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

As of September 30, 2024
(In thousands of United States dollars)

The current reasoned analysis has been prepared for the period ending September 30, 2024, compared with the financial statements as of September 30, 2023 (Sep24 and Sep23, 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 three-month comparison of the 24/25 and 23/24 seasons ("3M S24/25" and "3M S23/24", respectively).

1. HIGHLIGHTS OF THE PERIOD AND SUBSEQUENT FACTS

Ordinary Shareholders Meeting

Dated April 29, at Hortifrut S.A.'s Ordinary Shareholders Meeting, it was approved to distribute, for the concept of definite dividend, mandatory minimum, the total amount of US$4,716,883.51, equal to 50% of the net distributable profit obtained by the Company during 2023.

Also, the Annual Report, Balance and Financial Statements corresponding to 2023 , the Company's situation and the corresponding report from the External Auditing Company were approved; the Dividends Policy was approved; the Board's remuneration for 2024 was established and the expenses report for 2023 was approved; the remuneration for the Director's Committee was established and its expense budget was approved for 2024, as well as the activities and expenses report for 2023, and EY was designated as the External Auditing Company, and ICR and Humphreys as Risk Classifiers for 2024. Finally, information was provided regarding operations with related parties realized during 2023.

Un-listing of Hortifrut S.A. from the Securities Registry

Dated May 16, 2024, the Commission for the Financial Market has given course to and accepted the request to cancel the inscription of the Company's shares in the Securities Registry, since during 2023 the tender offer was materialized where PSP Investments, together with SJF Investment SpA, reached a 49.74% participation in Hortifrut S.A. The Company maintains the inscriptions of its corporate bonds valid.

Controlling Group's Sale of Shares Option

Dated October 22, 2024, Hortifrut's Controlling Group informed the materializing of the shares sale option established in the contract in English called the Shareholders Agreement, subscribed on December 16, 2022, with 14602889 Canada Inc. (the "Investor"), a company affiliated to the Canadian pension fund investor Public Sector Pension Investment Board.

Due to the aforementioned, on that date the Investor and SJF Investments SpA, purchased shares that represent 12.286% of Hortifrut's share capital.

Since after materializing this transaction, the Controlling Group will continue to be the titleholder of at least 35% of Hortifrut's share capital, the Company's corporate governance regulated in the Shareholders Agreement, and which was informed in Essential Act 2022, remains fully valid.

2. SUMMARY OF THE PERIOD

The calculation of the EBITDA is detailed below:

	CALENDAR YEAR (6 months)		SEASON (12 months)	
	Jan24 - Sep24	**Jan23 - Sep23**	**Jul24 - Sep24**	**Jul23 - Sep23**
EBITDA DETERMINING	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**
Income from operating activities	759,513	647,433	129,732	144,507
Other income, per function	17,511	12,448	11,118	9,684
Total Income	**777,024**	**659,881**	**140,850**	**154,191**
Cost of sales	(644,609)	(540,433)	(111,075)	(132,485)
Administration expenses	(57,146)	(64,981)	(17,673)	(17,009)
Other expenses, per function *	(7,729)	(4,412)	(1,795)	(1,647)
Total Costs and Expenses	**(709,484)**	**(609,826)**	**(130,543)**	**(151,141)**
Operating Result	**67,540**	**50,055**	**10,307**	**3,050**
Depreciation and amortization	60,468	48,720	16,167	16,448
EBITDA	**128,008**	**98,775**	**26,474**	**19,498**
EBITDA without Fair Value	**118,440**	**90,030**	**14,029**	**10,265**

**Excluding impairment in the value of assets.*

<u>Accumulated analysis as of September 2024</u>

EBITDA as of Sep24 reached US$128.01 million, which represents a 29.60% increase compared with the US$98.78 million recorded as of Sep23.

This increase in EBITDA is mainly explained by the higher income in operating activities (+17.31%) due to higher volumes (+14.35%) and higher average prices because of the increase in market prices due to the lack of Berries supply at an industry level caused by the el Niño phenomenon (first quarter 2024) and lower supply due to a delay in industry curves (third quarter 2024). The strong demand in consumer markets and the good trade positioning of our Company allowed us to capture an important increase in sale prices.

Also, total costs and expenses increased 16.34% mainly explained by the increase in sold fruit volumes.

Accumulated EBITDA as of Sep24 without the fair value effect of fruit reached US$118.44 million, which represented a 31.56% increase compared to the US$90.03 million obtained in the same period of 2023. The net fair value effect as of Sep24 was US$9.57 million, while as of Sep23 it was US$8.75 million.

Analysis of the July 2024 – September 2024 season

The 3M S24/25 EBITDA reached US$26.47 million, increasing 35.78% compared to the US$19.50 million EBITDA recorded in 3M S23/24. This increase is mainly explained by higher prices obtained by the Company, which have offset the lower commercialized volumes (mainly due to less fruit from Peru caused by a delay in production).

EBITDA without the fair value effect of fruit in 3M S24/25 reached US$14.03 million, which represents a 36.67% increase compared with the US$10.27 million obtained in 3M S23/24. The Fruit Fair Value adjustment in 3M S24/25 was recorded at US$ 12.45 million, which is compared with US$ 9.23 million in 3M S23/24, higher due to increased fruit on bearer plants because of the aforementioned delay.

Gains attributable to parent company shareholders recorded, in line with the seasonality of the business, a US$3.29 million loss in 3M S24/25, US$9.43 million higher compared to the US$12.72 million loss recorded in the 3M S23/24. This lower loss is mainly explained by the higher EBITDA (+US$6.98 million) because of the previously explained effects, plus a positive variation in tax expense (+US$3.55 million) and other expenses (loss) (+US$5.13 million), partially offset by higher expense due to impairment associated to varietal turnover (-US$5.88 million), among other factors.

Determination of Net Financial Debt Items	30-Sep-24 ThUS$	31-Dec-23 ThUS$
Other current financial liabilities	293,958	291,610
Current lease liabilities*	19,324	12,585
Other non-current financial liabilities	369,323	435,529
Non-current lease liabilities*	102,104	102,035
Total financial liability	**784,709**	**841,759**
Minus:		
Cash and cash equivalents	49,540	63,894
Total net financial debt	**735,169**	**777,865**

**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 decreased from US$777.87 million as of December 31, 2023, to US$735.17 million as of September 30, 2024, mainly explained by the recovery of work capital due to the natural cycle of the business. As of September 30, 2024, the lease liability reached US$121.43 million, of which US$121.22 million corresponds to lease liabilities under IFRS16 and US$0.21 million corresponds to leasing liabilities. Also, as of December 31, 2023, the leasing liability reached US$114.62 million, of which US$113.85 million correspond to lease liabilities under IFRS16 and US$0.77 million were associated to leasing liabilities.

3. INCOME STATEMENT ANALYSIS

During the 9 months ending Sep24, a profit attributable to the parent company shareholders was recorded at US$8.77 million, which represents an increase compared to the result recorded in Sep23 of US$4.78 million.

The effects that explain the higher result in profit are:

- EBITDA increased from US$98.78 million as of Sep23 to US$128.01 million as of Sep24 (+US$29.23 million), due to higher commercialized volumes and higher average prices that positively impacted income.
- Lower loss in the Other expenses account (loss) that was recorded at US$-1.28 million as of Sep24, compared with the US$-8.62 million recorded as of Sep23 (+US$7.34 million) due to company reorganization expenses.
- Net financial expenses were lower in Sep24, reaching US$33.69 million, compared with US$35.36 million in the same period as of Sep23 (+US$1.67 million).

Also, the following effects partially offset the lower result as of Sep24:

- Higher gains tax expense as of Sep24 reached a negative US$6.69 million, compared with a positive amount recorded as of Sep23 of US$6.09 million (-US$12.77 million), mainly due to a higher current tax expense as of Sep24 of US$8.74 million, compared with the US$4.22 million as of Sep23, and a negative deferred tax effect of US$1.98 million as of Sep24, compared with a positive effect of US$10.56 million as of Sep23.
- Higher expenses due to depreciation of assets and amortization of intangibles, which reached US$60.47 million as of Sep24, compared with the US$48.72 million as of Sep23 (-US$11.75 million).
- Higher expenses due to impairment in the value of assets as of Sep24, reaching US$13.96 million due to varietal turnover, compared with the US$5.02 million recorded in Sep23 (-US$8.94 million).
- Negative exchange rate fluctuation of US$1.95 million, compared with a positive exchange rate fluctuation of US$1.72 million as of Sep23.

a) Main Components of Income

Income from operating activities reached US$759.51 million as of Sep24, representing a 17.31% increase compared to Sep23, due to the increase in total volumes and average prices. This is explained by the lack of Berries supply at an industry level due to the el Niño Phenomenon (first quarter 2024), and a lower supply due to a delay in industry curves (third quarter 2024), which is added to the good trade position of our company which allowed us to obtain an important increase in sale prices.

Income from operating activities of 3M S24/25 was US$129.73 million, which represents a 10.22% decrease compared to the same period of the previous season.

Total Operating Income	Jan24 - Sep24 ThUS$	Jan23 - Sep23 ThUS$	Variation %	Jul24 - Sep24 ThUS$	Jul23 - Sep23 ThUS$	Variation %
Income from operating activities	759,513	647,433	17.31%	129,732	144,507	-10.22%
Other income, per function	17,511	12,448	40.67%	11,118	9,684	14.81%
Total Operating Income	**777,024**	**659,881**	**17.75%**	**140,850**	**154,191**	**-8.65%**

Sales from the Fresh Fruit segment as of Sep24 increased 10.14% compared to the previous period, explained by an increase in volume of: 1) blueberries from Peru, 2) blueberries from Morocco, 3) cherries from Chile both from own fields and from third party producers, and 4) blackberries from Mexico due to a higher obtention from third parties.

Valued added products recorded an increase in sales income as of Sep24 of 96.64% compared to income recorded in the same period as of Sep23, and representing 14.7% of income as of Sep24, compared with the 8.8% represented as of Sep23.

The fresh fruit segment experienced a 15.71% decrease in volumes in the 3M S24/25, mainly due to lower blueberry volumes from Peru due to a delay in the curve as an industry. Nevertheless, there are higher average prices for fresh fruit, reflecting a good market demand.

The value added products segment recorded a slight reduction of 0.20% in income during the 3M S24/25, compared with the 3M S23/24. This segment represented 27.9% of income in the 3M S24/25, compared with the 25.5% represented in the 3M S23/24.

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

Income per Segment	Jan24 - Sep24 ThUS$	Jan23 - Sep23 ThUS$	Variation %	Jul24 - Sep24 ThUS$	Jul23 - Sep23 ThUS$	Variation %
Fresh Fruit	662,862	601,826	10.14%	101,594	114,857	-11.55%
Value Added Products	114,162	58,055	96.64%	39,256	39,334	-0.20%
Total Operating Income	**777,024**	**659,881**	**17.75%**	**140,850**	**154,191**	**-8.65%**

b) Main Components of Costs and Expenses

Costs and Expenses	Jan24 - Sep24 ThUS$	Jan23 - Sep23 ThUS$	Variation %	Jul24 - Sep24 ThUS$	Jul23 - Sep23 ThUS$	Variation %
Cost of sales	**(644,609)**	**(540,433)**	**19.28%**	**(111,075)**	**(132,485)**	**-16.16%**
Administration expenses	(57,146)	(64,981)	*-12.06%*	(17,673)	(17,009)	*3.90%*
Other expenses, per function, excluding impairment of value of assets	(7,729)	(4,412)	*75.18%*	(1,795)	(1,647)	*8.99%*
Other operating costs and expenses	**(64,875)**	**(69,393)**	**-6.51%**	**(19,468)**	**(18,656)**	**4.35%**
Impairment of value of assets	*(13,962)*	*(5,024)*	177.91%	*(9,084)*	*(3,203)*	183.61%
Total Costs and Expenses	**(723,446)**	**(614,850)**	**17.66%**	**(139,627)**	**(154,344)**	**-9.54%**

Main Components of Sales Costs

Sales costs as of Sep24 reached US$644.61 million, presenting a 19.28% increase compared to the US$540.43 million recorded as of Sep23, in line with higher volumes. Sales costs represented 84.87% of income from operating activities as of Sep24, while as of Sep23 they reached 83.47%.

Sales costs of the 3M S24/25 reached US$111.08 million, representing a 16.16% decrease compared to the US$132.49 million recorded in the same period of 3M S23/24, mainly explained by a lower commercialized volume. Sales costs represented 85.62% of income from operating activities in the 3M S24/25, compared with 91.68% in the 3M S23/24.

Main Components of Administrative Expenses

Administrative expenses as of Sep24 reached US$57.15 million, representing a 12.06% decrease compared to Sep23. The decrease is mainly due to a reduction in remuneration expenses derived from improvements in the organizational structure.

Main Components of Other Expenses, per function

Other expenses, per function (excluding impairment in the value of assets) increased US$3.32 million, reaching US$7.73 million as of Sep24, mainly explained by a higher adjustment to the fair value of biological assets, reaching US$3.92 million as of Sep24, compared with US$1.80 million as of Sep23.

Impairment in the value of assets

As of Sep24, expense due to impairment in the value of assets was US$13.96 million, compared with US$5.02 million as of Sep23, explained by varietal turnover.

c) Other Components of Income Statement

Other Income (expenses)	Jan24 - Sep24 ThUS$	Jan23 - Sep23 ThUS$	Variation %	Jul24 - Sep24 ThUS$	Jul23 - Sep23 ThUS$	Variation %
Other profit (loss)	(1,281)	(8,622)	-85.14%	(140)	(5,269)	-97.34%
Financial income	1,669	1,345	24.09%	541	830	-34.82%
Financial expenses	(35,360)	(36,709)	-3.67%	(12,666)	(13,306)	-4.81%
Interest in profit (loss) of associated companies	2,667	3,014	-11.51%	213	576	-63.02%
Exchange rate fluctuations	(1,945)	1,718	-213.21%	(642)	4,255	-115.09%
Other Income (expenses)	**(34,250)**	**(39,254)**	**-12.75%**	**(12,694)**	**(12,914)**	**-1.70%**

The other components of income statement recorded a US$34.25 million loss as of Sep24, compared with a US$39.25 million loss as of Sep23, which represents a US$5.00 million improvement.

The main items that explain this improvement are the following:

a. Loss in other profit (loss) of US$1.28 million as of Sep24, compared with an US$8.62 million loss as of Sep23 (-US$7.34 million).

b. Lower net financial expenses as of Sep24, reaching US$33.69 million, compared with the US$35.36 million in the same period as of Sep23 (a US$1.67 million reduction).

c. The aforementioned is partially offset by a higher loss due to exchange rate fluctuation (-US$3.66 million), which recorded a US$1.95 million loss as of Sep24, compared with a US$1.72 million profit as of Sep23.

d) Gains tax expense

As of Sep24, a gains tax expense was recorded, reaching -US$6.69 million, compared with the positive amount recorded as of Sep23 of US$6.09 million, mainly due to a higher current tax expense as of Sep24 of US$8.74 million, compared with the US$4.22 million as of Sep23, and a negative deferred tax effect of US$1.98 million as of Sep24, compared with a positive effect of US$10.56 million as of Sep23.

e) Other Result Indicators

Activity Indicators:

Indicator	Unit	Jan24 - Sep24	Jan23 - Sep23
Activity			
Rotation of Assets	Times	0.42	0.36
Operating revenue / Total average assets of the period			
Rotation of Inventory	Times	5.12	3.68
Cost of sales / Average inventory			
Permanence of inventory (days)	Days	53	73
Inventory / Annual cost of sale (360 day base)			

Rotation of assets between the periods ending September 30, 2024 and 2023 increased because income from operating activities increased 17.75%, while total average assets increased 0.79%. The increase in income is explained by the increase in commercialized volume and in average price.

Likewise, the inventory rotation ratio increased from 3.68 times as of Sep23 to 5.12 times as of Sep24 because sales costs increased 19.28%, while average inventories decreased 14.16%.

4. COMPARATIVE ANALYSIS OF MAIN TENDENCIES

The evolution of the main financial indicators is as follows:

Indicator	Unit	30-Sep-24	31-Dec-23	Variations %
Current Liquidity *Current Asset / Current Liability*	Times	1.08	1.22	-11.34%
Acid Ratio *Current assets (-) Other non-financial assets, inventories and current biological assets / Current liability*	Times	0.54	0.68	-19.90%
Debt Ratio *Total liabilities / Equity attributable to Parent Company*	Times	1.81	1.99	-8.93%
Short term debt *Total current liabilities / Total liabilities*		39.02%	39.21%	-0.46%
Long term debt *Total non-current liabilities / Total liabilities*		60.98%	60.79%	0.30%
Book value of the share (US$) *Equity attributable to parent company / Nº shares*	Dollars per share	0.000011	0.000012	-8.20%

- Current liquidity was 1.08 times as of Sep24, which represents a decrease compared to Dec23 (1.22 times) due to an 18.65% decrease in current assets, while current liabilities decreased 8.25%. Also, the acid ratio reached 0.54 times, experiencing a 19.90% reduction in relation to the period ending December 31, 2023.

  Current assets decreased US$108.28 million (-18.65%), reaching a total of US$472.21 million, mainly explained by the reduction in Inventories (-US$49.67 million), accounts receivable with related entities (-US$39.57 million), and Trade Debtors (-US$33.24 million). Also, current liabilities decreased US$39.36 million (-8.25%) mainly due to the reduction in trade accounts and other accounts payable (-US$44.09 million), and accounts payable to related entities (-US$2.81 million). The aforementioned is partially offset by the US$6.74 million increase in leasing liabilities.

- The debt ratio decreased 8.93% compared to December 31, 2023, reaching 1.81 times, explained by a 7.82% fall in total liabilities, while controlling equity increased 1.22%.

- The percentage of current liabilities as of Sep24 was 39.02% compared to total liabilities, slightly lower than the 39.21% recorded as of December 31, 2023.

- The book value of the share decreased 8.21%, passing from 0.000012 US$/share as of Dec23 to 0.000011 US$/share as of Sep24, associated to the issuance of new Series B shares, after the entrance of PSP Investments to the Company's property through a Public tender offer, without performing an increase in capital.

Indicator	**Unit**	**Jan24 - Sep24**	**Jan23 - Sep23**	**Variations %**
Financial expense coverage *(Before tax profit+Financial costs)/Financial costs*	Times	1.55	1.16	33.63%
Profitability of parent company equity *Parent company gains/Parent company equity*		1.41%	0.78%	80.17%
Profitability of equity *Profit of the period/Total equity*		1.71%	1.68%	2.07%

- The increase in the financial expense hedging index as of Sep24 compared to Sep23 is due to a 234.57% increase in before tax profit (passing from US$ 5.78 million as of Sep23 to US$35.36 million as of Sep24), and to the 3.67% reduction in financial expenses.

- The profitability of parent company equity increased from 1.62% as of Sep23 to 1.71% as of Sep24, mainly explained by a higher parent company profit as of Sep24 of US$12.64 million, compared with parent company profit as of Sep23 of US$11.86 million.

- Also, the profitability of total equity as of Sep24 is located at 1.71%, compared with the 1.62% profitability as of Sep23.

5. ANALYSIS OF STATEMENT OF FINANCIAL POSITION

Main items of the Consolidated Statement of Financial Position

Statement of Financial Position	30-Sep-24 ThUS$	31-Dec-23 ThUS$	Variation ThUS$	%
Total current assets	472,209	580,487	(108,278)	-18.65%
Total non-current assets	1,388,524	1,364,784	23,740	1.74%
Total assets	**1,860,733**	**1,945,271**	**(84,538)**	**-4.35%**
Total current liabilities	437,964	477,327	(39,363)	-8.25%
Total non-current liabilities	684,323	740,151	(55,828)	-7.54%
Total liabilities	**1,122,287**	**1,217,478**	**(95,191)**	**-7.82%**
Equity attributable to parent company equity holders	619,748	612,288	7,460	1.22%
Non-controlling interest	118,698	115,505	3,193	2.76%
Total equity	**738,446**	**727,793**	**10,653**	**1.46%**

As of September 30, 2024, total assets decreased US$84.54 million (-4.35%) in relation to those existing as of December 31, 2023, mainly explained by the US$108.28 million decrease in current assets, which is mainly due to lower Inventories (-US$49.67 million), lower accounts receivable with related entities (-US$39.57 million), lower trade debtors (-US$33.24 million), and lower cash and equivalents (-US$14.35 million) due to the business cycle.

The aforementioned is partially offset by a US$23.74 million increase in non-current assets, mainly explained by an increase in right of use assets (+US$14.41 million) and deferred tax assets (+US$9.80 million), among others.

Also, current liabilities decreased US$39.36 million (-8.25%) mainly due to the decrease in trade accounts and other accounts payable (-US$44.09 million), partially offset by the increase in lease liabilities (+US$6.74 million). Non-current liabilities decreased US$55.83 million (-7.54%), reaching US$684.32 million as of September 30, 2024. This reduction is mainly explained by the decrease in Other financial liabilities, non-current (-US$66.21 million), partially offset by an increase in deferred tax liabilities (+US$8.04 million).

The Company's total equity increased US$10.65 million (+1.46%) compared to December 31, 2023, reaching US$738.45 million, mainly explained by the US$8.77 million increase in accumulated profit (loss), and US$3.19 million in non-parent company interests, mainly explained by higher equity value and the result of the Vitafoods SpA company (value added products).

MAIN COMPONENTS OF NET OPERATING INVESTMENT AND FINANCING CASH FLOWS

Main sources and uses of funds in the period (US$ million)	January-September 2024	January-September 2023	Comments
Charges from the sale of goods and providing of services	834	675	Higher collections associated with higher sales.
Payment to suppliers for supplying of goods and services	(491)	(463)	Increase in suppliers payments also due to growth in sales.
Payment for and on behalf of employees	(154)	(151)	
Net interests	(20)	(22)	
Taxes	(3)	(13)	
(1) Total Cash Flow for Operating Activities	**167**	**26**	
Sale and purchase of property, plant and equipment	(83)	(54)	
Purchases of intangible assets	(1)	(4)	
(2) Total Cash Flow for Investment Activities	**(84)**	**(64)**	
Income from financing	78	270	
Payment of loans	(165)	(222)	
Payments of lease liabilities	(5)	(6)	
Paid dividends and other investment flows	(6)	(11)	
(3) Total Cash Flow for Financing Activities	**(97)**	**25**	
Net Increase of Cash and Cash Equivalents (1) + (2) + (3)	**(14)**	**(13)**	
Effect of exchange rate fluctuation	0	(1)	
Cash and Cash Equivalent at the start of the period	64	63	
Cash and Cash Equivalent at the End of the Period	**50**	**49**	

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 Risk

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.

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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.

Although 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 September 30, 2024, reach the amount of US$434.0 million and EUR17.0 million (US$435.0 million and EUR18.6 million as of December 31, 2023) distributed among 20 banks. The used amount reaches US$165.3 million and EUR11.0 million, with an available balance of US$268.8 million and EUR6.0 million. Credit lines in dollars are distributed among the following companies: Hortifrut Perú S.A.C. with US$222.0 million, Hortifrut Chile S.A. with US$179.0 million, Hortifrut Limited with US$28.0 million and Hortifrut Import Inc., with US$5.0 million. Credit lines in Euros are distributed among the following companies: Hortifrut Marketing EMEA S.A. with EUR10.5 million, Atlantic Blue with EUR4.0 million, Hortifrut España Southern Sun S.L.U. with EUR2.0 million, and Atlantic Green S.L. with EUR0.5 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 September 30, 2024:

			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	148,514	13,186	-	36,731	121,146	31,232	189,109
Banco Santander Chile	55,549	1,406	6,012	10,322	50,122	-	66,456
Banco de Crédito e Inversiones	45,000	791	-	23,707	27,434	-	51,141
Banco de Crédito del Perú	41,029	1,146	10,650	27,482	7,021	-	45,153
Banco ITAU	40,138	188	40,826	-	-	-	40,826
Banco BBVA Perú SA.	28,769	512	-	23,012	7,761	-	30,773
Agricultural Bank of China	26,910	-	-	26,910	-	-	26,910
Communications Bank Yunnan Branch	26,349	-	499	10,328	4,979	10,851	26,657
Banco de Chile	22,000	173	22,306	-	-	-	22,306
Banco Bilbao Vizcaya Argentaria	18,592	486	226	3,774	18,167	-	22,167
Cooperatieve Rabobank U.A., New York Branch	17,857	807	4,540	4,374	12,320	-	21,234
Bank of China	13,777	464	-	2,890	14,034	-	16,924
Banco Estado	10,065	34	10,052	65	-	-	10,117
HSBC México SA, Institución de Banca Múltiple	10,000	66	132	10,064	-	-	10,196
BHD International	9,944	323	-	2,064	10,024	-	12,088
Banco de Occidente S.A.	9,752	281	-	2,064	10,025	-	12,089
Banco Scotiabank Perú S.A.	7,382	79	-	7,863	-	-	7,863
Banco Bice	7,000	49	7,085	-	-	-	7,085
Industrial and Commercial Bank of China	5,632	-	-	5,632	-	-	5,632
CaixaBank, S.A.	5,214	-	857	2,564	2,048	-	5,469
Banco Latinoamericano de Comercio Exterior, S.A.	5,000	197	5,236	-	-	-	5,236
Bankinter	4,967	162	-	1,032	5,012	-	6,044
Banco Santander Central Hispano S.A.	3,610	-	386	1,173	1,932	290	3,781
Banco de la Producción S.A.	3,000	38	-	-	2,945	1,897	4,842
Caja Rural del Sur	2,231	-	146	511	1,647	-	2,304
Banco Pichincha C.A.	1,000	3	-	1,093	-	-	1,093
Banco Scotiabank	800	8	866	-	-	-	866
Banco de Chile	800	-	-	854	-	-	854
Bancolombia S,A.	178	-	-	178	-	-	178
GC Rent Chile SpA.	163	-	25	76	63	-	164
Mercedes-Benz Financial Services Portugal -Sociedade fin	13	-	-	3	15	-	18
Fifth Third Bank	2	-	-	2	-	-	2
Total as of September 30, 2024	**571,237**	**20,399**	**109,844**	**204,768**	**296,695**	**44,270**	**655,577**

Below is a summary of the maturities of total financial liabilities as of September 30, 2024:

			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	571,029	591,428	109,816	204,668	296,607	44,270	655,361
Bonds - obligations with the publich	71,329	71,853	-	15,966	59,853	-	75,819
Leasing Liabilities	208	208	28	100	88	-	216
Operating Lease Liabilities	121,099	121,220	4,450	8,421	32,889	143,807	189,567
Trade accounts and other accounts payable	213,212	213,212	87,399	10,005	115,808	-	213,212
Accounts payable to related companies	13,258	13,258	-	7,960	5,298	-	13,258

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 September 30, 2024:

As of June 30, 2024	Chilean Pesos ThUS$	Nuevo Sol ThUS$	Euro ThUS$	Mexican Pesos ThUS$	Yuan ThUS$	Dirham ThUS$	Indian Rupee ThUS$	Others ThUS$
Financial Assets								
Cash and Cash Equivalents	1,171	689	9,159	305	10,362	1,258	5,651	385
Current trade debtors and other accounts receivable	10,013	7,922	16,174	11,190	1,461	4,135	57	10,337
Current accounts receivable with related entities	104	32	1,901	-	3,748	-	-	-
Non-current fees receivable	32	-	180	-	-	-	-	69
Total Financial Assets	**11,320**	**8,643**	**27,414**	**11,495**	**15,571**	**5,393**	**5,708**	**10,791**
Financial Liabilities								
Other current financial liabilities	-	-	3,410	-	27,716	2,817	-	178
Current lease liabilities	232	-	1,352	496	13,679	116	-	240
Current trade accounts and other accounts payable	6,180	7,141	21,688	8,934	8,774	3,124	655	8,746
Current accounts payable to related entities	-	371	-	-	20	-	-	-
Other current provisions	119	502	2,928	-	-	-	-	-
Current provisions for employee benefits	1,432	2,209	112	1,799	-	-	63	527
Other non-current financial liabilities	-	-	7,335	-	31,175	1,133	-	-
Non-current lease liabilities	934	-	4,663	3,635	70,327	5,014	-	572
Other non-current accounts payable	-	-	115,808	-	-	-	-	-
Non-current accounts payable to related entities	5,298	-	-	-	-	-	-	-
Total Financial Liabilities	**14,195**	**10,223**	**157,296**	**14,864**	**151,691**	**12,204**	**718**	**10,263**
Net exposure as of September 30, 2024	**(2,875)**	**(1,580)**	**(129,882)**	**(3,369)**	**(136,120)**	**(6,811)**	**4,990**	**528**

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 ThUS$27,511 (ThUS$23,496 as of December 31, 2023), 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.

Currencies	Assets ThUS$	Liabilities ThUS$	Net ThUS$	Net (10% Devaluation) ThUS$	Variation ThUS$
Chilean Peso	11,320	14,195	(2,875)	(2,588)	287
Nuevo Sol	8,643	10,223	(1,580)	(1,422)	158
Euro	27,414	157,296	(129,882)	(116,894)	12,988
Mexican Peso	11,495	14,864	(3,369)	(3,032)	337
Yuan	15,571	151,691	(136,120)	(122,508)	13,612
Dirham	5,393	12,204	(6,811)	(6,130)	681
Indian Rupee	5,708	718	4,990	4,491	(499)
Others	10,791	10,263	528	475	(53)
Total as of September 30, 2024	**96,335**	**371,454**	**(275,119)**	**(247,608)**	**27,511**

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 September 30, 2024, the debt at variable rate that Hortifrut maintained was ThUS$308,765 (ThUS$625,071 as of December 31, 2023), 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 ThUS$1,993 (ThUS$3,951 as of December 31, 2023).

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.

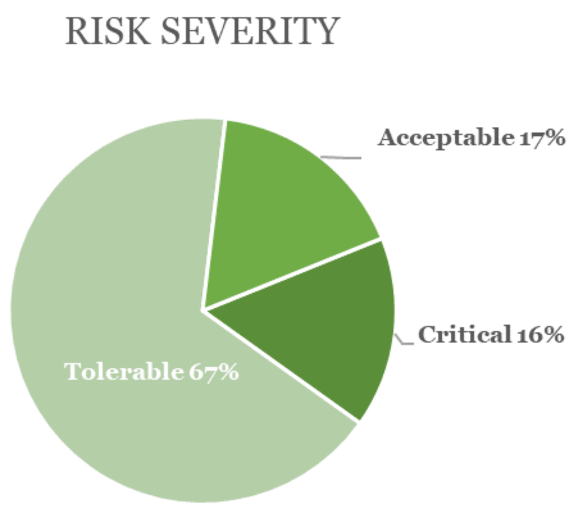
At Hortifrut there is a quarterly follow up of the action plans associated to all the risks, and a monthly follow up of the action plans associated to critical risks, which is reported with the same regularity to the Board.

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 September 30, 2024, risks identified by Hortifrut are distributed in the following manner:

	Operational	Strategic	Compliance	Financial	Climate
Type of risk	51%	25%	12%	3%	9%

	Critical	Tolerable	Acceptable
Risk Severity	16%	67%	17%



Critical risks faced as of September 30, 2024 are the following:

Type of Risk	Name of the Risk	Risk Description	Corporate Controls Implemented
Climatic	Climatic change, natural disasters, accidents or pandemics	Natural disasters (e.g. earthquakes and landslides), unfavorable climatic conditions (e.g. storms) or unexpected events (e.g. fires, floods or attacks) that damage fields and/or installations, affecting production. **Potential impact to the business:** ·Problems with operational continuity ·Non-fulfillment of commercial plans ·Loss of production and/or loss of asset value.	The Company has plantations and operations at different geographic locations, which allow it to partially mitigate this risk. Apart from genetic diversification implemented by Hortifrut to help mitigate the effects of climate change. Hortifrut's subsidiaries have developed different mitigation plans to fight this risk. For example, in Peru counts with fire-fighting systems and firewalls at the packings, dividing the process line, the finished product chamber and the security doors to isolate the materials warehouse. There have also been protection works at the waterways and critical points have been reinforced to protect plantations from the el Niño phenomenon. 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.
Operational	Increase in amount and/or demand of requirements and regulations associated to ESG topics	Increase in requirements and regulations demanded in ESG topics that affect the Company's products and/or processes and/or value chain. Example: exploitation of natural resources, work matters, preserving the environment, local production, industrial monoculture practices, GHG emissions, etc. **Potential Impact of the business:** · Increase in resources destined to study, management, auditing and follow up of regulations. · Increase in the cost of raw materials and supplies. ·Increase in production costs. ·Loss of reputation in case of non-compliance. ·Increase in exposure and resources destined to lawsuits and arbitration.	Hortifrut counts with a Global Sustainability team, which complies with all the new demands related with customers, markets, investors and collaborators within its functions. It manages, in a transversal manner with the different areas, requirements related with environmental, social and/or corporate governance topics.
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 up.	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. Furthermore, in certain geographic areas, soil plantations are complemented with plantations in pots, which use approximately 30% less water than soil plantations.

Compliance	Third party Producers that do not comply with Hortifrut's ethical standards.	Third party Producers that do not comply with Hortifrut's ethical standards, risking Hortifrut's reputation and thereby its trade programs.	Together with the HR, Sustainability and Corporate Matters corporate areas, work plans are being prepared which will be developed with producers, with compliance measurements and risk mitigation. Counts with a code of ethics with suppliers that contains the minimum requirements that own Agriculture, Packing, Third party Producers and Direct Exporters must comply with. 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.
Strategic	Third party Exporters that do not comply with Hortifrut's quality standards, that its fruit impacts trade programs.	Third party Exporters that do not comply with Hortifrut's quality standards, that its fruit impacts trade programs.	Direct Exporters were informed of the demands and legal requirements of Food Safety (FVSP) and the Compliance Program in USA (FSMA) that must be fulfilled. They directly present on the platforms (USA AND EUROPE) for the final evaluation before being approved for export.
Compliance	Food Safety	Non-compliance of MRL (Maximum Residue Limit) of pesticides and/or use of non-allowed products.	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.
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.	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. The fulfilment of the assumptions at all the investment projects are monitored on a quarterly basis.
Operational	Cyber-security attacks	Impact on technological platforms and/or information networks that back the key business processes. Theft or exposure of information or sensitive Company information.	If due to a cyber-security incident, corporate platforms are affected, there are defined contingency procedures to support critical processes in a manual manner. Technology Corporate Management performs a revision and an annual cyber-security process at a corporate level, which includes Ethical Hacking, Ethical Phishing and the finding of critical platform vulnerabilities exposed to internet.

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 September 30, 2024 and December 31, 2023 are the following:

			30-Sep-24	31-Dec-23
COUNTRY	TYPE OF INSURANCE	CURRENCY	COVERED AMOUNT	COVERED AMOUNT
Chile	Infrastructure fire	UF	1,118,950	1,211,265
Chile	Mobile Agricultural Equipment	UF	20,161	45,369
Chile	Motor Vehicles	UF	25,460	28,812
Chile	General and Product Civil Liability	USD	5,000,000	5,000,000
Chile	Maritime Transport	USD	7,000,000	7,000,000
Chile	Credit Insurance	USD	50,000,000	59,000,000
Chile	Fruit and Materials Insurance	USD	8,500,000	8,500,000
Chile	Terrorism	UF	1,973,950	500,000
Chile	Business Interruption	UF	855,000	1,227,000
USA	Product Civil Liability	USD	5,000,000	5,000,000
Mexico	Transporting of Load	USD	200,000/shipment	200,000/shipment
Mexico	Infrastructure Fire, Theft and Civil Liability	USD	19,530	48,000,000
Mexico	Motor Vehicles	USD	Commercial Value	Commercial Value
Spain	Motor Vehicles	EUR	Between 10.000 and 30.000	3etween 10.000 and 30.00C
Spain	Installations	EUR	350,000 per event	350,000 per event
Spain	Goods	EUR	50,000 per event	50,000 per event
Spain	Civil Liability	EUR	6,500,000	6,500,000
Spain	Credit Insurance	EUR	90% unpaid	90% unpaid
Spain	Infraestructure Fire	EUR	24,618,824	24,618,824
Spain	Motor Vehicles	EUR	514,000	514,000
Spain	General and Product Civil Liability	EUR	48,450,000	48,450,000
Spain	Fruit and Materials Insurance	EUR	50,000	50,000
Peru	Civil Liability	USD	1,000,000	1,000,000
Peru	Dishonesty, Disappearance and Destruction	USD	100,000	100,000
Peru	Patrimonial: Fire, Riesgo of Nature, Political Risk	USD	40,000,000	40,000,000
Peru	Fire	PEN	618,320	618,320
Peru	Motor Vehicles	USD	2,136,124	2,136,124
Morocco	Fixed Assets	COP	20,000,000,000	0
China	Fixed Assets and Inventory	DAM	2,000,000	2,000,000
China	Vehicles	CYN	524,707,230	524,707,230

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 September 30, 2024, the expected margin of the Company's bearer plants was recognized, for an amount that reaches ThUS$13,484 (ThUS$3,916 as of December 31, 2023), which in results 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 September 30, 2024:

Company	Fair Value adjustment as of 30-Sep-24 (ThUS$)	10% Reduction Volume (ThUS$)	10% Reduction Price (ThUS$)	10% Reduction Volume and Price (ThUS$)
Hortifrut Perú S.A.C.	13,484	12,136	9,448	8,504
Total	**13,484**	**12,136**	**9,448**	**8,504**

As of September 30, 2024, 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.