



MATERIAL FACT
Hortifrut S.A.
Registration in the Registro de Valores N°1096

Santiago, December 16, 2022

Mrs.
Solange Berstein Jáuregui
President
Comisión para el Mercado Financiero
Av. Libertador Bernardo O'Higgins 1449
Present

Dear Mrs.:

In accordance with the provisions of Article 9 and the second paragraph of Article 10 of Law N°18.045, and the provisions of General Rule N°30, duly authorized by the Board of Directors, I inform the Comisión para el Mercado Financiero (the "CMF"), as a MATERIAL FACT of Hortifrut S.A. (the "Company"), Registration in the Registro de Valores N°1096, the following:

- On this date, the controlling group¹ of Hortifrut (the "Controlling Group"), holder of 53.82% of the share capital, informed the Company that it has signed a contract in English-language called *Investment Agreement* with 146028899 Canada Inc., a company affiliated with the Canadian pension fund manager Public Sector Pension Investment Board ("PSP Investment"), pursuant to which PSP Investment has been bound to launch, directly or through an affiliated company, a public tender offer for shares (the "Takeover Bid") in the following terms:
 - Price: US\$1.63 (one point sixty-three United States dollars) per share.
 - Success condition: Usual for this type of transaction, including the receipt of acceptances that, added to the 4.88% that PSP Investments currently holds in the Company, allows it to reach at least, 36% of the Company's share capital.
 - Obligation not to sell: The Controlling Group has agreed to sell 3.72% of its participation in the Takeover Bid and to keep the rest, so that, if the Takeover Bid is declared successful, its participation will reach 50.1% of the Company's shares.

¹ As it is informed in the Hortifrut's Integrated Annual Report.



- Pro rata: None. The Takeover Bid will be addressed to all the Company's shareholders, offering to buy 100% of the shares, so if all shareholders agree to sell, PSP Investments could reach 49.9% of the Company's shares.
- Delisting: Subject to the Takeover Bid being declared successful, it is the intention of the parties that Hortifrut ceases to be an open stock company and proceeds to cancel its registration in the Registro de Valores and delist it from the local stock markets.
- The *Investment Agreement* contains closing conditions, obligations to do and not to do between signing and closing, and representations and warranties, all usual for transactions of this nature.
- The launch of the Takeover Bid by PSP Investments is subject to the usual conditions precedent for this type of transaction including, among others, the following: (i) that regulatory authorizations are obtained in the applicable jurisdictions, and (ii) that a reform of Hortifrut's bylaws be approved and implemented, dividing the share capital into two series of shares, in order to allow PSP Investments to comply with applicable laws.
- The parties expect the closing of the transaction to materialize within the first quarter of 2023.
- At the same time, but with effect only if the Takeover Bid is successful, the Controlling Group has entered into an English-language contract with PSP Investments called the *Shareholders Agreement* that regulates, as long as both parties hold at least 35% of the share capital, the Hortifrut's corporate governance and the transfer of shares. The most relevant terms and conditions are:
 - Corporate Governance:
 - Reserved matters are established that will require the mutual agreement of the parties to be implemented.
 - The parties have agreed on the number of directors that each of them will have the right to elect, with the Controlling Group retaining the right to elect the majority of the board of directors. In addition, one of the directors must be independent.



- The chairman of the board of directors, who does not have the casting vote, will be appointed by the Controlling Group.
- Transfer of shares:
 - **Lock-Up:** With certain exceptions, the parties assume a ban on the sale of their shares for a period of one year from the end of the Takeover Bid.
 - **ROFO:** Before being able to transfer its shares to a third-party, one party must comply with the right of first offer in favor of the other party.
 - **Tag Along – Drag Along:** Both the right and the obligation to join the sale are established, in the event of the total transfer of the shareholding from one-party to a third-party.
 - **Re-IPO:** After five years from the end of the Takeover Bid, either party may, subject to compliance with certain conditions and financial parameters, request that the company be listed on a prestigious stock exchange.
 - **Put Option:**
 - For a period of three years after the lock-up period expires, the Controlling Group will have the right, but not the obligation, to sell Hortifrut shares to PSP Investments.
 - The foregoing is subject to the limitation that the Controlling Group does not lower its 35% interest in the share capital due to the sale. Likewise, this liquidity option will be subject to a maximum investment amount committed by PSP Investments of US\$660 million, which is distributed between (a) the Takeover Bid, (b) subsequent acquisitions of Hortifrut shares, and (c) the option selling. If PSP Investments concurs in future capital increases, such subscriptions will also count against the total investment limit.
 - The sale price of the shares affected by the option is not guaranteed and will be the price determined by the parties with the assistance of two or more external appraisers.



- In the event that the Controlling Group decides to exercise this right, the other shareholders may join the sale, subject to the same terms and limitations indicated above.

With this date, the reservation of the communications that were sent as a Reserved Material Fact on July 21, November 8 and December 6 of this year, whose content is consolidated in the transaction reported in this communication, is lifted.

Notwithstanding the non-quantifiable positive effects that an investor of the PSP Investments category significantly increases its participation in the Company, as of this date it is not possible to determine the financial effects that the transaction could have on the assets, liabilities or results of Hortifrut. The Company will keep the Comisión para el Mercado Financiero duly informed of any relevant development that occurs in relation to the facts it discloses.

Without any other particular regards,

Juan Ignacio Allende Connelly
CEO
Hortifrut S.A.