	N° TRADED SHARES	UNIT PRICE (CLP)	AMOUNT TRANSACTION (CLP)	TRANSACTION PERFORMED IN STOCK MARKET	OBSERVATIONS
12/13/2016	12/14/2016	Natural Person	7,010,418	0	SOFFIA	MOLLER	RAMIRO	GA	E	ACC	HF	SINGLE	8,000	1,500.00	12,000,000	S	
12/07/2016	12/09/2016	Legal entity	76,381,308	8			INVERSIONES ANTARES SPA	SG	Е	ACC	HF	SINGLE	34,068,464	1,520.00	51,784,065,280	S	
12/07/2016	12/09/2016	Legal entity	86,907,900	6			INMOBILIARIA ALGECIRAS LTDA	SG	А	ACC	HF	SINGLE	34,068,464	1,520.00	51,784,065,280	S	
11/10/2016	11/11/2016	Legal entity	96,727,140	3			INVERSIONES ALBA LIMITADA	EGG	E	ACC	HF	SINGLE	262,982	1,500.00	394,473,000	S	
11/07/2016	11/08/2016	Legal entity	96,727,140	3			INVERSIONES ALBA LIMITADA	EGG	E	ACC	HF	SINGLE	84	1,500.00	126,000	S	
11/04/2016	11/07/2016	Legal entity	76,307,589	3			INVERSIONAS FJ	EEJ	E	ACC	HF	SINGLE	205,082	1,500.00	307,623,000	S	
11/03/2016	11/07/2016	Legal entity	76,307,589	3			INVERSIONAS FJ	EEJ	E	ACC	HF	SINGLE	14,400	1,500.00	21,600,000	S	
10/27/2016	11/07/2016	Legal entity	76,307,589	3			INVERSIONAS FJ	EEJ	E	ACC	HF	SINGLE	110,536	1,500.00	165,804,000	S	
09/30/2016	10/03/2016	Natural Person	7,010,418	0	SOFFIA	MOLLER	RAMIRO	GA	Е	ACC	HF	SINGLE	3,575	1,385.00	4,951,375	S	
09/30/2016	10/03/2016	Natural Person	7,010,418	0	SOFFIA	MOLLER	RAMIRO	GA	E	ACC	HF	SINGLE	11,425	1,385.00	15,823,625	S	
09/30/2016	10/03/2016	Legal entity	96,727,140	3			INVERSIONES ALBA LIMITADA	EGG	E	ACC	HF	SINGLE	900,000	1,400.00	1,260,090,000	S	
09/30/2016	10/03/2016	Legal entity	99,501,410	6			ASESORIAS E INVERSIONES A D SA	EGA	E	ACC	HF	SINGLE	288,565	1,400.00	403,991,000	S	
05/03/2016	05/04/2016	Legal entity	76,430,007	6			INVERSIONES ISKRA LIMITADA	EDI	Е	ACC	HF	SINGLE	2,090,382	920.00	1,923,151,440	S	
04/14/2016	04/18/2016	Natural Person	13,065,701	К	COFRE	ALONSO	ANDRES EMILIO	EJ	А	ACC	HF	SINGLE	16,250	760.00	12,350,000	S	





INVESTMENT PLANS

The Company has structured its future investment plan from the currently valid Strategic Plan, which is based on four strategic foundations: to operate globally, add value to customers, obtain producer loyalty and innovate in the business model.

1. Operate globally as a single platform

To control, consolidate and develop trade platforms at a global level have been vital in Hortifrut's business model and have constituted one of its most relevant competitive advantages.

To continue growing within this logic it is vital to permanently perfect corporate governance practices and optimize the organization chart, among other aspects, to globally integrate the planning and software systems.

Add increased value to customers and final consumers

We plan an important growth in volumes to be commercialized during the following years, this is due to an increase in the demand of current and potential customers in the United States, Europe and Asia. To be able to capture this growing demand, investments must take place in the development of brands and new distribution channels, incorporate new varieties and implement new business units that allow the growth of trade platforms.

3. Producer loyalty and optimization of integration

Hortifrut is a company of producers for producers, so it must optimize the added value that it provides its producers through services such as agricultural administration and own genetics, among others. The Company must continue investing in optimizing the services that it currently provides and developing new initiatives that allow it to strengthen the link and increase the loyalty of its third- party producers.

Innovation in genetics and in the whole business model

Investments in the development of new crop varieties and technologies have been for years a decisive, innovative and profitable element for Hortifrut. Therefore, the Company must continue working and investing in the development of genetics and in the process of making these genetics reach own and third party producer fields.

This closeness with the field and its people, invites the Company to be an ecological, clean company, which is linked to the communities, so it will continue investing and working to improve its position in environmental topics, food safety and social environments of the different communities with whom it interacts.

FINANCIAL ACTIVITIES

The Company's main financial activities correspond to short and long term credits for the financing of work capital, exports and investments. The banks with whom we have these credits, as well as other instruments such as forwards and swaps, are Banco de Crédito e Inversiones, Banco Santander, BBVA, Banco de Chile, Banco Estado, Banco Security, Banco BICE, Itau Corpbanca, Rabobank, China Construction Bank and Scotiabank.

FINANCING POLICIES

Hortifrut'S financing policy is based on the obtaining of short and long term financial resources, taking into account the Company's capital structure, the long-term financing plan, productive, financial and commercial forecasts, as well as the cost of the debt.

Additionally, the following obligations must be fulfilled, over the base of the 12-month consolidated financial statements:

Maintain an annual Net Financial Debt level divided

by EBITDA lower or equal to 6 times as of December 31 of each year, lower or equal to 5 times as of June 30, 2014, and June 30, 2015, and lower or equal to 4.5 times as of June 30, 2016, and following.

- Maintain a Financial Cost Hedging (EBITDA divided by net financial costs of the last 12 months) equal or higher than 4 times as of June 30 of each year.
- Maintain the Net Financial Debt divided by Total Equity ratio lower than 1 time as of June 30 of each year.

LICENSES AND AGREEMENTS

CONTRACT REFERENCE	SPECIES	LICENSOR	LICENSEE
Blue Berry	Blueberry	Michigan Blueberry Growers	Hortifrut North America, Inc
Programa Atlantic Blue	Blueberry	Royal Berries	Hortifrut S.A.
Programa Atlantic Blue	Blueberry	Royal Berries	Hortifrut S.A.
Aurora, Draper, Liberty, Calypso y Osorno	Blueberry	Michigan State University	Hortifrut S.A.
Aurora, Draper, Liberty, Calypso y Osorno	Blueberry	Michigan State University	Hortifrut S.A.
Aurora, Draper, Liberty, Calypso y Osorno (Rest of the World)	Blueberry	Michigan State University	Hortifrut S.A.
Chickadee, Bobalink, Raven, and Meadowlak	Blueberry	Florida Foundation Seed Producers, Inc. (University of Florida)	Hortifrut S.A.
Licencia Comercializacion Kestrel	Blueberry	Florida Foundation Seed Producers, Inc. (University of Florida)	Hortifrut S.A.
Meadowlak and Kestrel	Blueberry	Florida Foundation Seed Producers, Inc. (University of Florida)	Hortifrut S.A.
Licencia Comercializacion Kestrel	Blueberry	Florida Foundation Seed Producers, Inc. (University of Florida)	Hortifrut N.A.
Meadowlark	Blueberry	Florida Foundation Seed Producers, Inc. (University of Florida)	Hortifrut S.A.
Farthing, Flicker, Scintilla, FLX-1 y Kestel	Blueberry	Florida Foundation Seed Producers, Inc. (University of Florida)	Hortifrut S.A.
UGA Advanced Selections	Blueberry	University of Georgia	Hortifrut S.A.
North Carolina State University Trialing Agreement for Blueberry	Blueberry	North Carolina State University	Hortifrut S.A.
North Carolina State University Hybrid Parental Use Agreement	Blueberry	North Carolina State University	Hortifrut S.A.
OZ Varieties Pty	Blueberry	United Export	Hortifrut S.A.
OZ Varieties Pty	Blueberry	United Export	Hortifrut S.A.
Pacific Berry Breeding	Raspberry	Naturipe Berry Growers	Hortifrut North America, Ind
Kiwigold Rasperry	Raspberry	C. Thomas	Hortifrut S.A.
Consorcio de la Fruta	Raspberry		Hortifrut Chile S.A.
Sugana Raspberry	Raspberry	Lubera	Hortifrut S.A.
Himbo-Top	Raspberry	Promo-Fruit	Hortifrut S.A.
Breeding Agreement, Chile, Mexico, Argentina, Brazil and Peru	Blackberry	University of Arkansas	Hortifrut S.A.
Prime Jim and Prime Jan	Blackberry	University of Arkansas	Hortifrut S.A.
NIA / Hortifrut	Murtilla	INIA	Hortifrut S.A.

MAIN ASSETS

The Company's main assets are its productive fields, laboratories for the development of varieties, brands and storage centers. Regarding current assets, this is mainly made up of stocks, sale debtors and receivable notes and accounts with related companies.

MAIN LAND AND PROPERTY OWNED BY HORTIFRUT S.A. AND SUBSIDIARIES

OWNER	ASSET	DESCRIPTION	SURFACE (HAS)
Hortifrut Comercial S.A.	Property	Site 1-2, 4-16, 55-84, Plot N°151, Colonia Gabriel González Videla, La Serena, Chile	23.00
Hortifrut Comercial S.A.	Water Right	2,48 shares, Plot N°151, Colonia Gabriel González Videla, La Serena, Chile	N/A
Agrícola El Pampino S.A.	Property	Lot N°2 Plot N°12, Proyecto Fieldción Los Maitenes, Purranque, Osorno, Chile	22.16
Agrícola El Pampino S.A.	Property	Lot N°2 Piece of Field Carihue, Predio La Piedra, Purranque, Osorno, Chile	26.18
Agrícola El Pampino S.A.	Water Right	Underground water, Purranque, Osorno, Chile	N/A
Agrícola Sta. Rosa del Parque S.A.	Property	Lot A-1, Hijuela A, El Parque Farm, Angol, Chile	66.84
Agrícola Sta. Rosa del Parque S.A.	Water Right	Canal Ñipaco, Angol, Chile	N/A
Agrícola Hortifrut S.A.	Property	Rustic property, Río Negro, Chile	207.00
Agrícola Hortifrut S.A.	Water Right	Water Forrahue River, Río Negro, Chile	N/A
Agrícola Hortifrut S.A.	Property	Lot N°12-A Plot N°12, Proyecto Fieldción Santa Isabel, Freire, Chile	42.50
Agrícola Hortifrut S.A.	Property	Plot №10, Santa Isabel y Los Cipreses, Freire, Chile	53.10
Agrícola Hortifrut S.A.	Water Right	Canal Allipén, 50 of 20 shares and 183 of 25,000 shares, Freire, Chile	N/A
Agrícola Hortifrut S.A.	Water Right	Canal Allipén, 14 shares, Freire, Chile	N/A
Agrícola Hortifrut S.A.	Water Right	Canal Allipén, 14 shares, Freire, Chile	N/A
Agrícola Hortifrut S.A.	Property	Plot N°4 Proyecto Fieldción Arturo Araya, ex Fundo Curaco, Panguipulli, Chile	14.57
Agrícola Hortifrut S.A.	Property	Plot N°5 Proyecto Fieldción Arturo Araya, ex Fundo Curaco, Panguipulli, Chile	43.40
Agrícola Hortifrut S.A.	Property	Plot N°6 Proyecto Plotción Arturo Araya, ex Curaco Farm, Panguipulli, Chile	6.97
Agrícola Hortifrut S.A.	Property	Plot N°8 Proyecto Fieldción Arturo Araya, ex Curaco Farm, Panguipulli, Chile	22.46
Agrícola Hortifrut S.A.	Property	Lot A Comohue Field, Vista Hermosa, Panguipulli, Chile	98.53
Agrícola Hortifrut S.A.	Property	Hijuela N° 1 La Pantalla y El Zarzal Fields, Panguipulli, Chile	47.30
Agrícola Hortifrut S.A.	Water Right	50 lts/s and annual volume of 1,576,800 m3 well N°2 El Mirador Farm, Panguipulli, Chile	N/A
Agrícola Hortifrut S.A.	Water Right	42 lts/s and annual volume of 1,324,512 m3 well N°4 Vista Hermosa, Panguipulli, Chile	N/A
Agrícola Hortifrut S.A.	Water Right	16 lts/s and annual volume of 504,576 m3 well N°3 Vista Hermosa, Panguipulli, Chile	N/A
Agrícola Hortifrut S.A.	Water Right	26 lts/s and annual volume of 819,936 m3 well N°1 Vista Hermosa, Panguipulli, Chile	N/A
Agrícola Hortifrut S.A.	Water Right	28 lts/s and annual volume of 883,008 m3 well, Panguipulli, Chile	N/A
Agrícola Hortifrut S.A.	Water Right	43 lts/s and annual volume of 1,237,500 m3 well N°1 and N°2, Paguipulli, Chile	N/A
Agrícola Hortifrut S.A.	Water Right	37 lts/s and annual volume of 1,166,832 m3 well N°3 Curaco Farm, Chile	N/A
Agrícola Mataquito S.A.	Property	Hijuela Tercera del Fundo Ponunquén, Curepto, Chile	79.00
Agrícola Mataquito S.A.	Property	Lot B del Plano de Hijuelación Ponunquén, Curepto, Chile	20.18
Agrícola Mataquito S.A.	Water Right	88 lt/s and 25% of 88 lts, Curepto, Chile	N/A
Hortifrut Chile S.A.	Property	Lot 2 de Hijuela 2da de Lot B, Resto o Reserva Fundo Virquenco, Los Ángeles, Chile	5.50
Hortifrut Chile S.A.	Property	Lot 1-B, Resto de la Parte Norte del Fundo El Congreso, Gorbea, Chile	4.83
Hortifrut Chile S.A.	Property	Hijuela N°2, Granja Nahuel, Lot Sector B, Resto Chacra Santa María, Angol, Chile	0.50
Hortifrut Chile S.A.	Property	Hijuela N°2, Hijuela Central Ñipaco, Angol, Chile	0.50
Hortifrut Chile S.A.	Property	Lot Uno Resto Fundo Coihuecura o Potrero de Afuera, Yerbas Buenas, Linares, Chile	6.78
Hortifrut Chile S.A.	Water Right	9 shares of Comunidad de Aguas Canal Olivar, San Ignacio, Linares, Chile	N/A
Agrícola Vida Nueva S.A.	Property	Lot Two, of an approximate surface of 8.02 hectares, Loncoche, Chile	8.02
Agrícola Vida Nueva S.A.	Property	Lot D-2, located at Manhue sector, Loncoche, Chile	4.73
	Property	Lot C Two, located at Huiscapi, Loncoche, Chile	8.02



MAIN LAND AND PROPERTY OWNED BY HORTIFRUT S.A. AND SUBSIDIARIES (CONTINUATION)

OWNER	ASSET	DESCRIPTION SURFA	CE (HAS)
Agrícola Vida Nueva S.A.	Property	Lot B, as a result of the subdivision of larger land located in Huiscapi, Loncoche, Chile	4.73
Agrícola Vida Nueva S.A.	Property	Lot Two of the subdivision of the property denominated Santa Marta, located at Huiscapi, Loncoche, Chile	19.35
Agrícola Vida Nueva S.A.	Property	Lot C of 9-A1, Proyecto Fieldción Casahue, Loncoche, Chile	1.00
Agrícola Vida Nueva S.A.	Property	Lot 9 A1-A2, Proyecto Fieldción Casahue, Loncoche, Chile	3.00
Agrícola Vida Nueva S.A.	Property	Lot 9-A 1D of the subdivision of larger land denominated Plot N°9, Proyecto Fieldción Casahue, Loncoche, Chile	16.00
Agrícola Vida Nueva S.A.	Property	Lot 8-A resulting from the subdivision of a larger land $$ denominated Plot N° 8, Loncoche, Chile	20.40
Agrícola Vida Nueva S.A.	Property	Lot 8-B resulting from the subdivision of larger land denominated Plot N° 8, Loncoche, Chile	2.80
Agrícola Vida Nueva S.A.	Water Right	Surface and current water Estero Sin Nombre, Loncoche, Chile	N/A
Hortifrut S.A.	Property	Lot 1-AB, Parque Industrial Vespucio Lo Echevers, located on Antillanca Norte street, Pudahuel, Santiago, Chile	3.16
Hortifrut S.A.	Property	Lot 2-AB, Parque Industrial Vespucio Lo Echevers, located on Antillanca Norte street, Pudahuel, Santiago, Chile	3.16
Hortifrut S.A.	Property	Office 34, parking 3, 55, 91, 92 and 93, and warehouses 8 and 18, Building N°1 denominated La Pirámide, Av. Del Condor N°600, Huechuraba, Santiago, Chile	N/A
Viveros Hortifrut Chile S.A.	Property	Lot N° 4 of Plano de Subdivisión de la Hijuela Montecarlo, Hijuelas, Quillota, Chile	2.50
Viveros Hortifrut Chile S.A.	Water Right	1.00 share in Canales Coquimbito and Comunidad de la Asociación de Canalistas de Hijuelas and Canal Purutún, Hijuelas, Quillota, Chile	N/A
Hortifrut España Southern Sun S.L.	Property	Plot 830 of Polígono 258, at Site denominated Campo de Aviación, Lugo, Galicia, Spain	117.75
HF Sarbanand S. de R.L. de C.V. ¹⁰	Property	Rustic property denominated Camichin Llano, Zapotlán El Grande, Jalisco, Mexico	27.85
HF Sarbanand S. de R.L. de C.V. ¹⁰	Property	Fraction resulting from the subdivision of rustic property denominated Camichin Redondo, Zapotlán El Grande, Jalisco, Mexico	27.60
HF Sarbanand S. de R.L. de C.V. ¹⁰	Property	Rustic property"Los Camichines", Zapotlán El Grande, Jalisco, Mexico	11.20
HF Sarbanand S. de R.L. de C.V. ¹⁰	Property	Fraction resulting from rustic property "Camichín Redondo", Zapotlán El Grande, Jalisco, Mexico	2.14
Hortifrut S.A. de C.V.	Property	Fraction of land deducted from Rustic Property denominated "La Magdalena", located at the La Magdalena Ranch, Tacambaro, Municipio y Distrito de Michoacán, Mexico	0.25
Hortifrut S.A. de C.V.	Property	Fraction of Lot number 39, Parque Industrial Zapotlán 2000, Zapotlán El Grande, Jalisco, Mexico	0.30
Hortifrut ABA S.A. de C.V.	Property	Fraction of Rustic Property denominated "Los Guayabos", located in Municipio de Zapotiltic, Jalisco, Mexico	1.50
HFE Berries Perú S.A.C.	Property	Lots B6a and B6b of the Olmos Irrigation Project, Peru	506.00

PACKING LEASE CONTRACTS

LESSOR	LESSEE	DESCRIPTION OF ASSET	SURFACE
Agrícola Hortifrut S.A.	Hortifrut Chile S.A.	Storage center located within the Río Negro Rustic Property, Chile	0.80 has.
Agrícola Hortifrut S.A.	Hortifrut Chile S.A.	Portion of land of 1 hectare of Lot 12-A, Field N°12, Proyecto Fieldción Santa Isabel, Freire, Chile	1.00 has.
Agrícola Santa Carmen Ltda.	Hortifrut Chile S.A.	Part of Fields N°42 and N°43, de subdivisión de Lote 65-A, 66 y 67 of subdivision of Ex Hacienda Curacaví, Curacaví, Chile	4,000 mts2
SOF South Organic Fruits S.A. (property leased to Frigorifico Santa Rosa)	Hortifrut Chile S.A.	Warehouse of 1,200 m2 and office of 140 m2, Chillán, Chile	1,340 mts2
SOF South Organic Fruits S.A. (property leased to Frigorifico Santa Rosa)	Hortifrut Chile S.A.	Space of 340 m2, refrigeration chamber 1 of 826 m2; refrigeration chamber 2 of 268 m2 and refrigeration chamber 3 of 356 m2, Chillán, Chile	1,790 mts2
Integrity S.A.	Hortifrut Comercial S.A.	Office, laboratory and warehouse located at San Pablo Antiguo s/n lot R1-A, Km 16,5 Ruta 68, Pudahuel, Chile	470 mts2
Luz Hudson Nogueira	BerryGood Comercial Importadora y Distribuidora de Frutas Ltda.	Rua Joao Silverio №332, Centro, Senador Amaral, Minas Gerais, Brazil	N/A

¹⁰ HF Sarbanand S. de R.L. de C.V. is Trustee of the described fields, which constitute the equity of the Trust. In case of its extinction, its equity is transferred to the Trustee.

LEASE CONTRACTS OF FIELDS AND PROPERTIES IN CHILE

LESSOR	LESSEE	DESCRIPTION OF ASSET	SURFACE (HAS)
Inversiones IMG Ltda.	Hortifrut S.A.	Part of a piece of three, Virquenco Property, Santa Fe, Fundo Los Robles, Los Ángeles, Chile	22.50
Inversiones IMG Ltda.	Hortifrut S.A.	Lot N°1 and N°2, Field N°67, Proyecto Fieldción Virquenco, Los Ángeles, Chile	8.25
Agrícola e Inmobiliaria Lumaco S.A.	Hortifrut S.A.	Field N°68, Proyecto Fieldción Virquenco, Los Ángeles, Chile	10.00
Sociedad Agrícola y Ganadera El Otonal Ltda.	Agrícola El Avellano S.A.	El Avellano Farm, Osorno, Chile	130.00
Silvia García Salas y Otros	Hortifrut S.A.	Field N°20, Proyecto Fieldción Por la Razón o la Fuerza, Mulchén, Chile	11.00
Miguel Angel Muñoz Hidalgo y Otros	Hortifrut S.A. (sub-leased to Hortifrut Comercial S.A.)	Piece of land denominated Las Mercedes, Chanco, Chile	21.67
Sergio Meza Pérez y Otra	Hortifrut S.A. (sub-leased to Hortifrut Comercial S.A.)	Piece of San Baldomero Farm, Chanco, Chile	50.00
Francisco Cancino Tapia	Hortifrut S.A. (sub-leased to Hortifrut Comercial S.A.)	Rural property, Sector Punchema, Chanco, Chile	8.05
Eliseo Retamal Meza	Hortifrut Comercial S.A.	Part of property denominated El Recreo, Reloca, Chanco, Chile	1.00
Andreas Wagner Lamers y Otros	Hortifrut Comercial S.A.	Lot N°2, Field N°116, Colonia Gabriel González Videla, La Serena, Chile	10.00
María Angélica Osorio Cortés	Hortifrut S.A. (sub-leased to Hortifrut Comercial S.A.)	Part of Field N°136, Colonia Gabriel González Videla, La Serena, Chile	22.50
María Angélica Osorio Cortés	Hortifrut S.A. (sub-leased to Hortifrut Comercial S.A.)	Water Rights field N°136, Colonia Gabriel González Videla, La Serena, Chile	N/A
Sara Eugenia Letelier Letelier	Hortifrut S.A.	Resto Hijuela 2da, Fundo Ponunquén and Lot A of Plano de Hijuelación, Fundo Ponunquén, Curepto, Chile	76.37
Inés del Carmen Aravena Guzmán	Hortifrut S.A.	Fields 51, 52 and 53, Proyecto de Fieldción Colín, Comuna Sagrada Familia, Curicó, Chile	31.78
Olga Albina Álvarez Schilling y Otros	Hortifrut S.A.	Lot C of Resto de la Hijuela of 160 hectares, Comuna de Gorbea (4ta faja), IX Región de la Araucanía, Chile	19.30
Pedro Peñailillo Peralta	Hortifrut Comercial S.A.	Piece of Punchema property, Chanco, Chile	5.49
Arándanos del Sur S.A.	Agrícola Hortifrut S.A.	Land denominated Lot C, Santa Olga, Comuna Padre Las Casas, Chile	92.00
Hortifrut S.A.	Agrícola y Ganadera Santa Rebeca Ltda.	A portion of property denominated Field N°64, Proyecto Fieldción Virquenc Los Ángeles, Chile	0, 2.50
Alena Sneberger González	Agrícola Mataquito S.A.	Fields 81, 83, 86, 88 and Lot D of Field 82, Proyecto Fieldción El Tártaro y Lo Vicuña, Putaendo, Chile	42.21
Satel Inversiones Inmobiliarias S.A.	Hortifrut Chile S.A.	Offices 31 and 33, warehouse 28 and underground parkings 71, 72, 73, 74, 75 and 76, Building N°1 denominated La Pirámide, Av. Del Condor N°600, Huechuraba, Santiago, Chile	291 mts ²

LEASE CONTRACTS OF FIELDS IN MEXICO, SPAIN AND BRAZIL

ARRENDADOR	ARRENDATARIO	DESCRIPCIÓN	SURFACE (HAS)
Guillermo Cortés Santiago	Hortifrut ABA S.A. de C.V.	Parcela 65 Z1 P2/4, Guayabos, Zapotiltic, Jalisco, México	9.48
Abraham Mendoza Gudiño	Hortifrut ABA S.A. de C.V.	Parcela 257 Z1 P2/4, Guayabos, Zapotiltic, Jalisco, México	2.84
Juan José Vargas Mendoza	Hortifrut ABA S.A. de C.V.	Parcela 58 y 75 Z1 P2/4, Guayabos, Zapotiltic, Jalisco, México	20.05
Ramón Villalcazo M.	Hortifrut ABA S.A. de C.V.	Parcela 62 Z1 P2/4, Guayabos, Zapotiltic, Jalisco, México	9.41
Hilario Javier Alcaraz	Hortifrut ABA S.A. de C.V.	Parcela 531 y 61 Z1 P2/4, Guayabos, Zapotiltic, Jalisco, México	5.00
Víctor Morales Aguilar	Hortifrut ABA S.A. de C.V.	Parcela 64 Z1 P2/4, Guayabos, Zapotiltic, Jalisco, México	9.71
Consuelo Ocegueda Cárdenas	Hortifrut ABA S.A. de C.V.	Parcela 59 Z1 P2/4, Guayabos, Zapotiltic, Jalisco, México	5.00
Gonzalo Mendoza Villalvazo	Hortifrut ABA S.A. de C.V.	Parcela 78 Z1 P2/4, Guayabos, Zapotiltic, Jalisco, México	11.28
M° Isabel Preciado Sánchez	Hortifrut ABA S.A. de C.V.	Parcela 89 Z1 P2/4, Guayabos, Zapotiltic, Jalisco, México	9.62
Pedro Mendoza Ocegueda	Hortifrut ABA S.A. de C.V.	Parcela 60 Z1 P2/4, Guayabos, Zapotiltic, Jalisco, México	5.03
M° del Refugio Preciado Barragán	Hortifrut ABA S.A. de C.V.	Parcela 67 Z1 P2/4, Guayabos, Zapotiltic, Jalisco, México	9.55
M° Isabel Preciado Magaña	Hortifrut ABA S.A. de C.V.	Parte del predio rústico ubicado en la Parcela 89Z-1 P 2/4, Guayabos, Zapotiltic, Jalisco, México	3.43
Alfonso Esparza Sánchez	Hortifrut ABA S.A. de C.V.	Parcela 228 Z1 P2/4, Ocote, Zapotiltic, Jalisco, México	9.79
Luis Antonio Ceballos Martínez	Hortifrut ABA S.A. de C.V.	Parcela 210 Z1 P2/4, Ocote, Zapotiltic, Jalisco, México	8.88

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LEASE CONTRACTS OF FIELDS IN MEXICO, SPAIN AND BRAZIL (CONTINUATION)

María Preciado Magaña Jorge Ramírez Guzmán José Guzmán Briceño	Hortifrut ABA S.A. de C.V.		
_		Field 227 Z1 P2/4, Ocote, Zapotiltic, Jalisco, Mexico	10.62
locó Guzmán Pricoño	Hortifrut ABA S.A. de C.V.	Field 212 Z1 P2/4, Ocote, Zapotiltic, Jalisco, Mexico	9.97
iose Guzi i ai i Bricei io	Hortifrut ABA S.A. de C.V.	Field 203 Z1 P2/4, Ocote, Zapotiltic, Jalisco, Mexico	10.77
Elvira Martínez Cruz	Hortifrut ABA S.A. de C.V.	Field 217 Z1 P2/4, Ocote, Zapotiltic, Jalisco, Mexico	10.77
/alentín García Sánchez	Hortifrut ABA S.A. de C.V.	Field 211 Z1 P2/4, Ocote, Zapotiltic, Jalisco, Mexico	9.02
Gerogina del Toro Bayardo y Otros	Hortifrut ABA S.A. de C.V.	Part of Rustic property denominated Loma de Apango, El Crucero y El Molino, Zapotlán el Grande, Jalisco, Mexico	77.57
Carlos del Toro Figueroa	Hortifrut ABA S.A. de C.V.	Middle property, Loma de Apango, El Crucero, Rincón del Zapote, Jalisco, Mexico	41.27
luan Carlos Ceballos Espinoza / Adriana Gutiérrez Gutiérrez	HF Sarbanand S. de R.L. de C.V.	Part of Rustic property denominated El Estanque y Guayabitos, Zapotiltic, Jalisco, Mexico	45.00
Raúl Silva Mendoza, Angélina Gutiérrez y Otros	HF Sarbanand S. de R.L. de C.V.	Fraction of Rustic property denominated Milpillas, Zapotiltic, Jalisco, Mexico	17.08
César Inojosa Silva	HF Sarbanand S. de R.L. de C.V.	Fraction of Rustic property denominated Milpillas, Zapotiltic, Jalisco, Mexico	7.00
Raul Silva Mendoza	HF Sarbanand S. de R.L. de C.V.	Fraction of Rustic property denominated Milpillas, Zapotiltic, Jalisco, Mexico	8.20
Oscar Silva Mendoza	HF Sarbanand S. de R.L. de C.V.	Fraction of Rustic property denominated Milpillas, Zapotiltic, Jalisco, Mexico	7.00
Jorge Luis Silva Mendoza	HF Sarbanand S. de R.L. de C.V.	Fraction of rustic property denominated Milpillas, Zapotiltic, Jalisco, Mexico	7.00
Antonia Mendoza Ramírez	HF Sarbanand S. de R.L. de C.V.	Fraction of Rustic property denominated Milpillas, Zapotiltic, Jalisco, Mexico	7.00
Raul Silva Santiago	HF Sarbanand S. de R.L. de C.V.	Fraction of Rustic property denominated Milpillas, Zapotiltic, Jalisco, Mexico	
Arturo Silva Mendoza	HF Sarbanand S. de R.L. de C.V.	Fraction of Rustic property denominated Milpillas, Zapotiltic, Jalisco, Mexico	
Promociones Biogeneticas S.A. de C.V		Fraction of Rustic property denominated El Gato, Zapotiltic, Jalisco, Mexico	30.00
M° Trinidad García Aguayo 1/o Héctor Quintanar García	HF Sarbanand S. de R.L. de C.V.	Field 195 Z1 P2/4, Zapotiltic, Jalisco, Mexico	9.79
Lenin García Torres	HF Sarbanand S. de R.L. de C.V.	Rustic property Los Alamos, Ahome, Sinaloa, Mexico	68.81
enin García Torres	HF Sarbanand S. de R.L. de C.V.	Rustic property Los Alamos, Ahome, Sinaloa, Mexico	12.19
nversiones Corerepe, S.A. DE C.V.	HF Sarbanand S. de R.L. de C.V.	Store # 6, located on Blvd Adolfo López Mateos 1224, Colocia Fraccionamiento Las Fuentes, Los Mochis, Sinaloa, Mexico	101 mts²
J. Jesus Barragán Plascencia	Agrícola Los Reyes S. de R.L. de C.V.	Fraction of Field number 99 Z1 PI/2, Núcleo Agrario Los Limones, Municipio de Los Reyes, Michoacán, Mexico	2.50
Pablo Martínez González	Agrícola Los Reyes S. de R.L. de C.V.	Field number 101 Z1 P1/2, Núcleo Agrario Los Limones, Municipio de Los Reyes, Michoacán, Mexico	14.65
Manuel Barragán Macías	Agrícola Los Reyes S. de R.L. de C.V.	Field number 107 Z1 P1/2, Núcleo Agrario Los Limones, Municipio de Los Reyes, Michoacán, Mexico	7.40
Salvador Nuñez Figueroa	Agrícola Los Reyes S. de R.L. de C.V.	Field number 102 Z1 P1/2, Núcleo Agrario Los Limones, Municipio de Los Reyes, Michoacán, Mexico	6.34
I. Jesus Barragán Oseguera	Agrícola Los Reyes S. de R.L. de C.V.	Field number 220 Z1 P1/2, Núcleo Agrario Los Limones, Municipio de Los Reyes, Michoacán, Mexico	4.48
olanda Guerrero Camacho	Agrícola Los Reyes S. de R.L. de C.V.	Field number 104 Z1 P1/2, Núcleo Agrario Los Limones, Municipios de Los Reyes, Michoacán, Mexico	4.40
Francisco Javier Gutierrez Torres	Agrícola Los Reyes S. de R.L. de C.V.	Lots Number 12,13,14,15 and 16 of Manzana G, Fraccionamiento Pradera Moctezuma, Zapotiltic, Jalisco, Mexico	590.32 mts ²
srael Medrano Davila	Agrícola Los Reyes S. de R.L. de C.V.	Land Number 14 of Manzana F, Fraccionamiento Puerta del Sol, Zapotiltic, Jalisco, Mexico	147.45 mts ²
Maria Aurora Torres Galvan	Agrícola Los Reyes S. de R.L. de C.V.	Warehouse located on land Number 14 of Manzana F, Fraccionamiento Puerta del Sol, Zapotiltic, Jalisco, Mexico	40.86 mts ²
laime Lares Rangel	Agrícola Los Reyes S. de R.L. de C.V.	Store F-56, Condominio Concentro, Avenida Vallarta 6503, Colonia Ciudad Granja, Zapopán, Jalisco, Mexico	56.25 mts ²
losé Millan Hinojosa	Hortifrut S.A. de C.V.	Part of Field 28 Z-1 P1/1 located on ejido de Zirimicuaro, Ziracuaretiro, Michoacán, Mexico	N/A
Agrícola Famevi, S.P.R. de R.L.	Agrofrutas, S. de R.L. de C.V.	Fraction of Field ejidal number 1 Z-1 P1/1, Periban de Ramos, Michoacán, Mexico	3.00

LEASE CONTRACTS OF FIELDS IN MEXICO, SPAIN AND BRAZIL (CONTINUATION)

LESSOR	LESSEE	DESCRIPTION OF ASSET SUR	RFACE (HAS)
Destro S.A.	Hortifrut España Southern Sun S.L.	Rustic farm denominated El Alamillo, Municipio de Almonte, Provincia de Huelva, Andalucía, Spain	200.00
Ayuntamiento de Villaviciosa	Asturian Berries, S.L.	Communal farm, located at Monte La Rasa de Selorio, Ayuntamiento de Villaviciosa, Asturias, Spain	13.00
Espolio de Joao Alves de Rezende y Luceia Aparecida de Rezende Souza		Areas A1, A2 and A3, Sitio Lagoa Grande, Senador Amaral, Minas Gerais, Brazil	12.00
Espolio de Joao Alves de Rezende y Maria de Lourdes Reodrigues Silva	BerryGood Comercial Importadora y Distribuidora de Frutas Ltda.	Areas B, Sitio Lagoa Grande, Senador Amaral, Minas Gerais, Brazil	6.00
Espolio de Gilberto Silveiro de Rezende	BerryGood Comercial Importadora y Distribuidora de Frutas Ltda.	Area B2, Sitio Lagoa Grande, Senador Amaral, Minas Gerais, Brazil	6.79
Maria Silverio de Mendonca	BerryGood Comercial Importadora y Distribuidora de Frutas Ltda.	Sitio Correntinho, Senador Amaral, Minas Gerais, Brazil	42.35

OTHER LEASES

LESSOR	LESSEE	DESCRIPTION OF ASSET	SURFACE
Heinrich Wolfgang Wulfert	Agrícola Los Reyes S. de R.L. de C.V.	Floor 9-A, Torre Corey, Av. Vallarta 6503, Colonia Ciudad Granja, Zapopán, Jalisco, Mexico	152 mts²
Loit, S.C.	Agrícola Los Reyes S. de R.L. de C.V.	Floor 7, Torre Corey, Av. Vallarta 6503, Colonia Ciudad Granja, Zapopán, Jalisco, Mexico	303 mts ²
Lucila Sandoval Villalvazo	Agrícola Los Reyes S. de R.L. de C.V.	Independencia 104, Zapotiltic, Jalisco, Mexico	304 mts ²
Patricia Judith Ceballos Larios	Agrícola Los Reyes S. de R.L. de C.V.	Francisco I Madero 77, Zapotiltic, Jalisco, Mexico	734 mts ²
Jorge Abel Ceballos Espinoza	Agrícola Los Reyes S. de R.L. de C.V.	Zaragoza 24, Zapotiltic, Jalisco, Mexico	453 mts ²
Patricia Judith Ceballos Larios	Agrícola Los Reyes S. de R.L. de C.V.	Francisco I Madero 75, Zapotiltic, Jalisco, Mexico	292 mts ²
José Gutiérrez Torres y Otra	Agrícola Los Reyes S. de R.L. de C.V.	Farm number 14 de la calle Guerrero del cuartel 4to, manzana 5ta, Zapotiltic, Jalisco, Mexico	325 mts ²
Anadir Helena da Silveira	BerryGood Comercial Importadora y Distribuidora de Frutas Ltda.	Rua Geraldo Julio 65, Bairro Centro, Senador Amaral, Minas Gerais, Brazil	N/A
Murilo Andrade de Godoi	BerryGood Comercial Importadora y Distribuidora de Frutas Ltda.	Rua Joao Silverio 58, Centro, Senador Amaral, Minas Gerais, Brazil	N/A
Armando Merli Junior y Antonio Romualdo Morales Filho	BerryGood Comercial Importadora y Distribuidora de Frutas Ltda.	Offices 512 and 513 of Edificio Capital Corporate Office, Avenida Doutor Chucri Zaidan 1550, Sao Paulo, Brazil	N/A
Taffrio Servicos de Armazenagens Refrigeradas Ltda.	BerryGood Comercial Importadora y Distribuidora de Frutas Ltda.	Commercial room N°14-external, Avenida Prefeito Joao Vilallobo Quero 1505, Barueri, Sao Paulo, Brazil	N/A

FIELDS CONTRIBUTED IN USUFRUCT

USUFRUCT	USUFRUCTUARY	DESCRIPTION OF ASSET	SURFACE (HAS)
Inversiones IMG Ltda.	Hortifrut S.A.	Field N°47, Proyecto Parcelación Virquenco, Los Ángeles, Chile	12.60
Inversiones IMG Ltda.	Hortifrut S.A.	Field №52 ,Proyecto Parcelación Virquenco, Los Ángeles, Chile ¹¹	12.60
Inversiones IMG Ltda.	Hortifrut S.A.	Field №66, Proyecto Parcelación Virquenco, Los Ángeles, Chile ¹¹	12.00
Inversiones IMG Ltda.	Hortifrut S.A.	Field N°69, Proyecto Parcelación Virquenco, Los Ángeles, Chile ¹¹	14.00
Inversiones IMG Ltda.	Hortifrut S.A.	Field N°71, Proyecto Parcelación Virquenco, Los Ángeles, Chile¹	12.00
Inversiones IMG Ltda.	Hortifrut S.A.	Field №72, Proyecto Parcelación Virquenco, Los Ángeles, Chile ¹¹	19.00
Inversiones IMG Ltda.	Hortifrut S.A.	Field N°73, Proyecto Parcelación Virquenco, Los Ángeles, Chile ¹¹	18.10
Inversiones IMG Ltda.	Hortifrut S.A.	A portion of property denominated Field N°74, Proyecto Fieldción Virquenco, Los Ángeles, Chile ¹¹	8.00
Inversiones IMG Ltda.	Hortifrut S.A.	Hijuela 2da, Lot B, Resto o Reserva Hacienda Virquenco, Los Ángeles, Chile ¹¹	10.50
Inversiones IMG Ltda.	Hortifrut S.A.	Hijuela 4ta, Lot B, Resto o Reserva Hacienda Virquenco, Los Ángeles, Chile	31.88
Inversiones IMG Ltda.	Hortifrut S.A.	Lot A of Resto de la Reserva del Fundo Virquenco, Los Ángeles, Chile	14.00

¹¹ On December 20, 2017, lease contracts were signed with the companies Agrícola e Inmobiliaria Lumaco S.A. and Inversiones IMG Ltda. which replace the valid lease and usufruct contracts valid as of December 31, 2017.



OTHER USUFRUCTS

USUFRUCT	USUFRUCTUARY	DESCRIPTION OF ASSET	SURFACE (HAS)
		A portion of real estate denominated Field N°51,	
Agrícola e Inmobiliaria Lumaco S.A.	Hortifrut S.A.	Proyecto Parcelación Virquenco, Los Ángeles, Chile ¹¹	6.00
Agrícola e Inmobiliaria Lumaco S.A.	Hortifrut S.A.	A portion of real estate denominated FieldN°64, Proyecto Parcelación Virquenco, Los Ángeles, Chile ¹¹	7.50
Agrícola e Inmobiliaria Lumaco S.A.	Hortifrut S.A.	Field N°75, Proyecto Parcelación Virquenco, Los Ángeles, Chile ¹¹	17.50
Inversiones IMG Ltda.	Hortifrut S.A.	Field N°50, Proyecto Parcelación Virquenco, Los Ángeles, Chile ¹¹	12.60
Inversiones IMG Ltda.	Hortifrut S.A.	A portion of real estate denominated Field N°74, Proyecto Parcelación Virquenco, Los Ángeles, Chile ¹¹	17.50
Inversiones IMG Ltda.	Agrícola Vida Nueva S.A.	Fundo Las Encinas, Virquenco, Los Ángeles, Chile	41.40
Rosa Villablanca Franco	Agrícola Vida Nueva S.A.	Field N°33, Proyecto Parcelación Vida Nueva, Villarrica, Chile	10.00
Inversiones Canihua S.A.	Agrícola Vida Nueva S.A.	Resto Field N°33, Proyecto Parcelación Vida Nueva, Villarrica, Chile	29.70

MAIN GOODS IN LEASING

FINANCIAL ENTITY	DEBTOR	DESCRIPTION OF ASSET
BBVA	Hortifrut S.A.	Office 41, 42, 43, 44 and 32, underground parking 70, 73, 84, 85, 86, 87, 88, 89, 90, 94, 95, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 24, and warehouses 37, 38, 39 and 40, Building N°1 denominated La Pirámide, Av. Del Cóndor N°600, Huechuraba, Santiago, Chile
BBVA	Hortifrut S.A.	Warehouse 43, parkings 47,48,49 and 50 of Edificio La Pirámide, Av. Del Valle N°601, Huechuraba, Santiago, Chile
BCI	Hortifrut Chile S.A.	Lot F-2 and underground water exploitation rights Ex Fundo Viña San Pedro Molina Chile



INSURANCE POLICIES

BENEFICIARY COMPANY	COUNTRY	TYPE OF INSURANCE	INSURED OBJECT	CURRENCY	COVERED AMOUNT	VALIDITY
Hortifrut Comercial S.A.	Chile	Fire	Building, Machinery and Installations, Content	UF	23,600	11-30-2018
Hortifrut Comercial S.A.	Chile	Stoppage damages	Stoppage damages	UF	11,000	11-30-2018
Hortifrut Comercial S.A.	Chile	Vehicles	Vans	UF	Commercial Value	08-31-2018
Agrícola Hortifrut S.A.	Chile	Fire	Building, Machinery and Installations, Content	UF	52,940	11-30-2018
Agrícola Hortifrut S.A.	Chile	Stoppage damages	Stoppage damages	UF	100,000	11-30-2018
Agrícola Hortifrut S.A.	Chile	Agricultural Mobile Equipment	Tractors	UF	6,402	08-31-2018
Agrícola Hortifrut S.A.	Chile	Agricultural Mobile Equipment	Tractors	UF	1,245	08-31-2018
Agrícola Hortifrut S.A.	Chile	Vehicles	Vans	UF	7,018	08-31-2018
Agrícola Hortifrut S.A.	Chile	Vehicles	Vans	UF	1,645	08-31-2018
Agrícola Hortifrut S.A.	Chile	Vehicles	Vans	UF	Commercial Value	08-31-2018
Agrícola El Avellano S.A.	Chile	Fire	Building, Machinery and Installations, Content	UF	7,800	11-30-2018
Agrícola El Avellano S.A.	Chile	Stoppage damages	Stoppage damages	UF	11,000	11-30-2018
Agrícola El Avellano S.A.	Chile		Tractor - Damages and Expenses	UF	5,363	08-31-2018
Agrícola El Avellano S.A.	Chile	Vehicles	Vans	UF	Commercial Value	08-31-2018
Agrícola Vida Nueva S.A.	Chile	Fire	Building, Machinery and Installations, Content	UF	31,975	11-30-2018
Agrícola Vida Nueva S.A.	Chile	Stoppage damages	Stoppage damages	UF	60,000	11-30-2018
Agrícola Vida Nueva S.A.	Chile	Vehicles	Vans	UF	Commercial Value	08-31-2018
Agrícola Vida Nueva S.A.	Chile		Tractor - Damages and Expenses	UF	2,425	08-31-2018
Agrícola Santa Rosa del Parque S.A.	Chile	Fire	Building, Machinery and Installations, Content	UF	12,600	11-30-2018
Agrícola Santa Rosa del Parque S.A.	Chile	Stoppage damages	Stoppage damages	UF	55,000	11-30-20178
Agrícola Santa Rosa del Parque S.A.	Chile	Vehicles	Vans	UF	Commercial Value	08-31-2018
Agrícola Santa Rosa del Parque S.A.	Chile		Tractor - Damages and Expenses	UF	7.249	08-31-2018
Agrícola Mataquito S.A.	Chile	Fire	Building, Machinery and Installations, Content	UF	30,000	11-30-2018
Agrícola Mataquito S.A.	Chile	Stoppage damages	Stoppage damages	UF	40,000	11-30-2018
Agrícola Mataquito S.A.	Chile		Tractor - Damages and Expenses	UF	3.541	08-31-2018
Agrícola Mataguito S.A.	Chile	Vehicles	Vans	UF	Commercial Value	08-31-2018
Agrícola El Pampino S.A.	Chile	Fire	Building, Machinery and Installations, Content	UF UF	4,150	11-30-2018
Agrícola El Pampino S.A.	Chile	Fire	Plantation Tunnels	UF	7.687	11-30-2018
Hortifrut Chile S.A.	Chile	Terrorism	Terrorism	UF UF	500,000	11-30-2018
Hortifrut Chile S.A.	Chile	Fresh Fruit	Fresh Fruit, IQF, Materials	USD	9,810,916	11-30-2018
Hortifrut Chile S.A.	Chile	Agricultural Mobile Equipment		UF	5,245	08-31-2018
Hortifrut Chile S.A.	Chile	Personal Accidents	Damages to Workers (Guards)	UF	3,000	08-30-2018
Hortifrut Chile S.A.	Chile	Vehicles	Vans	UF	8,202	08-31-2018
Hortifrut Chile S.A.	Chile	Vehicles	Vans	UF	Commercial Value	08-31-2018
Hortifrut Chile S.A.	Chile	Vehicles	Vans	UF	Commercial Value	08-31-2018
Hortifrut Chile S.A.	Chile	Vehicles	Vans	UF	Commercial Value	08-31-2018
Hortifrut Chile S.A.	Chile	Heath and Life	Heath and Life	UF	400 x pers.	07-31-2018
Hortifrut Chile S.A.	Chile	General Civil and Product Responsibility	General Civil and Product Responsibility	USD	5,000,000	09-04-2018
Hortifrut Chile S.A.	Chile	Credit Insurance	Credit Insurance	USD	20,000,000	10-31-2018
Hortifrut Chile S.A.	Chile	Maritime Transport Insurance	Maritime Transport	USD	7,000,000	11-01-2018
Hortifrut S.A.	Chile	Fire	Building, Machinery and Installations, Content	UF	39,900	11-30-2018
Hortifrut S.A.	Chile	Stoppage damages	Stoppage damages	UF	75,000	11-30-2018
Hortifrut S.A.	Chile	Guarantee insurance	Hortifrut Challenge Contract	UF	2,256	01-27-2019
Hortifrut S.A.	Chile	Guarantee insurance	Hortifrut Challenge Contract	UF	136	01-27-2019
Hortifrut S.A.	Chile	Directors and Executives (D&O)	Civil Responsibility of Directors and Executives	USD	10,000,000	07-10-2018
Hortifrut S.A.	Chile	Agricultural Mobile Equipment	Tractor - Damages and Repairs	UF	14,218	08-31-2018
Hortifrut S.A.	Chile	Vehicles	Vans	UF	Commercial Value	08-31-2018
Hortifrut Imports Inc. / Naturipe Farms Imports Inc.	USA	Product Civil Resvponsibility	Product Civil Responsibility	USD	20,000,000	09-01-2018

INSURANCE POLICIES (CONTINUATION)

BENEFICIARY COMPANY	COUNTRY	TYPE OF INSURANCE	INSURED OBJECTS	CURRENCY	COVERED AMOUNT	VALIDITY
Hortifrut S.A. de C.V. / Agrícola Los Reyes S. de R.L. de C.V.	Mexico	Load Transport	Transport insurance for land and maritime cargo	USD	200,000/shipment	11-01-2018
Hortifrut S.A. de C.V. / Agrícolas Los Reyes S. de R.L. de C.V.	Mexico	Protection of Business Goods	Fire, technology, machinery, civil responsibility, electronic equipment, aggravated robbery	USD	8,809,664	11-01-2018
Hortifrut ABA S.A de C.V.	Mexico	Vehicles	Vans	USD	Commercial Value	02-24-2018
Agrícola Los Reyes S. de R.L. de C.V.	Mexico	Vehicles	Vans	USD	Commercial Value	02-24-2018
HF Sarbanand S. de R.L. de C.V.	Mexico	Vehicles	Vans	USD	Commercial Value	02-24-2018
Hortifrut S.A. de C.V.	Mexico	Vehicles	Vans	USD	Commercial Value	02-24-2018
Servicios Hortifrut S.A. de C.V.	Mexico	Vehicles	Vans	USD	Commercial Value	02-24-2018
Agrícola Los Reyes S. de R.L. de C.V.	Mexico	Major Medical Expenses	Medical Expenses of Fortnight Personnel	USD	Commercial Value	05-28-2018
Agrícola Los Reyes S. de R.L. de C.V.	Mexico	Major Medical Expenses	Medical Expenses of Dependents	PMEX	1.734 times the minimum monthly salary	05-28-2017
Agrícola Los Reyes S. de R.L. de C.V.	Mexico	Life Insurance	Natural Death, Accidental Death, Total and Permanent Disability	PMEX	36 months of gross monthly salary	07-24-2018
Hortifrut España Southern Sun, S.L.	Spain	Vehicles	Tractor - Civil Damage / Liability	EUR	Commercial Value / unlimited	12-31-2017
Hortifrut España Southern Sun, S.L.	Spain	Vehicles	Van - Civil Damage / Liability	EUR	Commercial Value / unlimited	12-31-2017
Hortifrut España Southern Sun, S.L.	Spain	Vehicles	Tow truck - Civil Damage / Responsibility	EUR	Commercial Value / unlimited	12-31-2017
Hortifrut España Southern Sun, S.L.	Spain	Vehicles	Van - Civil Damage / Liability	EUR	Commercial Value / unlimited	01-18-2018
Hortifrut España Southern Sun, S.L.	Spain	Vehicles	Van - Civil Damage / Liability	EUR	Commercial Value / unlimited	03-01-2018
Hortifrut España Southern Sun, S.L.	Spain	Vehicles	Van - Civil Damage / Liability	EUR	Commercial Value / unlimited	11-01-2018
Hortifrut España Southern Sun, S.L.	Spain	Vehicles	Tractor - Civil Damage / Liability	EUR	Commercial Value / unlimited	12-13-2018
Hortifrut España Southern Sun, S.L.	Spain	Vehicles	Van - Civil Damage / Liability	EUR	Commercial Value / unlimited	03-01-2018
Hortifrut España Southern Sun, S.L.	Spain	Vehicles	Van - Civil Damage / Liability	EUR	Commercial Value / unlimited	06-01-2018
Hortifrut España Southern Sun, S.L.	Spain	Vehicles	Van - Civil Damage / Liability	EUR	Commercial Value / unlimited	06-01-2018
Hortifrut España Southern Sun, S.L.	Spain	Vehicles	Van - Civil Damage / Liability	EUR	Commercial Value / unlimited	06-01-2018
Hortifrut España Southern Sun, S.L.	Spain	Vehicles	Van - Civil Damage / Liability	EUR	Commercial Value / unlimited	06-01-2018
Hortifrut España Southern Sun, S.L.	Spain	Vehicles	Van - Civil Damage / Liability	EUR	Commercial Value / unlimited	11-01-2018
Hortifrut España Southern Sun, S.L.	Spain	Vehicles	Van - Civil Damage / Liability	EUR	Commercial Value / unlimited	10-27-2018
Hortifrut España Southern Sun, S.L.	Spain	Installations	Installations	EUR	360,500 per event	10-30-2018
Hortifrut España Southern Sun, S.L.	Spain	Worker accident insurance	Fixed Personnel	EUR	As per norm	11-10-2018
Hortifrut España Southern Sun, S.L.	Spain	Goods	Goods	EUR	50,000 per event	05-12-2018
Hortifrut España Southern Sun, S.L.	Spain	Civil Responsibility	Civil Responsibility	EUR	3,000,000	07-01-2018
Euroberry Marketing S.A.	Spain	Civil Responsibility	Civil Responsibility	EUR	3,500,000	08-23-2018
Euroberry Marketing S.A.	Spain	Credit Insurance	Sales to customers	EUR	90% unpaid	01-01-2018
HFE Berries Perú S.A.C.	Peru	Vehicles	Van - Civil Damage / Liability	USD	100,000	05-12-2018
HFE Berries Perú S.A.C.	Peru	Vehicles	Van - Civil Damage / Liability	PEN	19,250	05-03-2018
HFE Berries Perú S.A.C.	Peru	Vehicles	Van - Civil Damage / Liability	PEN	19,250	05-15-2018
HFE Berries Perú S.A.C.	Peru	Vehicles	Van - Civil Damage / Liability	PEN	19,250	05-15-2018
HFE Berries Perú S.A.C.	Peru	Vehicles	Van - Civil Damage / Liability	PEN	19,250	05-15-2018
HFE Berries Perú S.A.C.	Peru	Vehicles	Van - Civil Damage / Liability	PEN	19,250	05-15-2018
HFE Berries Perú S.A.C.	Peru	Vehicles	Van - Civil Damage / Liability	PEN	19,250	08-28-2018
HFE Berries Perú S.A.C.	Peru	Vehicles	Van - Civil Damage / Liability	PEN	19,250	08-10-2018
HFE Berries Perú S.A.C.	Peru	Vehicles	Van - Civil Damage / Liability	PEN	19,250	08-10-2018
HFE Berries Perú S.A.C.	Peru	Vehicles	Van - Civil Damage / Liability	PEN	19,250	09-05-2018
HFE Berries Perú S.A.C.	Peru	Vehicles	Van - Civil Damage / Liability	PEN	19,250	09-14-2018
HFE Berries Perú S.A.C.	Peru	Vehicles	Van - Civil Damage / Liability	PEN	19,250	11-24-2018
HFE Berries Perú S.A.C.	Peru	Vehicles	Van - Civil Damage / Liability	PEN	19,250	11-24-2018
HFE Berries Perú S.A.C.	Peru	Theft	Theft	USD	150,000	05-12-2018
UEE D . D . A . A . A	Peru	Multi-risk	Multi-risk	USD	2,292,157	05-12-2018
HFE Berries Peru S.A.C.						
	Peru	Civil Responsibility	Civil Responsibility	USD	1,000,000	05-12-2018
HFE Berries Perú S.A.C. HFE Berries Perú S.A.C. HFE Berries Perú S.A.C.	Peru Peru	Civil Responsibility Group accident insurance	Civil Responsibility Group accident insurance	USD USD	1,000,000	05-12-2018 06-01-2018



WAGE GAP

The following table indicates the remuneration percentage of women in relation to men in the same professional position level, using the existing staff as of December 31, 2017:

LEVELS	PROFESSIONAL POSITIONS	% REMUNERATION WOMEN VS MEN
Level 1	Chairman	0%
Level 2	Senior Executives	0%
Level 3	First Line Executives	76%
Level 4	Corporate Management	77%
Level 5	Area Managers	63%
Level 6	Vice Managers	106%
Level 7	First Line Chiefs	97%
Level 8	Professionals/Senior Chiefs	93%
Level 9	Professionals/Functional Chiefs	104%
Level 10	Support Professionals	94%
Level 11	Operational Chiefs	105%
Level 12	In Charge of Area	110%
Level 13	Analysts	71%
Level 14	Supervisors	108%
Level 15	Technical	0%
Level 16	Assistants	107%
Level 17	Administrative	92%
Level 18	Operators	101%
TOTAL		78%

When the percentage corresponds to 100%, it indicates that there is no wage gap or difference in remuneration per gender. Likewise, when the percentage surpasses this value, it indicates that women's remunerations are higher than men's, while below 100% indicates that women's remuneration is lower. Additionally, when the percentage is 0%, it means that there are no women working at that level.

The 78% general total means that at Hortifrut there is a global wage gap of 22%. 8 levels were identified where men surpass women. In relation to women, they surpass men on 7 levels.

The same as during 2016, the observed gaps are mainly explained by years of service, educational level and the diversity of responsibilities that exist within each level. These responsibilities, depending on the area where each person works, will depend on, among other factors, the number of hectares they are in charge of, volumes of fruit to be packed, administration of money, work teams under their charge and access to the Company's strategic information.

RISK FACTORS

1. SIGNIFICANT INCREASE IN OFFER

In the case of very significant increases in the hectares planted at a global level, this could generate a scenario of surplus-supply of Berries which could lead to a fall in prices at the destination markets. Nevertheless, this phenomenon would only affect Hortifrut if it takes place in the windows of the year that the Company operates. Furthermore, at the main markets where Hortifrut operates, we can still observe a great growth potential in the demand for Berries. This is due a combination of (i) a product with very positive effects on health; (ii) the growing importance of the search for healthy food on behalf of consumers and (iii) a still relatively low consumption of berries per capita.

2. CLIMATIC RISKS

Climate is an external factor which is difficult to control, which can affect quality and cause variations in the volume of available fruit during the year. Even though it is difficult to control, this risk can be mitigated with an appropriate geographic diversification. The Company administers this risk by creating export companies and obtaining fruit from different producers in Chile and the rest of the world, investing in agriculture in different countries and in each country in different zones, building deep wells to assure the availability of water in the fields that require it and investing in infrastructure to control rain, frost and hail, among other initiatives.

3. PLAGUES AND DISEASE

It is unavoidable for a large surface of any crop to be affected by some incidence of plagues and/or disease. Therefore, efficient control of these is as necessary as fertilizing or watering. Risk associated with plagues or disease can impact the quality and/or performance, and can affect the appearance and post-harvest life of the fruit. In some cases, this risk leads to the application of quarantines in specific productive zones on behalf of the phytosanitary authorities of the countries where the fruit is destined. Nevertheless, through a good control (search and monitoring) an outbreak of plagues or disease can be detected on time, allowing to eliminate the problem before it causes greater damage.

In 2013, the United States applied quarantine to some regions in Chile due to the detection of the Lobesia Botrana moth. These quarantines can generally be lifted immediately through fumigation of the fruit or, in the

medium term, working with the authorities on preventive measures to control the plague which prove contention or eradication, ending up in the lifting of the quarantine. Other solution measures are to allocate the fruit in quarantine zones to markets that have different phytosanitary restrictions.

4. FOOD-SAFETY

As in all foods, there is always the risk of a "recall" in the industry (term employed in case a product is removed from the market if there is a suspicion or a certainty that it violates the valid food laws or that the quality standards established by the company for said market are transgressed) which could considerably affect the Company's results. Until now Hortifrut has never had a problem in this aspect, nevertheless, this does not assure that it won't occur in the future.

The Company guarantees the quality and sanity of the exported berries, by investing in technology, specifically traceability systems, working with a rigorous quality assurance and food safety program which applies during all the phases of the productive process (pre-harvest, harvest and post-harvest), which allows to circumscribe the eventual problem to a lower volume, not affecting the complete production.

5. GENETIC DEVELOPMENT OF THE COMPETITION

The lack of modern varieties of plants could affect the competitiveness of the business, both agricultural and export and trade. Hortifrut currently counts with varietal development programs, maintaining in Chile and overseas strategic alliances with universities and companies dedicated to this line of business, as well as establishing agreements with the main nurseries in the world, guaranteeing Hortifrut access to a large spectrum of modern and attractive plant varieties.

6. EXCHANGE RATE

The international character of its business and the operations in different countries, expose Hortifrut to risks due to exchange rate fluctuations. The Company's costs in the countries where it produces and from where it exports are mainly denominated in local currency, while income is mainly in United States dollars and Euros.

7. INTENSIFICATION OF COMPETITION

The Company also faces the risk of an eventual intensification of competition or the appearance of new actors in the berries market. To face these risks, the Company concentrates its efforts on actions aimed at

maintaining its leadership in costs, maintaining a strong distribution chain, constantly improving the offer of products and obtaining brand acknowledgment, among others. Likewise, Hortifrut has privileged an international expansion through strategic alliances both in the productive and commercial area, which allows it to better face competition and be able to supply its customers with fresh Berries every day of the year.

8. INTERNATIONAL EXPANSION

As an international diversified company, Hortifrut can be affected by the economic, financial, political or cultural events or others that take place in the different countries where its subsidiaries and associated companies are located. The entrance into a new country requires a good understanding of the particularities of each one and of the preferences of its consumers. In this aspect, the Company counts with a Board with a vast experience both in the international scope and in the fruit market, and has always looked for the best partners in each country to start a new incursion.

9. CONTINUITY AND SUPPLY AND SERVICES COSTS

The development of Hortifrut's business involves a complex logistic where the opportune supply of quality and supply costs and services are fundamental to maintain competitiveness. Regarding electrical energy, Hortifrut's process plants count with generators that allow to assure the continuity of the operation in front of supply cuts. Also, all the plants have contingency plans to face restrictive supply scenarios. Nevertheless, it is not possible to discard that in the future supply restrictions could generate discontinuities in supply and/or higher costs for Hortifrut's plants. It is also important to consider eventual stoppages at ports and transport companies in general, which could affect Hortifrut's performance if these events extend in time.

10. NEW TECHNOLOGIES

Hortifrut, in its various entrepreneurships around the world, is constantly incorporating new technologies in the whole production process. The aforementioned implies risks associated to the lack of knowledge regarding the complete behavior of these. Even though they are mostly technologies that are widely used in the world, there is still not an extended history that allows to know all the adverse effects that could result beforehand.



CONSOLIDATED FINANCIAL STATEMENTS

Hortifrut S.A. and Subsidiaries Corresponds to the periods ending December 31, 2017 and December 31, 2016

Independent Auditor's Report

The Shareholders and Directors Hortifrut S A

We have audited the accompanying consolidated financial statement of Hortifrut S.A. and its Subsidiaries, which comprise the consolidated statement of financial position as of December 31, 2017, and the related consolidated statement of income and other comprehensive income, changes in equity and cash flows for the year then ended, and the related notes to the consolidated financial statement.

Management's responsibility for the consolidated financial statement

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statement that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the consolidated financial statement based on our audit. We conducted our audit in accordance with Auditing Standards Generally Accepted in Chile. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statement are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statement. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the consolidated financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statement in order to design audit procedures that area appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statement present fairly, in all material respects, the financial position of Hortifrut S.A. and its Subsidiaries as of December 31, 2017, and the results of their operations, and their cash flows for the year then ended in accordance with International Financial Reporting Standards.





Emphasis of matter

As discussed in Note 5 and 6 to the consolidated financial statement as of December 31, 2017, considering the situation in the market, new information available on the opinions issued the IFRS Interpretations Committee and other background information described in such notes, opted to change the following accounting policies as of January 1, 2017: (a) the measurement of bearer plants was changed from the revalued cost method to the historical cost method, and; (b) the Company changed the criterion used for the identification and disclosure of operating segments. Consequently, the 2016 consolidated financial statement presented for comparative purposes have been restated to incorporate the change in the accounting policy associated with the measurement of bearer plants and, accordingly, the financial information by segments was restated. That indicated in Notes 5 and 6 to the consolidated financial statement does not modify our opinion.

Other matters

The consolidated financial statement as of December 31, 2016, and for the year then ended, prior to the adjustments described in Note 5 and the restatement of segmented information described in Note 6 were audited by other auditors, who issued an unmodified opinion thereon in their report dated March 30, 2017, which included an emphasis of matter paragraph related to the adoption of the amendment to IAS 16 and IAS 41.

The above translation of the auditor's report is provided as a free translation form the Spanish language original, which is the official and binding version. Such translation has been solely for the convenience of non-Spanish readers.



KPMG Ltda.



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

			Re-expressed
	NOTE	12-31-17	12-31-16
CURRENT ASSETS			
Cash and cash equivalents	8	27,838	35,245
Other current financial assets	9	4,473	3,155
Other current non-financial assets	14	5,614	5,520
Current trade debtors and other accounts receivable	10	46,092	42,578
Current accounts receivable from related entities	11	48,132	45,759
Inventories	12	44,556	56,811
Biological assets, current	13	9,716	6,856
Current tax assets	20	1,086	
TOTAL CURRENT ASSETS		187,507	195,924
NON-CURRENT ASSETS			
Other non-current financial assets	9	1,345	1,10
Other non-current non-financial assets	14	1,417	1,516
Non-current fees receivable	10	1,615	1,794
Non-current accounts receivable with related entities	11	8,060	7,660
Equity accounted investees	16	67,841	55,474
Intangible assets other than goodwill	17	14,483	21,794
Goodwill	18	26,769	26,769
Property, plant and equipment	19	245,060	204,863
Deferred tax assets	20	18,591	14,950
TOTAL NON-CURRENT ASSETS		385,181	335,92
TOTAL ASSETS		572,688	531,845



			Re-expresse
	NOTE	12-31-17	12-31-16
CURRENT LIABILITIES			
Other current financial liabilities	21	151,531	150,78
Current trade accounts and other accounts payable	22	49,724	60,009
Current accounts payable to related entities	11	6,142	6,71
Other current provisions	23	545	16
Current tax liabilities	20	-	1,69
Current provisions for employee benefits	23	1,612	1,59
Other current non-financial liabilities		992	2,65
TOTAL CURRENT LIABILITIES		210,546	223,61
NON-CURRENT LIABILITIES			
Other non-current financial liabilities	21	83,966	57,63
Other non-current accounts payable	22	-	
Non-current accounts payable to related entities	11	12,071	11,69
Other non-current provisions		35	13
Deferred tax liabilities	20	22,495	22,68
TOTAL NON-CURRENT LIABILITIES		118,567	92,13
TOTAL LIABILITIES		329,113	315,74
	•		
EQUITY			
Issued Capital	24	135,149	136,4
Retained earnings	25	70,503	56,21
Issuance premium	24	-	(1,262
Other reserves	26	1,165	(4,919
Equity attributable to the parent company's equity holders		206,817	186,44
Non-controlling interest	27	36,758	29,64
TOTAL EQUITY		243,575	216,09
TOTAL LIABILITIES AND EQUITY		572,688	531,84

CONSOLIDATED INCOME STATEMENT

			Re-expressed
		01-01-17	01-01-16
	NOTE	12-31-17	12-31-16
Revenue	29	388,250	426,796
Cost of sales	30	(324,718)	(356,758)
GROSS PROFIT		63,532	70,038
Other income, per function	29	495	1,725
Administrative expenses	30	(26,773)	(26,036)
Otros expenses, per function	30	(4,743)	(19,937)
Other profit (loss)		(363)	(416)
Financial income		1,746	1,191
Financial expenses	31	(5,711)	(4,232)
Share of profit of equity accounted investees	16	9,468	4,940
Exchange rate differences	32	(5,256)	944
PROFIT (LOSS) BEFORE TAX		32,395	28,217
Gains tax expenses	20	(4,690)	(7,469)
PROFIT (LOSS) FROM CONTINUED OPERATIONS		27,705	20,748
PROFIT (LOSS)		27,705	20,748
Profit (loss), attributable to parent company equity holders		26,563	18,925
Profit (loss), attributable to non-controlling interests	27	1,142	1,823
PROFIT (LOSS)		27,705	20,748
EARNINGS PER SHARE			
Basic earnings (loss) per share from continued operations (US\$ per share)	28	0.060991	0.043454
Basic earnings (loss) per share from discontinued operations (US\$ per share)		-	-
BASIC EARNINGS (LOSS) PER SHARE		0.060991	0.043454
Diluted earnings (loss) per share from continued operations (US\$ per share)		0.060991	0.043454
Diluted earnings (loss) per share from discontinued operations (US\$ per share)		-	-
DILUTED EARNINGS (LOSS) PER SHARE		0.060991	0.043454

CONSOLIDATED INTEGRAL INCOME STATEMENT

		Re-expressed
	01-01-17	01-01-16
	12-31-17	12-31-16
Profit (loss)	27,705	20,748
OTHER COMPREHENSIVE INCOME		
OTHER COMPREHENSIVE INCOME. OTHER COMPREHENSIVE INCOME. BEFORE TAX		
EXCHANGE RATE FLUCTUATIONS		
Profit (loss) due to exchange rate differences, before tax	7,516	(407)
OTHER COMPREHENSIVE INCOME, BEFORE TAX, EXCHANGE RATE FLUCTUATIONS	7,516	(407)
OTHER COMPREHENSIVE INCOME, BEFORE TAX, EXCHANGE RATE PEOCTOATIONS	7,510	(407)
CASH FLOW HEDGING		
Profit (loss) due to cash flow hedging, before tax	1,216	7,132
OTHER COMPREHENSIVE INCOME, BEFORE TAX, CASH FLOW HEDGING	1,216	7,132
OTHER COMPONENTS OF OTHER COMPREHENSIVE INCOME, BEFORE TAX	8,732	6,725
GAINS TAX RELATED WITH COMPONENTS OF OTHER COMPREHENSIVE INCOME		
Gains tax related with cash flow hedging of other comprehensive income	(364)	(1,583)
TOTAL GAINS TAX RELATED WITH COMPONENTS OF OTHER COMPREHENSIVE INCOME	(364)	(1,583)
OTHER COMPREHENSIVE RESULT	8,368	5,142
TOTAL COMPREHENSIVE RESULT	36,073	25,890
COMPREHENSIVE INCOME ATTRIBUTABLE TO		
Comprehensive result attributable to the company equity holders	32,647	24,539
Comprehensive income attributable to non-controlling intersts	3,426	1,351
TOTAL COMPREHENSIVE RESULT	36,073	25,890



CONSOLIDATED STATEMENT OF CHANGES IN NET EQUITY

	AS OF DECEMBER 31, 2017									
	ISSUED CAPITAL	ISSUANCE PREMIUM	REVALUATION RESERVE OF BEARER PLANTS	RESERVES DUE TO EXCHANGE RATE DIFFERENCES	CASH FLOW HEDGING RESERVES	OTHER RESERVES	ACCUMULATED PROFIT (LOSS)	EQUITY ATTRIBUTABLE TO PARENT COMPANY EQUITY HOLDERS	NON CONTROLLING INTEREST	TOTAL EQUITY
	NOTE 24	NOTE 24	NOTE 26	NOTE 26	NOTE 26	NOTE 26	NOTE 25		NOTE 27	
OPENING BALANCE AS OF 01/01/17	136,411	(1,262)		(7,617)	2,698	(4,919)	56,218	186,448	29,648	216,096
CHANGES IN EQUITY										
COMPREHENSIVE INCOME										
Net profit	-	-					26,563	26,563	1,142	27,705
Other comprehensive income	-	-	-	5,266	818	6,084		6,084	2,284	8,368
TOTAL COMPREHENSIVE INCOME	-	-		5,266	818	6,084	26,563	32,647	3,426	36,073
Dividends	-		-				(12,278)	(12,278)	(313)	(12,591)
Increase (decrease) due to transfers and other changes	(1,262)	1,262							3,997	3,997
TOTAL CHANGES IN EQUITY	(1,262)	1,262					(12,278)	(12,278)	3,684	(8,594)
CLOSING BALANCE AS OF 12/31/2017	135,149			(2,351)	3,516	1,165	70,503	206,817	36,758	243,575

				AS OF DECE	MBER 31, 2016					
	ISSUED CAPITAL	ISSUANCE PREMIUM	REVALUATION RESERVE OF BEARER PLANTS	RESERVES DUE TO EXCHANGE RATE DIFFERENCES	CASH FLOW HEDGING RESERVES	OTHER RESERVES	ACCUMULATED PROFIT (LOSS)	EQUITY ATTRIBUTABLE TO PARENT COMPANY EQUITY HOLDERS	NON CONTROLLING INTEREST	TOTAL EQUITY
	NOTE 24	NOTE 24	NOTE 26	NOTE 26	NOTE 26	NOTE 26	NOTE 25		NOTE 27	
OPENING BALANCE AS OF 01/01/16	136,411	(1,262)	24,936	(7,682)	(2,851)	14,403	25,302	174,854	30,213	205,067
Impact due to changes in accounting policies			(24,936)		-	(24,936)	24,936			-
OPENING BALANCE RE-EXPRESSED	136,411	(1,262)		(7,682)	(2,851)	(10,533)	50,238	174,854	30,213	205,067
CHANGES IN EQUITY										
COMPREHENSIVE INCOME										
Net profit	-	-			-	-	18,925	18,925	1,823	20,748
Other comprehensive income	-	-		65	5,549	5,614		5,614	(472)	5,142
TOTAL COMPREHENSIVE INCOME				65	5,549	5,614	18,925	24,539	1,351	25,890
Dividend					-		(12,945)	(12,945)	(1,916)	(14,861)
TOTAL CHANGES IN EQUITY						-	(12,945)	(12,945)	(1,916)	(14,861)
CLOSING BALANCE AS OF 12/31/2016	136,411	(1,262)		(7,617)	2,698	(4,919)	56,218	186,448	29,648	216,096



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CONSOLIDATED CASH FLOW STATEMENT

(THOUSANDS OF DOLLARS)

NET INCREASE (DECREASE) OF CASH AND C Cash and cash equivalents, opening balance CASH AND CASH EQUIVALENTS, CLOSING

	01-01-17	01-01-16
	12-31-17	12-31-16
ASH FLOW FROM (USED IN) OPERATING ACTIVITIES		
TYPES OF CHARGES PER OPERATING ACTIVITIES		
Collection from the sale of goods and the providing of services	377,214	422,5
TYPES OF PAYMENTS		
Payments to suppliers for the providing of goods and services	(274,144)	(302,20
Payments to and on behalf of employees	(54,695)	(55,19
Paid interests	(5,711)	(4,23
Received interests	1,746	1,1
Gains tax refund (paid)	(11,300)	(13,68
Other received (paid) cash	(1,023)	1,19
ET CASH FLOW FROM (USED IN) OPERATING ACTIVITIES	32,087	49,60
ACUTE OW FROM ALCED IN INVESTMENT ACTIVITIES		
ASH FLOW FROM (USED IN) INVESTMENT ACTIVITIES		100.01
Cash flow used to purchase non parent company interests	-	(26,61
Other payments to purchase equity or debt instruments from other entities	(356)	
Loans to related entities	(9,946)	(1,98
Income from the sale of property, plant and equipment	1,543	
Purchase of property, plant and equipment	(58,309)	(39,73
Purchase of intangible assets	(1,568)	(1,25
Charges to related entities	11,590	3,9
Other received (paid) cash	3,997	
ASH FLOW FROM (USED IN) INVESTMENT ACTIVITIES	(53,049)	(65,59
ASH FLOW FROM (USED IN) FINANCING ACTIVITIES		-
Income from long term loans	44,072	17,6
Income from short term loans	101,658	99,1
TOTAL INCOME FROM LOANS	145,730	116,8
Loans from related entities	1,204	.,.
Payment of loans	(117,092)	(66,57
Payment of liabilities for financial lease	(1,871)	(1,01
Payment of loans from related entities	-	(12,01
Paid dividends	(13,693)	(10,4
ET CASH FLOWS FROM (USED IN) FINANCING ACT	14,278	26,8
ET INCREASE (DECREASE) IN CASH AND CASH E	(5.684)	10.0
ATE FLUCTUATIONS	684)	10,8
FFECTS OF EXCHANGE RATE FLUCTUATIONS (
Effects of exchange rate fluctuations on cash a		

INDICATORS

RESULT INDICATORS (CONSOLIDATED)		12-31-17	12-31-16
Operating Revenues	Thousands of dollars	388,250	426,796
EBITDA (1)	Thousands of dollars	59,520	66,902
Profit (loss) (2)	Thousands of dollars	27,705	20,748
Number of issued shares		435,520,079	435,520,079
Earnings per share	Dollars	0.0610	0.0435

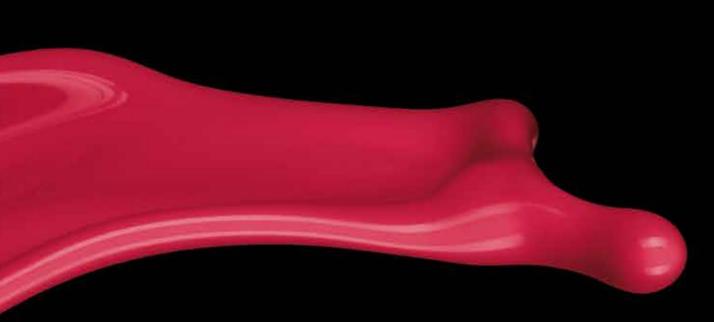
INDICATORS OF FINANCIAL POSITION (CONSOLIDATED)		12-31-17	12-31-16
Total assets	Thousands of dollars	572,688	531,845
Total liabilities	Thousands of dollars	329,113	315,749
Equity	Thousands of dollars	243,575	216,096
Net financial debt (3)	Thousands of dollars	207,659	173,172
Current liquidity (4)	Times	0.89	0.88
Acid-test ratio (5)	Times	0.61	0.57
Debt ratio (6)	Times	1.59	1.69
Solvency ratio (7)	Times	2.35	2.46
Proportion short term debt/total debt (8)	%	63.97%	70.82%
Proportion long term debt/total debt (9)	%	36.03%	29.18%
Profitability of Equity (10)	%	11.37%	9.60%

- (1) Operating Result + Depreciation and Amortization, in IFRS
- (2) Corresponds to profit (loss) attributed to parent company equity holders and non parent company interests, in IFRS
- (3) Other current financial liabilities + Other non current financial liabilities Cash and cash equivalents , in IFRS
- (4) Current asset / Current liability, in IFRS
- (5) Available assets (Current asset Inventories Advanced payments) / Current liability, in IFRS
- (6) Total liabilities / Equity attributable to parent company equity holders, in IFRS
- (7) Total assets / Total equity, in IFRS
- (8) Current liabilities / Total liabilities, in IFRS
- (9) Non-current liabilities / Total liabilities, in IFRS
- (10) Profit (loss) of the period / Total equity, in IFRS









S U M M A R I Z E D F I N A N C I A L S T A T E M E N T S O F S U B S D I A R I E S

STATEMENT OF FINANCIAL POSITION

AS OF DECEMBER 31, 2017 (THOUSANDS OF DOLLARS)

COMPANY		ASSETS			EQUITY		
COMPANT	CURRENT	NON-CURRENT	TOTAL	CURRENT	NON-CURRENT	TOTAL	TOTAL
Hortifrut Chile S.A. and Subsidiaries	156,559	143,833	300,392	179,615	47,773	227,388	73,004
Inversiones Hortifrut S.A. and Subsidiaries	97,377	186,955	284,332	19,466	181,657	201,123	83,209
Agrícola Vida Nueva S.A.	1,371	11,521	12,892	3,053	1,948	5,001	7,891
Agrícola El Avellano S.A. and Subsidiaries	1,277	7,775	9,052	2,505	1,341	3,846	5,206
Agrícola Hortifrut S.A.	6,970	46,971	53,941	816	9,675	10,491	43,450
Agrícola Mataquito S.A.	1,799	16,713	18,512	10,047	5,523	15,570	2,942
Agrícola Santa Rosa del Parque S.A.	1,621	5,952	7,573	1,332	1,870	3,202	4,371
Agrícola y Ganadera Santa Rebeca Ltda.	25	155	180	13	-	13	167

COMPANY		ASSETS			EQUITY		
COMPANY	CURRENT	NON-CURRENT	TOTAL	CURRENT	NON-CURRENT	TOTAL	TOTAL
Hortifrut Chile S.A. and Subsidiaries	175,468	93,161	268,629	188,015	33,598	221,613	47,016
Inversiones Hortifrut S.A. and Subsidiaries	83,301	143,041	226,342	97,151	62,928	160,079	66,263
Agrícola Vida Nueva S.A.	1,200	12,303	13,503	3,813	2,099	5,912	7,591
Colmenares Hortisur SpA	276	158	434	28	-	28	406
Agrícola El Avellano S.A. and Subsidiaries	701	8,094	8,795	1,687	1,824	3,511	5,284
Agrícola Hortifrut S.A.	1,939	25,350	27,289	637	4,501	5,138	22,151
Agrícola Mataquito S.A.	1,106	12,319	13,425	6,867	3,595	10,462	2,963
Agrícola Santa Rosa del Parque S.A.	1,726	5,547	7,273	1,790	1,664	3,454	3,819
Top Berries & Fruit SpA	919	12,505	13,424	1,549	6,949	8,498	4,926
Berries de Panguipulli SpA	3,395	23,357	26,752	870	5,349	6,219	20,533
Agrícola y Ganadera Santa Rebeca Ltda.	53	145	198	20	1	21	177

INCOME STATEMENT

AS OF DECEMBER 31, 2017 (THOUSANDS OF DOLLARS)

COMPANY	OPERATING INCOME	COSTS AND EXPENSES	OTHER RESULTS	TAX	PROFIT (LOSS)
Hortifrut Chile S.A. and Subsidiaries	193,086	(164,614)	(2,777)	(6,305)	19,390
Inversiones Hortifrut S.A. and Subsidiaries	302,918	(302,307)	4,482	1,098	6,191
Agrícola Vida Nueva S.A.	3,426	(2,993)	(177)	14	270
Colmenares Hortisur SpA	4	(87)	2	23	(58)
Agrícola El Avellano S.A. and Subsidiaries	2,896	(3,145)	(151)	322	(78)
Agrícola Hortifrut S.A.	7,150	(4,813)	(33)	(224)	2,080
Agrícola Mataquito S.A.	3,751	(3,280)	(706)	194	(41)
Agrícola Santa Rosa del Parque S.A.	3,292	(1,998)	(96)	(228)	970
Top Berries & Fruit SpA	3,105	(2,068)	(143)	(138)	756
Berries de Panguipulli SpA	4,877	(4,399)	2	(25)	455
Agrícola y Ganadera Santa Rebeca Ltda.	60	(67)	1	8	2

COMPANY	OPERATING INCOME	COSTS AND EXPENSES	OTHER RESULTS	TAX	PROFIT (LOSS)
Hortifrut Chile S.A. and Subsidiaries	228,260	(200,713)	(317)	(6,302)	20,928
Inversiones Hortifrut S.A. and Subsidiaries	339,937	(332,786)	4,841	(4,959)	7,033
Agrícola Vida Nueva S.A.	4,482	(5,452)	(164)	396	(738)
Colmenares Hortisur SpA	179	(115)	4	(15)	53
Agrícola El Avellano S.A. and Subsidiaries	3,035	(3,724)	(177)	399	(467)
Agrícola Hortifrut S.A.	7,812	(7,352)	(133)	156	483
Agrícola Mataquito S.A.	2,433	(7,698)	(242)	1,580	(3,927)
Agrícola Santa Rosa del Parque S.A.	5,057	(2,340)	(149)	(553)	2,015
Top Berries & Fruit SpA	4,300	(2,323)	(60)	(371)	1,546
Berries de Panguipulli SpA	5,810	(4,354)	(74)	(233)	1,149
Agrícola y Ganadera Santa Rebeca Ltda.	66	(545)	3	133	(343)



STATEMENT OF CHANGES IN NET EQUITY

AS OF DECEMBER 31, 2017 (THOUSANDS OF DOLLARS)

COMPANY	OPENING BALANCE	CHANGES IN EQUITY	CLOSING BALANCE
Hortifrut Chile S.A. and Subsidiaries	47,016	25,988	73,004
Inversiones Hortifrut S.A. and Subsidiaries	66,263	16,946	83,209
Agrícola Vida Nueva S.A.	7,591	300	7,891
Colmenares Hortisur SpA	406	(406)	-
Agrícola El Avellano S.A. and Subsidiaries	5,284	(78)	5,206
Agrícola Hortifrut S.A.	22,151	21,299	43,450
Agrícola Mataquito S.A.	2,963	(21)	2,942
Agrícola Santa Rosa del Parque S.A.	3,819	552	4,371
Top Berries & Fruit SpA	4,926	(4,926)	-
Berries de Panguipulli SpA	20,533	(20,533)	-
Agrícola y Ganadera Santa Rebeca Ltda.	177	(10)	167

COMPANY	OPENING BALANCE	CHANGES IN EQUITY	CLOSING BALANCE
Hortifrut Chile S.A. and Subsidiaries	22.262	24.754	47.016
Inversiones Hortifrut S.A. and Subsidiaries	60,038	17,404	66,263
Agrícola Vida Nueva S.A.	9,031	(1,440)	7,591
Colmenares Hortisur SpA	355	51	406
Agrícola El Avellano S.A. and Subsidiaries	5,751	125	5,284
Agrícola Hortifrut S.A.	21,668	2,088	22,151
Agrícola Mataquito S.A.	6,890	(3,927)	2,963
Agrícola Santa Rosa del Parque S.A.	3,989	(170)	3,819
Top Berries & Fruit SpA	3,404	1,522	4,926
Berries de Panguipulli SpA	19,474	1,059	20,533
Agrícola y Ganadera Santa Rebeca Ltda.	534	(357)	177

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CASH FLOW STATEMENTS

AS OF DECEMBER 31, 2017 (THOUSANDS OF DOLLARS)

COMPANY	NET CASH FLOWS FROM (USED IN) ONE OF THE FOLLOWING ACTIVITIES:			NET INCREASE (DECREASE) OF CASH AND	EFFECT OF EXCHANGE RATE FLUCTUATION ON CASH	CASH AND CASH EQUIVALENTS AT THE	CASH AND CASH EQUIVALENTS AT THE END
	OPERATING	INVESTMENT	FINANCING	CASH EQUIVALENTS	AND CASH EQUIVALENTS	START OF THE PERIOD	OF THE PERIOD
Hortifrut Chile S.A. and Subsidiaries	59,411	(9,660)	(58,198)	(8,447)	(373)	17,075	8,255
Inversiones Hortifrut S.A. and Subsidiaries	(326)	(22,409)	23,511	776		16,805	17,581
Agrícola Vida Nueva S.A.	670	(190)	(545)	(65)	9	89	33
Colmenares Hortisur SpA	92	(196)		(104)		103	(1)
Agrícola El Avellano S.A. and Subsidiaries	491	184	(392)	283	8	31	322
Agrícola Hortifrut S.A.	1,106	(899)		207	2	44	253
Agrícola Mataquito S.A.	17	(4,143)	4,294	168	9	22	199
Agrícola Santa Rosa del Parque S.A.	572	(731)	(175)	(334)	8	382	56
Top Berries & Fruit SpA	878	(382)	(513)	(17)	3	14	
Berries de Panguipulli SpA	1,773	2	(1,799)	(24)	14	10	
Agrícola y Ganadera Santa Rebeca Ltda.	41	(25)	(12)	4	1	6	11

COMPANY	NET CASH FLOWS FROM (USED IN) ONE OF THE FOLLOWING ACTIVITIES:			NET INCREASE (DECREASE) OF CASH AND	EFFECT OF EXCHANGE RATE FLUCTUATION ON CASH	CASH AND CASH EQUIVALENTS AT THE	CASH AND CASH EQUIVALENTS AT THE END
	OPERATING	INVESTMENT	FINANCING	CASH EQUIVALENTS	AND CASH EQUIVALENTS	START OF THE PERIOD	OF THE PERIOD
Hortifrut Chile S.A. and Subsidiaries	(9,323)	(19,489)	36,181	7,369	(39)	9,745	17,075
Inversiones Hortifrut S.A. and Subsidiaries	57,465	(54,597)	(2)	2,866		13,939	16,805
Agrícola Vida Nueva S.A.	1,899	(688)	(1,149)	62		27	89
Colmenares Hortisur SpA	(88)			(88)		184	96
Agrícola El Avellano S.A. and Subsidiaries	99	(331)	217	(15)	3	43	31
Agrícola Hortifrut S.A.	355	(316)		39	(1)	6	44
Agrícola Mataquito S.A.	(252)	(4,906)	5,138	(20)	35	7	22
Agrícola Santa Rosa del Parque S.A.	3,272	(647)	(2,269)	356	13	13	382
Top Berries & Fruit SpA	1,086	(6,529)	5,446	3	5	6	14
Berries de Panguipulli SpA	436	(458)		(22)	11	21	10
Agrícola y Ganadera Santa Rebeca Ltda.	13		(15)	(2)	3	5	6





EXPLANATORY NOTES CONSOLIDATED FINANCIAL STATEMENTS



HORTIFRUT S.A. AND SUBSIDIARIES

CONSOLIDATED CLASSIFIED FINANCIAL STATEMENT NOTES As of December 31, 2017 and December 31, 2016.

NOTE 1 - CORPORATE INFORMATION

1.1. Information of the reporting entity

Hortifrut S.A. RUT 96.896.990 – or (hereinafter "Hortifrut" or the "Company") is a Publicly Traded Company, inscribed in the Registry of the Commission for the Financial Market in Chile under number 1.096 dated June 13, 2012, so it is subject to the supervision of the Commission for the Financial Market (hereinafter "CMF" ex SVS).

The Company is also inscribed in the Santiago Stock Exchange dated July 3, 2012, with the objective that the Company's shares be traded in the "Emerging Companies Markets" which regulate the Stock Market, in accordance with what is stated in second subsection of article 8° of Law 18.045 of the Stock Market and under General Character Norm N° 118 of the CMF. The Company's shares are acknowledged under mnemonic code "HF".

The Company was initially constituted as a Closely held Corporation under the name of Inversiones Hortisur S.A., as per public deed dated June 4, 1999, issued at the Santiago Notary of Mr. Patricio Raby Benavente, subsequently by public deed dated May 29, 2007, issued at the Santiago Notary of Mr. Iván Torrealba Acevedo, the company changed its corporate name to Hortifrut S.A.

Hortifrut, has as its objective the purchase, production, elaboration, transformation, industrialization, distribution, commercialization, export, import of all kinds of horticultural, fruit, agricultural and other products or byproducts, as well as the providing of services or consulting in relation to said matters and other activities which the Board or the assemblies agree, and which are related with the aforementioned activities or that complement them; the maintenance of investments in real estate and in instruments, securities, and rights in partnerships, and in the receipt of their earnings and, in general, to enter into and execute all the acts, contracts, businesses, procedures or actions that have as their aim to comply with the corporate purpose.

The Company has its address at Avda. del Cóndor 600, 4th floor, Huechuraba, Santiago, regardless of the agencies, offices or branches which could be established in the country and overseas. The Company's corporate life is indefinite.

History

1983 – Hortifrut begins its operations in Chile.

1984 - Hortifrut becomes the first Chilean company to export berries to the United States in counterseasons.

1985 – Hortifrut inaugurates a distribution and commercialization office in the United States.

1986 – First export of berries from Chile to Europe under its brand Southern Sun and the berries crop is expanded to blackberries, blueberries, raspberries and sarsaparillas.

1987 – First export of berries to Asia from Chile.

- 1988 Hortifrut concretes the first strategic alliance when it associates with the Californian company Coastal Berries.
- 1989 Hortifrut defines its business model: vertical integration and offer during the 52 weeks of the year.

Hortifrut defines its company dream and Vision, to supply the counter-season market with the full berries category (strawberries, raspberries, blackberries and blueberries), in just one organization, under one brand, supplying the market 52 weeks a year, integrated from the paddock to the final customer, defining the great dream with the sentence: "All Berries, for the Whole World, Every Day". Thus Hortifrut created a global and successful business model.

- **1990** Hortifrut invites the main berries producers from the United States, they purchase the brand Naturipe® and form Naturipe Farms.
- 1995 Export and producer subsidiaries are created in Mexico and Guatemala.
- 1999 Hortifrut Argentina is created.
- **2000** Hortifrut Spain is created together with the main Spanish blueberries producer.
- **2001** Start up of the genetic development program for blueberries, raspberries and blackberries.
- **2004** Hortifrut and Atlantic Blue create Euroberry Marketing, in charge of distributing and commercializing in Europe.
- **2007** –Hortifrut's President receives the ICARE prize for businessman of the year.
- **2008** Hortifrut becomes the largest organic blueberry producer in the world. It receives the Marketer of the Year prize (PMA Produce Marketing Association USA), opens its distribution office in Brazil and begins implementing the SAP system.
- **2010** Begins the Ready to Eat ("RTE") program.
- **2011** Hortifrut and its partner Munger Brothers receive the prestigious award for innovation for the RTE product in the PMA USA.
- **2012** Start supplying RTE blueberries to food-service leaders.

Successful entrance into the stock market, raising over 67 million dollars in capital.

2012 Agricultural Innovation Prize for Víctor Moller Schiavetti, for having contributed in a relevant manner to transforming the national agro-forestry and food sector and the economic, productive and technological process in the country.

2013 – On August 21, 2013 Hortifrut obtained control of VitalBerry's operations, which must be understood as performed by the first, all in accordance with the merger agreement adopted at the VitalBerry and Hortifrut shareholder's meetings, held on April 29 and 30, 2013, respectively.

Hortifrut has been delivering Berries to the world for 30 years, every day of the year.

2014 – The constitution of a closely-held corporation in Peru, denominated Hortifrut – Tal SAC, with the objective of producing and commercializing berries, from this country.

Association with the Argentine company Expofresh, for the production and commercializing of early fruit.

Development of the first Hortifrut Technology and Innovation fair.

Signing of the Joint Venture with Joyvio for genetic development in China.

2015 – The constitution of a closely-held corporation in Peru, denominated HFE Berries Peru SAC, with the objective of producing and commercializing berries, from this country.

Launching of the Agrinnovation and Blue Challenge platform.

2016 – The Joint Venture between Hortifrut and the Munger Brother Group was constituted, with the objective of producing and commercializing berries in the United States.

Development of Hortifrut's second Technology and Innovation Fair.

2017 –Hortifrut's President receives Entrepreneur of the Year prize, granted by EY and El Mercurio, in Chile. The latter also distinguished him within the EY World Entrepreneur of the Year competition, in Monaco.

Signs framework agreement for the sale-purchase and merger with the Rucio Group, one of the most important producers, exporters and distributors of blueberries in the southern hemisphere.



1.2. Shareholders

1.2.1. Parent Company Shareholders

The Company is jointly controlled by the Moller Group and the VitalBerry Group through a Shareholders Agreement, subscribed on August 22, 2013. The Moller Group is formed by Inversiones IMG Ltda., San Juan de Virquenco Tres S.A. and Agrícola San Nicolás Ltda. The VitalBerry Group is formed by San José Farms S.A., Exportadora San José Trading Ltda., Valles del Sur SpA, and Inmobiliaria Algeciras Ltda.

The Agreement covers 204,737,990 of Hortifrut S.A.'s shares, which represent 47.01% of the Company's capital (out of a total of 435,520,079 Hortifrut issued shares), through which they have control of the Company. The Agreement establishes limits to the free disposal of shares. However as of December 31, 2017, the Moller Group and the Vitalberry Group together own 48.21% of the Company's capital, considering the shares that they have in custody.

To date the shareholder's agreement records the following shares:

Shareholder's Agreement	Total Shares	Ownership Percentage	<u>Control</u> <u>Shares</u>	<u>Control</u> <u>Percentage</u>	
Moller Family					
Inversiones IMG Limitada	109,316,620	25.10%	109,316,620	25.10%	
San Juan de Virquenco Tres S.A.	7,344,255	1.69%	7,344,255	1.69%	
Agrícola San Nicolás Limitada	929,550	0.21%	929,550	0.21%	
Total Moller Family	117,590,425	27.00%	117,590,425	27.00%	
Entities related to Mr. Ignacio Del Río					
San José Farms S.A.	23,293,100	5.35%	21,418,100	4.92%	
Exportadora San José Trading Ltda.	13,359,181	3.07%	13,359,181	3.07%	
Valles del Sur S.P.A.	13,480,494	3.10%	12,718,288	2.92%	
Total Entities related to Mr. Ignacio Del Río	50,132,775	11.52%	47,495,569	10.91%	
Entities related to Mr. Eduardo Elberg					
Inmobiliaria Algeciras Ltda.	42,243,674	9.70%	39,651,996	9.10%	
Total Entities related to Mr. Eduardo Elberg	42,243,674	9.70%	39,651,996	9.10%	
Total shareholder's agreement	209,966,874	48.22%	204,737,990	47.01%	

1.2.2. Distribution of shares as of December 31, 2017:

_		31-Dec-17	
<u>Shareholders</u>	<u>Subscribed</u>	Paid shares	Percentage
Inversiones IMG Limitada	<u>shares</u> 109,316,620	109,316,620	25.100%
Inmobiliaria Algeciras Ltda.	42,243,674	42,243,674	9.700%
Costanera SACI	30,079,545	30,079,545	6.907%
Inmobiliaria Alianza S.A.	29,552,009	29,552,009	6.785%
AFP Habitat S.A. para Fondo de Pensiones (A,B,C,D)	26,795,710	26,795,710	6.153%
Compass Small Cap Chile Fondo de Inversión	24,696,191	24,696,191	5.671%
San José Farms S.A.	23,293,100	23,293,100	5.348%
Inversiones Costanera Ltda.	16,239,705	16,239,705	3.729%
BTG Pactual Chile S.A. Administradora General de Fondos	15,439,253	15,439,253	3.545%
Comercial Epysa S.A.	14,000,000	14,000,000	3.215%
Valles del Sur S.P.A.	13,480,494	13,480,494	3.095%
Exportadora San José Trading Ltda.	13,359,181	13,359,181	3.067%
Siglo XXI Fondo de Inversión	11,182,969	11,182,969	2.568%
Chile Fondo de Inversión Small Cap	10,487,906	10,487,906	2.408%
AFP Cuprum S.A. para Fondo de Pensiones (A,B,C,D)	10,211,473	10,211,473	2.345%
San Juan de Virquenco Tres S.A.	7,344,255	7,344,255	1.686%
Empresas Penta S.A.	5,306,908	5,306,908	1.219%
Asesorías e Inversiones Pacific Trust Limitada	4,732,485	4,732,485	1.087%
Banco Santander Chile - on behalf of foreign investors	4,653,029	4,653,029	1.068%
Fondo de Inversión Santander Small Cap.	4,035,990	4,035,990	0.927%
Inversiones Fural Limitada	3,905,756	3,905,756	0.897%
BCI Small Cap Chile Fondo de Inversión	2,335,201	2,335,201	0.536%
Banco Itau por Cuenta de Inversionistas Extranjeros	1,631,577	1,631,577	0.375%
Inversiones Canihua S.A.	1,577,475	1,577,475	0.362%
Asesorías, Inversiones e Inmobiliaria María Elena Ltda.	1,198,249	1,198,249	0.275%
Inversiones Alba S.A.	1,163,066	1,163,066	0.267%
Inmobiliaria e Inversiones Alqueria Ltda.	965,947	965,947	0.222%
Banco de Chile (on behalf of third parties)	958,903	958,903	0.220%
Agrícola San Nicolás Limitada	929,550	929,550	0.213%
Toesca Small Cap Chile Fondo de Inversión	667,966	667,966	0.153%
BTG Pactual Chile S.A. C de B	598,087	598,087	0.137%
Banchile C de B S.A.	484,948	484,948	0.111%
Valores Security S.A. C de B	483,199	483,199	0.111%
Asesorías e Inversiones A y DS.A.	397,483	397,483	0.091%
Inversiones FJ	330,019	330,019	0.076%
BBVA Asset Management Administradora General de Fondos	207,085	207,085	0.048%
BICE Inversiones Corredores de Bolsa S.A.	165,165	165,165	0.038%
Santander C de B	152,472	152,472	0.035%
Soc. de Inversiones Santa Isabel Limitada	100,000	100,000	0.023%
BCI Corredores de Bolsa S.A.	91,965	91,965	0.021%
Brokering Alacid Karin Lisbeth	86,433	86,433	0.020%
Brokering Alacid Waleter Alexander	76,649	76,649	0.018%
Larrain Vial S.A. Corredores de Bolsa	71,095	71,095	0.016%
Others	491,292	491,292	0.113%
Total shares	435,520,079	435,520,079	100.00%

Shares in custody

These shareholders include shares that are in custody at Banks and/or brokers, as detailed below:

Shareholders	<u>Custodian</u>	Paid Shares	Ownership Percentage
Asesorías e Inversiones Pacific Trust Limitada	BCI Corredores de Bolsa S.A.	4,732,482	1.09%
Inversiones Fural Limitada	BCI Corredores de Bolsa S.A.	3,905,756	0.90%
Inversiones Canihua S.A.	BCI Corredores de Bolsa S.A.	1,577,475	0.36%
Asesorías, Inversiones e Inmobiliaria María Elena Ltda.	BTG Pactual Chile S.A. C de B	1,198,249	0.28%
Asesorías e Inversiones AyDS.A.	Larrain Vial S.A. Corredores de Bolsa	67,464	0.02%
	Total Shares	11,481,426	2.65%



NOTE 2 - PREPARATION BASES

2.1 Compliance Declaration

The information contained in these consolidated interim financial statements, is the responsibility of the Company's Board and were approved on March 28, 2018.

2.2 Preparation Bases

The current consolidated financial statements for Hortifrut S.A and Subsidiaries as of December 31, 2017 and December 31, 2016 have been prepared in accordance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (from hereon IASB).

The consolidated financial statements have been prepared under the historic cost criteria, except for the following items of a significant character:

- Financial instruments
- Current biological assets
- Loans and obligations that accrue interests at an amortized cost

The preparing of the consolidated financial statements, requires the use of certain estimations based on the best information available at the closing of the period. In Note 2.6, we reveal the estimations that imply a greater level of judgment or complexity or the areas where the hypothesis and estimations are significant for the consolidated financial statements.

Re-classifications have been made to the consolidated financial statements from the previous period in order to be able to better compare the exposed information, these arise from the recurring analysis performed by Management, always with the perspective of uniform financial information, and changes in criteria or accounting estimations have been exceptionally applied as per what is stated in IAS 8 (See Note 5).

The current consolidated financial statements have been prepared from the accounting records kept by the parent company and by the other entities that form part of the consolidated holding. Each entity prepares its financial statements following the accounting principles and criteria valid for each country, so it requires a consolidation process. The adjustments and re-classification necessary to unify said principles and criteria to adapt them to IFRS have been incorporated.

The current consolidated financial statements have been prepared under the going concern principle.

2.3 Covered period

The current consolidated financial statements cover the following periods:

- Consolidated Statements of Financial Position as of December 31, 2017 and December 31, 2016 and January 01, 2016.
- Consolidated Income Statement, for the periods ending December 31, 2017 and 2016.
- Consolidated Cash Flow Statement, for the periods ending December 31, 2017 and 2016.
- Consolidated Statement of Changes in Net Equity, for the periods ending December 31, 2017 and 2016.

2.4 Functional and reporting currency

The items included in the financial statements of each of Hortifrut S.A. and its subsidiaries entities are valued using the currency of the main economic environment where the entity operates (functional currency). Hortifrut S.A.'s functional currency is the United States dollar, which also constitutes the reporting currency of the consolidated statement of financial position. All of the information is presented in thousands of United States dollars and has been rounded to the closest unit (KUS\$).

2.4.1 Transactions and balances in foreign currency

Transactions in foreign currency, with this being any currency different to the functional currency, are converted to the functional currency by using the valid exchange rates on the dates of the transactions. Profit and loss in foreign currency that results from the liquidation of these transactions and conversion to the exchange rate valid at the closing of the monetary assets and liabilities denominated in foreign currency, are acknowledged in the consolidated income statement.

2.4.2 Foreign currency exchange rate

The Exchange rates have been translated as of the closing date of Hortifrut's consolidated financial statements as per the following:

		31-De	ec-17	31-De	ec-16	
Currency Nemo		Closing	Annual average	Closing	Annual average	
Chilean Peso	CLP	614.75	636.92	669.47	676.83	
Euro	EUR	0.83	0.89	0.95	0.90	
Mexican Peso	MXN	19.74	18.92	20.66	18.66	
Argentine Peso	ARS	18.57	16.54	15.90	14.75	
Brazilian Real	RBL	3.27	3.19	3.26	3.49	
Peruvian Nuevo Sol	PEN	3.25	3.26	3.36	3.37	
Pound sterling	GBP	0.74	0.78	0.81	0.74	
Yuan	CNY	6.51	6.73	6.96	6.67	
Unidad de fomento	UF	0.0229	0.0240	0.0254	0.0260	

Parity of foreign currency for one United States dollar.

The calculating of the exchange rate corresponding to the accumulated monthly average, is determined over the average base of the monthly average exchange rates.

2.4.3 Entities corresponding to Hortifrut and subsidiaries

The results and financial position of all of Hortifrut and subsidiaries' entities which have a functional currency different to the reporting currency are converted to the reporting currency as follows:

- i) The assets and liabilities of each presented statement of financial position are converted at the closing exchange rate of the period;
- ii) Income and expenses of each income statement account are converted at the daily exchange rate or when this is not possible, the average monthly exchange rate is used as a reasonable approximation; and
- iii) All of the resulting exchange rate differences are acknowledged under other integral results and the conversion reserve under net equity.

The assets and liabilities of the Subsidiaries expressed in a currency different to the United States dollar are converted using the valid exchange rate on the date of the statement of financial position; income and

expenses are converted at the average monthly exchange rate of the period covered by the consolidated financial statements. The differences resulting from the application of this method are classified in other integral results forming part of the exchange rate fluctuation reserve.

2.5 New issued norms and interpretations

New norms, amendments to norms and interpretations that are mandatory for the first time from the periods starting on January 01, 2017

Amendments to IFRS	Mandatory application date
IIAS 7: Initiative to reveal amendments to IAS 7	Annual periods starting on or after January 1, 2017. Allows anticipated adoption.
, ,	Annual periods starting on or after January 1, 2017. Allows anticipated adoption.
1 .	Annual periods starting on or after January 1, 2017. Allows anticipated adoption.

The aforementioned norms, amendments and interpretations, did not have a significant impact on Hortifrut's and its subsidiaries' consolidated financial statements.

New accounting pronouncements

The improvements and modifications to IFRS, as well as the interpretations that have been published in the period are detailed below. As of the date of these consolidated financial statements, these norms have not yet become valid and the Company has not applied them in an anticipated manner:

New IFRS	Mandatory application date
IFRS 9: Financial Instruments	Annual periods starting on or after January 1, 2018. Allows
11 K3 9. Financial Instruments	anticipated adoption.
IFRS 15: Operating Activity Revenue from Contracts with Customers	Annual periods starting on or after January 1, 2018. Allows
17 KS 15. Operating Activity Revenue from Contracts with Customers	anticipated adoption.
	Annual periods starting on or after January 1, 2019. Allows
IFRS 16: Lease	anticipated adopton for entities that apply IFRS 15 on or
	before that date.
	Annual periods starting on or after January 1, 2021. Allows
IFRS 17: Insurance Contracts	anticipated adoption for entities that apply IFRS 9 and IFRS
	15 on or before that date.
New Interpretations	
IFRIC 22: Foreign Currency Transactions and Advanced Considerations	Annual periods starting on or after January 1, 2018. Allows
11 RTC 22. Foreign Currency Transactions and Advanced Considerations	anticipated adoption.
IFRIC 23: Uncertainty over Tax Treatments	Annual periods starting on or after January 1, 2019. Allows
11 KTC 23. Oncertainty over 1ax ireauments	anticipated adoption.
Amendments to IFRS	
IAS 28: Long term interests in Associated Companies and Joint Ventures	Annual periods starting on or after January 1, 2019. Allows
TAS 28: Long term interests in Associated Companies and John Ventures	anticipated adoption.
IAS 40: Investment Property Transfers (Modifications to IAS 40, Investment	A
Properties).	Annual periods starting on or after January 1, 2018.
IFRS 2: Payments Based on Shares: Clarifying of the recording of certain types of	Annual periods starting on or after January 1, 2018. Allows
transactions of share based payments .	anticipated adoption.
IFRS 9: Prepayment clauses with negative compensation	Annual periods starting on or after January 1, 2019. Allows
17KS 9: Prepayment clauses with negative compensation	anticipated adoption.
IFRS 10: Consolidated Financial Statements, and IAS 28, Investments in	
Associated Companies and Joint Ventures: Transfer or contribution of assets	Effective date indefinitely deferred.
between an investor and its associated company or joint venture.	
IFRS 15: Revenue from Operating Activities from Contracts with Customers:	Annual periods starting on or after January 1, 2018. Allows
Amendment clarifying requirements and granting additional transition release	anticipated adoption.
from companies that implement the new norm.	апистраней анорион.
Cycle of annual improvements to IFRS 2014-2016 standards. Amendments to	Annual periods starting on or after January 1, 2018. Allows
IFRS 12.	anticipated adoption.

New accounting pronouncements, IFRS 9, IFRS 15 and IFRS 16 Norms

a. IFRS 9 "Financial Instruments"

IFRS 9 (2009) introduces new requirements for the classification and measuring of financial assets.

Under IFRS 9 (2009), financial assets are classified and measured based on the business model where they are held and on the characteristics of the contractual cash flows. IFRS 9 (2010) introduces additions in relation to financial liabilities. At the moment, IASB has an active Project to perform limited modifications to the classification and measuring requirements of IFRS 9 and to add new requirements to treat the impairment of the value of financial assets and hedging accounting.

On November 19, 2013, IASB issued a new document that expands and modifies this standard and others related, Hedging Accounting and modifications to IFRS 9, IFRS 7 and IAS 39. This document includes the new hedging general accounting model, which allows the temporary adoption of the requirement to present changes to the value for own credit risk in liabilities designated at fair value with effect on results, which are presented under Other Integral Results. Consolidated Financial Statement Notes for the periods ending December 31, 2017 and 2016. 40 Note 3. Main applied accounting policies.

On July 24, 2014 IASB issued the fourth and last version of its new norm regarding financial instruments, IFRS 9 Financial Instruments. The new norm includes a guideline regarding classification and measuring of financial assets, including impairment in value and it supplements the new hedging accounting principles published in 2013.

The application date corresponds to the Financial Statements issued for periods that start on January 1, 2018 or after. Anticipated adoption is allowed.

This Standard is for mandatory anticipated adoption and application in Chile for securities intermediaries and stock brokers, as per what is established in regulation (Oficio) N° 615 of the Commission for the Financial Market, dated June 10, 2010.

The Company plans to adopt the new norm on the required validity date and will not reformulate the comparative information. During 2017, the Company performed a detailed impact evaluation of the three aspects of IFRS 9. As a result of this study, the Company has determined that IFRS 9 does not have significant impacts on its financial statements.

This evaluation is based on the currently available information and can be subject to changes derived from reasonable and supporting information that will be at the Company's disposition in 2018 when it adopts IFRS 9.

The Company expects a non-significant increase in the estimation of uncollectible due to expected loss. Also, due to the Company's evaluation, it will not implement changes in the classification of its financial instruments.

b. IFRS 15 "Income from contracts with customers"

Issued on May 28, 2014, this Standard replaces IAS 11 Construction Contracts, IAS 18 Operating Revenue, IFRIC 13 Customer Loyalty Programs, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers and SIC 31 Revenue — Barter Transactions which involve advertising services. This new Standard applies to contracts with customers, but does not apply to insurance contracts, financial instruments or lease contracts, which are within the scope of other IFRS. It introduces a single model for acknowledging operating revenue which applies to the contracts with customers and two approaches for the acknowledging of revenue: at one moment in time or during a period. The model considers the analysis of the transactions based on five steps to determine if a revenue is acknowledged, when it is acknowledged and for what amount:

- 1.- Identify the contract with the customer.
- 2.- Identify the performance obligations of the contract.
- 3.- Determine the price of the transaction.
- 4.- Distribute the price of the transaction in the performance obligations.
- 5.- Acknowledge income when (or as) the entity satisfies the performance obligation.

The application date corresponds to the Financial Statements issued for periods that start on January 1, 2018 or after. It allows anticipated adoption.

During 2017, the Company performed a detailed study and analysis of IFRS 15. Based on this study the Company has determined that there are no material effects due to the adopting of IFRS 15.

c. IFRS 16 "Lease"

Issued on January 13, 2016, this Standard requires that the companies record all lease in their Financial Statements as of January 01, 2019. The companies with operating lease will have more assets, but also a higher debt. The higher the company's lease portfolio, the higher the impact on the report metrics. The Standard is effective for the annual periods that start on, or after, January 01, 2019, allowing anticipated adoption. The Company is still evaluating the impact that the mentioned standard could have.

2.6 Use of estimations and judgments

Based on IAS 1, the preparing of the consolidated financial statements requires the use of judgments, estimations and assumptions that affect the amounts of the assets, liabilities, revenue and expenses as of the date of presentation of the consolidated financial statements. These estimations and assumptions are based on Management's best knowledge.

The following estimations have been defined when preparing the consolidated financial statements:

- The valuation of intangible assets different to appreciation, appreciation originated in the acquisition of companies, which could affect the determining of loss due to impairment in the value of these (Note 17 and 18).
- Determining fair value of biological assets based on non-observable significant data entry (Note 13).
- Useful life and residual values of property, plants and equipment (Note 19).
- The hypothesis used to calculate the estimations of non-collectability of sales debtors and customer accounts receivable (Note 10).
- Acknowledging Income (Note 3.20)
- Cost Provisions (Note 3.19).

These estimations have been realized based on the best information available on the date of issuance of the current consolidated financial statements, but it is possible that events that could take place in the future could force these to be modified (increase or decrease) in future periods, which would be done in a prospective manner, acknowledging the effects of change in estimation in the future corresponding consolidated financial statements.

2.7 Changes in accounting policies

The consolidated financial statements as of December 31, 2017, present a change in accounting in relation to the measuring of the valuation of "Bearer Plants", passing from the revaluation method to the cost method in relation to the same date the previous year. Also, as of December 31, 2017, the Company considered applying the aggregation criteria for the informed operation segments until September 30, 2017, as per what is stated in International Financial Reporting Standards (IFRS 8.12).

As is required by International Financial Reporting Standards, the consolidated financial statements as of January 1 and December 31, 2016, have been retrospectively re-expressed, as per what is described in Note 5 "Changes in Accounting policies" and Note 6 "Financial Information per Segments", for the purpose of exposure, the segments of the previous period have been presented in a comparative manner with the current operational segments as of the date of the current consolidated financial statements.



NOTE 3 - MAIN APPLIED ACCOUNTING POLICIES

3.1 Consolidation Bases

3.1.1 Business combination

Hortifrut S.A. and its subsidiaries, acknowledge in their consolidated financial statements the identifiable assets (including intangible assets that have not been acknowledged beforehand) and the assumed liabilities of any interest in companies acquired at fair value, as per IFRS 3, issued and revised by IASB. Also, it acknowledges and measures any appreciation or gains from the purchase of these entities. The appreciation generated in a business combination is initially measured at cost. After the initial acknowledgment, it is measured at cost minus any accumulated loss due to impairment. For the purpose of impairment tests, purchased appreciation acquired in a business combination is assigned from the date of acquisition to each cash generating unit or group of these which is expected to benefit from the synergies of the combination.

If the cost of acquisition is lower than the fair value of the net assets of the acquired company, the difference is acknowledged in results and is presented in the line Other profit (loss). If the initial accounting of a business combination is determined only in a provisional manner, the Company, during the measuring period, will retroactively adjust the acquired provisional amounts, in accordance with the new information obtained. Furthermore, it will acknowledge any additional asset or liability if any new information is obtained, as long as the measuring period does not exceed a year from the date of the purchase. The business combinations are recorded using the acquisition method as of the date when control is transferred to the Group. Control is understood to be the power to direct the accounting policies and the operation of an entity in order to obtain benefits from its activities. The Group values appreciation as of the acquisition date as:

- The fair value of the transferred considerations;
- The acknowledged amount of any non-parent company interest in the acquired company;
- Plus if the business combination is performed in stages, the fair value of the existing interest in the equity of the acquired;
- Minus the net acknowledged amount (in general, the fair value) of the identifiable acquired assets and the identifiable assumed liabilities.

Appreciation is the excess of the amount of the transferred consideration recorded over the net value of the acquired assets and the assumed liabilities. If the fair value of the acquired net assets exceeds the value of the transferred consideration, the Company will perform Sa new evaluation to make sure that all the acquired assets and assumed obligations have been correctly identified and it checks the applied procedures to perform the valuation of the acknowledged amounts on the date of acquisition. If this new evaluation results in an excess of the fair value of the net acquired assets over the added value of the transferred consideration, the different is acknowledged as a profit in the income statement.

3.1.2 Subsidiaries

The consolidated statements of financial position incorporate Hortifrut's financial statements and those of the companies controlled by the Company (its subsidiaries). To have control is when the Company has power over the subsidiary, when it has exposure or the right to variable yields from its implication in the subsidiary and when it has the capacity to use its power to influence the amount of the investor's returns. When evaluating if the Company controls another entity, it must consider the existence and the effect of the potential rights to vote that can currently be executed or converted. The subsidiaries are consolidated from the date when control is transferred and are excluded from the consolidation on the date that this ends.

The acquisition method is used to record the acquisition of subsidiaries. The cost of acquisition is the fair value of the delivered assets, of the issued equity instruments and of the incurred or assumed liabilities on the date of the exchange. The acquired identifiable assets and the identifiable liabilities and contingencies assumed in a business combination are initially valued at their fair value on the date of the purchase, regardless of the scope of the interests of non-parent companies. The excess acquisition cost over the fair value of the Company's interests in the acquired net identifiable assets, is acknowledged as lower value or goodwill. If the acquisition cost is lower than the fair value of the net assets of the acquired subsidiary, the difference will be directly acknowledged in the income statement.

Inter-company transactions, balances and earnings not realized for transactions between related entities are eliminated. The non-realized losses are also eliminated, unless the transaction provides evidence of a loss due to impairment of the transferred asset. When it is necessary to assure its uniformity with the policies adopted by Hortifrut and subsidiaries, then the accounting policies of the subsidiaries are modified.

Below is a detail of the front-line companies included in the current consolidated financial statements:

					31-Dec-17		31-Dec-16
Companies	RUT	Country of Origin	Functional Currency	Direct %	Indirect %	Total %	Total %
Agrícola El Avellano S.A. and subsidiaries	96.923.620-6	Chile	US\$	40.0000	-	40.0000	40.0000
Agrícola Mataquito S.A.	76.306.130-2	Chile	US\$	50.0000	-	50.0000	50.0000
Agrícola Sta. Rosa del Parque S.A.	99.584.440-0	Chile	US\$	30.0000	-	30.0000	30.0000
Agrícola Hortifrut S.A.	79.764.840-k	Chile	US\$	99.9900	0.0100	100.0000	100.0000
Agrícola y Gan. Santa Rebeca Ltda.	78.988.990-2	Chile	US\$	25.0000	-	25.0000	25.0000
Agrícola Vida Nueva S.A.	96.996.290-k	Chile	US\$	50.0000	-	50.0000	50.0000
Colmenares Hortisur SPA	99.568.520-5	Chile	CLP	100.0000	-	100.0000	100.0000
Hortifrut Chile S.A. and subsidiaries	99.524.450-0	Chile	US\$	99.9900	0.0100	100.0000	100.0000
Top Berries & Fruit SPA	76.023.726-4	Chile	US\$	100.0000	-	100.0000	100.0000
Berries de Panguipulli SPA	76.243.167-K	Chile	US\$	100.0000	-	100.0000	100.0000
Inversiones Hortifrut S.A. and subsidiaries	99.524.540-k	Chile	US\$	99.9999	0.0001	100.0000	100.0000

The detailed Companies correspond to front line companies where control is kept. In the case of those subsidiaries which directly or indirectly maintain an interest equal to or lower than 50%, they have been included in the consolidation process because the Company has the power to direct the financial and operating policies (see Note 15).

Modifications to the consolidation base

During the period ending December 31, 2017, modifications have been made to the consolidation perimeter, by incorporating the company Asian Berries Limited and Subsidiaries to the consolidation of the subsidiary Inversiones Hortifrut S.A..

3.1.3 Transactions and interests of non-parent company

The interests of non-parent companies are presented in the item Net Equity of the consolidated classified statement of financial position. The profit or loss attributable to the non-controlling interest is presented in the consolidated income statement, constituting the profit (loss) of the period. The results of the transactions between the non-parent company shareholders and the parent company shareholders of the companies where the property is shared, are recorded under equity and, therefore, are shown in the statement of changes under consolidated net equity.

3.1.4 Associates

Associated companies are all the entities over which Hortifrut S.A. and its subsidiaries have a significant influence, but do not have control over the financial and operating policies, generally with an ownership between 10% and 50%. Investments in associates are recorded when formed or purchased at cost and are subsequently adjusted via the equity method. Hortifrut and its subsidiaries' investments in associates include Appreciation identified in the acquisition, net of any loss due to accumulated impairment.

The non-realized earnings due to transactions between the Group and its associates are eliminated based on the Group's interest percentage. The non-realized losses are also eliminated, except if the transaction provides evidence of loss due to impairment of the asset that is transferred.

Hortifrut and its subsidiaries' participation in the profit or loss after the acquisition of its associates is acknowledged in results, and its interest in the equity activities after the acquisition is acknowledged under reserve within Net Equity. When Hortifrut and its subsidiaries' interests in the loss of an associate is the same or higher than its investment in it, including any other non-insured account receivable, Hortifrut and its subsidiaries will not acknowledge additional loss, unless it has incurred in obligations or performed payments on behalf of the associate.

3.2 Financial information per operating segments

As is indicated in note 2.7 "Changes in Accounting Policies", as of December 31, 2017, the Company considered applying the aggregation criteria for the operating segments informed until September 30, 2017, as per what is established in International Financial Report Standards (IFRS 8.12).

IFRS 8 demands that entities adopt "the Administration focus" when revealing information regarding the result of its operating segments. In general, this is the information that Management and the Board use internally to evaluate the performance of the segments and to decide how to assign resources for these.

Until September 30, 2017, Hortifrut S.A. and subsidiaries presented the information per segment, as per the following:

- Blueberry Segment
- Raspberry Segment
- Blackberry Segment
- Strawberry Segment
- Cherry Segment
- Value Added Products Segment (Frozen, dehydrated, retail products and any other fruit product which is not fresh

The Company has analyzed the Blueberries, Raspberries, Blackberries, Strawberries and Cherries segments, concluding that these show similar economic characteristics, which allow aggregation in a single aggregate operating segment (IFRS 8.12) denominated "Fresh Fruit". Additionally, the Company has evaluated the segment denominated "Value Added Products" and, considering the "Quantitative Thresholds" (IFRS 8.13) as well as the administration, customers and distribution channels which are different to those of the "Fresh Fruit" segment, it has decided to maintain value added products as a separate operating segment.

To determine the aggregation of the aforementioned operation segments (Blueberries, Raspberries, Blackberries, Strawberries and Cherries), it was analyzed if they share similar characteristics in the nature of their products, production process, customers and distribution methods, as well as if said aggregation is coherent.

The Company performed the following analysis:

a) The nature of the products

In this sense Hortifrut considers that fresh fruit, even if it is of a different species, it is of a similar nature (Berries).

b) The nature of the production process

Even though the purchase of fresh fruit from producers and of own production is differentiated by species, they all share the same productive, installations and distribution process until they reach the final consumer, and only the fruit that does not comply with the quality characteristics requested by customers is destined to the Frozen Fruit process.

c) Category of Customers the products are destined to

There is no difference in customers in relation to the type of fresh fruit. Hortifrut's customers buy the fruit offer that is available, complying with the specific quality requirements established by them. Requirements are not related with the type of fruit, but with food safety aspects.

d) Methods used to distribute the products

Hortifrut has developed a commercial platform which allows it to use, no matter which fruit it brings, a uniform, efficient and effective distribution chain. Hortifrut's business has been based on vertical integration to offer the markets the mix of fruits that satisfies their needs.

In summary, the Company has concluded that in order to present "Financial Information per Segments", the operating segments will be the added segment "Fresh Fruit" and the "Added Value Products" segment, since these enable the access to information regarding business activities and their economic environment.

As is required by International Financial Reporting Standards, Note 6 "Financial Information per Segments", for the purpose of exposure, it has been retrospectively re-expressed, thus presenting the segments of the previous period and the valid operating segments in a comparative manner as of the date of the current consolidated financial statements.

3.3 Property, plant and equipment

The Company's property, plant and equipment are made up of land, constructions, infrastructure, machinery, equipment, bearer plants and other fixed assets.

3.3.1 Land, constructions, plants, equipment and machinery

Land is acknowledged at its purchase cost. Constructions, plants, equipment and machinery are acknowledged, both at the initial moment and subsequently, at cost minus the corresponding accumulated depreciation and impairment, in case it exists.

Subsequent costs (improvements, expansions and works in progress) are included in the value of the initial asset or are acknowledged as a separate asset, only when it is probable that the future economic benefits associated with the fixed asset elements will flow to the Company and the cost of the element can be determined in a reliable manner. In the case of the replacement of components, the value of the substituted component is cancelled for accounting purposes.

Derivative costs from daily maintenance and common repairs are acknowledged in the period's result.

Profit or loss from the sale or property, plants and equipment are calculated comparing income obtained from the sale with the book value of the asset (net of depreciation) and are recorded in the consolidated income statement.

3.3.2 "Bearer Plants"

Due to the application of Amendment to IAS 16 and IAS 41, which became valid on January 1, 2016, fruit "bearer plants", are considered a machinery item in a manufacturing process, so, their value is classified under Property, plant and equipment and recorded as specified in IAS 16.

Fruit "bearer plants" can be differentiated depending on their productive state between the development stage and production stage, and are valued as per the following criteria:

a) "Bearer plants" in development

"Bearer plants" in development are valued at the acquisition and/or production cost of the plants plus the costs to maintain them until the date when they start producing.

b) "Bearer plants" in production

As of December 31, 2017, as is indicated in Note 5, a change in accounting policy was made in the valuation of "bearer plants" in production passing from revalued cost to cost (historic cost) minus corresponding depreciation and accumulated depreciation, in case it exists. It must be stated that the thus determined cost includes the revaluation recorded as of December 31, 2015, date when the amendment to IAS 16 and 41 became valid.

"Bearer plants" are considered to be in production as per the following:

Blueberry:

- Chile, Mexico and Spain: a plantation in production is when the volume of produced fruit surpasses 30% of the potential volume of the variety, which is estimated by expert agronomists.
- Peru: a plantation is considered to be in production when the volume of produced fruit surpasses 50% of the potential volume of the variety, which is estimated by expert agronomists.

Nevertheless, if the period of time that passes between the date of the plantation and the date of the valuation is equal to or higher than 6 years, the plantation must be considered in production, regardless of the reached level of production.

Raspberry:

A plantation is considered to be in production the season after the plantation takes place, this is regardless of the geographical area where it is located.

Blackberry:

A plantation is considered to be in production the season after the plantation takes place, this is regardless of the geographical area where it is located.

Due to the different varieties that the company has, the different geographic areas and the different climates and countries where the planting takes place, the Company estimates that it is necessary to wait for certain production levels to be able to evaluate the potential of these. During this period, given the level of

uncertainty, the Company values "bearer plants" under development at cost.

When "bearer plants" reach the aforementioned production potential, it is considered that they enter the production stage, which implies that start of the depreciation of the asset as is explained in point 3.3.3.

If the book value is modified due to the presence of impairment in "bearer plants", said decrease in the value will be attributed directly to results in the period under the account Other expenses, per function.

3.3.3 Depreciation

Depreciation of the components of Property, plants and equipment (except "bearer plants") is calculated using the lineal method, distributing it in a systematic manner during its useful life. This useful life has been determined based on the natural expected impairment, technical or commercial obsolescence derived from the changes and/or improvements in production and changes in the market's demands for the products obtained in the operation with said assets. Land is not depreciated.

Depreciation of "bearer plants" is calculated according to its production forecasted in the useful life of the plant and is assigned as per real production curves. In the case of plantations that are located on leased land, the useful life is adjusted as per the expiry of the corresponding lease contract.

The estimated useful lives are as follows:

	Minimum Life or Rate Years	Maximum Life or Rate Years
Construction and infrastructure works		
Steel, reinforced concrete constructions	50	80
Wooden buildings	10	30
Provisional constructions	5	10
Minor agricultural construtions (macro-tunnel and others)	3	8
Machinery and equipment	8	10
Information technology (IT) equipment	3	6
Furniture and supplies	5	10
Motor vehicles	8	10
Bearer Plants		
Blueberries	10	20
Raspberries and others	3	5

The installations that the Company keeps inactive, continue with their depreciation as per the lineal method.

The residual value and the useful life of the assets are checked, and adjusted if necessary, at each closing of the financial statements of position in order to obtain a remaining useful life as per the value of the assets.

The effects of depreciation are presented under Cost of Sales.

3.4 Current Biological Assets

As per what is established in IAS 41, agricultural products that grow on fruit "bearer plants" will follow this norm, which must be measured at their fair value minus sales costs, recording the changes in valuation under results as the product grows.

The minimum amount of said fair value is the cost incurred in during the season in course. Additionally, said fair value would include the margin expected for the fruit that is closest to the harvest, based on the maturity curve of the fruit. Regardless, when the estimation of said margin per subsidiary does not

significantly differ from the cost incurred as of the date of the Financial Statements, this value will not be recorded.

The variables used to calculate fair value are the following:

- Volume: Corresponds to the fruit which at the closing of the financial statements is estimated to be harvested in no more than 80 days in the case of blueberries and no more than 30 days in the case of raspberries. This estimation of harvest volumes is performed by expert agronomists, who based on the phenological state of the fruit hanging on the "bearer plants", of the variety and geographic location of the plantations, perform a projection of the volume of fruit that will be harvested during the next weeks.
- **Producer return:** From the weekly historical sale price in the final market (taking as a reference the prices published by USDA United States Department of Agriculture- for the last 8 seasons), we determine the return that the field will receive, based on the date when the fruit is expected to be sold which, to the closing of each financial statement, is hanging from the "bearer plants", deducting all the costs that must be incurred from the harvest to the arrival to the final customer.
- **Production Cost:** is determined through the accumulation of real costs for each productive hectare, considering all the maintenance tasks and depreciation of fixed assets used in each of the plantations until the moment of the evaluation.

3.5 Intangible assets other than appreciation

a) Varietals Licenses

The acquired varietals licenses are shown at purchase cost and are amortized charged to the cost of sale as income from sales is generated, or by the plant's development cost.

Corresponds to the rights acquired for the production and commercialization of varieties of Berries.

b) IT programs

Correspond to licenses for acquired software, which are capitalized over the base of the costs incurred in to acquire and prepare them to use the specific program. These costs are amortized during their useful lives estimated at 6 years.

Expenses related with the development or maintenance of software are acknowledged as expenses when they arise. Costs directly related with the production of unique and identifiable software controlled by Hortifrut and subsidiaries, and which will probably generate superior economic benefits than their costs for over a year, are acknowledged as intangible assets. Direct costs include expenses corresponding to the personnel that develop the software and any kind of expense incurred in for its development or maintenance.

c) Water rights

Water rights which have an indefinite useful life, since as per all the considered factors, there is no time limit when the asset generates net cash flows for the Company. It is recorded at the cost incurred in its acquisition.

d) Relationship with Customers

Intangibles generated in the acquisition of Vitalberry Marketing SpA due to the latter's relationship with customers, transferred as part of the merger process. The estimation of returns demanded from this company, considered a customer "outflow" rate of an annual 10%, establishing an amortization period for this intangible of 15 years, which is recorded in the consolidated income statement, under the item of administration expenses.

e) VitalBerry Brand

Due to the market participation in the different continents where Vitalberry sold its products, at the moment of its acquisition, it was considered that this brand has a value. The used focus was the "Relief from Royalty" method based on the assumption that the owner of the intangible asset, saves the payment of Royalty for the use of said asset.

3.6 Appreciation

Appreciation arises from the acquisition of subsidiaries and represents the excess of the considerations transferred over Hortifrut S.A. and subsidiaries' interests in the net fair value of the identifiable net assets, liabilities and contingent liabilities of the acquired and the fair value of the non dominating interest in the acquired.

In order to perform the tests for loss due to impairment, the appreciation acquired in a business combination is assigned to each one of the cash generating units, or Groups of cash generating units, that are expected to benefit from the synergies of the combination. Each unit or Group of units which are assigned the appreciation represent the lowest level within the entity where appreciation is controlled for internal management purposes.

Revisions of the loss due to impairment of the value of the appreciation are performed annually or more often if events or changes in circumstances indicate a potential loss due to impairment. The book value of appreciation is compared with the recoverable amount, which is the used value or the fair value minus sales costs, the highest of these values. Any loss due to impairment is immediately acknowledged as an expense and is not subsequently reverted.

3.7 Interest Costs

Interest costs which can be directly attributed to the construction of any rated asset are capitalized during the period of time that is needed to complete and prepare the asset for the intended use. Other interest costs are recorded under results.

3.8 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and are subjected on a yearly basis to loss due to impairment of value tests.

Assets subject to depreciation are subjected to loss due to impairment tests as long as some event or change in the circumstances of the business indicates that the book value of the assets may not be recoverable. A loss due to impairment is acknowledged when the book value is higher than its recoverable value.

The recoverable value of an asset is the highest between the fair value of an asset minus sales cost and its value in use. In order to evaluate the loss due to impairment of value, assets are grouped at the lowest level for which cash flows that can be separately identified (CGU) exist.

Non-financial assets other than purchased Appreciation which have suffered a loss due to impairment are subjected to revision on each closing date of the financial statement of position to verify if reversals of the loss have been produced.

Loss due to impairment in value can be reversed in accounting only up to the amount of the loss acknowledged in previous periods, so that the book value of these assets does not surpass the value that they would have had if said adjustments had not taken place. This reversal is recorded in the Other profit (loss) account.

3.9 Financial Assets

Hortifrut and subsidiaries classify their financial assets under the following categories: a) fair value with changes in results and b) loans and accounts receivable. The Company does not maintain financial instruments held until their expiry or available for sale. The classification depends on the purpose with which the financial assets were acquired. Administration determines the classification of its financial assets at the moment of the initial acknowledgment.

3.9.1 Classification of financial assets

a) Financial assets at fair value with changes in results

Financial assets at fair value with changes in results are financial assets held for negotiation. A financial asset is classified in this category if it is mainly acquired with the purpose of selling it in the short term. Assets in this category are classified as current assets.

b) Loans and accounts receivable

Loans and accounts receivable are non-derivative financial assets with fixed or determinable payments, which are not quoted on an active market. Those items with expiry less than 12 months are classified as current assets. Items with expiry over 12 months are classified as non-current assets.

The category loans and accounts receivable includes trade debtors and other accounts receivable, accounts receivable with related entities, term deposits and cash and bank balances.

3.9.2 Acknowledging and measuring financial assets

The acquisition and disposal of financial assets is acknowledged on the date of the negotiation, in other words, the date on which Hortifrut and subsidiaries commit to acquiring or selling the asset.

i) Initial acknowledgment

Financial assets are initially acknowledged by the fair value plus the costs of the transaction, for all the financial assets not taken to fair value with changes in results. In case there is no significant difference between the fair value and the nominal value of the financial asset, these are recorded at their nominal value.

Financial assets at fair value with changes in results are initially acknowledged by their fair value, and the costs of the transaction are taken to results.

ii) Subsequent valuation

Financial assets at fair value with changes in results are subsequently recorded by their fair value with an offsetting entry in results. Loans and accounts receivable are recorded at their amortized cost in accordance with the effective interest rate method.

Financial assets are written off when the rights to receive cash flows from investments have expired or have

been transferred and Hortifrut and subsidiaries have substantially transferred all the risks and advantages derived from their ownership.

The Company evaluates on the date of each consolidated statement of financial position if there exists objective evidence that a financial asset or a group of financial assets could have suffered loss due to impairment. In the case of financial assets held up to their expiry, if there is evidence of impairment, the amount of the provision is the difference between the book value of the asset and the current value of the future estimated cash flows, discounted at the original effective interest rate.

3.10 Derivative financial instruments and hedging activities

Derivatives are initially acknowledged at fair value on the date that the derivatives contract has taken place and they are subsequently valued again at their fair value. The method to acknowledge the resulting loss or profit depends on if the derivative has been designated as a hedging instrument and, if so, on the nature of the item that is being hedged. The Company designates certain derivatives such as:

- (a) Fair value hedging of acknowledged assets or liabilities (fair value hedging);
- (b) Hedging of a concrete risk associated to an acknowledged liability or a highly probable foreseen transaction (cash flow hedging); or
- (c) Derivatives that do not qualify for hedging accounting

The Company records at the start of the transaction the existing relationship between hedging instruments and the hedged items, as well as their objectives for risk management and the strategy to perform different hedging operations. The Company also records its evaluation, both at the start and over a continuous base, to see if the derivatives that are used in the hedging transactions are highly effective to compensate the changes in fair value or in the cash flows of the hedged items.

The total fair value of the derivatives is classified as Other assets or non-current financial liabilities if the remaining expiry of the hedged item is over 12 months and as Other current financial assets or liabilities if the remaining expiry of the hedged item is less than 12 months.

(a) Fair value hedging

Changes in the fair value of derivatives that are designated and rated as fair value hedging are recorded in the consolidated income statement, together with any change in the fair value of the hedged asset or liability which can be attributed to the hedged risk.

(b) Cash flow hedging

The effective part of changes in the fair value of the derivatives that are designated and classified as cash flow hedging are acknowledged as cash flow hedging reserves under net equity. Profit or loss related with the non- effective part is immediately acknowledged in the consolidated income statement, under "Other profit (loss)".

In the case of variable interest rate hedging, the amounts acknowledged under equity are reclassified to results in the financial expenses line as the interests of the associated debts are accrued.

In the case of exchange rate hedging associated to costs and expenses to be incurred in Chilean pesos and associated to income to be received in Euros, the amounts acknowledged in equity are reclassified to results in the cost of sales item as the corresponding costs and expenses are accrued.

When a hedging instrument expires or is sold or no longer complies with the requirements demanded for hedging accounting, any profit or loss accumulated in net equity up to that moment remains under equity

and is acknowledged when the foreseen hedged transaction is finally acknowledged in the consolidated income statement. When it is expected that the foreseen transaction will not take place, the profit or loss accumulated in net equity will immediately be taken to the consolidated income statement under "Other profit (loss)".

3.11 Stock

Stocks are valued at their acquisition cost or at their net realizable value, the lower of the two. Cost is determined by the weighted average price (WAP) method.

The cost of the finished products and the products in process include raw materials, direct labor force, other direct costs and general manufacturing expenses (based on a normal operating capacity).

Net realizable value is the estimated sale price during the regular course of business, minus the variable costs of applicable sales.

Obsolete or slow moving materials and supplies are acknowledged at their net realization value.

The Company values its stock as per the following:

- a) The production cost of the finished products covers costs directly related with the productive units, such as labor costs, variable and fixed costs which have been included to transform raw materials into finished products.
- b) In the case of the cost of acquired stock, the acquisition cost covers the purchase cost, import rights, transport, storage and others attributable to the acquisition of the goods and materials.

Formula to calculate the cost of stock

Finished product stock is valued using the weighted average cost method, which is, the cost of each product unit is determined from the weighted average of the cost recorded at the start of the period and the cost of the articles purchased or produced during the period.

Stock of raw materials, packing and materials are valued at weighted average cost.

3.12 Trade debtors and other accounts receivable

Book value acknowledged within trade debtors and other current accounts receivable are an approximation to the fair value, since it is determined based on the historic data of the items to be charged

Additionally, estimations are performed over the doubtful collection accounts based on an objective revision of all the amounts pending at the end of each period. Loss due to impairment related to doubtful credits are recorded in the consolidated income statement in the period that they are produced. Trade credits are included in current asset under Trade debtors and other accounts receivable, in the measure that their estimation for collection is less than a year from the date of the financial statement.

3.13 Cash and cash equivalents

Hortifrut S.A. and subsidiaries consider as cash and cash equivalents the cash balances held at hand and in current bank accounts, term deposits and other financial investments (negotiable securities of easy liquidation) with an expiry of less than 90 days and which are subject to a not very significant risk of changes in value. Investments that correspond to cash management and whose funds are of free disposal are also included.

Used bank overdraft lines are included in Other financial liabilities.

3.14 Corporate capital

Corporate capital is represented by ordinary shares of a single kind.

Incremental costs which can be directly attributed to the issuance of new shares or options are presented in net equity as a deduction, of the obtained income.

The minimum legal dividends over ordinary shares are acknowledged as equity goodwill when they are approved by the shareholder's board.

3.15 Payable trade accounts and other accounts payable

Book values acknowledged within payable trade accounts are initially acknowledged at their fair value and are subsequently valued at the amortized cost using the effective interest rate method.

3.16 Other financial liabilities

Financial liabilities are initially acknowledged, by their fair value, net of costs incurred in the transaction. Subsequently, they are valued at their amortized cost and any difference between the obtained funds (net of the necessary costs for its obtention) and the reimbursement value, are acknowledged in the income statement during the life of the debt as per the effective interest rate method. The effective interest rate method consists on applying the market rate as a reference for debts with similar characteristics to the value of the debt (net of the necessary costs for its obtention).

Financial liabilities are classified under current liability and non-current liability over the base of the contractual expiry of the nominal capital.

3.17 Gains tax and deferred taxes

Hortifrut and its subsidiaries have acknowledged their tax rights and obligations based on the valid legal dispositions.

Expenses due to gains tax are acknowledged in the income statement and correspond to payable tax determined over the taxable income of the year, applying the valid tax rates as of the closing date of the consolidated financial statements, any adjustment to payable tax for previous years and the effect of the variation of assets and liabilities due to deferred taxes.

When dealing with items acknowledged in other integral results or directly in net equity, in this case, tax is also acknowledged in the other integral results or directly in net equity, respectively.

Deferred tax effects are recorded over the temporary differences that arise between the tax base of assets and liabilities and their corresponding values shown in the financial statements. Deferred tax assets and liabilities are determined using the tax rates that have been promulgated as of the date of the financial statements and are expected to be applicable when the income tax asset is realized or the income tax liability is paid.

Regardless of the aforementioned, deferred tax which is the result of temporary differences that arise from investments in subsidiaries and related companies is not acknowledged if the opportunity to reverse the temporary difference is controlled by the Company and it is probable that the temporary difference will not be reverted in the foreseeable future.

3.18 Employee Benefits

a) Employee vacations

Hortifrut and its subsidiaries acknowledge the expense for employee vacations through the accrued method, which is recorded at its nominal value.

b) Benefits for termination of labor relationship

Hortifrut S.A. and its subsidiaries do not present obligations due to indemnity for termination of employee services, because there is no legal obligation associated or a non-formalized practice which results in said obligation.

These are recorded in results (expense) at the moment the employees are paid, as a consequence of the Company's decision to rescind their work contract, before the normal retirement age.

c) Other benefits

Hortifrut and its subsidiaries acknowledge a liability for bonus to its employees, when it is contractually obligated or when the practice in the past has created an implicit obligation, which is historically defined at the end of the season. If it exists, the provision is presented under current liability.

3.19 Provisions

Hortifrut S.A. and subsidiaries acknowledge a provision when they are contractually obligated or when there is a practice in the past which has created an assumed obligation.

Provisions for onerous contracts, lawsuits and other contingencies are acknowledged when:

- (i) Hortifrut S.A. and subsidiaries has a current obligation, whether it is legal or implicit, as a result of past events,
- (ii) It is probable that an exit of resources will be necessary to liquidate the obligation; and
- (iii) The value has been estimated in a reliable form.

Provisions are regularly revised and quantified, taking into consideration the best information available on the presentation date of the consolidated financial statements.

3.20 Acknowledging income

Income is acknowledged in the measure that it is probable that the economic benefits will flow towards the Company and can be reliably measured. Income is measured at the fair value of the economic benefits received or to be received and are presented net of value added tax, specific taxes, returns and discounts.

Income from the sale of goods is acknowledged when the Company has transferred to the buyer the risks and benefits that are inherent to the property of these goods and does not maintain the right to dispose of them, or to maintain an efficient control; in general, this means that sales are recorded at the moment the risks and benefits are transferred to the customers as per the terms agreed in commercial agreements, as is described below:

a) Sale of products in the local market

The Company generates its income mainly from the sale of fruit, product that is distributed through retailers, wholesale distributors and supermarket chains. None of them acts as a trade agent of the Company. Income

from sales in local markets, net of value added tax, specific taxes, returns and discounts to customers, are acknowledged at the moment that the products are delivered together with the transferring of all their risks and benefits.

b) Export

In general, the Company's delivery conditions for export sales are based on Incoterms 2000, with these being the official rules for interpreting trade terms issued by the International Chamber of Commerce.

The structure for acknowledging income is based on the group of Incoterms, mainly in the following groups:

- "FOB (Free on Board) and similar", where the buyer organizes and pays for the transport, so, the point of sale is the delivery of the goods to the transporter hired by the buyer, moment that income is acknowledged.
- "CIF (Cost, Insurance & Freight) and similar", through which the Company organizes and pays the external transport expense and some other expenses, even though the Company ceases to be responsible for the goods once they have been delivered to the maritime or airline Company within the corresponding term. The point of sale is the delivery of the goods to the transporter hired by the seller for transporting to destination, moment that income is acknowledged.

In case there are discrepancies between the trade agreements and the Incoterms defined for the operation, those established in the contracts will apply.

c) Estimating Income

The Company, for those sales that to the closing of the Financial Statements are recorded at the invoicing price at the moment of their dispatch and not their final liquidation, adjust the value of invoicing to the value of the sale price obtained in the markets where its products are commercialized.

d) Income from interests

Income from interests is acknowledged using the effective interest rate method.

e) Sale of services

Operating income from the sale of services, is recorded when said service has been provided. A service is considered to have been provided when it is received in agreement by the customer.

f) Income from dividends

Income from dividends is acknowledged when the right to receive the payment has been established.

3.21 Trade agreements with distributors and supermarket chains

The Company performs trade agreements with its main distributors and supermarkets through which they establish: (i) discounts for volume and other customer variables: (ii) promotional discounts, which correspond to an additional reduction in the price of the sold products, due to the development of trade initiatives (temporary promotions) and the granting of considerations (use of preferential spaces and others) and (iii) shared advertising, which corresponds to the Company's participation in advertising campaigns, promotional magazines and the opening up of new sales points.

Discounts due to volume and promotional discounts are acknowledged as a reduction in the sale price of the sold products. The contributions for shared advertising are acknowledged when the advertising campaigns agreed with the distributor have taken place and are recorded as incurred commercializing expenses.

The Company acknowledges the cost of the benefits granted by commercial agreements with distributors only when there is formal evidence of the agreement, the amount of the benefit can be reasonably estimated and its payment is probable.

Commitments with distributors or importers in the exports environment are acknowledged when there is formal evidence of the agreement and its amount can be reliably estimated.

3.22 Cost of Sales

Sales costs include the cost of production of the sold products and other costs incurred in to leave stock at the locations and under the necessary conditions for its sale. These costs include, among others, cost of raw materials, packing costs, labor costs of production personnel, depreciation of assets related with production, payment of leaves of absence and operating costs and maintenance of plants and equipment.

Estimating Cost of Sales

Sales from the production of third party fruit (producers), which to the closing of the period have not yet been liquidated (approximately between 20 and 45 days as per destination) the premium over the contractual price previously agreed with the producer is estimated. The estimated premium plus the agreed price constitute the cost of fruit. The premium is estimated taking as a reference the real placement prices experienced in the destination market as of the closing date of the financial statements.

In the case of fruit packing per species, a standard material cost is assigned. Based on the arrived shipments, the standard cost is calculated for each of the shipments and by the difference with the consumed materials, an adjustment in relation to the materials in transit as of the closing date takes place. At the same time, 2% of this cost is provisioned as decrease in materials.

3.23 Administrative expenses

Administrative expenses include remunerations and compensation of personnel at the back up units, the depreciation of offices, equipment, installations and furniture used in these functions, the amortization of non-current assets and other general and administrative expenses.

3.24 Lease

a) Financial Lease.

Hortifrut S.A. and its subsidiaries lease determined fixed assets. The fixed asset lease, when the Company substantially has all the risks and benefits inherent to the property, is classified as financial lease. Financial lease is capitalized at the start of the lease at the fair value of the property or leased asset or at the current value of the minimum payments for the lease, the lower of the two.

Each lease payment is distributed between the liability and the financial burdens to obtain a constant interest rate over the pending balance of the debt. The corresponding obligations for lease, net of financial burdens, are included in Other financial liabilities. The interest element of the financial cost is charged in the income statement during the lease period in order to obtain a constant periodic interest rate over the remaining balance of the liability for each period. The asset acquired under a financial lease regime is depreciated during its useful life or the duration of the contract, the lower of the two.

b) Operating Lease.

The leases where the lessor keeps an important part of the risks and advantages derived from the ownership of the good are classified as operating lease. The payments for the concept of operating lease (net of any incentive received from the lessor) are charged in the income statement over a lineal base during the lease period.

3.25 Non-current assets or groups of assets (or disposal groups) classified as held for sale

Non-current assets or disposal groups are classified as assets held for sale and are acknowledged at the lower value between the book value and the fair value minus sales cost. When the value will be recovered mainly through its sale, as long as the sale is considered highly probable.

3.26 Environment

In the case of environmental liabilities, these are recorded over the base of the current interpretation of environmental laws and rulings, when it is probable that a current obligation will be produced and the amount of said responsibility can be calculated in a reliable manner.

Investments in infrastructure works destined to complying with environmental requirements are activated by following general accounting criteria for Property, plant and equipment.

3.27 Investigation and development

Investigation and development expenses are presented under the Other expenses by function item in the consolidated income statement, because the realized investigations form a normal part of Hortifrut S.A. and its subsidiaries' operations.

3.28 Advertising expenses

Advertising expenses are acknowledged under results when they take place.

3.29 Profits per share

Net profits per share are calculated by dividing the net profit attributable to the shareholders by the weighted average of the number of ordinary shares in circulation during the period, excluding shares acquired by the company.

3.30 Expenses due to goods and services insurances

The payment of different insurance policies which the Company hires is acknowledged under expenses in proportion to the period of time that they cover, regardless of the payment terms. The paid and non consumed values are acknowledged as advanced payments under current assets.

The costs of the claims are acknowledged under results immediately after known, net of the amount recoverable from the insurance companies. The amounts to be recovered are recorded as an asset to be reimbursed by the insurance Company under the item Trade Debtors and other accounts receivable, calculated according to what was established in the insurance policies.

NOTE 4-RISK MANAGEMENT

The berries business intrinsically involves a series of risk factors which, in one way or another, could affect the development of the industry. Within these factors, we can mention the following:

4.1. Financial Risk

4.1.1 Credit Risk

a) Cash surplus investment risk:

The financial institutions with whom Hortifrut S.A. and subsidiaries operate and the type of financial products where they materialize said cash surplus investments, are considered low risk for the Company (see Note 7.1).

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

Within the authorized instruments, are those whose expiry terms do not exceed 90 days and have high liquidity.

- Cash at hand
- Term deposits
- Investments in mutual funds
- Other short term and high liquidity investments.

The financial entities where the investments are placed have a high creditworthiness.

b) Risk from sales operations:

Hortifrut has diversified sales in several countries.

The main customers are supermarkets in the United States, where the fresh fruit business is subject to the PACA law, which protects fresh fruit and vegetable suppliers in the USA.

For sales outside the United States, the Company's policy is to obtain credit insurance policies. For those customers whose policies have a maximum limit, the Company evaluates the risk of exposure every week and decreases/increases deliveries in accordance with the performed analysis or demands advanced payment from the customers.

Regardless of the fact that to date Hortifrut has not had any problems in relation to credit risk, it is important to bear in mind that this fact does not guarantee that in the future, the Company may be exposed to this risk.

As a mitigation measure for this risk, the Company has obtained credit insurance for the parent company and subsidiaries as of December 31, 2017 (see Note 4.3).

4.1.2 Liquidity risk

This risk is associated to the probability that Hortifrut S.A. and its subsidiaries cannot comply with their obligations, as a result of insufficient liquidity or the impossibility to obtain credits.

The Hortifrut Group centrally administers these risks from the parent company through an appropriate distribution, extension of terms and by limiting the amount of its debt, as well as the maintenance of an adequate liquidity reserve, constantly monitoring the debt of the Subsidiaries and Associated Companies. In the case of subsidiaries such as Hortifrut España Southern Sun SL, and related companies such as Hortifrut Tal S.A.C. and Munger Hortifrut N.A. LLC in the United States, credit decisions are made at these business units in coordination with Hortifrut S.A. Debts are incurred through bank credits in Chile and overseas, aiming to optimize the credit conditions based on the financing needs to face investment plans and requirements for work capital.

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

Hortifrut has available short term credit lines, approved and valid for work capital, which as of December 31, 2017 reach US\$222.0 million (includes credit lines committed with BCI bank for US\$42.0 million, commitment fixed for 2018 and of which US\$25 million have been used), distributed among 13 banks. The used amount reaches US\$125.0 million, with an unused balance of US\$97.0 million. The credit lines are distributed among the following companies: Hortifrut Chile S.A. with US\$210.5 million, Hortifrut S.A. with US\$5.0 million, Agrícola El Pampino S.A. with US\$0.75 million, Agrícola Santa Rosa del Parque S.A. with US\$0.50 million, Agrícola Vida Nueva S.A. with US\$0.40 million, Agrícola Mataquito S.A. with US\$1.3 million, Agrícola El Avellano with US\$0.50 million and Hortifrut Import Inc., with US\$3.0 million. As of December 31, 2016, the Company had approved credit lines for US\$193.85 million.

Based on the current operational performance and its liquidity position, the Company estimates that cash flows from operating activities and available cash will be enough to finance work capital and interest payments, for the next 12 months and the foreseeable future.

To administer short term liquidity, the Company uses as a base its cash flows forecasted for a mobile period of twelve months and maintains cash and cash equivalents which are available to comply with its future obligations.

Below we summarize the expiry of the Company's bank loans as of December 31, 2017, based on the undiscounted contractual cash flows:

			Flows				
		•	Between	Between	Between 1		
			o to 3	3 to 12	and 5	Over 5	
	Capital	Interests	months	months	years	years	Total
Creditor Bank	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Banco de Crédito e Inversiones	57,941	657	26,885	7,624	21,831	7,748	64,088
Banco Santander Chile	32,609	176	32,142	355	373	-	32,870
Banco Bilbao Vizcaya Argentaria	28,187	33	10,106	4,440	14,296	-	28,842
Banco Estado	25,425	98	20,198	5,310	105	-	25,613
Banco Rabo Finance Chile	22,960	352	-	1,274	8,312	20,337	29,923
Banco Santander Central Hispano S.A.	15,883	-	1,351	3,668	11,218	-	16,237
Banco de Chile	12,000	34	12,034	-	-	-	12,034
Banco Scotiabank	11,707	41	11,754	-	-	-	11,754
Banco Itaú	10,296	9	10,067	258	59	-	10,384
La Caixa	5,997	-	16	784	5,370	-	6,170
Banco BICE	5,000	5	5,007	-	-	-	5,007
Banco Intercontinental Español	3,599	-	10	690	2,991	-	3,691
Banco Sabadell	2,397	-	7	166	2,300	-	2,473
Caja Madrid	36	-	6	19	11	-	36
Caja Rural Asturias	27	-	7	22	-	-	29
Financial Services	19	-	1	2	20	-	23
Security	5	-	5	-	-	-	5
Banco de Crédito Perú	4	-	4	-	-	-	4
Total as of December 31, 2017	234,092	1,405	129,600	24,612	66,886	28,085	249,183
Total as of December 31, 2016	206,390	1,349	102,455	50,478	48,815	14,779	216,527

Below is a summary of the expiries of the total financial liabilities as of December 31, 2017:

			Flows				
			Between	Between	Between 1		<u> </u>
			o to 3	3 and 12	and 5	Over 5	
	Capital	Fair Value	months	months	years	years	Total
<u>Detail</u>	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Bank loans	234,092	235,497	129,600	24,612	66,886	28,085	249,183
Trade accounts and other accounts payable	49,724	49,724	41,757	7,967	-	-	49,724
Accounts payable to related entities	18,213	18,213	-	6,142	12,071	-	18,213

4.1.3 Exchange rate risk

The international character of its business and operations in different countries expose Hortifrut to risks due to exchange rate fluctuations. The main exposures refer to exchange rate fluctuations in US Dollar versus Chilean Peso, Mexican Peso, Peruvian Nuevo Sol and Euro.

a) Exposure to Chilean Pesos

The source of exposure to Chilean Pesos comes from the costs of the Chilean companies denominated in said currency, trade accounts receivable with national customers and liquid funds held in financial instruments and bank obligations.

Hortifrut performs actions to mitigate the exposure to costs of the Chilean companies by contracting derivative instruments. Likewise, in the Chilean companies, Cross Currency Swap instruments are used to mitigate the exchange rate risk in bank obligations in Chilean Pesos.

b) Exposure to Mexican Pesos

The source of exposure to Mexican Pesos mainly comes from agricultural operating costs in Mexico which are mostly denominated in said currency and, at a lower scale, trade accounts receivable with Mexican customers.

Hortifrut performs mitigation measures over the exposure to costs of Mexican companies, through the contracting of derivative instruments.

c) Exposure to Euros

The source of exposure to Euros comes from sales performed in said currency, bank obligations and financial instruments. Hortifrut performs actions to mitigate the exposure to sales in Euros through the use of forward derivative contracts.

Regardless of the fact that to date Hortifrut has not had any problems in relation to exchange rate risk, it is important to bear in mind that this fact does not guarantee that in the future, Hortifrut may be exposed to this risk.

d) Exposure to Peruvian Soles

The source of exposure to Peruvian Soles mainly comes from the costs of agricultural operations in Peru, which are mainly denominated in said currency, and at a lower measure, from trade accounts receivable with customers.

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Exposure in currencies different to the dollar

The following table shows the exposure in currencies different to the dollar, over the Company's assets and liabilities as of December 31, 2017:

	Peso/UF	<u>Euro</u>	Mexican \$	Argentine \$	Real/others
As of December 31, 2017	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Financial Assets					
Cash and Cash Equivalents	2,313	9,770	430	109	697
Other current non-financial assets	1,359	423	2,208	311	319
$Current\ trade\ debtors\ and\ other\ accounts\ receivable$	9,700	15,342	2,969	240	9,011
Current accounts receivable with Related Entities	2	8,117	-	-	-
Non-current accounts receivable with Related Entities	-	6,972	-	-	_
Total Financial Assets	13,374	40,624	5,607	660	10,027
Current Liabilities					
Other current financial liabilities	-	10,876	-	-	258
Current trade accounts and other accounts payable	13,543	2,404	1,425	26	1,236
Current accounts payable to Related Entities	2,263	39	-	-	-
Current provisions for employee benefits	441	-	507	-	-
Other non-current financial liabilities	225	32,617	-	-	42
Non-current accounts pay able with Related Entities	1,529	10,542	-	-	
Total Financial Liabilities	18,001	56,478	1,932	26	1,536
Net exposure as of December 31, 2017	(4,627)	(15,854)	3,675	634	*
Net exposure as of December 31, 2016	(4,747)	4,261	1,935	382	3,521

Effects of a potential exchange rate fluctuation

The potential effect of a 10% devaluation of the United States dollar in front of all the other relevant currencies to which the Company is exposed, would have an approximate effect of KUS\$769 (KUS\$534 as of December 31, 2016) as a higher charge to the company's results as of December 31, 2017, the aforementioned maintaining all the other variables constant. The calculation considers the Company's exposure in financial assets and liabilities denominated in currency different to the dollar.

				Net (10%	
	<u>Assets</u>	Liabilities	<u>Net</u>	Devaluation)	Variation
Currencies	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Peso/UF	13,374	18,001	(4,627)	(4,164)	463
Euro	40,624	56,478	(15,854)	(14,269)	1,585
Mexican \$	5,607	1,932	3,675	3,308	(367)
Argentine \$	660	26	634	571	(63)
Real	10,027	1,536	8,491	7,642	(849)
Total	70,292	77,973	(7,681)	(6,912)	769

4.1.4 Interest rate risk

The Hortifrut Group has its long term financial liabilities linked to long term investments. Most of these long term liabilities are at fixed rates and mostly in dollars to avoid cost variations and to be aligned with the Company's functional currency. Even though short term financial liabilities, linked to temporary work capital are at a fixed rate, an exposure to fluctuations in the market rates at the moment of its contracting and/or renewal is experienced. If Hortifrut held a whole year the debt that it has at a variable rate, which is KUS\$123,233 (KUS\$127,583 as of December 31, 2016) and the rate increased 10%, the impact on the annual financial cost would be KUS\$213 (KUS\$146 as of December 31, 2016).

Below is a detail of the short term financial liabilities, linked to temporary work capital:

			<u>10%</u>	
			<u>interest</u>	Due to
		<u>Annual</u>	<u>variation</u>	Variation
	<u>Capital</u>	<u>Interest</u>	in the rate	in Rate
Creditor Bank	KUS\$	KUS\$	KUS\$	KUS\$
Banco Santander Chile	31,900	555	613	58
Banco Itaú	10,135	195	213	18
Banco Bilbao Vizcaya Argentaria	10,110	201	219	18
Banco de Crédito e Inversiones	27,963	460	507	47
Banco de Chile	12,000	204	224	20
Banco Scotiabank	11,000	187	206	19
Banco Estado	20,121	333	366	33
Banco de Crédito Perú	4	-	-	
Total	123,233	2,135	2,348	213

4.2 Operating Risks

Hortifrut's operating risks are administered by the corresponding management, in accordance with the norms and standards defined at a corporate level. Below is a detail of those that management considers to be of greater relevance:

4.2.1 Competition's genetic development

The lack of modern varieties of plants could affect the competitiveness of the business, both agricultural and export and trade. The Hortifrut Group currently counts with varietal development programs, maintaining in Chile and overseas strategic alliances with universities and companies dedicated to this sector, as well as establishing agreements with the main nurseries in the world, guaranteeing Hortifrut access to a large spectrum of modern and attractive plant varieties.

4.2.2 Significant increase in offer

In the case of very significant increases in the planted hectares at a global level, a scenario of over-supply of berries could be generated, which would lead to a fall in prices at the destination markets. Nevertheless, this phenomenon would affect Hortifrut only if it takes place in the windows of the year when the Company operates.

Also, at the main markets where Hortifrut operates we can still observe a great growth potential in the demand for berries, due to the combination of (i) a product with very positive health effects; (ii) the growing importance for healthy food that consumers seek and (iii) a still relatively low consumption of berries per capita.

4.2.3 Intensification of competition

The Company also faces the risk of an eventual intensification of competition or the appearance of new actors in the berries market. To face these risks, the Company concentrates its efforts on actions aimed at maintaining its leadership in costs, maintaining a strong distribution chain, constantly improving the offer of products and obtaining brand acknowledgment, among others. Likewise, Hortifrut has privileged an international expansion through strategic alliances both in the productive and commercial area, which allows it to better face competition and be able to supply its customers with fresh berries every day of the year.

4.2.4 Climatic risks

Climate is an external factor which is difficult to control, which can affect quality and cause variations in the volume of fruit available to commercialize during the year. Even though it is difficult to control, this risk can be geographically diversified and can be mitigated with correct management. The Company administers this risk by creating export companies and obtaining fruit from different producers in Chile and the rest of the world, investing in agriculture in different countries and in each country in different zones, building deep wells to assure the availability of water in the fields that require it and investing in infrastructure to control rain, frost and hail, among other initiatives.

4.2.5 Plagues and disease

It is unavoidable for a large surface of any crop to be affected by some incidence of plagues and/or disease. Therefore, efficient control of these is as necessary as fertilizing or watering. Risk associated with plagues or disease impact on the quality and/or performance, being able to affect appearance and post-harvest life of the fruit; in some cases this risk involves the application of quarantines in specific productive zones on behalf of the phytosanitary authorities of the countries where the fruit is destined. Nevertheless, through a good control (search and monitoring) an outbreak of plagues or disease can be detected on time, allowing to eliminate the problem before it causes greater damage.

From 2013, the United States applied quarantine to some regions in Chile due to the detection of the Lobesia Botrana moth. These quarantines can generally be lifted immediately through fumigation of the fruit at destination or, in the medium term, working with the authorities on preventive measures to control the plague which prove contention or eradication, ending up in the lifting of the quarantine. Other solution measures are to destine the fruit in quarantine zones to markets that have different phytosanitary restrictions.

4.2.6 Food-Safety

As in all foods, there is always the risk of a "recall" in the industry (term employed in case a product is removed from the market if there is a suspicion or a certainty that it violates the valid food laws or that the quality standards established by the company for said market are transgressed) which could considerably affect the Company's results. Until now Hortifrut has never had a problem in this aspect, nevertheless, this does not assure that it won't occur in the future. The Company guarantees the quality and sanity of its berries by investing in technology, specifically traceability systems, working with a rigorous quality assurance and food safety program which applies during all the phases of the productive process (pre-harvest, harvest and post-harvest), which allows to circumscribe the eventual problem to a lower volume, not affecting the complete production.

4.2.7 Continuity and costs of supplies and services

The development of Hortifrut's business involves a complex logistic regarding the opportune supply of quality supplies and services which are fundamental to maintain competitiveness. Regarding electrical energy, Hortifrut's process plants count with generators that allow to assure the continuity of the operation in front of supply cuts. Also, all the plants have contingency plans to face restrictive supply scenarios.

Nevertheless, it is not possible to discard that in the future, supply shortages could generate a discontinuity in the supply and/or higher costs at Hortifrut's plants. It is also important to consider eventual standstill at ports and transport companies in general, which could affect Hortifrut's performance if the events extend in time.

4.2.8 Risk associated to new technologies

Hortifrut, in its varied entrepreneurships, throughout the world, is incorporating growing new technologies in the whole production process. The aforementioned involves risks associated to the lack of knowledge of all the involved behaviors. Even though most of its technologies are widely widespread in the world, there is still no extended history which allows to know beforehand all the adverse effects that could derive from it.

4.3 Insurance

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

The main insurances contracted as of December 31, 2017 are the following:

COUNTRY	TYPE OF INSURANCE	CURRENCY	COVERED AMOUNT
Chile	Infrastructure Fire	UF	1,469,132
Chile	Mobile Agricultural Equipment	UF	70,244
Chile	Motor Vehicles	UF	131,400
Chile	General and Product Civil Responsibility	UF	127,144
Chile	Maritime Transport	UF	305,147
Chile	Credit Insurance	UF	254,289
Chile	Fruit and Materials Insurance	UF	249,481
Chile	Terrorism	UF	500,000
Chile	Business Interruption	UF	250,000
USA	Product Civil Responsibility	USD	20,000,000
Mexico	Transporting of Load	USD	200,000/shipment
Mexico	Infrastructure Fire, Theft and Civil Liability	USD	48,000,000
Mexico	Motor Vehicles	USD	Commercial Value
Spain	Motor Vehicles	EUR	Commercial Value / without limit
Spain	Installations	EUR	350,000 per event
Spain	Goods	EUR	50,000 per event
Spain	Civil Liability	EUR	6,500,000
Spain	Credit Insurance	EUR	90% unpaid
Peru	Fire	PEN	618,320
Peru	Motor Vehicles	USD	261,820

As of December 31, 2016, contracts were held for the same covered amounts.

4.4 Risk in the Estimations

Effects of the valuation of fruit that grows on "bearer plants" due to changes in volume and price

As per what is established in IAS 41, agricultural products that grow on fruit bearer plants will remain within the scope of this norm, which must be measured at their fair value minus sale costs, recording the changes in valuation in result as the product grows.

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

As of December 31, 2017, the expected margin of fruit on Agrícola Hortifrut S.A.'s bearer plants was acknowledged, for the amount of KUS\$1,640.

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

	Fair Value Adjustment as of	10% Reduction	10% Reduction	10% Reduction	
	31.12.2017 (KUS\$)	Volume (KUS\$)	Price (KUS\$)	Volume and Price (KUS\$)	
Agrícola Hortifrut S.A.	1,640	1,476	1,016	914	

On the other hand, within the item Investments recorded using the equity method, the expected margin of fruit on bearer plants of the company Hortifrut Tal S.A.C. (Peru) has been acknowledged based on the interest percentage that it has in it, amount that reaches KUS\$953.

Below is a detail of the effect that a 10% reduction in price and volume would have on that amount:

	Fair value	10% Reduction	10% Reduction	10% Reduction in
	adjustment as	in Volume	in Price	Volume and Price
	of 31.12.2017	(KUS\$)	(KUS\$)	(KUS\$)
Hortifrut Tal S.A.C.	953	877	744	670



NOTE 5 – CHANGES IN ACCOUNTING POLICIES

In June 2014, the International Accounting Standards Board (IASB), officialized the modification to IAS 16 'Property, plant and equipment' and to IAS 41 'Agriculture', with validity as of January 2016. These modifications require the recording of bearer plants as Property, plant and equipment and to value them as per the historic cost model or the revaluation model (IAS 16).

Considering the options provided by IAS 16, the Company initially chose to apply the revaluation or revalued cost model for "bearer plants" in production, whose revaluations are performed every 3 or 5 years, or when there is evidence that the fair value of the revalued asset significantly differs from its book value.

Because it is difficult to find an active market for observable price references or market values for the different species of "bearer plants", the Company chose to value them based on the current value of the harvest of a growth cycle based on the productive fruit plantations over a production horizon of 20 years or limited to the lease period of the land.

The Company, after a year of applying the revalued cost, has decided to perform a change in accounting policy, estimating that the valuation at historic cost allows more precise information for the valuation of bearer plants, eliminating the volatility that could be presented in the use of the revaluation model, in order to mitigate the use of estimations that could be complex and subjective.

The considerations that the Company has evaluated for this change are the following:

Effect of investment in Peru

Due to the Company's recent investment decision in Peru, the relative weight of the biological assets significantly increases compared to the rest of Hortifrut's assets, which increases the impact of the own volatility of the revalued cost model, impacting the variation of the value of assets from one year to the other.

As a reference, to the closing of 2016, bearer plants reached a value of US\$ 156 billion, which is 29.4% of the Company's total assets. Once the purchase of Rocio Group's assets in Peru has been materialized, bearer plants will have an approximate value of US\$ 531 billion (44.3% of the total value of assets).

2. Forecast variables foreign to the Company

The revaluation model considers the forecasting of variables such as the exchange rates of different currencies against the dollar, and the future prices of our products in the different markets which are not under the Company's control and whose projection can significantly vary between one year and another, impacting the valuation of the plantations.

3. New information regarding Standards

The International Accounting Standards Board, during the discussions held during 2017 regarding the application of the revalued cost for "Bearer Plants", has indicated that:

Even though companies can choose between the revalued cost and the historic cost model to record the value of biological assets, it is expected that they will choose to use the historic cost method.

The analysts and investors (users of the financial statements) consulted by the International Accounting Standards Board have indicated their concern regarding trust in fair value measurements, because they involve significant judgments from management and assumptions that significantly vary between companies.

Due to all the aforementioned information, the Company has established that the valuation of "Bearer Plants" in production at cost minus its corresponding depreciation and accumulated impairment (in case it exists), represents in a more precise manner the value of said assets, allowing the users of the financial statements to count with comparably objective information to perform their measurements and valuations.

Just as is required by IFRS, the Company has applied the aforementioned change retroactively for comparative effects, the opening balances, the presentation of reports for 2016 and the corresponding notes for the financial statements have been adjusted and the statement of financial position as of January 01, 2016 re-expressed has been included, as is required by IAS 1 under these circumstances.

The following table shows a summary of the adjustments and reclassifications made to the items of the affected consolidated statement of financial position as per what was stated beforehand, see following detail:

	1-Jan-16			31-Dec-16		
	Previously	Exchange	Re-	Previously	Exchange	Re-
	informed	rate effect	expressed	informed	rate effect	expressed
Detail	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Asssets						
Total current assets	163,173	-	163,173	195,924	-	195,924
Current, Non-current assets						
Other non-current assets	105,828	-	105,828	142,238	(11,180)	131,058
Property, plant and equipment	201,902	-	201,902	207,870	(3,007)	204,863
Total non-current assets	307,730	-	307,730	350,108	(14,187)	335,921
Total assets	470,903	-	470,903	546,032	(14,187)	531,845
Liabilities						
Total current liabilities	153,719	-	153,719	223,615	-	223,615
Non-current liabilities						
Other non-current liabilities	85,491	-	85,491	69,454	-	69,454
Deferred tax liability	26,626	-	26,626	23,492	(812)	22,680
Total non-current liabilities	112,117	-	112,117	92,946	(812)	92,134
Total liabilities	265,836	-	265,836	316,561	(812)	315,749
Equity						
Other equity	135,149	-	135,149	135,149	-	135,149
Accumulated profit (loss)	25,302	24,936	50,238	14,039	23,254	37,293
Result of the Period	-		-	26,055	(7,130)	18,925
Otras reservas	14,403	(24,936)	(10,533)	24,108	(29,027)	(4,919)
Equity attributable to the parent company						
equity holders	174,854	-	174,854	199,351	(12,903)	186,448
Non parent company interests	30,213	-	30,213	30,120	(472)	29,648
Total Equity	205,067	-	205,067	229,471	(13,375)	216,096
Total liability and equity	470,903		470,903	546,032	(14,187)	531,845

In the following table are the adjustments and reclassifications performed in the consolidated financial statements of 2016:

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Effects	Reserve KUS\$	Accumulated Results KUS\$	Result 2016 KUS\$	Property, Plant and Equipment KUS\$	Liability ID KUS\$	Non parent company equity KUS\$	Result attributable to non parent company KUS\$	Investment in associated companies KUS\$
Balance as of 31-12-2016	24,108	40,094	30,981	207,870	23,492	30,120	4,926	66,654
Reclassification Initial Reserve a)	(24,936)	24,936	-	-	-	-	-	0
Elimination Interest Revaluation Hortifrut Tal S.A.C. b)	(11,180)	-	-	-	-	-	-	(11,180)
Reversal consumption reserve due to impairment c)	7,130	(7,130)	(10,233)	-	-	-	(3,103)	-
Reversal revaluation at subsidiaries d)	(1,723)	-	-	(3,007)	(812)	(472)	-	-
Elimination reserve due to amortization e)	1,682	(1,682)	-	-	-	-	-	<u> </u>
Balance as of 31-12-2016 Re-expressed	(4,919)	56,218	20,748	204,863	22,680	29,648	1,823	55,474

- a) As of January 01, 2016, we proceeded to re-classify the total of the revaluation surplus reserves of "bearer plants" to accumulated reserves for KUS\$24,936, originated in the application of the revalued cost model.
- b) Reversal of the acknowledged record for the participation in the associated company Hortifrut Tal S.A.C. in 2016 for KUS\$11,180, which originated the revaluation experienced for bearer plants (net of tax) at this associated company.
- c) Elimination of consumption of reserve due to impairment of bearer plants with effect on the accumulated result:

		<u>Deferred</u>			
Effects on Results	Revaluation	<u>Tax</u>	<u>Net</u>	Interests	Minority
Company	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Hortifrut S.A.	5,744	1,552	4,192	4,192	-
Agrícola El Avellano S.A.	464	125	339	136	203
Agrícola Vida Nueva S.A.	2,011	543	1,468	735	733
Agrícola Mataquito S.A.	4,904	1,324	3,580	1,791	1,789
Agri. Sta. Rosa del Parque S.A.	176	47	129	39	90
Agri. y Ganadera Sta. Rebeca	385	103	282	70	212
Agrícola Berries de Panguipulli SpA	124	34	90	90	-
Hortifrut España Southern Sun SL	213	60	153	77	76
Total	14,021	3,788	10,233	7,130	3,103

d) Reversal of revaluation records experienced at the bearer plants in 2016 and the corresponding effects on deferred taxes.

		Deferred			
Effects on Reserve	Revaluation	<u>Tax</u>	Net	Interests	Minority
<u>Company</u>	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Agrícola El Pampino S.A.	810	219	591	119	472
Agrícola Hortifrut S.A.	2,197	593	1,604	1,604	
Total	3,007	812	2,195	1,723	472

e) Reversal of record acknowledged by the consumption of the amortization of the reserve for KUS\$1,682.

NOTE 6 - FINANCIAL INFORMATION PER SEGMENT

As is indicated in note 2.7 "Changes in Accounting Policies", as of December 31, 2017, the Company decided to apply the aggregation criteria for the informed segments until September 30, 2017, using the "Fresh Fruit" and "Value Added Products" segments, so the "Financial Information per Segments", presented here, for purpose of exposure of the financial statements, has been retrospectively re-expressed, and has presented in a comparative manner the segments from the previous period with the valid operating segments as of the date of the current consolidated financial statements.

The Company reports financial information per segments as per what is established in IFRS 8 "Operating Segments". Said norm establishes standards for the reporting of information per segments in the financial statements, as well as revelations regarding products and services, geographical areas and main customers. An operating segment is defined as a component of an entity over which separate financial information is obtained, which is regularly evaluated by upper management to make decisions regarding the assigning of resources and the evaluating of results.

The performance of the segments is evaluated via the Operating Result, excluding impairment in Property, plants and equipment, by sale volume and income, as per the following formula:

Calculating Operating Margin:

- + Operating revenue
- + Other revenue, per function
- = Total revenue

Minus:

- Sales cost
- Administrative expenses
- Other expenses, per function, excluding the impairment of value in Property, plant and equipment
- = Total costs

The Group divides the financial information per business unit, identifying the following segments:

- a) "Fresh Fruit" Added Segment
 - a. Blueberries
 - b. Raspberries
 - c. Blackberries
 - d. Strawberries
 - e. Cherries
- b) "Value Added Products" Segment

6.1. Results per segments as of December 31, 2017 and 2016

	Fresh I	ruit 💮	Value Adde	d Products	Total	
	12/31/2017 1	2/31/2016	12/31/2017 12/31/2016		6 12/31/2017 12/31/2	
Operating Results	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Operating Revenue	364,912	386,692	23,833	41,829	388,745	428,52
Operating Costs and Expenses	(333,279)	(347,045)	(19,740)	(36,982)	(353,019)	(384,027
Other results per segments						
Impairment in the value of assets	(3,215)	(18,704)			(3,215)	(18,704
Other profit (loss)	(363)	(416)	-	-	(363)	(416
Net financial income (expenses)	(3,789)	(2,891)	(176)	(150)	(3,965)	(3,041
Interest in profit (loss) of associated companies	9,468	4,940	-	-	9,468	4,940
Exchange rate differences	(5,256)	944	-	-	(5,256)	944
Gains tax expense	(3,691)	(6,342)	(999)	(1,127)	(4,690)	(7,469
•	24,787	17,178	2,918	3,570	27,705	20,748

6.2. Results of the operation per segments for 2017 and 2016

	31-Dec-17			31-Dec-16		
	Total	Total Costs	Operating	Total	Total Costs	Operating
Segments	Revenue KUS\$	and Expenses KUS\$	Result <u>KUS\$</u>	Revenue KUS\$	and Expenses KUS\$	Result <u>KUS\$</u>
Fresh Fruit	364,912	(333,279)	31,633	386,692	(347,045)	39,647
Blueberries	314,651	(280,753)	33,898	320,293	(283,910)	36,383
Raspberries	18,349	(19,657)	(1,308)	22,052	(20,819)	1,233
Blackberries	16,121	(16,585)	(464)	28,352	(26,362)	1,990
Strawberries	12,811	(14,005)	(1,194)	13,760	(14,239)	(479)
Cherries	2,980	(2,279)	701	2,235	(1,715)	520
Value Added Products	23,833	(19,740)	4,093	41,829	(36,982)	4,847
Value Added Products	23,833	(19,740)	4,093	41,829	(36,982)	4,847
Total	388,745	(353,019)	35,726	428,521	(384,027)	44,494

Calculating Total Revenue

TOTAL REVENUE	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>	
Revenue from operating activities	388,250	426,796	
Other revenue, per function	495	1,725	
Total Revenue	388,745	428,521	

Calculating Total Costs and Expenses

TOTAL COSTS AND EXPENSES	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>
Sales Costs	324,718	356,758
Administration Expenses	26,773	26,036
Other expenses, per function, excluding impairment in the		
value of assets	1,528	1,233
Total Costs and Expenses	353,019	384,027

6.3. Assets and liabilities per segments as of December 31, 2017 and 2016:

	Fresh	Fruit	Value Adde	Value Added Products		otal
	12/31/2017	12/31/2016	12/31/2017 12/31/2016		12/31/2017	12/31/2010
	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Assets	·	•		•		•
Related and third party trade debtors	81,470	77,753	12,754	10,584	94,224	88,337
Stock	42,473	53,229	2,083	3,582	44,556	56,811
Other current assets	48,727	50,776	-	-	48,727	50,776
Property, plant and equipment	233,684	192,818	11,376	12,045	245,060	204,863
Other non-current assets	139,928	130,865	193	193	140,121	131,058
Total Assets	546,282	505,441	26,406	26,404	572,688	531,845
Liabilities						
Related and third party trade accounts payable	55,423	66,720	443	-	55,866	66,720
Other current and non-current financial liabilities	230,605	202,862	4,892	5,555	235,497	208,417
Other Liabilities	37,671	40,612	79	-	37,750	40,612
Total Liabilities	323,699	310,194	5,414	5,555	329,113	315,749

Within the other financial liabilities, current and non-current, corresponding to the Value Added Products segment, only financing directly related to Property, plant and equipment in Leasing of said segment has been individualized. Financing associated to the required work capital for this segment has not been directly assigned, because it is administered in a centralized manner together with the requirements of the Fresh Fruit segment.

6.4. Cash flows per segments as of December 31, 2017 and 2016:

Cash Flows per Segments	Enoch l	Danis	Volvo Addo	d Duodusta	Tot	al .
			Value Added Products 12/31/2017 12/31/2016			
	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
From operating activities	30,957	48,465	1,130	1,138	32,087	49,603
- Types of charges from operating activities	355,551	383,335	21,663	39,196	377,214	422,531
- Types of payments	(324,594)	(334,870)	(20,533)	(38,058)	(345,127)	(372,928)
					0	C
From investment activities	(52,619)	(58,933)	(430)	(6,664)	(53,049)	(65,597)
From financing activities	14,938	21,277	(660)	5,526	14,278	26,803

6.5. Sales per Geographic Location:

The information of net sales per geographic location is based on the destination continent where our products are consumed (North America – South America – Europe - Asia).

For the periods ending December 31, 2017 and 2016, operating income per geographic location is as follows:

	31-Dec-17		31-Dec-16	
Sales per geographic destinatio	KUS\$	<u>%</u>	KUS\$	<u>%</u>
North America	227,952	58.60%	271,024	63.25%
Europe	98,743	25.40%	98,749	23.04%
South America	29,840	7.70%	26,779	6.25%
Asia and others	32,210	8.30%	31,969	7.46%
Total revenue	388,745	100.00%	428,521	100.00%

North America

In North America, through its subsidiary Hortifrut Imports Inc., the Company is associated with three of the largest berries producers: Michigan Blueberry Growers Association, Naturipe Berry Growers and Munger Brothers, to together commercialize under the brand Naturipe, during the 52 weeks of the year.

Through Hortifrut Imports Inc., it supplies a wide mix of conventional and organic berries to all of the United States and Canada during the whole year.

The commercializing is mainly performed through the Retail and Foodservice channels, reaching the main supermarkets in the country. Naturipe Farms is recognized as one of the main berries brands in the United States and is present in one of the main fruit categories and with the highest growth.

Europe

Hortifrut S.A. is present in the European continent through Euroberry Marketing S.A. (Spain), Euroberry Ltd. (England) and Euroberry GmbH. (Germany), directly participating in the commercializing, production, third party sourcing and distribution centers. Together with its partner Atlantic Blue, the largest producer of blueberries in Spain, it now maintains a year-round offer with the brands "Southern Sun" and "Berry Collection" in continental Europe and the United Kingdom.

Our customers are the main wholesalers and supermarkets of the largest countries in Europe, with a wide atomization of customers.

South America

Hortifrut Comercial S.A., subsidiary of Hortifrut S.A, maintains the leadership in Chile in the Berries category in the Retail and Food service segments.

The main species commercialized in Chile continues to be strawberries out of the total national commercialized volume. It is of vital relevance to mention that since 2011 the blueberry has been consolidated as the second highest selling berry, above raspberries and blackberries.

Hortifrut Comercial S.A. continues to work on its marketing plan focused on introducing the brand and its products, as well as obtaining the loyalty of its final consumers and the Food Service segment.

In order to maximize the consumption alternatives that the brand offers, the different product lines are highlighted in its advertising: Fresh and Frozen.

The Company commercializes its products in Brazil through its subsidiary Berrygood, with commercial offices in Sao Paulo and operations in the northern and southern states of the country, mainly focusing on the cities of Rio de Janeiro, Brasilia, Campinas, Curitiba and Sao Paulo.

It was created in March 2008 and has focused on the development and growth of the industry of these special fruits in Brazil, strengthening the logistics, sourcing and market establishing areas.

Asia

The Asian market continues to grow at two-digit rates for the Company, delivering to the main markets of the region under the brands Southern Sun and Naturipe, with exports from Chile, Argentina, Mexico, United States, Peru, Spain and Canada and a 52 week a year program with the different berries.

The main Asian countries where the Company commercializes its berries are Japan, Taiwan, Hong Kong, Singapore and Malaysia. It is interesting to state that, together with Naturipe Farms, we are advancing in direct trading with the supermarket chains that both Hortifrut and Naturipe work with in other continents, which places us at the forefront in the development of consumption in these markets.

Likewise, the Hortifrut-San Clemente office located in Shanghai, is advocated to the development of direct business with the international and local chains, and those located in regions far from the large cities, as well as continuing developing business with operators at the terminal markets of Guangzhou, Beijing, Shanghai and Dalian, among others.



NOTE 7 – FINANCIAL INSTRUMENTS

7.1 FINANCIAL INSTRUMENTS PER CATEGORY

Assets	Financial assets and accounts receivable <u>KUS\$</u>	Assets at fair value through results <u>KUS\$</u>	Hedging instruments <u>KUS\$</u>	Total <u>KUS\$</u>
Cash and cash equivalents	20,752	7,086	-	27,838
Other current financial assets	31	-	4,442	4,473
Current trade debtors and other accounts receivable	46,092	-	-	46,092
Current accounts receivable from related entities	48,132	-	-	48,132
Other non-current financial assets	-	-	1,345	1,345
Non-current accounts receivable from related entities	8,060	-	-	8,060
Non-current fees receivable Total	1,615	- 096		1,615
1 Ota1	124,682	7,086	5,787	137,555
Liabilities 31-Dec-17	Other financial liabilities <u>KUS\$</u>	Liabilities at fair value with changes in results <u>KUS\$</u>	Hedging Instruments <u>KUS\$</u>	Total <u>KUS\$</u>
Current trade accounts and other accounts payable	49,724	-	-	49,724
Current accounts pay able to related entities	6,142	-	-	6,142
Non-current accounts pay able to related entities	12,071	-	-	12,071
Other current financial liabilities	150,819	-	712	151,531
Other non-current financial liabilities Total	83,686 302,442		280 992	83,966
Total	302,442		992	303,434
Assets	Financial assets and accounts receivable <u>KUS\$</u>	Assets at fair value through results <u>KUS\$</u>	Hedging instruments <u>KUS\$</u>	Total <u>KUS\$</u>
31-Dec-16 Cash and cash equivalents	21,841	13,404		35,245
Other current financial assets	21,041	13,404	3,155	35,245
Current trade debtors and other accounts receivable	42,578	-	-	42,578
Current accounts receivable from related entities	45,759	-	-	45,759
Other non-current financial assets	-	-	1,101	1,101
Non-current accounts receivable from related entities	7,660	-	-	7,660
Non-current fees receivable	1,794		-	1,794
Total	119,632	13,404	4,256	137,292
Liabilities	Other financial liabilities <u>KUS\$</u>	Liabilities at fair value with changes in result <u>KUS\$</u>	Hedging instruments <u>KUS\$</u>	Total <u>MUS\$</u>
31-Dec-16	60.000			60.000
Current trade accounts and other accounts payable	60,009	-	-	60,009
Current accounts pay able to related entities Non-current accounts pay able to related entities	6,711 11,690	-	-	6,711 11,690
Other current financial liabilities	150,787	-	-	150,787
Other non-current financial liabilities	56,952	-	678	57,630
Total	286,149		678	286,827

7.2 CREDITWORTHINESS OF FINANCIAL ASSETS

The Company's financial assets can be mainly classified into two large groups i) Commercial Credits with Customers which to measure their risk level are classified according to the age of the debt and provisions are made for bad debt, and ii) Financial investments performed by the Company in accordance with the criteria indicated in Note 4.1.1:

Current Assets	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>
Mutual Funds and term deposits classification		·
AA+fm/M1	7,086	13,404
Current Bank Accounts AAA	20,752	21,841
Sub-total Cash and Cash Equivalents	27,838	35,245
Swap rate operations	2	8
Forwards currency operations	3,606	2,792
Hedging-option operations	834	355
Other financial assets	31	
Total other current financial assets	4,473	3,155
Trade debtors and other accounts receivable		
wihout credit rating	46,092	42,578
Sub-total current trade debtors and other		
accounts receivable	46,092	42,578
Total	78,403	80,978

None of the financial assets pending expiry have been the object of renegotiation during the period.

There are no significant expired financial assets as of the closing of the period.

7.3 ESTIMATING FAIR VALUE

Financial assets recorded at fair value in the consolidated statement of financial position, have been measured based on the methods stated in IAS 13. For the application of criteria when determining the fair value of the financial assets, the following parameters have been considered:

Level I: Values or quotation prices in active markets for identical assets and liabilities.

Level II: Information from sources that differ from the Level I quotation values, but that can be observed in markets for the assets and liabilities, whether it is in a direct manner (prices) or indirect (derived from prices).

Level III: Information for assets or liabilities that is not based on observable market data.

The following table presents the financial assets and liabilities that are measured at fair value as of December 31, 2017 and December 31, 2016:

Assets/(Liabilities) Assets Short term mutual funds Cross Currency Swap Operations Forwards currency operations Other financial assets Hedging-option operations Non-current forwards currency operations Non-current Cross Currency Swap Operations Liabilities Forwards currency operations	Fair value	Fair value measurements using values considered as			
	as of December 31, 2017 <u>KUS\$</u>	Level I <u>KUS\$</u>	Level II <u>KUS\$</u>	Level III <u>KUS\$</u>	
Assets					
Short term mutual funds	7086	7,086	-	-	
Cross Currency Swap Operations	2	-	2	-	
Forwards currency operations	3606	-	3,606	-	
Other financial assets	31	-	31	-	
Hedging-option operations	834	-	834	-	
Non-current forwards currency operations	1126	-	1,126	-	
Non-current Cross Currency Swap Operations	219	-	219	-	
<u>Liabilities</u>					
Forwards currency operations	(712)	-	(712)	-	
Non-current Cross Currency Swap Operations	(280)	-	(280)	-	

	Fair value	Fair value measurements using values considered as			
Assets/(Liabilities)	as of December 31, 2016 <u>KUS\$</u>	Level I <u>KUS\$</u>	Level II <u>KUS\$</u>	Level III KUS\$	
Assets					
Short term mutual funds	13404	13,404	-	-	
Cross Currency Swap Operations	8	-	8	-	
Forwards currency operations	2792	-	2,792	-	
Hedging-option operations	355	-	355	-	
Non-current forwards currency operations	709	-	709	-	
Non-current hedging-option operations	347	-	347	-	
Non-current Cross Currency Swap Operations	45	-	45	-	
<u>Liabilities</u>					
Non-current Cross Currency Swap operations	(678)	-	(678)	-	

7.4 INFORMATIVE FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table shows fair values, based on financial instrument categories, compared with the current and non-current book value included in the consolidated statements of financial position:

		31-1	Dec-17	31	1-Dec-16
		Book value	Fair value	Book value	Fair value
	Notes	KUS\$	KUS\$	KUS\$	KUS\$
Assets					
Cash and cash equivalents	8				
Bank balances		20,752	20,752	21,841	21,841
Mutual funds		7,086	7,086	13,404	13,404
Other current financial assets	9	4,473	4,473	3,155	3,155
Current trade debtors and other accounts receivable and	d				
non-current fees receivable	10	47,707	47,707	44,372	44,372
Current accounts receivable from related entities	11	48,132	48,132	45,759	45,759
Other non-current financial assets	9	1,345	1,345	1,101	1,101
Non-current accounts receivable from related entities	11	8,060	8,060	7,660	7,660
Liabilities					
Other current financial liabilities	21	151,531	151,531	150,787	150,787
Other non-current financial liabilities	21	83,966	83,966	57,630	57,630
Current trade accounts and other accounts payable	22	49,724	49,724	60,009	60,009
Current accounts payable to related entities	11	6,142	6,142	6,711	6,711
Non-current accounts payable to related entities	11	12,071	12,071	11,690	11,690

The book value of current accounts receivable, cash and cash equivalents, and other financial assets and liabilities is close to the fair value because of the short-term nature of these instruments and for accounts receivable, because any loss due to recoverability is already reflected in the loss due to impairment provisions. The fair value of non-derivative financial assets and liabilities, without quotations on active markets, is estimated via the use of discounted cash flows calculated over market variables that can be observed on the date of the financial statements. The fair value of the derivative instruments is estimated via the future discount cash flows, determined based on information that can be observed in the market or over variables and prices obtained from third parties.

NOTE 8 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents correspond to money balances held in current bank accounts, term deposits and other financial investments with an expiry of less than 90 days, which do not have restrictions of use.

The detail of cash and cash equivalents as of December 31, 2017, December 31, 2016 and January 01, 2016, is as follows:

Types of Cash and Cash Equivalents	31-Dec-17	31-Dec-16	1-Jan-16
	KUS\$	KUS\$	KUS\$
Bank balances	20,752	21,841	21,989
Mutual funds	7,086	13,404	2,610
Total cash and cash equivalents	27,838	35,245	24,599

The detail per currency of Cash and cash equivalents as of December 31, 2017, 2016 and January 01, 2016, is as follows:

Type of currency	31-Dec-17 <u>KUS\$</u>	31-Dec-16 KUS\$	1-Jan-16 <u>KUS\$</u>
United States Dollar	14,519	19,921	11,890
Chilean Peso	2,313	2,342	1,263
Mexican Peso	430	838	248
Euro	9,770	11,775	10,739
Brazilian Real	89	72	267
Peruvian Nuevo Sol	608	291	-
Argentine Peso	109	6	192
Total	27,838	35,245	24,599

The detail of mutual funds per bank as of December 31, 2017, December 31, 2016 and January 01, 2016, is as follows:

Investments in mutual funds	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>	1-Jan-16 <u>KUS\$</u>
Banco Crédito e Inversiones	5,085	11,831	1,229
Banco Santander Chile	1,801	1,484	1,188
Banco Estado	116	-	-
Itaú - Brazil	84	89	193
Total investments in mutual funds	7,086	13,404	2,610

Mutual fund units are fixed income and are recorded at the market value through the unit value at the closing of each period.

Mutual funds are held by the Group until the moment that they comply with their operating obligations.

NOTE 9 - OTHER CURRENT AND NON-CURRENT FINANCIAL ASSETS

These assets represent the effects of currency forwards instruments used to cover the potential financial risk associated to the volatility of costs and expenses to be incurred in Chilean and Mexican pesos in the agricultural and export business (see Note 4.1.3).

The detail of Other financial assets as of December 31, 2017, December 31, 2016 and January 01, 2016, is as follows:

Current	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>	1-Jan-16 <u>KUS\$</u>
Swap rate operations	2	8	
Forward currency operations	3,606	2,792	3
Hedging-option operations	834	355	-
Other financial assets	31	-	-
Total other current financial assets	4,473	3,155	3
Non-Current	31-Dec-17	31-Dec-16	1-Jan-16
	KUS\$	KUS\$	KUS\$
Swap rate operations	219	45	-
Forward currency operations	1,126	709	-
Hedging-option operations	-	347	-
Total other non-current financial assets	1,345	1,101	-

As of December 31, 2017 and 2016, no inefficiency is recorded in the Company's results, which arise from the aforementioned hedging of derivative operations.

a) The detail of the current and non-current swap operations, held by Hortifrut S.A. and subsidiaries is:

	ASSETS					
	Hedging Instruments				MtoM V	Value
Company/Subsidiary	Entities	<u>Instruments</u>	Type	Capital KUS\$	31-Dec-17 KUS\$	31-Dec-16 KUS\$
Hortifrut S.A.	Santander Santiago	Cross Currency Swaps - USD	Rate	8,800	-	8
Hortifrut Chile S.A.	Banco Estado	Cross Currency Swaps CLP/USD	Rate	5,200	2	
	Total current			14,000	2	8
Hortifrut Chile S.A.	Banco de Crédito e Inversio	Cross Currency Swaps - USD	Rate	947	7	1
Hortifrut Chile S.A.	BBVA	Cross Currency Swaps - USD	Rate	5,000	40	44
Hortifrut S.A.	Banco Bilbao Viscaya	Cross Currency Swaps CLP/USD	Currency	559	55	-
Hortifrut Chile S.A.	BCI	Cross Currency Swaps - USD	Rate	4,867	117	
	Total non-current			11,373	219	45

b) The detail of the current and non-current forward operations, held by Hortifrut S.A. and subsidiaries is as follows:

As of December 31, 2017:

		Contract	I	lees	Liabi	lities	Closing Value	Net Effect	Expiry up to				Total current	Expiry up to	Total non-current
Company	<u>Bank</u>	Modality	Type	Currency A	Amount	Currency	Amount	Offsetting	1 to 3 months	to 6 months (6 a 9 months 9	to 12 months		1a 2 años	12/31/2017
					KUS\$		KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Agr. Vida Nueva S.A.	BCI	Offsetting	Sale	USD	1,681	CLP	1,787	106	96	7	-	-	103	-	
Hortifrut Chile S.A.	BBVA	Offsetting	Sale	USD	4,948	CLP	5,570	622	251	107	90	151	599	251	251
Hortifrut Chile S.A.	BCI	Offsetting	Sale	USD	3,308	CLP	4,023	715	496	210	-	-	706	•	-
Hortifrut Chile S.A.	Estado	Offsetting	Sale	USD	2,352	CLP	2,593	241	168	70	-	-	238		-
Hortifrut Chile S.A.	Santander	Offsetting	Sale	USD	3,495	CLP	3,831	336	160	67	38	62	327	112	112
Hortifrut Chile S.A.	Scotiabank	Offsetting	Sale	USD	6,279	CLP	6,679	400	37	15	117	194	363	325	325
Hortifrut Chile S.A.	BBVA	Offsetting	Sale	USD	2,276	CLP	2,616	340	227	22	30	53	332	162	162
Hortifrut S.A.	BCI	Offsetting	Sale	USD	2,318	CLP	2,815	497	449	43	-	-	492		-
Hortifrut S.A.	Estado	Offsetting	Sale	USD	1,022	CLP	1,125	103	84	18	-	-	102	-	-
Hortifrut S.A.	Santander	Offsetting	Sale	USD	1,775	CLP	1,943	168	110	16	18	22	166	69	69
Hortifrut S.A.	Scotiabank	Offsetting	Sale	USD	2,256	CLP	2,401	145	18	4	41	69	132	207	207
Agrícola Mataquito S.A.	Santander	Offsetting	Sale	USD	516	CLP	543	27	22	4	-	-	26		-
Agrícola y Gan. Santa Rosa S.A.	Santander	Offsetting	Sale	USD	383	CLP	403	20	17	3	-	-	20		-
		Total	12/31/201	7	32,609		36,329	3,720	2,135	586	334	551	3,606	1,126	1,126

As of December 31, 2016:

													MTM		
		Contract]	Fees	Liabi	ilities	Closing Value	Net Effect	Expiry up to				Total current	Expiry up to	Total non-current
Company	Bank	Modality	Type	Currency	Amount	Currency	Amount	Offsetting	1 to 3 months	3 to 6 months 6	to 9 months 9	to 12 months	12/31/2016	1 a 2 años	12/31/2016
					KUS\$		KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Agr. Vida Nueva S.A.	Santander	Offsetting	Sale	USD	685	CLP	748	63	58	5	-	-	63	-	
Hortifrut Chile S.A.	BBVA	Offsetting	Sale	USD	4,858	CLP	5,265	407	97	40	49	80	266	141	141
Hortifrut Chile S.A.	BCI	Offsetting	Sale	EUR	3,638	USD	3,836	198	132	49	-	-	181	-	
Hortifrut Chile S.A.	BCI	Offsetting	Sale	USD	9,716	CLP	10,543	827	205	84	100	161	550	276	276
Hortifrut Chile S.A.	Chile	Offsetting	Sale	EUR	3,638	USD	3,840	202	134	49	-	-	183	-	
Hortifrut Chile S.A.	Itau-Corban	c Offsetting	Sale	EUR	7,792	USD	8,102	310	199	73	-	-	272	-	
Hortifrut Chile S.A.	Santander	Offsetting	Sale	USD	1,654	CLP	1,813	159	113	47	-	-	160	-	
Hortifrut Chile S.A.	Scotiabank	Offsetting	Sale	USD	3,854	CLP	4,003	149	104	45	-	-	149	-	
Hortifrut Chile S.A.	Security	Offsetting	Sale	EUR	3,638	USD	3,836	198	132	49	-	-	181	-	
Hortifrut Chile S.A.	Security	Offsetting	Sale	USD	496	CLP	560	64	45	19	-	-	64	-	
Hortifrut S.A.	BBVA	Offsetting	Sale	USD	2,955	CLP	3,202	247	88	8	22	31	149	98	98
Hortifrut S.A.	BCI	Offsetting	Sale	USD	5,910	CLP	6,414	504	186	17	44	63	310	194	194
Hortifrut S.A.	Santander	Offsetting	Sale	USD	1,159	CLP	1,271	112	102	10	-	-	112	-	
Hortifrut S.A.	Scotiabank	Offsetting	Sale	USD	1,159	CLP	1,266	107	98	9	-	-	107	-	
Hortifrut S.A.	Security	Offsetting	Sale	USD	348	CLP	393	45	41	4	-	-	45_		•
		Total	12/31/20	16	51,500		55,092	3,592	1,734	508	215	335	2,792	709	709

Type of fees from the company's perspective.

c) The detail of the current option operations, as of December 31, 2017 and 2016, held by Hortifrut S.A. and subsidiaries is:

		Contract	Fee	<u>s</u>	<u>Liabi</u>	<u>lities</u>	Closing Value	Net Effect	MTM Closing	
Company	Bank	Modality	Type	Currency	Amount	Currency	Amount	Offsetting	Exch. Rate	Expiry
					KUS\$		KUS\$	KUS\$	KUS\$	Date
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	851	USD	691	160	158	19-Jan-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	616	USD	501	115	114	20-Feb-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	402	USD	327	75	74	20-Mar-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	286	USD	232	54	53	20-Apr-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	259	USD	210	49	48	18-May-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	232	USD	189	43	43	20-Jun-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	982	USD	798	184	183	19-Jan-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	552	USD	449	103	102	20-Feb-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	162	USD	132	30	30	20-Mar-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	69	USD	56	13	13	20-Apr-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	42	USD	34	8	8	18-May-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	48	USD	39	9	8	20-Jun-18
		Total	12/31/2017		4,501	-	3,658	843	834	

Company	<u>Bank</u>	Contract Modality	Type Fee	<u>S</u> Currency	<u>Liabi</u> <u>Amount</u> KUS\$	lities Currency	Closing Value Amount	Net Effect Offsetting KUS\$	MTM Closing Exch. Rate KUS\$	Expiry Date
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	160	USD	146	14	14	20-Jan-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	116	USD	106	10	10	20-Feb-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	75	USD	68	7	6	20-Mar-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	54	USD	49	5	5	20-Apr-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	49	USD	45	4	4	19-May-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	44	USD	40	4	4	20-Jun-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	280	USD	255	25	23	20-Jul-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	301	USD	274	27	25	21-Aug-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	363	USD	330	33	30	20-Sep-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	325	USD	296	29	26	20-Oct-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	459	USD	417	42	37	20-Nov-17
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	752	USD	684	68	59	20-Dec-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	184	USD	167	17	16	20-Jan-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	104	USD	95	9	9	20-Feb-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	30	USD	27	3	2	20-Mar-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	13	USD	12	1	1	20-Apr-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	8	USD	7	1	1	19-May-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	9	USD	8	1	1	20-Jun-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	146	USD	133	13	12	20-Jul-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	133	USD	121	12	11	21-Aug-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	139	USD	126	13	11	20-Sep-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	134	USD	122	12	11	20-Oct-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	178	USD	162	16	14	20-Nov-17
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	290	USD	264	26	23	20-Dec-17
		Total	12/31/2016		4,346		3,954	392	355	

d) The detail of the non-current option operations as of December 31, 2017 and 2016, held by Hortifrut S.A. and subsidiaries is as follows:

		Contract	<u>Fe</u>	<u>es</u>	<u>Liab</u>	<u>ilities</u>	Closing Value	Net Effect	MTM Closing	
Company	Bank	Modality	Type	Currency	Amount	Currency	Amount	Offsetting	Exch. Rate	Expiry
					KUS\$		KUS\$	KUS\$	KUS\$	<u>Date</u>
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	851	USD	774	77	66	19-Jan-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	616	USD	560	56	48	20-Feb-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	402	USD	366	36	31	20-Mar-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	286	USD	260	26	22	20-Apr-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	259	USD	236	23	20	18-May-18
Hortifrut Chile S.A.	BCI	Offsetting	ZCC	CLP	232	USD	211	21	17	20-Jun-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	982	USD	893	89	77	19-Jan-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	552	USD	502	50	43	20-Feb-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	162	USD	147	15	12	20-Mar-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	69	USD	63	6	5	20-Apr-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	42	USD	38	4	3	18-May-18
Hortifrut S.A.	BCI	Offsetting	ZCC	CLP	48	USD	44	4	3	20-Jun-18
		Total	12/31/2016	i	4,501		4,094	407	347	



NOTE 10 – TRADE DEBTORS AND OTHER CURRENT ACCOUNTS RECEIVABLE/NON-CURRENT FEES RECEIVABLE

The detail of trade debtors and other accounts receivable as of December 31, 2017, December 31, 2016 and January 01, 2016, is as follows:

			31-De	c-17		
					Provision	
		Receivable	<u>Other</u>	Recoverable	<u>for</u>	
	Sales	documents	receivables	taxes	<u>im pairm ent</u>	<u>Total</u>
Current per country of origin	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Chile	5,870	2,546	1,393	6,035	(239)	15,605
Spain	14,125	-	918	9,138	(13)	24,168
Mexico	94	-	6,248	1,376	(2,531)	5,187
United States	2	-	-	-	-	2
Brazil	548	-	179	242	(79)	890
Argentina			210	30		240
Total	20,639	2,546	8,948	16,821	(2,862)	46,092

			31-De	ec-16		
					Provision	
	_	<u>Receivable</u>	<u>Other</u>	<u>Recoverable</u>	<u>for</u>	_
	Sales	documents	<u>receivables</u>	taxes	<u>im pairm ent</u>	<u>Total</u>
Current per country of origin	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Chile	8,284	1,391	1,478	8,602	(467)	19,288
Spain	10,190	-	639	3,918	(40)	14,707
Mexico	631	-	6,820	1,146	(1,507)	7,090
United States	-	-	207	-	-	207
Brazil	659	-	100	147	(105)	801
Argentina			353	132		485
Total	19,764	1,391	9,597	13,945	(2,119)	42,578

		01-Jan-16							
Current per country of origin	Sales KUS\$	Receivable documents KUS\$	Other receivables KUS\$	Recoverable taxes KUS\$	Provision for impairment <u>KUS\$</u>	Total KUS\$			
Chile	5,428	2,765	1,526	9,089	(1,029)	17,779			
Spain	10,253	-	170	1,705	(10)	12,118			
Mexico	4,728	-	8,419	795	(1,213)	12,729			
Brazil	647	-	545	-	-	1,192			
Argentina	-	-	320	437	(63)	694			
Total	21,056	2,765	10,980	12,026	(2,315)	44,512			

The concept others, mainly corresponds to advanced payments to producers (which will be liquidated within the season) and suppliers. The provision corresponds to the impairment of trade debtors and other accounts receivable.

The detail of non-current fees receivable as of December 31, 2017, December 31, 2016 and January 01, 2016, is as follows:

Non-current	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>	1-Jan-16 <u>KUS\$</u>
Non-current debtors and accounts receivable	660	803	475
Other non-current fees receivable	955	991	811
Total non-current fees receivable	1,615	1,794	1,286

The detail of recoverable taxes, presented in other accounts receivable are:

	31-Dec-17	31-Dec-16	1-Jan-16
Tax receivable accounts	KUS\$	KUS\$	KUS\$
lva (VAT) tax credit	16,526	12,812	9,956
Customs refund	-	71	184
Other recoverable taxes	295	1,062	1,886
Total	16,821	13,945	12,026

The fair value of trade debts and other accounts receivable does not differ from its book value.

Stratification of the portfolio

The Company does not keep a securitized portfolio as of December 31, 2017 and December 31, 2016. Below is an analysis by age of trade debts and accounts receivable:

	NON SECURIT	IZED PORTFOLIO	NON SECURITIZED PORTFOLIO			
Terms	Customers non re- negotiated portfolio	Amount non re- negotiated portfolio	Customers non re- negotiated portfolio	Amount non re- negotiated portfolio		
	<u>N°</u>	KUSD	<u>N°</u>	KUSD		
Up to date	503	20,797	588	19,360		
From 1 to 30 days	164	7 64	42	843		
From 31-60 days	50	575	30	300		
From 61-90 days	24	839	25	271		
From 91-120 days	7	51	25	207		
From 121-150 days	6	8	12	173		
From 151 to 180 days	4	1	9	81		
From 181 to 210 days	7	6	12	3		
From 211 to 250 days	17	176	17	39		
Over 250 days	109	628	217	681		
Total	891	23,845	977	21,958		
Provision		(412)		(675)		
Total (net)		23,433		21,283		

The stratification of the portfolio includes: Sales debtors, Notes receivable, non-current debtors in the item non-current accounts receivable.

The analysis of future expiries (future flows) of these accounts is as follows:

	31-Dec-17	31-Dec-16
Terms	KUS\$	KUS\$
Up to date	7,569	7,993
From 1 to 30 days	19,368	11,976
From 31-60 days	7,380	10,961
From 61-90 days	353	1,065
From 91-120 days	2,570	2,252
From 121-150 days	139	2,180
From 151 to 180 days	79	442
From 181 to 210 days	6	130
Over 250 days	8,628	5,579
Total	46,092	42,578

The amounts corresponding to trade debtors and other impaired accounts receivable, are totally provisioned and are as follows:

	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>	1-Jan-16 <u>KUS\$</u>
National trade debtors	202	447	371
Receivable documents	210	228	508
Other accounts receivable	2,450	1,444	1,436
Total	2,862	2,119	2,315

Balances due to currency that make up trade debtors and other accounts receivable as of December 31, 2017 and 2016 and January 01, 2016, are as follows:

Type of currency	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>	1-Jan-16 <u>KUS\$</u>
United States Dollar	8,830	12,903	14,894
Chilean Peso	9,700	13,500	11,122
Euro	15,342	11,088	11,603
Mexican Peso	2,969	792	4,492
Argentine Peso	240	489	693
Brazilian Real	801	801	1,192
Peruvian Nuevo Sol	8,210	3,005	516
Total	46,092	42,578	44,512

The Company constitutes provisions based on estimations and due to the evidence of impairment of trade debts and others. The criteria used to determine if there is objective evidence of loss due to impairment are the maturity of the portfolio, concrete acts of impairment (default) and concrete market signs.

The movement of provision due to loss caused by the impairment of the value of trade debtor and others as of December 31, 2017, December 31, 2016 and January 01, 2016, is as follows:

Movement	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>	1-Jan-16 <u>KUS\$</u>
As of January 01	2,119	2,315	2,215
Provision reversal	-	-	(79)
Write-offs	(356)	(732)	-
Increase in provision	1,058	674	271
Exchange rate difference	41_	(138)	(92)
Total	2,862	2,119	2,315

Once all the preliminary and judicial collection efforts have been made, we proceed to write off the assets against the constituted provision.

The historical renegotiations and those which are currently valid are not very relevant and the policy is to analyze case by case in order to classify them depending on the existence of risk, determining if its reclassification to prejudicial collection accounts corresponds. If reclassification corresponds, it is constituted a provision of the overdue and nearly overdue.

The maximum exposure to credit risk as of the presentation date of the information is the book value of each of the accounts receivable categories indicated beforehand.

	As	of December 31,	2017	As of December 31, 2016			
	Gross exposure as per balance KUS\$	Gross impaired exposure KUS\$	Net exposure concentration of risk KUS\$	Gross exposure as per balance KUS\$	Gross impaired exposure KUS\$	Net exposure concentration of risk KUS\$	
Trade debtors	20,639	(202)	20,437	19,764	(447)	19,317	
Notes receivable	2,546	(210)	2,336	1,391	(228)	1,163	
Other accounts receivable	8,948	(2,450)	6,498	9,597	(1,444)	8,153	
Recoverable taxes	16,821	-	16,821	13,945	-	13,945	
Total	48,954	(2,862)	46,092	44,697	(2,119)	42,578	

NOTE 11- BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Related parties include the following entities and individuals:

- a) Shareholders with the possibility to exercise control
- b) Subsidiaries and members of subsidiaries
- c) Parties with an interest in the entity which grants them significant influence over it
- d) Parties with joint control over the entity
- e) Associates
- f) Interests in joint business
- g) Key management personnel, from the entity or its parent company
- h) Relatives close to the individuals described in the previous points
- i) An entity that is controlled, or is controlled in a joint manner by any of the individuals described in the two previous points.

11.1. Accounts receivable from related entities

In general, transactions with related Companies are of immediate payment or charge and are not subject to special conditions. These operations adjust to what is established under title XVI of Law N^o 18.046, regarding Closely-held Corporations and in Title XV of law N^o 18.045.

The transfer of short term funds from and to the parent company or between related Companies, which do not correspond to the charging or payment of services, are structured under the trade current account modality, establishing an interest rate for the monthly balance, as per market conditions.

Accounts receivable and accounts payable to related entities as of December 31, 2017, December 31, 2016 and January 01, 2016, are detailed as follows:

					31-Dec-17	31-Dec-16	1-Jan-16
		Country of		Type of			
Current Accounts Receivable	RUT	Origin	Nature of the relationship	Curren	KUS\$	KUS\$	KUS\$
				cy			
Naturipe Farms LLC	o-E	USA	Associated	USD	22,707	27,168	20,237
Naturipe Value Added Foods LLC	o-E	USA	Associated	USD	12,181	9,892	6,781
Euroberry GmbH	o-E	Germany	Shareholder in subsidiary	EUR	4,714	1,179	-
Valles del Sur SpA	76.243.329-k	Chile	Shareholder	USD	3,394	939	2,275
Euroberry UK Ltd.	o-E	England	Common shareholder	EUR	3,320	-	-
Hortifrut Expofresh S.A.	o-E	Argentina	Associated	USD	993	647	514
Naturipe Berry Growers, LLC	o-E	USA	Associated	USD	615	-	404
Cooperativa de Agricultores Gijon.	o-E	Spain	Subsidiary of a common shareholder in subsidiary	EUR	47	39	221
Tierra de Arándanos S.A.	o-E	Argentina	Common shareholder in associated	USD	43	-	-
Atlantic Green S.L.	o-E	Spain	Common shareholder	EUR	35	31	33
Juan Carlos Garcia	o-E	Spain	Common shareholder	USD	28	33	40
Agrícola San José de Tilama S.A.	76.043.289-K	Chile	Common shareholder	USD	25	36	-
Agrícola Nueva Cabildo S.A.	76.107.465-2	Chile	Common shareholder	USD	24	1	39
Munger Hortifrut North America, LLC	o-E	USA	Associated	USD	3	3,710	-
Global Organics S.A.	76.404.690-0	Chile	Common shareholder	CLP	2	-	-
Atlantic Blue,S.L.	o-E	Spain	Common shareholder	EUR	1	205	-
S.A.T. Hortifrut H-0030	o-E	Spain	Associated	EUR	-	1,503	6,440
Naturipe Brand, LLC	o-E	USA	Associated	USD	-	200	-
Munger Farms, LLC	o-E	USA	Common shareholder	USD	-	117	-
Margesi S.A.	o-E	Argentina	Associated	USD	-	59	59
Hortifrut Berries Maroc SRL.	o-E	Argentina	Common shareholder	USD	-	-	382
Vilcun Organics SpA	76.158.225-9	Chile	Common shareholder	USD	-	-	210
Agricola e Inmobiliaria Lumaco S.A.	96.761.430-0	Chile	Common shareholder	CLP	-	-	2
Berry Blue, LLC	o-E	USA	Associated	USD	-	-	3
Sociedad Agrícola Catapilco Limitada	78241100-4	Chile	Shareholder in subsidiary	CLP	-	-	915
Total			•		48,132	45,759	38,555

Current accounts receivable correspond to trade operations whose collection period is between 1 and 3 months.

Non-current accounts receivable correspond to the financing of investments whose collection period is over 3 years.

					31-Dec-17	31-Dec-16	<u>1-Jan-16</u>
Non-current accounts receivable	RUT	Country of origin	Nature of the relationship	Type of Currency	KUS\$	KUS\$	KUS\$
Hortifrut Berries Maroc SRL	o-E	Morocco	Associated	EUR	4,243	1,983	-
S.A.T. Hortifrut H-0030	o-E	Spain	Associated	EUR	2,729	3,485	3,485
Tierras de Berries S.A.	o-E	Argentina	Common shareholder in associated	USD	1,088	2,192	3,252
Hortifrut Tal S.A.C	o-E	Peru	Associated	USD	-	-	2,788
Atlantic Blue,S.L.	o-E	Spain	Common shareholder	EUR	-	-	144
Total				•	8,060	7,660	9,669

Accounts receivable held with Hortifrut Berries Maroc SARL correspond to successive work capital loans granted by Hortifrut España Southern Sun SL, while the development stage of this investment lasts. These loans accrue an annual 3% interest, with expiry in November 2027.

The collection balance held with Tierra de Berries S.A. corresponds to the financing granted in 2015, by Naturipe Farms Imports LLC, to finance the purchase of the company Margesi S.A. (Argentina). This financing will be recovered through the delivery of the berries production of the fields that this company owns in two seasons, extendable to three.

11.2. Accounts payable to related entities

Accounts payable to related entities as of December 31, 2017, December 31, 2016 and January 01, 2016, are detailed as follows:

detailed do loile no.					31-Dec-17	31-Dec-16	1-Jan-16
Current accounts payable	RUT	Country of Origin	Nature of the relationship	Type of Currency	KUS\$	KUS\$	KUS\$
Andes Sur Inversiones Ltda.	76.463.392-K	Chile	Common shareholder	CLP	2,192	888	-
Hortifrut Tal S.A.C	o-E	Peru	Associated	USD	1,124	727	-
Expofresh S.A.	o-E	Argentina	Common shareholder	USD	1,002	2,905	83
Tal S.A.C.	o-E	Peru	Subsidiary of a Shareholder in associated	USD	736	1,163	563
Agrícola Santa Carmen Ltda	86.776.400-3	Chile	Common shareholder	USD	724	324	456
Munger Bros, LLC	o-E	USA	Common shareholder	USD	125	125	-
Monarch Nut Company, LLC	o-E	USA	Common shareholder	USD	113	-	-
Agrícola e Inmobiliaria Don Vitoco Ltda.	76.849.930-6	Chile	Common shareholder	CLP	45	3	27
Atlantic Blue Berries Maroc, SARL	o-E	Spain	Common shareholder	EUR	39	14	66
Santa Maria de Gorbea S.A.	99.567.570-6	Chile	Common shareholder	CLP	26	23	79
Pacific Berry Breeding, LLC	o-E	USA	Associated	USD	9	13	57
Berry Blue, LLC	o-E	USA	Associated	USD	7	-	-
Sociedad Agrícola Catapilco Limitada	78.241.100-4	Chile	Shareholder in subsidiary	CLP	-	314	-
Naturipe Berry Growers, LLC	o-E	USA	Associated	USD	-	177	-
Arandanos del Rocío, S.L.	o-E	Spain	Common shareholder	EUR	-	32	-
Agricola e Inmobiliaria Lumaco S.A.	96.761.430-0	Chile	Common shareholder	CLP	-	3	-
Inversiones Canihua S.A.	95.526.000-7	Chile	Common shareholder	CLP	-	-	915
Agrícola San José de Tilama S.A.	76.043.289-K	Chile	Common shareholder	USD			7
Total					6,142	6,711	2,253

Current accounts payable correspond to trade operations, the payment period is between 1 and 45 days.

					31-Dec-17	31-Dec-16	1-Jan-16
Non-current accounts payable	RUT	Country of origin	Nature of the relationship	Type of Currency	KUS\$	KUS\$	KUS\$
Royal Berries S.L.	0-E	Spain	Affiliated of a Shareholder in subsidiary	EUR	10,542	10,286	10,316
Inversiones Canihua S.A.	95.526.000-7	Chile	Common shareholder	CLP	1,057	971	-
Inversiones Purranque S.A.	96.539.710-8	Chile	Shareholder in subsidiary	CLP	472	433	408
Munger Bros, LLC	0-E	USA	Common shareholder	USD	-		12,010
Total				-	12,071	11,690	22,734

The payable balance held with Royal Berries SL corresponds to the pending instalment payments for the purchase of the berries varietal license to exploit in America. The contract was subscribed in July 2015 for the total amount of US\$20 million, with Hortifrut immediately paying 50%. The balance is being paid in annual instalments until the year 2022, which will accrue an annual interest of 2.9%.

Accounts payable to Inversiones Canihua S.A. and Inversiones Purranque S.A., correspond to investment financing with a liquidation period higher than 3 years.



11.3. Transactions with related parties and their effects on results

The operations and their effects on results for the periods ending December 31, 2017 and 2016 are presented:

				<u>31-De</u>	Effect on result	<u>31-De</u>	Effect on result
Company	RUT	Nature of the relationship	Description of the transaction	Amount of transaction KUS\$	(charge)/ deposit <u>KUS\$</u>	Amount of transaction KUS\$	(charge)/ deposit <u>KUS\$</u>
Naturipe Farms LLC	0-Е	Associated	Fruit sales	183,177	17,343	217,711	22,446
Naturipe Farms LLC	o-E	Associated	Income from packing services, materials and others	97	-		-
Naturipe Farms LLC	o-E	Associated	Fruit purchase	115	11		-
S.A.T. Hortifrut H-0030	o-E	Associated	Receipt payment of loans		-		-
S.A.T. Hortifrut H-0030	o-E	Associated	Received services	-	-	-	-
S.A.T. Hortifrut H-0030	o-E	Associated	Fruit purchase	-	-	149	-
Agrícola Santa Carmen Ltda.	86.776.400-3	Common shareholder	Fruit purchase	10,112	-	14,117	-
Agrícola Santa Carmen Ltda. Agrícola Santa Carmen Ltda.		Common shareholder Common shareholder	Income from packing services, materials and others Income from plant sales	807 116	-	861	-
Naturipe Value Added Foods LLC	0-E	Associated	Fruit sales		11	314	32
•				15,917	1,507	29,651	3,057
Naturipe Value Added Foods LLC	o-E	Associated	Fruit purchase	-	-	205	-
Naturipe Berry Growers LLC	o-E	Associated	Fruit sales	3,860	365	5,283	545
Sociedad Agrícola Catapilco Ltda.		Shareholder in subsidiary	Advanced purchase of plants (Nursery)	5,184	-	6,332	-
Sociedad Agrícola Catapilco Ltda.		Shareholder in subsidiary	Received services	-	-	22	-
Agrícola e Inmobiliaria Don Vitoco Ltda.	, ,,,,,,	Common shareholder	Income from packing services, materials and others	36	-	40	-
Atlantic Blue S.L.	0-E	Common shareholder in subsidiary	Fruit sales	-	-	176	18
Atlantic Blue S.L.	o-E	Common shareholder in subsidiary	Interest expenses	-	-	-	-
Valles del Sur SpA Valles del Sur SpA	76.243.329-k 76.243.329-k		Fruit purchase Income from packing services, materials and others	6,783 818	-	9,141 816	-
Valles del Sur SpA	76.243.329-k	Shareholder	Income from plant sales	634	60	523	54
Agrícola San José de Tilama S.A.	76.043.289-K	Common shareholder	Fruit purchase	1,866	-	1,938	-
Agrícola San José de Tilama S.A.	76.043.289-K	Common shareholder	Income from packing services, materials and others	-	-	169	-
Agrícola San José de Tilama S.A.	76.043.289-K	Common shareholder	Income from plant sales	132	12	56	6
Vilcun Organics SPA	76.158.225-9	Common shareholder	Income from packing services, materials and others	135	-	-	-
Vilcun Organics SPA	76.158.225-9	Common shareholder	Fruit purchase	-	-	1,722	-
Santa Maria de Gorbea S.A.	99.567.570-6	Common shareholder	Income from packing services, materials and others	-	-	20	-
Santa Maria de Gorbea S.A.	99.567.570-6	Common shareholder	Fruit purchase	80	-	254	-
Agrícola Nueva Cabildo S.A.	76.107.465-2	Common shareholder	Fruit purchase	320	-	348	-
Agrícola Nueva Cabildo S.A.	76.107.465-2	Common shareholder	Income from plant sales	25	2	-	-
Horacio Schmidt Cortes	3.171.221-1	Shareholder in subsidiary	Received services	-	-	3	-
Horacio Schmidt Cortes	3.171.221-1	Shareholder in subsidiary	Paid dividend	-	-	348	-
Andes Sur Inversiones Limitada	76.463.392-K	Shareholder in subsidiary	Received loan	1,204	-	883	-
Andes del Sur Inversiones Limitada	76.463.392-K	Shareholder in subsidiary	Paid loan	-	-	-	-
San José Farms S.A.	77.403.750-0	Shareholder	Received services	-	-	10	-
Hortifrut Tal S.A.C	о-Е	Associated	Fruit purchase	55,466	-	36,046	-

				31-Dec-17		31-Dec-	
					Effect on		Effect on result
				Amount of transaction	result (charge)/ deposit	Amount of transaction	(charge)/ deposit
Company	RUT	Nature of the relationship	Description of the transaction	KUS\$	KUS\$	KUS\$	KUS\$
Hortifrut Tal S.A.C	o-E	Associated	Income from plant sales	2,891	274	1,081	111
Tal S.A.C	o-E	Subsidiary of a Shareholder in associated	Fruit purchase	11,786	-/ -	21,547	
Tal S.A.C	o-E	Subsidiary of a Shareholder in associated	Income from plant sales	1,202	114	813	_
Tierras de Berries S.A.	o-E	Common shareholder in associated	Advanced payments to producer	, .		-	_
Tierras de Berries S.A.	o-E	Common shareholder in associated	Granted loans	_	_	_	_
Tierras de Berries S.A.	o-E	Common shareholder in associated	Income from plant sales	_	_	306	66
Tierras de Berries S.A.	o-E	Common shareholder in associated	Collection of advanced payments	_	_	1,060	-
Expofresh S.A.	o-E	Common shareholder in associated	Fruit purchase	16,998	_	16,419	_
Expofresh S.A.	o-E	Common shareholder in associated	Advanced payments to producer	,,,-	_	,	_
Royal Berries S.L.	o-E	Common shareholder	Fruit sales	11	1	18	2
Royal Berries S.L.	o-E	Common shareholder	Income from plant sales	166	16	-	-
Royal Berries S.L.	o-E	Common shareholder	Berries genetics (plants)	-	_	-	_
Royal Berries S.L.	o-E	Common shareholder	Purchase of plants (Royalty)	_	_	1,338	(1,338)
Royal Berries S.L.	o-E	Common shareholder	Payment-Purchase berries genetics (plants)	1,429	_	1,254	-
Royal Berries S.L.	o-E	Common shareholder	Interest expenses	207	(207)	268	(268)
Atlantic Green S.L.	o-E	Associated	Fruit sales	-	-	_	-
Agricola e Inmobiliaria Lumaco S.A.	96.761.430-0	Common shareholder	Income from Packing services, materials and others	15	-	17	
Agricola e Inmobiliaria Lumaco S.A.	96.761.430-0	Common shareholder	Lease	(17)	_	(51)	_
Inversiones Canihua	95.526.000-7	Shareholder in subsidiary	Income from Packing services, materials and others	-	-	-	
Inversiones Canihua S.A.	95.526.000-7	Shareholder in subsidiary	Paid dividend	=	-	375	
Hortifrut Berries Maroc SRL	o-E	Associated	Granted loans	1,739	-	1,844	-
Hortifrut Berries Maroc SRL	o-E	Associated	Gained interests	78	78	58	58
Hortifrut Berries Maroc SRL	o-E	Associated	Income from plant sales	165	16	123	13
Hortifrut Berries Maroc SRL	o-E	Associated	Fruit purchase	35		-	-
Atlantic Blue Berries Maroc, SARL	o-E	Common shareholder	Fruit purchase	7,318	-	-	-
Tierras de Arándanos S.A.	o-E	Common shareholder in associated	Income from plant sales	-	-	56	16
Margesi S.A.	o-E	Associated	Income from plant sales	-	-	23	8
Naturipe Value Added Fresh LLC	o-E	Associated	Fruit sales	9,144	866	9,671	997
Naturipe Value Added Fresh LLC	o-E	Associated	Fruit purchase	-	-	-	-
Euroberry GMBH	o-E	Shareholder in subsidiary	Fruit sales	10,342	979	1,193	123
Munger Farm LLC	o-E	Common shareholder	Income from plant sales	1,313	124	-	-
Munger Farm LLC	o-E	Common shareholder	Purchase of machinery	820	-	-	-
Munger Farm LLC	o-E	Common shareholder	Income from Packing services, materials and others	17	2	-	-
Munger Hortifrut North America, LLC	o-E	Associated	Income from Packing services, materials and others	261	-	-	-
Munger Hortifrut North America, LLC	o-E	Associated	Income from plant sales	3,057	289	-	-
Munger Hortifrut North America, LLC	o-E	Associated	Granted loans	8,207	-	-	-
Munger Hortifrut North America, LLC	o-E	Associated	Collection of loans	11,590	-	-	-
Euroberry UK Ltd.	o-E	Common shareholder	Fruit sales	1,286	122	-	-
Hortifrut Expofresh S.A.	o-E	Associated	Fruit purchase	75	-	-	-
SVA Fruits Ltd.	o-E	Common shareholder in associated	Income from Packing services, materials and others	42	4	=	-
Global Organics S.A.	76.404.690-0	Common shareholder	Income from Packing services, materials and others	20	2	-	-
Arandanos del Rocio	o-E	Common shareholder in associated	Fruit sales	7	1	-	-
Atlantic Green S.L.	o-E	Common shareholder	Fruit sales	29	3	-	-

Hortifrut and subsidiaries, have as their policy to inform the main transactions that are performed with related parties during the period, except for dividends paid by the parent Company and received capital contributions.

11.4. Board Remunerations and fees and Remunerations of key executives

The allowances, remunerations and ownership interests of the Board members as of December 31, 2017 reach KUS\$971, of which KUS\$258 correspond to interests. For the same period in 2016 the total of allowances, remunerations and ownership interests reached KUS\$764.

The total gross remuneration received by the main executives at Hortifrut and subsidiaries reached KUS\$4,221 as of December 31, 2017 and KUS\$4,190 as of December 31, 2016.

The main managers are those that have the authority and the responsibility to plan, direct and control the company's activities, whether it be directly or indirectly, including any member (executive or not) of the administrative council or of a government body, its equivalent in the company.

NOTE 12 - STOCK

The stock detail at the closing of the period ending December 31, 2017, December 31, 2016 and January 01, 2016, is as follows:

Types of stock	31-Dec-17 KUS\$	31-Dec-16 KUS\$	1-Jan-16 KUS\$
		KUS\$	KUSŞ
Finished products	29,016	39,749	22,101
Raw material	1,352	648	2,238
Frozen finished products	1,937	3,582	6,348
Materials and supplies	13,358	13,749	11,688
Provision for obsolescence	(1,107)	(917)	(696)
Total	44,556	56,811	41,679
	31-Dec-17	31-Dec-16	42370
Provision for obsolescence	KUS\$	KUS\$	KUS\$
As of January 01	917	696	619
Increase of provision	190	221	77_
Total	1,107	917	696

The provision for obsolescence, corresponds to the cost of packing materials that are obsolete o whose use has been discontinued.

Information regarding finished products

Until the closing of the corresponding periods, the Company has not performed write-offs of finished products.

During the period ending December 31, 2017 and December 31, 2016, no stock has been pledged as security.

The cost of stock acknowledged as cost of sales in the periods ending December 31, 2017 and 2016 reach KUS\$180,961 and KUS\$192,169 respectively (see Note 30.1).

In order to mitigate the risk of loss of stock, the Company maintains contracted insurances as of December 31, 2017 (See Note 4.3).

NOTE 13 - CURRENT BIOLOGICAL ASSETS

The movements of current biological assets as of the closing of the periods ending December 31, 2017, December 31, 2016 and January 01, 2016 are the following:

	31-Dec-17	31-Dec-16	1-Jan-16
Movement	KUS\$	KUS\$	KUS\$
Opening biological assets	6,856	7,182	6,989
Increase due to capitalization of costs	21,538	22,328	17,805
Exchange rate adjustment	(10)	95	-
Additions / transfers	-	-	264
Adjustment to fair value	1,640	-	-
Amortization	(234)	(144)	(257)
Consumption	(20,074)	(22,605)	(17,619)
Total	9,716	6,856	7,182

As described in Note 3.4, the Company performs the valuation of agricultural products that grow on "bearer plants" as of the date of issuance of the financial statements. As of December 31, 2017, the expected margin of fruit on "bearer plants" of the Agrícola Hortifrut S.A. company are acknowledged, for an amount that reaches KUS\$1,640.

It must be stated that this valuation corresponds to an estimation, which could vary when the sale of the fruit is perfected, moment when said result is realized.

In this item the costs of plants that produce fruit in just one season, such as strawberries, are also included.



NOTE 14 – OTHER NON-FINANCIAL ASSETS

The detail of other current non-financial assets is as follows:

	31-Dec-17	31-Dec-16	1-Jan-16
Current	KUS\$	KUS\$	KUS\$
Advanced payment of blueberry plants	2,326	3,791	1,813
Advanced expenses (lease)	826	676	58
Advanced expenses	2,368	795	899
Advanced payment for water fee collection	-	-	1,408
Payments in guarantee	94	36	-
Advanced freight payment		222	2,465
Total	5,614	5,520	6,643

The detail of Other non-current non-financial assets is as follows:

	31-Dec-17	31-Dec-16	1-Jan-16
Non-Current	KUS\$	KUS\$	KUS\$
Advanced payment for water fee collection	1,361	1,371	-
Advanced expenses (lease)	56	145	11
Total	1,417	1,516	11



NOTE 15 – INVESTMENTS IN SUBSIDIARIES

The Company has investments in companies that have been acknowledged as investment in subsidiaries. All the companies defined as subsidiaries have been consolidated in Hortifrut and subsidiaries' financial statements.

The detail of consolidated subsidiaries as of December 31, 2017 and December 31, 2016, is as follows:

					31-Dec-17		31-Dec-16
Companies	RUT	Country of Origin	Functional Currency	Direct	Indirect	Total	Total
Agrícola El Avellano S.A. and subsidiaries	96.923.620-6	Chile	US\$	40.0000	-	40.0000	40.0000
Agrícola El Pampino S.A.	76.884.880-7	Chile	US\$	-	20.0000	20.0000	20.0000
Agrícola Mataquito S.A.	76.306.130-2	Chile	US\$	50.0000	-	50.0000	50.0000
Agrícola Sta. Rosa del Parque S.A.	99.584.440-0	Chile	US\$	30.0000	-	30.0000	30.0000
Agrícola Hortifrut S.A.	79.764.840-k	Chile	US\$	99.9900	0.0100	100.0000	100.0000
Agrícola y Gan. Santa Rebeca Ltda.	78.988.990-2	Chile	US\$	25.0000	-	25.0000	25.0000
Agrícola Vida Nueva S.A.	96.996.290-k	Chile	US\$	50.0000	-	50.0000	50.0000
Colmenares Hortisur SPA	99.568.520-5	Chile	CLP	-	-	-	100.0000
Hortifrut Chile S.A. and subsidiaries	99.524.450-0	Chile	US\$	99.9900	0.0100	100.0000	100.0000
Hortifrut Comercial S.A.	99.535.510-8	Chile	CLP	0.0100	99.9900	100.0000	100.0000
Viveros Hortifrut Chile S.A.	99.524.470-5	Chile	CLP	-	51.0000	51.0000	51.0000
Top Berries & Fruit SPA	76.023.726-4	Chile	CLP	-	-	-	100.0000
Berries de Panguipulli SPA	76.243.167-K	Chile	US\$	-	-	-	100.0000
Inversiones Hortifrut S.A. and subsidiaries	99.524.540-k	Chile	US\$	99.9999	0.0001	100.0000	100.0000
Bery good Comercial Importadora	Foreigner	Brazil	RBR	40.0100	59.9900	100.0000	100.0000
Hortifrut Inversiones Int. S.A.	76.043.425-6	Chile	US\$	49.4874	50.5126	100.0000	100.0000
Hortifrut Argentina S.A.	Foreigner	Argentina	\$AR	-	95.9000	95.9000	95.9000
Hortifrut North America Inc.	Foreigner	USA	US\$	-	100.0000	100.0000	100.0000
Hortifrut S.A. de C.V. and subsidiaries	Foreigner	Mexico	US\$	-	99.9900	99.9900	99.9900
Hortifrut Import, Inc.	Foreigner	USA	US\$	-	100.0000	100.0000	100.0000
Naturipe Farm Import, Inc.	Foreigner	USA	US\$	-	100.0000	100.0000	100.0000
Hortifrut Europa SL	Foreigner	Spain	EUR	0.0300	99.9700	100.0000	100.0000
Hortifrut España Southern Sun SL	Foreigner	Spain	EUR	-	50.0000	50.0000	50.0000
Asturian Berries SL	Foreigner	Spain	EUR	-	25.5000	25.5000	25.5000
HFE Berries Perú S.A.C.	Foreigner	Peru	US\$	-	50.0000	50.0000	50.0000
Euroberry Marketing S.A.	Foreigner	Spain	EUR	-	50.0000	50.0000	50.0000
Asian Berries Limited	Foreigner	Yuan	CNY	-	100.0000	100.0000	-
Honghe Jiayu Agriculture Limited	Foreigner	Yuan	CNY	-	51.0000	51.0000	-

The Companies detailed in the first column, correspond to front line companies and those in the second column are the companies where control is maintained, but that form part of the consolidated financial statements of front line companies (Note 3.1.2).

In the case of those subsidiaries that directly or indirectly maintain an ownership equal to or lower than 50%, these have been included in the consolidation process because the Company has the power to direct the financial and operating policies.

Movements in Subsidiaries in 2017

During the period ending December 31, 2017, the Asian Berries Limited company was incorporated to the consolidation of the financial statements of the Hortifrut group.

On November 01, 2017, the Berries de Panguipulli SpA. company was absorbed by the Agrícola Hortifrut S.A. company.

On November 01, 2017, the Top Berries & Fruit SpA. company, was absorbed by the Hortifrut Chile S.A. company.

On June 30, 2017, the Colmenares Hortisur SpA, company was absorbed by the Berries de Panguipulli SpA. Company.

Euroberry Ltd. (England), subsidiary of Hortifrut Europa S.L., was dissolved in April 2017.

Movements in Subsidiaries in 2016

In this period no new companies were incorporated into Hortifrut group's financial statement consolidation. Nevertheless, a restructuring of the company took place, where 99.9% of the property of Hortifrut Import, Inc. and Naturipe Farm Import, Inc., passed from Hortifrut S.A. de C.V. (Mexico) to Hortifrut Inversiones Internacionales S.A. (Chile).

Euroberry B.V. (Holland), subsidiary of Hortifrut Europa SL, was dissolved in September 2016.

Summarized financial information of significant subsidiaries

Below we present the statements of financial position, income statements and cash flows as of December 31, 2017 and 2016:

		31-Dec-17							
	A	ssets	Assets	Lia	abilities	Liabilities	Equity		
Balance	Current KUS\$	Non-current KUS\$	Total KUS\$	Current KUS\$	Non-current KUS\$	Total KUS\$	Total KUS\$		
Hortifrut Chile and Subsidiaries	156,559	143,833	300,392	179,615	47,773	227,388	73,004		
Inversiones Hortifrut S.A. and Subsidiaries	97,377	186,955	284,332	19,466	181,657	201,123	83,209		
Agrícola Vida Nueva S.A.	1,371	11,521	12,892	3,053	1,948	5,001	7,891		
Agrícola El Avellano S.A. and Subsidiaries	1,277	7,775	9,052	2,505	1,341	3,846	5,206		
Agrícola Hortifrut S.A.	6,970	46,971	53,941	816	9,675	10,491	43,450		
Agrícola Mataquito S.A.	1,799	16,713	18,512	10,047	5,523	15,570	2,942		
Agrícola Santa Rosa del Parque S.A.	1,621	5,952	7,573	1,332	1,870	3,202	4,371		
Agrícola y Ganadera Sta Rebeca Ltda	25	155	180	13	-	13	167		
Total	266,999	419,875	686,874	216,847	249,787	466,634	220,240		

	31-Dec-17							
Results	Operating Revenue KUS\$	Costs and Expenses KUS\$	Other Results KUS\$	Taxes KUS\$	Gains (loss) KUS\$			
Hortifrut Chile and Subsidiaries	193,086	(164,614)	(2,777)	(6,305)	19,390			
Inversiones Hortifrut S.A. and Subsidiaries	302,918	(302,307)	4,482	1,098	6,191			
Agrícola Vida Nueva S.A.	3,426	(2,993)	(177)	14	270			
Colmenares Hortisur SpA	4	(87)	2	23	(58)			
Agrícola El Avellano S.A. and Subsidiaries	2,896	(3,145)	(151)	322	(78)			
Agrícola Hortifrut S.A.	7,150	(4,813)	(33)	(224)	2,080			
Agrícola Mataquito S.A.	3,751	(3,280)	(706)	194	(41)			
Agrícola Santa Rosa del Parque S.A.	3,292	(1,998)	(96)	(228)	970			
Top Berries & Fruit SpA	3,105	(2,068)	(143)	(138)	756			
Berries de Panguipulli SpA	4,877	(4,399)	2	(25)	455			
Agrícola y Ganadera Sta Rebeca Ltda	60	(67)	1	8	2			
Total	524,565	(489,771)	404	(5,261)	29,937			

	31-Dec-17						
Place	Operating Flows	Investment Flows	Financing Flows	Total			
Flows	KUS\$	KUS\$	KUS\$	KUS\$			
Hortifrut Chile and Subsidiaries	59,411	(9,660)	(58,198)	(8,447)			
Inversiones Hortifrut S.A. and Subsidiaries	(326)	(22,409)	23,511	776			
Agrícola Vida Nueva S.A.	670	(190)	(545)	(65)			
Colmenares Hortisur SpA	92	(196)	-	(104)			
Agrícola El Avellano S.A. and Subsidiaries	491	184	(392)	283			
Agrícola Hortifrut S.A.	1,106	(899)	-	207			
Agrícola Mataquito S.A.	17	(4,143)	4,294	168			
Agrícola Santa Rosa del Parque S.A.	572	(731)	(175)	(334)			
Top Berries & Fruit SpA	878	(382)	(513)	(17)			
Berries de Panguipulli SpA	1,773	2	(1,799)	(24)			
Agrícola y Ganadera Sta Rebeca Ltda	41	(25)	(12)	4			
Total	64,725	(38,449)	(33,829)	(7,553)			

			3	1-Dec-16							
	A	Assets		Liabilities		Liabilities	Equity				
Balance	Current KUS\$	Non-current KUS\$	Total KUS\$	Current KUS\$	Non-current KUS\$	Total KUS\$	Total KUS\$				
Hortifrut Chile and Subsidiaries	175,468	93,161	268,629	188,015	33,598	221,613	47,016				
Inversiones Hortifrut S.A. and Subsidiaries	83,301	143,041	226,342	97,151	62,928	160,079	66,263				
Agrícola Vida Nueva S.A.	1,200	12,303	13,503	3,813	2,099	5,912	7,591				
Colmenares Hortisur SpA	276	158	434	28	-	28	406				
Agrícola El Avellano S.A. and Subsidiaries	701	8,094	8,795	1,687	1,824	3,511	5,284				
Agrícola Hortifrut S.A.	1,939	25,350	27,289	637	4,501	5,138	22,151				
Agrícola Mataquito S.A.	1,106	12,319	13,425	6,867	3,595	10,462	2,963				
Agrícola Santa Rosa del Parque S.A.	1,726	5,547	7,273	1,790	1,664	3,454	3,819				
Top Berries & Fruit SpA	919	12,505	13,424	1,549	6,949	8,498	4,926				
Berries de Panguipulli SpA	3,395	23,357	26,752	870	5,349	6,219	20,533				
Agrícola y Ganadera Sta Rebeca Ltda	53	145	198	20	1	21	177				
Total	270,084	335,980	606,064	302,427	122,508	424,935	181,129				

	31-Dec-16								
	Operating Revenue	Costs and Expenses	Other Results	Taxes	Gains (loss)				
Results	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$				
Hortifrut Chile and Subsidiaries	228,260	(200,713)	(317)	(6,302)	20,928				
Inversiones Hortifrut S.A. and Subsidiaries	339,937	(332,786)	4,841	(4,959)	7,033				
Agrícola Vida Nueva S.A.	4,482	(5,452)	(164)	396	(738)				
Colmenares Hortisur SpA	179	(115)	4	(15)	53				
Agrícola El Avellano S.A. and Subsidiaries	3,035	(3,724)	(177)	399	(467)				
Agrícola Hortifrut S.A.	7,812	(7,352)	(133)	156	483				
Agrícola Mataquito S.A.	2,433	(7,698)	(242)	1,580	(3,927)				
Agrícola Santa Rosa del Parque S.A.	5,057	(2,340)	(149)	(553)	2,015				
Top Berries & Fruit SpA	4,300	(2,323)	(60)	(371)	1,546				
Berries de Panguipulli SpA	5,810	(4,354)	(74)	(233)	1,149				
Agrícola y Ganadera Sta Rebeca Ltda	66	(545)	3	133	(343)				
Total	601,371	(567,402)	3,532	(9,769)	27,732				

	31-Dec-16							
_	Operating Flows	Investment Flows	Financing Flows	Total				
Flows	KUS\$	KUS\$	KUS\$	KUS\$				
Hortifrut Chile and Subsidiaries	(9,323)	(19,489)	36,181	7,369				
Inversiones Hortifrut S.A. and Subsidiaries	57,465	(54,597)	(2)	2,866				
Agrícola Vida Nueva S.A.	1,899	(688)	(1,149)	62				
Colmenares Hortisur SpA	(88)	-	-	(88)				
Agrícola El Avellano S.A. and Subsidiaries	99	(331)	217	(15)				
Agrícola Hortifrut S.A.	355	(316)	-	39				
Agrícola Mataquito S.A.	(252)	(4,906)	5,138	(20)				
Agrícola Santa Rosa del Parque S.A.	3,272	(647)	(2,269)	356				
Top Berries & Fruit SpA	1,086	(6,529)	5,446	3				
Berries de Panguipulli SpA	436	(458)	-	(22)				
Agrícola y Ganadera Sta Rebeca Ltda	13	-	(15)	(2)				
Total	54,962	(87,961)	43,547	10,548				

NOTE 16 - INVESTMENTS RECORDED USING THE EQUITY METHOD

The Company has acknowledged as investment in companies the ownership that it has in the following countries:

	31-Dec-17	31-Dec-16	31-Dec-16
		Re-expressed	Re-expressed
Detail per country	KUS\$	KUS\$	KUS\$
United States	31,897	32,748	6,093
Spain	1	1	1
Morocco	(561)	64	3
Germany	15	13	=
Argentina	1,833	2,248	3,011
Chile	1,066	853	726
Peru	33,590	19,547	14,761
	67,841	55,474	24,595

The Company has acknowledged as investment in companies the ownership that it has in the following companies and in accordance with the detailed movement as of December 31, 2017 and December 31, 2016:

			<u>Functional</u>	Interest %			Interest in	Exchange rate	Other increase	Balance
Company	RUT	Country	currency	Indirect	1-Jan-17	Investment	result	difference	(decrease)	31-Dec-17
Berry Blue LLC	o-E	USA	Dollar	50.00%	(5)	380	(328)	-	-	47
Pacific Berry Breeding LLC	o-E	USA	Dollar	50.00%	243	100	(301)	-	-	42
Munger Hortifrut N.A. LLC	o-E	USA	Dollar	50.00%	25,539	-	(1,035)	-	-	24,504
Naturipe Brands LLC	o-E	USA	Dollar	30.00%	855	1,167	2	-	-	2,024
Naturipe Farms LLC	0-E	USA	Dollar	30.00%	1,432	(1,291)	89	-	-	230
Naturipe Value Added Foods LLC	o-E	USA	Dollar	27.00%	193	-	-	-	-	193
Naturipe Value Added Fresh, LLC	o-E	USA	Dollar	33.33%	4,491	-	366	-	-	4,857
S.A.T. Hortifrut H-0030	o-E	Spain	Euro	33.00%	1	-			-	1
Hortifrut Berries Maroc S.R.L.	0-E	Morocco	Dirham	51.00%	64	-	(601)	(24)	-	(561)
Euroberry GmbH	o-E	Germany	Euro	50.00%	13	-	-	2	-	15
Margesi S.A.	o-E	Argentina	Argentine \$	50.00%	2,441	-	(368)	(268)	-	1,805
San Clemente Vitalberry (Shanghai) SpA	o-E	Chile	Dollar	50.00%	853	-	213	-	-	1,066
Hortifrut Tal S.A.C	0-E	Peru	Nuevo Sol	50.00%	19,547	-	11,211	2,832	-	33,590
Hortifrut Expofresh S.A.	o-E	Argentina	Argentine \$	50.00%	(193)		220	1		28
Total					55,474	356	9,468	2,543	-	67,841
							_	Exchange		
			Functional	Interest %			Interest in	rate	Other increase	Balance
Company	RUT	Country	currency	Indirect	1-Jan-16	Investment	result	difference	(decrease)	31-Dec-16
Berry Blue LLC	0-E	USA	Dollar	50.00%	15	250	(270)	-		(5)
Pacific Berry Breeding LLC	o-E	USA	Dollar	50.00%	415	-	(172)	-	-	243
Munger Hortifrut N.A. LLC	o-E	USA	Dollar	50.00%	3	25,972	(436)	-	-	25,539
Naturipe Brands LLC	o-E	USA	Dollar	30.00%	149	278	200	-	228	855
Naturipe Farms LLC	o-E	USA	Dollar	30.00%	1,388	-	44	-	-	1,432
Naturipe Value Added Foods LLC	o-E	USA	Dollar	27.00%	193	-	-	-	-	193
Naturipe Value Added Fresh, LLC	o-E	USA	Dollar	33.33%	3,930	-	561	-	-	4,491
S.A.T. Hortifrut H-0030	o-E	Spain	Euro	33.00%	1	-	-	-	-	1
Hortifrut Berries Maroc S.R.L.	o-E	Morocco	Dirham	51.00%	3	104	(36)	(7)	-	64
Euroberry GmbH	o-E	Germany	Euro	50.00%	-	14	-	(1)	-	13
Margesi S.A.	o-E	Argentina	Argentine \$	50.00%	2,796	-	564	(919)	-	2,441
San Clemente Vitalberry (Shanghai) SpA	o-E	Chile	Dollar	50.00%	726		127	-	_	853
ban elemente vitaberry (bhanghai) bpri	0-E	Cime	Donai	50.00%	/ 20		/			
Hortifrut Tal S.A.C	0-E	Peru	Nuevo Sol	50.00%	14,761	-	4,574	212	-	19,547
*				•				212 (192)	-	

The detail of movements as of December 31, 2017 and December 31, 2016:

Movement	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>
Opening balance as of January 01	55,474	24,595
Interest in results	9,468	4,940
Capital contributions (a)	356	26,618
Surplus of revaluation Bearer Plants	-	11,180
Other adjustments	-	228
Adjustments due to exchange rate		
fluctuations	2,543	(907)
Adjustment change in accounting policy (*)		(11,180)
Closing balance	67,841	55,474

(*) Adjustment changes in accounting policy See Note 5

a) Capital contributions

Capital contributions during the period ending December 31, 2017 and the period ending December 31, 2016, are shown in the following detail:

Capital contributions (decrease)	31-Dec-17	31-Dec-16
Company	KUS\$	KUS\$
Berry Blue LLC	380	250
Pacific Berry Breeding LLC	100	-
Munger Hortifrut N.A. LLC	-	25,972
Naturipe Brands LLC	1,167	278
Naturipe Farms LLC	(1,291)	-
Hortifrut Berries Maroc S.R.L.	-	104
Euroberry GmbH	-	14
Total contributions	356	26,618

Contributions to Limited Liability Companies (LLC) in the United States, aim to maintain the interest in said companies, except for Munger Hortifrut N.A. LLC, which corresponds to capitalization with the purpose of developing the 234-hectare organic blueberry investment plan.

b) New Investments

During the period ending December 31, 2017, the following investment was incorporated:

 Dated April 07, 2017, the subsidiary Euroberry Marketing S.A. (Spain), formed the company Euroberry UK Ltd in England. The new company has as its corporate purpose the commercialization of berries in that country.

During the period ending December 31, 2016, the following investment was incorporated:

- Dated June 21, 2016, the subsidiary Euroberry Marketing S.A. (Spain), formed the company Euroberry GmbH in Germany. The new company has as its corporate purpose the commercializing of berries in that country.
- c) Reclassification of investment for sale

During the period ending December 31, 2017 and the period ending December 31, 2016 no reclassifications of investments for sale took place.

d) Other changes

On October 03, 2017 a framework sale-purchase and merger agreement was signed with the Rocío Group, one of the most important producers, exporters and distributors of blueberries in the southern hemisphere. The aforementioned implies that once the agreement has been materialized, the Hortifrut Tal S.A.C. company together with other companies of the Rocío group, will be incorporated to the consolidation of the Company's financial statements.

e) Summarized financial information

The summarized financial information as of December 31, 2017 and 2016, which is presented below, corresponds to the total assets, liabilities and equity and a summary of the results of the associated companies:

						31-Dec-1	17				
•		Non-									
	Current	current	Total	Current	Non-current	Total		Operating	Costs and	Other	Net profit
Associated	Assets	Assets	Assets	Liabilities	Liabilities	<u>Liabilities</u>	Equity	Revenue	Expenses	results	(loss)
	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Berry Blue LLC	197	-	197	103	-	103	94	73	(729)	-	(656)
Pacific Berry Breeding LLC	102	98	200	116	-	116	84	571	(1,173)	-	(602)
Munger Hortifrut N.A. LLC	7,600	86,811	94,411	4,938	40,465	45,403	49,008	-	(1,971)	(99)	(2,070)
Naturipe Brands LLC	628	7,730	8,358	1,611	-	1,611	6,747	1,000	(995)	2	7
Naturipe Farms LLC	50,550	1,783	52,333	51,566	-	51,566	767	718,903	(718,583)	(23)	297
Naturipe Value Added Foods LLC	14,637	31	14,668	13,953	-	13,953	715	9,195	(9,195)		-
Naturipe Value Added Fresh, LLC	5,209	12,156	17,365	2,793	-	2,793	14,572	23,207	(22,136)	27	1,098
S.A.T. Hortifrut H-0030	9	-	9	6	-	6	3	-	-	-	-
Hortifrut Berries Maroc S.R.L	746	2,736	3,482	647	3,935	4,582	(1,100)	526	(1,621)	(83)	(1,178)
Euroberry GmbH	7,496	-	7,496	7,466	-	7,466	30	14,200	(14,015)	(185)	-
Margesi S.A.	2,635	2,714	5,349	1,391	348	1,739	3,610	3,138	(3,660)	(214)	(736)
San Clemente Vitalberry (Shanghai) SpA	6,675	46	6,721	4,589	-	4,589	2,132	14,038	(13,401)	(211)	426
Hortifrut Tal S.A.C	46,175	71,487	117,662	17,748	32,734	50,482	67,180	58,736	(29,578)	(6,736)	22,422
Hortifrut Expofresh S.A.	985	49	1,034	978	-	978	56	1,386	(886)	(60)	440
Total	143,644	185,641	329,285	107,905	77,482	185,387	143,898	844,973	(817,943)	(7,582)	19,448

						31-Dec-	16				
		Non-									
	Current	Current	Total	Current	Non-current	Total		Operating	Costs and	Other	Net profit
Associated	Assets	Assets	Assets	Liabilities	Liabilities	Liabilities	Equity	Revenue	Expenses	results	(loss)
	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Berry Blue LLC	103	-	103	113	-	113	(10)	43	(583)	-	(540)
Pacific Berry Breeding LLC	433	129	562	76	-	76	486	874	(1,218)	-	(344)
Munger Hortifrut N.A. LLC	51,078	-	51,078	-	-	-	51,078	-	(872)	-	(872)
Naturipe Brands LLC	3,057	870	3,927	1,077	-	1,077	2,850	1,000	(333)	-	667
Naturipe Farms LLC	52,736	5,802	58,538	51,997	1,768	53,765	4,773	704,422	(704,468)	193	147
Naturipe Value Added Foods LLC	14,979	26	15,005	14,195	95	14,290	715	8,222	(8,222)	-	-
Naturipe Value Added Fresh, LLC	4,268	11,511	15,779	2,285	20	2,305	13,474	22,837	(21,179)	25	1,683
S.A.T. Hortifrut H-0030	9	-	9	6	-	6	3	-	-	-	-
Hortifrut Berries Maroc S.R.L	1,159	1,418	2,577	359	2,093	2,452	125	79	(103)	(47)	(71)
Euroberry GmbH	26	-	26	-	-	-	26	-	-	-	-
Margesi S.A.	3,359	3,432	6,791	1,277	632	1,909	4,882	4,526	(3,378)	(20)	1,128
San Clemente Vitalberry (Shanghai) SpA	2,671	113	2,784	1,078	-	1,078	1,706	2,437	(2,206)	23	254
Hortifrut Tal S.A.C	27,413	71,967	99,380	13,882	24,044	37,926	61,454	37,182	(24,299)	(3,735)	9,148
Hortifrut Expofresh S.A.	219	58	277	663	-	663	(386)	2,777	(3,191)	(18)	(432)
Total	161,510	95,326	256,836	87,008	28,652	115,660	141,176	784,399	(770,052)	(3,579)	10,768

NOTE 17 - INTANGIBLE ASSETS OTHER THAN APPRECIATION

The detail of the main types of intangible assets is shown as follows:

	Useful Life	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>	1-Jan-16 <u>KUS\$</u>
Varietal licenses	Finite	9,887	16,969	23,913
VBM Brand	Indefinite	977	977	977
Water Rights	Indefinite	469	469	469
Relationship with Customers	Finite	2,841	3,107	3,374
Software	Finite	309	272	448
Total		14,483	21,794	29,181

a) Varietal licenses

The acquired varietal licenses are shown at cost of acquisition and are amortized charged to the cost of sale in the measure in which the sales income is generated or by the plant's development cost.

The movement of varietal licenses for the period ending December 31, 2017, the period ending December 31, 2016 and January 01, 2016, is as follows:

	31-Dec-17	31-Dec-16	1-Jan-16
Movement	KUS\$	KUS\$	KUS\$
Opening balance as of January 01	16,969	23,913	9,392
Investments	-	-	20,000
Cost to Biologicals	-	-	(3,739)
Sales	-	(2,401)	-
Amortization /consumtion	(7,082)	(4,543)	(1,740)
Saldo final	9,887	16,969	23,913

b) Software

The acquired software is recorded over the acquisition cost base minus accumulated amortization. These assets are amortized during their useful life, estimated at 6 years by the lineal method.

The movement of software for the periods ending December 31, 2017 and 2016 and January 01, 2016 is as follows:

Movement	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>	1-Jan-16 <u>KUS\$</u>
Opening balance as of January 01	272	448	537
Investments	139	1	156
Amortization	(102)	(177)	(245)
Closing Balance	309	272	448

The amortization of intangible assets is recorded in the consolidated income statement under the item cost of sales and administration expenses.

Management has not observed signs of impairment in relation to intangible assets.

Intangible assets in use which are totally amortized are not kept.

c) Other intangibles

The identified intangible assets are detailed as follows:

		31-Dec-17	31-Dec-16	1-Jan-16
	Useful Life	KUS\$	KUS\$	KUS\$
VBM Brand	Indefinite	977	977	977
Water Rights	Indefinite	469	469	469
Relationship with Customers	Finite	2,841	3,107	3,374
Total		4,287	4,553	4,820

	31-Dec-17	31-Dec-16	1-Jan-16
Movement	KUS\$	KUS\$	KUS\$
Opening balance as of January 01	4,553	4,820	5,086
Amortization	(266)	(267)	(266)
Closing balance	4,287	4,553	4,820

Water rights have an indefinite useful life, since in accordance with the considered factors, there is not a time limit where the asset generates net cash flows for the Company, these are recorded at cost incurred in its purchase.

In accordance with IFRS 3 standard, it is established that, from the date of acquisition, the purchaser must acknowledge, separate from appreciation, the identifiable assets acquired, the assumed liabilities and any non-parent company interest of the acquired. Therefore in the acquisition of Vital Berry Marketing, intangibles denominated Relationship with Customers and Vitalberry Brand Marketing were generated. (See Note 3.5).

For the period ending December 31, 2017 and 2016, Management has not observed signs of impairment in relation to intangible assets denominated water rights, relationship with customers and VBM brand.

d) Intangibles subject to guarantees or restrictions

There are no intangible assets over which there is a restriction in its titles, nor have partial or total guarantees been constituted over them, as of December 31, 2017 and 2016.

e) Impairment of Intangibles with indefinite useful life

The Company determines annually if the intangible assets with an indefinite useful life are impaired. This test requires an estimation of 'value in use' of the cash generating units to which the Intangibles with an indefinite useful life are associated. The estimation of the value in use requires that Management performs an estimation of the future cash flows of the cash generating unit (or group of CGU's), and that it also defines an appropriate discount rate to calculate the current value of those cash flows.

Management has not observed signs of impairment in relation to intangibles with an indefinite useful life.

NOTE 18 - APPRECIATION

Appreciation represents the surplus of the acquisition cost over the fair value of the Company's interests in the net identifiable assets of the subsidiary or related company on the date of acquisition.

The balance of appreciation compared as of the closing of each period is as follows:

		31-Dec-17	31-Dec-16	1-Jan-16
Investor	Issuer	KUS\$	KUS\$	KUS\$
Hortifrut S.A.	Agrícola El Avellano S.A.	344	344	344
Hortifrut S.A. de C.V.	Hortifrut ABA S.A. de C.V.	342	342	342
Hortifrut S.A.	Vital Berry Marketing SPA	26,083	26,083	26,083
	Total	26,769	26,769	26,769

No movement has taken place under Appreciation between January 1 and December 31, 2017.

The Company determines annually if Appreciation and intangible assets with an indefinite useful life are impaired. This test requires an estimation of 'value in use' of the cash generating units to which Appreciation and Intangibles with an indefinite useful life are associated. The estimation of the value in use requires that Management performs an estimation of the future cash flows of the cash generating unit (or group of CGU's), and that it also defines an appropriate discount rate to calculate the current value of those cash flows.

Management has not observed signs of impairment in relation to appreciation.



NOTE 19 - PROPERTY, PLANT AND EQUIPMENT

The detail of the different categories of Property, Plant and Equipment and their movements as of December 31, 2017 is as follows:

	Construction and infrastructure works <u>KUS\$</u>	Land KUS\$	Machinery and Equipment <u>KUS\$</u>	Leased Equipment <u>KUS\$</u>	IT Equipment <u>KUS\$</u>	Furniture and Supplies <u>KUS\$</u>	Motor Vehicles <u>KUS\$</u>	Bearer Plants <u>KUS\$</u>	Works in Progress <u>KUS\$</u>	Total other property, plant and equipment <u>KUS\$</u>
As of January 1, 2017 (previously informed)										
Cost or valuation	74,483	20,507	24,152	14,334	2,602	1,899	7,045	126,909	13,725	285,656
Accumulated depreciation	(31,085)	-	(14,210)	(2,132)	(1,898)	(1,071)	(4,316)	(26,081)	-	(80,793)
Net amount as of 01-01- 2017, re-expressed	43,398	20,507	9,942	12,202	704	828	2,729	100,828	13,725	204,863
Investments	1,282	158	5,714	2,453	288	232	1,119	20,498	26,564	58,308
Expropriation and write-off	(210)	(255)	(698)	-	(1)	(122)	(73)	(3,224)	(184)	(4,767)
Reclassification	7,491	-	5,526	-	-	63	-	30	(13,110)	-
Depreciation	(5,396)	-	(2,122)	(721)	(248)	(234)	(813)	(6,938)	-	(16,472)
Exchange rate adjustment	653	519	7.5	1	6	39	42	1,539	254	3,128
Net amount as of 31-12-2017	47,218	20,929	18,437	13,935	749	806	3,004	112,733	27,249	245,060

The detail of the different categories of property, plant and equipment and their movements as of December 31, 2016 is as follows:

	Construction and infrastructure works	Land	Machinery and equipment	Leased Equipment	IT Equipment	Furniture and Supplies	Motor Vehicles	Bearer Plants	Works in progress	Total other property, plant and equipment
	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
As of January 1, 2016										
Cost or valuation	67,450	16,735	22,705	5,506	2,497	1,663	6,375	124,347	7,323	254,601
Accumulated depreciation	(26,763)	-	(12,120)	(1,459)	(1,688)	(899)	(3,696)	(6,074)	-	(52,699)
Net amount as of 01-01-2016	40,687	16,735	10,585	4,047	809	764	2,679	118,273	7,323	201,902
Investments	4,125	3,703	1,987	7,226	173	251	858	9,322	12,089	39,734
Revaluation (Impairment)	-	-	-	-	-	-	-	(11,014)	-	(11,014)
Expropriations and write-off	(498)	-	(118)	(1)	(39)	(5)	(42)	(4,683)	-	(5,386)
Reclassifications	3,649	-	165	1,602	1	11	3	449	(5,833)	47
Depreciation	(4,796)	-	(2,694)	(674)	(248)	(206)	(781)	(8,105)	-	(17,504)
Exchange rate adjustment	231	69	17	2	8	13	12	(407)	146	91
Net amount as of 31-12-2016	43,398	20,507	9,942	12,202	704	828	2,729	103,835	13,725	207,870
Adjustment change in policy	-	-	-	-	-	-	-	(3,007)	-	(3,007)
Net amount as of 31-12- 2016 Re- expressed	43,398	20,507	9,942	12,202	704	828	2,729	100,828	13,725	204,863

The measuring of Property, plant and equipment, as well as the depreciation criteria for these, is described in Note 3.3.

Assets in Leasing under the item Property, plant and equipment is separately detailed by item in Note 19 letter e).

"Bearer plants" in the item Property, plant and equipment, separated if they are "in development" or "in production", are detailed in Note 19 letter h).

As of December 31, 2017, the detail of Property, plant and equipment is as follows:

	<u>De</u>	cember 31, 201	<u>7</u>
	Gross Value	Accumulated depreciation	Net value
	KUS\$	KUS\$	KUS\$
Construction and infrastructure works	83,957	(36,739)	47,218
Land	20,929	-	20,929
Machinery and equipment	33,489	(15,052)	18,437
Leased equipment	16,793	(2,858)	13,935
Information Technology (IT) equipment	2,301	(1,552)	749
Furniture and supplies	1,939	(1,133)	806
Motor vehicles	7,838	(4,834)	3,004
Bearer plants	145,868	(33,135)	112,733
Works in progress	27,249	-	27,249
Total Property, plant and equipment	340,363	(95,303)	245,060

As of December 31, 2016, the detail of Property, plant and equipment is as follows:

	<u>December 31, 2016</u>			
	Gross Value Accumulated depreciation		Net value	
	KUS\$	KUS\$	KUS\$	
Construction and infrastructure works	74,483	(31,085)	43,398	
Land	20,507	-	20,507	
Machinery and equipment	24,152	(14,210)	9,942	
Leased equipment	14,334	(2,132)	12,202	
Information technology (IT) equipment	2,602	(1,898)	704	
Furniture and supplies	1,899	(1,071)	828	
Motor vehicles	7,045	(4,316)	2,729	
Bearer plants	126,909	(26,081)	100,828	
Works in progress	13,725	-	13,725	
Total Property, plant and equipment	285,656	(80,793)	204,863	

a) Estimated economic useful life or depreciation rate

The estimated economic useful life per type of asset is described in Note 3.3.3

The residual value and the useful life of the assets are checked, and adjusted if necessary, at each closing of the consolidated statements of financial position.

b) Insurance

Hortifrut S.A. and subsidiaries have contracted insurance policies to cover the risks that movable goods, vehicles, equipment, plants and machinery are subject to. The Company considers that the hedging of these policies is adequate for risks inherent to its activity (See Note 4.3).

c) Information regarding "Bearer Plants"

Hortifrut's "Bearer Plants" correspond to berries plantations, that are on leased and own lands.

The Company's berries plantations are located in Chile between Coquimbo Region and Los Ríos Region, in Mexico in the states of Jalisco and Michoacán, in Brazil in Barrio Lagoa Grande, Sn - Senador Amaral, in Spain in the localities of Huelva and Asturias, and in Peru in the locality of Chiclayo.

Said geographic dispersion allows the Company to count with a diversified offer during the year, which is complemented by the producer partners that the Company has in USA and in Europe. Thereby, Hortifrut's trade platforms and distributors can have berries during the 52 weeks of the year. The productive areas also allow greater closeness with the consumption centers. This is the case of plantations located in Mexico which mainly supply the North American market, main berries consumer in the world. Likewise, our plantations in Spain are able to supply part of the European market. Chile and Peru contribute the counter-season production for said markets.

Below is a detail of the hectares planted per type of fruit:

Surface in Hectares	31-Dec-17	<u>31-Dec-16</u>
Blueberries	590	635
Organic Blueberries	630	401
Raspberries	136	163
Blackberries	13	14
Strawberries	65	32
Cherries	7	7
Total Planted Hectares	1,441	1,252
Own Hectares	792	545
Leased Hectares	649	707
Total Hectares	1,441	1,252
Productive Hectares	1,176	1,063
Non Productive Planted Hectares	265	189
Total Hectares	1,441	1,252

d) Loss due to impairment in value

As of December 31, 2017, no events or changes in circumstances have taken place in the business that imply that the book value of Property, plant and equipment may not be recoverable.

In the specific case of "bearer plants", there were changes in the circumstances of the business which generated an impairment in their book value.

In the 2017 period, acknowledged impairments are associated to the pulling up of hectares in Chile, Mexico and Spain.

During 2016 an expected reduction was observed in the "producer returns" due to the concentration, in certain weeks, of high volumes of berries in the destination markets. At the Mexican plantations, the impairment in value was mainly associated to the reduction in the expected performance of these. In Spain, there was a pull-up of productive hectares.

As indicated in Note Nota 3.3.2, if the book value is modified due to the presence of impairment of "bearer plants", said decrease in value will be directly attributed to the results of the period under the account Other expenses, per function.

As per the aforementioned criteria, the effect of the previously mentioned impairment was recorded in the financial statements as of December 31, 2017 and December 31, 2016, as detailed below:

	Other Expenses, per			
	<u>func</u>	<u>tion</u>		
	31-Dec-17	31-Dec-16		
	KUS\$	KUS\$		
Chile	641	14,596		
Mexico	1,768	3,613		
Spain	806	495		
Total	3,215	18,704		

e) Financial lease

The net book value as of December 31, 2017 and December 31, 2016 of the assets under financial lease, classified as Assets in Leasing under the item Property, plant and equipment, is as follows:

	31-Dec-17	31-Dec-16
Denomination	KUS\$	KUS\$
Construction		
Administrative offices	1,008	1,053
Parking administrative offices	36	38
Metallic structure 5.3 hectares	246	260
Metallic structure 2.0 hectares	59	62
Metallic Structure Roof	279	-
Greenhouse 4.08 hectares	1,093	1,093
Greenhouse 4.00 hectares	862	-
Molina Plant	4,102	4,194
Total Constructions	7,685	6,700
Land		
Land Molina Plant	236	236
Total Land	236	236
Machinery and equipment		
Blueberries processing line	503	555
IQF processing line	243	324
Molina plant processing line and machinery	1,203	1,352
BBC Filling Machine	632	681
BBC Soft Sorter Machine	659	710
Calibrating and Classifying Machine	1,396	1,503
Plant pots for Greenhouse	1,260	-
Fertigation machinery	9	17
Sulphur burners	31	-
Several equipment	3	45
Total Machinery and equipment	5,939	5,187
Motor vehicles		
Vans	56	74
Tractors	19	5
Total motor vehicles	75	79
General total	13,935	12,202

The debt associated to these leasings as of December 31, 2017 and December 31, 2016, is presented in the item Other current financial liabilities and Other non-current financial liabilities.

The debt associated to each item under Property, plant and equipment is detailed as follows:

<u>Leasing Liability</u>	31-Dec-17 KUS\$	31-Dec-16 KUS\$
Construction		
Administrative offices	488	637
Parking administrative offices	19	27
Metallic structure 5.3 hectares	178	246
Metallic structure 2.0 hectares	48	63
Metallic Structure Roof	273	-
Greenhouse	910	1,115
Greenhouse	901	-
Molina Plant	3,622	4,029
Total Construction	6,439	6,117
Land		
Land Molina Plant	208	227
Total Land	208	227
Machinery and equipment		
Plant pots for greenhouse	1,316	_
BBC Filling machine	-,0	247
BBC Soft Sorter Machine	_	255
Molina Plant processing line and machinery	1,062	1,299
Calibrating and Classifying Machine	953	1,315
Sulfur Burners	32	,0 0
Total Machinery and equipment	3,363	3,116
Motor Vehicles		
Vans	18	22
Tractors	16	-
Total motor vehicles	34	22
General Total	10,044	9,482

As of December 31, 2017 and December 31, 2016, there are no Property, plant and equipment temporarily out of service

f) Property, plant and equipment totally depreciated

As of December 31, 2017, the detail of Property, plant and equipment which are totally depreciated is as follows:

	Gross Value
	KUS\$
Construction and infrastructure works	4,568
Machinery and equipment	5,620
Leased equipment	33
Information Technology (IT) equipment	293
Furniture and supplies	282
Motor vehicles	1,000
Total Property, plant and equipment	11,796

g) Productive bearer plants, in development or in production.

The book value of "Bearer Plants", is distributed among plants in development or in production, in the following manner:

	Movement						
Biologicals	31-Dec-16	Additions	Amortization	Transfers	Decrease and/or Reclassification	Exchange rate adjustment	31-Dec-17
	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
In production	90,947	-	(6,938)	514	(3,224)	1,318	82,617
In development	9,880	20,498	-	(514)	30	221	30,115
Total	100,827	20,498	(6,938)	-	(3,194)	1,539	112,732



NOTE 20 - CURRENT INCOME TAX AND DEFERRED TAXES

In the period ending December 31, 2017, we proceeded to calculate and record taxable net income with a 25.5% rate (as of December 31, 2016 with a 24% rate), based on what was established in Law N° 20.780, Tax Reform, published in the Diario Oficial (Official Newspaper) on September 29, 2014.

Among the main modifications, is the progressive increase of First Category Tax, reaching 27% from 2018, in case the "Partially Integrated Tax System" is applied.

The aforementioned Law establishes that since Hortifrut S.A. is a publicly traded company, as a general rule the "Partially Integrated Tax System" is applied to it.

In the other countries where Hortifrut has subsidiaries and associates, the corresponding tax rates are applied in accordance with the valid law.

Deferred tax assets and liabilities are compensated if the right to compensate the current tax assets and liabilities has been legally acknowledged and the deferred taxes refer to the same entity and tax authority.

a) Current income tax

The Company and subsidiaries maintain as of December 31, 2017, a current income tax provision of KUS\$9,236 (KUS\$13,556 as of December 31, 2016), which is presented net of credits applicable against income tax as of these same dates for KUS\$10,322 (KUS\$11,858 as of December 31, 2016). In this manner when presented net in the statement of financial position, as of December 31, 2017, a balance is presented in favor of the company for recoverable taxes for KUS\$1,086 (KUS\$1,698 of payable tax as of December 31, 2016).

Provisional payments and other credits that are applied to current income tax are detailed below:

	31-Dec-17	31-Dec-16	1-Jan-16
Detail Recoverable Tax	KUS\$	KUS\$	KUS\$
Monthly provisional payments	9,883	11,318	5,069
Personnel training	194	218	168
Other credits	42	140	738
Donations Law	203	182	77
Total Credits	10,322	11,858	6,052
Income tax provision	(9,236)	(13,556)	(6,412)
Total Credits (Income Tax Provision)	1,086	(1,698)	(360)

b) Deferred taxes

Deferred taxes correspond to the amount of tax over profits that Hortifrut and subsidiaries will have to pay (liabilities) or recover (assets) in future periods, related with temporary differences between the fiscal or tax base and the accounting book value of certain assets and liabilities.

The main deferred tax asset corresponds to the tax loss of subsidiaries, which will be recovered in future periods. The main deferred tax liability payable in future periods, corresponds to the temporary differences originated by manufacturing expenses, adjustment to fair value of current biological assets and the revaluation of Property, plant and equipment on the transition date to IFRS.

Deferred tax assets as of December 31, 2017 and 2016 and January 01, 2016, refer to the following concepts:

	31-Dec-17		31-12-2016	Re- expressed	01-01-2016 Re-expressed	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Detail	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Manufacturing expenses	-	2,129	-	1,294	-	1,507
Valuation bearer plants	-	14,251	-	11,112	-	17,456
Land appraisal	-	34	-	34	-	34
Anticipated income	-	-	-	151	-	-
Tax loss	12,445	-	9,482	-	10,911	-
Provisions	2,857	-	2,241	-	1,848	-
Functional currency	-	-	-	-	-	-
Intangibles	-	1,080	-	1,103	-	1,175
Fixed asset	-	4,639	-	8,986	-	6,369
Forward hedging	54	-	131	-	340	-
Price adjustment	-	362	-	-	-	85
Assets for sale	-	-	-	-	-	-
Non realized profit in investments	575	-	179	-	289	-
Total	18,591	22,495	14,950	22,680	14,317	26,626

Deferred tax hedging is presented net of other integral results.

Deferred taxes have not been acknowledged for the temporary differences between the tax and accounting value generated by investments in Subsidiaries, so, deferred tax due to adjustments in conversion directly recorded in net equity, exposed in the other integral income statement is also not acknowledged.

As of December 31, 2017 the deferred tax asset originated by tax loss reached KUS\$12,445 (KUS\$9,482 as of December 31, 2016) which is chargeable to the profits which could be generated in the future in the companies that present said condition, as per the following detail:

		31-Dec-17 KUS\$	31-Dec-16 KUS\$	Variation KUS\$
Ag. Mataquito S.A.	Chile	1,288	1,214	74
Ag. El Avellano S.A.	Chile	1,865	1,612	253
Ag. y Gand. Santa Rebeca Ltda.	Chile	5	-	5
Ag. Hortifrut S.A.	Chile	714	813	(99)
Hortifrut S.A. de C.V.	Mexico	7,620	4,963	2,657
Berrygood Comercial Importadora	Brazil	573	575	(2)
Hortifrut Europa SL	Spain	55	23	32
HFE Berries Perú S.A.C.	Peru	106	123	(17)
Hortifrut Argentina S.A.	Argentina	214	159	55
Viveros Hortifrut Chile S.A.	Chile	5		5_
Total		12,445	9,482	2,963

Regarding the statute of limitations of the tax loss susceptible to be charged to future profits, we can state that in the case of those generated in companies constituted in Chile, Brazil and Spain, these do not prescribe. In Mexico, these have an expiry of 10 years and Argentina expires in 5 years.

The activity of deferred tax assets as of December 31, 2017 and 2016 and January 01, 2016 is as follows:

	31-Dec-17	31-Dec-16	1-Jan-16
		Re-expressed	Re-expressed
	KUS\$	KUS\$	KUS\$
Opening balance	14,950	14,317	14,018
Provisions	616	393	632
Tax loss	2,963	(1,429)	(1,304)
Forward hedging	(77)	(209)	(14)
Others	(257)	1,988	898
Profit not realized in investments	396	(110)	87
Saldo final	18,591	14,950	14,317

The activity of deferred tax liabilities as of December 31, 2017 and 2016 and January 01, 2016 is as follows:

	31-Dec-17	31-Dec-16	1-Jan-16
		Re-expressed	Re-expressed
	KUS\$	KUS\$	KUS\$
Opening balance	22,680	26,626	21,211
Manufacturing expenses	835	(213)	339
Fixed asset	(4,347)	2,617	1,282
Intangibles	(23)	(72)	(72)
Advanced income	(151)	151	(112)
Valuation bearer plants	3,139	(6,344)	3,966
Price adjustment	362	(85)	50
Assets for sale		<u>-</u> _	(38)
Final balance	22,495	22,680	26,626

Gains tax expense as of December 31, 2017 and 2016 has the following detail:

	31-Dec-17	31-Dec-16
<u>Detail</u>	KUS\$	KUS\$
Current tax expense	8,975	12,546
Tax benefit for tax loss	(207)	(362)
Deferred tax effect	(3,904)	(4,958)
Adjustment previous year	(228)	124
Adjustment of conversion	54	119
Total	4,690	7,469

The following is the detail of income tax expense conciliation, using the legal rate with the tax expense, using the effective rate:

	31-Dec-	<u>-17</u>	31-Dec	-16
	KUS\$	<u>%</u>	KUS\$	<u>%</u>
Tax expense (income) using the legal rate	8,261	25.50%	6,772	24.00%
Tax effect of rate in other jurisdictions	(259)	-0.80%	(732)	-0.73%
Tax effect of non taxable operating income	(2,654)	-8.19%	(1,744)	-4.13%
Tax effect of non deductible tax expense	806	2.49%	1,253	2.97%
Tax effect of fiscal currency other than functional currency	(1,276)	-3.94%	2,011	4.76%
Tax effect of tax provided in excess previous periods	(188)	-0.58%	(91)	-0.22%
Total tax expense adjustment using the legal rate	(3,571)	-11.02%	697	2.65%
Tax expense using the effective rate	4,690	14.48%	7,469	26.65%

NOTE 21 - OTHER FINANCIAL LIABILITIES

As of December 31, 2017, December 31, 2016 and January 01, 2016, Hortifrut and subsidiaries maintain financial liabilities, which are detailed below:

Other current financial liabilities

	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>	1-Jan-16 <u>KUS\$</u>
Obligations with banks and financial institutions	148,691	148,782	97,236
Financial Leasing	2,128	2,005	1,015
Cross Currency Swap Operations	-	-	15
Forwards currency operations	712	-	1,839
Option currency operations	-	-	34
Total current bank obligations	151,531	150,787	100,139

Other non-current financial liabilities

	31-Dec-17	31-Dec-16	1-Jan-16
	KUS\$	KUS\$	KUS\$
Obligations with banks and financial institutions	75,770	49,475	58,811
Financial Leasing	7,916	7,477	1,413
Forwards currency operations	-	-	300
Cross Currency Swap Operations	280	678	1,401
Total non-current obligations	83,966	57,630	61,925



Detail of balance and expiries

a) Obligations with Banks and financial institutions, grouped by expiry, as of December 31, 2017 and 2016 are as follows:

						Effective	Nominal		Current		Total current			Non-current			currer					
					Type of Amortization							Annual Rate	Expiry up to 1 month	1 to 3 months	3 to 12 months	12/31/2017	Expiry 1 to 2 years	Expiry 2 to 3 years	3 to 4 years	4 to 5 years	5 or more years	12/31/2
Debtor Company	RUT	Countr	y Creditor Bank	Currency				KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS					
Agrícola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	6.069	6.06%			217	217		-		-	-						
Agrícola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	2.689	6 2.68%	40		-	401		-	-		-						
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco RaboFinance Chile	US\$	Annual	5.529	6 5.20%			157	157	150	-	-		-						
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco RaboFinance Chile	US\$	Annual	6.269				42	42		1,500	-		-	1					
Agrícola Mataquito S.A.	76.306.130-2		Banco Santander Chile	US\$	Annual	2.689	6 2.68%	50		-	501					-						
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco Santander Chile	US\$	Annual	2.689	6 2.68%	50		-	501		-	-		-						
Agrícola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco RaboFinance Chile	US\$	Annual	5.589	6 5.31%			91	91	85	90	-		-						
Agrícola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco RaboFinance Chile	US\$	Annual	6.239	6.01%			25	25		900			-						
Agrícola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco Santander Chile	US\$	Annual	2.689	6 2.68%	50		-	501	-				-						
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.029	6 2.02%	-	-	85	85	-	-	-	-	-						
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	1.669	6 1.66%		1 3	13	17	17	4	-	-	-						
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	1.669	6 1.66%		1 3	13	17	17	4			-						
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.119	6 2.11%	:	2 4	11	17					-						
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.149	6 2.14%		3 6	26	35	-										
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.029	6 2.02%	:	3 6	24	33	-				-						
Berry Good Com Imp E Dist	o-E	Brazil	Banco Itaú	BRL	Monthly	2.149	6 2.14%			50	50	-										
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentaria	US\$	Annual	2.889	6 2.06%			2,525	2,525	2,500					2					
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcaya Argentaria	US\$	Annual	1.999	6 1.99%	5,00		-	5,004					-						
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcay a Argentaria	US\$	Annual	1.999	6 1.99%	5,00		-	5,004					-						
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcay a Argentaria	US\$	Annual	1.209	6 1.20%		110	-	110					-						
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bice	US\$	Annual	1.779	6 1.77%	5,00	-	-	5,005		-			-						
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.789	6 1.78%	5,01	5 -	-	5,015					-						
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	5.429	6 3.02%			3,581	3,581	2,661	3,000	3,000	3,000	6,000	1					
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.789	6 1.78%	5,01	-		5,015	-										
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.789	6 1.78%	5,01	-	-	5,015		-			-						
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.789		10,02		-	10,028					-						
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	EUR	Annual	0.419			2,038	-	2,038		-			-						
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	EUR	Annual	0.759	6 0.75%		927	-	927	-										
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Chile	US\$	Annual	1.709		6,01		-	6,017		-			-						
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Chile	US\$	Annual	1.709	6 1.70%	6,01		-	6,017	-										
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Estado	US\$	Annual	2.209		-		5,227	5,227					-						
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Estado	CLP	Annual	0.709				-		7	-	-		-						
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Estado	US\$	Annual	1.669	6 1.66%	5,01	-	-	5,018		-	-		-						
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Estado	US\$	Annual	1.669	6 1.66%	5,01		-	5,015		-	-		-						
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Estado	US\$	Annual	1.669	6 1.66%	10,03		-	10,038		-	-		-						
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Estado	CLP	Annual	0.709	6 0.70%				-	114										
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Itaú	US\$	Annual	1.839	6 1.83%	5,00	-	-	5,005		-			-						
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Itaú	US\$	Annual	1.999	6 1.99%	-	5,004	-	5,004					-						
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco RaboFinance Chile	US\$	Annual	4.269			272	-	272	-			1,819	18,181	20,					
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	1.669		3,02		-	3,021	-			-							
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	1.669		5,03		-	5,035	-										
Hortifrut Chile S.A.	99.524.450-0		Banco Santander Chile	US\$	Annual	1.669		7,05		-	7,058					-						
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	1.689	6 1.68%	10,03			10,031											
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	1.769	6 1.76%	-	5,020	-	5,020					-						
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Scotiabank	US\$	Annual	1.709		3,01			3,011											
Iortifrut Chile S.A.	99.524.450-0	Chile	Banco Scotiabank	US\$	Annual	1.709		3,01		-	3,011					-						
Iortifrut Chile S.A.	99.524.450-0	Chile	Banco Scotiabank	US\$	Annual	1.709		5,01			5,019											
Hortifrut España Southern Sun SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	2.969		24		1,130	1,629	1,525	385									
Fortifrut España Southern Sun SL	o-E	Spain	Banco Santander Central Hispano S.A.	EUR	Quarterly	1.159			734	2,213	2,947	2,981	3,015	3,050								
Fortifrut España Southern Sun SL	o-E	Spain	Banco Bilbao Vizcay a Argentaria	EUR	Biannual	1.169			-	1,469	1,469	2,965	2,998	3,033	1,530		1					
Fortifrut España Southern Sun SL	0-E	Spain	La Caixa	EUR	Quarterly	1.109				735	735	1,483	1,499	1,516	764		•					
Iortifrut España Southern Sun SL	0-E	Spain	Banco Intercontinental Español	EUR	Monthly	1.109				663	663	817	901	911	307							
Iortifrut España Southern Sun SL	0-E	Spain	Banco Sabadell	EUR	Monthly	1.109				147	147	591	597	604	458							
sturian Berries SL	o-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.389			27	72	108	54	-	- 54	-							
sturian Berries SL.	o-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.509		1		107	160	29										
Asturian Berries SL.	0-E	Spain	Caja Madrid	EUR	Monthly	0.879		1,		19	25	11										
sturian Berries SL.	0-E	Spain	Caja Badrid Caja Rural Asturias	EUR	Monthly	5.009				19	27	- 11	-									
sturian Berries SL.	0-E	Spain	Financial Services	EUR	Monthly	9.209				19	-/	2	16									
Asturian Berries SL.	0-E	Spain	Banco Bilbao Vizcay a Argentaria	EUR	Monthly	1.409						129	287	159								
Berries Peru	0-E	Peru	Banco de Crédito Perú	SOL	Monthly	5.009		-			4	129	20/	139								
Hortiftut S.A.	96.896.990-0		Banco Estado	CLP	Annual	0.709					. *	99				_						
								-	-			99	· · · · · · · · · · · · · · · · · · ·	-	-	-						
Hortiftut S.A.	96.896.990-0		Banco Estado	CLP	Annual	0.709	6 0.70%															

							.		Current		Total current			Non-current			Total Non- current
					Type of Amortization	Annual Rate	Nominal Annual Rate	Expiry up to 1 month	1 to 3 months	3 to 12 months	as of 31-12-2016	Expiry 1 to 2 years	Expiry 2 to 3 years	3 to 4 years	4 to 5 years	5 or more years	as of 31-12-2016
Debtor Company	RUT	Country	Creditor Bank	Currency				KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Agrícola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	6.069	6.06%			223	223						210
Agrícola El Pampino S.A.	76.884.880-7	Chile	Banco Santander Chile	US\$	Annual	1.73%				400	400						
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco Rabobank Chile	US\$	Annual	5.529		-	-	161	161	150	150		-		300
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco Rabobank Chile	US\$	Annual	6.26%	6.03%	-	-	42	42	-	-	1,500	-		1,500
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco Santander Chile	US\$	Annual	1.68%	1.68%	501	-	-	501	-	-		-		
Agrícola Mataquito S.A.	76.306.130-2	Chile	Banco Santander Chile	US\$	Annual	1.73%	1.73%	-	500	-	500	-	-		-		-
Agrícola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco Rabobank Chile	US\$	Annual	5.589	5.31%	-	-	94	94	85	85	90	-		260
Agrícola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco Rabobank Chile	US\$	Annual	6.23%	6.01%	-	-	25	25	-	-	900	-		900
Agrícola Santa Rosa del Parque S.A.	99.584.440-0	Chile	Banco Santander Chile	US\$	Annual	1.73%	1.73%	-	500	-	500		-			-	-
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.16%	2.16%	6	13	20	39		-		-		-
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.029	2.02%			86	86		-			-	-
Berry Good Com Imp E Dist	o-E	Brazil	Banco Itaú	BRL	Monthly	2.11%	2.11%	2	4	17	23	17				-	17
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.14%	2.14%	3	6	26	35	35	-		-		35
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.02%	2.02%	3	6	28	37	34	-	-	-	-	34
Berry Good Com Imp E Dist	0-E	Brazil	Banco Itaú	BRL	Monthly	2.149	2.14%			49	49	-	-		-		-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcay a Argentaria	US\$	Annual	2.88%	2.06%	-	-	2,538	2,538	2,500	2,500		-		5,000
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcay a Argentaria	US\$	Annual	0.95%	0.95%	3,009	-	-	3,009	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcay a Argentaria	US\$	Annual	1.03%	1.03%		2,005	-	2,005	-	-	-	-	-	
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcay a Argentaria	US\$	Annual	1.10%	1.10%	-	5,012		5,012		-		-		•
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Bilbao Vizcay a Argentaria	US\$	Annual	1.01%	1.01%	4,008	-		4,008	-	-		-		•
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco BICE	US\$	Annual	1.05%		3,004	-		3,004	-	-		-		•
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.229	1.22%	-	15,043		15,043	-	-		-		-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	5.429	3.02%	-	-	3,664	3,664	2,710	3,000	3,000	3,000	9,000	20,710
Hortifrut Chile S.A.	99.524.450-0		Banco de Crédito e Inversiones	US\$	Annual	1.00%		-	10,019		10,019	-	-		-		-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.00%		6,016	-		6,016	-	-		-		-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Chile	US\$	Annual	1.089	1.08%	-	3,003	-	3,003	-	-	-	-	-	•
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Chile	US\$	Annual	1.35%		-	5,003	-	5,003		-	-		-	-
Hortifrut Chile S.A.	99.524.450-0		Banco de Chile	US\$	Annual	1.26%		-	-	14,047	14,047	-	-		-	-	-
Hortifrut Chile S.A.	99.524.450-0		Banco de Chile	US\$	Annual	1.199	,	•	-	11,935	11,935	-	-	-	-	-	•
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Estado	US\$	Annual	2.20%		•	-	2,440	2,440	5,200	-	-	-	-	5,200
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	1.149		-	-	15,016	15,016	-	-		-		-
Hortifrut Chile S.A.	99.524.450-0		Banco Santander Chile	US\$	Annual	0.81%		3,010	-	-	3,010	-	-	-	-	-	•
Hortifrut Chile S.A.	99.524.450-0		Banco Scotiabank	US\$	Annual	1.149		3,008		-	3,008	-	-		-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Scotiabank	US\$	Annual	1.149		-	3,008	-	3,008			-		-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Scotiabank	US\$	Annual	1.29%	1.29%	•	5,002	-	5,002	-	-	-	-	-	•
Hortifrut Chile S.A.	99.524.450-0		Banco Santander Chile	US\$	Annual	1.11%		-	3,007	-	3,007	-	-		-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco Santander Chile	US\$	Annual	1.06%		-	5,011	-	5,011	-	-		-	-	-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	1.00%		-	6,012		6,012	-	-		-		-
Hortifrut Chile S.A.	99.524.450-0	Chile	Banco de Crédito e Inversiones	US\$	Annual	0.90%		-	-	645	645	-	-		-		-
Hortifrut España Southern Sun SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.40%		70		-	211	-	-	-	-	-	•
Hortifrut España Southern Sun SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	2.96%		217	216	979	1,412		1,341	338	-		3,000
Hortifrut España Southern Sun SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.15%		-	-	-	-	1,939	2,612	2,642	2,673	769	
Asturian Berries SL	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.389		8	24	61	93	95	47		-		142
Asturian Berries SL.	0-E	Spain	Banco Santander Central Hispano S.A.	EUR	Monthly	1.50%		12	35	94	141		25	-	-	-	166
Asturian Berries SL.	0-E	Spain	Caja Madrid	EUR	Monthly	0.879	,	2	4	17	23						32
Asturian Berries SL.	0-E	Spain	Caja Rural Asturias	EUR	Monthly	5.00%		2	5	15	22	0	-				25
Asturian Berries SL.	0-E	Spain	Financial Services	EUR	Monthly	9.209		-		3	3	13	-	-			13
Berries Peru	0-E	Peru	Banco de Crédito Perú	SOL	Monthly	2.17%		4			4	-	-				-
Hortifrut México S.A. de C.V.	0-E	Mexico	HSBC México S.A.	US\$	Annual	2.20%		-	50	133	183	-	-				-
Hortiftut S.A.	96.896.990-0		Banco Santander Chile	US\$	Annual	3.91%		-		8,861	8,861						-
Hortiftut S.A.	96.896.990-0	Chile	Banco de Chile	US\$	Annual	5.35%	7.38%	-		649	649		648				1,296
			Total				-	22,885	63,629	62,268	148,782	15,155	10,408	8,470	5,673	9,769	49,475

Financial Leasing Obligations

								Current		Total current			No corrientes	<u>. </u>		Total Non- current
				Type of Amortization			Expiry up to 1 month	1 to 3 months 3	to 12 months	31-Dec-17	Expiry 1 to 2 years	Expiry 2 to 3 years	3 to 4 years	4 to 5 years	5 or more years	31-Dec-17
Debtor Company	RUT Count	ry Creditor Bank	Currenc	<u>y</u>			KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Agrícola El Pampino S.A.	76.884.880-7 Chile	Banco Santander Chile	US\$	Annual	3.93%	3.93%	-	34	34	68	73	37	-	-	-	110
Agrícola El Pampino S.A.	76.884.880-7 Chile	Banco Santander Chile	US\$	Annual	3.91%	3.91%	-	-	16	16	16	16	-	-	-	32
Agrícola Mataquito S.A.	76.306.130-2 Chile	Banco de Crédito e Inversiones	US\$	Annual	4.29%	4.29%	-	-	227	227	218	228	237	-	-	683
Agrícola Mataquito S.A.	76.306.130-2 Chile	Banco de Crédito e Inversiones	US\$	Annual	5.10%	5.10%	-	191	-	191	161	169	178	202	-	710
Agrícola Mataquito S.A.	76.306.130-2 Chile	Banco de Crédito e Inversiones	US\$	Annual	5.54%	5.54%	-	277	-	277	234	247	261	297	-	1,039
Agrícola Mataquito S.A.	76.306.130-2 Chile	Banco de Crédito e Inversiones	US\$	Annual	5.33%	5.33%	1	1	6	8	8	-	-	-	-	8
Agrícola Mataquito S.A.	76.306.130-2 Chile	Banco de Crédito e Inversiones	US\$	Annual	5.45%	5.45%	-	7	-	7	6	6	6	7	-	25
Agrícola Mataquito S.A.	76.306.130-2 Chile	Banco de Crédito e Inversiones	US\$	Annual	4.30%	4.30%	1	1	5	7	7	4	-	-	-	11
Agrícola Santa Rosa del P	arq99.584.440-0 Chile	Banco Santander Chile	US\$	Annual	3.74%	3.74%	-	-	65	65	67	69	72	-	-	208
Hortifrut Chile S.A.	99.524.450-0 Chile	Banco de Crédito e Inversiones	US\$	Annual	2.79%	2.79%	98	-	279	377	381	195	-	-	-	576
Hortifrut Chile S.A.	99.524.450-0 Chile	Banco de Crédito e Inversiones	US\$	Quarterly	3.29%	3.29%	-	193	514	707	705	729	754	779	1,218	4,185
Hortiftut S.A.	96.896.990-0 Chile	Banco Bilbao Vizcaya Argentaria	US\$	Monthly	9.79%	9.79%	14	29	135	178	195	134	-	-	-	329
		Total					114	733	1,281	2,128	2,071	1,834	1,508	1,285	1,218	7,916
								Current		Total current			Non-current			Total Non- current
				Type of Amortization		Nominal Annual Rate	Expiry up to 1 month	1 to 3 months 3	to 12 months	31-Dec-16	Expiry 1 to 2 years	Expiry 2 to 3 years		4 to 5 years	5 or more years	31-Dec-16
<u>Debtor Company</u>	<u>RUT</u> Count	ry Creditor Bank	Currenc	Amortization	Annual A	Annual			to 12 months <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>				4 to 5 years <u>KUS\$</u>	more	-
Debtor Company Agrícola El Pampino S.A.	RUT Count 76.884.880-7 Chile	r <u>ry</u> <u>Creditor Bank</u> Banco Santander Chile	Currenc US\$	Amortization	Annual A	Annual	month	1 to 3 months 3			years	years	3 to 4 years <u>KUS\$</u>		more years	31-Dec-16
			_	Amortization y	Annual A	Annual Rate	month	1 to 3 months 3	KUS\$	KUS\$	years <u>KUS\$</u>	years <u>KUS\$</u>	3 to 4 years <u>KUS\$</u> 37		more years <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>
Agrícola El Pampino S.A.	76.884.880-7 Chile	Banco Santander Chile	US\$	Amortization Y Annual	Annual An	Annual Rate 3.93%	month	1 to 3 months 3	KUS\$ 67	KUS\$ 67	<u>KUS\$</u> 70	years <u>KUS\$</u> 72	3 to 4 years <u>KUS\$</u> 37 16	KUS\$	more years <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u> 179
Agrícola El Pampino S.A. Agrícola El Pampino S.A.	76.884.880-7 Chile 76.884.880-7 Chile	Banco Santander Chile Banco Santander Chile	US\$ US\$	Amortization y Annual Annual	Annual An	Annual Rate 3.93% 3.93%	month	1to 3 months 3	KUS\$ 67	KUS\$ 67	years <u>KUS\$</u> 70 16	years <u>KUS\$</u> 72 16	3 to 4 years KUS\$ 37 16 228	KUS\$	more years KUS\$	31-Dec-16 <u>KUS\$</u> 179 48
Agrícola El Pampino S.A. Agrícola El Pampino S.A. Agrícola Mataquito S.A.	76.884.880-7 Chile 76.884.880-7 Chile 76.306.130-2 Chile 76.306.130-2 Chile	Banco Santander Chile Banco Santander Chile Banco de Crédito e Inversiones	US\$ US\$ US\$	Amortization Y Annual Annual Annual	Annual A 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	Annual Rate 3.93% 3.93% 4.29%	Month KUS\$	1to 3 months 3	KUS\$ 67 15 223 4	KUS\$ 67 15 223 6	years KUS\$ 70 16 209	years <u>KUS\$</u> 72 16 218	3 to 4 years <u>KUS\$</u> 37 16 228	KUS\$	more years KUS\$	31-Dec-16 <u>KUS\$</u> 179 48 892
Agrícola El Pampino S.A. Agrícola El Pampino S.A. Agrícola Mataquito S.A. Agrícola Mataquito S.A.	76.884.880-7 Chile 76.884.880-7 Chile 76.306.130-2 Chile	Banco Santander Chile Banco Santander Chile Banco de Crédito e Inversiones Banco de Crédito e Inversiones	US\$ US\$ US\$ US\$	Amortization Y Annual Annual Annual Annual Annual	Annual Rate 1 3.93% 3.93% 4.29% 4.30%	Annual Rate 3.93% 3.93% 4.29% 4.30%	month KUS\$	1to 3 months 3	KUS\$ 67 15 223	KUS\$ 67 15 223 6 255	years KUS\$ 70 16 209	years <u>KUS\$</u> 72 16 218	3 to 4 years <u>KUS\$</u> 37 16 228	KUS\$	more years KUS\$	31-Dec-16 <u>KUS\$</u> 179 48 892
Agrícola El Pampino S.A. Agrícola El Pampino S.A. Agrícola Mataquito S.A. Agrícola Mataquito S.A. Hortifrut Chile S.A.	76.884.880-7 Chile 76.884.880-7 Chile 76.306.130-2 Chile 76.306.130-2 Chile 99.524.450-0 Chile	Banco Santander Chile Banco Santander Chile Banco de Crédito e Inversiones Banco de Crédito e Inversiones BBC Tecnología Agricola Ltda.	US\$ US\$ US\$ US\$ US\$	Amortization Y Annual Annual Annual Annual Annual Annual Annual	Annual Rate 1 3.93% 3.93% 4.29% 4.30% 14.02% 14.02%	Annual Rate 3.93% 3.93% 4.29% 4.30% 14.02% 14.02%	month KUS\$	1 to 3 months 3 KUS\$	KUS\$ 67 15 223 4 255	KUS\$ 67 15 223 6 255 247	Years KUS\$ 70 16 209 6	years KUS\$ 72 16 218 6	3 to 4 years KUS\$ 37 16 228 4	KUS\$	more years KUS\$	31-Dec-16 <u>KUS\$</u> 179 48 892 16
Agrícola El Pampino S.A. Agrícola El Pampino S.A. Agrícola Mataquito S.A. Agrícola Mataquito S.A. Hortifrut Chile S.A. Hortifrut Chile S.A.	76.884.880-7 Chile 76.884.880-7 Chile 76.306.130-2 Chile 76.306.130-2 Chile 99.524.450-0 Chile 99.524.450-0 Chile 99.524.450-0 Chile	Banco Santander Chile Banco Santander Chile Banco de Crédito e Inversiones Banco de Crédito e Inversiones BBC Tecnología Agricola Ltda. BBC Tecnología Agricola Ltda.	US\$ US\$ US\$ US\$ US\$ US\$ US\$	Amortization Y Annual Annual Annual Annual Annual Annual Annual	Annual Rate 1 2 3.93% 3.93% 4.29% 4.30% 14.02% 14.02% 2.79%	Annual Rate 3.93% 3.93% 4.29% 4.30% 14.02% 14.02% 2.79%	month KUS\$	1 to 3 months 3 KUS\$	KUS\$ 67 15 223 4 255	KUS\$ 67 15 223 6 255 247 369	years KUS\$ 70 16 209	years <u>KUS\$</u> 72 16 218	3 to 4 years KUS\$ 37 16 228 4 195	KUS\$	more years KUS\$	31-Dec-16 <u>KUS\$</u> 179 48 892 16 - 946
Agrícola El Pampino S.A. Agrícola El Pampino S.A. Agrícola Mataquito S.A. Agrícola Mataquito S.A. Hortifrut Chile S.A. Hortifrut Chile S.A. Hortifrut Chile S.A.	76.884.880-7 Chile 76.884.880-7 Chile 76.306.130-2 Chile 76.306.130-2 Chile 99.524.450-0 Chile 99.524.450-0 Chile	Banco Santander Chile Banco Santander Chile Banco de Crédito e Inversiones Banco de Crédito e Inversiones BBC Tecnología Agricola Ltda. BBC Tecnología Agricola Ltda. Banco de Crédito e Inversiones	US\$ US\$ US\$ US\$ US\$ US\$ US\$	Amortization Y Annual Annual Annual Annual Annual Annual Annual Annual	Annual Rate 1 3.93% 3.93% 4.29% 4.30% 14.02% 14.02%	Annual Rate 3.93% 3.93% 4.29% 4.30% 14.02% 14.02%	month KUS\$	1 to 3 months 3 KUS\$	KUS\$ 67 15 223 4 255	KUS\$ 67 15 223 6 255 247	Years KUS\$ 70 16 209 6	years KUS\$ 72 16 218 6 381	3 to 4 years KUS\$ 37 16 228 4 195 107	KUS\$	more years KUS\$	31-Dec-16 <u>KUS\$</u> 179 48 892 16

- a.1) Hortifrut Chile S.A.
- a.1.1) Dated November 05, 2015, BBVA Bank granted Hortifrut Chile S.A. a credit for US\$10 million.

The Company assumes the following obligations over the base of its consolidated financial statements:

- To maintain a Net Financial Debt level divided by annual EBITDA
 - lower or equal to 6 times as of December 31 of each year;
 - lower or equal to 4.5 times as of June 30 of each year.
- To maintain financial cost hedging (EBITDA divided net financial expenses of the last 12 months)
 - higher or equal to 4 times as of June 30 of each year.
- To maintain a Net Financial Debt divided by Total Equity level
 - lower or equal to 1 time as of June 30 of each year.

a.1.2) Dated October 06, 2015, Banco del Estado de Chile bank granted Hortifrut Chile S.A. a credit for KCLP 6,855,000. For this credit, dollarization hedging was used.

The Company assumes the following obligations, over the base of its consolidated financial statements:

- To maintain a Net Financial Debt level divided by annual EBITDA
 - lower or equal to 4.5 times as of June 30, 2016;
 - lower or equal to 4 times as of June 30, 2017;
 - lower or equal to 3.5 times as of June 30, 2018.

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- To maintain financial cost hedging (EBITDA divided net financial expenses of the last 12 months)
 - higher or equal to 4 times as of June 30 of each year.
- To maintain a Net Financial Debt divided by total equity level
 - not higher than 1 time as of June 30 of each year.

a.1.3) By public deed dated April 30, 2014, granted at the Notary of Santiago of Mr. José Musalem Faffie, Hortifrut Chile S.A. and Banco de Crédito e Inversiones bank subscribed a Financing Contract. In said instrument, Hortifrut S.A. was constituted as a jointly and severally liable co-debtor of the subsidiary Hortifrut Chile S.A., for a US\$ 30 million loan and an approved credit line with Banco de Crédito e Inversiones bank for the amount of US\$ 42 million.

Hortifrut S.A. maintains the security and co-debt for the loan with Banco de Crédito e Inversiones bank for US\$ 30 million, of which to date Hortifrut Chile S.A. owes US\$ 21.24 million.

The financing contract establishes certain obligations for Hortifrut S.A.'s consolidated financial statements that are normal in this type of operations, among which are the following, under the specific terms and conditions stated in the corresponding credit contract:

- To maintain the Company's current corporate purpose and its legal existence; to maintain the assets necessary for the Company's normal business; to comply with the applicable laws and norms; to opportunely send the Company's financial information; to hire and maintain insurances that conveniently cover the risks as per what is the custom in the industry.

- To maintain a Net Financial debt level divided by EBITDA
 - lower or equal to 6 times as of December 31 of each year
 - and lower or equal to 5 times as of June 30, 2014 and 2015, considering the EBITDA of the last 12 months
 - and lower or equal to 4.5 times as of June 30, 2016 and onwards, considering the EBITDA of the last 12 months
- To maintain financial cost hedging (EBITDA divided net financial expense of the last 12 months) equal to or higher than 4 times as of June 30 of each year.
- To maintain a Net Financial Debt level divided by Total Equity
 - lower or equal to 1 time as of June 30 of each year
- Prohibition to tax assets, except under the terms agreed in the contract and to perform operations with related people mainly at market prices

a.2) Hortifrut S.A.

Dated December 26, 2011, Banco de Chile bank granted Hortifrut S.A. the following credits:

- Credit documented in promissory note number 1232 for the original amount of KCLP\$ 1,131,000.
- Credit documented in promissory note number 1230 for the original amount of KCLP\$ 1,152,180.
- Credit documented in promissory note number 1248 for the original amount of KCLP\$ 1,557,420.

As of December 31, 2017, the total owed amount of these credits is KCLP1,008,158.

For these credits, dollarization hedging was used.

The Company assumes the following obligations, over the base of its consolidated financial statements accumulated at 12 months:

- Provide Consolidated Financial Statements to Banco de Chile bank, with their corresponding notes, at least twice a year, for the balances closed on December 31 and June 30 of each period, in a term lower than 120 days from said dates. The individual and consolidated Financial Statements, must be audited by Independent Auditors, and given with the opinion of these auditors.
- Maintain a net financial debt divided by annual EBITDA level lower or equal to 3 times as of June 30 of each year considering the annual EBITDA
- Maintain financial cost hedging (EBITDA divided by net financial costs of the last 12 months) equal to or higher than 4 times as of June 30 of each year.
- Maintain a total Equity of at least US\$ 25 million as of June 30 and December 31 of each year.

a.3) Compliance of Covenants

a.3.1) Net financial debt divided by annual EBITDA

Net financial debt divided by annual EBITDA was 2.35 for the 12-month period ending June 30, 2017, (lower than the 4.5 times requested by BCI, 4.5 times requested by BBVA and 4 times requested by Banco de Chile and 4 times requested by Banco Estado).

The net financial debt divided by annual EBITDA was 3.49 for the 12-month period ending December 31, 2017 (2.59 as of December 31, 2016), (lower than the 6 times requested by BCI and BBVA).

	31-Dec-17 <u>KUS\$</u>	30-Jun-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>	30-Jun-16 <u>KUS\$</u>	1-Jul-16 30-Jun-17 <u>KUS\$</u>
EBITDA	59,520	37,266	66,902	43,315	60,853
Net Financial Debt	207,659	142,968	173,172	92,974	142,968
Net Financial Debt / EBITDA	3.49	3.84	2.59	2.15	2.35

a.3.2) Financial cost hedging (EBITDA divided by net financial costs of the last 12 months)

Financial cost hedging for 12-month period, was 19.8 times, higher than the 4 required as of June 30, 2017 by BCI, BBVA, Banco del Estado and Banco de Chile.

	31-Dec-17 <u>KUS\$</u>	30-Jun-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>	30-Jun-16 <u>KUS\$</u>	1-Jul-16 30-Jun-17 <u>KUS\$</u>
EBITDA	59,520	37,266	66,902	43,315	60,853
Net Financial Cost	3,965	1,879	3,041	1,812	3,108
EBITDA / Net Financial Cost	15.0	19.8	22.0	23.9	19.6

a.3.3) Net Financial Debt divided by Total Equity

As of June 30, 2017 it was 0.57 times (lower than 1 time required by BCI, BBVA and Banco del Estado).

	31-Dec-17	30-Jun-17	31-Dec-16
	KUS\$	KUS\$	KUS\$
Total Equity	243,575	249,680	216,096
Net Financial Debt	207,659	142,968	173,172
Net Financial Debt / Total Equity	0.85	0.57	0.80

a.3.4) Total equity not lower than US\$ 25 million as of June 30 and December 31 of each year.

Total equity was US\$249.68 million as of June 30, 2017 (higher than the requested US\$25 million), and US\$243.58 million as of December 31, 2017.

a.3.5) Parameters to calculate ratios

The EBITDA of the periods ending December 31, 2017 and 2016 and for the periods ending June 30, 2017 and 2016 (unaudited) are as follows:

					12 montl unau	-
		unaudited		unaudited	1-Jul-16	1-Jul-15
	31-Dec-17	30-Jun-17	31-Dec-16	30-Jun-16	30-Jun-17	30-Jun-16
DETERMINING EBITDA	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Income from operating activities	388,250	203,588	426,796	236,746	393,638	371,856
Other income, per function	495	234	1,725	391	1,568	484
Total Income	388,745	203,822	428,521	237,137	395,206	372,340
Cost of sales	(324,718)	(167,211)	(356,758)	(190,602)	(333,367)	(307,869)
Administration expenses	(26,773)	(14,109)	(26,036)	(13,619)	(26,526)	(26,727)
Other expenses, per function, excluding						
impairment in the value of assets	(1,528)	(718)	(1,233)	(550)	(1,401)	(1,110)
Total Costs and Expenses	(353,019)	(182,038)	(384,027)	(204,771)	(361,294)	(335,706)
Operating Result	35,726	21,784	44,494	32,366	33,912	36,634
Depreciation and amortization	23,794	15,482	22,408	10,949	26,941	18,113
EBITDA	59,520	37,266	66,902	43,315	60,853	54,747

The detail of the depreciation and amortization as of December 31, 2017 and 2016 are as follows:

Depreciation and Amortization	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>
Property, plant and equipment	9,300	9,255
Intangibles - Software	102	177
Intangibles - Licenses	7,082	4,543
VBM Brand	-	-
Relationship with customers	266	267
Amortization biologicals	7,172	8,249
Activated amortization / others	(128)	(83)
Total	23,794	22,408

The determining of net financial debt as of June 30, 2017 and 2016 (unaudited) and as of December 31, 2017 and 2016 are as follows:

Determining net financial debt	31-Dec-17	30-Jun-17 unaudited	31-Dec-16	30-Jun-16 unaudited
<u>Items</u>	KUS\$	KUS\$	KUS\$	KUS\$
Other current financial liabilities	151,531	99,660	150,787	74,177
Other non-current financial liabilities	83,966	72,824	57,630	54,538
Total financial liability	235,497	172,484	208,417	128,715
Minus:				
Cash and cash equivalents	27,838	29,516	35,245	35,741
Total net financial debt	207,659	142,968	173,172	92,974

a.4) Financial risk management policies

The Company, following the financial risk management policy described in note 4.1, contracts financial derivatives to cover its exposure to the exchange rate and interest rate fluctuations.

The derivatives to cover the exposure of the exchange rate fluctuations which Hortifrut S.A. and subsidiaries currently maintain correspond to derivative instruments classified as Cross Currency Swaps (CCS), Currency Forwards and Options. The first are used to hedge the variable interest rate of the financial debt, the others are used to assure exchange rate levels for future transactions.

b) Cross Currency Swap Operations:

The detail of the derivative instruments as of December 31, 2017 and 2016 are as follows:

LIABILITIES		Balance	MtoM Value		
Hedging Instruments			Capital	31-Dec-17	31-Dec-16
Entities	Instruments	Type	KUS\$	KUS\$	KUS\$
Banco de Crédito e Inversiones	Cross Currency Swaps - USD	Rate	21,000	280	521
Banco Estado	Cross Currency Swaps CLP/USD	Rate	6,400	-	64
Banco de Crédito e Inversiones	Cross Currency Swaps - USD	Rate	5,198	-	31
Banco de Chile	Cross Currency Swaps CLP/USD	Rate	1,943	-	36
Banco Bilbao Viscaya	Cross Currency Swaps CLP/USD	Currency	667	-	26
Total non-current			35,208	280	678

The total of the market valuation of these derivative instruments is acknowledged in the other integral results.

Swaps cover the significant variations in cash flows associated to the market risk implicit in the increase in the 6-month LIBOR interest rate for long term credits originated by investments. These contracts are recorded as cash flow hedging contracts.

The type of fees indicated in the forwards, are presented from the perspective of the Company, for banks it is the opposite.

c) Currency forwards operations:

The detail of currency forwards operations held by Hortifrut and subsidiaries maintained as of December 31, 2017, is as follows:

347734

										MIM	
											Total
		Contract	<u>F</u>	ees	Liabil	ities	Closing Value	Net Effect	Expiry up to		current
Company	<u>Bank</u>	Modality	Type	Currence	y Amount (Currency	Amount	Offsetting	1 to 3 months	3 to 6 months	12/31/2017
					KUS\$		KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Hortifrut Chile S.A.	Security	Offsetting	Purchase	USD	2,200	CLP	2,197	(3)	5	-	5
Hortifrut Chile S.A.	Scotiabank	Offsetting	Sale	EUR	15,345	USD	15,999	(654)	324	361	685
Hortifrut Chile S.A.	Scotiabank	Offsetting	Sale	USD	2,000	CLP	2,020	(20)	22	-	22
		Total	12/31/201	7	19,545		20,216	(677)	351	361	712

The conciliation of movements as of December 31, 2017 and 2016 between financial liabilities and cash flows for financing activities is as follows:

Concepts	Final balance as of 31-Dec- 2016 KUS\$	Cash Flows KUS\$	Payable interests and dividends KUS\$	Changes in fair value KUS\$	Reclassifications KUS\$	Final balance as of 31-Dec-2017 KUS\$
Short term loans with financial entities	148,782	(15,847)	€ 412.00	-	15,344	148,691
Long term loans with financial entities	49,475	43,079	993	-	(17,777)	75,770
Short term financial leasing liabilities	9,482	(1,871)	-	-	2,433	10,044
Derivative instruments	678	-	-	314	-	992
Paid dividends	7,283	(13,380)	12,278		-	6,181
Total	215,700	11,981	13,683	314	-	241,678

NOTE 22 – CURRENT AND NON-CURRENT TRADE ACCOUNTS AND OTHER ACCOUNTS PAYABLE.

The detail of this item as of December 31, 2017 and 2016 and January 01, 2016 are the following:

	31-Dec-17	31-Dec-16	1-Jan-16
Current	KUS\$	KUS\$	KUS\$
Suppliers	37,657	44,650	36,379
Pay able notes	33	319	990
Retentions and pay able tax	5,853	7,757	6,444
Pay able dividend	6,181	7,283	2,873
Total	49,724	60,009	46,686

As of December 31, 2017 and 2016, there are no non-current trade accounts and other accounts payable.

Accounts payable per currency are as follows:

Current	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>	1-Jan-16 <u>KUS\$</u>
United States Dollar	31,090	36,081	29,485
Chilean Peso	13,543	19,827	11,829
Euro	2,404	1,838	2,043
Mexican Peso	1,425	1,382	2,148
Argentine Peso	26	113	560
Nuevo Sol	1,021	561	-
Brazilian Real	215	207	621
Total	49,724	60,009	46,686

Suppliers with payments up to date, as of December 31, 2017

Type of Supplier Goods/Services/Others		Amounts in	thousands of do	ollars, as per pay	ment terms		Total	Average payment period (days)
	up to 30 days	31-60	61-90	91-120	121 - 365	366 plus	KUS\$	
Goods	8,516	17,990	3,364	1,772	-	-	31,642	58
Services	11,238	477		-	-	-	11,715	31
Others	169	-	3	6,181	14	,	6,367	118
Total as of 31-12-2017	19,923	18,467	3,367	7,953	14	-	49,724	

Suppliers with payments up to date, as of December 31, 2016

Type of Supplier Goods/Services/Others		Amounts in	thousands of do	ollars, as per pay	ment terms		Total	Average payment period (days)
	up to 30 days	31-60	61-90	91-120	121 - 365	366 plus	KUS\$	F (
Goods	14,018	20,512	2,365	817	1,138	-	38,850	61
Services	12,929	850	34	34	1	-	13,848	32
Others	28	-	-	-	7,283	-	7,311	364
Total as of 31-12-2016	26,975	21,362	2,399	851	8,422	-	60,009	

The main suppliers are the following:

- Envases Impresos S.A.	- Autoadhesivos PyR Ltda.
- Coembal Chile S. A	- Impresos Autoadhesivos Ltda.
 Ultrapac Sudamérica S.A. 	- Ind. y Cia. Solucorp Ltda.
- Typack S.A.	- Cartocor Chile S. A.
- Bo Packaging S.A.	- Sof South Organic Fruits
- Madeex Pallets Chile S.A.	- Wenco S.A.

The average payment term of the main suppliers is 61 days. Prices are mostly agreed in dollars and there are no interests associated to the credit.

Producing Suppliers

The Company currently maintains over 700 producers in the countries where it has its operations. Due to the level of atomization of said producers, none of them surpasses 2% of the volume purchased from third parties.

NOTE 23 – EMPLOYEE BENEFITS AND OTHER PROVISIONS

The concepts that make up this item are the following:

Current Provisions	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>	1-Jan-16 <u>KUS\$</u>
Other provisions			
Cost provisions	545	160	113
Other provisions	545	160	113
Employee benefits			
Vacations	1,142	967	562
Substitute retirement benefits	470	324	363
Other benefits for personnel (bonus)		301	323_
Employee benefits	1,612	1,592	1,248
Total	2,157	1,752	1,361

The movement of provisions during the periods ending December 31, 2017 and 2016 and as of January 01, 2016, is as follows:

	31-Dec-17	31-Dec-16	1-Jan-16
Movement	KUS\$	KUS\$	KUS\$
Opening balance	1,752	1,361	1,318
Increase in provisions	1,870	1,389	854
Used provisions	(1,465)	(998)	(811)
Total	2,157	1,752	1,361



NOTE 24 - ISSUED CAPITAL

The objectives of Hortifrut and subsidiaries when administering capital are to safeguard the capacity to continue as a going concern, in order to generate returns for its shareholders, benefits to other interest groups and to maintain an optimum structure to reduce the cost of capital.

Consistent with the industry, Hortifrut and subsidiaries monitor their capital with the leverage ratio base. This ratio is calculated by dividing the net debt between the total capital. The net debt corresponds to the total debt (including current and non-current debt) minus cash and cash equivalents. The total capital corresponds to equity just as is shown in the consolidated statement of position plus net debt.

In this aspect Hortifrut and subsidiaries have combined different sources of financing such as: operation flows, bank credits, among others.

a) Subscribed, paid, to be subscribed capital and number of shares

Subscribed and paid capital as of December 31, 2017, reaches KUS\$135,149 (KUS\$136,411 as of December 31, 2016) equal to 435,520,079 shares of a single series and without nominal value.

b) Movements of 2017

In December 2017, at extraordinary shareholder's meeting, it was authorized to legally decrease the Company's capital, by the amount of KUS\$1,262 which was kept as a share issuance expense.

Weighted average of ordinary

There are no own shares in portfolio.

Number of Subscribed Shares

				shares in ci	irculation
Weighted average of ordinary shares in circulation	No of days in circulation	Nº Shares	% Weighting	31-Dec-17	31-Dec-16
Opening balance	365	435,520,079	100%	435,520,079	435,520,079
	365	435,520,079		435,520,079	435,520,079

- Share issuance premiums capitalization (issuance expenses)

The movements of share issuance premium during the period ending December 31, 2017 and in the period ending December 31, 2016, are detailed below:

	31-Dec-17	31-Dec-16
Movement of Capital	KUS\$	KUS\$
Capital	136,411	136,411
Capital issuance expenses	(1,262)	-
Capital	135,149	136,411
Capital issuance premium		
Capital issuance expense		(1,262)
Share issuance premium (issuance expense)		(1,262)

NOTE 25 - ACCUMULATED PROFIT (LOSS)

The detail of the accumulated result as of December 31, 2017, 2016 and January 01, 2016 is as follows:

	31-Dec-17	31-Dec-16 Re-expressed	1-Jan-16 Re-expressed
<u>Movement</u>	KUS\$	KUS\$	KUS\$
Opening balance	56,218	50,238	17,908
Profit (loss), attributable to the parent company	26,563	18,925	13,498
Minimum dividend provision	(6,181)	(7,283)	(2,873)
Reversal minimum dividend provision	0	0	
previous year	7,283	2,873	2,939
Definite dividend	(7,283)	(2,873)	(2,939)
Provisional dividend	(6,097)	(5,662)	(3,920)
Impact due to change in accounting policy	-	-	25,625
Total	70,503	56,218	50,238

a) Dividend policy

As per what is stated in the Closely Held Corporation Law, the Company is obligated to the distribution of an obligatory minimum dividend equal to 30% of profits, nevertheless and as per the social statutes, the minimum dividend established for the Company is 50%, unless otherwise agreed at the corresponding meeting, by unanimity of the issued shares.

In virtue of what was informed to the Commission for the Financial Market, related with regulation (circular) N° 1945, in order to determine the Company's net distributable profit, to be considered to calculate the dividend, the following will be excluded from gains attributable to the controller's parent Company:

- 1) Non-realized results linked with the fair value record of the biological assets regulated by "IAS 41" accounting standard, reintegrating them to the net profit at the moment of its realization. For these effects, the portion of said increases in fair value corresponding to the assets sold or allocated by another means will be understood to be realized.
- 2) Non-realized results generated in the acquisition of other entities and, in general, those non-realized results that are produced due to the application of paragraphs 34, 42, 39 and 58 of the "International Financial Reporting Standards N° 3", amended accounting standard, that refers to business combination operations. These results are also reintegrated to the net profit at the moment of their realization. For these effects, results are understood to be realized when the acquired entities generate profit after their acquisition, or when said entities are disposed of.
- 3) The effects of deferred taxes associated to the concepts indicated in 1) and 2) will follow the same fate as the item that originated them.

b) Dividend Provision

In the period ending December 31, 2017, the Company recorded a provision for minimum dividend of KUS\$ 6,181 (KUS\$7,283 as of December 31, 2016).

Below is the calculation of the accrued dividend for the period ending December 31, 2017 and the period ending December 31, 2016:

Concept	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>
Gains attributable to owners of the parent company <u>Minus</u>	26,563	18,925
Increase biological assets to fair value net of tax PEV Increase biological assets to fair value	(810) (1,640)	(165)
Deferred taxes	443	-
Result to be Distributed	24,556	18,760
Minimum dividend %	50.00%	69.00%
Minimum Accrued Dividend Minus:	12,278	12,945
Paid provisional dividend	(6,097)	(5,662)
Minimum dividend calculation	6,181	7,283
Minimum dividend provision	6,181	7,283

Paid dividends

Below is a detail of the dividends paid in the previous years:

Month and year of payment	Туре	Last 3 years KUS\$
May-15	Definite	2,939
Oct-15	Provisinal	3,920
	Total year 2015	6,859
May-16	Definite	2,873
Oct-16	Provisinal Total vear 2016	5,662 8,535
	101111 2010	<u> </u>
May-17	Definite	7,283
Oct-17	Provisinal	6,097
	Total year 2017	13,380

NOTE 26 – OTHER RESERVES

The other reserves that are presented in the statement of changes in equity, are of the following nature:

Cash Flow hedging reserve – Corresponds to the difference between spot values and the fair value of the cash Flow hedging contracts (CCS) which are qualified as efficient, net of deferred tax.

Reserves due to exchange rate fluctuations. – This balance reflects the accumulated results, by exchange rate fluctuations, when converting the financial statements of overseas subsidiaries, from their functional currency to Hortifrut's reporting currency (United States Dollars).

Reserves for Bearer Plants Revaluation – Correspond to the difference between the revalued cost at fair value and the historic cost of bearer plants, net of their deferred tax.

The detail of the account Other Reserves and its movement is as follows:

<u>Movement</u>	31-Dec-17 <u>KUS\$</u>	31-Dec-16 Re-expressed <u>KUS\$</u>	1-Jan-16 Re-expressed <u>KUS\$</u>
Opening balance	(4,919)	(10,533)	15,854
Reserves Revaluation Bearer Plants	-	-	(19,247)
Reserves cash flow hedging reserves	818	5,549	(1,054)
Reserves for exchange rate fluctuations	5,266	65	(6,086)
Total	1,165	(4,919)	(10,533)

The movement of cash Flow hedging reserves in the periods ending December 31, 2017 and 2016 is as follows:

Movement cash flow hedging reserves	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>	
Opening balance	2,698	(2,851)	
Other integral result	818	5,549	
Total	3,516	2,698	

Cash Flow hedging reserve is net of deferred tax.

Income tax included in cash flow hedging reserves is detailed below:

	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>
Cash flow hedging reserves	4,735	3,545
Gains tax	(1,219)	(847)
Total	3,516	2,698

The movement of reserves due to exchange rate fluctuations, in the period ending December 31, 2017 and 2016, is as follows:

Movement exchange rate fluctuation	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>
reserves		
Opening balance	(7,617)	(7,682)
Other integral result	5,266	65
Total	(2,351)	(7,617)



NOTE 27 – NON PARENT COMPANY INTERESTS

Corresponds to the acknowledging of equity value and the result of the subsidiaries that correspond to minority investors.

The detail of the interests of non-parent companies as of December 31, 2017 and 2016 are the following:

	Interest perce parent co		Interest in ec		Interest of a companies in res	profit (loss)
<u>Subsidiaries</u>	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
	<u>%</u>	<u>%</u>	KUS\$	KUS\$	KUS\$	KUS\$
Agrícola El Avellano S.A.	60.0%	60.0%	2,568	2,687	(119)	(367)
Agrícola El Pampino S.A.	80.0%	80.0%	927	808	120	145
Agrícola Santa Rebeca Ltda.	75.0%	75.0%	125	133	2	(256)
Agrícola Vida Nueva S.A.	50.0%	50.0%	3,945	3,796	135	(369)
Viveros Hortifrut Chile S.A.	49.0%	49.0%	149	140	(4)	(25)
Hortifrut Argentina S.A.	4.1%	4.1%	14	10	-	(1)
Agrofrutas, SRL. de C.V.	1.0%	1.0%	(8)	(4)	(4)	-
Hortifrut España Southern Sun S.L.	50.0%	50.0%	18,310	16,373	(55)	2,979
Agricola Santa Rosa del Parque S.A.	70.0%	70.0%	3,059	2,673	679	1,411
Agricola Mataquito S.A.	50.0%	50.0%	1,470	1,481	(21)	(1,962)
Euroberry Marketing S.A.	50.0%	50.0%	1,904	1,107	613	294
Asturian Berries S.A.	49.0%	49.0%	343	444	(159)	(26)
Honghe Jiayu Agriculture Limited	49.0%	49.0%	3,952	-	(45)	-
Total		•	36,758	29,648	1,142	1,823

The movements of non-parent company interests as of December 31, 2017 and 2016 are as follows:

31-Dec-17	31-Dec-16	1-Jan-16
	Re-expressed	Re-expressed
KUS\$	KUS\$	KUS\$
29,648	30,213	26,934
1,142	1,823	3,236
2,298	(496)	(281)
(14)	24	-
(313)	(1,916)	(2,386)
-	-	2,710
3,997		
36,758	29,648	30,213
	EUS\$ 29,648 1,142 2,298 (14) (313) - 3,997	Re-expressed KUS\$ 29,648 1,142 1,823 2,298 (1496) (14) 24 (313) (1,916) - 3,997

NOTE 28 – PROFITS PER SHARE AND DISTRIBUTABLE NET PROFIT

28.1. Profits per share

The calculation of profits per share has been performed by dividing the amount of profits attributable to the shareholders by the weighted average of the number of shares of the single series. Hortifrut has not issued a convertible debt or other equity values. As a result, there are no potentially diluting effects in the Company's income per share.

The detail of profits per share is as follows:

Basic profit (loss) per share	Measuring unit	31-Dec-17	31-Dec-16
Profit (loss) of activities continued after tax	KUS\$	26,563	18,925
Basic weighted average of number of shares	Unit	435,520,079	435,520,079
Basic profit per share from continued operations	(US\$ per share)	0.060991	0.043454

The calculation of the weighted average of the number of shares in circulation, is detailed below:

				ordinary shares in circulation
Weighted average of ordinary shares in circulation	Nº of days in circulation	Nº Shares	Weighting %	31-Dec-17
Opening balance	365	435,520,079	100%	435,520,079
		435,520,079		435,520,079

28.2. Distributable net profit

The dividend policy consists on distributing as dividend 50% of the period's net profit, and through the distributing of a final dividend, which must be agreed by the Ordinary Shareholders Meeting, payable on the date that said meeting designates.

Weighted average of

In virtue of what is stated in CMF's regulation (circular) N° 1945, dated September 29, 2009, the Board agreed to establish as a general policy that the net profit, for the payment of the minimum 30% obligatory dividend, established in article 79 of Law 18.046, will be determined over the base of the refined profit of the relevant variations in the fair value of the assets and liabilities that are not realized, which must be reentered into the calculation of the net profit of the period when said variations are performed.

Additional dividends will be determined based on the mentioned criteria, as per the agreement that the Shareholder's Meeting adopts.

The determining of the Result to be Distributed for the periods ending December 31, 2017 and December 31, 2016, is presented in Note 25 b).

NOTE 29 - OPERATING REVENUE AND OTHER REVENUE, PER FUNCTION

The detail of the item as of December 31, 2017 and 2016 is as follows:

	31-Dec-17	31-Dec-16
Concept	KUS\$	KUS\$
Revenue from operating activities	388,250	426,796
Other revenue, per function	495	1,725
Total	388,745	428,521

The detail of the Group's revenue considers Revenue from operating activities plus other revenue, per function.

	31-Dec-17	31-Dec-16
Other income, per function	KUS\$	KUS\$
Profit from the sale of property, plant		
and equipment	495	115
Profit from the sale of licenses	_	725
Official operating subsidies	-	494
Other income		391
Total	495	1,725

Below is the detail of income per segment for the periods ending December 31, 2017 and 2016 is as follows:

	31-Dec-17	31-Dec-16
Product	KUS\$	KUS\$
Fresh Fruit		
Blueberries	314,651	320,293
Raspberries	18,349	22,052
Blackberries	16,121	28,352
Strawberries	12,811	13,760
Cherries	2,980	2,235
Total Fresh Fruit	364,912	386,692
Value Added Products	23,833	41,829
Total	388,745	428,521

The Company's revenue is mainly constituted by the sale of products derived from the harvesting of "bearer plants".

NOTE 30 - DETAIL OF RELEVANT RESULTS

The items in the income statement per function for the periods ending December 31, 2017 and 2016, are detailed as indicated below:

30.1 Cost of sales

Below are the main sales costs that the Company maintains as of December 31, 2017 and 2016:

	31-Dec-17	31-Dec-16
Cost of sales	KUS\$	KUS\$
Cost of sales	180,961	192,169
Materials	20,753	30,838
Remunerations	40,124	40,786
Depreciations and amortizations	22,326	20,956
Other general expenses	17,100	24,067
Freight	21,175	25,664
Lease of properties, machinery, etc.	6,774	6,023
Third party services	15,505	16,255
Total Cost of sales	324,718	356,758

30.2 Administrative expenses

Below is the detail of administrative expenses as of December 31, 2017 and 2017:

	31-Dec-17	31-Dec-16
Administrative expenses	KUS\$	KUS\$
Remunerations	14,064	14,015
Depreciations and amortizations Other general expenses	1,443 5,866	1,435 5,869
Freight	836	1,004
Lease of properties, machinery, etc.	4,564	3,713
Total Administration Expenses	26,773	26,036

30.3 Other expenses, per function

Other expenses, per function	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>
Impairment value of assets	3,215	18,704
Sub-total impairment	3,215	18,704
Investigation expenses		
Cost of Sales	42	5
Materials	17	12
Remunerations	507	393
Depreciations and amortizations	25	17
Other general expenses	269	231
Freight	42	6
Lease of property, machinery, etc.	21	22
Third party services	289	202
Received contributions	(200)	(59)
Sub-total Investigation expenses	1,012	829
Other expenses		
Loss from sale of property, plants and equipment and materials	516	125
Asset write-off	-	279
Sub-total Other expenses	516	404
Total Other expenses, per function	4,743	19,937

NOTE 31 – FINANCIAL EXPENSES

Financial expenses for the periods ending December 31, 2017 and 2016, are detailed below:

31-Dec-17	31-Dec-16
KUS\$	KUS\$
4,668	3,296
402	349
241	268
400	319
5,711	4,232
	KUS\$ 4,668 402 241 400

NOTE 32 – EXCHANGE RATE DIFFERENCE

The detail of the exchange rate difference for the periods ending December 31, 2017 and 2016, are detailed as follows:

Assets	Currency	31-Dec-17 <u>KUS\$</u>	31-Dec-16 <u>KUS\$</u>
Cash and cash equivalents	CLP	(229)	54
Cash and cash equivalents	USD	(332)	(141)
Cash and cash equivalents	EUR	(93)	(5)
Cash and cash equivalents	MXN	(69)	(71)
Trade debtors and other accounts receivable	CLP	232	187
Trade debtors and other accounts receivable	USD	(101)	156
Trade debtors and other accounts receivable	EUR	103	48
Trade debtors and other accounts receivable	MXN	200	(546)
Accounts receivable from related entities	EUR	(4,866)	(171)
Current tax assets	CLP	900	1,227
Current tax assets	MXN	(39)	400
Current tax assets	EUR	1	-
Current tax assets	USD	87	(34)
Sub-total		(4,206)	1,104
Liabilities			
Other financial liabilities	CLP	5	16
Other financial liabilities	EUR	(20)	26
Other financial liabilities	MXN	(463)	-
Other financial liabilities	USD	(11)	(827)
Trade accounts and other accounts payable	CLP	(790)	(1,059)
Trade accounts and other accounts payable	USD	(477)	(42)
Trade accounts and other accounts payable	EUR	(683)	490
Trade accounts and other accounts payable	MXN	(174)	118
Accounts payable to related entities	CLP	91	4
Accounts payable to related entities	USD	1,443	1,258
Accounts payable to related entities	MXN	29	(144)
Sub-total		(1,050)	(160)
Total exchange rate difference		(5,256)	944



NOTE 33 – FOREIGN CURRENCY

33.1 Foreign Currency Current Assets

Current Assets	31-Dec-17 KUS\$	31-Dec-1 KUS\$
Cash and Cash Equivalents		
Dollar	14,519	19,921
Euros	9,770	11,775
Chilean Pesos	2,313	2,342
Mexican Pesos	430	838
Other currencies	806	360
Other current financial assets		50,
Dollar	4,473	3,155
Other current non-financial assets	7,77,0	3,-00
Dollar	994	178
Euros	423	1,028
Chilean Pesos	1,359	2,000
Mexican Pesos	2,208	2,19
Other currencies	630	120
Current trade debtors and other accounts receivable	0,0	120
Dollar	8,830	12,90
Euros	15,342	11,08
Chilean Pesos	9,700	13,50
Mexican Pesos	2,969	79
Other currencies	9,251	4,29
Current accounts receivable from related entities	9,201	4,29
Dollar	40,013	42,76
Euros	8,117	2,99
Chilean Pesos	2	2,99
Stock	2	
Dollar	41 115	53,18
Euros	41,115 646	1,03
Chilean Pesos	743	75
Other currencies	2,052	7.5 1,83
Current biological assets	2,052	1,03
Dollar	7.040	4.01
Euros	7,349	4,31 1,08
Chilean Pesos	1,193	
Other currencies	1,041	1,12
Current tax assets	133	34
Dollar	1 0 0 6	
DOHAT	1,086	-
Total Current Assets	187,507	195,92

33.2 Foreign Currency Non-Current Assets

Non Current A	assets	KUS\$	KUS\$
	Other non-current financial assets		
	Dollar	1,345	1,101
	Other non-current non-financial assets		
	Euros	1,379	1,387
	Chilean Pesos	9	110
	Other currencies	29	19
	Non-current fees receivable		
	Dollar	1,445	1,604
	Euros	4	-
	Chilean Pesos	166	190
	Non-current accounts receivable from related entities		
	Dollar	1,088	2,192
	Euros	6,972	5,468
	Investments recorded using the equity method		
	Dollar	32,963	33,60
	Euros	- 545	7
	Other currencies	35,423	21,79
	Intangible assets other than appreciation	3371 3	,, ,
	Dollar	14,483	21,79
	Appreciation	171 0	,,,,
	Dollar	26,769	26,76
	Property, plant and equipment	., ,	,,
	Dollar	176,886	164,91
	Euros	15,749	16,17
	Chilean Pesos	4,819	3,68
	Other currencies	47,606	20,08
	Deferred tax assets	1, , ,	-,
	Dollar		
	Donai	18,591	14,950
Total non-cur	rent assets	385,181	335,92
Total assets		572,688	531,84
	Dollar	201.040	400.01
		391,949	403,34
	Euros Chilean Pesos	59,050	52,10
	Chilean Pesos Mexican Pesos	20,152	23,70
		5,607	3,82
m . 1	Other currencies	95,930	48,86
Total Assets p	er currencies	572,688	531,84

33.3 Foreign Currency Current Liabilities

	31-Dec-17	31-Dec-1
Current liabilities	KUS\$	KUS\$
Other current financial liabilities		
Dollar	140,397	148,610
Euros	10,876	1,904
Other currencies	258	273
Current trade accounts and other accounts payable	•	,
Dollar	31,090	36,08
Euros	2,404	1,838
Chilean Pesos	13,543	19,82
Mexican Pesos	1,425	1,38
Other currencies	1,262	88
Current Accounts Payable to Related Entities		
Dollar	3,840	5,74
Euros	39	4
Chilean Pesos	2,263	91
Other current provisions		
Dollar	545	16
Current tax liabilities		
Dollar	-	1,69
Current provisions for employee benefits		
Dollar	664	64
Chilean Pesos	441	44
Mexican Pesos	507	50
Other current non-financial liabilities		
Dollar	561	2,22
Euros	431	43
otal current liabilities	210,546	223,61



33.4 Foreign Currency Non-Current Liabilities

N	31-Dec-17	31-Dec-16
Non-current liabilities	KUS\$	KUS\$
Other non-current financial liabilities		
Dollar	51,082	43,530
Euros	32,617	14,014
Chilean Pesos	225	-
Other currencies	42	86
Non-current accounts payable to related entities		
Euros	10,542	10,286
Chilean Pesos	1,529	1,404
Other non-current provisions		
Dollar	35	134
Deferred tax liabilities		
Dollar	22,495	22,680
Total non-current liabilities	118,567	92,134
Total liabilities	329,113	315,749
Dollar	250,709	261,512
Euros	56,909	28,519
Chilean Pesos	18,001	22,589
Mexican Pesos	1,932	1,889
Other currencies	1,562	1,240
Total liabilities per currencies	329,113	315,749
Summary of thousands of net dollars per currency		
Dollar	141,240	141,836
Euros	2,141	23,589
Chilean Pesos	2,151	1,112
Mexican Pesos	3,675	1,935
Other currencies	94,368	47,624
Total net per currency	243,575	216,096



NOTE 34- CONTINGENCIES

a) Pledged shares

To the closing of the current financial statement, the Company does not present pledged shares.

b) Direct guarantees

Dated February 12, 2015, a Stand By Letter was issued with Banco Estado bank in order to guarantee the faithful compliance of the payment commitment with Royal Berries S.L. for the purchase of an operating license for varieties of berries. Al of December 31, 2017, the balance of the Stand By Letter was at US\$7.15 million.

At the subsidiaries Agrícola Santa Rosa del Parque S.A., Agrícola Mataquito S.A., Agrícola El Pampino S.A., and Agrícola Hortifrut S.A. there are restrictions (guarantees and/or mortgages) over its biological assets.

Below is a detail of the book value of the assets given in guarantee, as well as the debt associated to these assets:

	Biological Assets	Other Properties	Associated Debt	
Company	KUS\$	KUS\$	KUS\$	Bank
Agrícola Santa Rosa del Parque S.A	3,168	2,782	1,191	Banco RaboFinance Chile
Agrícola Mataquito S.A. (Curepto Field)	4,005	1,877	1,849	Banco RaboFinance Chile
Agrícola El Pampino S.A.	3,725	277	217	Banco Santander Chile
Agrícola Hortifrut S.A.	18,751	27,026	-	Banco de Chile
Agrícola Hortifrut S.A. (Curaco Field)	-	2,304		
Hortifrut Chile S.A. (Colbun plant)	-	4,428		
Hortiftut S.A. (Antillanca plant)	-	865	21,242	Banco de Crédito e Inversiones
Hortifrut Comercial S.A. (La Serena Field)	-	2,168		
Hortifrut Chile S.A. (Angol-Gorbea-Los Angeles Plant)		12,346		
Total	29,649	54,073	24,499	- -

Detail of Property, Plants and Equipment subject to guarantees or restrictions

b.1) Agrícola Santa Rosa del Parque S.A.

b.1.1) Mortgage in favor of RaboFinance over: (i) Hijuela A, resulting from the division of the "El Parque" estate, Angol, (ii) water use rights corresponding to 10 water irrigators from the Parque Ñipado channel which water the aforementioned branch drain and (iii) permanent and continuous consumptive water use rights for 75 liters/sec. at Huequén River (EP 24.08.12, Not. Gloria Acharán). The amount of the used credit is KUS\$1,191.

b.1.2) Pledge without displacement in favor of RaboFinance over the real estate located on the property denominated in letter b.1.1) (EP 24.08.12, Not. Gloria Acharán).

b.2) Agrícola El Pampino S.A.

b.2.1) Mortgages in favor of Banco Santander-Chile over: (i) Lot N°.2 of the subdivision of a piece of land denominated Fundo Carihue, which forms part of the resulting of the property called "La Piedra", located in the locality of Oromo, Purranque and (ii) Lot N°.2 of the subdivision of Farm N°12 of the "Los Maitenes" Subdivision Project, Purranque (EP 10.07.08, Not. C.Gomila). The amount of the used credit is KUS\$217.

- b.3) Agrícola Vida Nueva S.A.
- b.3.1) Pledge in favor of Banco Crédito e Inversiones without displacement over movable goods located in the property denominated "Fundo Las Encinas", locality of Santa Fe, Los Angeles (EP 24.11.05, Not. P.Zaldívar). To date the amount of the credit is at KUS\$0.
- b.3.2) Pledge in favor of Banco Crédito e Inversiones without displacement over movable goods located on the property denominated Resto de la Parcela N° 33, which forms part of the Vida Nueva Subdivision Project, camino Loncovaca, Villarica (EP 09.11.05, Not. P.Zaldívar).
- b.4) Agrícola Mataquito S.A.
- b.4.1) Mortgages in favor of RaboFinance over: (i) Hijuela Tercera of the Fundo Ponunquén Estate, commune of Curepto; (ii) Lot B of the Informe de Hijuelación map, out of a surface of 20.18 hectares, Commune of Curepto and (iii) Water rights which water the aforementioned properties (EP.27.08.12, Not. Gloria Acharán). The amount of the used credit is KUS\$1,849.
- b.4.2Pledge without displacement in favor of RaboFinance over the movable goods located on the properties described in letter b.4.1) (EP.27.08.12, Not. Gloria Acharán).
- b.5) Agrícola Hortifrut S.A.
- b.5.1) Mortgage in favor of Banco de Chile over: (i) Subdivision N° 10 of a surface of 53.1 hectares, of the "Santa Isabel" and "Los Cipreses" Subdivision Project, commune of Cunco; (ii) Lot N° 12-A out of a surface of 42.50 hectares of the subdivision plan of Subdivision 12 of the "Santa Isabel" Subdivision Project, Commune of Cunco; (iii) Agricultural property, located in the commune of Río Negro, with a surface of 207 hectares; (iv) Water rights to irrigate the aforementioned properties. (EP 24.04.12, Not. A.Bianchi).
- b.5.2) Pledge without displacement in favor of Banco de Chile over the movable goods located on the properties detailed in letter b.5.1) (EP 21.06.12, Not. A.Bianchi). The amount of the used credit is KUS\$0.
- b.5.3) Mortgage in favor of BCI over: Lot A, Vista Hermosa Subdivision; Hijuela N°1, La Pantalla y El Zarzal; Lot 4-1 Arturo Araya; Farm N° 5 Arturo Araya; Lot 6-1 Arturo Araya; Lot 8-1 Arturo Araya; and its respective water rights; all corresponding to the commune of Panguipulli (EP 28.07.14., Not. José Musalem S.).
- As of December 31, 2017, the Company does not have a legal or contractual obligation to disassemble, remove or rehabilitate sites where its operations are developed, reason why its assets do not incorporate costs associated to said requirements.
- b.6) Hortifrut Chile S.A.
- b.6.1) Mortgages in favor of BCI over: (i) Lot One B, part of El Congreso Farm, Commune of Gorbea (EP 28.07.14., Not. José Musalem S.).
- b.6.2) Pledge without displacement in favor of BCI over the movable goods located on the properties detailed in letter b.6.1) (EP.02.09.14, Not. José Musalem S.).
- b.6.3) Mortgages in favor of BCI over: Lot Two of Hijuela Segunda of Lot B of the Property denominated Resto Hacienda Virquenco (EP 09.12.2014, Not. José Musalem S.).
- b.6.4) Pledge without displacement in favor of BCI over the movable goods located on the property detailed in letter b.6.3) (EP 13.11.2014, Not. José Musalem S.).

- b.6.5) Mortgages in favor of BCI over: (i) property located in Lot One of Resto of Farm Coihuecura, Commune of Yerbas Buenas and its water rights (EP 05.08.14., y EP 17.10.14. Not. José Musalem S.).
- b.6.6) Pledge without displacement in favor of BCI over the movable goods located on the property detailed in letter b.9.1) (EP.02 09.14, Not. José Musalem S.).
- b.7) Hortifrut S.A.
- b.7.1) Mortgages in favor of BCI over: property located on Antillanca street N° 370 (Lot 4-B) and N° 540 (Lot 5-B), both located in the Commune of Pudahuel (EP 28.07.14., Not. José Musalem S.).
- b.8) Hortifrut Comercial S.A.
- b.8.1) Mortgages in favor of BCI over: (i) Lots 1, 2, 4 to 16 and 55 to 84 and water rights, of the sub-division of Farm 151, of Colonia Gabriel Gonzalez Videla, Vegas Norte Sector, La Serena, (EP 18.08.14., Not. José Musalem S.).

The credit received by BCI, for the mortgages individualized in letters c.6 to c.10, correspond to the amount of US\$30 million. The amount of the used credit is KUS21,242.-

c) Indirect guarantees

Below we detail the Guarantees directly managed by the subsidiaries:

Creditor of the Guarantee	<u>Debtor Name</u>	<u>Relationship</u>	Type of Guarantee	KUS\$
Banco Santander (1)	Hortifrut España Southern Sun S.L	Subsidiary	Guarantor	435
Banco Santander (2)	Hortifrut España Southern Sun S.L	Subsidiary	Guarantor	65

- (1) Surety granted for the contracted obligations (Stand By Letter of credit), by Hortifrut Berries Perú S.A.C., for the contract for the providing of water collection services, which the Company contracted with the company H2 Olmos.
- (2) Mortgage surety for loans granted for the amount of EUR 1,400,000, in favor of the associated S.A.T. Hortifrut H-0030, in proportion to its 33% interest.
- d) Guarantees obtained from third parties

To the closing of the current financial statement, the Company has not received relevant guarantees from third parties.

e) Restrictions

Management restrictions or limit of financial indicators are presented detailed in Note 21.

f) Lawsuits

Below we present the main valid lawsuits:

<u>Plaintiff</u>	<u>Defendant</u>	Type of Lawsuit	Amount	Probable Resolution	Provision
Hortifrut S.A de CV	Berries La Grana	Civil Mortgage (*)	USD 589,529	Favorable for Hortifrut	Does not apply
Hortifrut S.A. de CV	Agricola Gavilanes	Executory Commercial (*)	USD 168,281	Favorable for Hortifrut	Provisioned 50%
Hortifrut S.A.	Cristina Ortiz y Otro	Misappropriation	CLP 100,002,477	Uncertain	Does not apply
Hortifrut S.A. (Ex VBM)	Marchant Morales	Executory Commercial	USD 138,694	Uncertain	Provisioned
Confederación Hidrográfica de	Hortifrut España Southern Sun	Water Law Infringement	EUR 127,039	Uncertain	
Guadalquivir	S.L	water Law Hillingement	EUK 12/,039	Uncertain	Provisioned

(*) Provision does not apply because there are seizable guarantees, enough to cover the owed amount.

g) Other contingencies

The Company, to the closing of these Financial Statements, does not maintain other contingencies that could significantly affect the current financial statements.

NOTE 35 - ENVIRONMENT

Hortifrut is a Company that is concerned with the environment. Most of its production has been converted into organic production, thus becoming the largest organic blueberry producer in the world.

For the period ending December 31, 2017, the Company has not performed disbursements related with protecting the environment, and there are no future commitments regarding this matter.

In the future, the Company and its subsidiaries will reiterate their commitment for taking care of the environment by performing new investments, constantly training its workers and subscribing new agreements that allow it to advance towards sustainable development in order to obtain a harmonic progress between its operations and its surroundings.



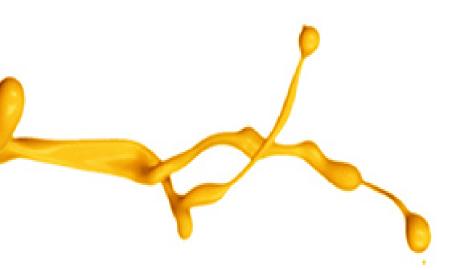
NOTE 36 - OPERATING AND FINANCIAL LEASES

The main operating lease contracts are:

	am operating rease contro	ioto arov						Flujos F	uturos	
					Canon Anual	Gasto del periodo	Menos de 1 año	de 1 a 5 años	Más de 5 años	Totales
				Measuring						
Country	<u>Company</u>	<u>Type</u>	Surface	<u>unit</u>	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$	KUS\$
Brazil	BerryGood Com. Imp. y Distribuidora de Frutas Lt.	Refrigeration chamber	has	1	8	8	8	26	-	34
Brazil	BerryGood Com. Imp. y Distribuidora de Frutas Lt.	Offices	m2	50	146	146	76	-	-	76
Brazil	BerryGood Com. Imp. y Distribuidora de Frutas Lt.	Agricultural Land	has	67.14	88	88	88	174	-	262
Brazil	BerryGood Com. Imp. y Distribuidora de Frutas Lt.	Permanent personnel housing	m2	333	5	5	1	-	-	1
Chile	Hortifrut S.A.	Agricultural Land	has	353.42	262	262	245	750	376	1,371
Chile	Hortifrut Comercial S.A.	Agricultural Land	has	28.79	20	17	20	69	3	92
Chile	Hortifrut Chile S.A.	Collection Center	m2	7630	71	66	71	284	341	696
Chile	Hortifrut Chile S.A.	Offices	m2	291	63	63	63	16	-	79
Chile	Agricola Vida Nueva	Agricultural Land	has	81.1	26	26	26	104	126	256
Chile	Agricola Mataquito S.A.	Agricultural Land	has	42,21	114	114	114	456	948	1,518
Chile	Agricola Hortifrut S.A	Agricultural Land	has	18	9	9	9	36	14	59
Chile	Agrícola El Avellano S.A.	Agricultural Land	has	130	40	40	40	160	380	580
Spain	Hortifrut España Southern Sun S.L.	Agricultural Land	has	200	448	448	448	1,792	428	2,668
Spain	Asturian Berries S.L	Agricultural Land	has	13	2	2	2	8	18	28
Mexico	Hortifrut ABA S.A. de C.V.	Agricultural Land	has	279.34	452	452	452	1,754	4,221	6,427
Mexico	Hortifrut S.A. de C.V.	Warehouse	m2	4140	44	28	-	-	-	-
Mexico	Hortifrut S.A. de C.V.	Agricultural Land	has	9.61	10	7	5	3	-	8
Mexico	Hortifrut S.A. de C.V.	Agricultural Land	m2	2831.41	4	3	-	-	-	-
Mexico	HF Sarbanand, S. de R.L. de C.V.	Agricultural Land	has	169.3	351	351	351	1,021	8	1,380
Mexico	Agrofrutas, S. de R.L. de C.V.	Agricultural Land	has	3	9	9	9	13	-	22
Mexico	Agrícola Los Reyes S. de R.L. de C.V.	Offices	m2	454.98	57	57	55	21	-	76
Mexico	Agrícola Los Reyes S. de R.L. de C.V.	Agricultural Land	has	39.74	70	70	57	73	8	138
Mexico	Agrícola Los Reyes S. de R.L. de C.V.	Temporary laborer housing	m2	2702	71	66	49	33		82
					2,370	2,337	2,189	6,793	6,871	15,853

The flows were determined based on the contractually agreed lease terms, without considering the negotiations that are maintained to this date to extend the validity term of said contracts.

The expense for consumed lease as of December 31, 2017 is KUS\$2,337.



		Minimum payment			
Dank an Pinanai di Vanationi an		Up to one year	Between one and four years	Over five years	Total
Bank or Financial Institution	Description of Leased Good	KUS\$	KUS\$	KUS\$	KUS\$
Banco Santander Chile	Macro-tunnels	76	113	-	189
Banco Santander Chile	Tunnels	20	40	-	60
Banco de Crédito e Inversiones	Greenhouse	492	1,686	-	2,178
Banco Santander Chile	Roof Structure	74	220	-	294
Banco de Crédito e Inversiones	Plant pots	291	1,189	-	1,480
Banco de Crédito e Inversiones	Sulfurer	7	29	-	36
Banco de Crédito e Inversiones	Tractor	8	8	-	16
BBC Tecnología Agrícola Ltda.	BBC-02	-	-	-	-
Banco de Crédito e Inversiones	Unitec	393	590	-	983
Banco Bilbao Vizcaya Argentaria	Offices and parking	216	379	-	595
Banco de Crédito e Inversiones	Molina Plant	836	3,344	1,254	5,434
	General Total	2,420	7,609	1,254	11,283

		Up to one year	Between one and four years	Over five years	Total
Bank or Financial Institution	Description of Leased Good	KUS\$		KUS\$	KUS\$
Banco Santander Chile	Macro-tunnels	5	3	-	8
Banco Santander Chile	Tunnels	2	1	-	3
Banco de Crédito e Inversiones	Greenhouse	27	153	-	180
Banco Santander Chile	Roof structure	9	13	-	22
Banco de Crédito e Inversiones	Plant pots	14	150	-	164
Banco de Crédito e Inversiones	Sulfurer	2	2		4
Banco de Crédito e Inversiones	Van	1	-	-	1
Banco de Crédito e Inversiones	Tractor	1	-	-	1
Banco de Crédito e Inversiones	Unitec	17	14	-	31
Banco Bilbao Vizcaya Argentaria	Offices and parking	34	21	-	55
Banco de Crédito e Inversiones	Molina Plant	139	377	36	552
	General Total	251	734	36	1,021

Future Financial Burden

NOTE 37 – EVENTS SUBSEQUENT TO THE DATE OF THE FINANCIAL STATEMENTS

Regularity Policy

Dated March 6, 2018, the Company's Board agreed the "General Regularity Policy for Operations with Parties Related to Hortifrut S.A." (The "Regularity Policy"), as per what is established in article 147 of Law N° 18.046.

Therefore, as per what is established in the aforementioned norm, the regular operations with related parties referred to in the Regularity Policy are exempt of compliance of the requirements and procedures established in numbers 1) to 7) of the same norm, in the measure that they comply with the formalities established for these effects.

Likewise, it is established that the current Regularity Policy, also applicable to the Company's subsidiaries, is available for the shareholders at the Company's offices as well as on its website.

Between December 31, 2017 and the date of issuance of these consolidated financial statements, no other events of a financial or other nature have taken place which significantly affect the interpretations of these.



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NOTE 38 – OTHER INFORMATION

The number of Hortifrut and subsidiaries employees per category is as follows:

	31-Dec-17	31-Dec-16
Indefinite contracts	764	723
Temporary contracts	7,777	8,695
Total contracts	8,541	9,418

Breakdown by Country

Indefinite Contracts	31-Dec-17	31-Dec-16
Chile	489	487
United States	23	9
Mexico	141	137
Spain	47	30
Brazil	36	37
Argentina	12	14
Peru	12	9
Germany	2	-
England	2	
Total	764	723

Temporary Contracts	31-Dec-17	31-Dec-16
Chile	4,857	7,319
Mexico	824	936
Spain	60	73
Brazil	38	41
Peru	1,998	326
Total	7,777	8,695





HORTIFRUT S.A. MANAGEMENT DISCUSSION AND ANALYSIS OF CONSOLIDATED FINANCIAL STATEMENTS As of December 31, 2017 (In thousands of United States dollars)

Below is the analysis of Hortifrut S.A.'s Consolidated Financial Statements, corresponding to the periods ending December 31, 2017 and 2016.

The consolidated financial statements as of December 31, 2017, present an accounting change in relation to the measuring of the valuation of "Bearer Plants", changing from the revaluation method to the cost method.

Due to the aforementioned, the consolidated financial statements as of January 01 and December 31, 2016, have been retrospectively re-expressed, for comparison purposes.

The current management discussion and analysis, has been prepared as of December 31, 2017, compared with the financial statements restated as of December 31, 2016.

1. <u>HIGHLIGHTS OF THE PERIOD</u>

Hortifrut S.A.'s consolidated profit, for the period ending December 31, 2017, reached the amount of US\$27.71 million (US\$20.75 million as of December 31, 2016), which represents an increase of 33.53% compared to the 2016 period. Gains attributable to the owners of the parent company increased 40.36%, passing from US\$18.93 million as of December 31, 2016 to US\$26.56 million as of December 31, 2017.

The operating result increased 26.06% as of December 31, 2016, reaching US\$32.51 million in 2017 (US\$25.79 million in 2016), mainly due to a decrease in cost of sales of US\$32.04 million and a lower impairment in cultivated fields of US\$15.48 million, which was partially offset by a US\$38.54 million decrease in sales income. The latter is the result of the forwarding of the blueberry harvest in Argentina and Chile, due to good weather conditions which caused important volumes to be transferred from the first quarter of 2017 to the fourth quarter of 2016.

The non-operating result passed from a profit of US\$2.43 million as of December 31, 2016 to US\$0.12 million as of December 31, 2017, mainly influenced by loss due to exchange rate differences originated by the appreciation of the Euro compared to the Dollar. To this we must add an increase in financial expenses directly related with short and long term financing as a result of an increase in the average balances of the company's financial debt, which is offset with an increase in the interest in profit (loss) of associated companies.

To determine EBITDA, the impairment of Property, plant and equipment ("Bearer plants" and other fixed assets) is excluded, which do not represent cash flow. The calculation of EBITDA is detailed below:

Income Statement	31-Dec-17	31-Dec-16
Gains (loss)	ThUS\$	ThUS\$
Operating income, Total (see 3-a)	388,745	428,521
Operating cost (see 3-b)	(324,718)	(356,758)
Gross Profit	64,027	71,763
Other costs and expenses of the operation (see 3-b)	(31,516)	(45,973)
Operating Result	32,511	25,790
Impairment in value of assets (see 3-b)	3,215	18,704
Operating Result, excludes impairment	35,726	44,494
Depreciation of the period	23,794	22,408
EBIT DA	59,520	66,902
% EBITDA/Operating income	15.31%	15.61%

The EBITDA obtained in the period ending December 31, 2017, reached US\$59.52 million, US\$7.38 million less than what was recorded in the same period of the previous year (US\$66.90 million as of December 31, 2016), experiencing a decrease of 11.03%, product of the positive effect in 2016 associated to the aforementioned forwarding of the blueberry harvest. "EBITDA margin" decreased 0.30 percent points when comparing both periods, reaching 15.31% (15.61% as of December 31, 2016).

The Company's net financial debt increased to US\$207.66 million as of December 31, 2017, compared with US\$173.17 million as of December 31, 2016, variation that is explained by the financing of the Company's investment plan where investments in Peru and the United States stand out.

Determination of net financial debt	31-Dec-17	31-Dec-16
<u>Item s</u>	ThUS\$	ThUS\$
Other current financial liabilities	151,531	150,787
Other non-current financial liabilities	83,966	57,630
Total financial liability	235,497	208,417
Minus:	·	
Cash and cash equivalent	27,838	35,245
Total net financial debt	207,659	173,172

2. OTHER HIGHLIGHTS OF THE PERIOD

2.1 Changes in accounting policies

The consolidated financial statements as of December 31, 2017, present an accounting change in relation to the measuring of the valuation of "Bearer Plants", passing from the revaluation method to the cost method in relation to the same date the previous year. Also, as of December 31, 2017, the Company considered applying the aggregation criteria for the informed segments until September 30, 2017, according to what is stated in International Financial Reporting Standards (IFRS 8.12).

As is required by International Financial Reporting Standards, the consolidated financial statements as of January 1 and December 31, 2016, have been retrospectively restated, for purposes of exposure and the segments of the period have been presented in a comparative manner with the operating segments valid as of the date of the current consolidated financial statements.

"Bearer Plants"

In June 2014, the International Accounting Standards Board (IASB), made the modification to IAS 16 'Property, plant and equipment' and IAS 41 'Agriculture' official, valid as of January 2016. These modifications require the recording of bearer plants as Property, plant and equipment and they will be valued as per the historic cost model or the revaluation model (IAS 16).

Due to the options allowed by IAS 16, the Company initially chose to apply the revaluation or revalued cost model for "bearer plants" in production, whose revaluations are performed every 3 or 5 years, or when there is evidence that the fair value of the revalued asset will significantly differ from its book value.

Due to the difficulty in finding an active market as a price reference or observable market values for the different species of "bearer plants", the Company chose to value them based on the current value of the harvest of a growth cycle based on productive fruit cultivated fields over a 20-year production horizon or limited to the lease period of the land.

After a year of applying revalued cost, the Company has determined to perform a change in the accounting policy, estimating that the valuation at historic cost allows to supply more precise information regarding the valuation of bearer plants, eliminating the volatility that could arise from the use of the revaluation model in order to mitigate the use of estimations that could be complex and subjective. The considerations that the Company has evaluated for this change are the following:

1. Effect of investment in Peru:

Due to the company's recent decision to invest in Peru, the relative weight of the biological assets increases in a significant manner compared to the rest of Hortifrut's assets, so it increases the impact of the volatility of the revalued cost model, impacting the variation of the value of assets from one year to the next.

As a reference, to the closing of 2016 bearer plants reached US\$156 million in value, 29.4% of the company's total assets. Once the purchase of Grupo Rocio's assets in Peru is materialized, bearer plants will have an approximate value of US\$531 million (44.3% of the assets total value).

2. External variables forecast to the company:

The revaluation model considers forecast variables such as exchange rates of different currencies against the dollar, and the future prices of our products in the different markets that are not under the company's control and whose projection can significantly vary between one year and another, impacting the valuation of the cultivated fields.

3. New information regarding the standard:

The International Accounting Standards Board, during the discussions held during 2017 regarding the application of revalued cost for "bearer plants", has indicated that:

Even though companies can choose between the revalued cost and the historic cost models to record the value of their biological assets, it is expected that they will choose to use the historic cost method.

The analysts and investors (users of the financial statements) consulted by the International Accounting Standards Board have indicated their concern regarding the trustworthiness of fair value measurements, because they involve significant judgments on behalf of management and assumptions that vary between companies in a significant manner.

Due to all the aforementioned information, the Company has established that the valuation of "bearer plants" in production at cost minus its corresponding depreciation and accumulated impairment (in case it exists), represent in a more precise manner the value of said assets, allowing the users of the financial statements to count with objectively comparable information to perform their measurements and valuations.

As is required by IFRS, the Company has applied the aforementioned change retroactively for comparative effects, the opening balances, the presentation of reports for 2016 and the corresponding financial statement notes have been adjusted and the statement of financial position as of January 1, 2016 has been included, restated as is required by IAS 1 in these circumstances.

The following table shows in a summarized manner the adjustments and reclassifications performed to the items of the consolidated statements of financial position affected as per what was stated beforehand, see detail below:

		1-Jan-16			31-Dec-16		
	Previously reported	Effect of accounting changes	Restated	Previously reported	Effect of accounting changes	Restated	
Detail	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	
Assets							
Total current assets	163,173	-	163,173	195,924	-	195,924	
Current, Non-current Assets							
Other non-current assets	105,828	-	105,828	142,238	(11,180)	131,058	
Property, Plant and Equipment	201,902	-	201,902	207,870	(3,007)	204,863	
Total non-current assets	307,730	-	307,730	350,108	(14,187)	335,921	
Total assets	470,903	-	470,903	546,032	(14,187)	531,845	
Liabilities							
Total current liabilities	153,719	-	153,719	223,615	-	223,615	
Non current liabilities							
Other non-current liabilities	85,491	-	85,491	69,454	-	69,454	
Deferred tax liability	26,626	-	26,626	23,492	(812)	22,680	
Total non-current liabilities	112,117	-	112,117	92,946	(812)	92,134	
Total liabilities	265,836	-	265,836	316,561	(812)	315,749	
Equity							
Other equity	135,149	-	135,149	135,149	-	135,149	
Accumulated profit (loss)	25,302	24,936	50,238	14,039	23,254	37,293	
Profit of the period	-	-	-	26,055	(7,130)	18,925	
Other reserves	14,403	(24,936)	(10,533)	24,108	(29,027)	(4,919)	
Equity attributable to the parent company							
equity holders	174,854	-	174,854	199,351	(12,903)	186,448	
Non controlling interest	30,213	-	30,213	30,120	(472)	29,648	
Total Equity	205,067	-	205,067	229,471	(13,375)	216,096	
Total liability and equity	470,903	-	470,903	546,032	(14,187)	531,845	

In the following table are the adjustments and reclassifications performed in the financial statements of 2016:

							Profit	
							attributable to	Investment in
Effects	Reserve ThUS\$	Accumulated Profit ThUS\$	Profit 2016 ThUS\$	Property, Plant and Equipment ThUS\$	Liability ID ThUS\$	Non-controlling interest ThUS\$	non-parent company ThUS\$	associated companies ThUS\$
Balance as of 31-12-2016	24,108	40,094	30,981	207,870	23,492	30,120	4,926	66,654
Reclassification Initial Reserve a)	(24,936)	24,936	-	-	-	-	-	0
Elimination of the Revalue Involvement b)	(11,180)	-	-	-	=	-	-	(11,180)
Reversal of consumption reserve due to impairment c)	7,130	(7,130)	(10,233)	-	-	-	(3,103)	-
Reversal Revaluations at subsidiaries d)	(1,723)	-	-	(3,007)	(812)	(472)	-	-
Elimination reservation due to amortization e)	1,682	(1,682)	-	-	=	-	-	-
Balance as of 31-12-2016 Re-expressed	(4,919)	56,218	20,748	204,863	22,680	29,648	1,823	55,474

- a) As of January 01, 2016, we proceed to reclassify the total of the surplus revaluation reserve of bearer plants to accumulated results for ThUS\$24,936, originated in the application of the revalued cost model.
- b) Reversal of the record recognized by the interest in the associated company Hortifrut Tal S.A.C., ThUS\$11,180 in the 2016 period, which originated the revaluation experienced at this company's bearer plants (net of tax).
- c) Elimination of consumption of reserve due to impairment of bearer plants with effect on accumulated result:

		<u>Deferred</u>			
Effects on Results	Revaluation	<u>Tax</u>	Net	Interest	Non-controlling interest
<u>Company</u>	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Hortifrut S.A.	5,744	1,552	4,192	4,192	-
Agrícola El Avellano S.A.	464	125	339	136	203
Agrícola Vida Nueva S.A.	2,011	543	1,468	735	733
Agrícola Mataquito S.A.	4,904	1,324	3,580	1,791	1,789
Agri. Sta. Rosa del Parque S.A.	176	47	129	39	90
Agri. y Ganadera Sta. Rebeca	385	103	282	70	212
Agrícola Berries de Panguipulli SpA	124	34	90	90	-
Hortifrut España Southern Sun SL	213	60	153	77	76
Total	14,021	3,788	10,233	7,130	3,103

d) Reversal of the revaluation records experienced at bearer plants in 2016 and its corresponding effects on deferred taxes.

		Deferred			
Effects on Reserve	Revaluation	<u>Tax</u>	<u>Net</u>	<u>Interest</u>	Non-controlling interest
Company	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Agícola El Pampino S.A.	810	219	591	119	472
Agícola Hortifrut S.A.	2,197	593	1,604	1,604	-
Total	3,007	812	2,195	1,723	472

e) Reversal of the record recognized by the consumption of amortization of reserve ThUS\$1,682.

Below we present the consolidated statements of financial position as of December 31, 2017, comparing in a summarized manner the affected items in case the Company had continued to use the revalued cost method for its "Bearer Plants":

		31-Dec-17	
	Reported at Historic Cost	Effect of Accounting Change Increase/(Decrease)	Proform at Revalued Cost
Detail	ThUS\$	ThUS\$	ThUS\$
Assets			
Total current assets	187,507	-	187,507
Total non-current assets	385,181	80,073	465,254
Total Assets	572,688	80,073	652,761
Liabilities			
Total curret liabilities	210,546		210,546
Non-current liabilities			
Total non-current liabilities	118,567	14,856	133,423
Total Liabilities	329,113	14,856	343,969
Equity			
Equity attributable to parent company equity			
holders	206,817	40,576	247,393
Non-controlling interest	36,758	24,641	61,399
Total Equity	243,575	65,217	308,792
Total liability and equity	572,688	80,073	652,761

Financial information per operating segments

As of December 31, 2017, the Company decided to apply the aggregation criteria for segments informed until September 30, 2017, as per what is stated in International Financial Reporting Standards (IFRS 8.12).

IFRS 8 demands that entities adopt "the Administration focus" when revealing information regarding the result of its operating segments. In general, this is the information that Management and the Board use internally to evaluate the performance of the segments and to decide how to allocate resources for these.

Until September 30, 2017, Hortifrut S.A. and subsidiaries presented the information per segment, as per the following:

- Blueberry Segment
- Raspberry Segment
- Blackberry Segment
- Strawberry Segment
- Cherry Segment
- Value Added Product Segment (Frozen, dehydrated, retail products and any other fruit product which is not fresh)

The Company has analyzed the Blueberries, Raspberries, Blackberries, Strawberries and Cherries segments, concluding that these show similar economic characteristics, which allow to add in a single aggregate operating segment (IFRS 8.12) denominated "Fresh Fruit". Additionally, the Company has evaluated the segment denominated "Value Added Products" and, considering the "Quantitative Thresholds" (IFRS 8.13) as well as the administration, customers and distribution channels which are different to those of the "Fresh Fruit" segment, it has decided to maintain value added products as a separate operating segment.

To determine the aggregation of the aforementioned operating segments (Blueberries, Raspberries, Blackberries, Strawberries and Cherries), it was analyzed if they share similar characteristics in the nature of their products, production process, customers and distribution methods, as well as if said adding is coherent.

The Company performed the following analysis:

a) The nature of the products

In this sense Hortifrut considers that fresh fruit, even if it is of a different species, it is of a similar nature (Berries).

b) The nature of the production process

Even though the purchase of fresh fruit from producers and of own production is differentiated by species, they all share the same productive process, installations and distribution until they reach the final consumer, and only the fruit that does not comply with the quality characteristics requested by customers is destined to the Frozen Fruit process.

c) Category of Customers the products are destined to

There is no difference in customers in relation to the type of fresh fruit. Hortifrut's customers buy the fruit offer that is available, complying with the specific quality requirements established by them. Requirements are not related with the type of fruit, but with food safety aspects.

d) Methods used to distribute the products

Hortifrut has developed a commercial platform which allows to use, indistinctly of the fruit in question, a uniform, efficient and effective distribution chain. Hortifrut's business has been based on offering the best service from the field to the final consumer at destination platforms, to offer the markets the mix of fruits that satisfies their needs. In summary, the Company has concluded that in order to present "Financial Information per Segments", the operating segments will be the "Fresh Fruit" added segment and the "Added Value Products" segment, since these enable access to information regarding business activities and their economic environment.

As is required by International Financial Reporting Standards, Note 6 "Financial Information per Segments", for the purpose of exposure, it has been retrospectively reexpressed, thus presenting the segments of the previous period and the valid operating segments in a comparative manner as of the date of the current consolidated financial statements.

2.2 Merger between Hortifrut S.A. and Grupo Rocío (Peru)

On October 3, 2017, at ordinary Board meeting, , Hortifrut approved to inform as a Material Fact to the Commission for the Financial Market ("CMF"), the subscription of a memorandum of understanding with the parent company of the Peruvian companies Tal S.A. and El Rocío S.A. in relation to a transaction whose objective is the acquisition through a sale-purchase and merger, of the "Blueberries Business" of which, directly or indirectly, the titleholders are the Grupo Rocío Shareholders, one of the most important blueberry producer, exporter and distributer in the southern hemisphere.

At ordinary Board meeting dated December 5, 2017, a Material Fact was informed to the Commission for the Financial Market ("CMF"), informing the successful termination of the negotiations through the subscription of the Definite Contract denominated Sale-Purchase and Merger Framework Agreement.

On December 22, 2017, at Hortifrut S.A.'s Extraordinary Shareholders Meeting, the approval of the merger of Hortifrut with the Peruvian Grupo Rocío was informed as a Material Fact, which implies acquiring the latter's Blueberry Business, which includes: new Cultivated fields and those under a production regime, installations and equipment and two packing lines with cold lines, which are located in Distrito de Chao, Provincia de Virú, Departamento de la Libertad, Republic of Peru, and have an added extension of approximately 1,450 cultivable hectares. The Blueberry Business also includes (a) 50% of the related Peruvian Company Hortifrut-Tal S.A.C.'s shares (which will become a 100% subsidiary of the Company); and (b) net cash financial liabilities for approximately US\$65.5 million.

As considerations for the total of the Blueberry Business, the Grupo Rocío Shareholders will receive a payment in cash of US\$160 million, and 17.13% of Hortifrut`s shares, on a totally diluted base, and a future payment conditioned to the results of the Blueberry Business between 2017 and 2021.

2.3 Joint Venture Hortifrut- Joy Wing Mau

It must be stated that as was opportunely informed in Material Fact dated March 17, 2017, the Company, directly and through a subsidiary in Hong Kong, has concluded the negotiation and subscribed the contracts to implement a joint venture in Mainland China with Joy Wing Mau, the main fruit producer and distributor in said country (the "Joint Venture").

- JVCo's structure is 51% indirect property of the Company and 49% indirect property of Joy Wing Mau, and contemplates for the first stage an initial capital of US\$15,000,000.
- The Joint Venture plans to begin its Berries cultivated fields in Mainland China at the start of 2018. For these effects, apart from capital, the Company will provide technical assistance for JVCo. Also, under a License Agreement, the Company will provide JVCo with varieties of Berries and, under a Nursery Agreement with a nursery owned by Joy Wing Mau, they will implement a controlled propagation of plants in Mainland China.
- Finally, the Joint Venture also contemplates an integral agreement with Joy Wing Mau for the distribution of the Company's products in Mainland China through a service provisioning agreement.

This investment consolidates the position in one of the most important and largest growing markets in our business.

3. ANALYSIS OF INCOME STATEMENT

When comparing the result of the periods under analysis, in 2017 we see a 33.53% increase in the period's Profits, reaching US\$27.71 million (US\$25.79 million in the same period of the previous year). Likewise, profit attributable to the parent company shareholders reached US\$26.56 million, a 40.36% increase compared to the US\$18.93 million obtained the previous year.

The US\$6.72 million increase (+26.1%) in the operating result of 2017 compared to the previous year, is mainly due to lower sales costs of US\$ 32.04 million and a US\$15.49 million lower impairment in cultivated fields, effects that were partially compensated by a lower sales income of US\$38.55 million as a result of the positive effect experienced in 2016 with the forwarding of the blueberry harvest in Chile, Peru and Argentina from the first quarter of 2017 to the fourth quarter of 2016, due to good weather conditions.

a) Main components of Income

The Company's Income includes Income from operating activities and Other income, per function, as is shown in the following table:

Total Operating Revenue	31-Dec-17 ThUS\$	31-Dec-16 ThUS\$	Variation %
Revenue from operating activities	388,250	426,796	-9.03%
Other revenue, per function	495	1,725	-71.30%
Total Operating Revenue	388,745	428,521	-9.28%

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

	31-Dec-17	31-Dec-16
Segment	ThUS\$	ThUS\$
Fresh Fruit	364,912	386,692
Blueberries	314,651	320,293
Raspberries	18,349	22,052
Blackberries	16,121	28,352
Strawberries	12,811	13,760
Cherries	2,980	2,235
Value Added Products	23,833	41,829
Value Added Products	23,833	41,829
Total	388,745	428,521

In blueberry sales, we observed a 1.76% decrease in sales compared to the previous period, which showed a 2.2% decrease in the distributed volume compared with the period ending

December 31, 2016, which was partially compensated by a 0.5% increase in average income per kilo.

Raspberries experienced a 16.79% decrease in sales income, mainly as a consequence of the 22.8% fall in the commercialized volume, while average income per kilo experienced a 7.7% increase during the considered period.

Blackberries experienced a 43.14% decrease in sales income, which is explained by a 47.9% decrease in distributed volume compared to the same period in 2016, partly compensated by a 9.1% increase in average income per kilo.

Strawberries experienced a 6.90% decrease in sales compared to the previous year, variation which is explained by a 14.4% decrease in average income per kilo, despite the 8.8% increase in distributed volume.

Cherries recorded sales income for US\$2.98 million during the period ending December 31, 2017, compared with US\$2.24 million in 2016. This increase in income is due to a 19.4% increase in commercialized kilos, together with an 11.7% increase experienced by average income per kilo.

Value added products recorded sales income equal to US\$23.83 million during 2017, decreasing 43.02% compared to income recorded during the same period of the previous year. This variation is explained by a 23.9% reduction in sold volume and a 25.1% reduction in average income per kilo.

b) Main components of Costs

Total Expenses and Costs	31-Dec-17 ThUS\$	31-Dec-16 ThUS\$	Variation %
Cost of Sales	(324,718)	(356,758)	-8.98%
Administration Expense	(26,773)	(26,036)	2.83%
Other expenses, per function	(4,743)	(19,937)	-76.21%
Other costs and operating expenses	(31,516)	(45,973)	-31.45%
Minus:			
Impairment in the value of assets	3,215	18,704	-82.81%
Total Expenses and Costs	(353,019)	(384,027)	-8.07%

Main components of Costs of sales

Even though sales costs corresponding to the period ending December 31, 2017 decreased 8.07% compared to what was recorded in the same period of 2016, its proportion with respect to income increased, passing from 89.62% to 90.81%. The main components of cost are detailed below:

	31-Dec-17	31-Dec-16
Cost of sales	ThUS\$	ThUS\$
Cost of sales	180,961	192,169
Materials	20,753	30,838
Remunerations	40,124	40,786
Depreciation and amortization	22,326	20,956
Other general expenses	17,100	24,067
Freight	21,175	25,664
Lease of property, machinery, etc.	6,774	6,023
Third party services	15,505	16,255
Total Cost of sales	324,718	356,758

The item Depreciation and amortization includes depreciation of "bearer plants" for the amount of US\$9.30 million as of December 31, 2017 (US\$9.26 million as of December 31, 2016).

Main components of Administrative Expenses

The structure of administrative expenses in relation to sales increased with respect to the previous period, from 6.08% as of December 31, 2016 to 6.89% as of December 31, 2017.

	31-Dec-17	31-Dec-16
Administrative Expenses	ThUS\$	ThUS\$
Remunerations	14,064	14,015
Depreciation and amortization	1,443	1,435
Other general expenses	5,866	5,869
Lease of property, machinery, etc.	836	1,004
Third party services	4,564	3,713
Total Administrative Expenses	26,773	26,036

Main components of Other expenses, per function

Other expenses, per function	31-Dec-17 <u>ThUS\$</u>	31-Dec-16 <u>ThUS\$</u>
Impairment value of assets	3,215	18,704
Sub-total impairment	3,215	18,704
Investigation expenses		
Cost of Sales	42	5
Materials	17	12
Remunerations	507	393
Depreciation and amortization	25	17
Other general expenses	269	231
Freight	42	6
Lease of property, machinery, etc.	21	22
Third party services	289	202
Received contributions	(200)	(59)
Sub-total Investigation expenses	1,012	829
Other expenses		
Loss from sale of property, plant and equipment and materials	516	105
Write-off of assets	510	125
Sub-total Other expenses	516	279 404
our total other capenses	310	404
Total Other expenses, per function	4,743	19,937

c) Other components of Income Statement

Other income (expense)	31-Dec-17 ThUS\$	31-Dec-16 ThUS\$	Variation %
Other profit (loss)	(363)	(416)	(
Financial income	1,746	1,191	46.609
Financial costs	(5,711)	(4,232)	34.95
Interest in profit (loss) of associated companies	9,468	4,940	91.669
Exchange rate fluctuation	(5,256)	944	-656.789
Other Income (expense)	(116)	2,427	-104.789

The other components of income statement passed from a profit of US\$2.43 million as of December 31, 2016 to a loss of US\$0.12 million as of December 31, 2017.

The main items that explain this variation are the following:

- a. An increase in profits was recorded within the item Interests in profit (loss) of associated companies of US\$4.53 million (+91.66%), mainly explained by the result recognized by Hortifrut Tal S.A.C. (Peru) of US\$11.21 million, much higher than the US\$4.57 million recognized as of December 31, 2016.

 The result of the current period includes US\$0.95 million of recognition of fair value of fruit on bearer plants, effect that as of December 31, 2016 was only US\$1.55 million.
- b. A loss of US\$5.26 million generated by exchange rate fluctuation during the period ending December 31, 2017 (US\$0.94 million in profit during the same period of 2016), mainly influenced by the depreciation of the dollar compared to the Euro.
- c. Financial expenses increased 34.95%, from US\$4.23 million in 2016 to US\$5.71 million during 2017, due to an increase in average debt balances.

d) Other Indicators of Results

Equity profitability:

Indicator	Unit	31-Dec-17	31-Dec-16
Profitability of parent company equity	%	12.84%	10.15%
Profit of the parent company / Equity of the par	rent company		
Profitability of equity	%	11.37 %	9.60%
Profit of the period / Total equity			

This index confirms the increase both in total profits and in profits attributable to the owners of the parent company in relation to the previous period, increases that were proportionally higher than those experienced in total equity and those attributable to the owners of the parent company.

Indicators of Activity:

Indicator	Unit	31-Dec-17	31-Dec-16
Activity			
Rotation of Assets	Times	0.73	0.87
Operating Revenue / Total average assets of the pe	eriod		
Rotation of inventories	Times	11.74	10.62
Cost of sales / Average inventory			
Permanence of inventory (days)	Days	31	34
Inventory / Annual cost of sale (360 day base)			

The rotation of assets between 2017 and 2016, decreases influenced by the decrease in operating income and the increase in total average assets.

Likewise, the rotation of inventories increased due to the decrease in average inventories passing from US\$33.60 million in 2016 to US\$27.67 million in 2017.

4. COMPARATIVE ANALYSIS OF MAIN TENDENCIES

The evolution of the main financial indicators is as follows:

Current liquidity, defined as the ratio of current Asset to current Liability, slightly increased as of December 31, 2017, showing a decrease in current Assets which is lower than the decrease in current Liabilities.

The acid ratio increased compared to the previous period, which is explained by the decrease in current liabilities.

Indicator	Unit	31-Dec-17	31-Dec-16	
Liquidity (times)				
Current Liquidity	Times	0.89	0.88	
Current asset / Current liability				
Acid ratio	Times	0.61	0.57	
(Total current assets minus: Other current n	on financial assets, inver	ntories and biologic	cal asset) /	
Current liability				

Below we detail the main variations in these items:

a. Current assets decreased US\$8.42 million (-4.30%), with a decrease in Cash and cash equivalent of US\$7.41 million (-21.02%), Inventories for US\$12.26 million (-21.57%). These decreases were partially offset by the increase in Current trade Debtors and Other accounts receivable for US\$3.51 million (+8.25%), Accounts receivable from related entities US\$2.37 million (+5.19%), Current biological assets, current for US\$2.86 million (+41.72%), Other current financial assets for US\$1.32 million (+41.77%) for the valuation of derivative financial instruments and Current tax assets for US\$1.09 million (+100%).

b. Current liabilities decreased US\$13.07 million (-5.84%), due to a decrease in Currente trade accounts and other accounts payable of US\$10.29 million (-17.14%), Accounts payable to related entities of US\$0.57 million (-8.48%), Current tax liabilities US\$1.70 million (-100.00%) and Other non-financial liabilities for US\$1.67 million (-62.68%). These decreases are partially compensated by the increase in Other current financial liabilities of US\$0.74 million (+0.49%), Other current provisions for US\$0.38 million (+240.63%) and Current provisions for employee benefits of US\$0.02 million (+1.26%).

Indicator	Unit	31-Dec-17	31-Dec-16	
Debt				
Debt ratio	Times	1.59	1.69	
Total liabilities / Equity attributable to Parent c	ompany			
Short term debt	%	63.97%	70.82%	
Total current liabilities / Total liabilities				
Long term debt	%	36.03%	29.18%	
Total non-current liabilities / Total liabilities				
Book value of the share (US\$)	Dollars per share	0.4749	0.4281	
Equity attributable to parent company / N° sha	res			

The debt ratio decreased compared to December 31, 2016, the reason is that total liabilities increased US\$13.36 million (+4.23%), which is proportionally lower than what was experienced by Equity attributable to the Parent Company, which recorded an increase of US\$20.37 million (+10.92%).

Current liabilities decreased US\$13.07 million (5.84%), due to a decrease in trade accounts and other accounts payable of US\$10.29 million (-17.14%), Accounts payable to related entities for US\$0.57 million (-8.48%), Current tax liabilities US\$1.70 million (-100.00%) and other non-financial liabilities for US\$1.67 million (-62.68%). These decreases are partially offset by the increase in other current financial liabilities of US\$0.74 million (+0.49%), Other current provisions for US\$0.38 million (+240.63%) and current provisions for employee benefits US\$0.02 million (+1.26%).

Likewise, non-current liabilities increased US\$26.43 million (28.69%), being the items with highest increase within Other financial liabilities, non-current of US\$26.34 million (+45.70%), mainly due to debt obtained to finance investments in plantations at HFE Berries Perú S.A.C. and Accounts payable to related entities, non-current for US\$0.38 million (+3.26%). These increases are partially offset with the decrease in non-current deferred tax liabilities of US\$0.19 million (-0.82%).

The book value of the share experienced an increase, which is due to the increase in Equity attributable to the Parent Company for the previously explained motives.

Indicator	Unit	1-Jan-17 31-Dec-17	1-Jan-16 31-Dec-16
Hedge of financial expenses	Times	6.67	7.67
(Before tax profit -Financial costs)/Financial costs			

The decrease in the hedging index of financial expenses as of December 31, 2017 in relation to the same period the previous year, is due to a 34.95% increase in financial expenses which passed from US\$4.23 million during 2016 to US\$5.71 million in the current period and the increase in before tax result of US\$4.18 million (+14.81%).

5. FINANCIAL POSITION STATEMENT ANALYSIS

As of December 31, 2017, Total Assets increased US\$40.84 million in relation to the existing as of December 31, 2016, which is equal to a 7.68% variation.

Current assets decreased US\$8.42 million (-4.30%), with a decrease in Cash and cash equivalent of US\$7.41 million (-21.02%) and Inventories for US\$12.26 million (-21.57%). These decreases were partially offset with the increase in Trade debtors and other accounts receivable of US\$3.51 million (+8.25%), Accounts receivable from related entities for US\$2.37 million (+5.19%), Current biological assets, of US\$2.86 million (+41.72%), Other current financial assets for US\$1.32 million (+41.77%) for the valuation of derivative financial instruments and Current tax assets of US\$1.09 million (+100%).

Non-current assets experienced an increase of US\$49.26 million, mainly due to the increase in Property, plant and equipment for US\$40.20 million (+19.62%) linked to the execution of the Company's investment plan, Investments recorded using the participation method for US\$12.37 million (+22.29%) mainly due to the recognizing of interests in results and reserves of the associated companies, Non-current accounts receivable with related entities for US\$0.40 million (+5.22%) and Deferred tax assets for US\$3.64 million (+24.35%). The aforementioned is slightly offset with the decrease in Intangible assets of US\$7.31 million (-33.55%).

Current liabilities decreased US\$13.07 million (-5.84%), due to a decrease in Trade accounts and other accounts payable of US\$10.29 million (-17.14%), Accounts payable to related entities for US\$0.57 million (-8.48%), Current tax liabilities for US\$1.70 million (-100.00%) and Other non-financial liabilities for US\$1.67 million (-62.68%). These decreases were partially offset by the increase in Other current financial liabilities for US\$0.74 million (+0.49%), Other current provisions for US\$0.38 million (+240.63%) and Current provisions for employee benefits US\$0.02 million (+1.26%).

Also, Non-current Liabilities increased US\$26.43 million (+28.69%), being the items of greater increase Other Non-current financial liabilities, at US\$26.34 million (+45.70%), mainly due to the debt obtained to finance investments in cultivates fields at HFE Berries Perú S.A.C. and Accounts payable to related entities, non-current at US\$0.38 million (+3.26%). These increases are slightly offset with the decrease in Deferred tax Liabilities, non-current at US\$0.19 million (-0.82%).

The Company's total Equity increased US\$27.48 million during the period under analysis, mainly explained by:

- a) The increase in accumulated profit (loss) of US\$14.29 million, variation that is made up of Profits of the period for US\$26.56 million and a decrease due to dividends of US\$12.28 million.
- b) The increase in Other reserves of US\$6.08 million, is due to the increase in cash Flow hedge reserve for US\$0.82 million associated to the application of hedge accounting over derivative instruments and the increase in exchange rate fluctuation reserve for US\$5.26 million, because of the equity effect at subsidiaries with a functional currency different to the dollar.
- c) The increase in Interests of non-parent companies for US\$7.11 million (23.98%).

Statement of Financial Position	31-Dec-17 <u>ThUS\$</u>	31-Dec-16 <u>ThUS\$</u>	
Total current assets	10= =0=	10-001	
	187,507	195,924	
Total non-current assets	385,181	335,921	
Total assets	572,688	531,845	
Total current liabilities	210,546	223,615	
Total non-current liabilities	118,567	92,134	
Total liabilities	329,113	315,749	
Equity attributable to parent company equity holders	206,817	186,448	
Non-controlling interest	36,758	29,648	
Total equity	243,575	216,096	

6. <u>MAIN COMPONENTS OF NET OPERATING INVESTMENT AND</u> FINANCING CASH FLOWS

	31-Dec-17	31-Dec-16
Cash flows	ThUS\$	ThUS\$
Operating activities	32,087	49,603
Investment activities	(53,049)	(65,597)
Financing activities	14,278	26,803
Effect of variation on exchange rate	(723)	(163)
Net increase (decrease) of cash and cash		
equivalents	(7,407)	10,646
		

a) Cash Flow Originated by Operating Activities

The main variations compared to the previous year are in the charges from the sale of goods for a total of US\$377.21 million (US\$422.53 million as of December 31, 2016), in direct relation with the previously explained decrease in income. On the other hand, payments to suppliers decreased to US\$274.15 million (US\$302.20 million as of December 31, 2016), in tight relationship with the previously explained decrease in cost of sales.

b) Cash Flow Originated by Investment Activities

In the investment cash flows we highlight the purchases of Property, plant and equipment for US\$58.31 million (US\$39.73 million as of December 31, 2016) linked to the execution of the Company's investment plan mainly in Peru and USA during the period under analysis.

c) Cash Flow Originated by Financing Activities

The main variations in the 2017 period are the amounts from short term loans for US\$101.66 million (US\$99.19 million as of December 31, 2016), necessary resources to face agricultural and fruit purchase; those from long term loans for US\$44.07 million (US\$17.66 million as of December 31, 2016). To this we must add the short and long term loan payments for US\$117.09 million (US\$66.57 million as of December 31, 2016), corresponding to the maturity of debts and refinancing from short term to long term.

7. ANALYSIS OF RISK FACTORS

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

7.1 Financial Risk

7.1.1 Credit Risk

a) Investment risk of cash surpluses:

The financial institutions with whom Hortifrut S.A. and subsidiaries operate and the type of financial products where they materialize said cash surplus investments, are considered low risk for the Company.

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

Within the authorized instruments, are those whose maturity terms do not exceed 90 days and have high liquidity.

- Cash at hand
- Term deposits
- Investments in mutual funds
- Other short term and high liquidity investments.

The financial entities where the investments are placed have a high creditworthiness.

b) Risk from sales operations:

Hortifrut has diversified sales in several countries.

The main customers are supermarkets in the United States, where the fresh fruit business is subject to the PACA law, which protects fresh fruit and vegetable suppliers in the USA.

For sales outside the United States, the Company's policy is to obtain credit insurance policies. For those customers whose policies have a maximum limit, the Company evaluates the risk of exposure every week and decreases/increases deliveries in accordance with the performed analysis or demands advanced payment from the customers.

Regardless of the fact that to date Hortifrut has not had any problems in relation to credit risk, it is important to bear in mind that this fact does not guarantee that in the future, the Company may be exposed to this risk.

As a mitigation measure for this risk, the Company has obtained credit insurance for the parent company and subsidiaries as of December 31, 2017.

7.1.2 Liquidity risk

This risk is associated to the probability that Hortifrut S.A. and its subsidiaries cannot comply with their obligations, as a result of insufficient liquidity or the impossibility to obtain credits.

The Hortifrut Group centrally administers these risks from the parent company through an appropriate distribution, extension of terms and by limiting the amount of its debt, as well as the maintenance of an adequate liquidity reserve, constantly monitoring the debt of the Subsidiaries and Associated Companies. In the case of subsidiaries such as Hortifrut España Southern Sun SL, and related companies such as Hortifrut Tal S.A.C. and Munger Hortifrut N.A. LLC in the United States, credit decisions are made at these business units in coordination with Hortifrut S.A. Debts are incurred through bank credits in Chile and overseas, aiming to optimize the credit conditions based on the financing needs to face investment plans and requirements for work capital.

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

Hortifrut has available short term credit lines, approved and valid for work capital, which as of December 31, 2017 reach US\$222.0 million (includes credit lines committed with BCI bank for US\$42.0 million, commitment fixed for 2018 and of which US\$25 million have been used), distributed among 13 banks. The used amount reaches US\$125.0 million, with an unused balance of US\$97.0 million. The credit lines are distributed among the following companies: Hortifrut Chile S.A. with US\$210.5 million, Hortifrut S.A. with US\$5.0 million, Agrícola El Pampino S.A. with US\$0.75 million, Agrícola Santa Rosa del Parque S.A. with US\$0.50 million, Agrícola Vida Nueva S.A. with US\$0.40 million, Agrícola Mataquito S.A. with US\$1.3 million, Agrícola El Avellano with US\$0.50 million and Hortifrut Import Inc., with US\$3.0 million. As of December 31, 2016 the Company has approved credit lines for US\$193.85 million.

Based on the current operational performance and its liquidity position, the Company estimates that cash flows from operating activities and available cash will be enough to finance working capital and interest payments, for the next 12 months and the foreseeable future.

To administer short term liquidity, the Company uses as a base its cash flows forecasted for a mobile period of twelve months and maintains cash and cash equivalents which are available to comply with its future obligations.

Below we summarize the maturity of the Company's bank loans as of December 31, 2017, based on undiscounted contractual cash flows:

			Cash Flows				
	Capital	Interests	Between o to 3 months	Between 3 and 12 months	Between 1 and 5 years	Over 5 years	Total
Creditor Bank	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Banco de Crédito e Inversiones	57,941	657	26,885	7,624	21,831	7,748	64,088
Banco Santander Chile	32,609	176	32,142	355	373	-	32,870
Banco Bilbao Vizcaya Argentaria	28,187	33	10,106	4,440	14,296	-	28,842
Banco Estado	25,425	98	20,198	5,310	105	-	25,613
Banco Rabo Finance Chile	22,960	352	-	1,274	8,312	20,337	29,923
Banco Santander Central Hispano S.A.	15,883	-	1,351	3,668	11,218	-	16,237
Banco de Chile	12,000	34	12,034	-	-	-	12,034
Banco Scotiabank	11,707	41	11,754	-	-	-	11,754
Banco Itaú	10,296	9	10,067	258	59	-	10,384
La Caixa	5,997	-	16	784	5,370	-	6,170
Banco BICE	5,000	5	5,007	-	-	-	5,007
Banco Intercontinental Español	3,599	-	10	690	2,991	-	3,691
Banco Sabadell	2,397	-	7	166	2,300	-	2,473
Caja Madrid	36	-	6	19	11	-	36
Caja Rural Asturias	27	-	7	22	-	-	29
Financial Services	19	-	1	2	20	-	23
Security	5	-	5	-	-	-	5
Banco de Crédito Perú	4		4	-	-	-	4
Total as of December 31, 2017	234,092	1,405	129,600	24,612	66,886	28,085	249,183
Total as of December 31, 2016	206,390	1,349	102,455	50,478	48,815	14,779	216,527

Below is a summary of the maturities of the total financial liabilities:

			Cash Flows				
			Between	Between	Between 1	0	
	Capital	Fair value	o to 3 months	3 and 12 months	and 5 years	Over 5 years	Total
<u>Detail</u>	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Bank loans	234,092	235,497	129,600	24,612	66,886	28,085	249,183
Trade accounts and other accounts payable	49,724	49,724	41,757	7,967	-	-	49,724
Accounts payable to related companies	18,213	18,213	-	6,142	12,071	-	18,213

7.1.3 Exchange rate risk

The international character of its business and operations in different countries expose Hortifrut to risks due to exchange rate fluctuations. The main exposures refer to exchange rate fluctuations in US Dollar versus Chilean Peso, Mexican Peso and Euro.

a) Exposure to Chilean Pesos

The source of exposure to Chilean Pesos comes from the costs of the Chilean companies denominated in said currency, trade accounts receivable with national customers and liquid funds held in financial instruments and bank obligations.

Hortifrut performs actions to mitigate the exposure to costs of the Chilean companies by contracting derivative instruments. Likewise, in the Chilean companies, Cross Currency Swap instruments are used to mitigate the exchange rate risk in bank obligations denominated in Chilean Pesos.

b) Exposure to Mexican Pesos

The source of exposure to Mexican Pesos mainly comes from agricultural operating costs in Mexico which are mostly denominated in said currency and, at a lower scale, trade accounts receivable with Mexican customers.

Hortifrut performs mitigation measures over the exposure to costs of Mexican companies, through the contracting of derivative instruments.

c) Exposure to Euros

The source of exposure to Euros comes from sales performed in said currency, bank obligations and, at a lower measure, liquid funds kept in financial instruments. Hortifrut performs actions to mitigate the exposure to sales in Euros through the use of forward derivative instruments.

Regardless of the fact that to date Hortifrut has not had any problems in relation to exchange rate risk, it is important to bear in mind that this fact does not guarantee that in the future, Hortifrut may be exposed to this risk.

Exposure in currencies different to the dollar

The following table shows the exposure in currencies different to the dollar, over the Company's financial assets and liabilities as of December 31, 2017:

	Peso/UF	Euro	Mexican \$	Argentine \$ E	Real/others
As of December 31, 2017	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
<u>Financial Assets</u>					
Cash and Cash Equivalents	2,313	9,770	430	109	697
Other current non-financial assets	1,359	423	2,208	311	319
$Current\ trade\ debtors\ and\ other\ accounts\ receiv\ able$	9,700	15,342	2,969	240	9,011
Current accounts receivable with related entities	2	8,117	-	-	-
Non-current accounts receivable with related entities	-	6,972	-	-	-
Total Financial Assets	13,374	40,624	5,607	660	10,027
Current Liabilities					
Other current financial liabilities	-	10,876	-	-	258
Current trade accounts and other accounts payable	13,543	2,404	1,425	26	1,236
Current accounts payable to related entities	2,263	39	-	-	-
Current provisions for employee benefits	441	-	507	-	-
Other non-current financial liabilities	225	32,617	-	-	42
Non-current accounts payable to related entities	1,529	10,542	-	-	-
<u>Total Financial Liabilities</u>	18,001	56,478	1,932	26	1,536
Net exposure as of December 31, 2017	(4,627)	(15,854)	3,675	634	8,491
Net exposure as of December 31, 2016	(4,747)	4,261	1,935	382	3,521

Sensitivity analysis

The potential effect of a 10% devaluation of the United States dollar against all the other relevant currencies to which the Company is exposed, would have an approximate effect of ThUS\$769 (ThUS\$534 as of December 31, 2016) as a higher charge to the company's results as of December 31, 2017, the aforementioned maintaining all the other variables constant. The calculation considers the Company's exposure in financial assets and liabilities denominated in currency different to the dollar.

			<u>Net (10%</u>		
	<u>Assets</u>	Liabilities	<u>Net</u>	Devaluation)	Variation
<u>Currencies</u>	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Peso/UF	13,374	18,001	(4,627)	(4,164)	463
Euro	40,624	56,478	(15,854)	(14,269)	1,585
Mexican \$	5,607	1,932	3,675	3,308	(367)
Argentine \$	660	26	634	571	(63)
Real	10,027	1,536	8,491	7,642	(849)
Total	70,292	77,973	(7,681)	(6,912)	769

7.1.4 Interest rate risk

The Hortifrut Group has its long term financial liabilities linked to long term investments. Most of these long term liabilities are at fixed rates and mostly in dollars to avoid cost variations and to be aligned with the Company's functional currency. Even though short term financial liabilities, linked to temporary work capital are at a fixed rate, an exposure to fluctuations in the market rates at the moment of its contracting and/or renewal is experienced. If Hortifrut held a whole year the debt that it has at a variable rate, which is ThUS\$123,233 (Th\$127,583 as of December 31, 2016) and the rate increased 10%, the

impact on the annual financial cost would be ThUS\$213 (ThUS\$146 as of December 31, 2016).

Below is a detail of short term financial liabilities, linked to temporary work capital:

			<u>10%</u>	
			<u>interest</u>	Due to
		Annual	variation	variation
	<u>Capital</u>	Interest	in rate	in rate
Creditor Bank	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Banco Santander Chile	31,900	555	613	58
Banco Itaú	10,135	195	213	18
Banco Bilbao Vizcaya Argentaria	10,110	201	219	18
Banco de Crédito e Inversiones	27,963	460	507	47
Banco de Chile	12,000	204	224	20
Banco Scotiabank	11,000	187	206	19
Banco Estado	20,121	333	366	33
Banco de Crédito Perú	4	-	-	-
Total	123,233	2,135	2,348	213

7.2 Operating Risks

Hortifrut's operating risks are administered by the corresponding management, in accordance with the norms and standards defined at a corporate level. Below is a detail of those that management considers to be of greater relevance:

7.2.1 Competition's genetic development

The lack of modern varieties of plants could affect the competitiveness of the business, both agricultural and export and trade. The Hortifrut Group currently counts with varietal development programs, maintaining in Chile and overseas strategic alliances with universities and companies dedicated to this sector, as well as establishing agreements with the main nurseries in the world, guaranteeing Hortifrut access to a large spectrum of modern and attractive plant varieties.

7.2.2 Significant increase in supply

In the case of very significant increases in the planted hectares at a global level, a scenario of over-supply of berries could be generated, which would lead to a fall in prices at the destination markets. Nevertheless, this phenomenon would affect Hortifrut only if it takes place in the windows of the year when the Company operates.

Also, at the main markets where Hortifrut operates we can still observe a great growth potential in the demand for berries, due to the combination of (i) a product with very positive health effects; (ii) the growing importance of consumers seeking for healthy food and (iii) a still relatively low consumption of berries per capita.

7.2.3 Intensification of competition

The Company also faces the risk of an eventual intensification of competition or the appearance of new actors in the berries market. To face these risks, the Company concentrates its efforts on actions aimed at maintaining its leadership in costs, maintaining a strong distribution chain, constantly improving the offer of products and obtaining brand recognition, among others. Likewise, Hortifrut has privileged an international expansion through strategic alliances both in the productive and commercial area, which allows it to better face competition and be able to supply its customers with fresh berries every day of the year.

7.2.4 Climatic risks

Climate is an external factor which is difficult to control, which can affect quality and cause variations in the volume of fruit available to commercialize during the year. Even though it is difficult to control, this risk can be geographically diversified and can be mitigated with correct management. The Company administers this risk by creating export companies and obtaining fruit from different producers in Chile and the rest of the world; investing in agriculture in different countries and in each country in different zones, building deep wells to assure the availability of water in the fields that require it; and investing in infrastructure to control rain, frost and hail, among other initiatives.

7.2.5 Plagues and disease

It is unavoidable for a large surface of any crop to be affected by some incidence of plagues and/or disease. Therefore, efficient control of these is as necessary as fertilizing or watering. Risk associated with plagues or disease impact on the quality and/or performance, being able to affect appearance and post-harvest life of the fruit; in some cases this risk involves the application of quarantines in specific productive zones on behalf of the phytosanitary authorities of the countries where the fruit is destined. Nevertheless, through a good control (search and monitoring) an outbreak of plagues or disease can be detected on time, allowing to eliminate the problem before it causes greater damage.

From 2013, the United States applied quarantine to some regions in Chile due to the detection of the Lobesia Botrana moth. These quarantines can generally be lifted immediately through fumigation of the fruit at destination or, in the medium term, working with the authorities on preventive measures to control the plague which prove contention or eradication, ending up in the lifting of the quarantine. Other solution measures are to destine the fruit in quarantine zones to markets that have different phytosanitary restrictions.

7.2.6 Food-Safety

As in all foods, there is always the risk of a "recall" in the industry (term employed in case a product is removed from the market if there is a suspicion or a certainty that it violates the valid food laws or that the quality standards established by the company for said market are exceeded) which could considerably affect the Company's results. Until now Hortifrut has never had a problem in this aspect, nevertheless, this does not assure that it won't occur in the future. The Company guarantees the quality and sanity of its berries by investing in technology, specifically traceability systems, working with a rigorous quality assurance and food safety program which applies during all the phases of the productive process (preharvest, harvest and post-harvest), which allows to circumscribe the eventual problem to a lower volume, not affecting the complete production.

7.2.7 Continuity and costs of supplies and services

The development of Hortifrut's business involves a complex logistic regarding the opportune supply of quality supplies and services which are fundamental to maintain competitiveness. Regarding electrical energy, Hortifrut's process plants count with generators that allow to assure the continuity of the operation in front of supply cuts. Also, all the plants have contingency plans to face restrictive supply scenarios. Nevertheless, it is not possible to discard that in the future, supply shortages could generate a discontinuity in the supply and/or higher costs at Hortifrut's plants. It is also important to consider eventual standstill at ports and transport companies in general, which could affect Hortifrut's performance if the events extend in time.

7.2.8 Risk associated to new technologies

Hortifrut, in its varied entrepreneurships, throughout the world, is incorporating growing new technologies in the whole production process. The aforementioned involves risks associated to the lack of knowledge of all the involved behaviors. Even though most of its technologies are widely widespread in the world, there is still no extended history which allows to know beforehand all the adverse effects that could derive from it.

7.3 Insurance

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

The main insurances contracted as of December 31, 2017 are the following:

COUNTRY	TYPE OF INSURANCE	CURRENCY	COVERED AMOUNT
Chile	Fire over Infrastructure	UF	1,469,132
Chile	Mobile Agricultural Equipment	UF	70,244
Chile	Motor Vehicles	UF	131,400
Chile	General and Product Civil Responsibility	UF	127,144
Chile	Maritime Transport	UF	305,147
Chile	Credit Insurance	UF	254,289
Chile	Fruit and Materials Insurance	UF	249,481
Chile	Terrorism	UF	500,000
Chile	Business Interruption	UF	250,000
USA	Product Civil Responsibility	USD	20,000,000
Mexico	Transporting of Load	USD	200,000/shipment
Mexico	Fire over Infrastructure, Theft and Civil Liability	USD	48,000,000
Mexico	Motor Vehicles	USD	Commercial Value
Spain	Motor Vehicles	EUR	Commercial Value / without limit
Spain	Installations	EUR	350,000 per event
Spain	Goods	EUR	50,000 per event
Spain	Civil Liability	EUR	6,500,000
Spain	Credit Insurance	EUR	90% unpaid
Peru	Fire	PEN	618,320
Peru	Motor Vehicles	USD	261,820

As of December 31, 2016, contracts were maintained for the same covered amounts.

7.4 Risk in the Estimations

Effects of the valuation of fruit that grows on "bearer plants" due to changes in volume and price

As per what is established in IAS 41, agricultural products that grow on fruit bearer plants will remain within the scope of this standard, which must be measured at their fair value minus sale costs, recording the changes in valuation in result as the product grows.

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

As of December 31, 2017, the expected margin of fruit on Agrícola Hortifrut S.A.'s bearer plants was recognized, for the amount of ThUS\$1,640.

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

	Fair Value	10% Reduction	10% Reduction	10% Reduction
	Adjustment as	Volume	Price	Volume and Price
	of 31.12.2017	(ThUS\$)	(ThUS\$)	(ThUS\$)
Agricola Hortifrut S.A.	1,640	1,476	1,016	914

On the other hand, within the item Investments recorded using the equity method, the expected margin of fruit on bearer plants of the company Hortifrut Tal S.A.C. (Peru) has been recognized based on the interest percentage that it has in it, amount that reaches ThUS\$953.

Below is a detail of the effect that a 10% reduction in price and volume would have on that amount:

	Fair Value	10% Reduction	10% Reduction	10% Reduction
	Adjustment as	Volume	Price	Volume and Price
	of 31.12.2017	(ThUS\$)	(ThUS\$)	(ThUS\$)
Hortifrut Tal S.A.C.	953	877	744	670







The Directors and General Manager of Hortifrut S.A., detailed below, under oath declare themselves responsible regarding the veracity of all the information incorporated in the current Financial Statement, which they subscribe¹².

Víctor Moller Schiavetti

Chairman 4.435.579-5

Andrés Solari Urquieta

Vice-chairman 8.667.254-5

Andrés Carvallo Prieto

Director 15.383.173-4

Víctor Edmundo Moller Opazo

Director 10.668.361-1

Germán Novion Verdugo

Director 6.379.404-K

Franciseo Condon Schiavetti

Director 3.184.816-4

Alfonso Andrés Swett Opazo

Director 7.016.281-4

Marco Comparini Fontecilla

Director 7.731.109-2

M. Verónica Morales Mena

Independent Director 6.980.834-4

Juan Ignacio Allende Connelly

General Manager 6.196.483-5

¹² The current Declaration of Responsibility has been subscribed by the Directors and the General Manager, as per what is stated in General Character Standard N°283, whose signatures feature in the copies that have been send to the Superintendencia de Valores y Seguros, thereby complying with the requirement contained in Section II literal C.16) of the General Character Standard N°30.





Corporate Name: Hortifrut S.A.

Type of entity: Publicly traded company

Legal residence and address: Av. Del Cóndor N°600,

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 $Web\ page:\ www.hortifrut.com$

RUT: 96.896.990-0

Duration of the company: Indefinite
Inscription number Securities Registry: 1.096

