



**REASONED ANALYSIS OF HORTIFRUT S.A.'S
CONSOLIDATED FINANCIAL STATEMENTS**

As of December 31, 2023
(In thousands of United States dollars)

The current reasoned analysis has been prepared for the period ending December 31, 2023, compared with the financial statements as of December 31, 2022 (Dec23 and Dec22, respectively).

Since the Company administers its operations with an agricultural season (July 01 to June 30) point of view, which is the relevant criteria for this type of business, in this analysis we also include the six-month comparison of the 23/24 and 22/23 seasons ("6M S23/24" and "6M S22/23", respectively).

1. HIGHLIGHTS OF THE PERIOD AND SUBSEQUENT FACTS

Closing of Tender Offer PSP Investment

Dated May 01, 2023, PSP Investments, through the companies 14602889 Canada Inc. (controlled by PSP Investments) and SJF Investment SpA, began the Tender Offer (OPA) for 100% of Hortifrut S.A.

Subsequently, dated June 01, 2023, the Tender Offer was successfully completed, through which PSP Investments reached a participation of 49.56% of Hortifrut S.A.'s share capital.

Extraordinary Shareholders Meeting Agreement

Dated October 30, the Company informed the CMF as an Material Fact of the agreements adopted at the extraordinary shareholders' meeting held on that same date, which were the following:

- (a) Cancelling of the inscription of the Company's shares at the Securities Registry of the CMF.

As per what is stated in Article 2° of the Corporation Law, the previous agreement grants the non-assenting shareholders the right to leave the Company, after its payment of the value of the shares. Non-assenting shareholders are those that, at the Meeting, state their non-assenting in writing to the Company within the 30-day term counted from the date of the Meeting, which is until November 29, 2023. The notice of right to withdraw for non-assenting shareholders was published on October 31, 2023, in the electronic newspaper www.df.cl.

- (b) The total renewal of the Company's board of directots, which is made up of the following people:

Principal	Alternate
Nicolás Moller Opazo	Ignacio Larraín Arroyo
Víctor Moller Opazo	Francisca Moller Opazo
Andrés Solarí Urquieta	Piero Bacigalupo Gómez-Lobo
Andrés Carvallo Prieto	María Cristina Effa Raggio
Ulises Quevedo Berastain	Guillermo Miranda
Juan Luis Alemparte Rozas	Luis Hoffman Harrison
Fernando Furtini	Mauricio Czelusniak
Richard Wayne Toman	Marc Drouin
María Patricia Sabag Zarruk	Alberto Cardemil Palacios

2. SUMMARY OF THE PERIOD

The calculation of the EBITDA is detailed below:

	Jan23 - Dec23	Jan22 - Dec22	Jul23 - Dec23	Jul22 - Dec22
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
EBITDA DETERMINING				
Income from operating activities	1.016.838	955.979	513.912	502.025
Other income, per function	8.716	6.354	5.952	4.575
Total Income	1.025.554	962.333	519.864	506.600
Cost of sales	(844.615)	(822.062)	(436.667)	(444.887)
Administration expenses	(84.063)	(76.913)	(36.091)	(39.918)
Other expenses, per function *	(6.819)	(7.421)	(4.054)	(2.812)
Total Costs and Expenses	(935.497)	(906.396)	(476.812)	(487.617)
Operating Result	90.057	55.937	43.052	18.983
Depreciation and amortization	79.230	81.876	46.958	53.091
EBITDA	169.287	137.813	90.010	72.074
EBITDA without Fair Value	167.172	139.056	87.407	70.273

*Excluding impairment in the value of assets

Accumulated analysis as of December 2023

EBITDA as of Dec23 reached US\$169.29 million, which represents a 22.84% increase compared to the US\$137.81 million recorded as of Dec22.

This increase in EBITDA is mainly explained by the increase in market prices due to the shortage in the supply of Berries at a global level as a result of the El Niño Phenomenon, which impacted the industry's production curves and our operations specifically in America, delaying the harvest that was considered for the second half of 2023. The strong demand at consumer markets and the good commercial positioning of our Company, allowed us to capture an important increase in sale prices. Also, our production and variety strategy allowed us to have a lower impact in the fall of our volumes in relation to the industry, which, in addition to improved prices, is translated into higher margins and results.

Accumulated EBITDA as of Dec23 without the *fair value* of fruit effect reached US\$167.17 million, which represents a 20.22% increase compared with the US\$139.06 million obtained in the same period of 2022, which is explained by 6.37% increase in income from operating activities, while costs and expenses of the period only increased 2.74%.

The 3.21% increase in total costs and expenses is mainly explained by higher administration expenses due to the reinforcing of the administrative structure (genetics, technology, communications, marketing, regional equipment, among others). Also, the 6.37% increase in income of operating activities is explained by higher average prices (7.63 US\$/Kg as of Dec23 vs 6.56 US\$/Kg as of Dec22) due to lower market volumes that impacted prices in a positive manner, especially during the second half of 2023.

Analysis of the July 2023 – December 2023 season

The 6M S23/24 EBITDA reached US\$90.01 million, increasing 24.89% compared to the US\$72.07 million EBITDA recorded in the 6M S22/23. Said increase is mainly explained by higher market prices due to lower volumes produced from Peru (both own and third-party exporters) because of the climatic effects of the El Niño Phenomenon.

EBITDA without the *fair value* of fruit effect in the 6M S23/24 reached US\$87.41 million, which represents a 24.38% increase compared with the US\$70.27 million obtained in the 6M S22/23, also explained by higher prices reached due to lower volumes from Peru.

Gains attributable to parent company shareholders recorded a US\$6.58 million loss in the 6M S23/24 compared to the US\$2.99 million loss recorded in the 6M S22/23. This is explained by higher net financial costs (+US\$6.69 million) mainly associated to higher market interest rates; to other loss for US\$10.39 in the 6M S23/24 compared with the US\$2.85 in the 6M S22/23, due to higher reorganization expenses, and last of all, a lower participation in profits of associates which reached US\$0.96 million in the 6M S23/24, compared with a profit of associates for US\$4.00 million in the 6M S22/23 mainly due to the lower result of HFE Berries Perú S.A.C. because of the fall in production volumes associated to the El Niño Phenomenon.

Net Financial Debt

Net financial debt determining Items	31-Dec-23 ThUS\$	31-Dec-22 ThUS\$
Other current financial liabilities	291.610	209.938
Current lease liabilities*	12.585	6.939
Other non-current financial liabilities	435.529	430.943
Non-current lease liabilities*	102.035	82.074
Total financial liability	841.759	729.894
Minus:		
Cash and cash equivalents	63.894	63.454
Total net financial debt	777.865	666.440

*Operating Leases are considered, which as of 2019 must be recognized as assets and liabilities in it (IFRS 16).

The Company's net financial debt increased from US\$666.44 million as of December 31, 2022, to US\$777.87 million as of December 31, 2023, mainly explained by financing of working capital due to a production curve that is later than the previous campaign. As of December 2023, the lease liability reached US\$114.62 million, of which US\$113.85 million correspond to lease liabilities under IFRS16 and the remaining US\$0.77 million to leasing liabilities. Also, as of December 31, 2022, the lease liability reached US\$89.01 million, of which US\$87.51 million correspond to lease liabilities under IFRS16 and US\$1.50 million were associated to leasing liabilities.

3. ANALYSIS OF INCOME STATEMENT

During the 12 months ending Dec23, a profit attributable to the parent company shareholders was recorded at US\$10.93 million, which represents a US\$6.77 million reduction compared to the result recorded as of Dec22, which reached US\$17.69 million. Also, total gains reached US\$13.00 million as of Dec23, which is compared with US\$24.32 million as of Dec22.

During this period the EBITDA increased US\$31.47 million compared with the previous period, mainly due to higher average prices that impacted income in a positive manner, offsetting the lower commercialized volume.

The negative effects that offset and explain the lower result in profit are:

- Loss in the Other profit (loss) item as of Dec23 reached US\$13.74 million mainly associated to reorganization expenses and the process that resulted in the entrance of PSP Investments through a Tender Offer in May 2023. Also, as of Dec22 profits were obtained in this item for US\$39.16 million, mainly explained by the profit from the sale of HFE Berries Perú S.A.C. for US\$45.70 million.
- Negative Exchange rate difference as of Dec23 for US\$2.01 million, compared with a positive exchange rate difference as of Dec22 of US\$6.41 million (-US\$8.42 million).
- Higher net financial expenses as of Dec23 reached US\$47.67 million, compared with the US\$33.19 million in the same period of 2022 (-US\$14.48 million) associated to the increase in market interest rates.

As of Dec23, positive gains tax were obtained for US\$13.91 million, compared with US\$2.81 million as of Dec22 (+US\$11.10 million) mainly due to a lower current tax expense (US\$13.19 million as of Dec23, compared with US\$15.55 million as of Dec22), a higher deferred tax profit due to tax loss (US\$26.03 million as of Dec23, compared with US\$23.04 million as of Dec22) and last of all, because as of Dec22 there was a US\$5.59 loss due to sales tax of shares in Peru.

a) Main Components of Income

Income from operating activities reached US\$1,016.84 million as of Dec23, representing a 6.37% increase compared to Dec22, mainly due to the increase in average prices of 16.38%, which offset the 12.11% reduction in total volumes, mainly impacted by the delay in the production curve during the second half of 2023 because of climatic events associated to El Niño Phenomenon.

The volume of Fresh Fruit sales decreased 10.73%, explained by lower blueberry volumes from Peru due to the delay in the production curve during 2H23, and also lower volumes from Chile and Morocco during 1H23. The aforementioned was partly offset by 1) higher blueberry volumes in Mexico associated to higher productivity in relation to the same period the previous year, 2) higher raspberry volumes in Mexico thanks to the maturing of plantations with Hortifrut's own *Centennial* variety, which has had a very good performance at own fields and third-party producers, Morocco and Portugal, and 3) higher volumes of blackberries in Mexico thanks to the obtaining of third-party fruit.

Income from operating activities of the 6M S23/24 increased 2.37% (US\$11.89 million) compared to the same period of the previous season, reaching US\$513.91 million, because the average price of the 6M S23/24 reached 8.12 US\$/Kg, increasing 29.20% compared to the average price of 6.29 US\$/Kg for 6M S22/23, mainly due to higher market prices associated to lower volumes from Peru at an

industry level. The 18.23% decrease of distributed volume, reaching 58,908 tons, is associated to the delay in the Peruvian production curve due to the El Niño Phenomenon.

Regarding the fall in volume, the Fresh Fruit segment experienced a 31.55% reduction, mainly due to lower volumes from Peru. The average price of fresh fruit increased 50.68%, from 6.96 US\$/Kg in the 6M S22/23 to 10.49 US\$/Kg in the 6M S23/24 explained by the low offer during said productive window.

Also, the Value-Added Products segment showed a decrease in volume of 33.36% and a price decrease of 7.09%, reaching 3.43 US\$/Kg, explained by lower market prices. In the 6M S23/24, this segment represented 33.46% of total volume, while in 6M S22/23 it represented 20.51% of total volume.

	Jan23 - Dec23	Jan22 - Dec22	Variation	Jul23 - Dec23	Jul22 - Dec22	Variation
Total Operating Income	ThUS\$	ThUS\$	%	ThUS\$	ThUS\$	%
Income from operating activities	1.016.838	955.979	6,37%	513.912	502.025	2,37%
Other income, per function	8.716	6.354	37,17%	5.952	4.575	30,10%
Total Operating Income	1.025.554	962.333	6,57%	519.864	506.600	2,62%

The following is the detail of total income per business segment:

	Jan23 - Dec23	Jan22 - Dec22	Variation	Jul23 - Dec23	Jul22 - Dec22	Variation
Income per Segment	ThUS\$	ThUS\$	%	ThUS\$	ThUS\$	%
Fresh Fruit	939.291	823.376	14,08%	452.322	452.086	0,05%
Blueberries	749.147	678.114	10,48%	366.563	374.580	-2,14%
Raspberries	145.556	112.333	29,58%	68.781	62.109	10,74%
Blackberries	24.910	18.052	37,99%	12.486	10.411	19,93%
Strawberries	4.349	3.968	9,60%	2.390	1.985	20,40%
Cherries	15.329	10.909	40,52%	2.102	3.001	-29,96%
Value Added Products	86.263	138.957	-37,92%	67.542	54.514	23,90%
Value Added Products	86.263	138.957	-37,92%	67.542	54.514	23,90%
Total Operating Income	1.025.554	962.333	6,57%	519.864	506.600	2,62%

In blueberry sales, as of Dec23 we observed an increase of 10.48% compared to the previous period, explained by a 23.68% increase in average price, which offset the 15.45% fall in volume. Lower commercialized blueberry volumes are associated to Peru, Morocco and Chile, partially offset by an increase in volumes from Mexico.

Raspberries experienced an increase in sales income of 29.58% as of Dec23, due to the higher commercialized volume (+9.57%), mainly from third-party producers in Mexico with plantations of the *Centennial* variety, own raspberry variety developed by Hortifrut's genetics program, as well as

higher volumes from Morocco and Portugal. Also, price increased (despite higher volumes) 18.26%, which shows the important demand for this product segment.

The blackberries segment recorded a 37.99% increase in income compared to Dec22, explained by higher commercialized volume (+12.05%) associated to the higher obtention of fruit from third parties in Mexico. Also, prices recorded a 23.15% increase.

Strawberries experienced a 9.60% increase in sales as of Dec23 compared to the previous year, variation that is explained by an 18.61% increase in price, which was partially offset by a 7.58% reduction in commercialized volume associated to lower production at own fields.

Cherries recorded a 40.52% increase in sales income compared to Dec22. This increase in income is due to an increase in sales volume of 39.26%, from own fields and third-party producers in Chile. Also, the average price per kilo increased 0.90%.

Value added products recorded a decrease in sales income of 37.92% compared to income recorded in the same period of 2022. This variation is explained by the 15.84% decrease in volume and the 26.24% reduction in average price per kilo, explained by lower demand in this segment.

b) Main Components of Costs and Expenses

Costs and Expenses	Jan23 -	Jan22 -	Variation	Jul23 -	Jul22 -	Variation
	Dec23	Dec22		Dec23	Dec22	
	ThUS\$	ThUS\$	%	ThUS\$	ThUS\$	%
Cost of sales	(844.615)	(822.062)	2,74%	(436.667)	(444.887)	-1,85%
Administration expenses	(84.063)	(76.913)	9,30%	(36.091)	(39.918)	-9,59%
Other expenses, per function, excluding impairment of value of assets	(6.819)	(7.421)	-8,11%	(4.054)	(2.812)	44,17%
Other operating costs and expenses	(90.882)	(84.334)	7,76%	(40.145)	(42.730)	-6,05%
Impairment of value of assets	(30.954)	(51.138)	-39,47%	(29.133)	(3.021)	864,35%
Total Costs and Expenses	(966.451)	(957.534)	0,93%	(505.945)	(490.638)	3,12%

Main Components of Sales Costs

Sales costs as of Dec23 reached US\$844.62 million, presenting a 2.74% increase compared to the US\$822.06 million recorded as of Dec22. Sales costs represented 83.06% of income from operating activities as of Dec23, while as of Dec22 they reached 85.99%, a lower proportion due to the increase in prices and the accomplishment of efficiencies in field maintenance, harvesting and packing processes.

Sales costs of the 6M S23/24 reached US\$436.67 million, decreasing 1.85% compared to the 6M S22/23, mainly explained by the lower commercialized volume (-18.23%). Sales costs represented 84.97% of income from operating activities in the 6M S23/24, while in the 6M S22/23 they reached 88.62%, resulting in a higher gross margin, due to higher market prices and efficiencies in the operation.

Main Components of Administrative Expenses

Administration expenses as of Dec23 reached US\$84.06 million, representing a 9.30% increase compared to Dec22. Higher expenses are mainly due to the reinforcing of the administrative structure (genetics, technology, communications, marketing, regional teams, among others).

Main Components of Other Expenses, per function

Other expenses, per function (excluding Impairment in the value of assets) decreased US\$0.60 million, reaching US\$6.82 million as of Dec23, explained by the lower reversal (-US\$1.24 million) of the *fair value* of fruit on bearer plants adjustment, reaching -US\$1.80 million as of Dec23, compared with the -US\$3.04 million recorded as of Dec22, explained by the lower recognition of fruit on plant as of Dec22 compared with the *fair value* recognition realized as of Dec21.

Impairment in the value of assets

Impairment in the value of assets reached US\$30.95 million as of Dec23, compared with US\$51.14 million as of Dec22. As of Dec23, said impairment is mainly explained by the stripping of bearer plants in Mexico for US\$11.65 million, Peru for US\$6.41 million, China for US\$4.82 million and Chile for US\$4.53 million associated to varietal turnover plans, in order to substitute unprofitable varieties for new varieties. Also, impairment as of Dec22 corresponds to stripping due to varietal turnover in Peru, Chile and Mexico.

c) Other Components of Income Statement

	Jan23 - Dec23	Jan22 - Dec22	Variation	Jul23 - Dec23	Jul22 - Dec22	Variation
Other Income (expenses)	ThUS\$	ThUS\$	%	ThUS\$	ThUS\$	%
Other profit (loss)	(13.738)	39.160	-135,08%	(10.385)	(2.849)	264,51%
Financial income	1.857	1.905	-2,52%	1.342	1.863	-27,97%
Financial expenses	(49.522)	(35.095)	41,11%	(26.119)	(19.947)	30,94%
Interest in profit (loss) of associated companies	3.401	4.330	-21,45%	963	4.000	-75,93%
Exchange rate fluctuations	(2.008)	6.413	-131,31%	529	(9.239)	-105,73%
Other Income (expenses)	(60.010)	16.713	-459,06%	(33.670)	(26.172)	28,65%

The other components of income statement decreased from a US\$16.71 million profit as of Dec22 to a US\$60.01 million loss as of Dec23 (-US\$76.72 million).

The main items that explain this decrease are the following:

- Other profit (loss) for -US\$13.74 million as of Dec23, compared with a US\$39.16 million profit as of Dec22 (-US\$52.90 million). Other profit (loss) as of Dec23 mainly correspond to reorganization expenses and the M&A process that finalized with the launched Tender Offer for PSP Investments in May 2023, while profit as of Dec22 is mainly associated to profit from the sale of 75% stake of HFE Berries Perú S.A.C.
- Profit due to exchange rate fluctuations of US\$2.01 million as of Dec23, compared with a US\$6.41 million profit recorded in the same period of 2022, due to the impact of the exchange rate variations over balances in currencies different to the functional currency.
- Increase in net financial expenses of US\$14.48 million, reaching US\$47.67 million as of Dec23. This variation is mainly explained by the increase in market interest rates.

d) Gains tax expense

As of Dec23, there was a positive gains tax of US\$13.91 million, compared with US\$2.81 million as of Dec22 (+US\$11.10 million) mainly due to a higher deferred tax profit (US\$26.03 million as of Dec23, compared with US\$23.04 million as of Dec22), a lower current tax expense (US\$13.19 million as of Dec23, compared with US\$15.55 million as of Dec22), and last of all, that in Dec22 there was a US\$5.59 million loss due tax from the sale of shares in Peru.

e) Other Result Indicators

Activity Indicators:

Indicator	Unit	Jan23 - Dec23	Jan22 - Dec22
Activity			
Rotation of Assets	Times	0,55	0,50
<i>Operating revenue / Total average assets of the period</i>			
Rotation of Inventory	Times	5,60	5,72
<i>Cost of sales / Average inventory</i>			
Permanence of inventory (days)	Days	64	63
<i>Inventory / Annual cost of sale (360 day base)</i>			

Rotation of assets between the periods ending December 31, 2023, and 2022 increased because income increased 6.57%, while total average assets were reduced by 2.44%. The reduction in total average assets is explained by the sale of 75% stake of HFE Berries Perú S.A.C. in May 2022 and, therefore, the de-consolidation of its assets.

Likewise, the inventory rotation ratio decreased from 5.72 times as of Dec22 to 5.60 times as of Dec23 because average inventories increased 4.87%, while sales costs increased in lower proportion (+2.74%).

4. COMPARATIVE ANALYSIS OF MAIN TENDENCIES

The evolution of the main financial indicators is as follows:

Indicator	Unit	31-Dec-23	31-Dec-22	Variations %
Current Liquidity	Times	1,22	1,31	-7,22%
<i>Current Asset / Current Liability</i>				
Acid Ratio	Times	0,68	0,73	-7,74%
<i>Current assets (-) Other non-financial assets, inventories and current biological assets / Current liability</i>				
Debt Ratio	Times	1,99	1,84	8,03%
<i>Total liabilities / Equity attributable to Parent Company</i>				
Short term debt		39,21%	34,43%	13,88%
<i>Total current liabilities / Total liabilities</i>				
Long term debt		60,79%	65,57%	-7,29%
<i>Total non-current liabilities / Total liabilities</i>				
Book value of the share (US\$)	Dollars per share	0,000012	1,0543	-100,00%
<i>Equity attributable to parent company / N° shares</i>				

- Current liquidity was 1.22 times as of Dec23, which represents a decrease in relation to Dec22 (1.31 times) due to the 14.82% increase in current assets, lower than the 23.75% increase in current liabilities. Also, the acid ratio reached 0.68 times, experiencing a 7.74% reduction in relation to the period ending December 31, 2022, because current assets, excluding inventories, biological assets and other non-financial assets increased 14.18%.

Current assets increased US\$74.91 million (14.82%), reaching US\$ 580.49 million, mainly explained by the increase in Accounts Receivable from Related Entities (US\$34.59 million), increase in current biological assets (US\$15.61 million) and increases in Inventories (US\$13.91 million). Also, current liabilities increased US\$91.62 million (+23.75%) mainly due to the increase in other current financial liabilities (US\$81.67 million).

- The debt ratio increased 8.03% compared to December 31, 2022, reaching 1.99 times, explained by an 8.67% increase in total liabilities, while controlling equity increased 0.59%.
- The percentage of current liabilities as of Dec23 was 39,21% compared to total liabilities, higher than the 34.43% as of December 2022, mainly explained by the increase in other current financial liabilities due to the financing of working capital because of the delay in the production curve.
- The book value of the share decreased 100%, passing from 1.0543 US\$/share in December 2022 to 0.000012 US\$/share as of December 2023, associated to the issuance of new Series B shares, after the entrance of PSP Investments to the Company's property through a tender offer, without performing an increase in capital.

Indicator	Unit	Jan23 - Dec23	Jan22 - Dec22	Variations %
Financial expense coverage <i>(Before tax profit+Financial costs)/Financial costs</i>	Times	0,98	1,61	-39,14%
Profitability of parent company equity <i>Parent company gains/Parent company equity</i>		1,78%	2,91%	-38,61%
Profitability of equity <i>Profit of the period/Total equity</i>		1,79%	3,47%	-48,55%

- The reduction in the financial expense hedging index as of Dec23 compared to Dec22 is due to the increase in financial expenses mainly due to the increase in market interest rates, as well as the reduction of before tax profit.
- The profitability of parent company equity was reduced from 2.91% as of Dec22 to 1.78% as of Dec23, explained by lower profit of the parent company as of Dec23 to US\$10.93 million, compared to controlling gains as of Dec22 which reached US\$17.69 million, mainly due to higher net financial expenses for US\$14.48 and other profit (loss) which as of Dec23 reached a US\$13.74 million loss, while as of Dec22 it reached US\$39.16 million profit, since it included profit from the sale of 75% stake of HFE Berries Perú S.A.C.
- The profitability of total equity as of Dec23 reached 1.79%, compared with the 3.47% profitability as of Dec22. This reduction is explained by lower Profit of the period, which reached US\$13.00 million, lower than the US\$24.32 million profit as of Dec22 due to the reasons explained in the previous point.

5. ANALYSIS OF STATEMENT OF FINANCIAL POSITION

Main items of the Consolidated Statement of Financial Position

Statement of Financial Position	31-Dec-23	31-Dec-22	Variation	
	ThUS\$	ThUS\$	ThUS\$	%
Total current assets	580.487	505.578	74.909	14,82%
Total non-current assets	1.364.784	1.315.186	49.598	3,77%
Total assets	1.945.271	1.820.764	124.507	6,84%
Total current liabilities	477.327	385.711	91.616	23,75%
Total non-current liabilities	740.151	734.625	5.526	0,75%
Total liabilities	1.217.478	1.120.336	97.142	8,67%
Equity attributable to parent company equity holders	612.288	608.692	3.596	0,59%
Non-controlling interest	115.505	91.736	23.769	25,91%
Total equity	727.793	700.428	27.365	3,91%

As of December 31, 2023, total assets increased US\$124.51 million (+6.84%) in relation to those existing as of December 31, 2022.

The US\$74.91 million increase in current assets is mainly explained by 1) higher Accounts receivable from Related Entities (US\$34.59 million) explained by higher fruit sales, 2) higher current biological assets (US\$15.61 million) associated to the delay in the fruit production curve from Peru, and 3) higher Inventories (US\$13.91 million).

In the meantime, non-current assets increased US\$49.60 million (+3.77%) in relation to December 31, 2022 due to 1) increase in deferred tax Assets of US\$23.32 million mainly associated to tax loss, 2) increase in Right of use Assets, mainly due to a larger surface of blueberry fields in China (+US\$25.44 million), and 3) increase in Goodwill (+US\$10.77 million) associated to the business combination of the Hortifrut IG Berries Private Ltd. company in India.

Current liabilities increased US\$91.62 million (+23.75%), reaching US\$477.33 million as of Dec23. The increase in current liabilities is mainly associated to 1) the increase of other current financial liabilities for US\$81.67 million, for the financing of higher working capital due to the delay in the production curves, 2) increase in Accounts payable to related entities for US\$6.00 million and 3) the increase in current lease Liabilities for US\$5.65 due to a greater leased surface in China. The aforementioned is partially offset by the reduction in Trade accounts payable of US\$8.48 due to lower payable taxes.

Non-current liabilities increased US\$5.53 million (+0,75%), reaching US\$740.15 million as of Dec23. Said increase is mostly due to the increase in lease liabilities (+US\$19.96 million), partially offset by the reduction in non-current accounts payable to related entities (-US\$9.00 million).

The Company's total equity increased US\$27.37 million (+3.91%) compared to December 31, 2022, reaching US\$727.79 million, mainly explained by the increase in accumulated profit (loss) of US\$6.21 million, and non-parent company interests for US\$23.77 million due to the consolidation of the Hortifrut IG Berries Private Ltd. company in India.

MAIN COMPONENTS OF NET OPERATING INVESTMENT AND FINANCING CASH FLOWS

Main sources and uses of funds in the period (US\$ million)	January-December 2023	January-December 2022	Comments
Charges from the sale of goods and providing of services	980	969	Higher collections associated with higher sales.
Payment to suppliers for supplying of goods and services	(693)	(676)	Increase in suppliers payments also due to growth in sales.
Payment for and on behalf of employees	(197)	(192)	
Net interests	(35)	(29)	Higher interest rates in the market.
Taxes	(14)	(25)	
(1) Total Cash Flow for Operating Activities	41	48	
Cashflows from loss of control of subsidiaries or other businesses	0	88	Corresponds to the collection of sale of the 75% stake in Perú Olmos.
Cashflows used in the purchase of non-controlling interests	(0)	(5)	In 2022 it corresponds to the capital contribution made to enter the property of IG Berries (India).
Cashflows used to obtain control of subsidiaries or other businesses	(15)	(14)	In 2023 it corresponds to capital contributions made to take control of Hortifrut IG Berries (India).
Sale and purchase of property, plant and equipment	(77)	(108)	Decrease due to less investments.
Purchases of intangible assets	(4)	(1)	
Dividends received	5	0	It comes from associates in China.
(2) Total Cash Flow for Investment Activities	(92)	(40)	
Loans from related entities	0	7	
Income from financing	366	634	
Payment of loans	(295)	(661)	
Payments of lease liabilities	(8)	(4)	
Paid dividends and other investment flows	(11)	(29)	Reduction of distributable net profit between 2021 and 2022.
(3) Total Cash Flow for Financing Activities	52	(55)	
Net Increase of Cash and Cash Equivalents (1) + (2) + (3)	1	(47)	
Effect of exchange rate fluctuation	(1)	6	
Cash and Cash Equivalent at the start of the period	63	105	
Cash and Cash Equivalent at the End of the Period	64	63	



7. RISK FACTOR ANALYSIS

The Company's 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 Risks

7.1.1 Credit Risks

Credit risk is the risk of financial loss that Hortifrut and subsidiaries face if a customer or counterparty in a financial instrument does not comply with its contractual obligations and is mainly originated from customers' accounts receivable.

a) Investment risk of cash surpluses:

The financial institutions with whom Hortifrut S.A. and its 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 rate 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 S.A. sells fresh fruit and others, diversified in several countries with an important presence in the North American, European and Asian markets.

The accounts receivable portfolio is mainly made up of large retail chains, its main customers are supermarkets in the United States, where the fresh fruit business is subject to PACA law, which protects fresh fruit and vegetable suppliers in the USA.

To mitigate the risks of international fresh fruit sales and considering the behavior of trade relationships with its customers, Hortifrut S.A. can administer other credit management instruments, such as advanced payments, guarantees or letters of credit obtained on behalf of the customers to assure the exporting of the products to the different destinations where the fruit is commercialized. Commercial reality indicates that these mechanisms are specifically used for sales to some markets and that, in general, the Company performs credit management with control over the sending of fruit overseas, considering that a non-payment behavior on behalf of customers, results in the immediate suspension of new overseas deliveries.



Although to date Hortifrut has not had any significant 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. To mitigate this risk, the Company has contracted credit insurance for the parent company and subsidiaries.

To mitigate this risk, the Company has contracted credit insurance for the parent company and subsidiaries.

7.1.2 Liquidity and Financing 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.

Additionally, there is the risk that, due to an impairment in its operations or other circumstances, certain financial ratios could reach levels higher than the limits established in the credit contracts, which could limit the debt capacity or accelerate the maturity of the Company's valid financial liabilities.

To mitigate this risk, the Company continuously monitors its financial ratios and other affirmative and negative covenants stipulated in its credit contracts, in order to be able to take opportune actions to avoid the potential negative effects associated to this risk.

Regardless of the fact that to date Hortifrut has not had any problems in relation to exceeding the financial ratios stipulated in the financing contracts, it is important to bear in mind that this fact does not guarantee that in the future, Hortifrut may be exposed to this risk.

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. Specifically in the case of subsidiaries such as Honghe Jiayu Agriculture Ltd. in China, and associated companies such as HFE Berries Perú S.A.C. in Peru, 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 credit conditions based on the financing needs to face investment plans and requirements for work capital.

The application of IFRS16 means an increase in the company's financial liabilities when recognizing the lease obligation. The company, considering financial safeguards, has agreed with the corresponding financial institutions to not include obligations due to lease in the related calculation formula.

Although 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, 2023, reach US\$435.00 million and EUR18.60 million (US\$434.95 million and EUR16.18 million as of December 31, 2022) distributed among 20 banks. The used amount reaches US\$209.26 million and EUR5.54 million, with an available balance of US\$225.74 million and EUR13.06 million. Credit lines are distributed among the following companies: Hortifrut Chile S.A. with US\$209.00 million, Hortifrut Limited with US\$8.00, Hortifrut Perú S.A.C. with US\$206.00 million, Hortifrut Marketing EMEA S.A. with EUR11.10 million, SAT Hortifrut H-0030 de R.L. with EUR2.00 million, Atlantic Blue S.L.U. with EUR2.00 million, Atlantic Green S.L. with EUR1.50 million, Hortifrut España Southern Sun S.L.U. with EUR2.00 million and Hortifrut Import Inc., with US\$12.00 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 maturity of the Company's bank loans and financial leasing as of December 31, 2023:

	Cash Flows						
	Capital	Interests	From 0 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 Rabobank	148.564	4.579	-	24.872	131.117	39.763	195.752
Banco de Crédito del Perú	84.565	494	19.739	60.363	9.793	-	89.895
Banco Santander Chile	64.592	1.435	15.130	4.141	58.513	-	77.784
Banco de Crédito e Inversiones	63.891	549	13.389	26.299	32.575	-	72.263
Banco ITAU	35.009	410	35.453	-	-	-	35.453
Communications Bank Yunnan Branch	31.764	47	47	9.276	22.488	-	31.811
Banco BBVA Perú SA.	26.000	263	4.241	13.658	10.348	-	28.247
Cooperatieve Rabobank U.A., New York Branch	21.429	317	306	8.520	15.816	-	24.642
Banco Bilbao Vizcaya Argentaria	19.108	180	229	1.893	21.027	249	23.398
Banco de Chile	18.200	67	17.076	804	805	-	18.685
Bank of China	13.804	167	-	1.159	16.384	-	17.543
Agricultural Bank of China	12.708	15	1.380	11.343	-	-	12.723
Banco Scotiabank Perú S.A.	11.000	188	11.206	-	-	-	11.206
Banco Latinoamericano de Comercio Exterior, S.A.	10.000	182	142	10.638	-	-	10.780
HSBC México SA, Institución de Banca Múltiple	10.000	37	132	10.264	-	-	10.396
BHD International	9.941	120	-	828	11.703	-	12.531
Banco de Occidente S.A.	9.741	297	-	828	11.703	-	12.531
CaixaBank, S.A.	9.585	-	842	4.723	4.525	-	10.090
Banco Santander Central Hispano S.A.	7.928	206	289	1.207	6.448	321	8.265
Banco Estado	5.050	9	5.076	-	-	-	5.076
Bankinter	4.965	60	-	414	5.851	-	6.265
Banco Scotiabank	4.557	4	4.565	-	-	-	4.565
Caja Rural del Sur	3.264	-	799	506	1.941	109	3.355
Banco Internacional del Perú S.A.	3.030	17	3.053	24	-	-	3.077
Banco Bice	2.000	9	2.010	-	-	-	2.010
Banco Pichincha C.A.	997	53	-	1.072	-	-	1.072
GC Rent Chile SpA.	266	1	36	102	136	-	274
Banco Internacional	30	-	30	-	-	-	30
Santander Consumer Finance Ltda.	22	-	22	-	-	-	22
Mercedes-Benz Financial Services Portugal -Sociedade fin	15	1	-	3	15	-	18
Bancolombia S.A.	8	-	-	8	-	-	8
Fifth Third Bank	1	-	-	1	-	-	1
Total as of December 31, 2023	632.034	9.707	135.192	192.946	361.188	40.442	729.768

Below is a summary of the maturities of total financial liabilities as of December 31, 2023:

	Cash Flows						
	Capital	Fair Value	From 0 to 3 months	Between 3 and 12 months	Between 1 and 5 years	Over 5 years	Total
Detail	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Bank loans	631.282	640.972	134.935	192.597	361.005	40.442	728.979
Bonds - obligations with the public	85.300	86.167	-	14.758	77.822	-	92.580
Leasing Liabilities	752	769	257	349	183	-	789
Operating Lease Liabilities	103.812	113.851	1.748	7.928	43.673	117.848	171.197
Trade accounts and other accounts payable	254.932	254.932	114.270	27.228	113.434	-	254.932
Accounts payable to related companies	16.165	16.165	-	10.770	5.395	-	16.165

7.1.3. Exchange Rate Risk

The international character of its business and its 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 Pesos, Mexican Pesos, Peruvian Nuevo Sol and Euros.

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 Chilean companies by contracting derivative instruments. Likewise, in 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, costs of the agricultural operation in Continental Europe, bank obligations and liquid funds held in financial instruments. Hortifrut constantly evaluates the need to perform actions to mitigate this risk.

d) Exposure to Peruvian Soles

The source of exposure to Peruvian Soles mainly comes from agricultural operating costs in Peru, which are mainly denominated in said currency, and, at a lower measure, customer's receivable trade accounts. Hortifrut constantly evaluates the need to realize risk mitigation actions.

e) Exposure to Moroccan Dirhams

The source of exposure to Moroccan Dirhams mainly comes from agricultural operating costs in Morocco, which are mostly denominated in said currency and, at a lower measure, from liquid funds held in financial instruments. Hortifrut constantly evaluates the need to realize risk mitigation actions.

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 functional currency

The following table shows exposure in currencies different to the dollar, over the Company's financial assets and liabilities as of December 31, 2023:

As of December 31, 2023	<u>Chilean</u>	<u>Nuevo Sol</u>	<u>Euro</u>	<u>Mexican Pesos</u>	<u>Yuan</u>	<u>Dirham</u>	<u>Indian</u>	<u>Others</u>
	<u>Pesos</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>Rupee</u>	<u>ThUS\$</u>
Financial Assets								
Cash and Cash Equivalents	12.573	2.077	7.393	756	12.603	1.950	6.927	886
Current trade debtors and other accounts receivable	29.514	7.653	22.779	14.916	427	3.737	0	8.810
Current accounts receivable with related entities	172	31	294	-	3.563	-	-	-
Non-current fees receivable	711	-	127	-	-	-	0	85
Total Financial Assets	42.970	9.761	30.593	15.672	16.593	5.687	6.927	9.781
Financial Liabilities								
Other current financial liabilities	-	-	6.238	-	22.046	2.680	-	8
Current lease liabilities	321	-	908	776	6.804	228	-	104
Current trade accounts and other accounts payable	26.013	10.573	21.629	10.909	4.564	3.681	367	1.913
Current accounts payable to related entities	120	543	-	-	-	-	-	-
Other current provisions	1.231	745	556	-	-	-	-	-
Current provisions for employee benefits	2.424	2.928	408	1.894	-	-	54	234
Other non-current financial liabilities	-	-	13.035	-	22.488	3.180	-	-
Non-current lease liabilities	607	-	5.297	2.846	69.473	5.858	-	500
Other non-current accounts payable	-	-	113.372	-	-	-	-	-
Non-current accounts payable to related entities	5.395	-	-	-	-	-	-	-
Total Financial Liabilities	36.111	14.789	161.443	16.425	125.375	15.627	421	2.759
Net exposure as of December 31, 2023	6.859	(5.028)	(130.850)	(753)	(108.782)	(9.940)	6.506	7.022

Sensitivity analysis

The potential net effect on financial assets and liabilities of a 10% devaluation of the United States dollar against all the other relevant currencies to which the Company is exposed, would be approximately US\$23.09 million (US\$28.57 million as of December 31, 2022), the aforementioned maintaining all the other variables constant. The calculation considers the Company's exposure to financial assets and liabilities denominated in currency different to the dollar.

<u>Currencies</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Net</u>	<u>Net (10% Devaluation)</u>	<u>Variation</u>
	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>	<u>ThUS\$</u>
Chilean Peso	42.970	36.111	6.859	6.173	(686)
Nuevo Sol	9.761	14.789	(5.028)	(4.525)	503
Euro	30.593	161.443	(130.850)	(117.765)	13.085
Mexican Peso	15.672	16.425	(753)	(678)	75
Yuan	16.593	125.375	(108.782)	(97.904)	10.878
Dirham	5.687	15.627	(9.940)	(8.946)	994
Indian Rupee	6.927	421	6.506	5.855	(651)
Others	9.781	2.759	7.022	6.320	(702)
Total as of December 31, 2023	137.984	372.950	(234.966)	(211.470)	23.496



7.1.4. Interest Rate Risk

The Hortifrut Group has its long-term financial liabilities linked to long-term investments.

Long-term liabilities are both at fixed and variable 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, exposure to fluctuations in the market rates at the moment of its contracting and/or renewal is experienced.

As of December 31, 2023, the debt at variable rate that Hortifrut maintained was US\$625.07 million (US\$544.39 million as of December 31, 2022), if this debt level is maintained for a one-year term and today the rate increased 10%, the impact on the annual financial cost would be US\$3.95 million (US\$2.52 million as of December 31, 2022).

7.1.5. Operating Risks

Risk management forms part of Hortifrut’s normal activities, from an analysis that considers the Company’s internal and external context, the interaction with interest groups, analysis of operations and their continuity, to identify and mitigate the most relevant and significant risks.

At Hortifrut there is a quarterly follow up of the action plans associated to all the risks, and a monthly follow up of the action plans associated to critical risks, which is reported with the same regularity to the Board.

Hortifrut’s **Risk Matrix** contains the risks which it faces, classified into 5 large groups: Strategic, Financial, Operational, Compliance and Climatic. Also, each risk is classified as per its impact in case it is materialized and the probability of occurrence. Implemented controls and action plans in process for its mitigation are identified.

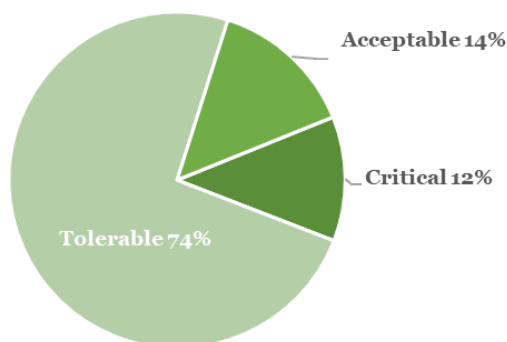
As stated beforehand, as of December 31, 2023, risks identified by Hortifrut are distributed in the following manner:

	Operational	Strategic	Compliance	Financial	Climatic
Risk Type	49%	26%	12%	3%	10%



	Critical	Tolerable	Acceptable
Risk Severity	12%	74%	14%

RISK SEVERITY



Critical risks faced as of December 31, 2023, are the following:

Type	Risk	Description	Control and Mitigation
Climatic	Climate change, natural disasters, accidents or pandemics	<p>Natural disasters (earthquakes, landslides), unfavorable climatic conditions (storms) or unexpected events (fires, floods or attacks) that damage fields and/or installations, affecting production.</p> <p>The severity of climatic risk has significantly increased, to the el Niño phenomenon which affects Peru, Ecuador, Colombia, Chile until Mayo-24, we must add high temperatures in Chile which have affected agricultural production.</p>	<p>The Company has plantations and operations at different geographic locations, which allow it to partially mitigate this risk. Además, la diversificación genética implementada por Hortifrut ayuda a mitigar los efectos del cambio climático.</p> <p>The different subsidiaries have developed different mitigation plans to fight this risk. For example, in Peru fire-fighting systems have been installed and firewalls built at the packings, dividing the process line, the finished product chamber and the security doors to isolate the materials warehouse. It also counts with protection works at the waterways and critical points have been reinforced to protect plantations from the el Niño phenomenon.</p> <p>In Mexico to mitigate the climatic contingencies, different actions have been implemented, for example, drains, nets and purchase of an electric energy plant, among others.</p>

Operational	Water supply and availability	To not count with the necessary water to irrigate the plantations, because of droughts and/or groundwater that could dry out.	<p>The different subsidiaries develop their strategy to follow up this risk and implement mitigation measures. For example, plantations in Peru count with reservoirs in different areas, which allows to assure water for an average 25 days, with a reserve of 2.5 million m3. In Mexico, reservoirs have also been built in the different fields. In Chile, dams are maintained to store water, which allows to irrigate for a prudent time, and water is purchased from neighboring owners that count with duly accredited shares.</p> <p>Furthermore, in certain geographic areas, soil plantations are complemented with plantations in pots, which use approximately 30% less water than soil plantations.</p>
Compliance	Third party producers that do not comply with Hortifrut's specifications	Third party producers that do not comply with Hortifrut's ethical standards, risking Hortifrut's reputation and thereby its trade programs.	<p>The company's commitment in ethical compliance matters is informed through contract annexes. Also, the Ethics Codes of the 23/24 season were revised and will be informed to all producers in a global manner.</p> <p>SMETA audits are requested from subsidiaries with a higher risk and higher volume producers, as well as performing internal controls directed at sub-contracts and lodging.</p>
Compliance	Food Safety	Non-compliance of MRL (Maximum Residue Limit) of pesticides and/or use of non-allowed products.	<p>Hortifrut counts with varied mitigation measures such as: (1) analysis of pesticides before beginning the commercial harvest, as per program at the start of the campaign; subsequently, a routine fortnightly analysis will take place to evaluate subsequent applications; (2) the Food Safety web platform available for customers will be used, which includes a record of the valid certifications and results of the analysis of several producers; (3) count with a restriction software, which allows to block producers in case of any non-compliance; (4) count with a Product Approval Corporate Protocol as per sanitary programs previously approved by the Food Safety area in relation with the corresponding record and other requirements; (5) before beginning the season, producers are given a list of phytosanitary products that are allowed for the destination countries and authorized at origin for their use, with the dose, objective plague, application method, and safety and harvest intervals.</p>
Strategic	Strategic project management.	Errors in the design or definition of assumptions, inadequate management and/or performance of the total strategic projects that the organization has, being able to derive in significant loss for the Company due to errors in the estimation, affecting the general objectives of the business.	<p>There is an investment policy, which establishes the procedure to evaluate and monitor projects with Capex equal to or higher than US\$1,000,000.</p> <p>The fulfilment of the assumptions at all the investment projects are monitored on a quarterly basis.</p>
Strategic	Plant supply.	Depend on few plant/plug suppliers to cater for Hortifrut's growth plan.	<p>Hortifrut counts with few plant/plug suppliers, it performs detailed planning to assure the necessary plants/plugs for the growth plan.</p>

Compliance	Infringement of the Personal Data Protection Law	If it is proven that the Personal Data Protection Law has been infringed, the fine could reach the highest amount between EUR 20 million and 4% of global sales (EUR 38 million).	The Data Protection Owner (DPO) is defined at a corporate level. An email was enabled to channel all the requirements: dataprotection@hortifrut.com. We have a Data Protection Committee. Hortifrut's Corporate Personal Data Protection Policy has been published.
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7.2. 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, 2023, and December 31, 2022, are the following:

<u>COUNTRY</u>	<u>TYPE OF INSURANCE</u>	<u>CURRENCY</u>	<u>31-Dec-23 COVERED AMOUNT</u>	<u>CURRENCY</u>	<u>31-Dec-22 COVERED AMOUNT</u>
Chile	Infrastructure fire	UF	1.211.265	UF	1.211.265
Chile	Mobile Agricultural Equipment	UF	45.369	UF	45.369
Chile	Motor Vehicles	UF	28.812	UF	28.812
Chile	General and Product Civil Liability	USD	5.000.000	USD	5.000.000
Chile	Maritime Transport	USD	7.000.000	USD	7.000.000
Chile	Credit Insurance	USD	59.000.000	USD	59.000.000
Chile	Fruit and Materials Insurance	USD	8.500.000	USD	8.500.000
Chile	Terrorism	UF	500.000	UF	500.000
Chile	Business Interruption	UF	1.227.000	UF	1.227.000
USA	Product Civil Liability	USD	5.000.000	USD	5.000.000
Mexico	Transporting of Load	USD	200.000/shipment	USD	200.000/shipment
Mexico	Infrastructure Fire, Theft and Civil Liability	USD	48.000.000	USD	48.000.000
Mexico	Motor Vehicles	USD	Commercial Value	USD	Commercial Value
Spain	Motor Vehicles	EUR	Commercial Value / without limit	EUR	Commercial Value / without limit
Spain	Installations	EUR	350.000 per event	EUR	350.000 per event
Spain	Goods	EUR	50.000 per event	EUR	50.000 per event
Spain	Civil Liability	EUR	6.500.000	EUR	6.500.000
Spain	Credit Insurance	EUR	90% unpaid	EUR	90% unpaid
Spain	Infrastructure Fire	EUR	24.618.824	EUR	24.618.824
Spain	Motor Vehicles	EUR	514.000	EUR	514.000
Spain	General and Product Civil Liability	EUR	48.450.000	EUR	48.450.000
Spain	Fruit and Materials Insurance	EUR	50.000	EUR	50.000
Peru	Civil Liability	USD	1.000.000	USD	1.000.000
Peru	Dishonesty, Disappearance and Destruction	USD	100.000	USD	100.000
Peru	Patrimonial: Fire, Riesgo of Nature, Political Risk	USD	40.000.000	USD	40.000.000
Peru	Fire	PEN	618.320	PEN	618.320
Peru	Motor Vehicles	USD	2.136.124	USD	2.136.124
Morocco	Fixed Assets	DAM	2.000.000		
China	Fixed Assets and Inventory	CYN	524.707.230		
China	Vehicles	CYN	186.995		

7.3. 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, 2023, the expected margin of the Company's bearer plants was recognized, for an amount that reaches US\$3.92 million (US\$1.80 million as of December 31, 2022), which is presented in the item Other income, per function.

Below is the detail of the effect that a 10% reduction in price and volume would have had on the adjustment as of December 31, 2023:

Company	Fair Value adjustment as of 31-Dec-23 (ThUS\$)	10% Reduction Volume (ThUS\$)	10% Reduction Price (ThUS\$)	10% Reduction Volume and Price (ThUS\$)
Hortifrut Perú S.A.C.	1.961	1.764	674	607
Honghe Jiayu Agriculture Co., Ltd.	1.955	1.760	1.493	1.343
Total	3.916	3.524	2.167	1.950

As of December 31, 2023, the other agricultural companies did not present relevant amounts for this calculation, remaining outside the adjustment as per what is established in Hortifrut's policy.

7.4. Risk Associated to Merger and Acquisition Process

Due to the global character of the business and the Company's intention to remain within the main global participants in the production and commercialization of berries and other fruits, Hortifrut has materialized different purchase and/or merger processes in the past and could materialize other similar transactions in the future. Both the Company and the acquired companies or assets are exposed to the potential financial, operational, and other previously described risks.

To mitigate these risks, the Company continuously monitors the potential effects that the merger and/or acquisition processes could have on the financial ratios, both at an income statement and balance level, in order to take opportune actions to remain within the scopes allowed by its financing contracts.

Even though to date Hortifrut has not had any problems associated to the merger and acquisition processes, it must keep in mind that this fact does not guarantee that in the future Hortifrut will not be exposed to this risk.