LISTING MEMORANDUM

Camposol S.A.

U.S.$350,000,000
6.000% Senior Notes due 2027
unconditionally and irrevocably guaranteed by
Csol Holding LTD

We are offering U.S.$350,000,000 million aggregate principal amount of our 6.000% Senior Notes due 2027 (the "notes"). The notes will be issued under the indenture to be dated as of February 3, 2020.

We are a corporation (*sociedad anónima*) organized under the laws of Peru and a subsidiary of Csol Holding LTD, a company organized under the laws of Cyprus. The notes will be our senior obligations and will be irrevocably and unconditionally guaranteed by Csol Holding LTD. The notes will be our senior unsecured obligations and will rank *pari passu* among themselves and at least equally in right of payment with all of our other present and future unsecured and unsubordinated obligations and the guarantee will rank at least *pari passu* in right of payment with all unsecured and unsubordinated debt of Csol Holding LTD subject to any priority rights pursuant to applicable law.

We may redeem the notes in whole or in part at any time at the redemption prices set forth herein. See "Description of the Notes – Optional Redemption." In addition, we may redeem the notes, in whole but not in part, at 100% of their principal amount plus accrued interest and additional amounts, if any, upon the occurrence of specified events relating to tax law, all as described under "Description of the Notes – Redemption for Taxation Reasons."

Investing in the notes involves significant risks. See "Risk Factors" beginning on page 22 for a discussion of certain information that you should consider before investing in the notes.

Issue Price: 98.878%, plus accrued interest, if any, from February 3, 2020

We have not registered and will not register the notes under the U.S. Securities Act of 1933, as amended, or the Securities Act, or under any state securities laws. Therefore, we may not offer or sell the notes within the United States to, or for the account or benefit of, any U.S. person unless the offer or sale would qualify for a registration exemption from the Securities Act and applicable state securities laws. Accordingly, we are only offering the notes (1) to qualified institutional buyers (as defined in Rule 144A under the Securities Act) and (2) to non-U.S. persons in compliance with Regulation S under the Securities Act. See "Transfer Restrictions" for additional information about eligible offerees and transfer restrictions. The notes are not being offered to the public within the meaning of Regulation (EU) 2017/1129 of the European Union, as amended, and this offer is not subject to the obligation to publish a prospectus under that Regulation.

The notes (or beneficial interests therein) and the information contained in this listing memorandum have not been and will not be registered with or approved by the Peruvian Capital Markets Superintendency (*Superintendencia del Mercado de Valores* or "SMV") or the Lima Stock Exchange (*Bolsa de Valores de Lima*, or "BVL"). Accordingly, the notes cannot be offered or sold in the Republic of Peru ("Peru"), except if such offering is considered a private offering under the securities laws and regulations of Peru. The notes may not be offered or sold in Peru or any other jurisdiction, except in compliance with the securities law thereof.

Application will be made for listing of the notes on the Singapore Exchange Securities Trading Limited (the "Singapore Stock Exchange"). However, if the requirements of the Singapore Stock Exchange in our view are impracticable or unduly burdensome, including in connection with the original listing, we may seek to list the notes on another stock exchange, including the Global Exchange Market of the Irish Stock Exchange or the Euro MTF market of the Luxembourg Stock Exchange. The Singapore Stock Exchange assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, and admission to the Official List of, and quotation of the notes on, the Singapore Stock Exchange are not to be taken as an indication of the merits of the Company or the notes.

Neither the U.S. Securities and Exchange Commission nor any U.S. state securities commission has approved or disapproved of these securities or determined that this listing memorandum is accurate or complete. Any representation to the contrary is a criminal offense.

Delivery of the notes was made to purchasers in book-entry form through The Depository Trust Company and its direct and indirect participants, including Clearstream Banking, société anonyme and Euroclear SA/NV, as operator of the Euroclear System, on February 3, 2020.

Joint Bookrunners

BofA Securities **Santander** **Scotiabank** **UBS Investment Bank** **BBVA**

The date of this listing memorandum is February 24, 2020.

NOTICE TO RESIDENTS OF PERU

THE NOTES AND THE INFORMATION CONTAINED IN THIS LISTING MEMORANDUM HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH OR APPROVED BY THE SMV OR THE BVL. ACCORDINGLY, THIS OFFERING WILL NOT BE SUBJECT TO A PUBLIC OFFERING IN PERU.

PERUVIAN SECURITIES LAWS AND REGULATIONS ON PUBLIC OFFERINGS WILL NOT BE APPLICABLE TO THE OFFERING OF THE NOTES AND THEREFORE, THE DISCLOSURE OBLIGATIONS SET FORTH THEREIN WILL NOT BE APPLICABLE TO THE ISSUER OR THE SELLERS OF THE NOTES BEFORE OR AFTER THEIR ACQUISITION BY PROSPECTIVE INVESTORS. THIS LISTING MEMORANDUM AND OTHER OFFERING MATERIALS RELATING TO THE OFFER OF THE NOTES ARE BEING SUPPLIED TO THOSE PERUVIAN INSTITUTIONAL INVESTORS WHO HAVE EXPRESSLY REQUESTED THEM. SUCH MATERIALS MAY NOT BE DISTRIBUTED TO ANY PERSON OR ENTITY OTHER THAN THE INTENDED RECIPIENTS. ACCORDINGLY, THE NOTES CANNOT BE OFFERED OR SOLD IN PERU, EXCEPT IF (I) SUCH NOTES WERE PREVIOUSLY REGISTERED WITH THE SMV, OR (II) SUCH OFFERING IS CONSIDERED A PRIVATE OFFERING UNDER THE PERUVIAN SECURITIES LAWS AND REGULATIONS. THE PERUVIAN SECURITIES LAWS ESTABLISH, AMONG OTHER THINGS, THAT AN OFFER DIRECTED EXCLUSIVELY TO INSTITUTIONAL INVESTORS (AS DEFINED BY PERUVIAN LAW) QUALIFIES AS A PRIVATE OFFERING. IN MAKING AN INVESTMENT DECISION, INSTITUTIONAL INVESTORS (AS DEFINED BY PERUVIAN LAW) MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THE OFFERING OF THE NOTES TO DETERMINE THEIR ABILITY TO INVEST IN THE NOTES.

NO OFFER OR INVITATION TO SUBSCRIBE FOR OR SELL THE NOTES OR BENEFICIAL INTERESTS THEREIN CAN BE MADE IN THE REPUBLIC OF PERU EXCEPT IN COMPLIANCE WITH THE PERUVIAN SECURITIES LAWS AND REGULATIONS.

PRIIPS REGULATION/PROSPECTUS REGULATION/PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation. This listing memorandum has been prepared on the basis that any offer of notes in any Member State of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of notes. This listing memorandum is not a prospectus for the purposes of the Prospectus Regulation.

The above selling restriction is in addition to any other selling restrictions set out below.

NOTICE TO INVESTORS IN THE UNITED KINGDOM

This listing memorandum is only being distributed to, and is only directed at, persons in the United Kingdom that are qualified investors within the meaning of Article 2(e) of the Prospectus Regulation that are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (ii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to(d) of the Order (each such person being referred to as a "relevant person"). This listing memorandum and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this listing memorandum or any of its contents.

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You should only rely on the information contained in this listing memorandum. Neither we nor the initial purchasers have authorized anyone to provide you with different information. Neither we nor the initial purchasers are making an offer of the notes in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this listing memorandum is accurate as of any date other than the date on the cover of this listing memorandum regardless of time of delivery or any sale of the notes.

This listing memorandum is based on information provided by us and by other sources we believe to be reliable. We accept responsibility for the information contained in this listing memorandum. To the best of our knowledge this listing memorandum does not contain any material misstatement or omission. This listing memorandum summarizes certain documents and other information, and we refer you to those sources for a more complete understanding of what we discuss in this listing memorandum. The initial purchasers assume no responsibility for, and make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this listing memorandum. Nothing contained in this listing memorandum is or shall be relied upon as, or a promise or representation by the initial purchasers as to the past or future. The initial purchasers assume no responsibility in relation to the accuracy or completeness of the information in this listing memorandum or any other information provided by the issuer or any of the guarantors.

This listing memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, any notes offered hereby by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation. Neither the delivery of this listing memorandum nor any sale made hereunder shall under any circumstances imply that there has been no change in our affairs or the affairs of our parent company or our subsidiaries or that the information set forth in this listing memorandum is correct as of any date subsequent to the date of this listing memorandum.

This listing memorandum has been prepared by us solely for use in connection with the proposed offering of the notes described in this listing memorandum. We reserve the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than all of the notes offered by this listing memorandum. BofA Securities, Inc., Santander Investment Securities Inc., Scotia Capital (USA) Inc., UBS Securities LLC and BBVA Securities Inc. will act as initial purchasers with respect to the offering of the notes. This listing memorandum is personal to you and does not constitute an offer to any other person or to the public in general to subscribe for or otherwise acquire the notes. This listing memorandum may not be distributed to any person or entity other than the intended recipients. Distribution of this listing memorandum to any person other than a prospective investor and any person retained to advise such prospective investor with respect to its purchase is unauthorized.

You must comply with all applicable laws and regulations in force in any jurisdiction in connection with the possession or distribution of this listing memorandum and the purchase, offer or sale of the notes, and obtain any required consent, approval or permission for the purchase, offer or sale by you of the notes under the laws and regulations applicable to you in force in any jurisdiction to which you are subject or in which you make such purchases, offers or sales, and neither we nor the initial purchasers or their respective agents have any responsibility therefor. See "Transfer Restrictions" for information concerning some of the transfer restrictions applicable to the notes.

By accepting this listing memorandum you acknowledge that:

- you have been afforded an opportunity to request from us, and to review, all additional information considered by you to be necessary to verify the accuracy of, or to supplement, the information contained in this listing memorandum;
- you have not relied on the initial purchasers or their respective agents or any person affiliated with the initial purchasers or their agents in connection with your investigation of the accuracy of such information or your investment decision; and
- no person has been authorized to give any information or to make any representation concerning us or the notes other than those as set forth in this listing memorandum. If given or made, any such other information or representation should not be relied upon as having been authorized by us, the initial purchasers or their agents.

In making an investment decision, you must rely on your own examination of our business and the terms of this offering, including the merits and risks involved. The notes have not been recommended by the U.S. Securities and

Exchange Commission, (the "SEC"), or any state securities commission or any Peruvian, Cypriot or other securities commission or regulatory authority. Furthermore, these authorities have not confirmed the accuracy or determined the adequacy of this listing memorandum. Any representation to the contrary is a criminal offense. In connection with this offering, the initial purchasers may over-allot notes or effect transactions with a view to supporting the market price of the notes at a level higher than that which might otherwise prevail. However, there is no assurance that the initial purchasers will undertake any stabilization action at all. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the notes is made and, if begun, may be discontinued at any time, but it must end no later than 30 days after the issuance of the notes or 60 days after the date of the allotment of the notes.

For the sale of the notes in the United States, we are relying on an exemption from registration under the Securities Act for offers and sales of securities that do not involve a public offering. The notes may not be transferred or resold except as permitted under the Securities Act and related regulations and applicable state securities laws. In making your purchase, you will be deemed to have made certain acknowledgements, representations and agreements set forth in this listing memorandum under the caption "Transfer Restrictions." You should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time.

This listing memorandum may only be used for the purpose for which it has been published. Neither the initial purchasers nor any of their respective agents is making any representation or warranty as to the accuracy or completeness of the information contained in this listing memorandum, and nothing contained in this listing memorandum is, or shall be relied upon as, a promise or representation, whether as to the past or the future.

See "Risk Factors" for a description of certain important factors relating to an investment in the notes, including information about our business. None of us, the initial purchasers nor any of our or their representatives is making any representation to you regarding the legality of an investment by you under applicable legal investment or similar laws. You should consult with your own advisors as to legal, tax, business, financial and related aspects of a purchase of the notes. The notes will be available initially only in book-entry form. We expect that the notes offered and sold in the United States to qualified institutional buyers, or QIBs, in reliance upon Rule 144A under the Securities Act will be represented by beneficial interests in a single, permanent global note in fully registered form without interest coupons, or the Rule 144A note. We expect that the notes offered and sold outside the United States to non-U.S. persons pursuant to Regulation S under the Securities Act will be represented by beneficial interests in a single, permanent global note in fully registered form without interest coupons, or the Regulation S note, and, together with the Rule 144A note, the global notes). The global notes will be deposited with The Depository Trust Company, or DTC. Notes will be issued in minimum denominations of U.S.$150,000 and integral multiples of U.S.$1,000 in excess thereof. See "Description of the Notes" for further discussion of these matters.

We are not making any representation to any purchaser of the notes regarding the legality of an investment in the notes by such purchaser under any legal investment or other laws or regulations. You should not consider any information in this listing memorandum to be legal, business or tax advice. You should consult your own attorney, business advisor and tax advisor for legal, business and tax advice regarding an investment in the notes.

There are no conflicts of interest between members of the administrative, management or supervisory bodies and any duties of the Issuer and persons responsible for the information provided in this listing memorandum.

General

The terms "Camposol," "Camposol S.A.," "Issuer," "Company," "we," "us," and "our" in this listing memorandum refer to Camposol S.A., together with its subsidiaries. The term "Parent Guarantor" and "Csol Holding LTD" refers to Csol Holding LTD, the guarantor under the Indenture, the notes and the guarantee. Financial information provided in this listing memorandum with references to "we", "us" and "our" refers to carve-out financial information of the agricultural portion of the business (the "Camposol Agribusiness") of the former holding company of the Issuer, Camposol Holding PLC, which is engaged in investing in the agriculture business and managing the export of agricultural products mainly to the United States, China and the European Union. To face the global competitive environment and promote efficiencies, Camposol Holding PLC is in the process of implementing a new legal structure for their global business with the purpose of attracting new investments for Camposol Agribusiness, as well as simplifying corporate governance. For the purpose of segregating the Camposol Agribusiness from the shrimp farming business (which is excluded from the carve-out financial statements) of Camposol Holding PLC and subsidiaries, on

October 22, 2019, the Parent Guarantor was incorporated in Cyprus.

Unless otherwise specified, references herein to "U.S. dollars," "dollars," "U.S.$" or "$" are to United States dollars, the legal currency of the United States; references to "sol", "PEN," "soles" or "S/" are to the Peruvian sol, the legal currency of Peru; references to "€," "Euros" and "EUR" are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the treaty establishing the European Community, as amended; references to "Peru" are to the Republic of Peru; references to the Peruvian Government are to the government of Peru; references to the "United States" or "U.S." are to the United States of America.

References in this listing memoradnum to "definitive" notes and to "certificated" notes shall be intercheageable and thus have the same meaning.

Management has determined the functional currency of our principal operating entities to be the U.S. dollar. These entities sell their products in international markets to customers in a number of countries, and sales are influenced by a number of currencies. Most operating costs are incurred in Peru but many are invoiced in U.S. dollars and the price of certain raw materials and supplies are influenced by the U.S. dollar. The borrowings and cash balances of these entities are held in U.S. dollars. Management has used its judgment to determine our functional currency, taking into account the secondary factors and concluded that the currency that most faithfully represents the economic environment and conditions of these entities is the U.S. dollar. We buy and sell our products and services and obtain funding for our working capital and investments mainly in U.S. dollars. During the year ended December 31, 2017, 44.3% of our production costs were related to labor in Peru, which are incurred in soles. During the year ended December 31, 2018, 46.1% and 30% of our production costs were related to labor in Peru and Uruguay, respectively, which are incurred in soles in Peru and in Uruguayan pesos in Uruguay. During the first nine months ended September 30, 2019, 42.2% and 42% of our production costs were related to labor in Peru and Uruguay, respectively, which are incurred in soles in Peru and in Uruguayan pesos in Uruguay. As a result, our financial results are affected by exchange rate fluctuations between the U.S. dollar and the sol. Future variations in the exchange rate could have a significant impact on the portion of our costs denominated in soles, thus affecting our total costs. Furthermore, a material portion of our sales are made to customers in Europe, with such sales being made in Euros. As a result of our functional currency being the U.S. dollar, our financial results are affected by the exchange rate between the Euro and the U.S. dollar.

Since December 31, 2018 there has been no material adverse change or any development reasonably likely to involve a material adverse change, in the condition (financial or otherwise) or general affairs of Camposol S.A., or Csol Holding LTD.

We have made rounding adjustments to certain figures included in this listing memorandum. As a result, numerical figures presented as totals may not always be exact arithmetic aggregations of their components, as presented.

In this listing memorandum: "ton" or "MT" means a metric ton which is equal to 1,000 kilograms or 2,204.62 pounds; "m^3" means a cubic meter which is equal to 1,000 liters or approximately 35.3 cubic feet; "MT/h" refers to MT per hour; references to fruit and vegetable prices are to "free on board," or FOB, Peru, except as otherwise indicated.

The notes offered hereby will be issued pursuant to an Indenture expected to be dated as of February 3, 2020 (the "Indenture"), among the Issuer, the Parent Guarantor, as Guarantor, and The Bank of New York Mellon, as trustee (the "Trustee").

PRESENTATION OF FINANCIAL MEASURES AND OTHER INFORMATION

Financial Statements

Camposol Holding Limited, was incorporated on July 9, 2007, as a limited company under Cyprus law. On October 18, 2017, Camposol Holding Limited was converted to a public company limited by shares under Cyprus law with the name "Camposol Holding PLC". In 2019, Camposol Holding PLC began implementing a new legal structure for their global business with the purpose of attracting new investments for Camposol Agribusiness. For the purpose of segregating the agricultural business from the shrimp farming business of Camposol Holding PLC and subsidiaries, on October 22, 2019, the Parent Guarantor was incorporated as a limited company under Cyprus law. As of the date of this listing memorandum, all of the main operating companies related to Camposol Agribusiness including the Issuer but not including Camposol Uruguay S.R.L., have been transferred to the Parent Guarantor. Such transfer of Camposol Uruguay S.R.L. is expected to occur after the issuance of these notes.

The legal entities that have been combined and included in the carve-out financial statements included in this listing memorandum (except for certain related party balances that were not contributed to the Group and are not related to the Camposol Agribusiness) and their activities are as follows:

Company	Principal activity	Country of incorporation	Direct or indirect interest as of 31 December 2018	2017	2016
Camposol S.A.	Agribusiness	Peru	100%	100%	100%
Nor Agro Perú S.A.C.	Farmland owner	Peru	100%	100%	100%
Muelles y Servicios Paita S.R.L.	Farmland owner	Peru	100%	100%	100%
Inversiones Agrícolas Inmobiliarias S.A.C.	Farmland owner	Peru	99.99%	99.99%	99.99%
Camposol Europa S.L.	Distribution	Spain	100%	100%	100%
Camposol Fresh B.V.	Distribution	Netherlands	100%	100%	100%
Madoca S.A.C	Holding	Peru	100%	100%	100%
Grainlens S.A.C	Holding	Peru	100%	100%	100%
Blacklocust S.A.C.	Holding	Peru	100%	100%	100%
Persea, Inc.	Holding	USA	100%	100%	100%
Camposol Fresh U.S.A., Inc.	Distribution	USA	100%	100%	100%
Camposol Specialties, Inc.	Distribution	USA	100%	100%	100%
Camposol Colombia S.A.S.	Agriculture	Colombia	100%	100%	-
Camposol Foods Trading (Shangai) Co Ltd.	Distribution	China	100%	100%	-
Camposol Fresh Foods Trading Co Ltd.	Distribution	China	100%	100%	-
Camposol Uruguay S.R.L	Agriculture	Uruguay	100%	-	-

This listing memorandum includes the carve-out financial statements of Camposol Agribusiness as of and for each of the three years ended December 31, 2018, 2017 and 2016 and the related notes thereto, which were prepared in accordance with International Financial Reporting Standards, or "IFRS", and interpretations issued by the IFRS Interpretations Committee applicable to companies reporting under IFRS, as issued by the International Accounting Standards Board, or the IASB, and audited in accordance with the Public Company Accounting Oversight Board, or PCAOB, auditing standards. We have derived the condensed interim carve-out financial data for the nine month period ended September 30, 2019 and September 30, 2018 from Camposol Agribusiness's unaudited financial statements included elsewhere in this listing memorandum. Camposol Agribusiness's functional currency is the U.S. dollar.

Non-IFRS Financial Measures

We have disclosed our historical Adjusted EBITDA from continuing operations and Adjusted EBITDA Margin from continuing operations in this listing memorandum, which are non-IFRS financial measures. See "Summary Selected Consolidated Financial and Other Data" and "Selected Consolidated Financial and Other Data". Adjusted EBITDA from continuing operations and Adjusted EBITDA Margin from continuing operations should not be considered as an alternative to profit (loss) or operating cash flow, nor should they be considered as a liquidity measurement, since they do not reflect certain costs involved in our operations, such as finance expenses, taxes, depreciation, capital expenses and other related costs, any of which may have a significant effect on our net profit. Adjusted EBITDA from continuing operations and Adjusted EBITDA Margin from continuing operations are not a measurement of our financial performance under IFRS and should not be considered as an alternative to profit (loss), income (loss) from continuing operations or any other performance measures derived in accordance with IFRS. Additionally, Adjusted EBITDA from continuing operations is a calculated differently than Consolidated EBITDA for purposes of the financial covenants in the Notes. See “Description of the Notes” for further information on how Consolidated EBITDA is calculated under the notes and the Indenture

Adjusted EBITDA from continuing operations and Adjusted EBITDA Margin from continuing operations are presented in this listing memorandum because they are an important metrics used by management as one the means by which we assess our financial performance. Adjusted EBITDA from continuing operations and Adjusted EBITDA Margin from continuing operations are also frequently used by analysts, investors and other interested parties to evaluate companies in our industry. We use Adjusted EBITDA from continuing operations and Adjusted EBITDA Margin from continuing operations as supplements to IFRS measures of performance to evaluate the effectiveness of our business strategies. This measure, when used in conjunction with related IFRS financial measures, provides investors with additional financial analytical framework which management uses, in addition to historical operating results, as the basis for financial, operational and planning decisions and present measurements that third parties have indicated are useful in assessing our company and its results of operations. You should rely primarily on our IFRS results, and use Adjusted EBITDA from continuing operations and Adjusted EBITDA Margin from continuing operations in a supplemental manner. There is no standard definition of Adjusted EBITDA from continuing operations and Adjusted EBITDA Margin from continuing operations, and our definitions may not be comparable to Adjusted EBITDA from continuing operations and Adjusted EBITDA Margin from continuing operations as used by other companies.

We calculate Adjusted EBITDA from continuing operations as profit (loss) for the period/ year excluding interest net, from continuing operations; income tax expense; depreciation and amortization and adjusted to exclude profit (loss) for the period/ year from discontinued operations, net of income taxes; share of profit of investments accounted for using the equity method; net foreign exchange transaction losses, other income and expenses; net gain arising from changes in fair value of biological assets and impairment of fixed assets. We calculate Adjusted EBITDA Margin from continuing operations as Adjusted EBITDA from continuing operations divided by revenue from continuing operations.

The use of Adjusted EBITDA from continuing operations and Adjusted EBITDA Margin from continuing operations, instead of profit (loss) and profit (loss) margin, has limitations as an analytical tool, including the following:

- Adjusted EBITDA from continuing operations and Adjusted EBITDA Margin from continuing operations do not reflect changes in, or cash requirements for, our working capital needs;
- Adjusted EBITDA from continuing operations and Adjusted EBITDA Margin from continuing operations do not reflect our interest expense, or the cash requirements necessary to service interest or principal payments, on our debt;
- Adjusted EBITDA from continuing operations and Adjusted EBITDA Margin from continuing operations do not reflect our tax expense or the cash requirements to pay taxes;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and Adjusted EBITDA from continuing operations and Adjusted EBITDA Margin from continuing operations does not reflect any cash requirements for such replacements; and
- Adjusted EBITDA from continuing operations and Adjusted EBITDA Margin from continuing operations do not reflect historical cash expenditures or future requirements for capital expenditures or contractual commitments.

Industry, Market Data and Other Information

We obtained the statistical data and information included in this listing memorandum relating to the markets where we operate from reports prepared by government agencies, third party surveys, market research, consultant surveys, industry publications and surveys and other publicly-available sources. Although we believe that these sources are reliable, we have not performed any independent verification with respect to such statistical data and information and, therefore, we cannot guarantee its accuracy or completeness. Any such market data, information or forecast may prove to be inaccurate because of the method by which we obtain it or because it cannot always be verified with complete certainty given the limits on availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties, including those discussed under the “Risk Factors”. Nothing in this listing memorandum should be interpreted as a market forecast. In addition, the data that we compile internally and our estimates included in this listing memorandum have not been verified by an independent source.

Rounding

Certain figures and some percentages included in this listing memorandum have been subject to rounding adjustments. Accordingly, the totals included in certain tables contained in this listing memorandum may not correspond to the arithmetic aggregation of the figures or percentages that precede them.

ENFORCEABILITY OF CIVIL LIABILITIES

Camposol S.A., the issuer, is a company organized and existing under the laws of Peru, and Csol Holding LTD, the guarantor of the notes, is a company organized and existing under the laws of Cyprus. The majority of the directors and officers of Csol Holding LTD and Camposol S.A. reside outside the U.S., and all or a significant portion of the assets of such persons may be, and substantially all of our assets are, located in Peru or elsewhere outside the United States. As a result, it may not be possible for investors to effect service of process upon such persons or entities outside Peru or to enforce against any of them, in the courts of jurisdictions other than Peru, any judgments obtained in such courts that are predicated upon the laws of such other jurisdictions or enforce against any of them, in Peruvian courts, judgments obtained in jurisdictions other than Peru, including judgments obtained in respect of the notes or the Indenture governing the notes, in New York courts, unless such judgments fulfill the requirements described below.

We have been advised by Rebaza, Alcazar & De las Casas Abogados that any final and conclusive judgment for a fixed and definitive sum obtained against us in any foreign court having jurisdiction in respect of any suit, action or proceeding against us for the enforcement of any of our obligations under the Indenture or under the notes that are governed by New York law will, upon request, be deemed valid and enforceable in Peru through an exequatur judiciary proceeding (which does not involve the reopening of the case); provided that:

- the foreign judgment does not resolve matters under the exclusive jurisdiction of Peruvian court (and the matters contemplated in respect of this listing memorandum or the notes are not matters under the exclusive jurisdiction of Peruvian courts);
- the relevant foreign court had jurisdiction under its own private international conflicts of law rules and under general principles of international procedural jurisdiction;
- the defendant:
  - was served in accordance with the laws of the place where the proceeding took place,
  - was granted a reasonable opportunity to appear before such foreign court, and
  - was guaranteed due process rights;
- the foreign judgment has the status of res judicata as defined in the jurisdiction of the court rendering such judgment;
- there is no pending litigation in Peru between the same parties for the same dispute which shall have been initiated before the commencement of the proceeding that concluded with the foreign judgment;
- the foreign judgment is not incompatible with another judgment that fulfills the requirements of recognition and enforceability established by Peruvian law unless such foreign judgment was rendered first;
- the foreign judgment is not contrary to public policy (*orden público*) or good morals *(buenas costumbres)*;
- a proceeding for the recognition and enforcement of the foreign judgment is followed, in which:
  - powers of attorney are granted by the party intending to enforce the foreign judgment to its representative in Peru,
  - an original or a copy of the judgment, authenticated according to the rules of the place where the judgment was issued and duly authenticated or certified by the respective Peruvian Consulate, or apostilled if the country of the court rendering the judgment is a signatory to the Hague Apostille Convention, is filed before the competent court in charge of its enforceability in Peru,
  - the judgment is filed accompanied by a certified and officially translated copy by a public translator registered in Peru if it is not already in Spanish, and
  - the applicable court taxes or filing fees have been paid; and
- there is in effect a treaty between the country where said foreign court sits and Peru regarding the recognition and enforcement of foreign judgments. In the absence of such a treaty, the reciprocity rule is applicable (such reciprocity rule being presumed), under which a judgment given by a foreign court of competent jurisdiction will be admissible in the Peruvian courts and will be enforced, unless according to such foreign law:
  - judgments issued by Peruvian courts are not admissible in such foreign country; or,
  - judgments issued by Peruvian courts are subject to re-examination by such court of competent jurisdiction of the issues considered therein.

We have no reason to believe that any such judgment would be under the exclusive jurisdiction of Peruvian courts or that any of our obligations relating to the notes would be contrary to Peruvian public policy (*orden público*), good morals (*buenas costumbres*) and international treaties binding upon Peru or generally accepted principles of international law.

Concerning Cyprus, there is no bilateral convention concerning the recognition and enforcement of U.S. judgments. In the absence of any bilateral treaty between Cyprus and the United States the common law of Cyprus may be used in order to recognize a judgment of the United States courts in Cyprus. This may be done by filing a civil action in Cyprus where the cause of action will be the foreign judgment obtained by the United States courts.

No treaty exists between the United States and Peru for the reciprocal enforcement of foreign judgments. Peruvian courts, however, have enforced judgments rendered in the United States based on legal principles of reciprocity and comity.

Regarding foreign arbitral awards there is an enforcement mechanism in place under the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York, 1958) which has been ratified by Cyprus. The United States is also party to such Convention.

Noteholders may originate actions in either Peru or Cyprus based upon either applicable Peruvian or Cypriot laws, as the case may be.

AVAILABLE INFORMATION

We will furnish, upon prior written request of any registered owner of a note, or note holder, or beneficial owner of a note, or note owner, such information as is specified in paragraph (d)(4) of Rule 144A under the Securities Act: (a) to such note holder or note owner, (b) to a prospective purchaser of such note (or beneficial interest therein) who is a qualified institutional buyer designated by such note holder or note owner or (c) to the trustee for delivery to such note holder or note owner or such prospective purchaser so designated, in each case in order to permit compliance by such note holder or note owner with Rule 144A in connection with the resale of such note (or a beneficial interest therein) in reliance upon Rule 144A unless, at the time of such request, (1) we are subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, or (2) we qualify for the exemption pursuant to Rule 12g3-2(b).

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This listing memorandum includes “forward-looking statements” within the meaning of U.S. securities laws, or collectively, forward-looking statements. Forward-looking statements include statements that may relate to our plans, objectives, goals, strategies, future events, future revenue or performance, capital expenditures, financing needs and other information that is not historical information. Many of these statements appear, in particular, under the headings “Summary,” “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” Forward-looking statements can often be identified by the use of terminology such as “subject to”, “believe,” “anticipate,” “plan,” “expect,” “intend,” “estimate,” “project,” “envision,” “predict,” “target,” “contemplate,” “potential,” “may,” “will,” “should,” “would,” “could,” “can,” the negatives thereof, variations thereon and similar expressions, or by discussions of strategy. In addition, any statements or information that refer to expectations, beliefs, plans, projections, objectives, performance or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking. In particular, forward-looking statements in this listing memorandum include, but are not limited to, statements about:

- our ability to implement our goals and strategies;
- the size of our addressable markets and our ability to commercialize product candidates;
- our ability to identify optimal production windows;
- our ability to maintain the size of our distribution network;
- our ability to maintain our relationships with our merchants and agents;
- the expected growth of our company and our products;
- our ability to continue to develop new and attractive products;
- our future business development, results of operations and financial condition;
- our ability to continue to develop new technologies and upgrade our existing technologies;
- competition in our industry;
- the proposed use of proceeds of this Offering;
- projected revenue, profits, earnings and other estimated financial information;
- our ability to effectively implement the new legal structure for our global business as described in this Listing memorandum. See section “Business—Corporate Structure”; and
- developments in, or changes to, the laws, regulation and governmental policies governing our business and industry.

All forward-looking statements, including, without limitation, our examination of historical operating trends, are based upon our current expectations and various assumptions. Certain assumptions made in preparing the forward-looking statements include:

- our ability to manage our growth effectively;
- the absence of material adverse changes in our industry or the local, regional and global economy;
- expectations regarding industry trends and the size and growth rates of addressable markets;
- our ability to maintain good business relationships with our strategic partners and international distributors;
- our ability to comply with current and future regulatory standards;
- our ability to manage and integrate acquisitions;
- our ability to retain key personnel; and
- our ability to raise sufficient debt or equity financing to support our continued growth.

We believe there is a reasonable basis for our expectations and beliefs, but they are inherently uncertain. We may not realize our expectations, and our beliefs may not prove correct. Actual results could differ materially from those described or implied by such forward-looking statements. The following uncertainties and factors, among others (including those set forth under “Risk Factors”), could affect future performance and cause actual results to differ materially from those matters expressed in or implied by forward-looking statements:

- changes in demand for, and prices of, fruits and vegetables;

- our ability to obtain, maintain and renew all licenses, permits, quota shares and other authorizations associated with our land, processing plants or otherwise required in connection with our business;
- the availability of qualified personnel to work on our land and in our processing plants;
- other governmental policies affecting our business, including agriculture, food processing and trade policies;
- our ability to generate cash and to obtain sufficient financing for our operations and our future expansion plans;
- our ability to integrate and benefit from our recent acquisitions, as well as other joint ventures and strategic alliances;
- our ability to comply with laws and regulations;
- industry conditions, including the cyclicality of the agricultural industry, and unpredictability of the weather;
- our ability to meet changes in customer preferences;
- the effects of economic, political or social conditions and changes in foreign exchange policy or other conditions affecting our principal export markets;
- increases in our operating costs or our inability to meet efficiency or cost reduction objectives, including increases in the cost of personnel;
- possible disruptions to commercial activities due to natural and human-induced disasters, including terrorist activities and armed conflict;
- the outcome of pending regulatory and legal proceedings;
- economic, political, regulatory and other risks associated with international operations;
- our ability to retain key executives and attract and retain qualified personnel;
- our ability to manage organizational growth; and
- additional factors discussed under the sections entitled "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business."

The preceding list is not intended to be an exhaustive list of all of our forward-looking statements and should be read with other cautionary statements in this listing memorandum. The forward-looking statements are based on our beliefs, assumptions and expectations of future performance, taking into account the information currently available to us. These statements are only predictions based upon our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements. In particular, you should consider the numerous risks provided under "Risk Factors" in this listing memorandum. Although we have attempted to identify important risk factors, there may be other risk factors not presently known to us or that we presently believe are not material that could also cause actual results and developments to differ materially from those made in or suggested by the forward-looking statements contained in this listing memorandum.

Given these risks and uncertainties, you are cautioned not to place substantial weight or undue reliance on these forward-looking statements when making an investment decision. These forward-looking statements speak only as of the date of this listing memorandum. Except as required by law, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should read this listing memorandum completely and with the understanding that our actual future results may be materially different from what we expect.

SUMMARY

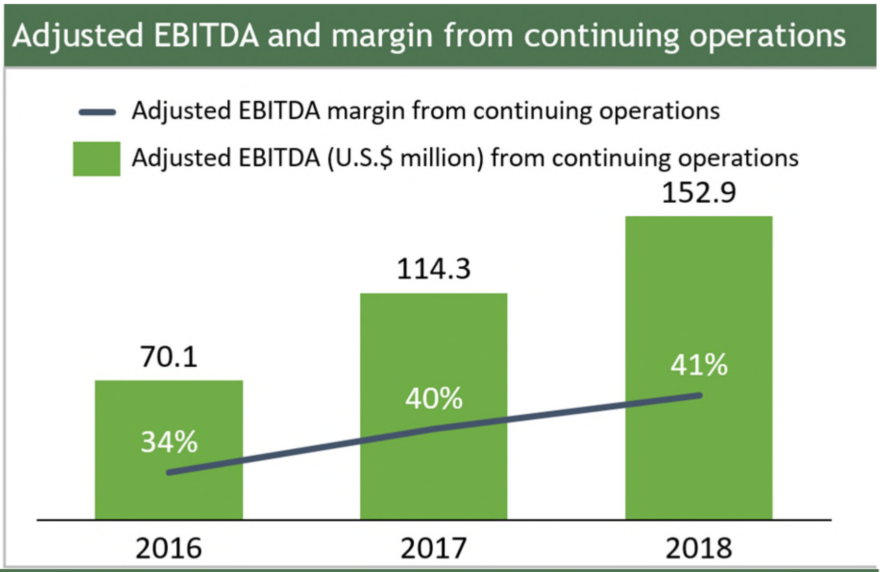
This summary highlights certain information contained elsewhere in this listing memorandum. This summary does not contain all of the information that may be important to you. You should read and carefully consider the following summary together with the entire listing memorandum, especially the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of this listing memorandum and the Camposol Agribusiness's audited carve-out financial statements and the notes thereto appearing elsewhere in this listing memorandum before deciding to invest in our notes. For more information on our business refer to the "Business" section of this listing memorandum. Some of the statements in this listing memorandum constitute forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors, including those discussed in the "Risk Factors" and other sections of this listing memorandum. See "Cautionary Note Regarding Forward-Looking Statements."

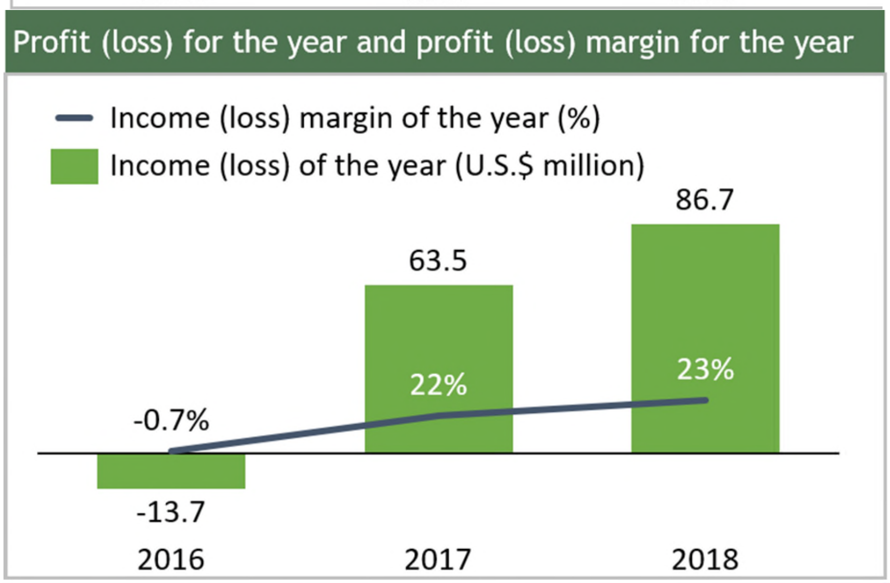
OUR COMPANY

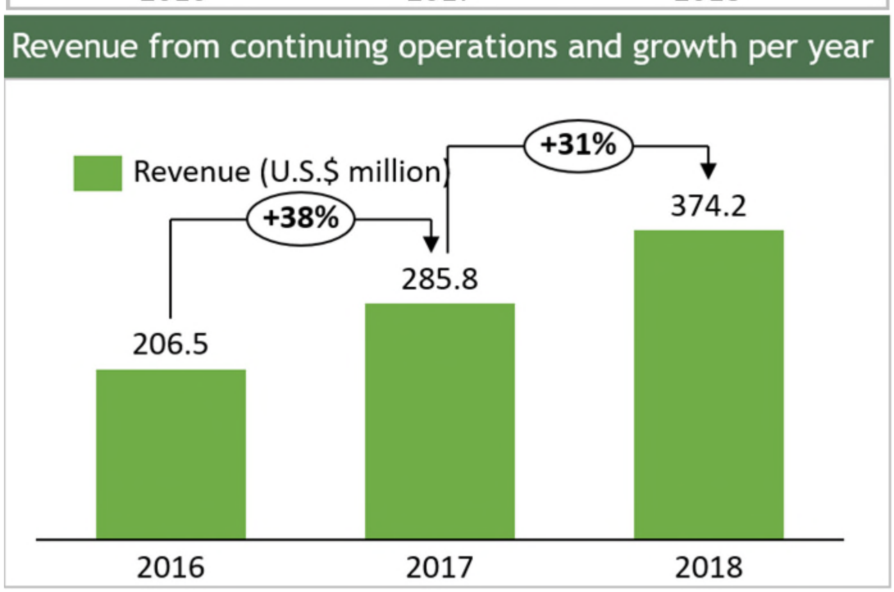
We are a fast-growing, vertically-integrated producer of branded and predominantly off-season fresh and healthy food for leading global retailers and wholesalers, with strong operating margins. Our strategic locations in Peru, Colombia, Chile and Uruguay, with our corporate headquarters in Lima, give us flexibility to produce year-round, considering the production cycles of all our products collectively, and hence we are able to sell products when supplies are low and prices are high in North America, Europe and China. We optimize our operations to supply products that are in high demand by consumers, which today include fresh produce such as blueberries, avocados and tangerines. We control our entire value chain: research and product development, growing fields, processing facilities, and sales and distribution channels. Our 20-year track record of success introducing and scaling new on-trend products in the demanding European Union and United States markets, mainly through world-class retailers and wholesalers such as Walmart, Publix, Edeka, Kaufland, Sam's Club and Costco, among others, is sustained by our recognized value proposition: high consistency, superior quality and full traceability. Moreover, our sustainable production practices address the demand by consumers and our retail customers for socially-responsible and environmentally-friendly products.

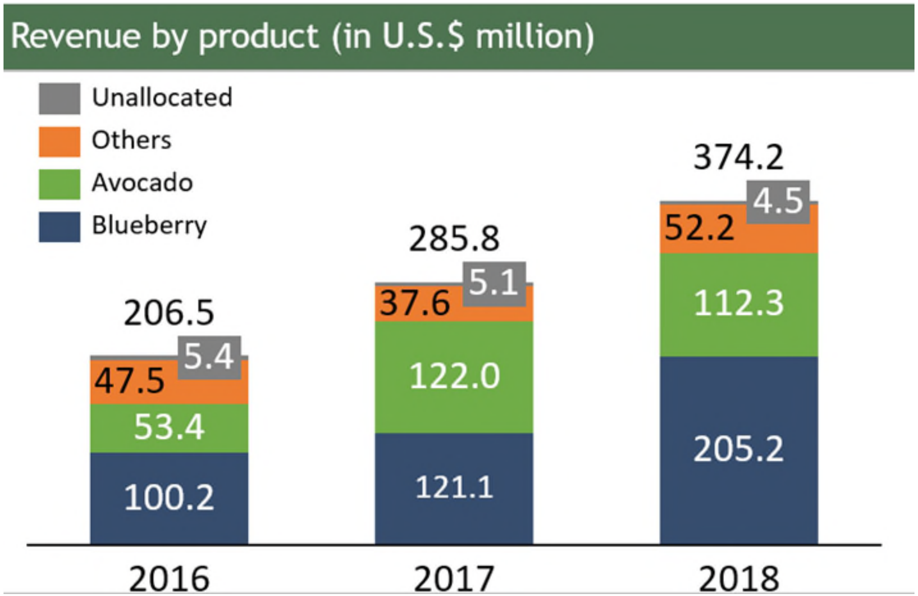
Our strategy has driven our growth and financial success. Camposol Agribusiness generated revenue from continuing operations of U.S.$285.8 million in 2017 and U.S.$374.2 million in 2018, a year on year ("YoY") increase of 30.9%. Camposol Agribusiness's profit for the year from continuing operations increased from U.S.$64.4 million in 2017 to U.S.$86.7 million in 2018, while the Adjusted EBITDA from continuing operations grew from U.S.$114.3 million in 2017 to U.S.$152.9 million in 2018, a YoY increase of 34%. Camposol Agribusiness's profit margin for the year was 23% and the Adjusted EBITDA Margin from continuing operations was 41% for 2018, while the year margin was 22% and the Adjusted EBITDA Margin from continuing operations was 40% for 2017.

Camposol Agribusiness generated revenue from continuing operations of U.S.$227.8 million for the nine months ended September 30, 2018 and U.S.$199.9 million for the nine months ended September 30, 2019, a period-on-period decrease of 12%. The operating profit for the nine months ended September 30, 2018, decreased from U.S.$41.8 million to U.S.$9.0 million for the same period in 2019, while the Adjusted EBITDA from continuing operations decreased from U.S.$89.0 million for the nine months ended September 30, 2018 to U.S.$52.4 million for the same period in 2019, a period-on-period decrease of 41%. Camposol Agribusiness's profit margin for the period was 4% and the Adjusted EBITDA Margin from continuing operations was 26% for the nine months ended September 30, 2019 while the profit margin for the year was 18% and the Adjusted EBITDA Margin from continuing operations was 39% for the same period in 2018.


Adjusted EBITDA and margin from continuing operations
Adjusted EBITDA margin from continuing operations
Adjusted EBITDA (U.S.$ million) from continuing operations
70.1
114.3
152.9
34%
40%
41%
2016
2017
2018


Profit (loss) for the year and profit (loss) margin for the year
Income (loss) margin of the year (%)
Income (loss) of the year (U.S.$ million)
-13.7
63.5
86.7
-0.7%
22%
23%
2016
2017
2018


Revenue from continuing operations and growth per year
Revenue (U.S.$ million)
+38%
+31%
206.5
285.8
374.2
2016
2017
2018



Source: the Company

During 2019, Camposol Agribusiness sold products in over 40 countries and sold directly to 5 of the world's top 10 food retailers as determined by the National Federation of Retailers, based on top 100 retailers in 2019. We operate through commercial offices in the United States, the Netherlands and China with a network of distribution centers throughout its markets. Camposol Agribusiness currently has 8,296 planted hectares (8,247 hectares of current products plus 49 hectares undergoing R&D).

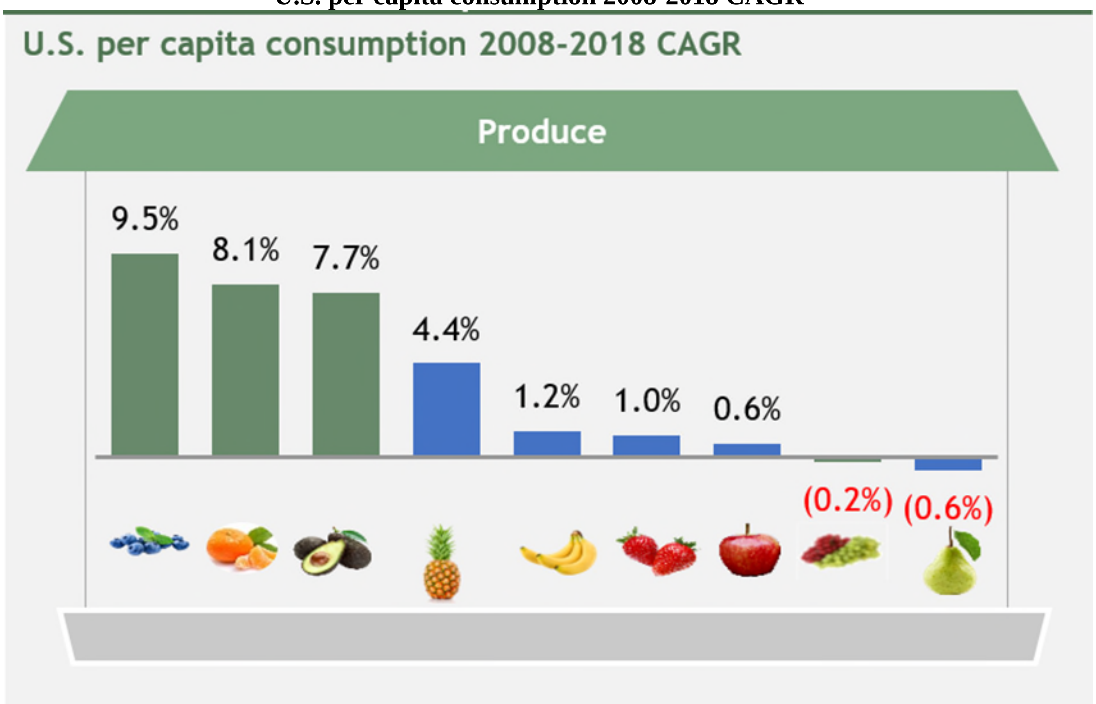
Our Market Opportunity

We are focused on fast-growing produce categories as consumer preferences are shifting towards healthier and more convenient products. Fresh produce is one of the fastest growing food categories, with avocado and blueberries playing an outsized role in this growth, due to their perceived health benefits and convenience.

According to a study by The Halo Group, millennials value honest and open relationships with brands, and are increasingly relying on trusted sources such as nutritionists and dieticians when analyzing food nutrition claims, thus favoring healthier options in their diets. Moreover a study by Immersive Youth Marketing, shows that 71% of Americans prefer to buy natural and/or organic foods over conventional foods if prices are comparable. According to Euromonitor, fruits and vegetables retail volumes have grown at CAGRs of 3.4% between 2012 and 2017. Meat, deli and bakery volumes grew at CAGRs of 1.9%, 1.5% and 1.0%, respectively, during the same period. Other declining or slower-growing categories include beverages, shelf-stable and frozen products, growing at (0.1%), (0.6%) and 0.2%, respectively.

According to the Food and Agriculture Organization of the United Nations ("FAOSTAT"), global production of avocados increased from 2.7 million MT in 2000 to 5.9 million MT in 2017. Furthermore, in the United States blueberries are one of the most consumed fruits and are known for their overall health benefits, taste and versatility for a variety of situations, including snacking and baking. We believe that blueberries are on-trend due to the increase in healthy eating and the fact that they are beneficial for brain health, fat-free, sodium-free and cholesterol-free, and rich in Vitamin C and Vitamin K. We believe the continued increase in demand in the United States, particularly in periods of low supply when prices tend to be higher, will be supplied by imported blueberries from Mexico and South America. We believe that we are well-positioned to capitalize on this trend by expanding our production window in a disciplined manner to drive revenue while closely analyzing pricing and supply dynamics.

U.S. per capita consumption 2008-2018 CAGR[(1)]



Source: USDA

(1) Per USDA Consumption Data. Published October 2019: represents 2008-2018 per capita consumption CAGR.

Our Business

Camposol Agribusiness is focused on investing in the agricultural business and managing the export of agricultural products, mainly to the United States, China and the European Union. Camposol Agribusiness's three reported segments are composed of two segments, blueberries and avocados, which are our most relevant products, and a third segment grouped as "Other" which mainly includes tangerines, mangoes, grapes and peppers.

The following table shows revenue by segment excluding discontinued operations and unallocated revenues for the periods indicated:

	For the nine months ended September 30, 2019		For the year ended December 31, 2018		For the year ended December 31, 2017	
	Revenue (in thousands of U.S.$)	% of Total	Revenue (in thousands of U.S.$)	% of Total	Revenue (in thousands of U.S.$)	% of Total
	(Unaudited)					
Blueberries	92,310	46.4%	205,208	55.5%	121,064	43.1%
Avocados	70,569	35.5%	112,294	30.4%	122,042	43.5%
Other[(1)]	36,055	18.1%	52,169	14.1%	37,561	13.4%
Total	198,934	100.0%	369,671	100.0%	280,667	100.0%

(1) Includes tangerines, mangoes, grapes and other products.

The following table is a reconciliation of the revenue from continuing operations of our reportable segments with the consolidated total revenue from continuing operations:

	For the year ended December 31,			For the nine months ended September 30, 2019	For the nine months ended September 30, 2018
	2018	2017	2016		
	(in thousands of U.S.$)			(in thousands of U.S.$) (Unaudited)	
Total revenue of reportable segments	369,671	280,667	201,069	198,934	223,711
Unallocated[(1)] revenue	4,494	5,178	5,448	983	4,044
Total revenue from continuing operations	**374,165**	**285,845**	**206,517**	**199,917**	**227,755**

(1) Unallocated items correspond to minor activities not reported to the chief operating decision maker, such as packaging and other minor services provided by the Company.

Fresh Produce

We produce fresh fruits under the Camposol brand, mainly blueberries and avocados, along with other products such as tangerines, mangoes, grapes and peppers. Most of our sales come from our own fields thus making us the largest independent producer of blueberries in Peru as measured by the 24,871 MT sold in 2018 and 14,414 MT sold during the first nine months ended September 30, 2019. According to the Integrated Foreign Trade Information System (*Sistema Integrado de Información de Comercio Exterior* or "SIICEX"), we are also the largest Peruvian exporter of Hass avocados to the United States, having sold 22,793 MT in the United States market in 2018 and 9,576 MT for the first nine months ended September 30, 2019. In some specific instances, we have sourced avocados and mangoes from third parties in order to diversify our offering.

We believe the strategic locations of our fields translates into more favorable prices because, considering the production cycles of all our products collectively, we are able to produce year-round and hence we are also able to supply fruits when supplies are low and prices are high in North America, Europe and China. We also believe the location of our fields makes us less susceptible to extreme weather, due to a greenhouse effect from the Humboldt current and our proximity to the Andean mountains. Consequently, our fields experience a moderate dry climate and stable temperatures throughout the year. Additionally, the proximity of our fields to the Equator results in longer daylight hours, which also positively affects productivity.

We have fully integrated our value chain, from farming to commercialization and logistics, which allows us to consistently provide high-quality, fully traceable products to top retailers and wholesalers in our markets. As of September 30, 2019, we had 8,296 planted hectares of land (8,247 hectares in current products and 49 hectares undergoing research and development or "R&D"). In addition to our planted hectares, we own and operate a 35,416 square meter production facility in close proximity to our fields, which includes two fresh-packing facilities, two freezing facilities and a laboratory for molecular and microbial biotechnology research. We operate through commercial offices in the United States, the Netherlands and China with a network of distribution centers throughout our markets.

We have a strong focus on R&D. Over time, this R&D has identified, tested and developed each new product in our portfolio, including our blueberry, avocado and tangerine products. The R&D process starts with testing adaptability to our field conditions and ends with reaching high-scale production. We are also focused on biological pest control to minimize the use of pesticides, which we believe makes our products healthier and more appealing for health-conscious customers.

Marketing

Our commercial office team maintains relationships with retailers and supermarkets worldwide and provides them with the consistency in supply and quality that they require. We focus on major retailers in the United States, European Union, and Chinese markets, including Costco, Walmart, Publix, Sam's Club, Edeka, Kaufland, Alibaba, and JD.com among others. Our customers demand high standards, which we have been able to meet. For example, in 2017, we were awarded Walmart's Supplier of the Year Award in the Produce Category for our previous year's performance. In 2019, we were again recognized by Walmart with the Risk Taker Award, for being innovative and exceeding the customer's expectations. Through the continued development of our commercial offices, we are focused on developing and pursuing direct commercial relationships with retailers and supermarkets and as a result, during 2018, we sold approximately 61% of our blueberries and 49% of our avocados directly to retailers.

Moreover, we are focusing on boosting our brand recognition among consumers. One such effort to achieve this is our "Camposol Cares From Farm to Family" campaign, launched in February 2019. With this campaign, we aim to express our value proposition to our end consumer and highlight our focus on millennials and health and environmentally/climate-conscious consumers by emphasizing four key elements present during our production cycle: our consumers, our people, our communities, and the planet.

We export our diverse range of products to countries throughout the world. Each product is targeted to a specific export market based on customer demand. Overall, we exported to over 40 countries in 2018 and sold directly to 5 of the world's top 10 food retailers as determined by the National Federation of Retailers based on top 100 retailers in 2019. The main countries that we export to include the United States, Germany, China, Spain, and the United Kingdom which collectively represented 86% of our revenues in 2018. We opened a commercial office in Shanghai in 2017, and sales to Asia commenced in 2018. In 2018, Asia accounted for approximately 10% of our revenues.

Key Strengths

We believe our competitive strengths have contributed to our historical success and will enable us to capitalize on future growth opportunities. Our principal strengths include the following:

Unique value proposition widely recognized by the leading global retailers

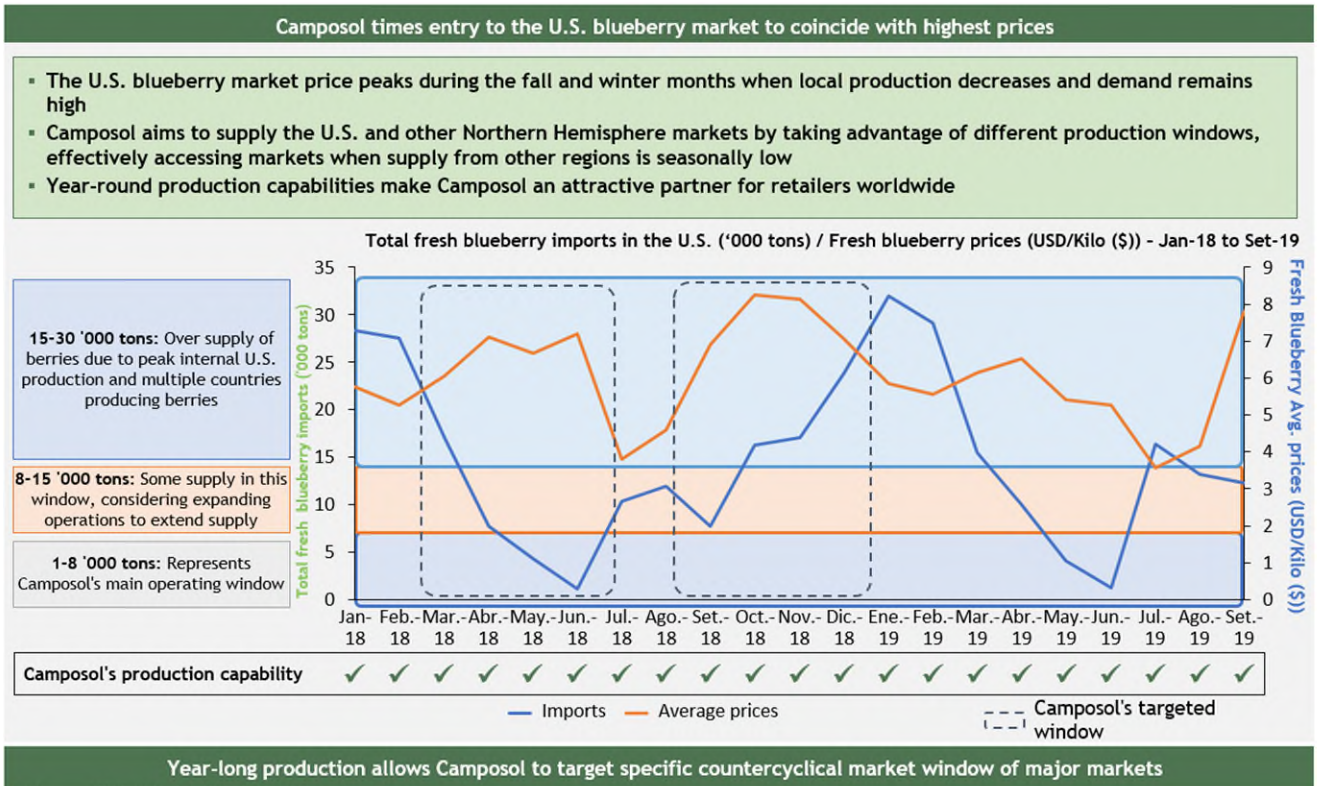
We have built a reputation for providing retailers with a variety of high-quality, consistent, traceable, socially-responsible and environmentally-friendly products. We are also one of the few companies of scale in our industry that can serve our retail partners during "off-season" time periods. During the past five years, we have enhanced this value proposition by developing our R&D capabilities, continually improving our production capabilities, and building and expanding our commercial and logistics platform. We are currently present in 5 of the world's top 10 food retailers, as determined by the National Federation of Retailers, based on top 100 retailers in 2019 and have been able to establish strong relationships with many of these retailers in a relatively short period of time, as shown by Walmart, who we began selling to in 2011, and awarded us for our performance as a supplier in 2017 and 2019. We are focused on expanding our relationships with these retailers through our unique value proposition and commercial offices.

Vertically- integrated production delivers consistency and full traceability

We own our productive land and grow, harvest, pack and process substantially all of our products. We distribute our products directly to retailers and wholesalers globally. As a result, we control all processes in the value chain, which allows us to trace our products back to the parcel of land from which they were harvested, and to the seeds, inputs, people or services used in our sustainable and socially-responsible growing process. This business model differentiates us and has been key to quickly building strong relationships with the top retailers and the development of “The Berry that Cares” and “Camposol Cares From Farm to Family” campaigns.

Strategic location and advanced production techniques have resulted in superior yields and stable production

Currently, most of our production fields are located in Peru where the climate is temperate throughout the year, facilitating our strategic production cycles and lowering agricultural risks. The Humboldt current creates a moderate climate that when coupled with long daylight creates a greenhouse effect allowing us to produce fruits usually found further from the Equator. All of these factors contribute to our ability to drive higher yields on average and provide our products during favorable commercial windows, such as in the northern hemisphere's winter months when supply is low. As shown in the chart below, average U.S. import prices of fresh blueberries increase substantially during the April-June and September-November windows as import volume decreases given few producers are able to supply the market during those months.

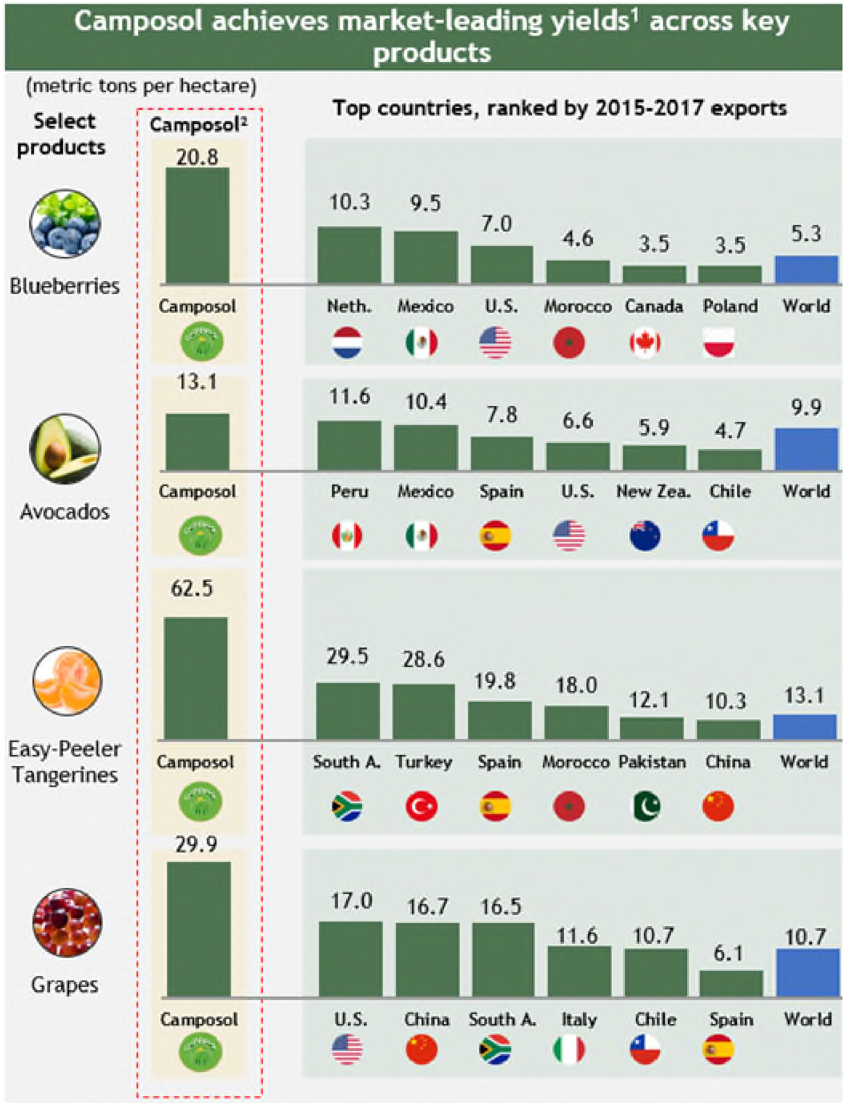


Source: USDA Fresh blueberry import data and Company

In the latest months, Camposol has invested in expanding its production capacity in other parts of Latin America. Specifically, in the case of avocados, we bought 1,850 hectares in Colombia (Pereira region) with the primary objective of expanding our commercial window to increase our presence in the markets throughout the year. We expect that these fields will reach peak production towards the year 2025. A secondary objective is to diversify our production capacity to mitigate geographic risk and avocado alternation exposure. Of the total 1,850 hectares purchased, as of the end of September 30, 2019, 231 hectares are already producing avocados.

Moreover, we purchased 1,522 hectares in Uruguay (Salto province), a traditional citrus-producing region, in order to further expand our volume of tangerine production and to complement our Peruvian production. We expect to complete planting and reach peak production by the year 2028. Of the total 1,522 hectares purchased, as of the end of September 30, 2019, 217 hectares were already in production, from which we harvested 2,500 MT of tangerines. Additionally, in Chile we have rented 120 hectares in R&D for the growing of cherries.

Between 2015-2017, our yield per hectare for blueberries was 20.8 tons compared to a global average of 5.3 tons according to FAOSTAT. For the same period, our yield per hectare for avocados was 13.1 tons, compared to a global average of 9.9 tons.



Source: FAOStat yields by country and crop
Notes:
1 Represents average 2015-2017 yields
2 Camposol yields achieved at plantation maturity

Successful track record of introducing and rapidly scaling new products supported by strong R&D process

We have leading R&D programs and facilities complemented by partnerships with key research institutions in Peru, Chile, Spain, Mexico and the Netherlands. These R&D capabilities allow us to improve the quality of existing products, introduce new products to our portfolio, and quickly scale up production. We are constantly testing new products in on-trend categories and adjust our product mix to optimize sales and profits. In 2009, we identified avocados as a more profitable product for our portfolio than some of our legacy products. Similarly, in 2013 we began to test production of blueberry varieties and are now a key global producer. As of September 2019, we had more than 15 crops being tested by our R&D team.

Highly-experienced, results-oriented management team supported by a controlling shareholder focused on corporate governance and growth

We believe our management team is a key driver to our success and positions us well for long-term growth. Our day-to-day operations are led by Chief Executive Officer Jorge Luis Ramirez Rubio and Chief Financial Officer Andres Daniel Colichón Sas, each of whom has a track record of success at Camposol and other leading organizations. Jorge Luis Ramirez Rubio has been with Camposol for over eleven years, starting as CFO of the company in 2008. Prior to that, he served as CFO of Latin America for

Mexichem. Andres Daniel Colichón Sas has over 20 years of experience as a CFO in leading companies in diverse sectors. The leaders of our primary operating businesses are Jose Antonio Gomez Bazan, Pedro Javier Morales Garces, Rodrigo Fernando Manzo Baeza, Rosemary Valencia Villa, and Juan Manuel Guell Camacho, all of whom have extensive experience with Camposol and other organizations in related industries. Our management team is supported by the ultimate controlling shareholder of the Parent Guarantor, the Dyer Coriat family, which has consistently maintained a strong focus on corporate governance and growth. The Dyer Coriat family has an extensive track record of success in the fresh produce, fishing and agro-industrial sectors, with leadership and corporate governance experience at Camposol and Copeinca.

Our Strategy

Our vision is to become the preferred global supplier of healthy, fresh and convenient food. To reach this goal, we intend to:

Further consolidate our existing fresh produce operations

Over the next few years we plan to focus on consolidating our current operations. This process will be deployed in three main steps. The first step is completing our targeted expansion of our Peruvian production of blueberries which will cap at 2,897 hectares. The second step is increasing the total area of land planted with avocados and tangerines. We will be planting around 3,000 hectares of avocados in Colombia, a process that we expect to complete in the next five years, with the goal of being able to supply avocados to our clients throughout the whole year. We will also be completing the planting of the land purchased in Uruguay for tangerines, to reach a total of 1,284 hectares of tangerines, so that we can increase our presence in the market with this product. The third step, which we have already begun, is accelerating the incorporation of technological improvements and systems to reduce our costs, further increase the shelf life of our products and increase efficiencies throughout the value chain.

Continue to identify, develop and launch new products

We continue to identify on-trend "super food" products and evaluate how these products will interact with the Peruvian growing environment. We are currently evaluating and testing over 15 types of products, including pecans, almonds, walnuts, persimmon, dragon fruit, cherries, lychees and kiwi. Additionally, through ongoing R&D efforts, we are continuing to improve our existing products through breeding programs, biological pest control programs and testing of new seed types. As of September 2019, as part of our introduction of organic blueberries, 87 hectares have already been certified as USDA organic, and we plan to substantially increase our organic production in the short to medium term. Recently, we have rented 120 hectares in Chile, in the Pichideagua, Sexta region in order to conduct onsite testing of cherries.

Further diversify our geographic presence

We are focused on diversifying our geographic presence into key markets. For example, we believe that the Chinese market represents an important opportunity as consumption patterns are expected to continue to rise due to an expanding middle class, urbanization and changing eating habits. We began exporting avocados to China in 2014 and blueberries in 2016. We opened a commercial office in Shanghai in 2017 to strengthen and develop relationships with retailers, such as Walmart, Sam's Club, Carrefour, Yonghui, Olé, and Alibaba. We have also worked to generate awareness of our brand, our products and their benefits to Chinese consumers. Additionally, we are analyzing new opportunities to consolidate our leadership through additional planting of current products in other geographies. For example, China has favorable climate conditions for avocado production, with extensive land available. Mexico has better labor conditions for growth than Peru and can deliver better quality to the United States due to its proximity. These actions demonstrate our commitment to driving revenue growth in new geographies.

Develop and maintain a best-in-class commercial and logistics platform in the regions where we operate

We are focused on becoming the leading strategic supplier for the key retailers in the markets in which we operate. Our strong business model and robust infrastructure enable us to meet our client's standards regarding product quality and reliability of services. Through the continued development of our commercial offices, we are focused on developing and pursuing commercial relationships with retailers and supermarkets worldwide. As a result, in 2018, we sold approximately 61% of our blueberries and 49% of our avocados directly to retailers. We continue to focus on building strong brand recognition with our clients and end customers. Current branding efforts include our "The Berry that Cares" and "Camposol Cares From Farm to Family" initiatives and the continued commercialization of products under the Camposol brand. The "Camposol Cares From Farm to Family" campaign seeks to differentiate Camposol by demonstrating Camposol branded products can be traced back to sustainable and environmentally-conscious growing practices. The campaign also aims to increase brand recognition by continuing to focus on health and wellness branding. We are also able to benefit from increasing penetration into leading retailers by leveraging existing relationships and product purchases as we continue to harvest and roll out new products to clients. Furthermore, our best-in-class customer service and consistent delivery of fresh and high-quality products have resulted in a loyal retail client base.

Commitment to our sustainable business model

Our sustainability practices are widely recognized by our stakeholders, the communities that surround our operations, our workers, authorities, major retailers, food safety administrations and our consumers. We also believe we are at the forefront of responsible and sustainable production practices with a solid commitment to transparency and the continuous improvement of our sustainability performance. We have been an active member of the United Nations Global Compact since 2008, which encourages businesses worldwide to adopt sustainable and socially responsible policies and to report on their implementation. We report our performance according to GRI (Global Reporting Initiative) indicators.

As one of the few vertically-integrated global produce companies, we are able to ensure complete internal control of our supply chain from our own farms to the supermarket shelf to provide sustainably-produced products consumers can trust. We strive to provide consumers with the highest quality products based on environmentally sustainable management, which envisions the rational and efficient use of natural resources (water), the conservation of local flora and fauna, reforestation, and an Environmental Adaptation and Management Program (PAMA), which includes all our actions to assuage environmental issues. The company also participates in the Blue Certificate program that the National Water Authority (ANA) leads. The ANA certifies not only companies that measure their impact, but also those companies that develop water footprint reduction projects and generate shared value through the work they do inside the community. In 2019, Camposol was the first Peruvian agroindustrial company to obtain this certificate.

We are a company with a strong moral purpose, providing high-quality jobs and a superior product while remaining good stewards of our human and natural resources. We are always focused on our primary goal: providing the best and healthiest food for families around the world. Camposol’s social responsibility concerns include our team members’ wellbeing on and off the job. We provide a vast complex of programs covering workplace safety, maternity leave and education for the children of team members. Environmental care is also part of our corporate DNA. Our methods and strategies are carefully chosen to reduce environmental contamination. We are privileged to work in beautiful lands where delicate ecosystems must be preserved and low-impact farming practices are essential. As part of our workers first initiative, we provide several key programs to foster employee support and wellness. For example, the Wawa Wasi center offers daycare to the children of our workers (more than 1,000 since its creation). We provide a number of programs to foster community development and support, such as the Nuevo Chao Medical Center.

Parent Guarantor

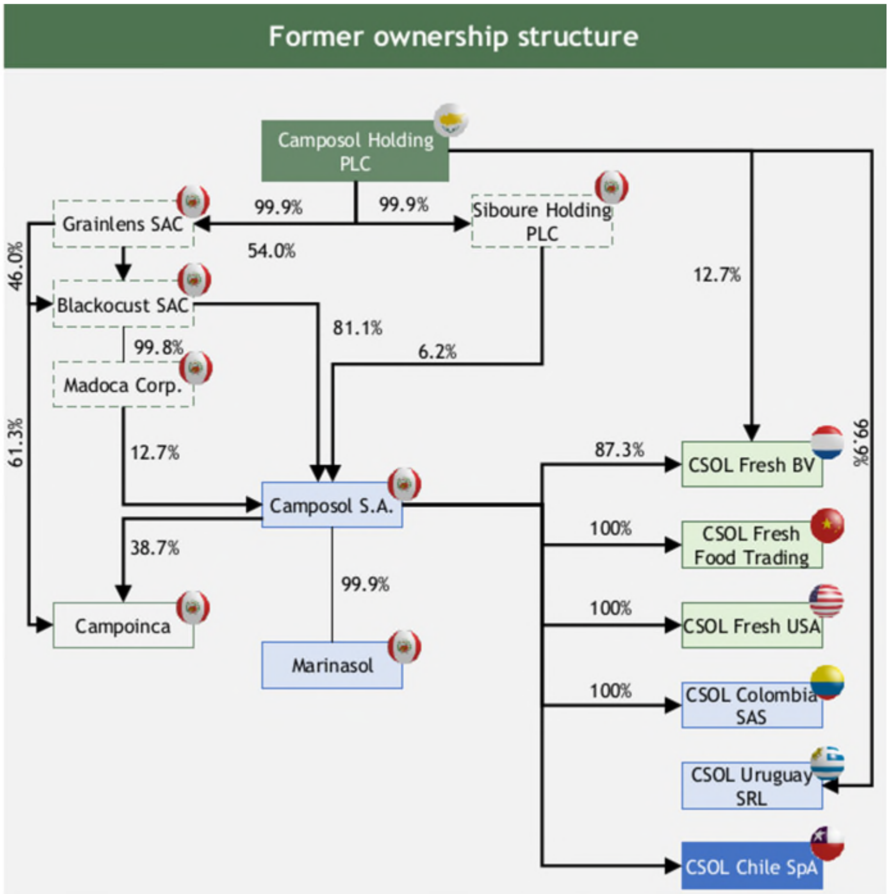
The Parent Guarantor, Csol Holding LTD, is a company domiciled in Cyprus, whose business consists exclusively of holding shares in Camposol S.A.

Corporate Structure

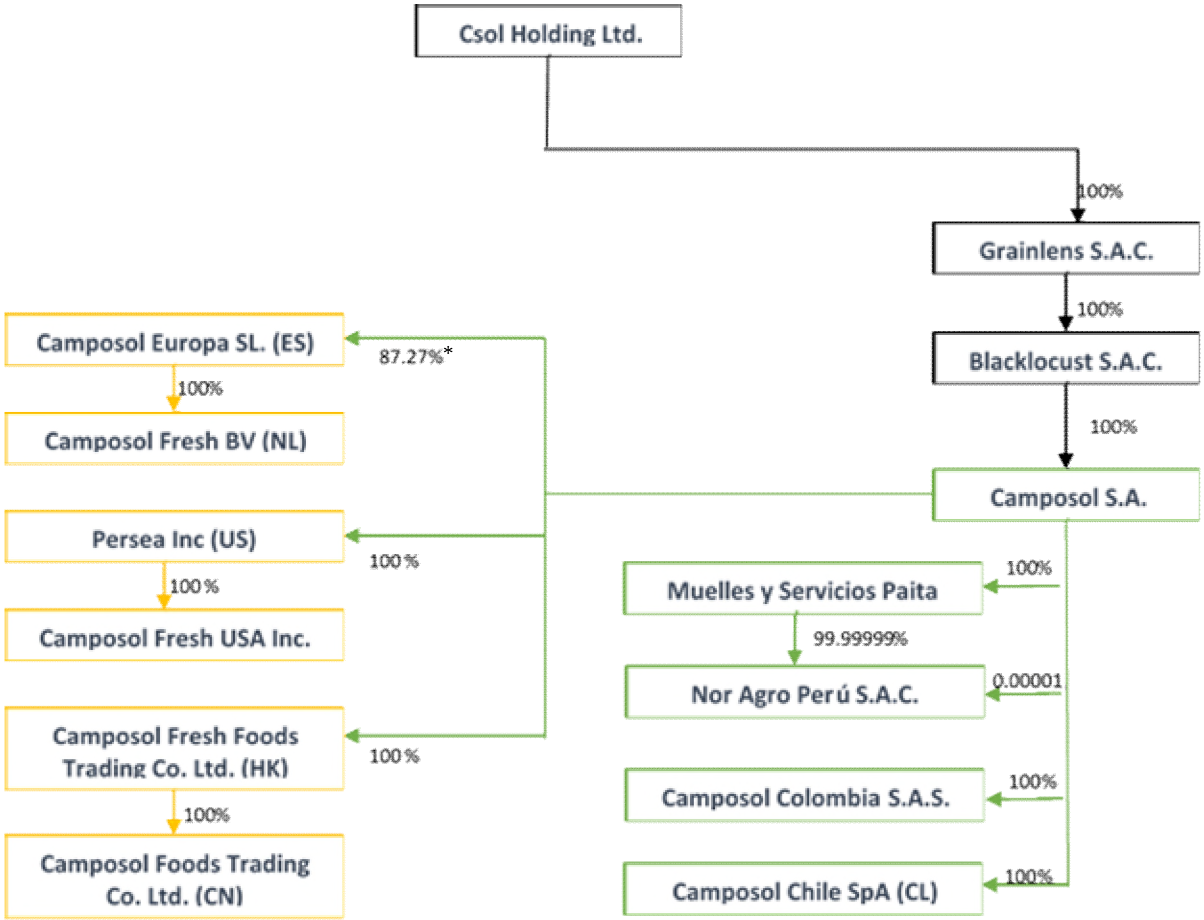
In order to improve business efficiencies and promote growth and investment, Camposol S.A.’s corporate family has implemented a global corporate reorganization. Camposol S.A.’s original parent company was incorporated on July 9, 2007 as a limited company under Cyprus law under the name Camposol Holding Limited. On October 18, 2017, Camposol Holding Limited was converted to a public company limited by shares under Cyprus law with the name “Camposol Holding PLC.” For the purpose of segregating Camposol Holding PLC’s agricultural business (Camposol S.A. and related subsidiaries) from the shrimp farming business (Marinasol S.A.), on October 22, 2019, the Parent Guarantor was incorporated as a limited company under Cyprus law as Csol Holding LTD. Through a series of capital stock increases and spin-offs, all of the main operating companies related to Camposol Agribusiness including Camposol S.A. but not including Camposol Uruguay S.R.L., were transferred directly or indirectly (through its subsidiaries) to the Parent Guarantor (the newly incorporated Csol Holding LTD). Such transfer of Camposol Uruguay S.R.L. is expected to occur after the issuance of the notes offered hereby. Consequently, the information in this listing memorandum reflects that of Camposol Agribusiness, the agricultural portion Camposol S.A.’s former holding company.

Camposol S.A. is the primary operating company within the Csol Holding LTD corporate group. Camposol S.A., whether directly or indirectly owns all productive land and is in charge of its operation. In addition, Camposol S.A. owns or controls a series of subsidiary companies which contribute to its consolidated business activities.

Set forth below is a diagram summarizing our former and current corporate structure including our principal subsidiaries:



Current ownership structure:



*Csol Holding LTD owns the remaining 12.73% of Camposol Europa SL.

Company Information

Camposol S.A.'s principal executive offices are located at Av. El Derby 250, Piso 4, Urb. El Derby de Monterrico, Santiago de Surco, Lima, Peru, and our telephone number is +511-621-0800. We are incorporated in Peru under the taxpayer registration number 20340584237 and our electronic number entry in the Lima Public Registry is 11009728.

Camposol S.A. was incorporated for an indefinite period on January 31, 1997. The creation and issue of the notes offered hereby was authorized by a resolution of the shareholders of Camposol S.A. on January 9, 2020.

The Parent Guarantor's legal address is Pindou 4, Engomi, 2409 Nicosia, Cyprus.

Recent Developments

On November 12, 2019, Camposol S.A. entered into a U.S.$20 million Mid-Term Loan with Banco BBVA Peru ("BBVA Loan") which will mature and be payable in full after six years. The use of proceeds of the BBVA Loan will be for certain permitted uses as defined in the Credit Agreement. The BBVA Loan is secured by a first priority mortgage on certain agricultural properties and other properties of the Issuer. The terms and conditions of the security interest are set forth in the Mortgage Agreement dated as of November 12, 2019. In addition to the Mortgage Agreement, the obligations under the BBVA Loan are jointly and severally guaranteed by Camposol Colombia S.A.S. An amendment was executed on November 26, 2019. Interest under the BBVA Loan is payable on a quarterly basis at LIBOR + 3.20% based on a 360-day year.

In order to improve business efficiencies and promote growth and investment, Camposol Agribusiness began implementing a global corporate reorganization in 2019. For the purpose of segregating Camposol Holding PLC's agricultural business (Camposol S.A. and related subsidiaries) from the shrimp farming business (Marinasol S.A.), on October 22, 2019, the Parent Guarantor was incorporated as a limited company under Cyprus law under the name Csol Holding LTD. Through a series of capital stock increases and spin-offs, all of the main operating companies related to Camposol Agribusiness including Camposol S.A. but not including Camposol Uruguay S.R.L., were transferred to the Parent Guarantor (the newly incorporated Csol Holding LTD). Such transfer of Camposol Uruguay S.R.L. is expected to occur after the issuance of these notes.

Recent Preliminary Results

Based on our review of interim unaudited preliminary financial information, we expect our year-end results for 2019 to be consistent with the trends evidenced in our results for the nine months ended September 30, 2019, including a decrease in production volumes, revenues and net income. Our production volumes, particularly for avocados, were lower in the nine months ended September 30, 2019, because of the fact that our avocado trees developed an alternate bearing cycle, a tendency of avocado trees that results in a large crop of small avocados in one year, followed by a small crop of large avocados the next year. This, together with lower global prices for avocados and blueberries, which continued to persist into the fourth quarter, continued to drive revenues lower for 2019 as compared to 2018, resulting in lower net income. The foregoing is based on unaudited preliminary financial information for the fourth quarter of 2019, which has not been subject to a limited review, and as a result, may be subject to revisions, including revisions that could be material and adverse to our results.

THE OFFERING

The following is a brief summary of certain terms of the notes and the Parent Guarantee that we are offering in the Offering. For a more complete description, see "Description of the Notes" in this listing memorandum.

Issuer	Camposol S.A.
Parent Guarantor	Csol Holding LTD.
Notes Offered	U.S.$ 350,000,000 in aggregate principal amount of 6.000% Senior Notes due 2027.
Issue Date	February 3, 2020.
Maturity Date	February 3, 2027.
Interest	The notes will bear interest from and including the settlement date at the rate of 6.000% per year, payable semi-annually in arrears on February 3 and August 3 of each year, commencing on August 3, 2020.
Ranking	The notes will be senior unsecured obligations and will rank at least *pari passu* in right of payment to all existing and future unsecured and unsubordinated Indebtedness of the Issuer (subject to any priority rights of such unsubordinated Indebtedness pursuant to applicable law); will rank senior in right of payment to any obligations of the Issuer expressly subordinated in right of payment to the notes (subject to any priority rights of such subordinated Indebtedness pursuant to applicable law); will be irrevocably and unconditionally guaranteed by the Parent Guarantor; will be effectively subordinated to existing and future obligations of the Issuer and the Parent Guarantor secured by assets, to the extent of the value of the assets serving as security therefor; will be structurally subordinated to all existing and future obligations of the subsidiaries; and are subordinated to liabilities preferred by statute and certain other obligations that in the event of liquidation of the Issuer are granted preferential treatment or priority

under or pursuant to applicable law (such as tax, social security and labor obligations, among others).

The Parent Guarantee will be an irrevocable, unconditional and unsecured obligation and will rank senior in right of payment to any obligations of the Issuer expressly subordinated in right of payment to the notes (subject to any priority rights of such subordinated Indebtedness pursuant to applicable law); will rank at least *pari passu* in right of payment with all existing and future unsecured, unsubordinated Indebtedness of the Parent Guarantor (subject to any priority rights of such unsubordinated Indebtedness pursuant to applicable law); will be effectively subordinated to existing and future obligations of the Parent Guarantor secured by assets to the extent of the value of the assets serving as security therefor; will be structurally subordinated to all existing and future obligations of the Parent Guarantor's subsidiaries; and will be subordinated to liabilities preferred by statute and certain other obligations that in the event of liquidation of the Parent Guarantor are granted preferential treatment or priority under or pursuant to applicable law (such as tax, social security and labor obligations, among others).

As of December 31, 2018, Camposol Agribusiness had U.S.$267.5 million of outstanding indebtedness. As of December 31, 2018, Camposol Agribusiness had secured indebtedness of U.S.$267.5 million. As of September 30, 2019, Camposol Agribusiness had U.S.$393.7 million of outstanding indebtedness, of which U.S.$368.1 million was secured indebtedness. As of September 30, 2019, none of the non-guarantor subsidiaries had outstanding indebtedness.

Proceeds... The gross proceeds from this Offering will be U.S.$ 346,073,000. We intend to use the net proceeds of this offering to (i) refinance a majority of existing debt, including prepaying the Senior Secured Term Loan Facility, Accordion Loan Senior Secured Term Loan Facility and Interbank Mid-Term Loan and (ii) to finance our capex, to the extent any proceeds are remaining after (i) above. See "Use of Proceeds".

Change of Control.. If we experience a Change of Control Triggering Event (as defined in the Description of the Notes), we must offer to repurchase all outstanding notes at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any. See "Description of the Notes—Repurchase of notes Upon a Change of Control Triggering Event."

Additional Amounts.. Subject to certain conditions, all payments by us in respect of the notes, whether principal or interest, will be made without withholding or deduction for or on account of any Peruvian or Cypriot taxes and duties, unless required by law, in which case, subject to certain exceptions and limitations, we will pay additional amounts as may be required so that the net amount received by the holders of the notes in respect of principal, interest or other payments on the notes, after such withholding or deduction, will not be less than the amount that would have been received in the absence of any such withholding or deduction. See "Description of the Notes—Additional Amounts."

Optional Redemption .... At any time and from time to time on or after February 3, 2024, we may redeem the notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth in "Description of the Notes—Optional Redemption."

We may also redeem, at any time prior to February 3, 2023, up to 40.0% of the aggregate principal amount of the notes at any time with the net cash proceeds of one or more sales of stock of the Parent Guarantor or us at a redemption price of 106.000% of the principal amount of the notes, plus accrued and unpaid interest, if any, to (but not including) the redemption

	date; provided that at least 60.0% of the aggregate principal amount of the notes originally issued on the original issue date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.
	We may also redeem the notes, at any time prior to February 3, 2024 in whole or in part, at a redemption price equal to 100% of the principal amount of the notes plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.
Redemption for Taxation Reasons	We may redeem the notes in whole, but not in part, at any time at a redemption price equal to 100% of the principal amount, plus any unpaid accrued interest, if any, upon the occurrence of specified events relating to tax law applicable to us. See “Description of the Notes—Redemption for Taxation Reasons.”
Certain Covenants	Under the terms of the notes and the Parent Guarantee and the Indenture, we will agree to observe certain covenants, such as limitations on the incurrence of certain liens, restricted payments and limitations on sale and leaseback transactions for so long as the notes are outstanding. These covenants are subject to a number of important limitations and exceptions. See “Description of the Notes—Certain Covenants.”
Events of Default...	The Indenture governing the notes and the Parent Guarantee will set forth events of default applicable to the notes. For a discussion of certain events of default that will permit acceleration of the principal of the notes plus accrued interest, see “Description of the Notes—Events of Default.”
Denomination, Fractions, Book-Entry Delivery and Form	The notes will be issued in fully registered form without interest coupons and with a minimum denomination of U.S.$150,000 and in multiples of U.S.$1,000 in excess thereof.
	The notes may be sold only (i) to qualified institutional buyers in reliance on Rule 144A under the Securities Act and (ii) to certain non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act. notes sold to qualified institutional buyers in reliance on Rule 144A will be issued in the form of beneficial interests in one or more permanent global securities in fully registered form and deposited with a custodian for, and registered in the name of a nominee of, DTC. Notes sold in offshore transactions in reliance on Regulation S will be issued in the form of beneficial interests in one or more permanent global securities in fully registered form and deposited with a custodian for, and registered in the name of a nominee of, DTC.
Listing	Application will be made for listing of the notes on the Singapore Stock Exchange. The Singapore Stock Exchange assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, and admission to the Official List of, and quotation of the notes on, the Singapore Stock Exchange are not to be taken as an indication of the merits of the Company or the Notes. Approval for such listing is not a condition to the consummation of this offering.
Transfer Restrictions; No Registration Right..	The notes have not been and will not be registered under the Securities Act or any state securities laws. The notes may not be offered or sold except under an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. See “Transfer Restrictions.”
	We will not be required to, nor do we intend to, register the notes and the Parent Guarantee for resale under the Securities Act or to offer to exchange the notes for notes registered under the Securities Act or the securities laws of any jurisdiction.

Further Issuances..	Subject to the covenants in the Indenture, we may from time to time, without the consent of the holders of the notes, issue further securities having the same terms and conditions as the notes in all respects. Any further issue may be consolidated with, and form a single series with, the notes issued in this offering; provided, however, that such further issues of securities that are not fungible for U.S. federal income tax purposes shall have a separate CUSIP number or other identifier.
Security Codes...	The notes will be assigned the following securities codes: Rule 144A: CUSIP: 134638 AE5 ISIN: US134638AE50 Regulation S: CUSIP: P19189 AE2 ISIN: USP19189AE26
Governing Law; Submission to Jurisdiction...	The Indenture and the notes and the Parent Guarantee will be governed by New York law. We will submit to the non-exclusive jurisdiction of the United States federal and state courts located in the Borough of Manhattan in The City of New York, in respect of any action arising out of or based on the Indenture and the notes and the Parent Guarantee.
Trustee, Registrar, Transfer Agent and Paying Agent...	The Bank of New York Mellon.
Risk Factors...	**See "Risk Factors" in this listing memorandum for a discussion of certain relevant factors you should carefully consider before deciding to invest in the notes.**

SUMMARY SELECTED CARVE-OUT FINANCIAL AND OTHER DATA

The following table presents our summary selected carve-out financial information of Camposol Agribusiness, as of and for the years indicated, in each case in accordance with IFRS. This information should be read in conjunction with, and is qualified in its entirety by reference to, Camposol Agribusiness's audited carve-out financial statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations," appearing elsewhere in this listing memorandum.

We have derived the summary selected financial data of Camposol Agribusiness as of December 31, 2018, 2017 and 2016 for each of the three years in the period ended December 31, 2018 from Camposol Agribusiness's audited carve-out financial statements included elsewhere in this listing memorandum. We have derived the summary selected financial data for the nine month period ended September 30, 2019 and September 30, 2018 from Camposol Agribusiness's unaudited carve-out financial statements included elsewhere in this listing memorandum. The report of Gaveglio, Aparicio y Asociados Sociedad Civil de Responsabilidad Limitada, a member firm of PricewaterhouseCoopers International Limited dated as of December 3, 2019, is included together with such audited carve-out financial statements for each of the three years in the period ended December 31, 2018, 2017 and 2016 included elsewhere in this listing memorandum.

Carve-Out Statement of Comprehensive Income (Loss)

	For the year ended December 31,		
	2018	2017	2016
	(in thousands of U.S.$, except earnings per share)		
Revenue	374,165	285,845	206,517
Cost of sales	(162,457)	(134,727)	(95,864)
Depreciation of bearer plants	(17,968)	(16,366)	(19,578)
Impairment of fixed assets	-	-	(2,501)
Gross profit before adjustments for biological assets	193,740	134,752	88,574
Net gain arising from changes and fair value of biological assets	31,548	26,847	7,424
Selling, administrative expenses and other expenses	(76,862)	(62,427)	(65,045)
Other income	1,327	671	1,951
Net foreign exchange transaction losses	(4,336)	(1,010)	(3,476)
Operating profit	145,417	98,833	29,428
Share of profit (loss) of investments accounted for using the equity method	1,225	(390)	728
Financial Income	91	87	301
Financial Cost	(33,617)	(22,428)	(23,731)
Profit before income tax	113,116	76,102	6,726
Income tax expense	(26,405)	(11,706)	(8,033)
Profit (loss) for the year from continuing operations (attributable to equity holders of the parent)	86,711	64,396	(1,307)
Loss for the year from discontinued operations	-	(915)	(12,394)
Profit (Loss) for the year	86,711	63,481	(13,701)
Currency translation adjustment	2,755	-	-
Total comprehensive income (loss)	89,466	63,481	(13,701)

	For the nine months ended September 30, 2019	For the nine months ended September 30, 2018
	(in thousands of U.S.$, except earnings per share)	
Revenue	199,917	227,755
Cost of sales	(113,577)	(101,774)
Depreciation of bearer plants	(14,432)	(13,286)
Gross profit before adjustments for biological assets	71,908	112,695
Net gain arising from changes and fair value of biological assets	544	6,381
Selling, administrative expenses and other expenses	(47,016)	(48,942)
Other income	1,703	885

Net foreign exchange transaction	1,183	785
Operating profit	28,322	71,804
Share of loss (profit) of investments accounted for using the equity method	(898)	455
Financial Income	392	56
Financial Cost	(15,404)	(15,313)
Profit before income tax	12,412	57,002
Income tax expense	(2,265)	(16,034)
Profit for the period from continuing operations (attributable to equity holders of the parent)	10,147	40,968
Currency translation adjustment	(1,165)	896
Total comprehensive income for the period	8,982	41,864

Carve-Out Statement of Financial Position:

	At September 30,	At December 31,		
	2019	2018	2017	2016
	(Unaudited)		(in thousands of U.S.$)	
Cash and cash equivalents	35,277	32,505	30,554	76,313
Working capital[(1)]	161,387	118,563	111,286	61,775
Total assets	736,936	660,677	490,791	514,531
Long-term debt (non-current portion)	304,341	231,841	149,934	154,997
Total equity and liabilities	736,936	660,677	490,791	514,531

(1) Total current assets *minus* total current liabilities.

Carve-Out Statement of Cash Flows:

	For the year ended December 31,		
	2018	2017	2016
		(in thousands of U.S.$)	
Cash paid to suppliers and employees	(195,932)	(202,381)	(139,361)
Interest paid	(35,619)	(19,613)	(19,395)
Net cash generated from operating activities	92,393	88,938	55,982
Net cash used in investing activities	(102,698)	(40,765)	(12,623)
Net cash flow generated from (used in) financing activities	12,256	(93,932)	8,521

	For the nine months ended September 30,	
	2019	2018
	(in thousands of U.S.$)	
Cash paid to suppliers and employees	(176,500)	(199,468)
Interest paid	(14,961)	(16,660)
Net cash (used in) generated from operating activities	(2,855)	36,890
Net cash used in investing activities	(54,712)	(82,062)
Net cash generated from financing activities	60,339	48,758

Non-IFRS information and other information:

	For the year ended December 31,		
	2018	2017	2016
	(in thousands of U.S.$, except margins and dividends declared per share)		
Profit (Loss) for the year margin(1)	23.2%	22.2%	(0.6%)
Aggregate amount of dividends paid(2)	-	24,500	-
Adjusted EBITDA from continuing operations(3)	152,917	114,270	70,126
Adjusted EBITDA Margin from continuing operations(3)	40.9%	40.0%	34.0%

	For the nine months ended September 30,	
	2019	2018
	(in thousands of U.S.$, except margins and dividends declared per share)	
Profit for the period margin(1)	5.1%	18.0%
Aggregate amount of dividends paid(2)	-	-
Adjusted EBITDA from continuing operations(3)	52,430	89,054
Adjusted EBITDA Margin from continuing operations(3)	26.2%	39.1%

(1) We calculate Profit (loss) margin as Profit (loss) for the year divided by Total Revenue, which considers the revenues from continued operations plus the revenues from discontinued revenue. This key performance indicator is a broad business results measure, and as such reflects the impact of discontinued operations.

(2) In each of 2017, 2018 and the nine month period ended September 30, 2019, dividends were distributed by, or share repurchases or redemptions were conducted by, Camposol Holding PLC in the amounts of U.S.$20 million, U.S.$50 million and U.S.$40 million, respectively. Due to the corporate reorganization of our corporate family in 2019, these dividends, share repurchases or redemptions are not registered under the carve-out financial information of Camposol Agribusiness.

(3) Adjusted EBITDA from continuing operations and Adjusted EBITDA Margin from continuing operations are non-IFRS measures. See "Presentation of Financial Measures and Other Information" for a discussion of how we define and calculate these measures and why we believe they are important. A reconciliation of Adjusted EBITDA from continuing operations to profit (loss) for the year, the most directly comparable measure calculated in accordance with IFRS, is set forth below and is included in "Selected Consolidated Financial and Other Data".

Reconciliation:

	For the year ended December 31,		
	2018	2017	2016
	(in thousands of U.S.$, except Adjusted EBITDA Margin from continuing operations)		
Profit (Loss) for the year	86,711	63,481	(13,701)
Interest net, from continuing operations(5)	33,526	22,341	23,430
Income tax expense	26,405	11,706	8,033
Depreciation and amortization	28,889	39,698	27,242
Write off bearer plants	-	0	0
Loss for the year from discontinued operations, net of income taxes	-	915	12,394
Share of profit (loss) of investments accounted for using the equity method	(1,225)	390	(728)

	For the year ended December 31,		
	2018	2017	2016
	(in thousands of U.S.$, except Adjusted EBITDA Margin from continuing operations)		
Net foreign exchange transactions losses[6]	4,336	1,010	3,476
Other income and expenses[7]	5,823	1,576	14,903
Net gain arising from changes in fair value of biological assets	(31,548)	(26,847)	(7,424)
Impairment of fixed assets	-	-	2,501
Adjusted EBITDA from continuing operations	152,917	114,270	70,126
Adjusted EBITDA Margin from continuing operations[4]	40.9%	40.0%	34.0%

	For the nine months ended September 30,	
	2019	2018
	(in thousands of U.S.$, except Adjusted EBITDA Margin from continuing operations)	
Profit for the year	10,147	40,968
Interest net, from continuing operations[5]	15,012	15,257
Income tax expense	2,265	16,034
Depreciation and amortization	24,093	21,598
Write off bearer plants	0	0
Loss for the year from discontinued operations, net of income taxes	0	0
Share of (loss) profit of investments accounted for using the equity method	898	(455)
Net foreign exchange transactions gains[6]	(1,183)	(785)
Other income and expenses[7]	1,742	2,818
Net gain arising from changes in fair value of biological assets	(544)	(6,381)
Impairment of fixed assets		
Adjusted EBITDA from continuing operations	52,430	89,054
Adjusted EBITDA Margin from continuing operations[4]	26.2%	39.1%

(4) We calculate Adjusted EBITDA Margin from continuing operations as Adjusted EBITDA from continuing operations divided by revenue from continuing operations.

(5) We calculate interest net, from continuing operations by adding financial income and financial cost.

(6) Losses due to the translation of currencies into our functional currency, the U.S. dollar.

(7) See Note 31 to the audited carve-out financial statements included elsewhere in the listing memorandum for additional information on other income and expenses.

RISK FACTORS

Investing in our notes is speculative and involves substantial risk. You should carefully consider all of the information in this listing memorandum prior to investing in our notes. There are numerous risk factors related to our business that are described under "Risk Factors" and elsewhere in this listing memorandum. These risks could materially and adversely impact our business, results of operations, financial condition and future listing memorandum, which could cause the trading price of our notes to decline and could result in a loss of your investment. Among these important risks are the following:

Risks Related to our Business and Industry

Our fruits and vegetables products are subject to price fluctuations.

Our financial performance and future development depend to a considerable extent on the market prices of the fruits and vegetables products that we produce and sell. Most of the products we sell are soft commodities, and market prices generally follow a cyclical pattern. In particular, the consumption level of fruits and vegetables is an important force that drives prices. Our fresh products are more price sensitive than our frozen products, mainly due to the ability to store frozen products for longer periods. The prices for fresh products vary according to the global volume supplied and price of comparable fresh products offered during the same time period. For example, in 2017 global avocado prices experienced an increase from 2016 prices, due in part to lower worldwide volume supplied, and in 2019, blueberry prices in commercial windows decreased due to significant increases in volumes from Peruvian exporters. In addition, prices of our products may vary because of differences in their quality; in 2019, our blueberries suffered a deterioration in quality which resulted in us receiving lower prices. We cannot assure you that high price levels will be maintained, and if suppliers increase volume without a concomitant increase in demand in future years, prices may decrease, which may affect the profitability of this segment.

The supply, and therefore pricing, of agricultural products is subject to wide fluctuations due to factors that are beyond our control such as weather, acreage planted, governmental farm programs, incentives and policies, changes in foreign exchange rates, development in trade negotiations, changes in global demand resulting from population growth and changes in standards of living and consumer preferences, global production of similar and competitive crops and outbreaks of disease and natural disasters which produce temporary imbalances in demand and supply. These factors have historically caused volatility in the agricultural industry and, consequently, in the availability and price of the agricultural products we produce and distribute. A prolonged decline in the market prices of agricultural products due to any of the foregoing factors could adversely affect our business, financial condition and operating results.

Even when we successfully develop marketable products, consumer preferences can evolve over time.

Consumer preferences evolve over time and our success depends on our ability to identify the tastes and dietary habits of consumers and offer products that appeal to those preferences. We need to continue to respond to changing consumer preferences and develop new products that are appealing to our consumers and align to their preferences. It takes substantial time and effort to develop products that are suitable to grow on the location of our land holdings and to then scale those operations in order to profitably sell these products. If our current products including blueberries, avocados and other products like tangerines, mangoes, grapes and peppers fail to meet consumer preferences or if we are unable to introduce new products that fail to meet consumer preferences on a timely basis, then our return on those investments and our sales could suffer. As a result, changing consumer preferences for our products could materially and adversely affect our business, financial condition and operating results.

The sale and distribution of our products depend on the continued availability of transportation and logistics infrastructure and services and the growth of our supply is dependent, in part, on improvements thereto, which may not occur on a timely basis, if at all.

Our products are delivered by truck to ports and shipped in chartered container vessels to markets in Europe, the United States and Asia, among other destinations. Due to the location of our fields, we rely heavily on one main highway in Peru, the Pan-American highway. Moreover, we use the services provided by port terminal operators who are exposed to changes in law and port regulations that may, for example, require the hiring of additional, higher-paid unionized workers. We also purchase and sell ocean freight services globally. In contrast to the well-established transportation and logistical operations and infrastructure supporting avocado exports, blueberries exports demand more complex preparation and means of distribution, including outlets from our facilities to ports and shipping to other countries.

Our supply chain relies on the availability of dependable and efficient transportation and logistics services and infrastructure. A natural disaster, an accident, human error, rising fuel costs, rising costs due to market concentration of transportation providers, port congestion, social unrest, a strike, work slowdown or other labor action, or other circumstances, could result in disruptions in regional and international transportation systems that could materially and adversely affect our logistics and distribution operations and ultimately could adversely affect our business, financial condition and operating results.

Substantial infrastructure development by persons and entities outside our control is required for our operations to grow. Areas requiring expansion include, but are not limited to, additional port cargo capacity and additional storage facilities. Any delay or failure in making improvements to, or in expanding, transportation and logistics operations and infrastructure may hurt the growth potential of the demand for, or prices of, our products, prevent our products' delivery, impose additional costs on us or otherwise have an adverse effect on our business, financial condition and operating results.

The long growth cycle of fruits and the cost associated make it difficult for us to meet change in demand from the market.

Planting new fruit can take years before the plants will bear fruit that can be harvested. In Peru, for example, avocado trees typically take three years to grow and begin production and another three years to mature and achieve peak stable yields. By December 31, 2018, 76% of our avocado plants had had entered their fully-productive stage. However, avocado trees have a tendency to adopt an alternate bearing cycle that results in a large crop of small avocados in one year, followed by small crop of large avocados the next year, and such is the case with our avocado trees. To reduce the impact of this alternate bearing cycle, we have invested in taking the DNA from our most productive avocado trees and planting new, more productive trees. Consequently, we may not be able to grow fruit fast enough to meet an increase in demand. In addition, planting and growing new fruit crops is capital intensive and we may not recover the investment in planting such crops should demand fall prior to being able to harvest the new crops. An inability to meet market demand as it changes could have an adverse effect on our business, financial condition and operating results.

Our operations may be affected by climatic events, such as El Niño and La Niña.

As we are involved in a fruits and vegetables business, we are subject to inherent risks associated with changes in weather patterns and natural phenomena can disrupt and adversely affect our operations. Although the Peruvian lands on which our products are grown generally enjoy favorable growing conditions due to stable weather patterns and the absence of extreme weather patterns such as frost or heavy rain, natural phenomena such as "El Niño" or "La Niña" can threaten production during certain seasons. Because we produce a variety of fruits and vegetables, such phenomena affect each crop differently and it is difficult to predict the consequences of any such phenomena on our operations as a whole, as changes in weather patterns can have either a positive or negative effects on us, depending on the particular product.

In terms of unusual temperature conditions, La Niña generally means that the winter is colder than usual, and this can have either a positive or negative effect on our production, depending on the particular product. For example, in the case of avocados, the cold weather reduces the growth rate of the fruit, and by harvest time the fruit typically weighs less than an avocado grown under typical conditions. However, since as of the date of this listing memorandum we have not experienced "La Niña" with this product yet, we cannot confirm the extent of the impact that any such phenomenon would have on our avocado production. On the other hand, El Niño, which can usually be predicted some months in advance, increases both summer and winter temperatures. El Niño reduces avocado volumes depending on the time of the year in which it occurs.

El Niño also heightens the risk of flooding and infrastructure damage, particularly, in the Northern part of Peru where our plantations are located, and could therefore create disruptions to our supply chain. Consequently, El Niño can have a negative effect on production should it occur during the harvest season, and therefore can limit the ability of fruits and vegetables businesses, such as ours, of generating cash flow.

During the first quarter of 2017, a specific phenomenon known as "El Niño Costero", a variation of El Niño in which there was an irregular increase in the temperature of the ocean surface along the coast of Peru and Ecuador which resulted in massive rainfall and floods, caused heavy losses in several regions along the Northern coastline of Peru, including Trujillo, Piura and Tumbes, where the Company has some operations. The Peruvian government has estimated that it will need to invest approximately 23,338 million Soles in repairing public infrastructure, such as roads and bridges, and cities in the 13 regions where the impact of the phenomenon was worst. No material impact on yields was seen during this period: avocado year on year volume change went from 10.5% in the first half of 2016 to 15.4% in the first half of 2017, and blueberry year on year volume change went from 4.7% in the first half of 2016 to 5.7% in the first half of 2017. We cannot be certain however, that a recurrence of this phenomenon, or the occurrence of any other climatic phenomena, will not have any significant impact on our supply-chain and therefore on our business, financial condition and operating results.

In Colombia, analyzing the recent past, there is no record of El Niño having a substantial negative impact in the region where we operate. However, La Niña's lower temperatures could affect production yields. In El Salto, Uruguay, given its latitude, La Niña could bring hail that could damage the crops. In both cases, we have studied the land and looked for locations that help us to mitigate these risks (i.e. planting at different altitudes or close to bodies of water).

We are dependent on exports to the United States and the European Union, and to certain extent, China, so our sales could be affected by economic, political and social developments in such markets.

Exports account for a considerable proportion of our total sales with North America accounting for 56% of foreign sales, Europe accounting for 32%, and Asia accounting for 10% (with 8% to China, 1% to Japan, and 1% to Korea) in 2018. In recent years, the principal markets for our products have been the United States, Germany, China, United Kingdom and Spain. The United States is currently the largest importer of blueberries in the world, and has also seen increasing sales of Hass avocados in recent years. The imposition of tariffs, quotas, trade barriers, import bans or any other restrictions by the European Union, the United States, China or any of our export countries would affect our pricing structure, competitiveness and our ability to sell into these countries, and it may be difficult to place our products in other countries. With respect to the United States, the President of the United States, Donald J. Trump, and his Administration have expressed support for policies that could negatively impact existing trade agreements, such as the United States-Peru Free Trade Agreement (FTPA) and other existing and proposed trade agreements, and has promoted greater restrictions on free trade generally, including significant increases on tariffs on goods imported into the United States. There can be no assurances that other countries will not react to such policies by restricting their own trade policies. Should such policies be undertaken it could adversely affect our business, financial condition and operating results.

Additionally, our ability to compete effectively in our export markets could be materially and adversely affected by a number of factors beyond our control, including deterioration in macroeconomic conditions, exchange rate volatility or government subsidies. For example, depreciation of the currency in the markets to which we export against the U.S. dollar could also have an adverse impact on us as long as we are collecting revenues in local currency. This could take the form of reduced demand, losses on receivables resulting from customers' inability to pay their debts, or other factors. Moreover, the demand for our products may decrease materially if there are any unforeseen events such as outbreak of wars, terrorist attacks or other political, economic or social events in our principal markets that lead to a protracted economic downturn. If our ability to sell our products competitively in one or more of our significant export markets were impaired by any such development, we might not be able to reallocate our products to other markets on equally favorable terms, and our business, financial condition and operating results might be adversely affected.

Changes in laws and regulations (or the interpretations thereof) in Peru, any of our production locations, or any of our principal export markets may adversely affect our business, financial condition and results of operations.

Our industry is subject to numerous statutes, rules, and regulations, both within Peru and internationally, including health regulations. To operate our land and production plants, for example, we must comply with certain administrative requirements, such as acquiring appropriate permits, licenses, concessions, authorizations, certifications and registrations, some of which are granted for fixed terms and therefore require periodic renewal. Fresh fruits and vegetables production as well as trade thereof are subject to extensive government policies and regulations. Governmental policies affecting the fruits and vegetables industry, such as taxes, tariffs, duties, subsidies and import and export restrictions on agricultural commodities and commodity products, can influence which crops are planted and the trade in unprocessed or processed commodity products, the volume and types of imports and exports, and industry profitability. In addition, international trade disputes can adversely affect agricultural commodity trade by limiting or disrupting trade between countries or regions. Future government policies or changes to existing policies may adversely affect the supply of, demand for, and prices of products we produce and distribute, restrict our ability to do business in our existing and target markets, reduce our access to water to irrigate our fields and otherwise adversely affect our business, financial condition and operating results.

Compliance with such government policies and regulations may require us to incur costs and capital expenditures on an ongoing basis. Such regulations may require us to obtain and maintain authorizations, permits and licenses for, among other things, the use of water for irrigation and breeding purposes, construction of new facilities, and the installation and operation of new equipment used in our operations. Such authorizations, permits and licenses may be subject to periodic renewal and challenges from third parties. Regulatory agencies may take enforcement actions against us for any failure to comply with applicable laws and regulations. Such enforcement actions could include the imposition of fines, revocation of licenses, suspension of operations or imposition of criminal liability for non-compliance.

Furthermore, we depend substantially on a large labor force to operate our business. As in most countries, labor is subject to regulation in Peru, and such regulation is subject to changes which may or may not be foreseeable. Future changes in labor regulations applicable to us could have a material adverse effect on our business, financial condition and operating results.

In addition to being required to comply with Peruvian, Colombian, Uruguayan and Chilean regulations, the governments of countries in which we sell our products, including the European Union, the United States, China, Japan and Canada, from time to time consider new regulatory proposals relating to raw materials, food safety and environmental regulations. If adopted, such regulations could lead to disruptions in the distribution of our products and increase our operational costs, which, in turn, could affect our results of operations and cash flows. To the extent that we increase our product prices as a result of such changes, our sales volume and revenues may be adversely affected. Furthermore, governments may change regulations or impose taxes or duties on certain imports, which may have an adverse effect on our business, financial condition and operating results.

Failure by us to comply with current or future laws, regulations, rules, or policies that apply to us may subject us to revocation of licenses or to civil or regulatory proceedings, including fines, injunctions, recalls, suspension of operations, imposition of criminal liability for non-compliance or seizures, which may have a material adverse effect on our business, financial condition and operating results.

Illegal occupations may affect the use of our agricultural properties which could adversely affect our operations and results of operations.

Invasions or illegal occupations of rural land by members of certain native or farming communities are a common occurrence in certain regions of Peru, including those where we currently operate. Remedies such as police protection or eviction procedures are often inadequate, insufficient or take a long time to be resolved. As a result, we cannot assure you that our agricultural properties will not be subject to trespass or occupation. Any trespass or occupation may materially impair the use of our lands and adversely affect our operations and the value of such land.

In 2011, a significant portion of our 1,090 hectares in the "Fundo Huangala" parcel, located in Piura, Peru, was trespassed upon and occupied by a group of local residents. We cannot assure you that future occupation to our agricultural properties will not occur. Any occupation of a significant portion of our agricultural properties could have a material adverse effect on our business, financial condition and operating results. In August 2016, the leader of the occupying group, Mr. Claudio Guirón, was convicted to four months of imprisonment on probation and ordered to pay damages to Camposol S.A. in the amount of S/5,000.00. As the defendant failed to file an appeal, the court's decision became final in October 2016. Furthermore, in February and May 2016 other groups of local residents occupied 15 hectares of uncultivated land located in "Fundo Huangalá" destroying part of the boundary hedges, sowing seeds and installing irrigation equipment. Two separate complaints were filed in connection with the aforementioned incidents and investigations are being conducted by the Regional Prosecutor of Sullana. Given that no specific individuals have been identified yet as the potential offenders, the prosecutor has not, as of the date of this listing memorandum, pressed charges against any of the persons who trespassed into and occupied our property. If we are unable to seek remedy against illegal occupations or if occupations impair the use of our lands there may be a material effect on our business, financial condition and operating results. Currently, there are 306.9 hectares of uncultivated land located in "Fundo Huangalá" occupied by two groups of local residents named "Asociación de Ganaderos Señor Cautivo –San Vicente de Piedra Rodada" and "Asociación de Campesinos sin Tierra Juan Velazco Alvarado", and Camposol S.A has made contact with their leaders in order to reach a peaceful agreement.

We face competition from other fruit and vegetable producers located throughout the world and are subject to consumer product substitution.

We have several competitors for our products in Peru and around the world. Some competitors for certain products are larger than we are and have greater financial resources than we do. Competition is based on price, logistics, service offerings and geographic location. With respect to our main products, we face competition from producers in diverse parts of the world. For example, our main competition in the avocado market comes from producers located in California, Mexico and South Africa, and our main competition in the blueberry market comes from producers located in Peru, Chile and Argentina. Accordingly, our competitors operate in diverse regions characterized by different weather patterns, geographies and regulatory regimes, as well as varying labor, production, transportation and other costs. Many of the risks associated with the industry are inherently local; for example, a natural disaster or labor disruption in Peru may affect our crop yields, but are unlikely to affect simultaneously those of our North American, Asian or African competitors.

Furthermore, the market for our products is highly price competitive and sensitive to product substitution. Consumers have been shown to change their fruit and vegetable purchasing preferences based on material changes in price. For example, consumers may substitute peaches for mangoes, or broccoli for asparagus, depending on the prices offered. Competition could cause us to lose market share, exit certain lines of business, or reduce prices, each of which could adversely affect our business, financial condition and operating results.

In addition, potential changes to international trade regulations and agreements, as well as other political and economic arrangements (including direct or indirect subsidies) may benefit agro-industrial companies or traders operating in countries other than where our operations are currently located or adversely affect our export costs when we engage in international transactions. We cannot guarantee you that we will be able to compete on the basis of price or other factors with companies that in the future may benefit from favorable regulations, trading or other agreements or that we will be able to maintain our export costs.

We currently experience limited competition during our windows of production and our competitors may be able in the future to provide similar products or different varieties that appeal more to our customers during the same windows of production.

Due to our location and climate, we are able to produce fruits and vegetables during periods of time that are considered "off-season" for such products, thus we are able to demand a higher price for such products. If our competitors become able to procure or grow similar products during the "off-season" window when we supply our products, there may be a downward effect on the prices we may charge for our products, affecting our profitability. Additionally, our competitors may develop different varieties of the same fruit and vegetables than what we provide during these “off-season” periods, and such varieties may be more attractive to our customer than our products due to different factors, such as taste, shelf-life and appearance, among other factors. Should we experience increase competition in the manner described, it could have a material adverse effect on our business, financial condition and operating results.

Water shortages, any failure to maintain existing licenses for water rights or the unavailability of a supply of clean water could adversely affect our business.

We currently grow most of our productive crops in an arid, desert region of Northern Peru that is characterized by low levels of rainfall. Therefore, the continued supply of water is essential for our Fresh Produce business unit. We obtain the vast majority of the water used to irrigate our crops pursuant to licenses granted to us by the Peruvian Water National Authority (*Autoridad Nacional del Agua*, or the “ANA”). These rights permit us to use a system of canals that diverts water from major rivers that are fed by melting snow in the Andes Mountains. These licenses generally do not have an expiration date.

Water rights, including licenses, may be terminated by government authorities or courts under certain circumstances, including: (i) waiver by the titleholder; (ii) annulment declared by the ANA of the resolution approving the corresponding permit, authorization and/or license, based on certain infringements of applicable laws and regulations; and (iii) failure to pay applicable water rights fees. Under Peruvian law, authorities may grant temporary water rights, as well as rights for indefinite periods, such as those licenses that have been granted to us as of the date of this listing memorandum. Our licenses are subject to our compliance with certain customary legal conditions related to the permitted use of the water. For example, Peruvian law requires that water rights must be used efficiently without adversely affecting water quality or the environment, and taking into account uses with a higher order of priority (such as water for food preparation, human direct consumption, agricultural activities and personal hygiene) and preexisting water rights.

Nevertheless, during 2019, we devised a plan to increase our water supply autonomy in Chao (Trujillo) to approximately seven days. This plan will be deployed during the next five years.

In Colombia, we are located in Pereira, where the main source of water is rainfall. Due to the abundance of water resources, we have not contemplated other sources of water in the medium term. In Uruguay, the main source of water for agricultural use is rainfall. Additionally, since we are located very close to the “Hidroeléctrica Binacional Salto Grande”, which has a huge dam, we are contemplating the implementation of dripping systems in 867 hectares during the next two years.

Although we continue to seek alternative sources of water to minimize the risk of any disruption, the available water supply may be adversely affected by shortages or changes in governmental regulations that may reduce the available volumes of water to which we currently have access. We cannot assure you that water will be available in sufficient quantities or in an adequate quality to meet our water supply needs. In addition, we cannot assure you that our existing licenses related to water rights will be maintained. If our water supply is reduced or the quality of the supply is diminished, this could adversely affect our business, financial condition and operating results. See “Regulatory Environment—Water Supply Law.”

We may incur additional indebtedness in the future that could adversely affect our financial health and our ability to generate sufficient cash to satisfy our outstanding debt obligations.

After the offering of the notes, we may incur additional indebtedness that may have the following direct or indirect effects on you. Such debt may:

- limit our ability to satisfy our obligations under the notes and other debt;
- increase our vulnerability to adverse general economic and industry conditions;
- require us to dedicate a portion of our cash flow from operations to servicing and repaying our indebtedness which may place us at a competitive disadvantage to our competitors with less debt;
- limit our flexibility in planning for or reacting to changes in our business and the industry in which we operate;
- limit, along with the financial and other restrictive covenants of our indebtedness, among other things, our ability to borrow additional funds; and
- increase the cost of additional financing.

Our ability to generate sufficient cash to satisfy our outstanding and future debt obligations will depend upon our future operating performance, which will be affected by prevailing economic conditions and financial, business and other factors, many of which are beyond our control. If we are unable to service our indebtedness, we will be forced to adopt an alternative strategy that may include actions such as reducing or delaying capital expenditure, selling assets, restructuring or refinancing our indebtedness, or seeking equity capital. These strategies may not be instituted on satisfactory terms, if at all.

In addition, certain of our financing arrangements impose operating and financial restrictions on our business. Our ability to meet our financial ratios, such as those under the Indenture, may be affected by events beyond our control. These provisions may negatively affect our ability to react to changes in market conditions, take advantage of business opportunities we believe to be desirable, obtain future financing, fund needed capital expenditures, or withstand a continuing or future downturn in our business. Any of these could materially and adversely affect our ability to satisfy our obligations under the notes and the ability of our parent company to satisfy its obligations under its guarantee of the notes.

In the future, we may from time to time incur substantial additional indebtedness. Although the indenture governing the notes restricts us and our subsidiaries from incurring additional debt, these restrictions are subject to important exceptions and qualifications. If we or our subsidiaries incur additional debt, the risks that we face as a result of our existing indebtedness could further intensify.

Environmental regulation may adversely affect our business.

We are subject to a broad range of environmental laws and regulations which require us to incur costs and capital expenditures on an ongoing basis and expose us to substantial liabilities in the event of non-compliance. These laws and regulations apply mainly to our land and processing plants and cover, among other things, emissions into the atmosphere; use of water and water effluents; disposal of solid waste; management, transportation and disposal of hazardous wastes; and other activities incidental to our business. These laws and regulations also require us to obtain and maintain environmental permits, licenses and authorizations for the construction of new facilities or the installation and operation of new equipment required for our activities. Such permits, licenses and authorizations are subject to periodic renewal and/or compliance with different conditions and obligations. In this regard, government environmental agencies could take enforcement actions against us for any failure to comply with applicable laws and regulations. Such enforcement actions could include the imposition of fines, revocation of permits, licenses and authorizations, suspension of operations or imposition of criminal liability for non-compliance.

In addition, any change to environmental regulations will likely include environmental compliance costs. Compliance with new or modified environmental regulations could require us to make significant capital investments in additional pollution controls or process modifications. These expenditures may not be recoverable and may consequently divert funds away from planned investments in a manner that could adversely affect our business, financial condition and operating results. See “Regulatory Environment—Fresh Produce—Environmental Matters.”

Our results are seasonal, and any circumstance that adversely affects our business during high seasons would have a disproportionately significant effect on our annual results of operations and cash flows.

We produce a diverse range of fruits and vegetables, each of which is subject to its own pattern of planting, growth and harvesting. For example, avocados are typically harvested in April through August, blueberries typically from July to April and mangoes are harvested from December through March. We tend to experience high and low periods of sales revenues, which have a corresponding effect on our cash flows, due to the nature of our business as an agricultural company. Any circumstance that adversely affects our business during high seasons would have a disproportionately significant effect on our annual results of operations and cash flows. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Principal factors affecting our results of operations and financial condition—Seasonality.”

The land and processing plants we operate or manage may be temporarily interrupted or suffer loss or damage which may not be covered by our insurance policies.

We may experience property and casualty loss, or the operation of our land or processing plants may be temporarily interrupted, arising from a number of causes, including adverse weather, collision, governmental or regulatory intervention, fire, flood or other natural calamity, mechanical failure, industrial accidents, repair, maintenance or servicing, communal unrest or acts of terrorism and human error. Any prolonged and/or significant disruption of our production facilities, could disrupt and adversely affect our operations and result in direct losses and liabilities, loss of income or increased costs. Further, any major or sustained disruptions in the supply of utilities such as water or electricity may disrupt our operations or damage our production facilities or inventories. We believe that we maintain insurance at reasonable levels and in line with other companies in our industry. However, if any of the above-mentioned or similar events occur, our insurance may not compensate us for all of our losses and our contingency plan may be inadequate. If so, such events could have a material adverse effect on our business, financial condition and operating results.

We are exposed to foreign exchange rate risk.

Management has determined that the functional currency of our principal operating entities is the U.S. dollar. These entities sell their products in international markets to customers in a number of countries, and sales are influenced by a number of currencies. Most operating costs are incurred in Peru but many are invoiced in U.S. dollars and the price of certain raw materials and supplies are influenced by the U.S. dollar. The borrowings and cash balances of these entities are held in U.S. dollars. Management has used its judgment to determine our functional currency, and concluded that the currency that most accurately represents the economic environment and conditions of these entities is the U.S. dollar. We buy and sell our products and services and obtain funding for our working capital and investments mainly in U.S. dollars and Euros. During the year ended December 31, 2017, 28.1% of our production costs were related to labor, which are incurred in *soles.* During the year ended December 31, 2018, 31.7% of our production costs were related to labor, which are incurred in soles. As a result, our financial results are affected by exchange rate fluctuations between the U.S. dollar and the *sol*. Furthermore, for the years ended December 31, 2017 and 2018, 40% and 35% of our sales, respectively, were made to customers in Europe, with such sales being made mainly in Euros. Because our functional currency is the U.S. dollar, our financial results are affected by the exchange rate between the euro and the U.S. dollar and between those currencies and the Peruvian *sol*. Fluctuations in exchange rates could have a significant impact on the portion of our costs denominated in *soles*, or the portion of our sales denominated in Euros, thus affecting our results of operations. For example, an appreciation of the *sol* against the euro and/or the U.S. dollar could have a material adverse effect on our margins. We do not carry out a hedging strategy with derivative financial instruments to cover our exchange risk.

During 2017 and 2018 the Peruvian *sol* depreciated against the U.S. dollar. As a result of the decision to exit the preserved products business, we expect to reduce our sales to Europe, therefore reducing our exposure to fluctuation in the exchange rate between the euro and the U.S. dollar. Given the relative sizes and maturity stages of the Colombian and Uruguayan operations, we do not expect substantial increases in our foreign exchange risk exposure in the short to medium term.

Our products may be subject to contamination, as a result of which we may be subject to product recalls or other liabilities that could cause us to incur significant additional costs.

The sale of food products for human consumption involves the risk of injury to consumers. We are subject to risks that include, but are not limited to, spoilage, contamination (including, without limitation, the presence of bacteria, pathogens, foreign objects, substances, chemicals, other agents, or residues introduced during the growing, storage, handling or transportation phases), tampering or other adulteration of products, product recalls, governmental regulations and potential product-liability claims. We cannot guarantee that consumption of our products will not cause a health-related illness in the future or that we will not be subject to claims or lawsuits relating to such matters. Any contamination, recall or other such event affecting any of our products could lead to significant harm to our corporate image, business interruption or unforeseen liabilities, each of which could have a material adverse effect on our financial condition and results of operations. Moreover, claims or liabilities of this nature might not be covered by any rights of indemnity or contribution that we may have against others, which could have a material adverse effect on our business, financial condition and operating results.

We are subject to labor risks and a dispute with one or more of our labor unions could have an adverse effect on our results of operations.

Our business is labor intensive, with labor costs constituting a significant portion of the cost of production. During 2017, we employed an average of 10,863 production workers and 745 administrative employees. During 2018, we employed an average of 12,234 production workers and 869 administrative employees. As of September 30, 2019, we employed 12,670 production workers and 948 administrative employees.

As of September 30, 2019, approximately 10% of our employees were covered by collective bargaining agreements with labor unions. A work slowdown, work stoppage, strike or other labor dispute may occur prior to or upon the expiration of our other labor agreements, and we are unable to estimate the adverse effect of any such work slowdown, stoppage or strike or other dispute on our production and sales. Given our high concentration and dependency of labor in specific tasks, work slowdowns, stoppages, strikes or other labor-related developments affecting us, particularly in high seasons, could have an adverse effect on our business, financial condition and operating results.

We require large numbers of workers and future expansion of our operations will require additional workforce, including in regions of Peru where agricultural workers are not readily available. If we are unable to hire, train and retain qualified employees, our business could be harmed and we may be unable to implement our growth plans.

Labor shortages or increases in labor costs could slow our growth or harm our business.

We depend on production workers to harvest our products. During peak harvest times, competition for production workers with our local competitors has steadily increased in the past few years. We have maintained our employees by offering increased salaries and benefits, which we may not be able to do in the future. Additionally, we have benefited from availability of personnel due to the slowdown in other labor-intensive industries such as mining and construction, which could in the future recover and provide additional competition in the labor market. While in the past we have been able to transport laborers from other parts of the country to our operations, such laborers may be unwilling to do so if there is availability of other labor in the areas in which they are located. If we experience labor shortages or increases to our labor costs it could have a material affect our business, financial condition and operating results.

Our agricultural operations qualify for certain labor benefits set forth in the Agricultural Sector Promotion Law, Law 27360 (*Ley de Promoción del Sector Agrario*), which will be in effect until December 31, 2031, and include mainly: (i) the possibility of hiring workers on a temporary or fixed basis; (ii) a minimum wage of S/39.19 per day, instead of S/1,175.70 per month; this wage includes Christmas and National Holiday's legal bonuses (*gratificaciones legales*) and compensation for time of services (*compensación por tiempo de servicios*); (iii) a social security in health contribution assumed by the employer equal to 6% of the employee's monthly remuneration, instead of 9%, until December 31, 2024 (this contribution will increase to 7% as of January 1, 2025; to 8% as of January 1, 2027, and to 9% as of January 1, 2029). Also, please note that these certain amendments to this regime were introduced through Emergency Decree No. 043-2019, issued on December 28, 2019, which extended the effect of this regime from December 31, 2021 to December 31, 2031, and that the amendments introduced by Emergency Decree No. 043-2019 can be reviewed or repealed by the new Congress. Among other changes, the aforementioned urgency decree increased the severance payment for unfair dismissal from 15 to 45 daily remunerations. These changes caused an increase in our labor costs of approximately U.S.$8-10 million per year. We cannot assure that these benefits will not be reduced, changed, or eliminated prior to December 31, 2031.

We have a highly-skilled senior management team, as well as other key personnel, and our business may be disrupted if we lose their services.

Our senior management team possesses extensive operating experience and industry knowledge. We rely upon our senior management to set our strategic direction and manage our business, both of which are crucial to our success. Furthermore, our continued success depends upon our ability to attract and retain a large group of experienced professionals. The loss of the services of our senior management or our inability to recruit, train or retain a sufficient number of experienced personnel could have an adverse effect on our operations and profitability. Our ability to retain senior management as well as experienced personnel will in part depend on us having in place appropriate staff remuneration and incentive schemes. The remuneration and incentive schemes we have in place may not be sufficient in retaining the services of our experienced personnel, and this could have a material adverse effect on our business.

An increase in our production expenses relating to the cost of packaging materials, fuel, fertilizers, feedstock or crop protection products could reduce our profitability.

Changes in our production expenses have a major impact on our profitability. Other than labor, our main production expenses relate to the cost of packaging materials, fuel, fertilizers and crop-protection products, which represent a significant portion of our cost of production. Changes in the prices of such materials (which may be linked to changes in global commodity prices), as well as general price inflation, may lead to increases in production expenses. Such increases could have a material adverse impact on our profitability. If we are unable to pass on any increases in our raw materials or other production expenses through higher product prices, or if increases in prices of packaging materials, fuel, fertilizer and/or crop protection products impair our ability to package our products in a cost effective manner or increase or maintain our crop yields, which could have a material adverse effect on our business, financial condition and operating results.

Various diseases, pests and adverse weather conditions could affect quality and quantity of our agricultural products.

Various diseases, pests, fungi, viruses, drought or floods and certain other weather conditions could affect the quality and quantity of our agricultural products, decreasing the supply of our products and negatively impacting profitability. Adverse weather conditions may be exacerbated by the effects of climate change. The effects of adverse weather conditions may reduce yields of our agricultural activities. Additionally, higher than average temperatures and rainfall can contribute to an increased presence of pest and insects that may adversely impact our agricultural production. The occurrence and effects of disease and plagues can be unpredictable and devastating to agricultural products, potentially rendering all or a substantial portion of the affected harvests unsuitable for sale. Our agricultural products are also susceptible to fungus and bacteria. Even when only a portion of the production is damaged, our results of operations could be adversely affected because all or a substantial portion of the production costs have been incurred. Although some diseases are treatable, the cost of treatment is high, and we cannot assure you that such events in the future will not adversely affect our operating results and financial condition. In recent years, for example, we have been adversely affected by lower crop yields that have resulted from the El Niño and La Niña weather phenomenon. See "—Our operations may be affected by climatic events, such as El Niño and La Niña." Furthermore, if we fail to control a given plague or disease and our production is threatened, we may be unable to supply our main customers, which could affect our results of operations and financial condition. We cannot guarantee that we will succeed in preventing contamination in existing or future fields or farms we may acquire or build, as applicable. Future government restrictions regarding the use of certain materials used in agricultural production may increase maintenance costs and/or reduce production.

Our facilities are located near known earthquake fault zones and the occurrence of an earthquake or other catastrophic disaster could cause damage to our facilities and equipment that could require us to cease or curtail operations.

Peru has experienced severe earthquakes in the past that have caused damage to buildings and other infrastructure and have interrupted commerce. The last significant earthquake in Peru took place in August 2007, when a 6.9 (Richter scale) earthquake affected a large area on the Peruvian coast near the region of Ica. Substantially all of our offices and plants are located in Peru and could be materially adversely affected or disrupted by an earthquake or other natural disasters.

Our production and revenues are highly concentrated on blueberries and avocados.

We derive a substantial portion of our revenues from a limited number of products, and we expect these products to continue to account for a large percentage of our revenues in the near term. As of December 31, 2017, blueberries and avocados accounted for 86% of our total sales revenue from continuing operations (43% blueberries and 43% avocados). For the year ended December 31, 2018, blueberries and avocados accounted for 85% of our total sales revenue (55% blueberries and 30% avocados). For the nine months ended September 30, 2019, blueberries and avocados accounted for 82%, of our total sales revenue (46% blueberries and 36% avocados). A decrease in the global consumption of blueberries and avocados or a material increase in our production costs would substantially affect our revenues. Our ability to maintain and increase net sales from these products depends on factors including, among others: a decline in demand for any of our more significant products, a decline in the average selling price of our more significant products, failure of our products to achieve continued market acceptance, availability of competitive products at the "off-season" windows we sell our products and changing preferences of consumers. A decrease in the sales or prices for any these products could have a material adverse effect on our business, financial condition and operating results**.**

We are subject to legal and regulatory proceedings.

We are subject to a variety of legal and regulatory proceedings and legal compliance risks. We, our representatives, and the industries in which we operate are at times subject to review or investigation by regulators and other governmental authorities, which could lead to enforcement actions, fines and penalties or the assertion of private litigation, claims and damages. We have adopted risk management and compliance programs, but the global and diverse nature of our operations means that legal, regulatory and compliance risks will continue to exist and additional legal and regulatory proceedings and other contingencies, the outcome of which cannot be predicted with certainty, will arise from time to time. Legal and/or regulatory proceedings initiated against us, even those without merit and/or ultimately decided in our favor, may affect our reputation and business standing. See "Business—Legal Proceedings."

Our customer concentration may adversely affect our business, financial condition and results of operations.

We are subject to customer concentration risk as a result of four customers representing a significant amount of our revenues. Costco, Walmart, Mission and Edeka accounted for approximately 10%, 8%, 6% and 5% respectively, of our revenues for the fiscal year ended December 31, 2018. No other direct or wholesale customers accounted for more than 4% of our revenues in the year ended December 31, 2018. Our loss of these companies as a customer or a reduction in the amount of purchases from them could have a significant adverse impact on our business, financial condition and operating results.

Investment in acquisition of new land for planting of our products may not be successful and may present risks to our current and future business operations.

We have previously invested and intend to invest a portion of the proceeds of this offering in expanding our cultivated land and landholdings in order to produce more blueberries and avocados. These expansion projects are subject to a number of risks. Such risks include disruption of our ongoing business, potential overpayment for the acquired assets required for the expansion, inability to gain comparable return on new investment operations and difficulties in staffing our expanding operations.

If demand declines and we have increased the size of our blueberry business without experiencing an increase in sales of our blueberries, we will experience reductions in our gross and operating margins and net profit. If we are unable to effectively manage our expanding blueberry business, our expenses may increase more than expected, our revenues could decline or grow more slowly than expected and we may be unable to implement our business strategy, which could materially affect our business, financial condition and operating results.

Entering new markets poses new competitive threats and commercial risks.

We recently expanded into China by opening a commercial office in order to market and sell our products directly to retailers, instead of through third parties or wholesalers. We are also analyzing further expansion into new markets, such as Mexico. Expanding into new markets requires investments and resources that may not be available as needed. We cannot guarantee that we will be successful in leveraging our capabilities to compete favorably in any new market we enter or that we will be able to recoup our significant investments in our expansion projects into new markets. Operating in an increasing number of markets, each with its own unique consumer preferences and business climates, presents additional challenges that we must meet. We may not compete successfully against future potential competitors, especially those with significantly greater financial resources or brand name recognition in any new market we enter. Our products may not gain consumer acceptance and we may experience difficulties, delays and/or unanticipated costs due to our inexperience in working directly in the new markets we enter. There may be regulatory differences between the markets that we currently operate in and any other new markets we enter, further increasing compliance costs. Further, in emerging markets, such as Mexico, our ability to operate successfully depends in part on economic and political conditions, such as economic crises, currency inflation, or political instability in these new markets. If we experience any of these issues in entering any new market we may enter in the future, our business, financial condition and operating results could be materially affected.

We are subject to transportation risks.

An extended interruption in our ability to ship or distribute our products could have a material adverse effect on our business, financial position and operating results. We rely on third-party stevedores to load and unload our products at our port locations and third-party trucking companies to transport our products to and from our port locations, and these third parties are therefore a source of transportation risk. If we were to experience an interruption due to a strike, natural disaster or otherwise, we cannot assure that we would be able to find alternative transportation, or be successful in doing so, in a timely and cost-effective manner, which could have a material adverse effect on our business, financial condition and operating result.

We have limited liquidity and we may not be able to generate sufficient cash flow to service our indebtedness.

As of December 31, 2018, our liquidity relied on cash and cash equivalents on hand of U.S.$32.5 million and our outstanding indebtedness was U.S.$267.5 million, compared to U.S.$30.5 million and U.S.$172.2 million , respectively, as of December 31, 2017. In the nine months ended September 30, 2019, our cash flows from operations were negative and we relied on cash on hand and financings for our liquidity. As of September 30, 2019, we had cash and cash equivalents on hand of U.S.$35.3 million and our outstanding indebtedness was U.S.$393.7 million. If we are unable to generate sufficient cash from operations for a prolonged period, we may have insufficient liquidity to meet our obligations. We finance our working capital and operating needs using a combination of our cash and cash equivalents balance, cash generated from operations, and as needed, the borrowings available from our credit agreements. Adverse climatic conditions could result in diminished, or even negative, cash flow from operations. The most common stress on our operating cash flow generation in past years has come from short-falls of working capital. Since our operating cash flow generation depends on both our operating fields and substantially on our young fields, as our young fields represent a higher percentage of our total fields, we tend to experience high and low periods of sales revenues, which have a corresponding effect on our liquidity position. See "—Our results are seasonal, and any circumstance that adversely affects our business during high seasons would have a disproportionately significant effect on our annual results of operations and cash flows" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Seasonality." Other risks and uncertainties that could impact our liquidity include our worldwide sales, our profit margin, our ability to respond to changes in consumer preferences, our ability to collect our receivables in a timely manner, our ability to effectively manage our inventories, unexpected changes in weather conditions and our ability to adapt to change in the regulatory environment, among others.

Furthermore, we may require additional cash resources due to changed business conditions or other future developments, including any investments or acquisitions we may decide to pursue. If our existing sources of liquidity are insufficient to satisfy our cash requirements, we may seek to borrow under our existing borrowing arrangements, seek new borrowing arrangements, or sell additional debt or equity securities. The incurrence of additional indebtedness would result in additional debt service obligations, could result in operating and financial covenants that would restrict our operations, and could cause us to further encumber our assets. In addition, there can be no assurance that any additional financing will be available on acceptable terms, if at all. The failure to generate sufficient cash flow or to achieve any of these alternatives could significantly adversely affect our ability to service our indebtedness, including the notes.

We may experience difficulties in managing reorganizations and reorganization activities may not be as effective as anticipated.

In 2019, our corporate family began implementing a global corporate reorganization in order to improve business efficiencies and promote growth and investment. For the purpose of segregating Camposol Holding PLC's agricultural business (Camposol S.A. and related subsidiaries) from the shrimp farming business (Marinasol S.A.), on October 22, 2019, the Parent Guarantor was incorporated as a limited company under Cyprus law as Csol Holding LTD. Through a series of capital stock increases and spin-offs, all of the main operating companies related to Camposol Agribusiness including Camposol S.A., but not including Camposol Uruguay S.R.L., were transferred to the newly incorporated Parent Guarantor. Such transfer of Camposol Uruguay S.R.L. is expected to occur after the issuance of these notes.

We may not realize, in full or in part, the anticipated benefits, savings and improvements in our cost structure from our reorganization efforts due to unforeseen difficulties, delays or unexpected costs. Furthermore, our reorganization plan may be disruptive to our operations. If we are unable to realize the expected operational efficiencies and cost savings from the reorganization, our operating results, which include net product revenue, and financial condition would be adversely affected. There can be no assurance that we will be successful in implementing our reorganization program. Future growth would impose significant added responsibilities on members of management, including the need to identify, recruit, maintain and integrate additional employees. Our future financial performance will depend, in part, on our ability to effectively manage any future growth or reorganization.

Risks Related to Peru

Economic and political developments in Peru could affect our business, financial condition and results of operations.

The vast majority of our operations are conducted in Peru and are dependent upon the performance of the Peruvian economy. As a result, our business, financial condition and results of operations may be affected by the general conditions of the Peruvian economy, price instability, inflation, interest rates, regulation, taxation, social instability, political unrest and other developments in or affecting Peru, over which we have no control. In the past, Peru has experienced periods of weak economic activity and deterioration in economic conditions. If such conditions return they may have a material and adverse effect on our business, financial condition or results of operations.

During the past several decades, Peru has experienced political instability that has included a succession of regimes with differing economic policies. Previous governments have imposed controls on prices, exchange rates, local and foreign investment and international trade, restricted the ability of companies to dismiss employees, expropriated private sector assets and prohibited the remittance of profits to foreign investors. We cannot assure you that the Peruvian government will continue to pursue open market economic policies that are designed to foster and stimulate economic growth and social stability.

During the 1980s and the early 1990s, Peru experienced severe terrorist activity targeted against, among others, the government and the private sector. Despite the suppression of terrorist activity, we cannot assure you that a resurgence of terrorism in Peru will not occur, or that if there is resurgence, it will not disrupt the economy and our business. In addition, Peru has, from time to time, experienced social and political turmoil, including riots, nationwide protests, strikes and street demonstrations. Despite Peru's ongoing economic growth and stabilization over the past several years, social and political tensions and high levels of poverty and unemployment continue. Future government policies to preempt or respond to social unrest could include, among other things, expropriation, nationalization, suspension of the enforcement of creditors' rights and new taxation policies. These policies could adversely and materially affect the Peruvian economy and our business.

On July 28, 2016, former president Pedro Pablo Kuczynski took office. On March 21, 2018, Mr. Kuczynski resigned from office following allegations that he attempted to bribe certain members of Congress to vote in his favor in an upcoming impeachment vote, which stemmed from allegations of improper payments made by a construction company. On March 23, 2018, Mr. Kuczynski's vice-president, Martin Vizcarra, was sworn in as president of Peru.

On September 30, 2019, President Vizcarra dissolved Congress and called for early legislative elections to be held on January 26, 2020. On that same date, Congress voted to suspend President Vizcarra and swore Vice President Mercedes Araoz in as acting President. Ms. Araoz resigned as acting President on October 1, 2019. On October 10, 2019, the President of the Permanent Commission of Congress, Pedro Olaechea, filed a legal appeal for the Constitutional Court to review the validity of the dissolution of the Congress ordered by President Vizcarra.

On October 10, 2019, the President of the Permanent Commission of Congress, Pedro Olaechea, filed a claim before the Constitutional Court seeking the Court to declare President Vizcarra's dissolution of Congress as unconstitutional. On January 14, 2020, the Peruvian Constitutional Court decided that the dissolution of the Congress ordered by President Vizcarra was valid under the Peruvian Constitution. The ruling of the Peruvian Constitutional Court was a split decision as 3 out of 7 members voted against the validity of the dissolution of the Congress.

Although the ruling of the Peruvian Constitutional Court with regards to the dissolution of the Congress is binding and final, we have no control over, and cannot predict, how the current political situation will be resolved and if it will lead to further political and economic volatility in Peru.

Due to the dissolution of Congress, in January 26, 2020, Peru will have elections to elect new Congress members who will hold office until July 2021. This new Congress will have the faculty to review any Urgent Decree passed by the Executive during the time the Congress remained dissolved, including the Urgent Decree No. 043-2019, which modified the Agricultural Sector Promotion Law approved by Law No. 27360.

In addition, in April 2021, Peru will hold general elections to elect a new President and a new Congress for a term of five years. The newly-elected authorities will be entitled to enact, amend or derogate laws and regulations that may apply to the Company. Peruvian governments and members of Congress elected in the last 20 years have generally maintained economic policies based on free market, contractual liberty and minimal governmental intervention in the Peruvian economy. All these principles are also set forth in the Peruvian Constitution. Nevertheless, a new administration may pursue policies that are detrimental to the Peruvian economy and/or negatively affect our industry in general, and our results of operations, in particular.

It is anticipated that candidates from different political parties for both, Presidential and Congressional elections will participate in the elections to be held in 2021. Some of these political parties hold favorable views towards a controlled market and strong governmental intervention in the economy. Although a drastic change in the actual economic model would require the amendment of the economic regime of the Constitution, we cannot assure that policies against free market and subsidiary intervention of the government in the economy will not be taken by the new administration or the new Congress. Furthermore, we cannot assure that such authorities will not enact, amend or derogate laws and regulations currently applicable to the Company and its business that could have an adverse effect on the Company or the Notes.

In the past, the possibility of a political outsider being elected President has been a source of political instability in Peru, with negative economic consequences. Increased political turmoil or an electoral victory by a Presidential candidate perceived to come from outside the traditional political party system may have an adverse effect on investors' perception of the country's risk.

Any changes in the Peruvian economy, political stability or the Peruvian government's economic policies may have a negative effect on our business, financial condition and operating results.

The implementation of certain laws by the Peruvian government, most notably restrictive exchange rate policies, could have an adverse effect on our business, financial condition and results of operations.

Since 1991, the Peruvian economy has undergone a major transformation from a highly protected and regulated system to a free-market economy. During this period, protectionist and interventionist laws and policies have been gradually dismantled to create a liberal economy dominated by private sector and market forces. The Peruvian economy has, in general, responded well to this transformation, growing at an average annual rate of over 4.7% during the period from 1998 to 2018. Currently, there are no exchange controls or restrictions on remittances of profits, dividends and royalties in effect. Prior to 1991, Peru exercised control over the foreign exchange markets by imposing multiple exchange rates and placing restrictions on the possession and use of foreign currencies. In 1991, the presidential administration of Alberto Fujimori eliminated all foreign exchange controls and unified exchange rates. Currently, foreign exchange rates are determined by market conditions, with regular operations by the Central Bank of Peru in the foreign exchange market to reduce volatility in the value of Peru's currency against the U.S. dollar.

The Peruvian government may institute restrictive exchange rate policies in the future. Any such restrictive exchange rate policy could affect our ability to access foreign currency or to engage in foreign exchange activities and make payments on debt instruments in U.S. dollars, and could also have a material adverse effect on our business, financial condition and operating results.

The Peruvian economy could be adversely affected by economic developments in Latin American or global markets.

Financial and securities markets in Peru are influenced, to varying degrees, by economic and market conditions in Latin American and global markets. Although economic conditions vary from country to country, investors' perceptions of the events occurring in one country may substantially affect capital flows into and securities from issuers in other countries, including Peru. The Peruvian economy was adversely affected by the political and economic events that occurred in several emerging economies in the 1990s, including in Mexico in 1994, which impacted the market value of securities in many markets throughout Latin America. The crisis in the Asian markets beginning in 1997 also negatively affected markets throughout Latin America. Similar adverse consequences resulted from the economic crisis in Russia in 1998, the Brazilian devaluation in 1999 and the Argentine crisis in 2001. In addition, Peru's economy continues to be affected by events in the economies of its major regional partners. Furthermore, the Peruvian economy may be affected by events in developed economies that are trading partners or that affect the global economy. During the recent global economic and financial crisis, global conditions led to a slowdown in economic growth in Peru, slowing GDP growth in 2009 to approximately 0.9%. In particular, the Peruvian economy suffered the effects of lower commodity prices in the international markets, a decrease in export volumes and a decrease in foreign direct investment inflows resulting in a decline in foreign reserves.

Adverse developments in regional or global markets in the future could adversely affect the Peruvian economy and, as a result, adversely affect our business, financial condition and results of operations. The 2008 global economic crisis, principally driven by the sub-prime mortgage market in the United States, significantly affected the international financial system, including Peru's securities market and economy. Additionally, the economic crisis in Europe, beginning with the financial crises in Greece, Spain, Italy and Portugal, reduced the confidence of foreign investors, which caused volatility in the securities markets and affected the ability of companies to obtain financing in the global capital markets. Moreover, the fiscal problems in the United States due to difficulties and delays in increasing the government debt ceiling, culminating in the downgrade of the U.S. long-term sovereign credit rating by Standard & Poor's on August 6, 2011, has added to an already high risk-avert environment. Further, in 2015, the global economy was negatively affected by China's economic slowdown, a factor that has affected growth across emerging markets. Global markets have also experience increased volatility in the last few years due to increased tariffs being imposed by the United States and other large economies. Although the United States and Europe have witnessed a slight economic recovery over the last few years, any interruption to the recovery of these or other developed economies, the continued effects of the global crisis in 2008 and 2009, a new economic and/or financial crisis, uncertainty surrounding the implementation and effect of the proposed exit of the United Kingdom of Great Britain and Northern Ireland from the European Union, which could increase economic volatility, or the projected reduced growth of the Chinese economy and its shift away from infrastructure development growth could affect Peru's economy and, consequently, materially adversely affect our business, financial condition and operating results.

The laws of Peru include anti-bribery and anti-corruption legislation which could be less stringent than that of other jurisdictions, and our risk management and internal controls may not be successful in preventing or detecting all violations of law or of company-wide policies.

Our business is subject to a significant number of laws, rules and regulations, including those relating to anti-bribery and anti-corruption. The regulatory regime of Peru includes anti-bribery and anti-corruption legislation which is currently under development and which could be less stringent than anti-bribery and anti-corruption legislation which has been implemented in other jurisdictions.

Our existing compliance processes and internal control systems may not be sufficient to prevent or detect all inappropriate practices, fraud or violations of law by our employees, contractors, agents, officers or any other persons who conduct business with or on behalf of us. We may in the future discover instances in which we have failed to comply with applicable laws and regulations or internal controls. If any of our employees, contractors, agents, officers or other persons with whom we conduct business engage in fraudulent, corrupt or other improper or unethical business practices or otherwise violate applicable laws, regulations or our own internal compliance systems, we could become subject to one or more enforcement actions by Peruvian or foreign authorities (including the U.S. Department of Justice) or otherwise be found to be in violation of such laws, which may result in penalties, fines and sanctions and in turn adversely affect our reputation, business, financial condition and operating results.

Inflation could adversely affect our financial condition and results of operations.

As a result of reforms initiated in the early 1990s, Peruvian inflation has decreased significantly from triple-digit inflation during the 1980s. Over the five-year period ended on December 31, 2017 and December 31, 2018 the Peruvian economy experienced annual inflation averaging approximately 3.0% and 2.8% per year, respectively, as measured by the Peruvian Consumer Price Index, or CPI. The CPI is calculated by the Instituto Nacional de Estadística e Informática (the National Institute of Statistics and Information, or INEI) and measures variations in prices of a selected group of goods and services typically consumed by Peruvian families. Inflation may not remain at these levels. The Peruvian Central Bank establishes an annual target inflation rate for each fiscal year and announces this target rate to shape market expectations.

If Peru experiences substantial inflation in the future, our costs may increase and our operating and net margins may decrease, which may adversely affect our business, financial condition and operating results.

Inflationary pressures may also curtail our ability to access foreign financial markets and may lead to further government intervention in the economy, including the introduction of government policies that may adversely affect the overall performance of the Peruvian economy. Our operating results may be adversely affected by higher inflation.

Market volatility generated by distortions in the international financial markets may affect the Peruvian capital markets.

Volatility in the international markets could adversely affect the Peruvian capital markets. In addition, international investors' reactions to events occurring in one market sometimes demonstrate a "contagion" effect in which an entire region or class of investment is disfavored by international investors. The Peruvian economy and Peruvian capital markets could be adversely affected by negative economic or financial developments in other countries. Adverse effects on the Peruvian capital markets could have a material adverse effect on the price of our notes and our business, financial condition and operating results.

Changes in tax laws may increase our tax burden and, as a result, negatively affect our profitability.

Peru may adopt new tax laws or modify existing laws to increase taxes and/or eliminate certain tax benefits applicable to our business. These changes may include modifications in the rate of assessments and, on occasion, enactment of temporary taxes. For example, a decrease in the rate of drawback (benefit to recover import or custom duties previously paid on our fruit and vegetable operations) may affect our financial performance.

Historically, the rate for drawback has been 5.0%. However, in January 2016 the rate for drawback was reduced to 3%. In October 2016, the rate was increased to 4% by Supreme Decree (*Decreto Supremo*) Nº282-2016-EF, which was effective until December 31, 2018, after which it decreased to 3% as of January 1, 2019. Additionally, under current Peruvian law, an individual or a legal entity cultivating land is entitled to a reduced income tax rate of 15% until 2031, compared to a general income tax rate, as shown in the following table:

	Reduced income tax	Ordinary income tax
2014	15.0%	30.0%
2015	15.0%	28.0%
2016	15.0%	28.0%
2017 to 2031	15.0%	29.50%

Peru may impose new taxes or increase taxes in the agro-industry business or cease favorable tax treatment for the agricultural industry. The imposition of new taxes or increases on the rates of existing taxes could negatively affect our overall financial performance.

Risks Related to the Notes

The notes and the guarantee will be unsecured, effectively subordinated to our secured indebtedness and to certain claims preferred by statute.

The notes and the obligations of the Parent Guarantor under the guarantee will be unsecured obligations of the Issuer and the Parent Guarantor, respectively, will be subordinated to the respective secured indebtedness and obligations given preference by mandatory provisions of law (including certain claims related to taxes and labor, such as salaries, wages, secured obligations (to the extent of the value of the assets securing such obligations), social security, taxes and court fees and expenses related to the liquidation proceeding) and will rank equally in right of payment with all of the Issuer's and the Parent Guarantor's other unsecured indebtedness. As of September 30, 2019, the Issuer and the Parent Guarantor together had U.S.$368.1 million of secured indebtedness.

If the Issuer becomes insolvent or is liquidated, or if payment under any secured debt is accelerated, the secured creditors under such secured debt would be entitled to exercise the remedies available to a secured creditor. Accordingly, the creditor would have priority over any claim for payment under the notes to the extent of the value of the assets that constitute its collateral. If this were to occur, it is possible that there would be no assets remaining from which claims of the holders of the notes could be satisfied. Further, in a liquidation scenario, if any assets did remain after payment of these preferred creditors (mostly labor and secured lenders), certain outstanding taxes due by the Issuer would have priority over the notes and, therefore, the remaining assets – after paying such obligations preferred by mandatory provisions in a liquidation scenario – might be insufficient to satisfy the claims of the holders of the notes and holders of other unsecured debt that is deemed the same class as the notes, and potentially all other general unsecured creditors who would participate ratably with holders of the notes.

The notes are structurally subordinated to the existing and future liabilities of our non-guarantor subsidiaries.

Although certain of our direct or indirect subsidiaries could become guarantors of our obligations under the notes, they may be excepted from becoming guarantors under the indenture. As of September 30, 2019, Camposol S.A.'s subsidiaries in aggregate had no outstanding indebtedness. Notwithstanding the foregoing, however, our operating cash flow and our ability to service our indebtedness, including the notes, is dependent to a large extent on the operating cash flow of our subsidiaries and the payment of funds by such subsidiaries to us through loans, dividends or otherwise. Non-guarantor subsidiaries, however, are separate legal entities and have no obligation, contingent or otherwise, to pay any amounts due under the terms of the notes or to make any funds available for such purpose. The payment of dividends by such subsidiaries will be subject to legal and, in certain instances, contractual restrictions and will depend upon the earnings and cash flow of each subsidiary, which are speculative. In the event of a bankruptcy, liquidation or dissolution of one or more of our subsidiaries, following payment by such subsidiaries of their liabilities, they may not have sufficient assets to make payments to us.

The creditors of our non-guarantor subsidiaries have direct claims on the non-guarantor subsidiaries and their assets and the claims of holders of the notes are structurally subordinated to any existing and future liabilities of our non-guarantor subsidiaries. This means that the creditors of the non-guarantor subsidiaries have priority in their claims on the assets of our subsidiaries over our creditors, including the holders of the notes.

An active trading market for the notes may not develop.

There is no public market for the notes and we cannot assure you that an active trading market will develop for the notes. We cannot assure you regarding the future development of a market for the notes, the ability of holders of the notes to sell their notes or the prices at which holders may be able to sell their notes. If a trading market develops for the notes, the notes may trade at prices that may be higher or lower than the initial offering price depending on various factors, such as prevailing interest rates, our results of operations and financial condition, political and economic developments in and affecting Peru and the market for similar securities. The initial purchasers have advised us that they intend to make a market in the notes but they are not under any obligation to do so, and any market-making with respect to the notes may be discontinued at any time without notice at the sole discretion of the initial purchasers.

Restrictive covenants in our debt instruments restrict or prohibit our ability to engage in or enter into a variety of transactions, which could restrict our financial and operating flexibility and subject us to other risks.

The indenture governing the notes and the notes themselves contain various restrictive covenants that limit our and our subsidiaries' ability to, among other things:

- incur additional indebtedness;
- make restricted payments;
- issue guarantees for additional indebtedness;
- engage in certain affiliate transactions;
- create liens;
- undertake certain asset sales; and
- change the business activities we and our subsidiaries may be engaged in.

Notwithstanding significant exceptions to these restrictions, any or all of these covenants could have a material adverse effect on our business and our subsidiaries by limiting our and our subsidiary's ability to take advantage of financing or other corporate opportunities, or to fund our operations. Any future debt could also contain financial and other covenants more restrictive than those imposed under the indenture that governs the notes.

A breach of any of these restrictive covenants or any other provision in any debt instrument governing our current or future indebtedness, could result in a default under that instrument and, due to customary cross-default and cross-acceleration provisions, could result in a default under our other debt obligations. If a default occurs, the holders of the notes, trustee or lenders in our other indebtedness could elect to declare all amounts outstanding to be immediately due and payable. Lenders under our other indebtedness could proceed against collateral granted to them. If the holders and the trustee under the notes or the lenders in Camposol S.A.'s other indebtedness were to accelerate the payment of notes or other indebtedness, as the case may be, we cannot assure you that our assets would be sufficient to timely repay in full such indebtedness. See "Description of the Notes" and "Description of Certain Material Agreements".

The notes are subject to transfer restrictions that could limit your ability to resell your notes.

The notes have not been registered under the Securities Act or any U.S. state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. These exemptions include those for offers and sales that occur outside the United States in compliance with Regulation S under the Securities Act and in accordance with any applicable securities laws of any other jurisdiction and sales to qualified institutional buyers as defined under Rule 144A under the Securities Act. For a discussion of certain restrictions on resale and transfer, see "Transfer Restrictions."

We may not be able to fulfill our repurchase obligations with respect to the notes upon a change of control.

If we experience certain change of control events, we are required by the indenture governing the notes to offer to repurchase all outstanding notes at a repurchase price equal to 101% of the principal amount of notes repurchased, plus accrued and unpaid interest and special interest, if any, to the applicable repurchase date. See "Description of the Notes – Repurchase of the Notes Upon a Change of Control Triggering Event." If a change of control event were to occur, we may not have sufficient funds to repay any notes that we would be required to offer to purchase or that would become immediately due and payable as a result of such change of control event. We may require additional financing from third parties to fund any such repurchases, and we cannot assure you that we would be able to obtain additional financing on satisfactory terms or at all. Our failure to repay holders who tender notes for repurchase following a change of control event could result in an event of default under the indenture governing the notes.

Developments in other emerging markets may adversely affect the market price of the notes.

The market price of the notes may be adversely affected by decreases in the international financial markets and world economic conditions. The market for securities of Peruvian issuers is influenced by economic and market conditions in other emerging market countries, especially those in Latin America. Although economic conditions are different in each country, investors' reactions to developments in one country may affect the securities markets and demand for, and the prices of, securities of issuers in other countries, including Peru. As a result, developments in regional or other financial markets may adversely affect the market value of the notes.

You may not be able to enforce civil liabilities against us or the Parent Guarantor's directors and our officers and controlling persons.

We are organized under the laws of Peru. All of the Parent Guarantor's directors and our officers and controlling persons reside outside the United States and substantially all of our assets and the assets of the Parent Guarantor directors and our officers and controlling persons are located outside of the United States. As a result, it may be difficult for investors to effect service of process within the United States on such persons or to enforce judgments against them, including in any action based on civil liabilities under the U.S. federal securities laws, as specified in section "Enforceability of Civil Liabilities" of this listing memorandum. There is no guarantee that a judgment against such persons will be enforceable, whether in original actions or in actions to enforce judgments of U.S. courts, based solely on the U.S. federal securities laws.

We may redeem the notes prior to maturity.

The notes are redeemable at our option for certain reasons, and with certain limitations, as specified in "Description of the Notes." We may choose to redeem those notes at times when prevailing interest rates may be relatively low. Accordingly, an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the notes.

The liquidity and price of the notes following the offering may be volatile.

The price and trading volume of the notes may be highly volatile. Factors such as variations in our revenues, earnings and cash flows and proposals of new investments, strategic alliances and/or acquisitions, interest rates and fluctuations in prices for comparable companies could cause the price of the notes to change. Any such developments may result in large and sudden changes in the volume and price at which the notes will trade.

We may incur additional secured indebtedness or indebtedness ranking equally to the notes.

The indenture governing the notes will permit us to issue additional debt that ranks on an equal and ratable basis with the notes. If we incur any additional debt that ranks on an equal and ratable basis with the notes, the holders of that debt will be entitled to share ratably with the holders of the notes in any proceeds distributed in connection with an insolvency, liquidation, reorganization, dissolution or other winding-up of us subject to satisfaction of certain debt limitations. This may have the effect of reducing the amount of proceeds paid to you. We also have the ability to incur certain secured debt without securing the notes on an equal and ratable basis, and such debt would be effectively senior to the notes to the extent of the assets securing such debt.

As of September 30, 2019, the Issuer and the Parent Guarantor together had U.S.$368.1 million of secured debt.

Our compliance with corporate governance standards is based on the laws of Peru and Cyprus applicable to private companies, which may not be comparable to the standards of companies in certain other countries or that have shares listed on a stock exchange.

Our compliance with corporate governance standards is based on the laws of Peru and Cyprus applicable to private companies. At the same time, we are subject to certain reporting obligations in respect of the notes, both under the Indenture and as a result of the notes being listed on the Singapore Stock Exchange, or if the requirements of the Singapore Stock Exchange are in our view impracticable or unduly burdensome, we may seek to list the notes in another stock exchange, including the Global Exchange Market of the Irish Stock Exchange or the Euro MTF market of the Luxembourg Stock Exchange. Such corporate governance standards may be less stringent than those imposed in other countries, such as the United States, or may not be comparable to the standards of companies that have shares listed on a stock exchange. In addition, the level of information about us and the Parent Guarantor may be less than that available for publicly traded companies and less than what an investor is accustomed to.

The indenture governing the notes contains periodic reporting requirements that are different and less burdensome than would be applicable to us if we had agreed to register the notes following the closing of the offering.

We do not presently file periodic reports and other information with the SEC, and the indenture governing the notes does not require us to file such reports or other information. The Indenture requires us to provide annual and quarterly reports to the holders of notes and the trustee. The requirements of the indenture, however, are more limited in certain respects than those applicable to public companies under the Exchange Act. See "Description of the Notes – Certain Covenants–Provision of Financial Statements and Reports."

The interests of our controlling shareholder may differ from, and could conflict with, those of the holders of the notes.

The interests of our controlling shareholder may differ from, and could conflict with, those of the holders of the notes. Actions taken by the controlling shareholder may limit our flexibility to respond to market developments, to engage in certain transactions or to otherwise make changes to our business and operations, all of which may have a material adverse effect on our business, financial condition, results of operations and our ability to repay the notes.

We cannot assure you that the credit ratings for the notes will not be lowered, suspended or withdrawn by the rating agencies.

The credit ratings of the notes may change after issuance. Such ratings are limited in scope and do not address all material risks relating to an investment in the notes, but rather reflect only the views of the rating agencies at the time the ratings are issued. An explanation of the significance of such ratings may be obtained from the rating agencies. We cannot assure you that such credit ratings will remain in effect for any given period of time or that such ratings will not be lowered, suspended or withdrawn entirely by the rating agencies, if, in the judgment of such rating agencies, circumstances so warrant. Any lowering, suspension or withdrawal of such ratings may have an adverse effect on the market price and marketability of the notes.

Risks Relating to the Guarantee

Our Parent Guarantor does not currently have significant operations or assets.

Our parent company, Csol Holding LTD, has guaranteed the notes but is a holding company that does not have significant operations or assets other than its shareholding in us. Further, the Parent Guarantor is recently formed in connection with the reorganization. If the reorganization were to be unwound in an insolvency, the Parent Guarantor may be left without assets. As a result, we cannot assure you that the Parent Guarantor will have the funds necessary to satisfy our financial obligations under the notes if we are unable to do so, as its income depends on receipt of dividends or loans from subsidiaries.

You may not be able to enforce civil liabilities against the Parent Guarantor or its directors, officers and controlling persons.

The Parent Guarantor is organized under the laws of Cyprus. In addition, substantially all of its assets are located outside of the U.S. As a result, it may be difficult for investors to effect service of process on such persons outside of Peru or to enforce judgments against them, including in any action based on civil liabilities under foreign laws, including the U.S. federal securities laws. There is no guarantee that a judgment against such persons in Cyprus will be enforceable, whether in original actions or in actions to enforce judgments of U.S. courts or other foreign courts, based solely on the U.S. federal securities laws or other foreign laws. In addition, punitive damages related to actions brought in the United States or elsewhere may be unenforceable in Cyprus. See "Enforceability of Civil Liabilities" in this listing memorandum.

The Parent Guarantee may be challenged under applicable insolvency or fraudulent transfer laws, impairing its

enforceability.

Under bankruptcy laws, fraudulent transfer laws, insolvency or unfair preference or similar laws in Cyprus and other jurisdictions where future guarantors may be established, a guarantee could be voided, or claims in respect of a guarantee could be subordinated to all other debts of that guarantor if, among other things, the guarantor, at the time it incurred the indebtedness evidenced by, or when it gives, its guarantee:

- issued such guarantee by means of misrepresentation;
- incurred the indebtedness with the intent to hinder, delay or defraud creditors or was influenced by a desire to put the beneficiary of the guarantee in a position which, in the event of the guarantor's insolvency, would be better than the position the beneficiary would have been in had the guarantee not been given;
- received less than reasonably equivalent value or fair consideration for the incurrence of such guarantee;
- was insolvent or rendered insolvent by reason of such incurrence;
- was engaged in a business or transaction for which the guarantor's remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, indebtedness beyond its ability to repay it upon its maturity.

The measure of insolvency for purposes of the foregoing will vary depending on the laws of the jurisdiction which are being applied. Generally, however, a guarantor would be considered insolvent at a particular time if it were unable to pay its debts as they fell due or if the sum of its debts was then greater than all of its property at a fair valuation or if the present fair saleable value of its assets was then less than the amount that would be required to pay its probable liabilities on its existing debt as they became absolute and matured.

Under Cypriot law, in the event of liquidation of the Parent Guarantor, obligations under the guarantee would be subordinated to statutory preferences in the mandatory statutory order of distribution of assets upon winding up. Cypriot law also allows for a formal court-supervised corporate rehabilitation/recovery process examinership which is designed to enable potentially viable companies to explore all opportunities to ensure their survival as a going concern.

In addition, a guarantee may be subject to review under applicable insolvency or fraudulent transfer laws in certain jurisdictions or subject to a lawsuit by or on behalf of creditors of the guarantor. In such case, the analysis set forth above would generally apply, except that the guarantee could also be subject to the claim that, since the guarantee was not incurred for the benefit of the guarantor, the obligations of the guarantor thereunder were incurred for less than reasonably equivalent value or fair consideration.

If a court voided the guarantee, subordinated such guarantee to other indebtedness of the Parent Guarantor or held the guarantee unenforceable for any other reason, holders of the notes would cease to have a claim against the Parent Guarantor based upon such guarantee, would be subject to the prior payment of all liabilities (including trade payables) of the Parent Guarantor and would solely be creditors of us. After providing for all prior claims, there may not be sufficient assets to satisfy the claims of the holders of the notes.

USE OF PROCEEDS

The gross proceeds from this offering will be U.S.$ 346,073,000. We intend to use the net proceeds of this offering to (i) refinance a majority of existing debt, and (ii) finance capex, to the extent any proceeds are remaining after (i) above. Existing debt to be paid includes the U.S.$249 million Senior Secured Term Loan Facility and Accordion Loan and the U.S.$63 million Interbank Mid-Term Loan. See “Description of Certain Material Agreements”.

CAPITALIZATION

The following table sets forth the capitalization and indebtedness of the Camposol Agribusiness (i) as of September 30, 2019 on an actual basis and (ii) on as adjusted basis to give effect to the issuance of U.S.$ 350 million of notes offered hereby and the use of proceeds thereby, among others, to repay the U.S.$249 million Senior Secured Term Loan Facility and Accordion Loan and the U.S.$63 million Interbank Mid-Term Loan, as if such issuance and use of proceeds had occurred on September 30, 2019. See "Use of Proceeds." This table should be read in conjunction with and is qualified in its entirety by reference to, "Use of Proceeds," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Summary Financial and Other Information" and Camposol Agribusiness's audited carve-out financial statements and related notes included elsewhere in this listing memorandum.

	As previously reported, as of September 30, 2019	**Adjusted, as of September 30, 2019**
	(In thousands of U.S. dollars)	
Current portion of long-term debt	5,155	-
Bank Loans[(1)]	25,538	-
Current portion of lease liability	10,944	10,944
Total short-term debt and current portion of long-term debt	41,637	10,944
Long-term debt[(2)]	304,341	350,000
Lease liability	47,680	47,680
Total debt	393,658	408,624
Parent's net investment:		
Parent's net investment	219,407	219,407
Total parent's net investment	219,407	219,407
Total capitalization	613,065	628,031

(1) Bank loans are promissory notes with maturities of up to 90 days, which were obtained for working capital purposes.
(2) All our debt, other than the notes offered hereby, is secured.

SELECTED CARVE-OUT FINANCIAL AND OTHER DATA

The following table presents the selected carve-out financial information of Camposol Agribusiness, as of and for the years indicated, in each case prepared in accordance with IFRS. This information should be read in conjunction with, and is qualified in its entirety by reference to, Camposol Agribusiness's audited carve-out financial statements, and "Management's Discussion and Analysis of Financial Condition and Results of Operations," appearing elsewhere in this listing memorandum.

We have derived the summary selected financial data of Camposol Agribusiness as of December 31, 2018, 2017 and 2016 for each of the three years in the period ended December 31, 2018 from Camposol Agribusiness's audited carve-out financial statements included elsewhere in this listing memorandum. We have derived the summary selected financial data for the nine month period ended September 30, 2019 and September 30, 2018 from Camposol Agribusiness's unaudited carve-out financial statements included elsewhere in this listing memorandum. The report of Gaveglio, Aparicio y Asociados Sociedad Civil de Responsabilidad Limitada, a member firm of PricewaterhouseCoopers International Limited dated as of December 3, 2019, is included on such audited carve-out financial statements for each of the three years in the period ended December 31, 2018, 2017 and 2016 included elsewhere in this listing memorandum.

Carve-Out Statement of Comprehensive Income (Loss)

	For the year ended December 31,		
	2018	**2017**	**2016**
	(in thousands of U.S.$, except earnings per share)		
Revenue	374,165	285,845	206,517
Cost of sales	(162,457)	(134,727)	(95,864)
Depreciation of bearer plants	(17,968)	(16,366)	(19,578)
Impairment of fixed assets	0	0	(2,501)
Gross profit before adjustments for biological assets	193,740	134,752	88,574
Net gain arising from changes and fair value of biological assets	31,548	26,847	7,424
Selling, administrative expenses and other expenses	(76,862)	(62,427)	(65,045)
Other income	1,327	671	1,951
Net foreign exchange transaction losses	(4,336)	(1,010)	(3,476)
Operating profit	145,417	98,833	29,428
Share of profit (loss) of investments accounted for using the equity method	1,225	(390)	728
Financial Income	91	87	301
Financial Cost	(33,617)	(22,428)	(23,731)
Profit before income tax	113,116	76,102	6,726
Income tax expense	(26,405)	(11,706)	(8,033)
Profit (loss) for the year from continuing operations (attributable to equity holders of the parent)	86,711	64,396	(1,307)
Loss for the year from discontinued operations	0	(915)	(12,394)
Profit (Loss) for the year	86,711	63,481	(13,701)
Currency translation adjustment	2,755	0	0
Total comprehensive income (loss)	89,466	63,481	(13,701)

	For the nine months ended September 30,	
	2019	**2018**
	(in thousands of U.S.$, except earnings per share)	
Revenue	199,917	227,755
Cost of sales	(113,577)	(101,774)
Depreciation of bearer plants	(14,432)	(13,286)
Gross profit before adjustments for biological assets	71,908	112,695
Net gain arising from changes and fair value of biological assets	544	6,381
Selling, administrative expenses and other expenses	(47,016)	(48,942)
Other income	1,703	885

Net foreign exchange transaction	1,183	785
Operating profit	28,322	71,804
Share of (loss) profit of investments accounted for using the equity method	(898)	455
Financial Income	392	56
Financial Cost	(15,404)	(15,313)
Profit before income tax	12,412	57,002
Income tax expense	(2,265)	(16,034)
Profit for the period from continuing operations (attributable to equity holders of the parent)	10,147	40,968
Currency translation adjustment	(1,165)	896
Total comprehensive income for the period	8,982	41,864

Carve-Out Statement of Financial Position:

	At September 30,	At December 31,		
	2019	**2018**	**2017**	**2016**
	(Unaudited)	**(in thousands of U.S.$)**		
Cash and cash equivalents	35,277	32,505	30,554	76,313
Working capital[(1)]	161,387	118,563	111,286	61,775
Total assets	736,936	660,677	490,791	514,531
Long-term debt (non-current portion)	304,341	231,841	149,934	154,997
Total equity and liabilities	736,936	660,677	490,791	514,531

(1) Total current assets *minus* total current liabilities.

Carve-Out Statement of Cash Flows:

	For the year ended December 31,		
	2018	**2017**	**2016**
		(in thousands of U.S.$)	
Cash paid to suppliers and employees	(195,932)	(202,381)	(139,361)
Interest paid	(35,619)	(19,613)	(19,395)
Net cash generated from operating activities	92,393	88,938	55,982
Net cash used in investing activities	(102,698)	(40,765)	(12,623)
Net cash flow generated from (used in) financing activities	12,256	(93,932)	8,521

	For the nine months ended September 30,	
	2019	**2018**
	(in thousands of U.S.$)	
Cash paid to suppliers and employees	(176,500)	(199,468)
Interest paid	(14,961)	(16,660)
Net cash used in (generated from) operating activities	(2,855)	36,890
Net cash used in investing activities	(54,712)	(82,062)
Net cash generated from financing activities	60,339	48,758

Non-IFRS information and other information:

	For the year ended December 31,		
	2018	2017	2016
	(in thousands of U.S.$, except margins and dividends declared per share)		
Profit (Loss) for the year margin[(1)]	23.2%	22.2%	(0.6%)
Aggregate amount of dividends paid[(2)]	-	24,500	-
Adjusted EBITDA from continuing operations[(3)]	152,917	114,270	70,126
Adjusted EBITDA Margin from continuing operations[(3)]	40.9%	40.0%	34.0%

	For the nine months ended September 30,	
	2019	2018
	(in thousands of U.S.$, except margins and dividends declared per share)	
Profit for the period margin[(1)]	5.1%	18.0%
Aggregate amount of dividends paid[(2)]	-	-
Adjusted EBITDA from continuing operations[(3)]	52,430	89,054
Adjusted EBITDA Margin from continuing operations[(3)]	26.2%	39.1%

(1) We calculate Profit (loss) margin as Profit (loss) for the year divided by Total Revenue, which considers the revenues from continued operations plus the revenues from discontinued revenue. This key performance indicator is a broad business results measure, and as such reflects the impact of discontinued operations.

(2) In each of 2017, 2018 and the nine month period ended September 30, 2019, dividends were distributed by, or share repurchases or redemptions were conducted by, Camposol Holding PLC in the amounts of U.S.$20 million, U.S.$50 million and U.S.$40 million, respectively. Due to the corporate reorganization of our corporate family in 2019, these dividends, share repurchases or redemptions are not registered under the carve-out financial information of Camposol Agribusiness.

(3) Adjusted EBITDA from continuing operations and Adjusted EBITDA Margin from continuing operations are non-IFRS measures. See “Presentation of Financial Measures and Other Information” for a discussion of how we define and calculate these measures and why we believe they are important. A reconciliation of Adjusted EBITDA from continuing operations to profit (loss) for the year, the most directly comparable measure calculated in accordance with IFRS, is set forth below and is included in “Selected Consolidated Financial and Other Data”.

Reconciliation

	For the year ended December 31,		
	2018	2017	2016
	(in thousands of U.S.$, except Adjusted EBITDA Margin from continuing operations)		
Profit (Loss) for the year	86,711	63,481	(13,701)
Interest net, from continuing operations[(5)]	33,526	22,341	23,430
Income tax expense	26,405	11,706	8,033
Depreciation and amortization	28,889	39,698	27,242
Write off bearer plants	-	0	0
Loss for the year from discontinued operations, net of income taxes	-	915	12,394
Share of profit (loss) of investments accounted for using the equity method	(1,225)	390	(728)
Net foreign exchange transactions losses[(6)]	4,336	1,010	3,476
Other income and expenses[(7)]	5,823	1,576	14,903
Net gain arising from changes in fair value of biological assets	(31,548)	(26,847)	(7,424)

	For the year ended December 31,		
	2018	2017	2016
	(in thousands of U.S.$, except Adjusted EBITDA Margin from continuing operations)		
Impairment of fixed assets	-	-	2,501
Adjusted EBITDA from continuing operations	152,917	114,270	70,126
Adjusted EBITDA Margin from continuing operations(4)	40.9%	40.0%	34.0%

	For the nine months ended September 30,	
	2019	2018
	(in thousands of U.S.$, except Adjusted EBITDA Margin from continuing operations)	
Profit (Loss) for the year	10,147	40,968
Interest net, from continuing operations(5)	15,012	15,257
Income tax expense	2,265	16,034
Depreciation and amortization	24,093	21,598
Write off bearer plants	0	0
Loss for the year from discontinued operations, net of income taxes	0	0
Share of profit (loss) of investments accounted for using the equity method	898	(455)
Net foreign exchange transactions gains (losses)(6)	(1,183)	(785)
Other income and expenses(7)	1,742	2,818
Net gain (loss) arising from changes in fair value of biological assets	(544)	(6,381)
Impairment of fixed assets		
Adjusted EBITDA from continuing operations	52,430	89,054
Adjusted EBITDA Margin from continuing operations(4)	26.2%	39.1%

(4) We calculate Adjusted EBITDA Margin from continuing operations as Adjusted EBITDA from continuing operations divided by revenue from continuing operations.

(5) We calculate interest net, from continuing operations by adding financial income and financial cost.

(6) Losses due to the translation of currencies into our functional currency, the U.S. dollar.

(7) See Note 31 to the audited consolidated financial statements for additional information on other income and expenses.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following operating and financial review together with the audited carve-out financial statements of Camposol Agribusiness and related notes included elsewhere in this listing memorandum. Certain statements in this section are "forward-looking statements" and are subject to risks and uncertainties, which may cause actual results to differ materially from those expressed or implied by such forward-looking statements. Please see "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors" for more information.

The following discussion and analysis should be read together with our audited consolidated financial information.

Overview

We are among the largest growers and suppliers of fresh and healthy food products in Peru in terms of revenue. Our operations are vertically integrated, providing us with control over our entire value chain: fields, packing facilities, sales and distribution channels. Our 20-year track record of success introducing and scaling new products in the demanding European Union and United States markets, mainly through world-class retailers (such as Walmart and Costco, among others), is sustained by our recognized value proposition: high consistency, superior quality and full traceability. Moreover, our sustainable production practices foster socially-responsible and environmentally-friendly practices. Our main products are fresh blueberries, avocados and other products which include tangerines, mangoes, grapes and peppers. Our value proposition is mainly supported by our ability to provide consistency, quality and full traceability to our clients, mainly through our international commercial arm.

Our Business

Our three reported segments are composed of two segments, blueberries and avocados, which are our most relevant products, and a third segment grouped as "Other" which mainly includes tangerines, mangoes, grapes and peppers. These business units are supported by our international commercial platform, with commercial offices in the United States, Europe and China.

The following table shows revenue by segment excluding discontinued operations and unallocated revenues:

	For the nine months ended September 30, 2019		For the year ended December 31, 2018		For the year ended December 31, 2017	
	Revenue (in thousands of U.S.$)	% of Total	Revenue (in thousands of U.S.$)	% of Total	Revenue (in thousands of U.S.$)	% of Total
	(Unaudited)					
Blueberries	92,310	46.4%	205,208	55.5%	121,064	43.1%
Avocados	70,569	35.5%	112,294	30.4%	122,042	43.5%
Other[(1)]	36,055	18.1%	52,169	14.1%	37,561	13.4%
Total	198,934	100.0%	369,671	100.0%	280,667	88.5%

(1) Includes tangerines, mangoes, grapes, peppers and other products.

The following table is a reconciliation of the revenue from continuing operations of our reportable segments with the consolidated total revenue from continuing operations:

	For the year ended December 31,			For the period ended	
	2018	2017	2016	September 30, 2019	September 30, 2018
	(in thousands of U.S.$)			(in thousands of U.S.$) (Unaudited)	
Total revenue of reportable segments	369,671	280,667	201,069	198,934	223,711
Unallocated[(1)] revenue	4,494	5,178	5,448	983	4,044
Total revenue from continuing operations	**374,165**	**285,845**	**206,517**	**199,917**	**227,755**

(1) Unallocated items correspond to minor activities not reported to the chief operating decision maker, such as packaging and other minor services provided by the Company.

Fresh Produce

We produce fresh fruits under the Camposol brand, mainly blueberries and avocados, along with other products such as tangerines, mangoes, grapes and peppers. Most of our sales come from our own fields thus making us the largest independent producer of blueberries in Peru as measured by the 24,871 MT sold in 2018 and 14,414 MT sold during the first nine months ended September 30, 2019. According to the Integrated Foreign Trade Information System (*Sistema Integrado de Información de Comercio Exterior* or "SIICEX"), we are also the largest Peruvian exporter of Hass avocados to the United States, having sold 22,793 MT in the United States market in 2018 and 9,576 MT for the first nine months ended September 30, 2019. In some specific instances, we have sourced avocados and mangoes from third parties in order to diversify our offering.

We believe the strategic locations of our fields translates into more favorable prices, because we are able to produce year-round and hence we are also able to supply fruits when supplies are low and prices are high in North America, Europe and China. We also believe the location of our fields makes us less susceptible to extreme weather, due to a greenhouse effect from the Humboldt current and our proximity to the Andean mountains. Consequently, our fields experience a moderate dry climate and stable temperatures throughout the year. Additionally, the proximity of our fields to the Equator results in longer daylight hours, which also positively affects productivity.

We have fully integrated our value chain, from farming to commercialization and logistics, which allows us to consistently provide high-quality, fully traceable products to top retailers and wholesalers in our markets. As of September 30, 2019, we had 8,296 planted hectares of land (8,247 hectares in current products and 49 hectares undergoing research and development or "R&D"). In addition to our planted hectares, we own and operate a 35,416 square meter production facility in close proximity to our fields, which includes two fresh-packing facilities, two freezing facilities and a laboratory for molecular and microbial biotechnology research. We operate through commercial offices in the United States, the Netherlands and China with a network of distribution centers throughout our markets.

We have a strong focus on R&D. Over time, this R&D has identified, tested and developed each new product in our portfolio, including our blueberry, avocado and tangerine products. The R&D process starts with testing adaptability to our field conditions and ends with reaching high-scale production. We are also focused on biological pest control to minimize the use of pesticides, which we believe makes our products healthier and more appealing for health-conscious customers.

Marketing

Our commercial office team maintains relationships with retailers and supermarkets worldwide and provides them with the consistency in supply and the quality that they require. We focus on major retailers in the United States and European Union markets, including Costco, Walmart, Publix, Sam's Club, Edeka and Kaufland, among others. Our customers demand high standards, which we have been able to meet. For example, during 2018 we successfully underwent 90 audits from different retailers. In 2017 and 2019 we were recognized by Walmart with awards for our performance as a supplier. Through the continued development of our commercial offices, we are focused on developing and pursuing direct commercial relationships with retailers and supermarkets and as a result, during 2018, we sold approximately 61% of our blueberries and 49% of our avocados directly to retailers.

Moreover, we are focusing on boosting our brand recognition among consumers. In February 2019, we launched the "Camposol Cares From Farm to Family" campaign, through which we aim to continue differentiating our brand as a one-of-a-kind health and wellness value proposition for millennials and health and environmentally/climate-conscious consumers. With this campaign, we aim to emphasize four key elements present during our production cycle: our consumers, our people, our community and the planet.

We export our diverse range of products to countries throughout the world. Each product is targeted to a specific export market based on customer demand. Overall, we exported to over 40 countries in 2018 and sold directly to 5 of the world's top 10 food retailers as determined by the National Federation of Retailers based on top 100 retailers in 2019. The main countries that we export to include the United States, Germany, China, Spain and the United Kingdom which collectively represented 86% of our revenues in 2018. We opened a commercial office in Shanghai in 2017, and sales to Asia commenced in 2018. In 2018, Asia accounted for approximately 10% of our revenues.

Principal factors affecting our results of operations and financial condition

The primary factors affecting our results of operations include the following:

The maturity of our crops and resulting yields. The productive curve of a plant, determined as volume of harvested product per hectare (MT/Ha) in a year, depends on the plant's age. This curve starts low and increases as plants reach peak years, during which period the curve remains flat before declining during old age. The productive curve varies by crop. The average lifespan is 10 years for blueberry plants and 18 years for avocado trees. As a result, our production increases as new investments approach their period of maximum yields and decreases when they pass that point. Because the cost of maintaining a plant remains fairly stable during its lifetime, costs per unit decrease sharply as yields increase.

In Peru, avocado plants typically take three years to grow and begin production, and another three years to mature and achieve peak stable yields. By December 31, 2018, 76% of our avocado plants had entered their fully-productive stage. However, avocado trees have a tendency to adopt an alternate bearing cycle that results in a large crop of small avocados in one year followed by small crop of large avocados the next year, and such is the case with our avocado trees.

Internal studies, undertaken by our agricultural operations management and by our Fresh Produce business unit, indicate that blueberry plants take 1.5 years to grow and begin production and two years to mature and achieve normalized yields. By December 31, 2018, 86% of our blueberry plants had entered their fully-productive stage. However, our practices include replanting with genetically improved trees and bushes as well as continuously testing new species to substitute maturing crops, as the case may be, to increase yields. The price of blueberries fell in 2019 for several reasons, including the fact that the blueberry market was saturated and the quality of our products was not the same level as that in previous years.

The phases of maturity for the segment by period are as follows (in hectares):

	For the nine months ended September 30, 2019				For the year ended December 31, 2018			
Segment	**Unproductive**	**Medium Yield**	**High Yield**	**Total**	**Unproductive**	**Medium Yield**	**High Yield**	**Total**
Blueberries	402	1	2,018	2,422	304	0	1,865	2,168
Avocados	1,402	123	2,533	4,056	561	148	2,243	2,952
Other[(1)]	793	514	511	1,769	1,002	427	427	1,855
Total	2,596	638	5,062	8,247	1,866	574	4,534	6,974

	2017				2016			
Segment	**Unproductive**	**Medium Yield**	**High Yield**	**Total**	**Unproductive**	**Medium Yield**	**High Yield**	**Total**
Blueberries	559	447	857	1,862	791	278	391	1,460
Avocados	239	372	2,044	2,655	107	391	2,155	2,653
Other[(1)]	619	43	424	1,086	189	33	784	1,006
Total	1,417	862	3,324	5,603	1,087	702	3,330	5,119

(1) Includes tangerines, mangoes, grapes, peppers and other products.

The effects of supply and demand on the prices of our products. Our results of operations depend substantially on the market prices of the products we sell. Our main export competitors are primarily based outside of Peru. For example, we compete with Californian and Mexican exporters in the fresh avocado market in the United States and South African exporters in the European market. Due to the global nature of our business, any event that has a positive or negative effect on production levels in a competitor’s home country may have the opposite effect on our sales and profitability. For example, adverse climatic conditions in South Africa would reduce the amount of fresh avocados available for Europe and increase the price at which we sell our fruit in this market, or vice versa. Hence, in 2015 we decided to work directly with retailers to achieve more stable export prices as well as to better understand consumers and thus adapt our value proposition to new trends. Working with retailers leads to stable export prices by establishing commercial programs and reducing exposure to spot market prices. Today, more than half of our sales are directly to retailers.

The percentages of total sales from our channels are as follows:

	For the year ended December 31,	
	2018	2017
Direct	54%	72%
Importers	46%	28%

	2017	2016
Direct	72%	64%
Importers	28%	36%

Free trade agreements, the lifting of import barriers and access to our principal export markets. We derive revenues from the export of our products to several countries around the world. Our results have benefited significantly in recent years from the execution by Peru of free trade agreements with the United States, the European Union and China. Furthermore, China granted phytosanitary clearance to Peruvian Hass avocados, which allowed Peruvian exports to enter the country beginning in 2016. Even though China is currently a small market for avocados—mainly imported from Mexico—it has shown significant growth from 2014 to 2018, according to Trademap.

The imports of avocado into China are as follows:

Metric Tons	2014	2015	2016	2017	2018
Total	**7,859**	**18,661**	**30,379**	**37,470**	**54,787**
Mexico	4,697	14,783	11,993	11,001	19,263
Chile	1,419	2,947	11,838	17,347	12,360
Peru	1,196	668	5,500	8,472	22,062
United States of America	547	262	1,048	650	1,102

Resource: trademap

Moreover, avocados are becoming a common product on restaurant menus and at juice bars in China. Thus, per-capita consumption of avocados in China may grow in future years, which would turn China into an important third market for Peruvian exports, along with the United States and Europe. To be in a position to take advantage of this potential opportunity, we opened a new commercial office in Shanghai in August 2017. A free trade agreement is being negotiated between Peru and China which, if successfully concluded, we believe would have a positive effect.

Seasonality. Agriculture is inherently seasonal in nature. Each of our products is subject to its own pattern of growth, planting and harvesting cycles. For example, while avocados are typically harvested in April through August, we typically harvest blueberries in the specific commercial windows that take place during the months of July to April. We maintain a strategically-diversified mix of export products that are characterized by varying harvest seasons, largely to mitigate risks associated with seasonality. In this respect, in 2018, approximately 16% of our revenues were generated during the first quarter, 10% during the second quarter, 34% during the third quarter and 39% during the fourth quarter. In future years, as our products reach peak yields, we expect that the seasonality of our revenues will decrease.

Revenue by segment from continuing operations by quarter during 2018 and 2017 and for the years ended December 31, 2018 and 2017, are as follows (in thousands of U.S. dollars or in percentages where indicated) (excluding unallocated revenue):

	Q1		Q2		Q3		Q4		Total		Participation	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Blueberries	40,924	19,590	4,321	1,124	32,304	9,424	127,659	90,926	205,208	121,064	56%	43%
Avocados	260	336	21,686	42,410	84,254	75,482	6,094	3,814	112,294	122,042	30%	43%
Other[(1)]	16,467	17,041	11,479	6,054	12,018	8,704	12,205	5,762	52,169	37,561	14%	13%
Total	57,651	36,967	37,486	49,588	128,576	93,610	145,958	100,502	369,671	280,667	100%	100%

(1) Includes tangerines, mangoes, grapes, peppers and other products.

The following table is a reconciliation of the revenue from continuing operations of our reportable segments with the consolidated total revenue from continuing operations:

	For the year ended December 31,	
	2018	2017
	(in thousands of U.S.$)	
Total revenue of reportable segments	369,671	280,667
Unallocated[(1)] revenue	4,494	5,178
Total revenue from continuing operations	374,165	285,845

(1) Unallocated items correspond to minor activities not reported to the chief operating decision maker, such as packaging and other minor services provided by the Company.

The following table is a reconciliation of the revenue from continuing operations of our reportable segments with the consolidated total revenue from continuing operations:

	For the nine months ended September 30,	
	2019	2018
	(Unaudited) (in thousands of U.S.$)	
Total revenue of reportable segments	198,934	223,711
Unallocated[(1)] revenue	983	4,044
Total revenue from continuing operations	199,917	227,755

(1) Unallocated items correspond to minor activities not reported to the chief operating decision maker, such as packaging and other minor services provided by the Company.

The following table is a reconciliation of the revenue from continuing operations of our reportable segments with the consolidated total revenue from continuing operations:

	For the year ended December 31,	
	2017	2016
	(in thousands of U.S.$)	
Total revenue of reportable segments	280,667	201,069
Unallocated[(1)] revenue	5,178	5,448
Total revenue from continuing operations	285,845	206,517

(1) Unallocated items correspond to minor activities not reported to the chief operating decision maker, such as packaging and other minor services provided by the Company.

Economic situation globally, and in particular in our main export markets. Our business and results of operations are directly affected by developments in the global economy. Europe and the United States have been our primary export markets, while the Chinese market, with the recent opening of China to blueberries and avocados, will be an interesting alternative destination for our products. The portion of our total exports directed to the Americas (primarily the United States) and Europe has been balanced. Our total sales to Europe in 2017 and 2018 represented 40% and 32% of our total sales, respectively. Sales to North America represented 49% and 56% of our total sales during 2017 and 2018, respectively. During each of 2017 and 2018, our sales to China represented approximately 5% and 8% of our sales, while our sales to other countries represented 6% and 4% during 2017 and 2018, respectively. Customer demand in these countries is directly tied to the prevailing economic situation. For us, it is important to have the flexibility to sell to and have the flexibility to switch between these markets, depending on the current market opportunity in each, to obtain better results.

Exchange rates between the U.S. dollar and the Peruvian *sol*, and the U.S. dollar and the euro. Notwithstanding that substantially all of our assets are located in Peru, our functional currency is the U.S. dollar, primarily as a result of our export driven business and because our primary revenues and costs are denominated in U.S. dollars. We buy and sell our products and services and obtain funding for our working-capital and investments mainly in U.S. dollars. In 2018, 46.3% of our production costs were related to labor, which are primarily incurred in *soles*. As a result, our financial results are affected by exchange rate fluctuations between the U.S. dollar and the *sol*; the appreciation of the U.S. dollar against the *sol* benefits our financial results, while the depreciation of the U.S. dollar against the *sol* has a negative impact on our financial results. Furthermore, a material portion of our sales are made to customers in Europe, in Euros, so our financial results are also affected by the U.S. dollar/euro exchange rate.

Climate-related risk. Even though our operations in Peru are located in a region characterized by stable climatic conditions, high fluctuations, if any, may affect both the yields and the quality of our products. During the first quarter of 2017, Northern Peru was affected by a weather phenomenon called "*El Niño Costero*," caused by a sudden and abnormal warming of Pacific waters off the coast of Peru and resulting in widespread flooding. Our own operations in the region and our revenues were not materially affected, notwithstanding the damage to the region's logistical infrastructure, such as roads and bridges, in part because the main impact was in the month of March, at which time our blueberry and mango production was almost finished. Mangoes are harvested from December to March and blueberries, which can be harvested year round, are primarily harvested from September to December and secondarily from January to March. In Colombia, analyzing the recent past, there is no record of El Niño having a substantial negative impact in the region where we operate. However, La Niña's lower temperatures could affect production yields. In El Salto, Uruguay, given its latitude, La Niña could bring hail that could damage the crops. In both cases, we have studied the land and looked for locations that help us to mitigate these risks (i.e. planting at different altitudes or close to bodies of water).

Segment Information

We have three segments: Blueberries, Avocados, and Other (tangerines, mangoes, grapes, peppers and other products).

The table below provides a breakdown of our revenues by business lines for the years and periods indicated excluding unallocated revenue (in thousands of U.S. dollars):

	For the year ended December 31,							
	Blueberries		Avocados		Other[1]		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
Revenues	205,208	121,064	112,294	122,042	52,169	37,561	369,671	280,667

	For the nine months ended September 30, (Unaudited)							
	Blueberries		Avocados		Other[1]		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
Revenues	92,310	77,548	70,569	106,199	36,055	39,964	198,934	223,711

The following tables show a reconciliation of the revenue from continuing operations of our reportable segments with the consolidated total revenue from continuing operations:

	For year ended December 31,	
	2018	**2017**
	(in thousands of U.S.$)	
Total revenue of reportable segments	369,671	280,667
Unallocated[1] revenue	4,494	5,178
Total revenue from continuing operations.............................	374,165	285,845

	For the nine months ended September 30,	
	2019	**2018**
	(in thousands of U.S.$)	
Total revenue of reportable segments..	198,934	223,711
Unallocated[1] revenue...	983	4,044
Total revenue from continuing operations	199,917	227,755

(1) Unallocated items correspond to minor activities not reported to the chief operating decision maker, such as packaging and other minor services provided by the Company.

The tables below provide a breakdown of our revenues by business lines for the years and periods indicated excluding unallocated revenue (in thousands of U.S. dollars):

	For the year ended December 31,							
	Blueberries		Avocados		Other[1]		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
Revenues	121,064	100,202	122,042	53,413	37,561	47,454	280,667	201,069

(1) Includes tangerines, mangoes, grapes, peppers and other products.

The following table is a reconciliation of the revenue from continuing operations of our reportable segments with the consolidated total revenue from continuing operations:

	For year ended December 31,	
	2017	2016
	(in millions of U.S.$)	
Total revenue of reportable segments	280,667	201,069
Unallocated[1] revenue	5,178	5,448
Total revenue from continuing operations.............................	285,845	206,517

(1) Unallocated items correspond to minor activities not reported to the chief operating decision maker, such as packaging and other minor services provided by the Company.

The tables below provide a breakdown of our assets by business lines as of the dates indicated (in thousands of U.S. dollars):

At September 30, 2019 (Unaudited)	**Blueberries**	**Avocados**	**Other[1]**	**Total**
Biological assets	100,441	24,325	8,424	133,190
Finished products..	17,034	2,231	1,241	20,506
Property, plant and equipment	147,379	143,021	92,362	382,762
Right of use asset	20,245	9,176	6,406	35,827
Total assets by segment	285,099	178,754	108,432	572,285
Area (Has)...	2,422	4,056	1,769	8,247

(1) Includes mangos, grapes, peppers and tangerines.

At December 31, 2018	**Blueberries**	**Avocados**	**Other[1]**	**Total**
Biological assets	93,616	15,205	11,704	120,525
Finished products..	12,162	1,075	5,090	18,327
Property, plant and equipment	135,676	127,996	82,467	346,139
Right of use asset	12,463	5,649	3,943	22,055
Total assets by segment	253,917	149,925	103,204	507,046
Area (Has)...	2,168	2,951	1,855	6,974
write-off bearer plants..	-	626	88	714

(1) Includes mangos, grapes, peppers and tangerines.

At December 31, 2017	Blueberries	Avocados	Other(1)	Total
Biological assets	40,717	38,596	5,912	85,225
Finished products	10,436	221	3,246	13,903
Property, plant and equipment	100,037	128,838	63,151	292,026
Total assets by segment	151,190	167,655	72,309	391,154
Area (Has)	1,862	2,655	1,086	5,603
write-off bearer plants	0	7,781	6,115	13,895

(1) Includes mangos, grapes, peppers and tangerines.

Results of Operations

Year Ended December 31, 2018 Compared to Year Ended December 31, 2017 and the Nine Months Ended September 30, 2019 Compared to the Nine Months ended September 30, 2018

The table below shows our results of operations, and including information such as a percentage of revenues, for the years indicated:

	For the year ended December 31,			
	2018	% of 2018 Revenues	2017	% of 2017 Revenues
	(in thousands of U.S.$, except for percentages)			
Continued operations				
Revenue	374,165	100.0%	285,845	100.0%
Cost of sales:				
Cost of sales	(162,457)	(43.4%)	(134,727)	(47.1%)
Depreciation of bearer plants	(17,968)	(4.8%)	(16,366)	(5.7%)
Impairment of fixed assets	0	0.0%	0	0.0%
Gross profit before adjustments for biological assets	193,740	51.8%	134,752	47.1%
Net gain arising from change in fair value of biological assets	31,548	8.4%	26,847	9.4%
Gross profit after adjustment for biological assets	225,288	60.2%	161,599	56.5%
Selling expenses	(46,323)	(12.4%)	(31,335)	(11.0%)
Administrative expenses	(23,389)	(6.3%)	(28,845)	(10.1%)
Other income	1,327	0.4%	671	0.2%
Other expenses	(7,150)	(1.9%)	(2,247)	(0.8%)
Net foreign exchange transaction losses	(4,336)	(1.2%)	(1,010)	(0.4%)
Operating profit	145,417	38.9%	98,833	34.6%
Share of profit (loss) of investments accounted for using the equity method	1,225	0.3%	(390)	(0.1%)
Financial income	91	0.0%	87	0.0%
Financial cost	(33,617)	(9.0%)	(22,428)	(7.8%)
Profit before income tax	113,116	30.2%	76,102	26.6%
Income tax expense	(26,405)	(7.1%)	(11,706)	(4.1%)
Profit for the year from continuing operations (attributable to equity holders of the parent)	86,711	23.2%	64,396	22.5%
Loss for the year from discontinued operations net of tax	0	0.0%	(915)	(0.3%)
Profit for the year	86,711	23.2%	63,481	22.2%

	For the nine months ended September 30,			
	2019	% of 2019 Revenues	2018	% of 2018 Revenues
	(in thousands of U.S.$, except for percentages)			
Continued operations				
Revenue	199,917	100.0%	227,755	100.0%
Cost of sales:				
Cost of sales	(113,577)	(56.8%)	(101,774)	(44.7%)
Depreciation of bearer plants	(14,432)	(7.2%)	(13,286)	(5.8%)
Gross profit before adjustments for biological assets	71,908	36.0%	112,695	49.5%
Net gain arising from change in fair value of biological assets	544	0.3%	6,381	2.8%
Gross profit after adjustment for biological assets	72,452	36.2%	119,076	52.3%
Selling expenses	(25,206)	(12.6%)	(28,379)	(12.5%)
Administrative expenses	(18,365)	(9.2%)	(16,860)	(7.4%)
Other income	1,703	0.9%	885	0.4%
Other expenses	(3,445)	(1.7%)	(3,703)	(1.6%)
Net foreign exchange transaction	1,183	0.6%	785	0.3%
Operating profit	28,322	14.2%	71,804	31.5%

	For the nine months ended September 30,			
	2019	% of 2019 Revenues	2018	% of 2018 Revenues
	(in thousands of U.S.$, except for percentages)			
Share of (loss) profit of investments accounted for using the equity method	(898)	(0.4%)	455	0.2%
Financial income	392	0.2%	56	0.0%
Financial cost	(15,404)	(7.7%)	(15,313)	(6.7%)
Profit before income tax	12,412	6.2%	57,002	25.0%
Income tax expense	(2,265)	(1.1%)	(16,034)	(7.0%)
Profit for the period from continuing operations (attributable to equity holders of the parent)	10,147	5.1%	40,968	18.0%

Revenues

For the year ended December 31, 2018, our revenues were U.S.$374.2 million, which represented an increase of U.S.$88.3 million, or 30.9%, compared to revenues of U.S.$285.8 million in 2017. This increase was primarily a result of an increase in revenue from blueberries to U.S.$205.2 million in 2018 from U.S.$121.1 million in 2017, a U.S.$84.1 million increase.

For the nine months ended September 30, 2019, our revenues were U.S.$199.9 million, which represented a decrease of U.S.$27.8 million, or 12.2%, compared to revenues of U.S.$227.8 million during the same period in 2018. This decrease was primarily a result of a decrease of U.S.$35.6 million from avocado revenues. The fall in sales was due to lower harvest amounts from our fields. The lower harvest amounts were caused by several factors, including the alternate bearing cycle of the avocado trees, which was intensified by the high production that the entire valley had in recent years. This led to lower volume, which was partially offset by the resulting increase in prices.

The tables below provide a breakdown of our revenues by segment for the years and periods indicated excluding unallocated revenue (in thousands of U.S. dollars):

	For the year ended December 31,							
	Blueberries		Avocados		Other[1]		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
Revenues	205,208	121,064	112,294	122,042	52,169	37,561	369,671	280,667

	For the nine months ended September 30,							
	Blueberries		Avocados		Other[1]		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
Revenues	92,310	77,548	70,569	106,199	36,055	39,964	198,934	223,711

(1) Includes tangerines, mangoes, grapes, peppers and other products.

The following tables show a reconciliation of the revenue from continuing operations of our reportable segments with the consolidated total revenue from continuing operations:

	For the year ended December 31,	
	2018	2017
	(in thousands of U.S.$)	
Total revenue of reportable segments	369,671	280,667
Unallocated[1] revenue	4,494	5,178
Total revenue from continuing operations	374,165	285,845

	For the nine months ended September 30,	
	2019	2018
	(Unaudited) (in millions of U.S.$)	
Total revenue of reportable segments	198,934	223,711
Unallocated[1] revenue	983	4,044

	For the nine months ended September 30,	
	2019	2018
	(Unaudited) (in millions of U.S.$)	
Total revenue from continuing operations	199,917	227,755

(1) Unallocated items correspond to minor activities not reported to the chief operating decision maker, such as packaging and other minor services provided by the Company.

Blueberries

For the nine month period ended September 30, 2019, revenues from our blueberries were U.S.$92.3 million, which represented an increase of U.S.$14.8 million, or 19.0%, from U.S.$77.5 million for the same period in 2018. For the nine month ended September 30, 2019, revenues from our blueberries represented 46.2% of total revenues, compared to 34.0% of our total revenues during the same period in 2018.

The increase in revenues from our blueberries for the nine months ended September 30, 2019 was primarily a result of a 51.0% increase in volumes sold, compared to volumes sold in the nine months ended in September 30, 2018. This was due to both higher yields and higher demand for blueberries.

For the year ended December 31, 2018, revenues from our blueberries were U.S.$205.2 million, which represented an increase of U.S.$84.1 million, or 69.5%, from U.S.$121.1 million for the year ended December 31, 2017. For the year ended December 31, 2018, revenues from our blueberries represented 54.8% of total revenues, compared to 42.4% of our total revenues in 2017.

The increase in revenues from our blueberries for the year ended December 31, 2018 was primarily a result of an increase in volumes sold, from 13,661 MT for the year ended 2017 to 24,871 MT for the year ended December 31, 2018, an 82.0% increase. This was due to higher yields and higher demand for blueberries.

Avocados

For the nine months ended September 30, 2019, revenues from avocados were U.S.$70.6 million, which represented a decrease of U.S.$35.6 million, or 33.6%, from U.S.$106.2 million during the same period in 2018. For the nine months ended September 30, 2019, revenues from our avocados represented 35.0% of total revenues, compared to 46.6% of our total revenues during the same period in 2018.

The decrease in revenues from our avocado segment for the nine months ended September 30, 2019 was primarily a result of the 46% decrease in volumes sold, from 44,353 MT in the first nine months in 2018 to 23,790 MT in the first nine months in 2019. This was mainly due to the alternation in production of avocado trees each year, which resulted in a smaller crop yield in 2019.

For the year ended December 31, 2018, revenues from avocados were U.S.$112.3 million, which represented a decrease of U.S.$9.7 million, or 8.0%, from U.S.$122.0 million for 2017. For the year ended December 31, 2018, revenues from our avocados represented 30.0% of total revenues, compared to 42.7% of our total revenues in 2017.

The decrease in revenues from our avocado segment for the year ended December 31, 2018 was primarily a result of the 18% decrease in average prices for avocados for the year ended December 31, 2018, from U.S.$2.90 per net kg during the year ended December 31, 2017, to U.S.$2.4 per net kg for 2018. This decrease in price was mainly due to a higher volume of avocado exports from Peruvian growers.

Other

For the nine months ended September 30, 2019, revenues from our “Other” segment, which is made up of tangerines, mangos, grapes, and peppers, were U.S.$36.0 million, which represented a decrease of U.S.$4.0 million, or 9.8%, from U.S.$40.4 million during the same period in 2018. For the nine months ended September 30, 2019, revenues from our “Other” segment represented 18.0% of our total revenues, compared to 17.5% of our total revenues during the same period in 2018.

The decrease in revenues from our “Other” segment for the nine months ended September 30, 2019 was primarily a result of a 78% decrease in grape sales (U.S.$2.0 million) due to a discontinuation of the red globe variety of grape. We also discontinued peppers, decreasing our revenues by U.S.$1.5 million.

For the year ended December 31, 2018, revenues from our “Other” segment, which is made up of tangerines, mangos, grapes and peppers, were U.S.$52.2 million, which represented an increase of U.S.$14.6 million, or 38.9%, from U.S.$37.6 million in 2017. For the year ended December 31, 2018, revenues from our “Other” segment represented 13.9% of our total revenues, compared to 13.1% of our total revenues in 2017.

The increase in revenues from our “Other” segment for the year ended December 31, 2018 was primarily a result of an increase in volume and price of grapes sold.

Cost of Sales

For the nine months ended September 30, 2019, our cost of sales was U.S.$128.0 million, which represented an increase of U.S.$12.9 million, or 11.3%, compared to cost of sales during the same period in 2018 of U.S.$115.1 million. This was mainly due to a lower volume of avocados produced, as a result of which we purchased avocados from third parties, increasing the cost per unit.

For the year ended December 31, 2018, our cost of sales was U.S.$180.4 million, which represented an increase of U.S.$29.3 million, or 19.4%, compared to cost of sales in 2017 of U.S.$151.1 million, mainly due to a higher volume of avocados and blueberries sold.

The tables below show a reconciliation of the cost of sales from continuing operations of our reportable segments with the consolidated cost of sales from continuing operations:

	For the year ended December 31,	
	2018	**2017**
	(in thousands of U.S.$)	
Total cost of sales of reportable segments	176,549	145,242
Unallocated cost of sales[1]	3,876	5,851
Total cost of sales from continuing operations	180,425	151,093

	For the nine months ended September 30,	
	2019	**2018**
	(in thousands of U.S.$) (Unaudited)	
Total cost of sales of reportable segments	127,168	111,638
Unallocated cost of sales[1]	841	3,422
Total cost of sales from continuing operations	128,009	115,060

(1) Unallocated items correspond to minor activities not reported to the chief operating decision maker, such as packaging and other minor services provided by the Company.

The tables below detail cost of sales of reportable segments for the years indicated:

	For the nine months ended September 30,	For the year ended December 31,	
	2019	**2018**	**2017**
	(in thousands of U.S.$)		
Blueberries	51,744	91,535	56,516
Avocados	46,440	53,727	55,647
Other[1]	28,984	31,287	33,079
Total	127,168	176,549	145,242

(1) Includes tangerines, mangoes, grapes, peppers and other products.

Blueberries

For the nine months ended September 30, 2019, cost of sales from blueberries was U.S.$51.7 million, which represented an increase of U.S.$10.7 million, or 26%, from U.S.$41.0 million during the same period in 2018. This increase was primarily a result of an increase in volume of blueberries harvested.

For the nine months ended September 30, 2019, cost of sales from blueberries represented 40.4% of total cost of sales, compared to 35.7% during the same period in 2018.

For the year ended December 31, 2018, cost of sales from blueberries was U.S.$91.5 million, which represented an increase of U.S.$35.0 million, or 62%, from U.S.$56.5 million in 2017. This increase was primarily a result of a 82% increase in volume of blueberries harvested.

For the year ended December 31, 2018, cost of sales from blueberries represented 50.7% of total cost of sales, compared to 37.4% in 2017.

Avocados

For the nine months ended September 30, 2019, cost of sales from avocados was U.S.$46.4 million, which represented an increase of U.S.$0.6 million, or 1%, from U.S.$45.8 million during the same period in 2018. This was mainly due to a lower volume of avocados produced, as a result of which we purchased avocados from third parties, increasing the cost per unit.

For the nine months ended September 30, 2019, cost of sales from avocados represented 36.3% of total cost of sales, compared to 39.8% during the same period in 2018.

For the year ended December 31, 2018, cost of sales from avocados was U.S.$53.7 million, which represented a decrease of U.S.$1.9 million, or 3.5%, from U.S.$55.6 million during the same period in 2017. This decrease was primarily a result of a decrease in the depreciation of bearer plants.

For the year ended December 31, 2018, cost of sales from avocados represented 29.8% of total cost of sales, compared to 36.8% in 2017.

Other

For the nine months ended September 30, 2019, cost of sales from our “Other” segment, which includes tangerines, mangoes, grapes, and peppers, was U.S.$29 million, which represented an increase of U.S.$4.3 million, or 17%, from U.S.$24.7 million during the same period in 2018. This result is primarily due to a reduction in mango production, which resulted in the Group having to buy 14,000 MT of mangoes from third parties at higher cost.

For the year ended December 31, 2018, cost of sales from our “Other” segment, which includes tangerines, mangoes, grapes, and peppers, was U.S.$31.3 million, which represented a decrease of U.S.$1.8 million, or 5%, from U.S.$33.1 million in 2017. This result is primarily due to the reduction in the production of peppers, with 58 MT of volume sold in 2017 compared to 0 MT in 2018, due to the management decision to focus on strategic products.

Gross Profit

For the nine months ended September 30, 2019, our gross profit was U.S.$71.9 million, which represented a decrease of U.S.$40.7 million, or 36.2%, compared to our gross profit of U.S.$112.7 million during the same period in 2018. This resulted in a gross margin of 36% for the nine months ended September 30, 2019, compared to a gross margin of 49.5% during the same period in 2018, primarily due to a 46% decrease in avocado production.

For the year ended December 31, 2018, our gross profit was U.S.$193.7 million, which represented an increase of U.S.$59.0 million, or 43.8%, compared to our gross profit of U.S.$134.7 million in 2017. This resulted in a gross margin of 51.8% for the year ended December 31, 2018, compared to a gross margin of 47.1% in 2017, primarily due to an increase in gross margin in avocado.

The table below sets forth Gross Profit and Gross Margin by segment for the nine months ended September 30, 2019 and September 30, 2018:

	For the nine months ended September 30,					
	2019			2018		
	Gross Profit	% of total	Gross Margin %(2)	Gross Profit	% of total	Gross Margin %(2)
	(in thousands of U.S.$, except percentages)					
Blueberries	40,566	56.5%	43.9%	36,491	32.6%	47.1%
Avocados	24,129	33.6%	34.2%	60,357	53.9%	56.8%
Other(1)	7,071	9.9%	19.6%	15,225	13.6%	38.1%
Total	71,766	100.0%	36.1%	112,073	100.0%	50.1%

The table below sets forth Gross Profit and Gross Margin by segment for the years ended December 31, 2018 and December 31, 2017:

	For the year ended December 31,					
	2018			2017		
	Gross Profit	% of total	Gross Margin %(2)	Gross Profit	% of total	Gross Margin %(2)
	(in thousands of U.S.$, except percentages)					
Blueberries	113,673	58.9%	55.4%	64,548	47.7%	53.3%
Avocados	58,567	30.3%	52.2%	66,395	49.0%	54.4%
Other(1)	20,882	10.8%	40.0%	4,482	3.3%	11.9%
Total	193,122	100.0%	52.2%	135,425	100.0%	48.3%

(1) Includes tangerines, mangoes, grapes peppers, and other products.
(2) Gross margin is calculated by dividing gross profit by revenue.
(3) Total gross margin is calculated by dividing total gross profit of reportable segments by total revenue of reportable segments.

The tables below show a reconciliation of the gross profit from continuing operations of our reportable segments with the consolidated gross profit from continuing operations:

	For the nine months ended September 30,	
	2019	2018
	(in thousands of U.S.$) (Unaudited)	
Total gross profit of reportable segments	71,766	112,073
Unallocated gross profit	142	622
Total gross profit from continuing operations	71,908	112,695

	For the year ended December 31,	
	2018	2017
	(in thousands of U.S.$)	
Total gross profit of reportable segments	193,122	135,425
Unallocated gross profit	618	(673)
Total gross profit from continuing operations	193,740	134,752

Blueberries

For the nine months ended September 30, 2019, our gross profit for blueberries was U.S.$40.6 million, which represented an increase of U.S.$4.1 million, or 11.2%, over the gross profit of U.S.$36.5 million during the same period in 2018. This resulted in a gross margin of 43.9% for blueberries for the nine months ended September 30, 2019, compared to a gross margin of 47.1% during the same period in 2018. The increase is mainly due to an increase in volume of blueberries sold of approximately 5,000 MT.

For the year ended December 31, 2018, the gross profit for blueberries was U.S.$113.7 million, which represented an increase of U.S.$49.2 million, or 76.1%, over the gross profit of U.S.$64.5 million in 2017. This resulted in a gross margin of 55.4% for blueberries for the year ended December 31, 2018, compared to a gross margin of 53.3% in 2017. The increase, despite the reduction of the average price of blueberries, is mainly due to an increase in the volume of blueberries harvested, from 13.6 million MT to 24.9 million MT.

Avocados

For the nine months ended September 30, 2019, the gross profit for avocados was U.S.$24.1 million, which represented a decrease of U.S.$36.2 million, or 60.1%, from the gross profit of U.S.$60.4 million from avocados during the same period in 2018. This resulted in a gross margin of 34.2% for avocados for the nine months ended September 30, 2019, compared to a gross margin of 56.8% during the same period in 2018, primarily as a result of the alternate bearing cycle of the avocado trees which was intensified by the high production in previous years.

For the year ended December 31, 2018, the gross profit for avocados was U.S.$58.6 million, which represented a decrease of U.S.$7.8 million, or 11.8%, over the gross profit of U.S.$66.4 million from avocados in 2017. This resulted in a gross margin of 52.2% for avocados for the year ended December 31, 2018, compared to a gross margin of 54.4% in 2017, primarily as a result of an increase in avocado supply by Peruvian growers, which caused a reduction in the price of avocados.

Other

For the nine months ended September 30, 2019, the gross profit for our "Other" segment was U.S.$7.1 million, which represented a decrease of U.S.$8.1 million, or 53.3%, from the gross profit of U.S.$15.2 million during the same period in 2018. This resulted in a gross margin of 19.6% for the nine months ended September 30, 2019, compared to a gross margin of 38.1% during the same period in 2018. This result is primarily due to our having to buy mangoes and grapes from third parties at higher prices, decreasing the gross profit.

For the year ended December 31, 2018, the gross profit for our "Other" segment was U.S.$20.9 million, which represented an increase of U.S.$16.4 million, or 364.4%, over the gross profit of U.S.$4.5 million in 2017. This resulted in a gross margin of 40.0% for the year ended December 31, 2018, compared to a gross margin of 11.9% in 2017. This result is primarily due to an increase in the gross profit for grapes after switching varieties.

Net gain (loss) arising from change in fair value of biological assets

We recognize in our results the effects of adjustments originated by income for biological assets, which correspond to changes in fair value of our products made as of the reporting date. Biological assets of blueberries, avocados and other fruits and vegetables, such as tangerines, mangoes, grapes and peppers are stated at their fair value less cost of sales. See "—Critical Accounting Policies—Biological Assets."

The following table shows gain (loss) arising from changes in fair value of biological assets by segment from continuing operations:

	Blueberries	Avocados	Other	Total
	(in thousands of U.S.$)			
For the nine months ended September 30, 2019 –				
Gain (loss) arising from changes in fair value of biological assets	(5,447)	12,821	(6,830)	544
For the year ended December 31, 2018 –				
Gain (loss) arising from changes in fair value of biological assets	52,507	(24,749)[1]	3,790	31,548
For the year ended December 31, 2017 –				
Gain (loss) arising from changes in fair value of biological assets	1,617	24,601	629	26,847

(1) The write-down in the value of avocado plants in 2018 was due to a lower volume of production, increasing the cost per unit.

Selling Expenses

The tables below set forth our selling expenses for the years indicated.

	For the nine months ended September 30, (Unaudited)			
	2019	% of 2019 Revenues	2018	% of 2018 Revenues
	(in thousands of U.S.$, except percentages)			
Freight	12,625	6.3%	14,432	6.3%
Custom duties	4,982	2.5%	6,637	2.9%
Personnel expenses	3,424	1.7%	3,190	1.4%
Selling commissions	133	0.1%	431	0.2%
Analysis and quality control	423	0.2%	296	0.1%
Consulting services	975	0.5%	1,206	0.5%
Travel and business expenses	622	0.3%	699	0.3%
Insurance	938	0.5%	834	0.4%
Subscriptions to associations	158	0.1%	161	0.1%
Depreciation	52	0.0%	33	0.0%
Depreciation of right of use asset	36	0.0%	0	0.0%
Other expenses	838	0.4%	460	0.2%
Total selling expenses	25,206	12.6%	28,379	12.5%

	For the year ended December 31,			
	2018	% of 2018 Revenues	2017	% of 2017 Revenues
	(in thousands of U.S.$, except percentages)			
Freight	25,957	6.9%	15,734	5.5%
Exportation custom duties	8,833	2.4%	7,402	2.6%
Personnel expenses	4,040	1.1%	3,728	1.3%
Selling commissions	1,402	0.4%	659	0.2%
Analysis and quality control	474	0.1%	286	0.1%
Consulting services	1,364	0.4%	757	0.3%
Travel and business expenses	962	0.3%	677	0.2%
Insurance	1,364	0.4%	987	0.3%
Subscriptions to associations	161	0.0%	229	0.1%
Depreciation of right of use asset	72	0.0%	0	0.0%
Amortrization of computer software	44	0.0%	0	0.0%
Other expenses	1,650	0.4%	876	0.3%
Total selling expenses	46,323	12.4%	31,335	11.0%

For the year nine months ended September 30, 2019, our selling expenses were U.S.$25.2 million, which represented a decrease of U.S.$3.2 million, or 11.2%, from our selling expenses of U.S.$28.4 million during the same period in 2018. This decrease was primarily explained by freight and custom duties. As a percentage of revenues, selling expenses increased by 0.1% for the nine months ended September 30, 2019 compared the same period in 2018.

For the year ended December 31, 2018, our selling expenses were U.S.$46.3 million, which represented an increase of U.S.$15.0 million, or 47.8%, from our selling expenses of U.S.$31.3 million in 2017. This increase was primarily explained by freight and custom duties. As a percentage of revenues, selling expenses increased by 1.4% for the year ended December 31, 2018 compared to 2017.

Administrative Expenses

The tables below set forth our administrative expenses for the years and periods indicated:

	For the nine months ended September 30, (Unaudited)			
	2019	**% of 2019 Revenues**	**2018**	**% of 2018 Revenues**
	(in thousands of U.S.$, except percentages)			
Personnel expenses	9,476	4.7%	8,051	3.5%
Professional fees	3,365	1.7%	3,413	1.5%
Renting of machinery and equipment	1,039	0.5%	1,033	0.5%
Travel and business expenses	896	0.4%	628	0.3%
Depreciation	480	0.2%	472	0.2%
Audit services and others	227	0.1%	230	0.1%
Transport and telecommunications	87	0.0%	64	0.0%
Amortization of computer software	393	0.2%	561	0.2%
Materials and supplies	432	0.2%	383	0.2%
Maintenance	224	0.1%	220	0.1%
Insurances	25	0.0%	50	0.0%
Utilities	82	0.0%	66	0.0%
Other taxes	13	0.0%	6	0.0%
Depreciation of right of use asset	244	0.1%	238	0.1%
Other expenses	1,382	0.7%	1,445	0.6%
	18,365	9.2%	16,860	7.4%

	For the year ended December 31,			
	2018	**% of 2018 Revenues**	**2017**	**% of 2017 Revenues**
	(in thousands of U.S.$, except percentages)			
Personnel expenses	10,059	2.7%	17,720	6.2%
Professional fees	5,422	1.4%	3,743	1.3%
Audit services and others	458	0.1%	452	0.2%
Depreciation	626	0.2%	603	0.2%
Depreciation of right of use asset	475	0.1%	0	0.0%
Director's remuneration	280	0.1%	286	0.1%
Travel and business expenses	929	0.2%	747	0.3%
Transport and telecommunications	59	0.0%	80	0.0%
Renting of machinery and equipment	1,028	0.3%	1,308	0.5%
Amortization of computer software	702	0.2%	774	0.3%
Materials and supplies	583	0.2%	464	0.2%
Maintenance	271	0.1%	256	0.1%
Subscriptions to Associations	139	0.1%	97	0.0%
Insurances	63	0.0%	59	0.0%
Utilities	92	0.0%	92	0.0%
Other taxes	61	0.0%	1	0.0%
Other expenses	2,142	0.6%	2,163	0.8%
	23,389	6.3%	28,845	10.1%

For the nine months ended September 30, 2019, our administrative expenses were U.S.$18.4 million, which represented an increase of U.S.$1.5 million, or 8.9%, from our administrative expenses of U.S.$16.9 million during the same period in 2018. This increase was primarily as a result of a U.S.$1.4 million, or 17.7%, increase in personnel expenses during the first nine months of 2019, mainly due to an increase in the number of employees.

For the year ended December 31, 2018, our administrative expenses were U.S.$23.4 million, which represented a decrease of U.S.$5.5 million, or 18.9%, from our administrative expenses of U.S.$28.8 million in 2017. This decrease was primarily as a result of a U.S.$7.7 million decrease in personnel expenses. Personnel expenses were higher in 2017 due to the special bonus that was paid to management.

Other Income

For the nine months ended September 30, 2019, our other income was U.S.$1.7 million, which was not material and was higher than U.S.$0.9 million for the same period in 2018, mainly due to an indemnity payment of U.S.$1 million from our insurance company.

For the year ended 2018, our other income was U.S.$1.3 million, which was not material and was higher than U.S.$0.7 million in 2017, mainly due to a gain in sale of supplies and services to third parties.

Other Expenses

For the nine months ended September 30, 2019, our other expenses were U.S.$3.4 million, which represented a decrease of U.S.$0.3 million, or 7.0%, over our other expenses of U.S.$3.7 million during the same period in 2018. This decrease was primarily as a result of the elimination of loss on sale of supplies and administrative penalties.

For the year ended December 31, 2018, our other expenses were U.S.$7.2 million, which represented an increase of U.S.$4.9 million, or 218.2%, over our other expenses of U.S.$2.3 million in 2017. This increase is primarily due to the contingencies related to provisions and performance bonuses given to employees and management.

Operating Profit

For the nine months ended September 30, 2019 our operating profit was U.S.$28.3 million, which represented a decrease of U.S.$43.5 million compared to U.S.$71.8 million during the same period in 2018. This decrease was primarily as a result of the reduction of avocado production (less revenues and higher cost of sale per unit).

For the year ended December 31, 2018 our operating profit was U.S.$145.4 million, which represented an increase of U.S.$46.6 million compared to U.S.$98.8 million in 2017.

Share of (Loss) Profit of Investments Accounted for Using the Equity Method

For the nine months ended September 30, 2019, our share of profit of investments accounted for using the equity method was U.S.$0.9 million, which represented an increase of U.S.$1.4 million over our share of loss of such investments of U.S.$0.5 million during the same period in 2018.

For the year ended December 31, 2018, our share of profit of investments accounted for using the equity method was U.S.$1.2 million, which represented an increase of U.S.$1.6 million over our share of loss of such investments of U.S.$0.4 million in 2017.

Financial Cost

For the nine months ended September 30, 2019, our financial expenses were U.S.$15.4 million, which represented an increase of U.S.$0.1 million, or 0.7%, compared to U.S.$15.3 million during the same period in 2018.

For the year ended December 31, 2018, our financial expenses were U.S.$33.6 million, which represented an increase of U.S.$11.2 million, or 50.0%, compared to U.S.$22.4 million in 2017. This increase is due to an increase in payments on bonds and bank loans.

Net Foreign Exchange Transaction Gains

For the nine months ended September 30, 2019, our net foreign exchange transaction gains were U.S.$1.2 million, which represented an increase of U.S.$0.5 million, compared to our net foreign exchange transaction gains of U.S.$0.7 million during the same period in 2018.

For the year ended December 31, 2018, our net foreign exchange transaction gains were U.S.$4.3 million, which represented an increase of U.S.$3.3 million, compared to our net foreign exchange transaction gains of U.S.$1.0 million in 2017. These gains were primarily a result of the fluctuation of foreign currency for the year ended 2018. Our net foreign exchange differences are mainly explained by the change in the value of our accounts receivable in Euros when converted to our functional currency, which is the U.S. dollar.

Income Tax Expense

For the nine months ended September 30, 2019 and the nine months ended September 30, 2018, we recognized a profit before tax and tax expense. For the nine months ended September 30, 2019, we recognized a tax expense of U.S.$2.2 million. For the nine months ended September 30, 2018, we recognized a tax expense of $16.0 million.

Our effective tax rate for continuing operations was 23.4% in 2018. For the years ended December 31, 2018 and December 31, 2017, we recognized profit before tax and tax expense. For the year ended December 31, 2018, we recognized a tax expense of U.S.$26.4 million. For the year ended 2017, we recognized tax expense of U.S.$11.7 million.

Loss from Discontinued Operations

The Board decided to discontinue all of the operations of our artichokes and asparagus segments (previously independently reported) in 2015 and 2016, respectively. By the end of 2016, we retired and ceased the production process and industrial activity of both segments. Lands and other property, plant and equipment were transferred to other segments (mainly blueberries), sold or disposed, and the personnel and management were retired. The results from operations of these segments are shown under discontinued operations in the consolidated statement of comprehensive income. As a result of the previously mentioned, for the year ended December 31, 2017 the loss from discontinued operations was (U.S.$0.9) million, which is a lower loss compared to our loss of (U.S.$12.4) million in 2016. There was no such loss for the year ended December 31, 2018. The results from 2017 correspond to immaterial remaining inventory of asparagus, which was sold in the first half of 2017. The results generated from these sales are not considered significant.

Profit for the Year and Period

For the nine months ended September 30, 2019, our profit for the period was U.S.$10.1 million, which represented a decrease of U.S.$30.9 million compared to a profit of U.S.$41.0 million during the same period in 2018. This was mainly due to the reduction in avocado production.

For the year ended December 31, 2018, our profit was U.S.$86.7 million, which represented an increase of U.S.$23.3 million compared to U.S.$63.5 million in 2017. This increase was mainly due to the increase in avocado production.

Year Ended December 31, 2017 Compared to Year Ended December 31, 2016

The table below shows our results of operations, and including information such as a percentage of revenues, for the years indicated:

	For the year ended December 31,			
	2017	% of 2017 Revenues	2016	% of 2016 Revenues
	(in thousands of U.S.$, except for percentages)			
Continued operations				
Revenue	285,845	100.0%	206,517	100.0%
Cost of sales:				
Cost of sales	(134,727)	(47.1%)	(95,864)	(46.4%)
Depreciation of bearer plants	(16,366)	(5.7%)	(19,578)	(9.5%)
Impairment of fixed assets	0	0.0%	(2,501)	(1.2%)
Gross profit before adjustments for biological assets	134,752	47.1%	88,574	42.9%
Net gain arising from change in fair value of biological assets	26,847	9.4%	7,424	3.6%
Gross profit after adjustment for biological assets	161,599	56.5%	95,998	46.5%
Selling expenses	(31,335)	(11.0%)	(24,685)	(12.0%)
Administrative expenses	(28,845)	(10.1%)	(23,506)	(11.4%)
Other income	671	0.2%	1,951	0.9%
Other expenses	(2,247)	(0.8%)	(16,854)	(8.2%)
Net foreign exchange transaction losses	(1,010)	(0.4%)	(3,476)	(1.7%)
Operating profit (loss)	98,833	34.6%	29,428	14.2%
Share of profit of investments accounted for using the equity method	(390)	(0.1%)	728	0.4%
Financial income	87	0.0%	301	0.1%
Financial cost	(22,428)	(7.8%)	(23,731)	(11.5%)
Profit (loss) before income tax	76,102	26.6%	6,726	3.3%
Income tax expense	(11,706)	(4.1%)	(8,033)	(3.9%)
Profit (loss) for the year from continuing operations	64,396	22.5%	(1,307)	(0.6%)
Loss for the year from discontinued operations	(915)	(0.3%)	(12,394)	(6.0%)
Profit (loss) for the year	63,481	22.2%	(13,701)	(6.6%)

Revenues

For the year ended December 31, 2017, our revenues were U.S.$285.8 million, which represented an increase of U.S.$79.3 million, or 38.4%, compared to revenues of U.S.$206.5 million in 2016. This increase was primarily a result of an increase of U.S.$69.0 million from avocado revenues.

The table below provides a breakdown of our revenues by segment for the years indicated excluding unallocated revenue (in millions of U.S. dollars):

	For the year ended December 31,							
	Blueberries		Avocados		Other[(1)]		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
Revenues	121.1	100.2	122.0	53.4	37.6	47.5	280.7	201.1

(1) Includes tangerines, mangoes, grapes, peppers and other products.

The following table is a reconciliation of the revenue from continuing operations of our reportable segments with the consolidated total revenue from continuing operations:

	For the year ended December 31,	
	2017	2016
	(in thousands of U.S.$)	
Total revenue of reportable segments	280,667	201,069
Unallocated[(1)] revenue	5,178	5,448
Total revenue from continuing operations	285,845	206,517

(1) Unallocated items correspond to minor activities not reported to the chief operating decision maker, such as packaging and other minor services provided by the Company.

Blueberries

For the year ended December 31, 2017, revenues from our blueberries were U.S.$121.1 million, which represented an increase of U.S.$20.9 million, or 20.8%, from U.S.$100.2 million for the year ended December 31, 2016. For the year ended December 31, 2017, revenues from our blueberries represented 42.4% of total revenues, compared to 48.5% of our total revenues in 2016.

The increase in revenues from our blueberries for the year ended December 31, 2017 was primarily a result of an increase in volumes sold, from 10,941 MT for the year ended 2016 to 13,661 MT for the year ended December 31, 2017, a 24.9% increase.

Avocados

For the year ended December 31, 2017, revenues from avocados were U.S.$122.0 million, which represented an increase of U.S.$68.6 million, or 128.5%, from U.S.$53.4 million for 2016. For the year ended December 31, 2017, revenues from our avocados represented 42.7% of total revenues, compared to 25.9% of our total revenues in 2016.

The increase in revenues from our avocado segment for the year ended December 31, 2017 was primarily a result of a:

- 85.2% increase in volumes sold, from 22,947 MT for the year ended December 31, 2016 to 42,506 MT for 2017, due to better climate conditions, which allowed for the plants to reach their natural flowering process; and
- 23.4% increase in average prices for avocados for the year ended December 31, 2017, from U.S.$2.33 per net kg during the year ended December 31, 2016 to U.S.$2.87 per net kg in 2017, due to lower production in California and an increase in demand.

Other

For the year ended December 31, 2017, revenues from our “Other” segment, which is made up of tangerines, mangoes, grapes and peppers, were U.S.$37.6 million, which represented a decrease of U.S.$9.9 million, or 20.8%, from U.S.$47.5 million in 2016. For the year ended December 31, 2017, revenues from our “Other” segment represented 13.1% of our total revenues, compared to 23.0% of our total revenues in 2016.

The decrease in revenues from our “Other” segment for the year ended December 31, 2017 was primarily a result of a decrease of U.S.$7.5 million, or 55.0% of revenues associated with our sales of grapes, from U.S.$13.6 million for the year ended 2016 to U.S.$6.1 million in 2017, explained by the change of variety from the “Red Globe” type to the “seedless” type the company made in 2017. This change required for the land to be planted with the new variety which temporarily slowed our production.

Cost of Sales

For the year ended December 31, 2017, our cost of sales was U.S.$151.1 million, which represented an increase of U.S.$33.2 million, or 28.2%, compared to cost of sales in 2016 of U.S.$117.9 million, mainly due to a higher volume sold of avocado.

The table below is a reconciliation of the cost of sales from continuing operations of our reportable segments with the consolidated cost of sales from continuing operations:

	For the year ended December 31,	
	2017	**2016**
	(in thousands of U.S.$)	
Total cost of sales of reportable segments	145,242	112,589
Unallocated cost of sales[1]	5,851	5,354
Total cost of sales from continuing operations	151,093	117,943

[1] Unallocated items correspond to minor activities not reported to the chief operating decision maker, such as packaging and other minor services provided by the Company.

The tables below detail cost of sales of reportable segments for the years indicated:

For the year ended December 31, 2017	Blueberries	Avocados	Other[1]	Total
Total	**(56,516)**	**(55,647)**	**(33,079)**	**(145,242)**

For the year ended December 31, 2016	Blueberries	Avocados	Other[1]	Total
Total	**(34,371)**	**(39,745)**	**(38,473)**	**(112,589)**

[1] Includes tangerines, mangoes, grapes, peppers and other products.

Blueberries

For the year ended December 31, 2017, cost of sales was U.S.$56.5 million, which represented an increase of U.S.$22.1 million, or 64.4%, from U.S.$34.4 million in 2016. This increase was primarily a result of a 24.9% increase in volume of blueberries harvested, which increased our labor cost, and the profit sharing scheme with our employees, which increased due to the higher profitability of Camposol vis a vis the application of its tax credit during 2016. For the year ended December 31, 2017, cost of sales from blueberries represented 37.4% of total cost of sales, compared to 29.1% in 2016.

Avocados

For the year ended December 31, 2017, cost of sales was U.S.$55.6 million, which represented an increase of U.S.$15.9 million, or 40.0%, from U.S.$39.7 million in 2016. This increase was primarily a result of a 85.2% increase in volumes sold, from 22,947 MT for the year ended 2016 to 42,506 MT in 2017. For the year ended December 31, 2017, cost of sales from avocados represented 36.8% of total cost of sales, compared to 33.7% in 2016.

Other

For the year ended December 31, 2017, cost of sales from "Other" segment, which includes tangerines, mangoes, grapes and peppers, was U.S.$33.1 million, which represented a decrease of U.S.$5.4 million, or 14.0%, from U.S.$38.5 million in 2016. This result is primarily due to the reduction in the production of peppers, from 7,397 MT sold in 2016 to 58 MT in 2017, due to the management decision to focus on strategic products.

Gross Profit

For the year ended December 31, 2017, our gross profit was U.S.$134.8 million, which represented an increase of U.S.$46.2 million, or 52.2%, compared to our gross profit of U.S.$88.6 million in 2016. This resulted in a gross margin of 47.1% for the year ended December 31, 2017, compared to a gross margin of 42.9% in 2016, primarily due to an increase in the gross margin for avocados.

The table below sets forth Gross Profit and Gross Margin by segment for the year ended December 31, 2017 and December 31, 2016:

	For the year ended December 31,					
	2017			2016		
	Gross Profit	% of total	Gross Margin %[2]	Gross Profit	% of total	Gross Margin %[2]
	(in thousands of U.S.$, except percentages)					
Blueberries	64,548	47.7%	53.32%	65,831	74.3%	65.70%
Avocados	66,395	49.0%	54.40%	13,668	15.4%	25.59%
Other[1]	4,482	3.3%	11.93%	8,981	10.2%	18.93%
Total	135,425	100.0%	47.1%	88,480	100.0%	42.9%

(1) Includes tangerines, mangoes, grapes, peppers and other products.
(2) Gross margin is calculated by dividing gross profit by revenue.
(3) Total gross margin is calculated by dividing total gross profit of reportable segments by total revenue of reportable segments.

The table below is a reconciliation of the gross profit from continuing operations of our reportable segments with the consolidated gross profit from continuing operations:

	For the year ended December 31,	
	2017	2016
	(in thousands of U.S.$)	
Total gross profit of reportable segments	135,425	88,480
Unallocated gross (loss) profit	(673)	94
Total gross profit from continuing operations	134,752	88,574

Blueberries

For the year ended December 31, 2017, the gross profit for blueberries was U.S.$64.5 million, which represented a decrease of U.S.$1.3 million, or 1.9%, over the gross profit of U.S.$65.8 million in 2016. This resulted in a gross margin of 53.3% for blueberries for the year ended December 31, 2017, compared to a gross margin of 65.7% in 2016. The decrease is mainly due to higher labor cost and lower average prices due to the increase in volume sold.

Avocados

For the year ended December 31, 2017, the gross profit for avocados was U.S.$66.4 million, which represented an increase of U.S.$52.7 million, or 385.8%, over the gross profit of U.S.$13.7 million from avocados in 2016. This resulted in a gross margin of 54.4% for avocados for the year ended December 31, 2017, compared to a gross margin of 25.6% in 2016, primarily as a result of a higher production and higher average price of avocados.

Other

For the year ended December 31, 2017, the gross profit for "Other" was U.S.$4.5 million, as compared to a gross profit of U.S.$9.0 million in 2016. This resulted in a gross margin of 11.9% for the year ended December 31, 2017, compared to a gross margin of 18.9% in 2016. This result is primarily due to higher cost in grapes because of the change from the "Red Globe" type to the "Seedless" type.

Net gain (loss) arising from change in fair value of biological assets

We recognize in our results the effects of adjustments originated by income for biological assets, which correspond to changes in fair value of our products made as of the reporting date. Biological assets of blueberries, avocados and other fruits and vegetables, such as tangerines, mangoes, grapes and peppers are stated at their fair value less cost of sales. See "—Critical Accounting Policies—Biological Assets."

For the year ended December 31, 2017, our net adjustment from change in fair value of biological assets was U.S.$26.8 million, which represented an increase of U.S.$19.4 million, over our net adjustment from change in fair value of biological assets of U.S.$7.4 million in 2016. This increase is due primarily to higher estimates of volumes and prices made at the end of 2017 compared to estimates made at the end of 2016. The following table shows gain (loss) arising from changes in fair value of biological assets by segment from continuing operations:

	Blueberries	Avocados	Other	Total
	(in thousands of U.S.$)			
For the year ended December 31, 2017 –				
Gain (loss) arising from changes in fair value of biological assets	1,617	24,601	629	26,847
For the year ended December 31, 2016 –				
Gain (loss) arising from changes in fair value of biological assets	(1,090)	7,207	1,307	7,424

Selling Expenses

The table below sets forth our selling expenses for the years indicated.

	For the year ended December 31,			
	2017	% of 2017 Revenues	2016	% of 2016 Revenues
	(in thousands of U.S.$, except percentages)			
Freight	15,734	5.5%	11,324	5.5%
Exportation custom duties	7,402	2.6%	5,101	2.5%
Personnel expenses	3,728	1.3%	3,130	1.5%
Selling commissions	659	0.2%	623	0.3%
Analysis and quality control	286	0.1%	276	0.1%
Consulting services	757	0.3%	695	0.3%
Travel and business expenses	677	0.2%	741	0.4%
Insurance	987	0.3%	1,778	0.9%
Subscriptions to associations	229	0.1%	244	0.1%
Other expenses	876	0.3%	773	0.4%
Total selling expenses	31,335	11.0%	24,685	12.0%

For the year ended December 31, 2017, our selling expenses were U.S.$31.3 million, which represented an increase of U.S.$6.7 million, or 26.9%, from our selling expenses of U.S.$24.7 million in 2016. This increase was primarily explained by an increase of freight and custom duties related to the increase in 38.4% in revenues. As a percentage of revenues, the selling expenses decreased 1 percentage point for the year ended December 31, 2017 compared to 2016.

Administrative Expenses

The table below sets forth our administrative expenses for the years indicated.

	For the year ended December 31,			
	2017	% of 2017 Revenues	2016	% of 2016 Revenues
	(in thousands of U.S.$, except percentages)			
Personnel expenses	17,720	6.2%	13,324	6.5%
Professional fees	3,743	1.3%	2,605	1.3%
Subscriptions to associations	97	0.0%	134	0.1%
Audit services and others	452	0.2%	336	0.2%
Depreciation	603	0.2%	552	0.3%
Travel and business expenses	774	0.3%	470	0.2%
Transport and telecommunications	80	0.0%	650	0.3%
Directors' remuneration	286	0.1%	418	0.2%
Renting of machinery and equipment	1,308	0.5%	1,259	0.6%
Amortization of computer software	747	0.3%	703	0.3%
Materials and supplies	464	0.2%	539	0.3%
Maintenance	256	0.1%	580	0.3%
Insurances	59	0.0%	56	0.0%
Utilities	92	0.0%	93	0.0%
Other taxes	1	0.0%	4	0.0%
Other expenses	2,163	0.8%	1,783	0.9%
	28,845	10.1%	23,506	11.4%

For the year ended December 31, 2017, our administrative expenses were U.S.$28.8 million, which represented an increase of U.S.$5.3 million, or 22.7%, from our administrative expenses of U.S.$23.5 million in 2016. This increase was primarily as a result of a U.S.$4.4 million increase in personnel expenses, mainly due to the provision of a bonus for the management team for the achievement of goals in 2017.

Other Income

For the year ended 2017, our other income was U.S.$0.7 million, which was not material and was lower than U.S.$2.0 million in 2016, principally due to a gain from the recovery of an escrow account as a result of an arbitration award in our favor.

Other Expenses

For the year ended December 31, 2017, our other expenses were U.S.$2.2 million, which represented a decrease of U.S.$14.6 million, or 87%, from our other expenses of U.S.$16.9 million in 2016. This decrease was primarily as a result of the avocado goodwill impairment of U.S.$8.5 million during 2016 as a result of unexpected climatic conditions which reduced and delayed the production as well as increased maintenance costs for bearer plants during that year.

For the year ended December 31, 2017 our operating profit was U.S.$98.8 million, which represented an increase of U.S.$69.4 million compared to U.S.$29.4 million in 2016.

Share of Profit of Investments Accounted for Using the Equity Method

For the year ended December 31, 2017, our share of profit of investments accounted for using the equity method was (U.S.$0.4) million, which represented a decrease of U.S.$1.1 million from our share of profit of such investments of U.S.$0.7 million in 2016. The decrease is due in part to the results of *Empacadora de Frutos Tropicales S.A.*, the company that packs our grapes and mangoes and of which the Parent Guarantor is the largest shareholder, with a 35% stake.

Financial Cost

For the year ended December 31, 2017, our financial expenses were U.S.$22.4 million, which represented a decrease of U.S.$1.3 million, or 5.6%, compared to U.S.$23.7 million in 2016. This decrease is due to the reduction of our outstanding long-term debt and bank loans, which was US$250 million at December 31, 2016 compared to U.S.$172 million at December 31, 2017.

Net Foreign Exchange Transaction Losses

For the year ended December 31, 2017, our net foreign exchange transaction losses were (U.S.$1.0) million, which represented a decrease of U.S.$2.5 million, compared to our net foreign exchange transaction of (U.S.$3.5) million in 2016. These losses were primarily as a result of the fluctuation of foreign currency for the year ended 2017. Our net foreign exchange differences are mainly explained by the change in the value of our accounts receivable in Euros when converted to our functional currency, which is the U.S. dollar.

Income Tax Expense

Our effective tax rate for continuing operations was 15% in 2017. For the year ended December 31, 2017, we recognized profit before tax and tax expense. For the year ended December 31, 2016, we recognized a profit before tax, but a loss after tax expense. This was driven by a number of factors including that income taxes to be paid are determined in local currency in Peru, rather than our functional currency of U.S. dollars, which results in non-taxable currency adjustments between book and tax, tax rates that are different by tax jurisdictions and items not subject to tax. For the year ended December 31, 2016, we recognized a tax expense of U.S.$8.0 million. For the year ended 2017, we recognized tax expense of U.S.$11.7 million.

Loss from Discontinued Operations

The Board decided to discontinue all of the operations of our artichokes and asparagus segments (previously independently reported) in 2015 and 2016, respectively. By the end of 2016, we retired and ceased the production process and industrial activity of both segments. Lands and other property, plant and equipment were transferred to other segments (mainly blueberries), sold or disposed, and the personnel and management were retired. The results from operations of these segments are shown under discontinued operations in the consolidated statement of comprehensive income. As a result of the previously mentioned, for the year ended December 31, 2017 the loss from discontinued operation was (U.S.$0.9) million, which is a lower loss compared to our loss of (U.S.$12.4) million in 2016. The results from 2017 correspond to immaterial remaining inventory of asparagus, which was sold in the first half of 2017. The results generated from these sales are not considered significant.

Profit for the Year

As a result of the foregoing, for the year ended December 31, 2017 our profit for the year was U.S.$63.5 million, which represented an increase of U.S.$77.2 million compared to our loss of (U.S.$13.7) million in 2016. This result is due to higher volumes and higher prices from the avocado segment, the reduction of other expenses and the reduction of financial expenses.

Liquidity and Capital Resources

As of September 30, 2019, our cash position totaled U.S.$35.3 million, an increase of U.S.$2.8 million compared to U.S.$32.5 million as of December 31, 2018.

As of December 31, 2018, our cash position totaled U.S.$32.5 million, an increase of U.S.$2.0 million compared to U.S.$30.6 million as of December 31, 2017. As of December 31, 2017, our cash position totaled U.S.$30.6 million, a decrease of U.S.$45.8 million, compared to U.S.$76.3 million year-end 2016 cash balance, mainly due to investments in bearer plants

As of September 30, 2019, total debt amounted to U.S.$366 million. The following table sets forth our outstanding financial indebtedness at September 30, 2019:

	Principal Amount at September 30, 2019 (in thousands of U.S.$) (Unaudited)	**Maturity**
Bank loans[1]	25,538	Until 2020
Mid-term	309,496	Until 2026
Financial leases and accrued interest	31,371	Until 2024

(1) Includes short term debt.

The Mid-Term indebtedness above at September 30, 2019, includes U.S.$246.1 million outstanding under our Senior Secured Term Loan. Due to the global corporate reorganization, we requested that the lenders party to the Senior Secured Term Loan waive the occurrence of any and all covenant violations, mandatory prepayments and/or events of default under the loan documents that would otherwise be triggered by the reorganization. Such waiver request was agreed to by the required lenders and acknowledged by the administrative agent.

As of December 31, 2018, total debt amounted to U.S.$252 million. The following table sets forth our outstanding financial indebtedness at December 31, 2018:

	Principal Amount at December 31, 2018 (in thousands of U.S.$)	Maturity
Bank loans[(1)]	-	-
Mid-term	235,652	Until 2026
Financial leases and accrued interest	16,510	Until 2024

(1) Includes short term debt.

As of December 31, 2017, total debt amounted to U.S.$203 million. The following table sets forth our outstanding financial indebtedness at December 31, 2017:

	Principal Amount at December 31, 2017 (in thousands of U.S.$)	Maturity
Bank loans[(1)]	10,017	Until 2018
Senior Secured Notes due 2021		
Mid-term	162,162	Until 2021
Financial leases and accrued interest	31,370	Until 2020

(1) Includes short term debt.

As of September 30, 2019, we had available credit lines of U.S.$183 million, as shown in the table below. Of these credit facilities with financial institutions, only the medium term loans with Interbank and BBVA contained financial covenants, all of which we were in full compliance with as of September 30, 2019. Amounts shown below are in millions of U.S. dollars.

Financial Institution	Working Capital	Medium/Long Term	Total lines	Lines used	Available lines	Currency	Financial Covenants
Santander	20	-	20	-	20	USD	No
Scotiabank	20	5	25	12.6	12.4	USD	No
ICBC	5	-	5		5	USD	No
BBVA	16.5	36.3	52.8	28.4	24.4	USD	Yes
Interbank	-	80	80	80	-	USD	Yes

We continually review our debt structure against potential market opportunities that may allow us to reduce borrowing costs and lengthen maturities.

Cash Flow Information

Years Ended December 31, 2018 and 2017 and for the Nine Months Ended September 30, 2019 and 2018.

The following tables present selected cash flow information for the years and periods indicated.

	For the nine months ended September 30,	
	2019	2018
	(in thousands of U.S.$) (Unaudited)	
Net cash provided by (used in)		
Operating activities	(2,855)	36,890
Investing activities	(54,712)	(82,062)
Financing activities	60,339	48,758
Net change in cash	2,772	3,586
Beginning cash	32,505	30,554
Ending cash	35,277	34,140

	For the year ended December 31,	
	2018	2017
	(in thousands of U.S.$)	
Net cash provided by (used in)		
Operating activities	92,393	88,938
Investing activities	(102,698)	(40,765)
Financing activities	12,256	(93,932)
Net change in cash	1,951	(45,759)
Beginning cash	30,554	76,313
Ending cash	32,505	30,554

Cash Flows from Operating Activities

For the nine months ended September 30, 2019, we used U.S.$2.9 million from operations, compared to generation of U.S.$36.9 million during the same period in 2018. This was mainly due to the reduction of cash receipts from customers (U.S.$65.7 million).

For the year ended December 31, 2018, we generated U.S.$92.4 million from operations, compared to U.S.$88.9 million in 2017. This was mainly due to the increase of cash receipts from customers (U.S.$21 million).

Cash Flows from Investing Activities

For the nine months ended September 30, 2019, we used cash flow in net investing activities in an amount of U.S.$54.7 million, and mainly in investments in bearer plants. For the year ended December 31, 2018, we used cash flow in net investing activities in an amount of U.S.$82.1 million, and mainly in investments in bearer plants.

Cash Flows from Financing Activities

For the nine months ended September 30, 2019, we registered positive cash flow from financing activities of U.S.$60.3 million, compared to positive cash flow of U.S.$48.8 million during the same period in 2018. This was mainly due to an increase in long-term debt of U.S.$39.0 million.

For the year ended December 31, 2018, we registered positive cash flow from financing activities of U.S.$12.3 million, compared to negative cash flow of U.S.$93.9 million in 2017. This was mainly due to:

- long-term loans in the amount of U.S.$278 million; and
- capital distribution of U.S.$22 million.

Years Ended December 31, 2017 and 2016

The following table presents selected cash flow information for the years indicated.

	For the year ended December 31,	
	2017	**2016**
	(in thousands of U.S.$)	
Net cash provided by (used in)		
Operating activities	88,938	55,982
Investing activities	(40,765)	(12,623)
Financing activities	(93,932)	8,521
Net change in cash	**(45,759)**	**51,880**
Beginning cash	76,313	24,433
Ending cash	30,554	76,313

Cash Flows from Operating Activities

Through December 31, 2017, we generated U.S.$88.9 million from operations, compared to U.S.$56.0 million in the same year in 2016. This increase in cash flows from operating activities as compared to 2016 is due to the increase in the revenues resulting from our increased avocado sales.

Cash Flows from Investing Activities

Through December 31, 2017, we used cash flow in net investing activities in an amount of U.S.$40.8 million, and mainly in the investment of new planted areas of blueberries and tangerines, in the plant and equipment supporting our growing blueberry operation. During the year ended December 31, 2016, we used cash flow from investing activities in an amount of U.S.$12.6 million, mainly in the investment of the new planted areas of blueberries and grapes.

Cash Flows from Financing Activities

For the year ended December 31, 2017, we registered negative cash flow from financing activities of U.S.$93.9 million, compared to positive cash flow of U.S.$8.5 million in 2016. This difference is mainly due to:

- U.S.$46.9 million payment of the outstanding senior unsecured notes due February 2017;
- U.S.$19.2 million net reduction in regular working capital requirements; and
- U.S.$24.5 million of dividends paid in 2017.

Financial leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

We lease certain property, plant and equipment. Leases of property, plant and equipment where we have substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in long-term debt. The interest payments are charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset and the lease term.

Bank loans

As of September 30, 2019, we maintained outstanding bank loans in the amounts set forth above and as described under "Description of Certain Material Agreements".

Financial Contractual Obligations and Commitments

The following table presents information relating to our financial contractual obligations, including interest payments, as of December 31, 2018:

Contractual Obligations		**Payment Due by Period**			
	Total	**2019 Less than 1 year**	**2019-2020 1 to 2 years**	**2020-2025 2 to 6 years**	**>2025 More than 6 years**
			(in thousands of U.S.$)		
Long-term debt	331,077	18,500	18,119	294,458	0
Capital (Finance) Lease Obligations	37,138	6,688	6,771	23,679	0
Operating Lease Obligations	99,589	99,589	-	-	0
Total	467,804	124,777	24,890	318,137	**0**

Capital Expenditures

Since the acquisition of Camposol S.A. in 2007 by investors led by Dyer Coriat Holding (since renamed Generación del Pacífico Grupo S.L.), we have made substantial investments in diversifying crops, significantly growing planted areas of avocados and opening the U.S. market for Peruvian Hass avocados and grapes. In addition, we invest yearly in research and development, which includes costs associated with physical facilities, purchase of new equipment, new technologies and other expansion and improvement projects associated with our business.

During the first nine months of 2019, we invested a total of U.S.$54.7 million of which U.S.$33.3 million was invested in bearer plants and U.S.$20.6 million was invested in equipment.

During 2018, we invested a total of U.S.$105.2 million in capital expenditures, including U.S.$60.0 million invested in blueberries, U.S.$15.0 million invested in avocado production in Colombia and Peru, U.S.$20.0 million invested in tangerine production in Peru and Uruguay and U.S.$10.0 million invested in grapes and other production.

During 2017, we invested a total of U.S.$39.7 million in capital expenditures, including U.S.$20.0 million invested in blueberry production, U.S.$5.0 million invested in tangerine production, U.S.$5.0 million invested in machinery, plant and equipment, U.S.$4.0 million invested in grape production, U.S.$3.0 million invested in avocados and over U.S.$1.0 million invested in technological and administrative improvements.

During 2016, we invested a total of U.S.$14.8 million in capital expenditures. Most of those expenditures were invested in cultivating an additional 540 hectares of blueberries.

Our capital expenditure program for 2020 includes a planned investment of U.S.$62.7 million, of which U.S.$31.0 million will be in Peru (including U.S.$15.2 million in blueberries and U.S.$6.9 million in grapes), U.S.$9.0 million in Colombia, and U.S.$8.0 million in Uruguay.

We may modify our capital expenditure program at any time to address, among others, changes in market conditions for our products, changes in general economic conditions in Peru, the United States, Europe or any other relevant country or region, changes in the prices of raw materials, interest rate changes, inflation and competitive conditions. Accordingly, our projected capital expenditures may not be actually made, or if made, the actual amount of such capital expenditures could be significantly greater or less than projected.

Quantitative and Qualitative Disclosure about Market Risk

In the normal course of our business, we are exposed to fruits and vegetables price and interest rate risks. The following discusses our exposure to these risks. This discussion contains forward-looking statements that are subject to risks and uncertainties.

Actual results could vary materially as a result of a number of factors including those set forth in the risk factors section of this listing memorandum. Uncertainties that are either non-financial or not quantifiable, such as political, economic, tax, other regulatory, or credit risks, are not included in the following assessment of our market risks. See Note 3 to the audited consolidated financial statements included elsewhere in the listing memorandum for additional information regarding our market risks.

Price Risk

We are exposed to the risk of fluctuations in the prices for our products, as international prices of fruits and vegetables are subject to changes. Although we seek to mitigate our exposure to price risk by selling a portion of our production from each season on a forward basis, the amount and terms of any such forward sales is subject to market risk and other commercial uncertainties, and we do not hedge the price at which our products are sold and as a result are fully exposed to the effects of changes in prevailing market prices of fruits and vegetables. A decline in the market price of fruits and vegetables would adversely impact our revenues, net income and cash flows and could have a material adverse effect on our ability to repay our debt and meet our other financial obligations.

For the nine months ended September 30, 2019, we had U.S.$227.8 million in revenues, which were primarily composed of blueberries and avocado. Given these volumes and distribution of revenues, we estimate that a 5% increase/decrease in the average price would generate a higher/lower pre-tax income of approximately U.S.$10.0 million, given all other variables remaining constant.

For the year ended December 31, 2018, we had U.S.$374.2 million in revenues, which were primarily composed of blueberries and avocado. Given these volumes and distribution of revenues, we estimate that a 5% increase/decrease in the average price would generate a higher/lower pre-tax income of approximately U.S.$18.7 million, given all other variables remaining constant.

For the year ended December 31, 2017, we had U.S.$285.8 million in revenues, which were primarily composed of blueberries and avocado. Given these volumes and distribution of revenues, we estimate that a 5% increase/decrease in the average price, would generate a higher/lower pre-tax income for 2017 of approximately U.S.$14.3 million, given all other variables remaining constant.

Foreign Exchange Rate Risk

Our activities and borrowings in foreign currency expose us to the risk of fluctuations in U.S. dollar exchange rates. We seek to mitigate this risk partially by maintaining debt balances in foreign currency. Notwithstanding the fact that substantially all of our assets are located in Peru, our functional currency is the U.S. dollar, primarily as a result of our export driven business and the fact that our primary revenues and costs are denominated in U.S. dollars. We buy and sell our products and services and obtain funding for our working capital and investments mainly in U.S. dollars. We generally do not enter into derivative financial instruments to hedge our exposure to exchange rate risk.

During the first nine months of 2019, 42.2% of our production costs were related to labor, which are incurred in *soles*. As a result, our financial results are affected by exchange rate fluctuations between the U.S. dollar and the *sol*. Furthermore, a material portion of our sales are made to customers in Europe, with such sales being made in Euros. As a result of our functional currency being the U.S. dollar, our financial results are affected by the exchange rate between the euro and the U.S. dollar. Future variations in exchange rates could have a significant impact on the portion of our costs denominated in *soles* or the portion of our sales denominated in Euros, thus affecting our results of operations.

During 2018, 46.1% of our production costs were related to labor, which are incurred in *soles*. As a result, our financial results are affected by exchange rate fluctuations between the U.S. dollar and the *sol*. Furthermore, a material portion of our sales are made to customers in Europe, with such sales being made in Euros. As a result of our functional currency being the U.S. dollar, our financial results are affected by the exchange rate between the euro and the U.S. dollar. Future variations in exchange rates could have a significant impact on the portion of our costs denominated in *soles* or the portion of our sales denominated in Euros, thus affecting our results of operations.

For the nine months ended September 30, 2019, 73.5% of our collections were denominated in U.S. dollars, our functional currency, and of the rest of the collections, 23% were denominated in Euros, 3% were denominated in the Chinese Yuan, and 0.5% in other currencies. Given this exposure, we note that a 0.41% weakening of the U.S. dollar against these currencies generated an increase in collections during 2019 of approximately U.S.$0.23 million.

For the year ended December 31, 2018, 75% of our collections were denominated in U.S. dollars, our functional currency, and of the rest of the collections, 24.7% were denominated in Euros. Given this exposure, we estimate that a 5.5% weakening of the U.S dollar against these currencies generated an increase in collections during 2018 of approximately U.S.$4.7 million.

For the year ended December 31, 2017, 69% of our collections were denominated in U.S. dollars, our functional currency, and of the rest of the collections, 30.7% were denominated in Euros. Given this exposure, we estimate that a 12.3% weakening of the U.S dollar against these currencies generated an increase in collections during 2017 of approximately U.S.$10.7 million.

Interest Rate Risk

Changes in interest rates impact primarily loans and long-term borrowings by changing either their fair value (fixed rate debt) or their future cash flows (variable rate debt). Our main exposure to interest rate risk arises from loans, short-term borrowings, and long-term borrowings. Long-term borrowings at variable rates expose us to cash flow interest rate risk. Long-term borrowings at fixed rates expose us to fair value interest rate risk. As of December 31, 2018, our long-term debt contracts are set at a fixed interest rate. Our short-term debts are also set at a fixed interest rate during the life of the contracts but in the renovation of these contracts the interest rate could rise depending on the current market conditions. We do not enter into derivative financial instruments to hedge our exposure to interest rate risk.

As of September 30, 2019, we had U.S.$25.5 million of short-term debt which is subject to changes in the interest rates. We also have U.S.$309 million of long-term debt. Due to exposure to interest rate fluctuations, we estimate a variation of 100 basis points in interest rates would increase or lower our annual pre-tax income by approximately U.S.$2.5 million.

As of December 31, 2018, we had U.S.$236 million of long-term debt which is subject to changes in the interest rates. Given this current exposure to interest rate fluctuations, we estimate a variation of 100 basis points in interest rates would increase or lower our annual pre-tax income by approximately U.S.$2.0 million.

As of December 31, 2017, we had U.S.$10 million of short-term debt which is subject to changes in the interest rates. Given this current exposure to interest rate fluctuations, we estimate a variation of 100 basis points in interest rates would increase or lower our annual pre-tax income by approximately U.S.$0.1 million.

Internal Controls Over Financial Reporting

During our 2018 audit process of Camposol Agribusiness in accordance with PCAOB standards, we and our independent registered public accounting firm did not identify any material weaknesses in our internal control over financial reporting as defined in Exchange Act Rule 12b-2.

Off-Balance Sheet Arrangements

As of September 30, 2019, we did not have any material off-balance sheet obligations that were not reflected in our audited consolidated financial statements at such date.

Critical Accounting Policies

Our audited consolidated financial statements have been prepared in accordance with IFRS as issued by the IASB. The preparation of our financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. We base our estimates on historical experience and on various other assumptions that we believe are reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. While our significant accounting policies are more fully described in the notes to our audited consolidated financial statements, we believe that the following accounting policies and estimates are critical to our business operations and understanding of our financial results.

Biological Assets. We assess fair value of biological assets in accordance with the criteria set out in IAS 41 and IFRS 13 by determining the present value of net cash flows expected to be obtained from the assets. In determining fair value, we exercise judgment to decide how biological assets are recovered and which assumptions to use, which can influence the fair value calculation. These include estimates for plantation volumes, prices, weather condition on expected yields, discount rate and cost per hectare.

We also consider a short-term risk-adjusted discount rate affected by specific industry and market risk considerations. We perform a sensitivity analysis of the biological asset to take into consideration volatility levels that would give rise to a material effect in profit before tax. In 2018, a 5% increase or decrease in the discount rate would have had an effect on profit before tax of a loss or gain, respectively, of U.S.$488,000 compared to a loss or gain, respectively, of U.S.$847,000 for 2017. We refer to Notes 2.12 and 10 to the audited consolidated financial statements included elsewhere in this listing memorandum for additional information about the fair value of our biological assets.

Long lived assets carrying amounts and impairment charges. We annually assess if a provision for impairment is required under our accounting policies to determine goodwill. We make judgments in analyzing the evidence of impairment and determining value in use. These include judgments in preparing the expected future cash flows, including forecasting our future operations, forecasting economic factors that may impact revenue and costs and determining the discount rates that are applied to those cash flows.

Our estimates in determining the recoverable amount of the avocado cash generating unit depend on consideration of prior-year events in the market and our prior operations, which have affected production and prices of avocado negatively, and have resulted in a change in our strategy. We consider these in estimating expected future cash flows and they are factored into cash flows for the coming years. We refer to Notes 6 and 8 to the audited consolidated financial statements included elsewhere in this listing memorandum for the change in estimates by us in determining the impairment that was recognized in goodwill for 2017 and for additional information on how we determine impairment of assets.

Income Tax. In determining our tax obligations and expenses we must interpret applicable tax laws and regulations. We receive advice from our professional legal tax counsel before making any decision on tax matters. Even though we consider our estimates to be prudent and appropriate, differences of interpretation may arise with relevant tax authorities that may require future tax adjustments. We recognize liabilities for situations observed in preliminary tax audits based on estimates as to whether the payment of additional taxes is required. When a final tax result of these situations is different from the amounts that were initially recorded, the differences are charged to the current and deferred income tax assets and liabilities in the period for which the differences are determined.

We perform a sensitivity analysis to determine the effect of inappropriate interpretations of tax law. For 2018, if an actual final tax outcome on the judgment areas differs by a 10% decrease or increase from our estimates, it would result in a U.S.$476,000 loss or gain, respectively, compared to a U.S.$283,000 loss or gain, respectively, for 2017. We refer to Notes 2.20, 17 and 33 to the audited consolidated financial statements included elsewhere in this listing memorandum for additional information about our income taxes.

Determination of functional currency. We have determined our functional currency to be the U.S. dollar. We sell our products in international markets to customers in a number of countries and sales are influenced by a number of currencies. Most operating costs are incurred in Peru but many are invoiced in U.S. dollars and the price of some raw materials and supplies are influenced by the U.S. dollar. Moreover, the borrowings and cash balances are held in U.S. dollars. We used our judgment in determining our functional currency by taking into account several factors and concluded that the currency that most faithfully represents our economic environment and conditions is the United States dollar. We refer to Note 2.5 to the audited consolidated financial statements included elsewhere in this listing memorandum for additional information about the determination of our functional currency.

Bearer plants. We apply judgment in establishing when bearer plants are available for use, which is at the end of the permanent investment period (point of maturity). At this point, they are designated as bearer plants (mature), and depreciation commences. The permanent investment period starts one day after the transplant to the plot until the first harvest. We refer to Notes 2.6 and 6 to the audited consolidated financial statements included elsewhere in this listing memorandum for additional information on our bearer plants.

Recently Adopted and Recently Issued Accounting Pronouncements

IFRS 16, “Leases” (IFRS 16) requires the recognition of almost all leases in the statement of financial position. The standard removes the distinction between finance and operating leases and requires lessees to recognize an asset representing its right of use of the leased asset and a liability for the obligation of future contractual payments, except for lease contracts of less than 12 months (considering in this determination the likelihood of contract extension) and low-value asset lease contracts. In the cash flow statement, operating cash flows are higher as cash payments for the principal portion of the lease liability are classified within financing activities. Only the part of the payments that reflects interest can continue to be presented as operating cash flows.

The Group has adopted IFRS 16 retrospectively with the cumulative effect of initially applying the Standard recognized as of January 1, 2018 as an adjustment to the opening balance of retained earnings. The Group has elected not to apply the practical expedient to recognized right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The Group also elected to apply the practical expedient to account for each lease component and non-lease component as a single lease component. The Group has elected to apply IFRS 16 to leases starting on or after January 1, 2018, but has not restated comparatives for the 2017 and 2016 reporting periods as permitted under the specific transition provisions in the standard.

On adoption of IFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as ‘operating leases’ under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as of January 1, 2018. The weighted average of lessee’s incremental borrowing rate applied to the lease liabilities on January 1, 2018 was 4.87%.

See Note 2 to the audited consolidated financial statements included elsewhere in the listing memorandum for more information regarding our adoption of recently issued accounting pronouncements.

BUSINESS

Overview

We are among the largest suppliers of fresh and healthy food products in Latin America in terms of revenue. Our operations are vertically integrated, thus we have control over our entire value chain: fields, packing facilities, sales and distribution channels. Our 20-year track record of success introducing and scaling new products in the demanding European Union, United States, and Chinese markets, mainly through world-class retailers (such as Walmart, Costco, Sam's Club, Publix, Lidl, Edeka, Alibaba, and JD.com), is sustained by our recognized value proposition: high consistency, superior quality and full traceability. Moreover, our sustainable production practices foster socially-responsible and environmentally-friendly practices. Our main products are fresh blueberries, avocados and other crops, which includes tangerines, mangoes, grapes and peppers. Our value proposition is mainly supported by our ability to provide consistency, quality and full traceability to our clients, mainly through our international commercial arm.

Our main business unit, Fresh Produce, focuses on fresh fruit and vegetable production. Our three reported segments are composed of two segments, blueberries and avocados, which are our most relevant products and a third segment grouped as "Other" which mainly includes tangerines, mangoes, grapes and peppers. These business units are supported by our international commercial platform, with commercial offices in the United States, Europe and China.

Productive fields information:

The following tables shows information regarding our total land including the distribution of our productive fields by crop and other detailed for the years and periods indicated:

	As of September 30,			
	2019		2018	
	Production	Total Planted	Production	Total Planted
	(MTs)	(HAs)	(MTs)	(HAs)
Results by business line:				
Blueberries	18,056	2,422	4,671	2,073
Avocados	19,851	4,056	41,554	2,824
Other[1]	12,692	1,769	15,890	1,643
Total	50,599	8,247	62,115	6,540
Total land owned (HAs)		18,276		17,475
Total planted (HAs) from continued operations		8,247		6,541
Total planted (HAs) from discontinued operations		0		0
Average yield (%):				
Peak phase		61%		70%
Medium phase		8%		5%
Unproductive phase		31%		25%

	As of December 31,			
	2018		2017	
	Production	Total Planted	Production	Total Planted
	(MTs)	(HAs)	(MTs)	(HAs)
Results by business line:				
Blueberries	27,764	2,168	14,781	1,862
Avocados	52,893	2,951	47,616	2,655
Other[1]	32,726	1,855	16,084	1,086
Total	113,383	6,974	78,481	5,603
Total land owned (HAs)		17,475		15,043
Total planted (HAs) from continued operations		6,974		5,603

	As of December 31,			
	2018		2017	
	Production	Total Planted	Production	Total Planted
	(MTs)	(HAs)	(MTs)	(HAs)
Total planted (HAs) from discontinued operations		0		0
Average yield (%):				
Peak phase		65%		59%
Medium phase		8%		15%
Unproductive phase		27%		25%

(1) Includes tangerines, mangoes, grapes, peppers and other products.

	As of December 31,			
	2017		2016	
	Production	Total Planted	Production	Total Planted
	(MTs)	(HAs)	(MTs)	(HAs)
Results by business line:				
Blueberries	14,781	1,862	13,197	1,460
Avocados	47,616	2,655	23,480	2,653
Other(1)	16,084	1,086	34,498	1,006
Total	78,481	5,603	71,175	5,119
Total land owned (HAs)		15,043		14,921
Total planted (HAs) from continued operations		5,603		5,119
Total planted (HAs) from discontinued operations		0		151
Average yield (%):				
Peak phase		59%		21%
Medium phase		15%		13%
Unproductive phase		25%		63%

(1) Includes tangerines, mangoes, grapes, peppers and other products.

Geographic distribution of exports based on revenues:

The following tables set forth, in thousands of U.S. dollars, the distribution of our exports by geography for the years and periods indicated:

	For the nine months ended September 30,		For the year ended December 31,		
	2019	2018	2018	2017	2016
Asia	24,105	29,225	38,454	21,561	13,495
Europe	60,217	79,487	120,656	114,320	77,267
USA	99,418	110,627	203,757	126,268	97,131
Other	16,177	8,416	11,298	23,696	18,624
	199,917	227,755	374,165	285,845	206,517

Key Strengths

We believe our competitive strengths have contributed to our historical success and will enable us to capitalize on future growth opportunities. Our principal strengths include the following:

Unique value proposition widely recognized by the leading global retailers

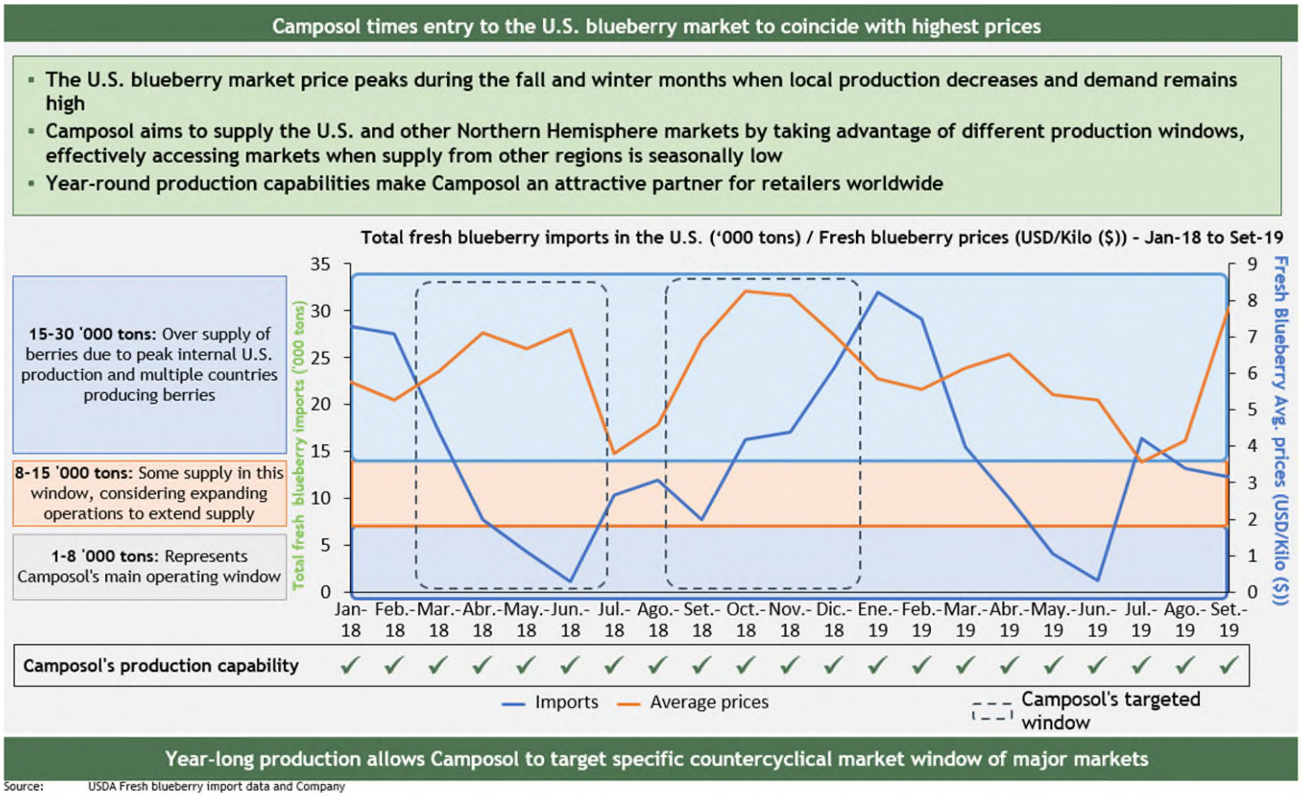
We have built a reputation for providing retailers with a variety of high-quality, consistent, traceable, socially-responsible and environmentally-friendly products. We are also one of the few companies of scale in our industry that can serve our retail partners during “off-season” time periods. During the past six years, we have enhanced this value proposition by developing our R&D capabilities, continually improving our production capabilities, and building and expanding our commercial and logistics platform. We are currently present in 5 of the world’s top 10 food retailers, as determined by National Federation of Retailers based on top 100 food retailers 2019. We have been able to establish strong relationships with many of these retailers in a relatively short period of time, as shown by Walmart awarding us for our performance as a supplier in 2017 and 2019. In 2018, we sold approximately 61% of our blueberries and 49% of our avocados directly to retailers. We are focused on expanding our relationships with these retailers through our unique value proposition and commercial offices.

Vertically- integrated production delivers consistency and full traceability

We own our productive land and grow, harvest, pack and process substantially all of our products. We distribute our products directly to retailers and wholesalers globally. As a result, we control all processes in the value chain, which allows us to trace our products back to the parcel of land from which they were harvested, and to the seeds, inputs, people or services used in our sustainable and socially-responsible growing process. This business model differentiates us and has been key to quickly building strong relationships with the top retailers and the development of “The Berry that Cares” and the “Camposol Cares From Farm to Family” campaigns.

Strategic location and advanced production techniques have resulted in superior yields and stable production

Currently, most of our production fields are located in Peru where the climate is temperate throughout the year, facilitating our strategic production cycles and lowering agricultural risks. The Humboldt current creates a moderate climate that when coupled with long daylight creates a greenhouse effect allowing us to produce fruits usually found further from the Equator. All of these factors contribute to our ability to drive higher yields and provide our products during favorable commercial windows, such as in the northern hemisphere winter months when supply is low. As shown in the chart below, average U.S. import prices of fresh blueberries increase substantially during the April-June and September-November windows as import volume decreases, given few producers are able to supply the market during those months.

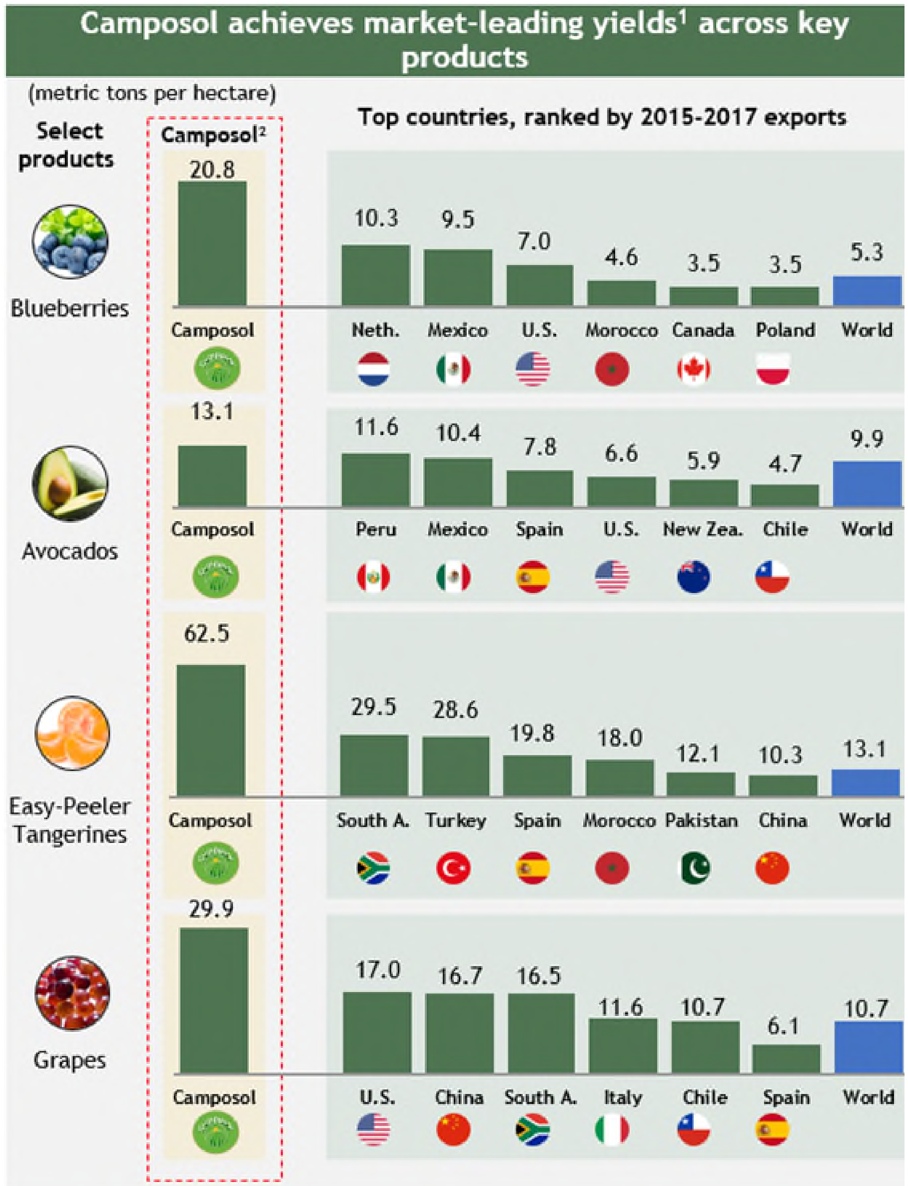


Source: USDA Fresh blueberry import data and Company

In the latest months, Camposol has invested in expanding its production capacity in other parts of Latin America. Specifically, in the case of avocados, we bought 1,850 hectares in Colombia (Pereira region) with the primary objective of increasing our presence in the markets through the year, by expanding our commercial window. A secondary objective is to diversify our production capacity to mitigate geographic risk and avocado alternation exposure volume. We expect that these fields will reach peak production towards the year 2025. Of the total 1,850 hectares purchased, as of the end of September 30, 2019, 231 hectares are already producing avocados.

Moreover, we purchased 1,522 hectares in Uruguay (Salto province), a traditional citrus-producing region, in order to further expand our volumes and production of tangerines and to complement our Peruvian production in terms of volume and quality. We expect to complete planting and reach peak production by the year 2028. Of the total 1,522 hectares purchased, as of the end of September 30, 2019, 217 hectares are already producing tangerines.

Between 2015 and 2017, our yield per hectare for blueberries was 20.8 tons, compared to a global average of 5.3 tons according to FAOSTAT. For the same period, our yield per hectare for avocados was 13.1 tons, compared to a global average of 9.9 tons.



Source: FAOStat yields by country and crop
Notes:
1 Represents average 2015-2017 yields
2 Camposol yields achieved at plantation maturity

Successful track record of introducing and rapidly scaling new products supported by strong R&D process

We have leading R&D programs and facilities complemented by partnerships with key research institutions in Peru, Chile, Mexico and the Netherlands. These R&D capabilities allow us to improve the quality of existing products, introduce new products to our portfolio, and quickly scale up production. We are constantly testing new products in on-trend categories and adjust our product mix to optimize sales and profits. In 2009, we identified avocados as a more profitable product for our portfolio than some of our legacy products. Similarly, in 2009 we began to test production of blueberry varieties and are now a key global producer. As of September 2019, we had more than 15 crops being tested by our R&D team.

Highly-experienced, results-oriented management team supported by a controlling shareholder focused on corporate governance and growth

We believe our management team is a key driver to our success and positions us well for long-term growth. Our day-to-day operations are led by Chief Executive Officer Jorge Ramirez Rubio and Chief Financial Officer Andres Colichón Sas, each of whom has a track record of success at Camposol and other leading organizations. Jorge Ramirez Rubio has been with Camposol for over eleven years, starting as CFO of the company in 2008. Prior to that, he served as CFO of Latin America for Mexichem. Andres Daniel Colichón Sas has over 20 years of experience as a CFO in leading companies in diverse sectors. The leaders of our primary operating businesses are Jose Antonio Gomez Bazan, Pedro Javier Morales Garces, Rodrigo Fernando Manzo Baeza, Rosemary Valencia Villa, and Juan Manuel Guell Camacho, all of whom have extensive experience with Camposol and other organizations in related industries. Our management team is supported by the controlling shareholder of the Parent Guarantor, the Dyer Coriat family, which has consistently maintained a strong focus on corporate governance and growth. The Dyer Coriat family has an extensive track record of success in the fresh produce, fishing and agro-industrial sectors, with leadership and corporate governance experience at Camposol and Copeinca.

Our Strategy

Our vision is to become the preferred global supplier of healthy, fresh and convenient food. To reach this goal, we intend to:

Further consolidate our existing fresh produce operations

Over the next few years we plan to focus on consolidating our current operations. This process will be deployed in three main steps. The first step is completing our targeted expansion of our Peruvian production of blueberries which will cap at 2,897 hectares. The second step is increasing the total area of land planted with avocados and tangerines. We will be planting around 3,000 hectares of avocados in Colombia, a process that we expect to complete in the next five years, with the goal of being able to supply avocados to our clients throughout the whole year. We will also be completing the planting of the land purchased in Uruguay for tangerines, to reach a total of 1,284 hectares of tangerines, so that we can increase our presence in the market with this product. The third step, which we have already begun, is accelerating the incorporation of technological improvements and systems to reduce our costs, further increase the shelf life of our products and increase efficiencies throughout the value chain.

Continue to identify, develop and launch new products

We continue to identify on-trend "super food" products and evaluate how these products will interact with the Peruvian growing environment. We are currently evaluating and testing over 15 types of products, including pecans, almonds, walnuts, persimmon, dragon fruit, cherries, lychees and kiwi. Additionally, through ongoing R&D efforts, we are continuing to improve our existing products through breeding programs, biological pest control programs and testing of new seed types. As of September 2019, as part of our introduction of organic blueberries, 87 hectares have already been certified as USDA organic, and we plan to substantially increase our organic production in the short to medium term. Recently, we rented 120 hectares in Chile, in the Pichideagua, Sexta region in order to conduct onsite testing of cherries.

Further diversify our geographic presence

We are focused on diversifying our geographic presence into key markets. For example, we believe that the Chinese market represents an important opportunity as consumption patterns are expected to continue to rise due to an expanding middle class, urbanization and changing eating habits. We began exporting avocados to China in 2014 and blueberries in 2016. We opened a commercial office in Shanghai in 2017 to strengthen and develop relationships with retailers, such as Walmart, Sam's Club, Carrefour, Yonghui, Olé, and Alibaba. We have also worked to generate awareness of our brand, our products and their benefits to Chinese consumers. Additionally, we are analyzing new opportunities to consolidate our leadership through additional planting of current products in other geographies. For example, China has favorable climate conditions for avocado production, with extensive land available. Mexico has better labor conditions for growth than Peru and is able to deliver better quality to the United States due to its proximity. These actions demonstrate our commitment to driving revenue growth in new geographies.

Develop and maintain a best-in-class commercial and logistics platform in the regions where we operate

We are focused on becoming the leading strategic supplier for the key retailers in the markets in which we operate. Our strong business model and robust infrastructure enable us to meet our client's standards regarding product quality and reliability of services. Through the continued development of our commercial offices, we are focused on developing and pursuing commercial relationships with retailers and supermarkets worldwide. In 2018, we sold approximately 61% of our blueberries and 49% of our avocados directly to retailers. We continue to focus on building strong brand recognition with our clients and end customers. Current branding efforts include our "The Berry that Cares" and "Camposol Cares From Farm to Family" initiatives and the continued commercialization of products under the Camposol brand. "The Berry that Cares" campaign seeks to differentiate Camposol by demonstrating that Camposol branded products can be traced back to sustainable and environmentally-conscious growing practices. The "Camposol Cares From Farm to Family" campaign aims to increase brand recognition by continuing to focus on health and wellness branding. We are also able to benefit from increasing penetration into leading retailers by leveraging existing relationships and product purchases as we continue to harvest and roll out new products to clients. Furthermore, our best-in-class customer service and consistent delivery of fresh and high-quality products have resulted in a loyal retail client base.

Commitment to our sustainable business model

Our sustainability practices are widely recognized by our stakeholders, the communities that surround our operations, our workers, authorities, major retailers, food safety administrations and our consumers. We also believe we are at the forefront of responsible and sustainable production practices with a solid commitment to transparency and the continuous improvement of our sustainability performance. We have been an active member of the United Nations Global Compact since 2008, which encourages businesses worldwide to adopt sustainable and socially responsible policies and to report on their implementation. We report our performance according to GRI (Global Reporting Initiative) indicators.

As one of the few vertically-integrated global produce companies, we are able to ensure complete internal control of our supply chain from our own farms to the supermarket shelf to provide sustainably-produced products consumers can trust. We strive to provide consumers with the highest quality products based on environmentally sustainable management, which envisions the rational and efficient use of natural resources (water), the conservation of local flora and fauna, reforestation, and an Environmental Adaptation and Management Program (PAMA), which includes all our actions to assuage environmental issues. The company also participates in the Blue Certificate program that the National Water Authority (ANA) leads. The ANA certifies not only companies that measure their impact, but also those companies that develop water footprint reduction projects and generate shared value through the work they do inside the community. In 2019, Camposol was the first Peruvian agroindustrial company to obtain this certificate.

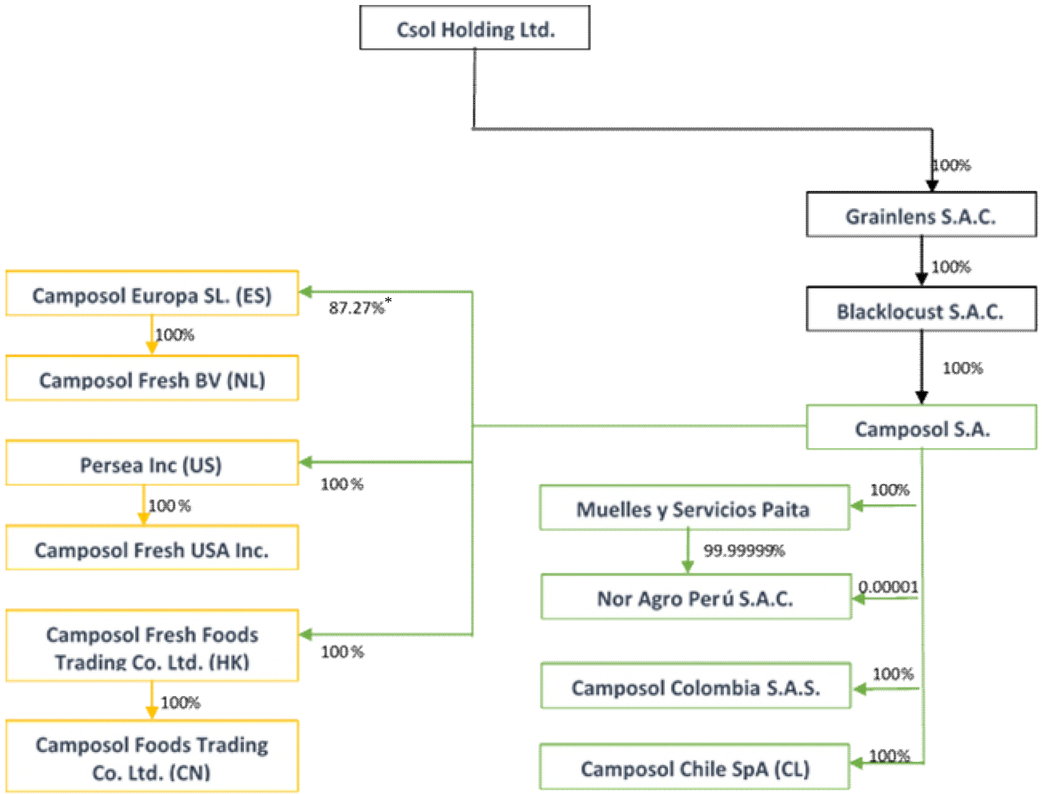
We are a company with a strong moral purpose, providing high-quality jobs and a superior product while remaining good stewards of our human and natural resources. We are always focused on our primary goal: providing the best and healthiest food for families around the world. Camposol’s social responsibility concerns include our team members’ wellbeing on and off the job. We provide a vast complex of programs covering workplace safety, maternity leave and education for the children of team members. Environmental care is also part of our corporate DNA. Our methods and strategies are carefully chosen to reduce environmental contamination. We are privileged to work in a beautiful land where delicate ecosystems must be preserved and low-impact farming practices are essential. As part of our workers first initiative, we provide several key programs to foster employee support and wellness. The Wawa Wasi center offers daycare to the children of our workers (more than 1,000 since its creation). We also provide a number of programs to foster community development and support, such as the Nuevo Chao Medical Center.

Corporate Structure

In order to improve business efficiencies and promote growth and investment, Camposol S.A.’s corporate family has implemented a global corporate reorganization. Camposol S.A.’s original parent company was incorporated on July 9, 2007 as a limited company under Cyprus law under the name Camposol Holding Limited. On October 18, 2017, Camposol Holding Limited was converted to a public company limited by shares under Cyprus law with the name “Camposol Holding PLC.” For the purpose of segregating Camposol Holding PLC’s agricultural business (Camposol S.A. and related subsidiaries) from the shrimp farming business (Marinasol S.A.), on October 22, 2019, the Parent Guarantor was incorporated as a limited company under Cyprus law as Csol Holding LTD. Through a series of capital stock increases and spin-offs, all of the main operating companies related to Camposol Agribusiness including Camposol S.A. but not including Camposol Uruguay S.R.L., were transferred, directly or indirectly, to the Parent Guarantor (the newly incorporated Csol Holding LTD) Such transfer of Camposol Uruguay S.R.L. is expected to occur after the issuance of these notes.

Camposol S.A. is the primary operating company within the Csol Holding LTD corporate group. Camposol S.A., directly or indirectly, owns most of its productive land (apart from 120 hectares in Chile and 170 hectares in Peru, which are rented), and is in charge of its operation. In addition, Camposol S.A. owns or controls a series of subsidiary companies which contribute to its consolidated business activities.

Set forth below is a diagram summarizing our corporate structure including our principal subsidiaries:



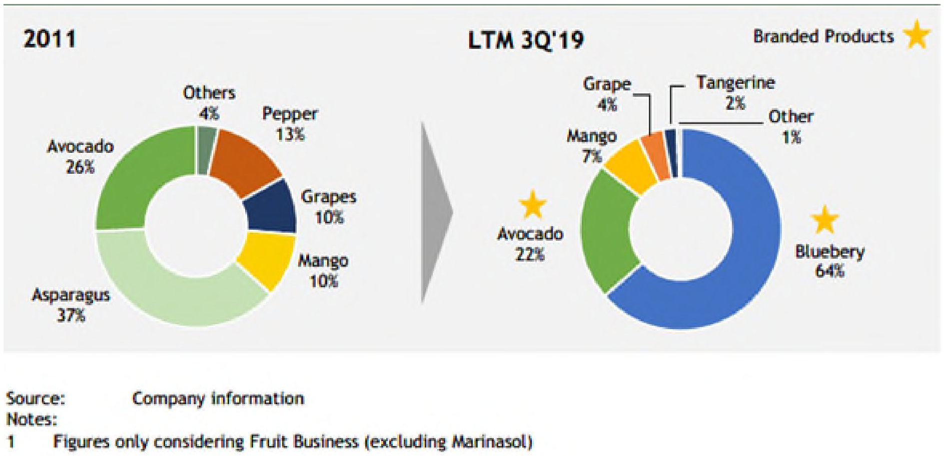
*Csol Holding LTD owns the remaining 12.73% of Camposol Europa SL.

History

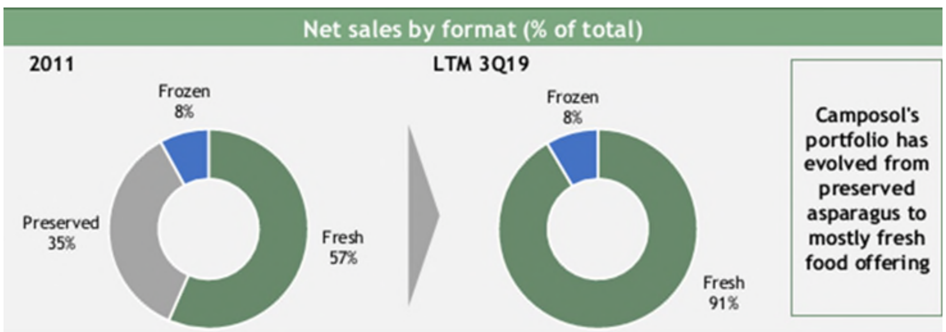
Camposol began operations in 1997 with the purchase of 3,075 hectares of agricultural land in the La Libertad region of Northern Peru, followed by the acquisition of additional land later that year through the Chavimochic Project, a government-funded initiative that provides access to water for irrigation for more than 47,000 hectares of productive agricultural land in the desert on the Northern coast of Peru. As a result of this project, over 18,800 hectares have been developed for agro-business activities in the region, including ours. In 1998, we launched the development of 1,458 hectares of agricultural land in the Piura region, also in Northern Peru. Our initial headquarters for these activities was located in the same Chavimochic area. We began exporting asparagus at the end of 1999. In the same year, we opened and began operations at our processing facilities in the Chao industrial complex, located in the Virú province of the La Libertad region.

In October 2007, Dyer Coriat Holding (now, Generación del Pacífico Grupo S.L.) and a group of investors acquired Camposol Holding PLC from the prior controlling shareholders. Since then, we have invested in new products (blueberries, tangerines, among others), developed packing facilities, upgraded processing infrastructure and consolidated the commercial arm. Between 2008 and 2010, we planted 1,170 hectares of asparagus, 1,662 hectares of avocado, 420 hectares of grapes and 102 hectares of tangerines. Our first testing hectare of blueberries was planted in 2010, and between 2012 and 2016, we scaled our production by planting 1,460 hectares of blueberries. In line with our product portfolio diversification strategy, we invested in substantially expanding our blueberry production capacity. As of December 31, 2016, we had 2,653 and 1,460 planted hectares of avocados and blueberries, respectively. In 2018, we acquired approximately 1,500 hectares of land in Uruguay for tangerine production and 110 hectares of land in Colombia for avocado production. In October 2019, Camposol Holding PLC divested its Fresh Food assets, including Camposol S.A. (the Issuer) into Csol Holding LTD, the Parent Guarantor. The strategic reorganization intends to increase efficiency and streamline agricultural production.

The chart below shows the percentage of volume sold by product in 2011 and in the first nine months of 2019:



The chart below shows the net volume sold by format in percentages for the years indicated:



In 2009, we opened our first commercial office in the Netherlands, followed in 2012 by our second commercial office in the United States, and in 2017 by our third in Shanghai, China. As of September 30, 2019, our logistics operation comprised 24 warehouses in order to serve our clients in North America, the E.U. and Asia. This key effort resulted in an important shift of our client base, which changed from a focus on distributors and wholesalers towards direct retailers. In 2018, approximately 61% of our blueberry revenue and 49% of our avocado revenue originated from retailers.

The chart below shows the amount of planted fields in HA for the years and periods indicated:

	2016	2017	2018	September 2019
Blueberries	1,460	1,862	2,168	2,422
Avocados	2,653	2,655	2,951	4,056
Other[(1)]	1,006	1,086	1,855	1,769
Total	5,119	5,603	6,974	**8,247**

(1) Other includes tangerines, mangoes, grapes, peppers and other products.

The chart below shows volume sold in MT for the years and periods indicated:

	2016	2017	2018	September 2019
Blueberries	10,941	13,661	24,871	14,414
Avocados	22,947	42,506	47,632	23,790
Other[(1)]	32,249	25,410	32,706	23,229
Total	66,137	81,576	105,209	**61,443**

	2016	2017	2018	September 2019

(1) Other includes tangerines, mangoes, grapes, peppers and other products.

As of September 30, 2019, we owned approximately 18,276 hectares of land, of which 8,247 hectares have been planted.

Our main business unit, Fresh Produce, focuses on fresh fruit and vegetable production. Our three reported segments are composed of two segments, blueberries and avocados, which are our most relevant products and a third segment grouped as "Other" which mainly includes tangerines, mangoes, grapes and peppers. These business units are supported by our international commercial platform, with commercial offices in the United States, Europe and China.

Fresh Produce

We produce fresh fruits under the Camposol brand, mainly blueberries and avocados, along with other products such as tangerines, mangoes, grapes and peppers. Most of our sales come from our own fields thus making us the largest independent producer of blueberries in Peru as measured by the 24,871 MT sold in 2018 and 14,414 MT sold during the first nine months ended September 30, 2019. According to the Integrated Foreign Trade Information System (*Sistema Integrado de Información de Comercio Exterior* or "SIICEX"), we are also the largest Peruvian exporter of Hass avocados to the United States, having sold 22,793 MT in the United States market in 2018 and 9,576 MT for the first nine months ended September 30, 2019. In some specific instances, we have sourced avocados and mangoes from third parties in order to diversify our offering.

We believe the strategic locations of our fields translates into more favorable prices, because we are able to produce year-round and hence we are also able to supply fruits when supplies are low and prices are high in North America, Europe and China. We also believe the location of our fields makes us less susceptible to extreme weather, due to a greenhouse effect from the Humboldt current and our proximity to the Andean mountains. Consequently, our fields experience a moderate dry climate and stable temperatures throughout the year. Additionally, the proximity of our fields to the Equator results in longer daylight hours, which also positively affects productivity.

We have fully integrated our value chain, from farming to commercialization and logistics, which allows us to consistently provide high-quality, fully traceable products to top retailers and wholesalers in our markets. As of September 30, 2019, we had 8,296 planted hectares of land (8,247 hectares in current products and 49 hectares undergoing research and development or "R&D"). In addition to our planted hectares, we own and operate a 35,416 square meter production facility in close proximity to our fields, which includes two fresh-packing facilities, two freezing facilities and a laboratory for molecular and microbial biotechnology research. We operate through commercial offices in the United States, the Netherlands and China with a network of distribution centers throughout our markets.

We have a strong focus on R&D. Over time, this R&D has identified, tested and developed each new product in our portfolio, including our blueberry, avocado and tangerine products. The R&D process starts with testing adaptability to our field conditions and ends with reaching high-scale production. We are also focused on biological pest control to minimize the use of pesticides, which we believe makes our products healthier and more appealing for health-conscious customers.

Products

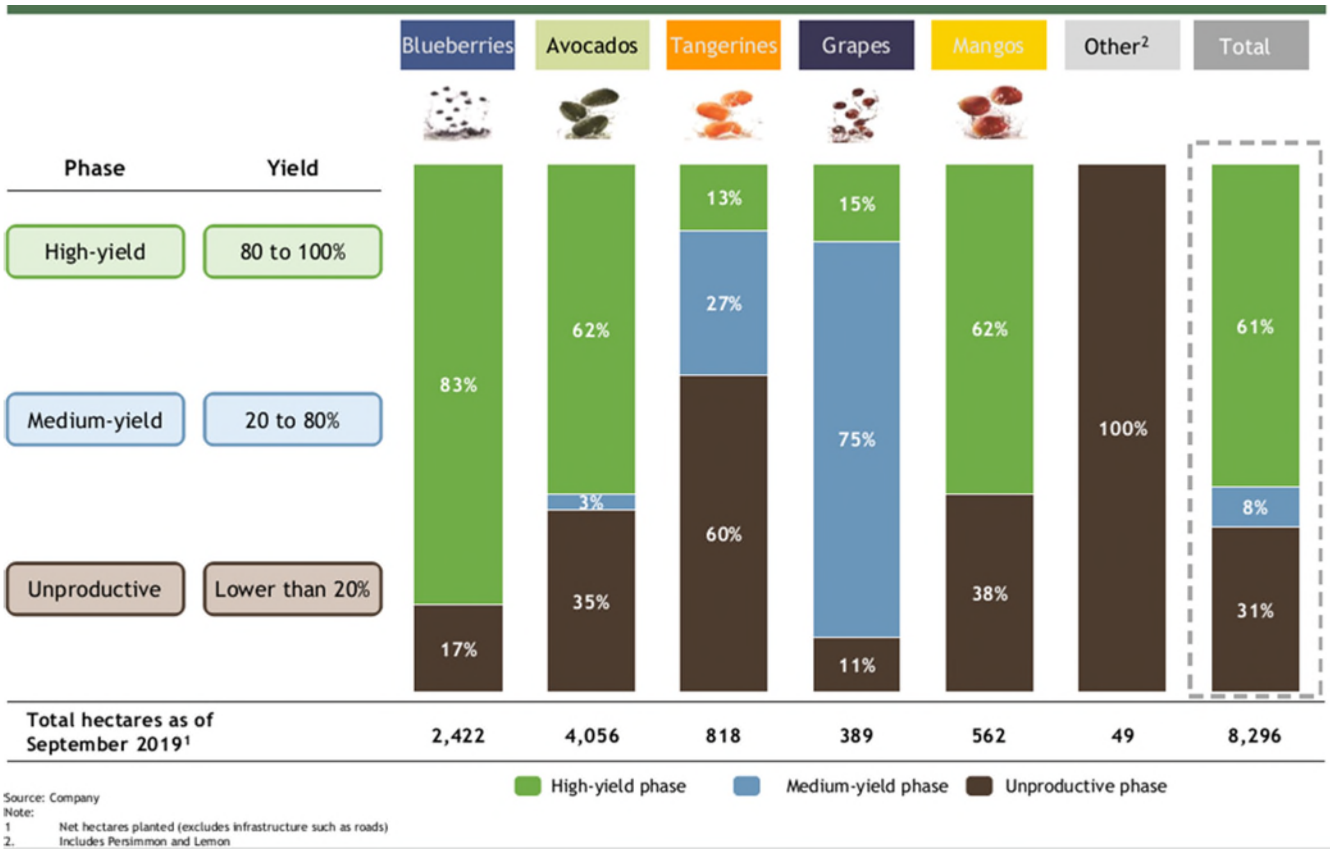
Through Fresh Produce, we harvest, process and export the following products:

- blueberries (fresh);
- avocados (fresh and frozen); and
- other products including tangerines (fresh), mangoes (fresh and frozen) and grapes (fresh).

Our diversified portfolio of products is key to enabling us to take advantage of market opportunities and customer preferences, as well as to optimize our harvesting, packing, sales and marketing efforts. Each of our products is subject to its own pattern of growth, planting and harvesting cycles, and as such, our product mix has been designed to ensure continuous production from our fields.

Our planted fields follow the natural progression of yield maturities. Typically, every new planted area has a period of growth during which there is no production ("non-productive phase") followed by a medium-yield phase during which the plant grows and yields start to increase ("medium-yield phase"). When the plant enters its mature stage, it reaches its peak production yield. The timing and length of each phase varies by crop as well as by the length of the peak yield phase. In 2012, 36% of our planted fields were at high-yield productive phase, 48% at medium-yield phase and 16% at unproductive phase. As of September 30, 2019, approximately 69% of our planted fields were at either medium or high-yield productive phase, as illustrated below.

The following table sets forth the number of hectares planted by product and their different stages of yield productivity as of September 30, 2019:



Blueberries

We began producing blueberries in 2013 at the Chao plantations, located in the region of La Libertad in Northern Peru. North America is the largest market for blueberries principally as a result of their increasing popularity as a healthy "super" food. Blueberries have been shown to possess among the highest concentrations of antioxidants among fruits and are rich in potassium and Vitamin C.

Our first significant harvest of blueberries was in 2013, with 835 MT harvested. For the nine months ended September 30, 2019, we harvested 18,055 MT of blueberries. As of September 30, 2019, we had a total of 2,422 planted hectares of blueberries and of this total 83% were either at their medium or high-yield phase. As of December 31, 2018, we had a total of 2,168 planted hectares of blueberries and of this total 86% were either at their medium or high-yield phase. For the year ended December 31, 2017, we harvested 14,781 MT of blueberries. As of December 31, 2017, we had a total of 1,858 planted hectares of blueberries and of this total 70% were either at their medium or high-yield phase.

Due to favorable climatic conditions that prevail in the region where the fields are located, we are able to harvest blueberries year round. Notwithstanding this factor, we target our harvests to coincide with periods of favorable pricing, which typically occurs during the months of July through April. These are also the months when the global production of blueberries in important exporting countries such as Chile and Argentina are at their lowest. During the months of May and June, our practice is to rest our blueberry plants, given that those are months of peak production in competing markets and also the period of lowest prevailing prices.

Our blueberries are currently sold fresh, mainly to the U.S. market and in a smaller proportion to Europe.

The tables below show the revenues and volume of sales of our blueberries, in thousands of U.S. dollars, and the percentage of which are sold fresh for the years and periods indicated:

	For the nine months ended September 30,					
	2019			2018		
	U.S.$(000)	%	Volume (MT)	U.S.$(000)	%	Volume (MT)
Fresh	90,414	98.0%	14,414	77,548	100.0%	9,571
Gross profit	40,556			36,491		

	For the year ended December 31,					
	2018			2017		
	U.S.$(000)	%	Volume (MT)	U.S.$(000)	%	Volume (MT)
Fresh	205,208	100.0%	24,871	121,064	100.0%	13,661
Gross profit	113,673			64,548		

The tables below show the main export markets for our blueberries for the years and periods indicated:

	For the nine months ended September 30,					
	2019			2018		
	U.S.$(000)	%	Volume (MT)	U.S.$(000)	%	Volume (MT)
Europe	21,170	22.9%	3,188	23,339	30.1%	2,728
North America	58,263	63.1%	9,041	43,246	55.8%	5,223
Other	12,876	13.9%	2,056	10,963	14.1%	1,620
Total Revenue	92,309	100.0%	14,286	77,548	100.0%	9,571

	For the year ended December 31,					
	2018			2017		
	U.S.$(000)	%	Volume (MT)	U.S.$(000)	%	Volume (MT)
Europe	56,163	27.4%	6,772	49,019	40.5%	5,378
North America	130,830	63.8%	15,027	52,407	43.3%	5,895
Other	18,215	8.9%	3,073	19,638	16.2%	2,388
Total Revenue	205,208	100.0%	24,871	121,064	100.0%	13,661

The table below shows the revenues and volume of sales of our blueberries and the percentage of which are sold fresh for the years indicated:

	For the year ended December 31,					
	2017			2016		
	U.S.$(000)	%	Volume (MT)	U.S.$(000)	%	Volume (MT)
Fresh	121,064	100.0%	13,661	100,202	100.0%	10,941
Gross profit	64,548			65,831		

The table below shows the main export markets for our blueberries for the years indicates:

	For the year ended December 31					
	2017			2016		
	U.S.$(000)	%	Volume (MT)	U.S.$(000)	%	Volume (MT)
Europe	49,019	40.5%	5,378	35,445	35.0%	4,038
United States	52,407	43.3%	5,895	63,397	63.0%	6,397
Asia	9,666	8.0%	1,251	682	1.0%	65
Other	9,972	8.2%	1,137	574	1.0%	441
Total Revenue	121,064	100.0%	13,661	100,202	100.0%	10,941

Avocados

We produce two varieties of avocados, Hass and Ettinger, with the substantial majority of our planted avocado crops being of the Hass variety. Avocados currently are one of the most important contributors to our gross profit because approximately 62% of our planted hectares of avocados have reached their high-yield phase as of September 30, 2019. We concentrate on producing the Hass variety of avocados because it is the best-selling type of avocado in the European and U.S. markets. With the opening of the Chinese market to Peruvian-grown Hass avocados in August 2015, we are expecting to increase our exports to that market in the coming years. As Chinese consumers continue to become aware of the health benefits of avocados, they are becoming a common produce on restaurant menus and juice bars. In this regard, China could represent an important third market for Peruvian exports along with the United States and Europe. The avocado plantations are all located in Chao, La Libertad, and the harvest season typically begins in April and ends in September, with sales concentrated in the second and third quarters of the year. Avocado trees have a tendency to develop an alternate bearing cycle that results in a large crop of small avocados in one year, followed by a small crop of large avocados the next year. In some specific instances, we have sourced avocados and mangoes from third parties in order to diversify our offering. During 2017 and 2018, we sold a total of 42,500 MT and 47,632 MT, respectively of avocados.

The majority of our avocado exports are fresh, as this is the preferred format for customers in the United States and Europe. A smaller portion of our production is sold in a frozen format.

The tables below show our revenue breakdown for the years and periods indicated:

	For the nine months ended September 30,					
	2019			2018		
	U.S.$(000)	%	Volume (MT)	U.S.$(000)	%	Volume (MT)
Avocados						
Fresh	60,344	86.0%	21,514	98,241	93.0%	42,455
Frozen	9,670	14.0%	2,276	7,542	7.0%	1,898
Total Revenue	70,569	100.0%	23,790	106,199	100.0%	44,353
Gross profit	24,129			60,357		

	For the year ended December 31,					
	2018			2017		
	U.S.$(000)	%	Volume (MT)	U.S.$(000)	%	Volume (MT)
Avocados						
Fresh	100,418	89.0%	44,732	112,608	92.3%	40,014
Frozen	11,459	10.0%	2,900	9,434	7.7%	2,492
Total Revenue	112,294	100.0%	47,632	122,042	100.0%	42,506
Gross profit	67,266			66,395		

	For the year ended December 31,					
	2017			2016		
	U.S.$(000)	%	Volume (MT)	U.S.$(000)	%	Volume (MT)
Avocados						
Fresh	112,608	92.3%	40,014	46,181	86%	20,921
Frozen	9,434	7.7%	2,492	7,232	14%	2,026
Total Revenue	122,042	100%	42,506	53,413	100%	22,947
Gross profit	66,395			13,668		

The principal markets for our avocado exports currently are the United States and Europe. In the coming years, we expect that the United States will continue to be a very important market for our avocados, given the strong per-capita consumption increase in that market.

The tables below show, in thousands of U.S. dollars, the distribution of our exports by geography for the years and periods indicated:

	For the nine months ended September 30,					
	2019			2018		
	U.S.$(000)	%	Volume (MT)	U.S.$(000)	%	Volume (MT)
Avocados						
Europe	26,018	37.0%	8,795	79,487	35.0%	30,840
United States	32,686	46.0%	9,576	110,627	49.0%	36,007
Other[(1)]	11,865	17.0%	4,403	37,639	17.0%	18,560
Total Sales	70,569	100.0%	22,774	227,753	100.0%	85,407

	For the year ended December 31,					
	2018			2017		
	U.S.$(000)	%	Volume (MT)	U.S.$(000)	%	Volume (MT)
Avocados						
Europe	120,656	32.0%	39,211	47,890	39.2%	17,735
United States	203,757	54.0%	50,215	62,396	51.1%	20,951
Other[(1)]	49,755	13.0%	15,784	11,756	9.7%	3,819
Total Sales	374,167	100.0%	105,209	122,042	100.0%	42,506

	For the year ended December 31,					
	2017			2016		
	U.S.$(000)	%	Volume (MT)	U.S.$(000)	%	Volume (MT)
Avocados						
Europe	47,890	39.2%	17,735	23,085	43.0%	8,951
United States	62,396	51.1%	20,951	22,097	42.0%	11,453
Other[(1)]	11,756	9.7%	3,819	8,231	15.0%	2,543
Total Sales	122,042	100.0%	42,506	53,413	100.0%	22,947

Other

We also currently harvest tangerines, mangoes, grapes and peppers. Historically, asparagus was a significant contributor to our sales revenue, however we are no longer producing asparagus for sale commercially.

The tables below show the total hectares planted and the phase of production for the years and periods indicated:

	For the nine months ended September 30,							
	2019				2018			
Products	Unproductive	Medium yield	High Yield	Total	Unproductive	Medium yield	High Yield	Total
Tangerines	492	223	103	818	351	0	371	722
Mangoes	212	0	351	562	211	33	318	562
Grapes	41	291	57	389	201	157	0	358
Total	745	514	511	1769	763	190	689	1,642

	For the year ended December 31,							
	2018				2017			
Products	Unproductive	Medium yield	High Yield	Total	Unproductive	Medium yield	High Yield	Total
Tangerines	588	217	99	904	217	6	103	326
Mangoes	209	34	431	674	211	30	321	562
Grapes	210	167	12	389	191	7	-	198
Total	1,007	418	542	1,967	619	43	424	1,086

	For the year ended December 31,							
	2017				2016			
Products	Unproductive	Medium yield	High Yield	Total	Unproductive	Medium yield	High Yield	Total
Tangerines	217	6	103	326	64	-	103	167
Mangoes	211	30	321	562	-	33	415	448
Grapes	191	7	-	198	126	-	266	391
Total	619	43	424	1,086	190	33	784	1,006

Harvesting

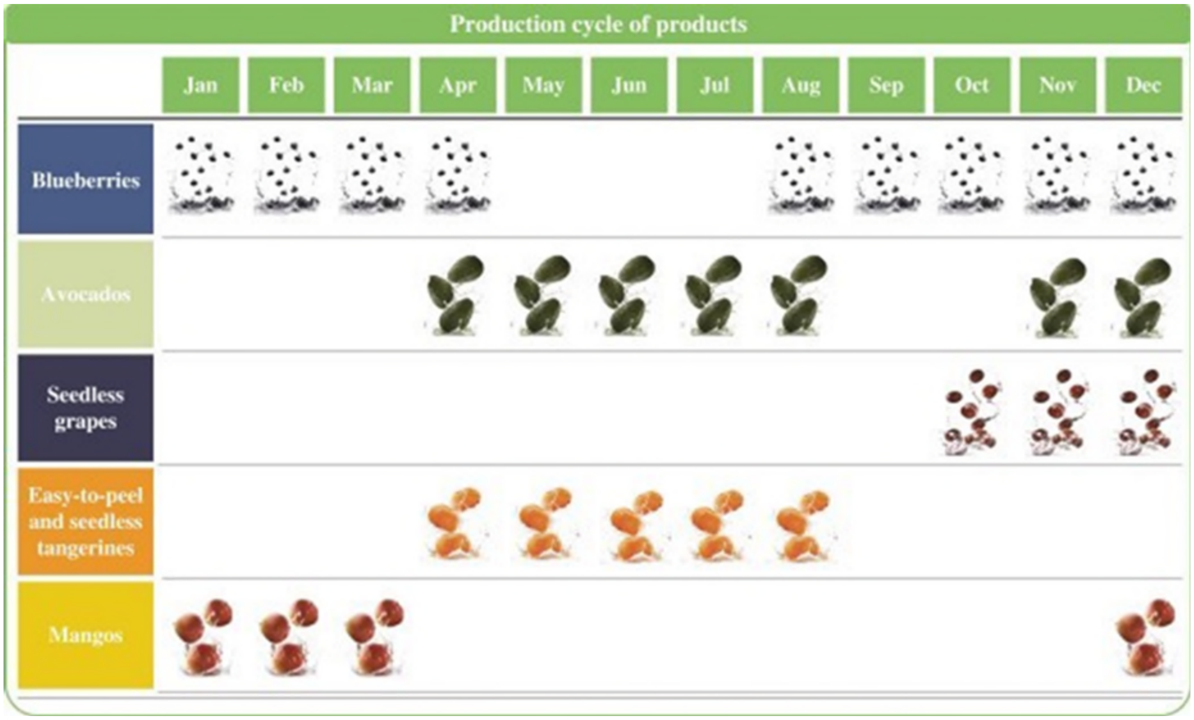
The harvest and planting processes depend foremost on preparation of the soil. For newly acquired land, the terrain must be leveled, prepared and all the appropriate equipment must be installed, including irrigation equipment and wind breaking trees, among others. The land is later furrowed, fertilized, and mixed for the fruit or vegetable to be planted. Before being planted, avocados and mangoes need to be grown in a greenhouse. Tractors mark the furrows where the plants will be set up. Fertilizers are added to those furrows, as well as base fertilizers that dissolve at a slower pace. The soil is then mixed to obtain a uniform mix of soil and fertilizer.

The fruit or vegetable is later planted in the furrows leaving an appropriate distance between them, which will depend on each crop, and then irrigated through a controlled irrigation system. Fertilizers are also introduced according to the irrigation and fertilization-irrigation schedule. Along with the irrigation process, sanitation procedures are performed to maintain the plants free from insects, plagues, fungi, viruses, weeds and bacteria. Other agricultural maintenance is carried out to keep the plant healthy up to its harvest. For avocado and mango trees as well as the grape vines and blueberry bushes, the fruits and leaves must be carefully pruned so as to encourage the formation of fruitful branches.

The plantations must be fertilized, sanitized and irrigated constantly until fit for harvest, which in the case of some fruits like avocados and mangoes, can occur several years later as the tree matures and grows in size, or, in the case of rotational crops, as soon as the same year.

Each of our products is subject to its own pattern of growth, planting and harvesting cycles. Blueberries, which can be harvested year round, are primarily harvested from August to December and secondarily from January to April; avocados are harvested in April through August, and November through December; grapes are harvested from October through December; tangerines are harvested from April to September; and mangoes are harvested from December through March. Due to our crop diversity we can, unlike seasonal agricultural producers, offer our workers permanent jobs working the fields and do not depend solely on peak harvest seasons to hire workers, which is significant in terms of reducing total labor costs. However, we minimize labor rotations in the field in order to reduce shortages of able workers during the peak harvesting seasons.

The calendar of the harvests that we manage over the course of the year is set forth below:



A key step to maximizing production yields from our planted fields is adequate crop maintenance, including adequate irrigation, fertilization and disease and pest control. We control the first two processes mainly through a centralized irrigation control center that monitors daily intake of water and fertilizer for every field and regulates the amount of water each crop is administered on a daily basis through modern sensors established in every plantation. In addition to pesticides delivered through our irrigation channels, we actively use natural techniques such as utilizing natural predators and natural repellents, like habanero peppers, to repel pests.

Processing Plants

We own a state-of-the-art production complex located in the agro-industrial complex of Chao that spans 35,416 square meters.

During 2017, we invested over U.S.$4.7 million in developing it into the largest fruit and vegetable processing facility in Peru, with capacity to process the significant volumes of crops we harvest year-round. Our production facilities at the Chao industrial complex are located within a 10-mile radius of our principal producing fields in La Libertad, which significantly reduces transport time and related costs, and allows us to maintain product quality during processing and packing.

During 2018, we invested over U.S.$10 million, mostly on the blueberry packing plant (U.S.$8.3 million).

We own four crop processing plants, consisting of three fresh products plants, and one frozen products plant, all located in a single facility, with a combined processing capacity of 782 MT/day. An additional production line for fresh avocados was implemented at our existing plant in 2012 to handle the significant increase in production volumes from our planted avocado fields. During recent years we have been implementing several production lines for fresh blueberries in which we can process 160 MT per day.

Our processing plant is capable of quickly shifting from frozen production to fresh production, irrespective of the crop that is delivered. This flexibility allows our commercial department to adapt quickly to evolving client demands and to take advantage of any opportunity in new markets seamlessly. We have invested in increasing the automation of the packaging process, which reduces dependence on manual labor.

The processing plant is fully integrated with the fields, allowing maximum product traceability, one of the main factors necessary to attain the quality certifications our clients demand. Throughout the entire processing and distribution process, we can determine the field origin of any specific production batch, the field the product came from and even the person responsible for harvesting it. This allows quick identification and isolation of any anomaly and thus, reduces chances of any incidents that can compromise product quality. Our plant capacity and production as of September 30, 2019 is set out in the following chart:

Facility overview

	Facility 1	Facility 2	Facility 3	Facility 4
Format	Frozen	Frozen	Fresh	**Fresh**
Capacity	36 MT/hr	65 MT/hr	239 MT/day	500 MT/day
Product(s) handled				

Can handle up to 782MT per day

Marketing

Our commercial office team maintains relationships with retailers and supermarkets worldwide and provides them with the consistency in supply and the quality that they require. We focus on major retailers in the United States and European Union markets, including Costco, Walmart, Publix, Sam's Club, Edeka and Kaufland, among others. Our customers demand high standards, which we have been able to meet. For example, during 2018 we successfully underwent 90 audits from different retailers. In both 2017 and 2019, Walmart, who we started selling to in 2011, awarded us for our performance as a supplier. Through the continued development of our commercial offices, we are focused on developing and pursuing direct commercial relationships with retailers and supermarkets and as a result, as of September 30, 2019, we sold approximately 53% of our blueberries and 33% of our avocados directly to retailers.

Moreover, we are focusing on boosting our brand recognition among consumers. "The Berry that Cares" branding campaign, launched in October 2017, differentiated the company by demonstrating that Camposol's branded products could be traced back to sustainable and environmentally conscious growing practices. In February 2019, we launched the "Camposol Cares From Farm to Family" campaign, through which we aim to continue differentiating our brand as a one-of-a-kind health and wellness value proposition for millennials and health and environmentally/climate-conscious consumers. Both campaigns emphasize four key elements present during our production cycle: our consumers, our workers, our community and our environmental impact.

We export our diverse range of products to countries throughout the world. Each product is targeted to a specific export market based on customer demand. Overall, we exported to over 40 countries in 2018 and sold directly to 5 of the world's top 10 food retailers as determined by the National Federation of Retailers based on top 100 food retailers 2019. The main countries that we export to include the United States, Germany, China, Spain, and the United Kingdom which collectively represented 86% of our revenues in 2018. We opened a commercial office in Shanghai in 2017, and sales to Asia commenced in 2018. In 2018, Asia accounted for approximately 10% of our revenues.

Export Markets

We have three commercial offices, one based in the Netherlands, with headquarters and a distribution center located in Rotterdam; another based in the United States, with headquarters in Florida and a network of eight distribution centers across North America; and a third one based in Shanghai, China, which we opened to supply increasing demand of fresh and healthy products in China. Having a direct presence in these markets is a key strategic strength for us since it is crucial for maintaining the highest client service standards, rapidly identifying market trends, reducing volume volatility and stabilizing prices.

Our sales and marketing team of 50 employees work from the above mentioned locations and in our Lima headquarters. In the European office, we have a team of 20 professionals working in sales and distribution of our products serving 106 customers in 20 countries. In our U.S. office, we employ 19 professionals serving 75 customers between the U.S. and Peruvian market. Further, in Lima we have a team of five people, and in China we have a team of six people. Combined we serve around 300 customers, though some customers have consolidated into other customers.

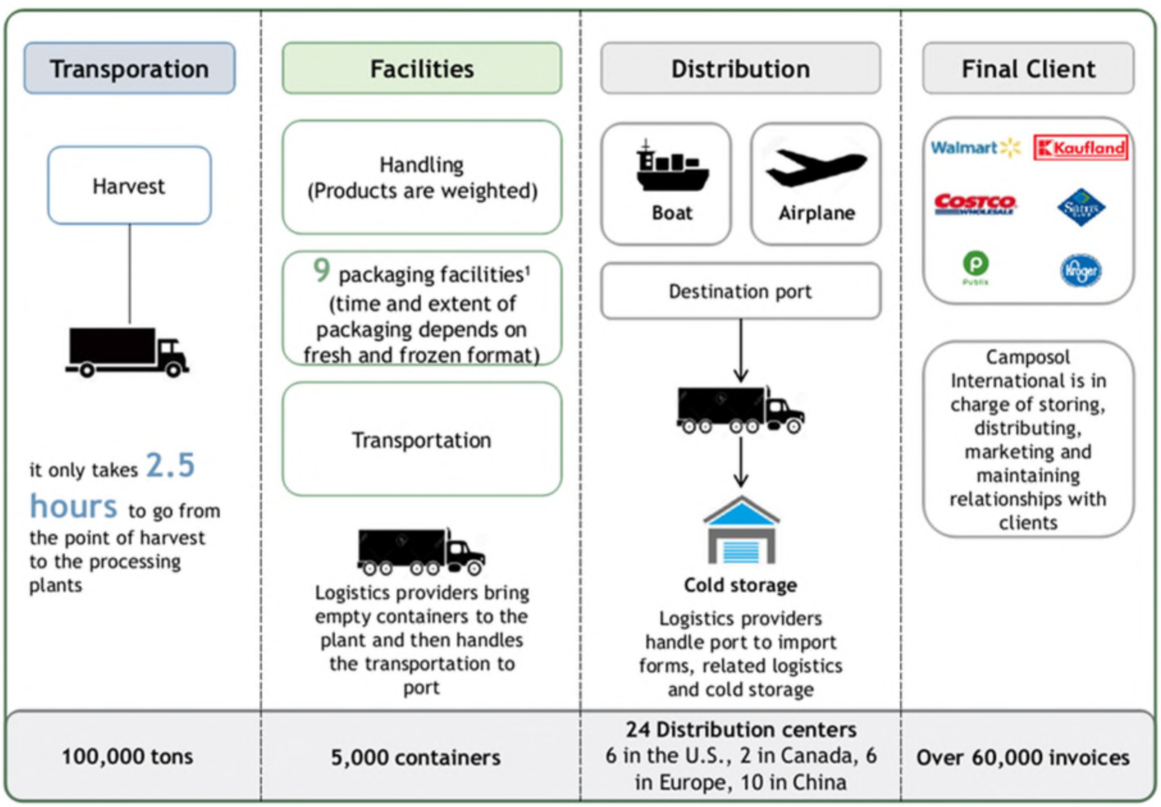
Moreover, our export-driven business has benefitted significantly in recent years from Peru entering into free trade agreements with key export markets such as the United States, the European Union and China. In particular, our commercial platform benefits from our logistics infrastructure, which has been developed over many years of delivering high-quality products through a well-developed supply chain network, which includes 24 distribution centers, with eight in North America, six in Europe, and 10 in China.

We believe blueberries and avocados are identified as healthy foods that promote longevity and are part of a balanced diet. We expect that the growth trends in our exports of these products to the U.S. market will continue in future periods. We believe that our exports are also geographically balanced which helps provide a counter-weight to the effects of downturns in any particular economy. We believe this diversification by market and product provides a hedge against downturns in demand both as a result of cycles in demand and economic performance.

Distribution and Customers

Our fresh products are sold primarily by our commercial offices in Europe and the United States. In 2018 approximately 55% of our sales of fresh produce were made directly to leading retailers and supermarket chains such as Costco, Walmart, Publix, Sam's Club, Edeka and Kaufland, among others. Our sales channels are also complemented with a selected group of large distribution companies such as Mission Produce, The Oppenheimer Group, Comexa France and Gourmet Trading, among others. In our frozen segment we work directly with the leading processing and distribution companies like Superior Foods in the U.S. market and Nature's Touch and Crops for the European market.

The following charts show a simplified diagram of our distribution channels and process:



Source: Company
Notes:
1. 4 owned by Camposol and 5 from third parties

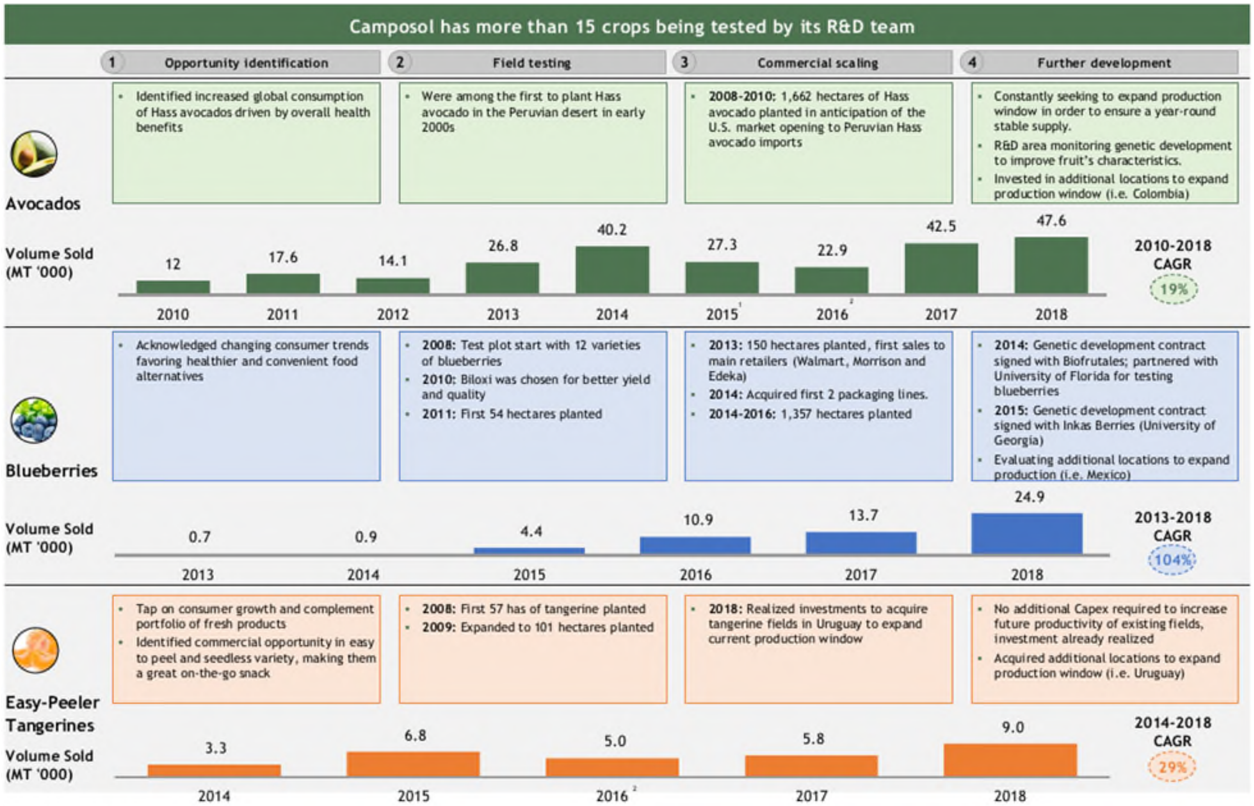
Research and Development

We believe that innovation is a key aspect to boosting competitiveness and growth in the medium and long-term. This is done through market research and analysis of potential new products and development of new technology. The focus is on products that could benefit from Peru’s climatic advantages and also on those products that help diversify our portfolio of products and clients

Our research and development efforts are mainly focused on:

- continuous evaluation of new varieties and products.
- pest control and minimizing diseases, mainly using biological control.
- advancing new agricultural techniques through molecular biotechnology research.
- developing products adapted to the climate where we operate and optimizing packaging alternatives.
- post-harvest technologies by continuously improving processes and packaging.
- promoting molecular biotechnology research.

A key pillar of our R&D process is focused on sustaining a structured research and development process to introduce new products to the markets. The process starts with the identification of the opportunity which is done through extensive market research and analysis. Once we have identified the product, we test several varieties to choose the ideal one. A key element in our evaluation process is production scalability since we are a large scale player. After that, and throughout the useful life of the plant, our research and development team continues to analyze and evaluate new technologies to further improve the product’s yield and sustainability. The charts below shows and example of how our R&D process was implemented for the development of blueberries, avocados, and tangerines.



Source: Company

Note:

1 Volume decrease due to the presence of a weak El Niño phenomenon during 2014 and moderated in 2015.

2 Year of high temperatures during winter that affected avocado trees.

Our research and development team also seeks to find innovative solutions to extend the shelf life of fresh produce, reduce production costs, and to mitigate any possible environmental impact. For example, blueberries started as a research and development project in 2008. In 2013, we started large scale production. Today, blueberries have emerged as a key contributor to our sales revenue. Also, we use biotechnology in our facilities to reproduce top yielding specimens selected from our products to sustain and improve the production levels of our existing products.

Additionally, we have successfully executed projects funded by Innovate Peru, and FINCyT, two government institutions created to promote innovation. We are currently developing a sustainable system to minimize pests through biological control agents. In addition, since 2006, we have maintained a laboratory developed with the objective of promoting the development of “beneficial insects and entomopathogenous growths” for pest prevention.

Our research and development efforts have developed fruit categories by identifying varieties demanded by consumer, testing crops compatible with Peru’s environmental conditions and implementing processes to scale up production. We minimize chemical use by utilizing natural pest controls.

Our research and development efforts have helped in improving growing techniques in fruits through molecular biotechnology, plant technology, proteomics and microbiological laboratories. We have improved our packaging process by testing different types of bio-film to elongate shelf life and adding natural antioxidants to prevent lipid oxidation, retard development of off-flavors and improve color stability.

Handling and Shipping

Our products are generally sold on FOB (Free on Board), CIF (Cost Insurance and Freight) and CFR (Cost and Freight) terms for exports. The containers used for export are of 20 feet or 40 feet in capacity and can hold dry or refrigerated cargo, depending on the product format (frozen or fresh).

Handling of such containers and the processing of customs paperwork in the various ports are outsourced through an integral logistics service that provides us with both transportation and customs handling services. The main providers of this service include Gamma Cargo, New Transport, Ceva and Transoceanic.

We plan to implement a strategy in order to face expected increases in freight rates resulting from market concentration of container shipping line companies.

Environmental Care and Water Management

We are committed to minimizing the impact of our business on the environment. Our production process involves factors and conditions that interact with the environment, such as the use of water and adequate disposal of wastewater, fertilizers, generation of waste through emissions and solid waste management. We engage in several practices and initiatives designed to ensure the preservation of the environment, in addition to mandatory compliance with environmental regulation applicable to our businesses. For example, we are currently implementing environmental education, internal campaigns, specialized treatment systems, quality management systems, and community relations programs.

Furthermore, as part of our commitment to institutionalize a culture of social and environmental awareness, in 2010 we initiated our Sustainable Agriculture Program and presented our first Sustainability Report for the year 2009. These reports are aligned with international best practices and Global Reporting Initiative Indicators and reflect the base line and development of the main indicators that show our environmental and social performance, as well as the social responsibility programs and activities we develop. Since 2008, we have been an active member of the United Nations Global Compact, which encourages businesses worldwide to adopt sustainable and socially responsible policies and to report on their implementation.

We have full access to the water resources, licenses and other applicable water rights that our products require. For the fields located in the Virú-Chao region of La Libertad, the principal source of water is the main channel of the Chavimochic Project, which brings waters from the Andean region. We pay a monthly fee to the National Water Authority and the local water authority in connection with our water consumption, in accordance with the water licenses granted in our favor. The current fee is based on real consumption and is updated every year based on cubic meters consumed. The channel connects with the Santa River, one of the largest rivers on the Peruvian coastline. The Chavimochic Project is regulated by the local La Libertad government, with which we have signed long-term agreements that guarantee the supply of water. In addition to the water source from the main channel, the Yakuy Minka farm has four wells available which, in total, provide a potential water supply of three cubic meters per second.

For our fields located in the Piura zone, the main source of water is the Daniel Escobar Canal, which has a capacity of 70 cubic meters per second. This canal is fed by the Poechos reservoir, which has an operating storage capacity of 885 million cubic meters and is regulated by the Piura Regional Government and operated by the Chira Piura Special Agency.

Our principal water consumption is due to the irrigation process. To make this process more efficient, we have made several investments in irrigation infrastructure and water recycling systems. We are among the first agroindustrial companies to measure its water footprint with the ISO 14046 standard, demonstrating our commitment to the environment.

We have the following water initiatives in place, among others:

- implementing a physical, biological and chemical system for the treatment of water and conditioning the system for the treatment of industrial and domestic water;
- reducing consumption of cleaning water in production facilities;
- implementing an automatic and technologically advanced irrigation infrastructure, with an irrigation control system that, through humidity sensors, determines and optimizes the water consumption of individual products;
- participating in the Suizagua Andina project, a public-private partnership between the government of Switzerland and five leading companies in Peru, which aims to measure and reduce each company’s water footprint; and
- reducing industrial process waste by reusing water to irrigate the surrounding forests.

In 2018, the water consumption in our Chao fields was 75.7 million m^3, which was 2.2% more than the water consumption in 2017.

We have implemented changes in managing our fields to use natural products that do not harm the environment.

We have undertaken the following environmental initiatives, among others:

- Integrated Pest Management (IPM) to reduce the use of chemicals in its fields, replacing them with biological products such as beneficial insects and entomopathogens;
- use of bio-rational products of low toxicity, *i.e.*, natural substances that are not toxic to humans or the environment;
- environmental Management Adequacy Plan (PAMA), which provides for the responsible management of phytosanitary waste;

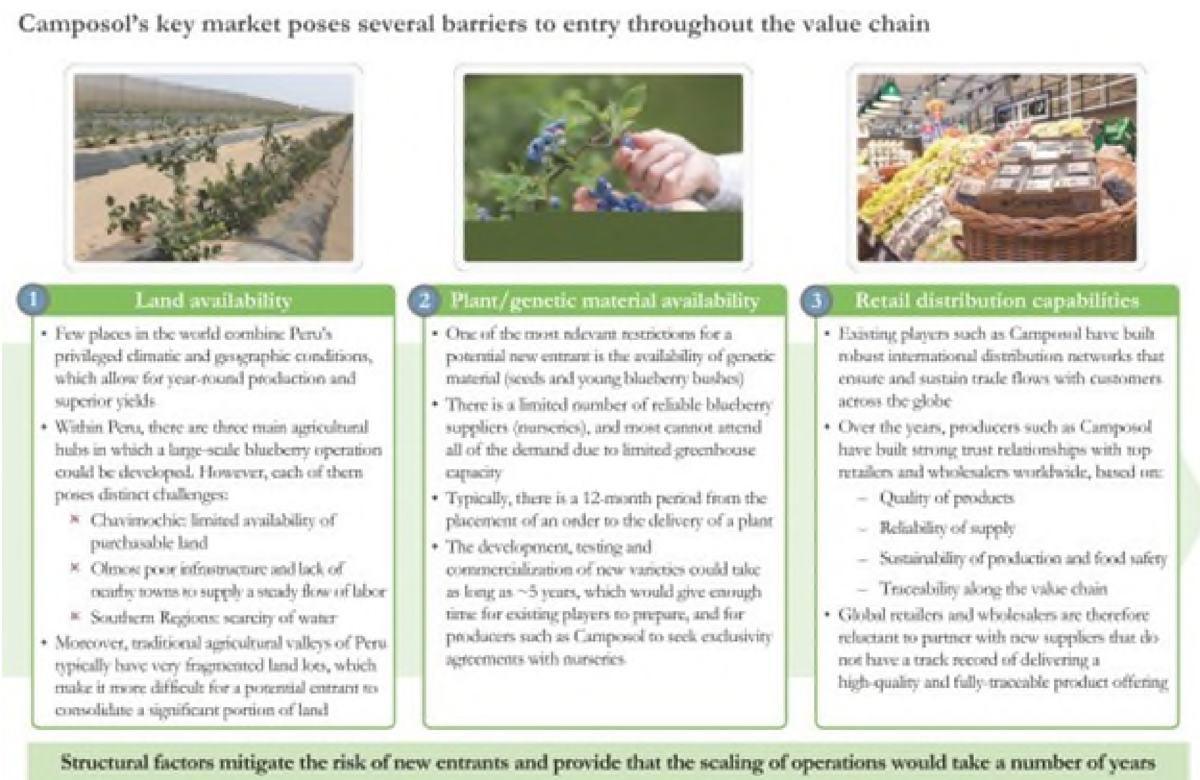
- planting of trees in deforested areas of Peru, as part of our reforestation program;
- leftover plant byproducts are converted into compost for reuse in crop fields; and
- the annual measurement of our carbon footprint at the Chao plant and funds.

Competition

Our markets are open to all competitors. Given the country's location, agricultural producers in Peru are able to grow and market their products during low production seasons in other markets and latitudes. The Peruvian coast has unique climatic conditions. Even though the Peruvian coast is located at a tropical latitude, weather conditions on the coast create a greenhouse environment, with higher levels of sunlight, stable temperatures and almost no precipitation, but with access to a vast water supply from the Andes Mountains. All of these conditions allow the Peruvian coast to supply international markets when supply is short due to the natural transition of products from the northern hemisphere to the southern hemisphere as season changes.

We are among the largest producers of Hass avocados in the world as measured by the number of planted hectares and yield produced on those hectares, according to PROHASS, a Peruvian avocado industry group. We are also becoming one of the largest exporters of blueberries in the world. See "Industry".

Our blueberry business has high barriers to entry throughout the value chain of the product. The following table shows what we believe are structural barriers to new market participation:



Quality Management System, Accreditation and Certifications

Our quality and environment department is responsible for our quality management system, supported by ERP SAP, based on the principles of the Hazard Analysis and Critical Control Points, or HACCP, and Good Manufacturing and Agricultural Practices. Critical control points have been established throughout the harvesting, production, storage and hygiene and sanitation process, from the raw material to the finished product. Our quality and environment department is supported by approximately 122 technicians divided among our fields and processing plants.

We also have a new microbiological laboratory managed by an internationally recognized company that complements our Security and Food Safety controls.

Our products are certified for export by independent surveyors at the loading ports according to technical specifications and tonnage agreed in each of our contracts. We believe our plants meet the health, safety and international regulations required for exports to our main markets.

Accreditations and certifications

Our products have the following certifications:

- Global Gap;
- IFS/BRC;
- KOSHER;
- Sysco IPM-AIB International;
- BASC; and
- EUROGAP

In addition, certain of our main customers and primary buyers, primarily in the United States and Europe, require that we follow additional protocols and procedures related to food safety and security, as well as chemical and environmental controls. Some of these protocols are more stringent than those to which we are subject by law. These protocols stress the need for preventive control, monitoring, and action in direct control operations targeted to the ultimate quality of the product.

In the European market, several protocols aim to foster the rational management of non-renewable resources and to prevent microbiological and chemical contamination. The U.S. market requires more preventive awareness in microbiological, bio-safety and bioterrorism control, incorporating chemical and environmental control requirements, and verifying compliance with the labor laws of supplier countries. Asian countries require comprehensive controls under the ISO, International Standardization Organization, structure, which require production to be based on planning, performance, verification and action.

Insurance

We carry customary insurance coverage on our land, processing plants and exports. This consists of a multi-risk policy on our land and all assets materially linked thereto. We also carry a multimarket credit insurance policy over our exports of fresh products. We are insured against damage caused by an earthquake and other natural disasters, accidents or other similar events (including coverage for losses due to resulting business interruption). See “Risk Factors—Risks Related to our Business and Industry—The land and processing plants we operate or manage may suffer loss or damage which may not be covered by our insurance policies.”

Employees

Our employees are classified as either production workers or administrative workers. During 2017, we employed on average 10,863 production workers and 745 administrative employees. During 2018, we employed on average 12,234 production workers and 869 administrative employees. During the 2018 peak months of blueberry harvesting, we employed a total of 13,299 production workers. As of September 30, 2019, we employed 12,670 production workers and 948 administrative employees in all countries where we operate.

The areas of Northern Peru where we operate have recently been characterized by employment growth exceeding the national average, according to Peru’s National Institute of Statistics and Informatics (Instituto Nacional de Estadística e Informática). As a result, the competition between the agro-businesses in the region for quality production workers to harvest crops and perform related processing tasks has increased. Many competitors are offering better salaries to production workers in light of the more competitive market. However, we have gone further by also offering our employees relatively generous benefits to attract loyal and high-quality production workers. To date, we have not experienced any material shortage of labor, and we believe that this is partly due to the benefits package and the training we offer our workers, as well as the availability of year-round labor opportunities due to the different crops we harvest.

As of September 2019, approximately 8% of our employees were covered by collective bargaining agreements with labor unions. In the last two years, we have not experienced a work slowdown, work stoppage, strike or other labor dispute that had a material effect on our business or results of operations in Lima, Virú and Trujillo.

We pay substantial attention to the ongoing training of our employees, which we believe plays a significant role in strengthening the leadership and efficiency of our company. Our training focuses on strengthening technical knowledge, efficiency building and other aspects of professional development. Our training programs also support the various certification programs we undertake, such as BASC, GLOBAL GAP, HACCP, the Global Compact and BSCI.

Our human resources social welfare division also conducts health and well-being campaigns for our personnel and their families in ophthalmology, dentistry, gynecology and other medical fields. We also provide customary medical insurance and allowances in the case of death, as well as loans for studies, housing or emergencies. From January through March of each year, we carry out a benefit program called “Useful Vacations”, which seeks to reinforce the math and language skills of the children of our workers, as well as to promote artistic and cultural activities during their time away from school.

Legal Proceedings

As of September 30, 2019, there were 442 labor proceedings pending against us, with an estimated total amount in controversy of U.S.$5.7 million. Based on the opinion of our internal legal counsel, we estimate that the amount for which loss is probable is U.S.$1.3 million and we have provisioned U.S.$1.7 million in our most recent audited financial statements. We believe that such claims and actions will not have a material adverse effect on our business or results of operations.

In 2003 we acquired title to the Fundo Gloria, a 1,018 hectare parcel of land in the Virú district. Due to a criminal proceeding for illicit enrichment against a prior owner, Mr. Augusto Miyagusuku, the public prosecuting office for money laundering offenses and asset forfeiture (*Primera Fiscalía Supraprovincial Corporativa Especializada en Delitos de Lavado de Activos y Pérdida de Dominio*) filed a lawsuit against Camposol S.A. on February 15, 2016, aimed at recovering title of Fundo Gloria. Following procedural disputes over jurisdiction, the Peruvian Supreme Court has not yet confirmed which criminal court will be competent to try this case and, in July 18, 2017 a hearing regarding this specific matter was held. However, as of the date of this listing memorandum, no decision has yet been made by the court as a result of the hearing and no determination has yet been made as to which criminal court would be competent to try this case.

In the view of our management in consultation of with our legal advisors, we feel we have robust legal arguments to obtain a favorable ruling. We acquired this parcel in 2003 in good faith from a subsequent owner, who had acquired the property in good faith from Mr. Miyagusuku prior to any criminal investigations. As a result, we believe that our ownership of this parcel is protected under Peruvian law. However, even if we do not lose title to Fundo Gloria, any allegations associating us with the actions of Mr. Miyagusuku, however unfounded, may negatively affect our reputation and/or business standing. We have made no provision in connection with this litigation.

In the context of an audit of the income tax obligations of Camposol S.A. pertaining to fiscal year 2004, the Peruvian tax authority assessed tax liabilities and penalties for an amount of approximately U.S.$0.73 million. The matter is currently being tried in the Peruvian tax court (*Tribunal Fiscal*). No provisions have been made in support of this contingent liability.

Shareholder litigation

On September 24, 2013, Dyer Coriat Holdings S.L. (the predecessor company to the controlling shareholder of the Parent Guarantor, Generación del Pacífico Grupo S.L.) made a public offer for all the shares outstanding of the Parent Guarantor. On October 23, 2014 the controlling shareholder of the Parent Guarantor received acceptance of its offer from shareholders representing 90.47% of the total share capital of the Parent Guarantor. Pursuant to the Public Takeover Bids for the Acquisition of Securities and Related Matters Law 41(I)/2007 of Cyprus, once a shareholder acquires at least 90% of the voting rights of a company, the shareholder is permitted to acquire all the remaining securities in a squeeze-out transaction. After receiving the relevant approvals from the Cyprus Securities and Exchange Commission, the controlling shareholder of the Parent Guarantor bought the remaining shares of Parent Guarantor at a price of 25 Norwegian Krone per share.

Under Cyprus law, the plaintiffs had the right to challenge the fairness of the consideration received in court and filed such a suit in late 2014. On January 1, 2015, plaintiffs filed a Statement of Claims with the District Court of Limassol asking for damages of 59,216,970 Norwegian Krone (approximately U.S.$7.5 million) and any amount the court considers a fair amount per share that is over the 25 Norwegian Krone per share paid by the controlling shareholder of the Parent Guarantor in the squeeze-out transaction. Plaintiffs contend that the fair value of the shares at the time of the squeeze-out should have been 208 Norwegian Krone per share. The plaintiff’s sole remedy in the action is monetary in nature. A hearing with regard to this matter was scheduled for December 18, 2017. The hearing has since been re-scheduled for November 4, 2020.

INDUSTRY

Overview

We plant, harvest, process and export blueberries (fresh and frozen), avocados (fresh and frozen), tangerines (fresh and frozen) mangoes (fresh and frozen) and grapes (fresh). For the nine months ended September 30, 2019, we had U.S.$199.9 million in sales, U.S.$10.1 million in profit, U.S.$52.4 million Adjusted EBITDA from continuing operations, a 5.1% profit margin and a 26.2% Adjusted EBITDA Margin from continuing operations. For the year ended December 31, 2018, we had U.S.$374.2 million in sales, U.S.$86.7 million in profit, U.S.$152.9 million Adjusted EBITDA from continuing operations, a 23.2% profit margin and a 40.9% Adjusted EBITDA Margin from continuing operations.

We have benefited from a combination of factors that have supported the rapid growth of the Peruvian agribusiness export sector. Peru's export industry benefits from a business climate that welcomes foreign investors and encourages trade. Free-trade agreements with all major trading partners, including the United States, the European Union (which is pending implementation) and China, provide a stimulus to Peru's export industry. The agricultural sector continues to be labor intensive, and Peru's agribusiness industry benefits from its access to relatively cheap farm labor.

Peru's combination of favorable business climate, trade agreements, labor costs and climatic conditions helped lay the foundation for developing a competitive and successful agricultural export industry. We seek to take advantage of these factors to grow and consolidate our existing business and become the leading player in the Peruvian agribusiness sector. In 2018, Peruvian exporters accounted for 26.0% of the U.S. market's total blueberry imports (U.S.$1,094 million) and 7.6% of the U.S. market's total avocado imports (U.S.$2,348 million), according to the U.S. Department of Agriculture. In 2018, we accounted for 33.7% of total Peruvian blueberry exports and 13.2% of total Peruvian avocado exports, according to the Ministry of Agriculture and Irrigation (Ministerio de Agricultura y Riego or "MINAGRI").

Blueberries

The blueberry market has been expanding globally with recent data showing that world consumption has more than doubled between 2011 and 2017, as according to FAOSTAT. This uptick in growth has been driven by heightened interest from Asian markets, which is helping supplement traditional consumption in the United States and a handful of European countries. Over the course of 2008-2017, consumption, as measured by imports, grew at a compound annual growth rate of 14%, 25% and 66% in North America, Europe and Asia, respectively. The United States and Canada still produce the majority of the world's blueberries, but South America is estimated to become an important market for the production of blueberries, and its planting rate has recently exceeded the North American planting rate.

Global Demand

Traditionally consumed in North America and a handful of European countries, blueberries have been increasing in popularity due to a greater public awareness of their perceived health benefits. The blueberry market has been rapidly expanding because they are believed to have some of the highest concentration of antioxidants available among fruits and are rich in manganese and vitamin C. For example, in North America (the largest importer of blueberries, with a 65% share of global imports), blueberry imports grew at 8.8% CAGR for the period 2011-2017, according to FAOSTAT.

In the United States, blueberries are known for their overall health benefits, taste and versatility for a variety of situations, including healthy snacking and baking. The United States is the world's largest consumer of blueberries and the average per-capita consumption of fresh blueberries has grown at an annual rate of approximately 7.2% between 2013 and 2018 (from 1.4 lbs. in 2013 to 2.0 lbs. in 2018). Sold both fresh and frozen, high demand amounted to retail sales of U.S.$1.6 billion for fresh blueberries and U.S.$231 million for frozen blueberries in 2018. According to FAOSTAT, global blueberry import value amounted to U.S.$1.7 billion in 2017, growing at a 20.1% CAGR from 2013.

Global Supply

According to FAOSTAT, global production of blueberries increased approximately 64%, to 597 million MT, from 2011 to 2017, especially in Europe, Asia and Latin America. Blueberry exports grew at 9.5% CAGR worldwide for the period 2011-2017. Peru experienced considerable growth in exports during this period, increasing its exports from seven MT in 2011 to 43,300 MT in 2017. Other countries with notable growth rates in exports throughout this period include Morocco (47.7% CAGR), Spain (32.9% CAGR), the Netherlands (26.3% CAGR), Poland (25.4% CAGR) and Germany (21.6% CAGR).

Typically, production and harvest season in the northern hemisphere runs from April to October, with countries in the southern hemisphere (particularly South America) supplying demand in counter-season from September to April.

United States

According to the U.S. Highbush Blueberry Council, the top producing regions in the United States include California, Florida, Georgia, Indiana, Michigan, Mississippi, New Jersey, North Carolina, Oregon and Washington. In the United States, more than 800 new blueberry products are introduced each year. The main production window in the United States is its summer season, from April to September. South America and Peru are strategically located to supply this market in counter-season, producing from September to April. As a result, the United States increasingly relies on imports during the winter months, especially from Mexico and South America.

Peru

According to MINAGRI, Peru is the fourth largest blueberry exporter in the world. During 2018, Peru's blueberry exports amounted to U.S.$590 million, a 63% increase from 2017, according to MINAGRI. The United States is the primary export market for Peruvian blueberries, accounting for U.S.$319 million in sales in 2018, followed by Netherlands (U.S.$124 million) and in third place, England (U.S.$53 million), as reported by MINAGRI. Furthermore, recent negotiations between Peru's government and Chinese authorities have enabled Peruvian companies to export blueberries to China following regulatory approval and the signing of a trade agreement, which was entered into in November 2016. On February 24, 2017, the first containers of Peruvian blueberries arrived at the Jiangnan market in Guangzhou, China.

With approximately 7,900 hectares of planted blueberries, Peru believes it will increase blueberry exports in 2019 and aims to become the main blueberry exporter in the southern hemisphere. La Libertad region, where some of Camposol's plantations are located, has Peru's most productive blueberry plantations, the largest amount of planted area and provides the majority of the country's blueberry production. Natural greenhouse conditions, proximity to the tropical equatorial regions and stable temperatures throughout the year provide significantly higher product yields. According to the ABP, Biloxi variety accounts for the majority of blueberry planted in Peru.

Blueberry Prices

Average worldwide blueberry prices increased substantially during the 2000s, reaching a peak in 2018 of U.S.$5.15 per kg and growing at a rate of 9.2% CAGR between 2000 and 2018. Worldwide prices averaged U.S.$3.57 per kg between 2009-2018. Average worldwide blueberry prices for 2018 were $5.15 per kg.

The U.S. blueberry market is characterized by a marked seasonality, with prices peaking throughout the fall and winter months when local production decreases. Countries such as Peru now take a lead role in supplying the United States and the northern hemisphere by taking advantage of a different production window, effectively creating year-round supply and accessing the market when supply from other regions is seasonally low.

Avocados

Peru is the second largest exporter of Hass avocados to the United States, second only to Mexico, according to the Hass Avocado Board. Peruvian avocado production has several advantages, due to unique climatic conditions. Given its specific climatic factors, Peru's avocado production is able to achieve higher yields and reach the largest avocado markets, such as the United States and Europe, during a time window of low supply. Since July 2011, Peruvian Hass avocados have been fully cleared to enter the U.S. market, the largest avocado market in the world, without quarantine treatment and duty free, given the free-trade agreement between both countries. In August 2015, the Chinese market was also opened for Peruvian Hass avocados without quarantine and duty free, as a result of the free-trade agreement entered between both countries. China is not yet a large market for avocados. Currently, avocados are a relatively new crop to the region and have been used in the cuisine of the Chinese upper middle class for less than ten years. However, avocados have recently emerged as an on-trend product, and are now included on most restaurant menus and in juice bars in major Chinese cities, such as Shanghai. Import volume of avocados to the Chinese market has steadily seen double-digit compound annual growth rates over the last five years.

Global Demand

Global demand for avocados comes primarily from North America and Europe, which together accounted for 86.3% of imports, in 2018. The United States is currently the largest importer of avocados, accounting for 40.6% of global imports during 2018. Other high-demand countries include the Netherlands, France, Japan, Canada, Germany, the United Kingdom and Spain. Global avocado import value amounted to U.S.$6.0 billion in 2018, growing at a 15.2% CAGR from 2014.

The following table sets forth avocado imports by region, in millions of U.S. dollars, for the years indicated:

Global avocado imports (in U.S.$millions)	**2016**	**2017**	**2018**
North America	2,167	2,951	2,672
Europe	2,018	2,452	2,538
Japan	211	205	218
Rest of the world	426	512	609

Source: International Trade Centre

The Hass variety of avocados has the highest demand in the international market, according to USAID, and comprises the majority of avocado exports, given its higher yields and longer post-harvest lifetime, making it easier to transport over long distances.

The U.S. market is a growing market for avocados, with per-capita consumption growing from 2.5 kg to 3.6 kg per year between 2012 and 2018. Growth in U.S. demand for avocados has been driven by several factors, including the higher level of public awareness of the fruit's perceived nutritional benefits and advertising to such effect, the rapidly growing Hispanic population in the United States and increased year-round availability of fresh avocados.

The following table sets forth the U.S. per-capita avocado consumption, in kilograms, for the years indicated:

		U.S. per-capital avocado consumption			
2012-13	**2014-15**	**2015-16**	**2016-17**	**2017-2018**	**CAGR**
2.5	3.2	3.3	3.1	3.6	7.3%

Source: U.S. Department of Agriculture (USDA)

The United States produces avocados primarily in California. However, decreasing domestic production volumes and increasing demand over the past decade have created a growing supply gap, which has been increasingly met by imports.

The following table sets forth U.S. Hass avocado sales by product origin, in thousands of metric tons, for the years indicated:

U.S. Hass avocado sales by product origin (000 MT)	**2014**	**2015**	**2016**	**2017**	**2018**
Domestic production	128	119	366	202	313
Imports	714	870	1,873	1,959	2,227
Total	842	989	2,239	2,161	2,540

Source: Hass Avocado Board

The main sources of avocado imports into the U.S. market over the past five years have been Mexico, Chile, the Dominican Republic and Peru, with Mexico accounting for the vast majority of imported volumes.

The following table sets forth U.S. Hass avocado imports by country of origin, in thousands of metric tons, for the years indicated:

U.S. Hass avocado imports by country of origin (000 MT)	**2014**	**2015**	**2016**	**2017**	**2018**
Mexico	604	804	1,719	1,734	1,988
Peru	65	48	72	144	181
Chile	40	9	56	81	58
Dominican Republic	1	8	27	0	0
New Zealand	3	0	0	0	0
Total	714	870	1,873	1,959	2,227

Source: Hass Avocado Board

The European Union market is mainly supplied by Peru, Chile and South Africa, collectively contributing approximately 63% of total EU imports, in 2018. EU avocado imports grew 23% between 2012 and 2018 annually, according to the International Trade Centre.

Global Supply

Global avocado production is highly concentrated, with a handful of countries accounting for most of the world's output. According to FAOSTAT, the main avocado producers in 2017 were Mexico, the Dominican Republic, Peru, Colombia, Indonesia, Brazil, and Kenya. Mexico's production accounted for 34% of total global output in 2017. During this period, Peru was the world's third largest producer. Hass variety producing countries are mainly United States, Mexico, Chile, Peru, and South Africa.

According to the MINAGRI, at the end of 2018 Peru had around 40,134 hectares of avocado plantations. Peruvian avocado production is competitive given its harvest timing, consistent quality and high yield levels. Average yields in Peru in are estimated at 11.8 metric tons per hectare for 2017, the highest of the world's major producers.

The following table sets forth Peruvian avocado exports, in thousands of metric tons, for the years indicated:

Peruvian Avocado Exports	MT (000s)
2010	59.5
2011	81.5
2012	83.6
2013	114.5
2014	179.1
2015	175.7
2016	194.1
2017	247.2
2018	359.4

Source: International Trade Centre

Global Exporters

Global avocado exports are highly concentrated; with the top three exporters accounting for 70% of total volumes. According to the International Trade Centre, the largest avocado exporters in 2018 were Mexico (with a 44.9% share), Peru (14.8%), the Netherlands (10.1%), Chile (5.5%), Spain (4.4%), South Africa (3.7%) and the Kenya (3.0%).

Global avocado exports by country (000 MT)	2015	2016	2017	2018
Mexico	864	927	898	1,092
Peru	176	194	247	359
Netherlands	108	148	191	246
Chile	90	147	177	133
Spain	82	92	107	107
Global	1,610	1,868	1,995	2,432

Worldwide avocado export volumes increased at a 14.9% CAGR during 2012-2018, according to the International Trade Centre. Among the top exporters, the fastest growing countries in terms of volumes during the period 2012-2018 were Peru, growing at a 27.5% CAGR, Netherlands at 21.1%, Kenya at 18.4% and Mexico at 14.1%. Peru has emerged as a new supplier to the U.S. market after being granted market access in 2010 and positioning itself as a supplier when Californian production falls short of demand.

Avocado Prices

Over the past two years, the average annual retail price for Hass avocados in the U.S., the largest importer of avocados, was U.S.$1.36 per pound according to the California Avocado Commission. Retail prices in the U.S. are seasonal, with high demand spiking in the summer season. Although mostly stable, U.S. Hass avocado prices increased to U.S.$2.00 per pound during the second quarter of 2019, due to lower supply and higher demand.

REGULATORY ENVIRONMENT

Fresh Produce

According to article 63 of the Peruvian Constitution, in Peru any foreign investor has the same rights as a domestic investor.

The specific terms of this constitutional guarantee are contemplated in the Framework Law for Private Investment Growth (*Ley Marco para el Crecimiento de la Inversión Privada*), Legislative Decree 757, in force since November 1991. Through this law, investors have the right to freely remit foreign currency abroad, as well as dividends, profits, royalties and/or compensation for the use of technologies and industrial equipment. In case an investor needs to exchange currency, the investor has the right to access the most favorable exchange rate available in the market.

Per article 88 of the Peruvian Constitution, the State guarantees the ownership rights an entity or individual has over land; nevertheless, applicable law may set forth limits on such ownership rights depending on the specific characteristics of the property's surroundings. As of the date of this listing memorandum, the Agriculture Investment Promotion Law (*Ley de Promoción de las Inversiones en el Sector Agrario*), approved by Legislative Decree 653, and Law 26,505, which regulates article 88 of the Peruvian Constitution, has not set a limit to the amount of land that can be owned by a single person or entity. However, we cannot assure you that in the future such law will not be amended to impose limits on land ownership. In addition, agricultural property can be transferred without the need of government authorization, but the transfer of the property will be subject to taxation.

Investments in agricultural activities are not subject to any legal or administrative conditions limiting their installation, functioning, operations and/or restricting the trading of such activities' by-products. Moreover, prices for such products are determined by free market conditions. Peruvian law guarantees the right to use any kind of technology and industrial equipment.

Agricultural Sector Promotion Law

According to the Agricultural Sector Promotion Law (*Ley de Promoción del Sector Agrario*), approved by Law 27360, as amended by Urgency Decree No. 043-2019, and its regulations, approved by Supreme Decree 49-2002-AG, an individual or a legal entity cultivating land and/or operating breeding farms is entitled to certain tax and labor benefits which are in effect through December 31, 2031. The main benefits are the following:

- reduced income tax rate of 15% (general income tax rate is 29.5%);
- 20% depreciation rate for hydraulic infrastructure;
- allows the hiring of workers on a temporary or fixed basis;
- minimum remuneration is S/39.19 per day, instead of S/1,175.70 per month; which includes Christmas and National Holiday's legal bonuses (*gratificaciones legales*) and compensation for time or services (*compensación por tiempo de servicios*); and
- employer pays 6% of the monthly fee for health insurance, instead of 9% until December 31, 2024 (this contribution will increase to 7% as of January 1, 2025, to 8% as of January 1, 2027 and to 9% as of January 1, 2029).

However, we cannot assure you that in the future such law and regulations will not be amended to reduce or eliminate any or all of these benefits and/or that the new Congress will not modify or repeal Urgent Decree No. 043-2019.

Water Supply Law

According to the Law of Water Resources (*Ley de Recursos Hídricos* or "LWR") Law 29,338 and its regulations, enacted by Supreme Decree 001-2010-AG, water resources are the inalienable property of the Peruvian State and not subject to acquisitive prescription. However, rights for the use of water are granted by the National Water Authority (*Autoridad Nacional del Agua* or "ANA") based on certain availability and technical criteria and according to the parameters explained below, and following the provisions and priorities contemplated under the LWR.

ANA is the competent authority to grant the following rights:

- permits, which are issued exclusively over surplus water resources, subject to the availability of water from time to time and, in the case of water for agricultural use, are issued for growing only certain crops;
- authorizations, which are granted for a fixed term and allow the use of water to perform studies or other determined activities and/or for other temporary and specific tasks; and
- licenses, which entitle the permanent use of water for a specific purpose (such as agriculture).

According to Peruvian law, authorizations are typically granted for a two-year period, which period can be renewed for an additional two years, while licenses and permits are granted for an indefinite period of time subject to compliance with certain legal and technical conditions established for the use of the water resource. While licenses and permits are granted for an indefinite period, the effective use of water is subject to its availability.

Peruvian law establishes that water must be used efficiently without affecting its quality or the environment, and giving priority to primary water uses (such as water for food preparation, direct consumption and personal hygiene) and preexisting water rights. The LWR recognizes three types of water uses and establishes the priority order explained below. Using these uses and priorities as a reference, the ANA grants the corresponding rights to use water resources. The types of uses and priorities established by the LWR are the following:

- primary use: implies the use of water for food preparation, direct consumption and personal hygiene as well as its use in cultural ceremonies and religious rituals;
- population use: implies obtaining water from a fountain or public network, properly treated, to meet basic human needs; and
- productive use: entails the use of water in productive processes or in earlier stages thereof, including agricultural activities. Among productive uses, article 62 of the regulations of LWR states that agricultural uses of water have the first order of preference for granting water rights, over energy, industrial and mining uses, among other activities.

Except for primary use, the use of water resources requires obtaining the corresponding water right—license, authorization or permit—from the ANA. Use of water without obtaining the corresponding operating title is subject to a fine ranging between 0.5 to 10,000 tax units for each non-authorized point of water extraction. As of the date of this listing memorandum, a tax unit is equal to S/4,300. Likewise, (i) if it is found that water has been used inappropriately, (ii) if the legal and technical conditions established in the water right have changed, (iii) if there is a lack of two consecutive water payments, or (iv) if there is a situation of water resource scarcity, the ANA may revoke the corresponding water right.

Water rights, including licenses, may be terminated by government authorities or upon court order under certain circumstances, including: (i) waiver by the titleholder; (ii) annulment by the ANA of the resolution approving the corresponding permit, authorization and/or license, based on certain infringement to the LWR and its regulations; or (iii) failure by the titleholder to pay applicable water rights fees.

Since the LWR sets forth that the use of water is subject to its availability, the holders of water rights are required to provide the ANA with evidence about their needs and volume of required water on a permanent basis.

Currently, we have all the proper licenses granted by the ANA for the use of water in our plants located in the Virú-Chao and Piura regions. Nevertheless, the license related to the Agroalegre field in Piura, which was requested for the use of water on 585.1 hectares, was granted for 486.7 hectares. According to the ANA, the license for the use of water on the remaining 98.39 hectares was denied because there was not sufficient agricultural development in such area. Although we disputed this outcome, the ANA's decision was eventually confirmed by its Administrative Tribunal. The water use licenses that the ANA has granted to us do not have an expiration date.

The LWR and its regulations also establish that the ANA is competent to determine (i) the fee to be paid for the water used by a titleholder, taking into account the nature of the activity carried by the titleholder and the volume of water used and (ii) the fee to be paid for using hydraulic infrastructure.

Pursuant to the LWR and its regulations, the fee for the use of each cubic meter of water is established by the ANA taking into account social, environmental and economic general standards and with a view of covering the costs related to an integrated water management and recovery system. The Local Water Administration (*Administración Local del Agua*, or ALA) is the competent authority in charge of collecting payment of the fees.

In 2012, the "Methodology for determining the value of economic fees for the use of water and the discharge of treated wastewater", was approved by Resolution 457-2012-ANA, establishing that water sources must be categorized on an annual basis in terms of their availability, to determine the fee that every type of user (population, industrial or mining uses) is expected to pay for cubic meter of consumed water. For example, the fee for 2017 is 0.5% higher than the fee for 2016 and 2015, periods during which the fee remained the same. We cannot assure you that in the future the ANA will not further increase the fees for the use of water.

As of the date of this listing memorandum, we do not owe any money with respect to fees for the use of water.

Additionally, as user of a water supply service, we have to pay the operator of the hydraulic infrastructure a fee for the operation, maintenance, replacement and administration of the hydraulic infrastructure used for the water supply. This fee is established by the competent ALA taking into account social, environmental and economic general standards and with a view to (i) covering the costs related to the operation, maintenance and other services needed to operate the hydraulic infrastructure and (ii) improving the socio-economic situation of the water basin.

Per the LWR Regulations, operators of hydraulic infrastructure have to present to the ANA a proposal for the fees to be charged for the use of hydraulic infrastructure. This proposal must be elaborated following the Technical and Economic Guidelines established for the ANA and within the timeframe established by the Water Administrative Authority ("WAA", which is constituted by all the ALAs of the Peruvian territory). The WAA is responsible for the approval of the fees for the use of (i) main hydraulic infrastructure; (ii) minor hydraulic infrastructure and (iii) the monitoring and management of groundwater. According to the Technical and Economic Guidelines, the fees are renewed and revised on a yearly basis.

If the operator fails to present the fee proposal, or does so extemporaneously or failing to observe the technical and economic guidelines referred to above, the ALA will approve *ex officio* the value of the referred fees pursuant to the following criteria:

- for fees for the use of minor hydraulic infrastructure: an increase of up to 5% above the fee applicable to the preceding year will apply; and
- for the fees for the use of main hydraulic infrastructure: an increase of up to 2% above the fee applicable to the preceding year will apply.

Moreover, the Law of Water User Organizations (*Ley de Organizaciones de Usuarios de Agua*), Law 30,157, establishes that the Boards of Users (*Juntas de Usuarios*) in which we participate, are expected to adjust their activities in a manner consistent with the supervision powers corresponding to ANA for the monitoring, control and enforcement of operation standards for Water User Organizations, especially regarding the correct charge, collection and transfer of fees and incomes.

Environmental Matters

We are subject to a broad range of environmental laws and regulations, which require us to incur costs and capital expenditures on an ongoing basis and expose us to substantial liabilities in the event of non-compliance. These laws and regulations also require us to obtain the approval of an environmental management instrument for the execution of our activities and to obtain and maintain other environmental permits, licenses and authorizations for such purposes. In this regard, government environmental agencies could take enforcement actions against us for any failure to comply with applicable laws and regulations. Such enforcement actions could include the imposition of fines, revocation of licenses, suspension of operations or imposition of criminal liability for non-compliance. These laws and regulations require us, among other things, to minimize risks to the natural and social environment while maintaining the quality, safety and efficiency of our facilities.

We are committed to the reliable, responsible, efficient and safe operations of our activities with a disciplined focus on high operating, health, safety and environmental standards.

Any change to environmental regulations will likely include environmental compliance costs. Compliance with new or modified environmental regulations could require us to make significant capital investments in additional pollution controls or process modifications.

As of the date of this listing memorandum, our previous Environmental Compliance and Management Program (*Programa de Adecuación y Manejo Ambiental* or "PAMA"), obtained by means of Directorial Resolution No. 048-09-AG-DVM-DGAA, dated November 16, 2009, which included the execution of eight environmental commitments, has been fully implemented and executed. A new PAMA has been approved by the Directorial Resolution N° 655-2016-MINAGRI-DVDIAR-DGAAA, dated December 16, 2016. This new PAMA shall be implemented by the company in a term of five years since its approval.

Sanitary Regulation

Pursuant to the provisions set forth in the Peruvian Food Safety Law, approved by Legislative Decree N° 1062, and in the Peruvian Regulations for Food and Agricultural Health and Safety, approved by Supreme Decree N° 004-2011-AG, our production facilities must have a Phytosanitary Certificate ("PSC") and a Sanitary Authorization granted by the National Service of Agrarian Health (*Servicio Nacional de Sanidad Agraria*). Depending on the specific jurisdiction, we may have to comply with additional requirements to export our products (e.g., to export blueberries to the United States, we need a United States Importation Permit; to export blueberries to China, we need to have a Production Location Certificate and a Packing Facility Certificate). As of the date of this listing memorandum, we have all the certificates and authorizations required under Peruvian laws to engage in trading activities with the foreign markets to which we export our products.

MANAGEMENT

The board of directors of the Parent Guarantor ("Board of Directors") is responsible for our high-level management and appoints the management team to run our daily activities. Unless otherwise stated, the business address for our directors and officers is Av. El Derby 250, Santiago de Surco, Lima, Peru.

Board of Directors

The Board of Directors is currently composed of seven directors, as set forth below:

Name	Title
Samuel Barnaby Dyer Coriat(1)	Chairman of the Board
Raúl Ubaldo Fernández	Deputy Chairman
Carmen Rosa Graham Ayllón	Director
Piero Martin Dyer Coriat(1)	Director
Sheyla Dyer Coriat(1)	Director
William Paul Dyer Osorio(1)	Director
Manuel del Rio Jiménez	Director

(1) Mr. Samuel Barnaby Dyer Coriat, Piero Martin Dyer Coriat and Sheyla Dyer Coriat are members of the Dyer Coriat family who own and control the Parent Guarantor. Mr. William Paul Dyer Osorio is a direct shareholder in the Parent Guarantor.

No director of the Parent Guarantor is entitled to any form of compensation or severance upon their removal or replacement from the Board of Directors.

The following sets forth selected biographical information for each member of the Board of Directors:

Samuel Barnaby Dyer Coriat, Chairman of the Board—Mr. Dyer obtained his degree in business administration at the University of Miami in Florida, with a specialization in finance and administration. He has wide experience in the Peruvian fishing industry, having begun his career at Copeinca as a fleet assistant and having subsequently held various positions between 2002 and 2011, including assistant in the frozen products plant, plant superintendent, frozen products plant manager, fleet manager, operations manager and chief executive officer. Mr. Dyer was appointed as a member of the Board of Directors in 2008, a position which enabled him to contribute to the transformation of the company into a leading commercial organization employing the principles of corporate government and social responsibility. Mr. Dyer was named chairman of the board in 2011 with the goal of continuing to consolidate the company's leadership in the agro-industrial sector and is also currently the chairman of the Strategy and Investments Committee of the Board of Directors. He served as chief executive officer of Camposol S.A. from October 2011 until October 2015. Mr. Dyer has been a director since 2008. Mr. Dyer is a brother of Mr. Piero Martin Dyer Coriat and Ms. Sheyla Dyer Coriat and a cousin of Mr. William Paul Dyer Osorio.

Raúl Ubaldo Fernández, Deputy Chairman—Mr. Fernandez holds a Master's in Industrial Safety and Health and a Bachelor of Science in Mechanical and Marine Engineering from the Universidad de Buenos Aires, Argentina. He brings 40 years of international food industry experience, leading business units, new products and business development teams in multinational corporations, such as Quaker Oats Company, Gatorade (Now part of Pepsico) and Chiquita Brands International. Mr. Fernandez is the President of Breakthrough Solutions LLC, a business consulting firm specialized in the produce business, with a focus on developing and implementing revenue enhancing strategies for corporations involved in international food trading and commercialization. Mr. Fernandez is a director of Back on Track, a career support non-profit organization. Mr. Fernandez is named in 11 patents referring to fresh food preservation, packaging and handling. Mr. Fernandez has been a member of the Board of Directors of the Parent Guarantor since January 10, 2020, and is also currently a member of the Strategy and Investments Committee of the Board of Directors.

Carmen Rosa Graham Ayllón, Director—Ms. Graham obtained her degree in business administration at Universidad del Pacífico in Peru. She also has a Master's in Business Administration from Adolfo Ibanez School of Management in Miami, Florida. She has advanced studies in management, corporate responsibility and innovation from the following universities: Harvard, Georgetown, Monterrey and Piura (Peru). She was appointed chief executive officer of IBM Colombia in 1999, chief executive officer of IBM Peru and Bolivia in 2001, and Regional Director of strategy of IBM in 2004. She was appointed President of Universidad del Pacífico (Peru) in 2007, a position which she held until 2009. She is currently an independent business consultant and member of the board of directors of Banco Internacional del Peru S.A.A.—Interbank, of Unión de Cervecerías Peruanas Backus y Johnston S.A.A., and of Entel Peru S.A. She is also a founder and President of WCD Peru (Women Corporate Directors Foundation). Ms. Graham has served as a director of the Parent Guarantor since January 10, 2020, and she is also currently the chairwoman of the Governance, Executive Compensation and Social Responsibility Committee of the Board of Directors.

Piero Martin Dyer Coriat, Director—Mr. Dyer obtained his Bachelor's in Mechanical Engineering and his Masters in Business Administration at the University of Miami in Florida. He previously worked as a technical and finance analyst for the business division of D&C Group. He was a member of the board of directors of Copeinca ASA. He held the position of Chief Financial Officer of the Parent Guarantor in 2008. He has served as director of the Parent Guarantor since October 22, 2019, and is currently a member of the Strategy and Investments Committee and of the Audit, Internal Control and Risks Committee of the Board of Directors. Mr. Dyer is a brother of Mr. Samuel Barnaby Dyer Coriat and Ms. Sheyla Dyer Coriat and a cousin of Mr. William Paul Dyer Osorio.

Sheyla Dyer Coriat, Director—Ms. Dyer earned a Bachelor's in Business Administration from the University of Miami, Florida in 1996. She is a senior executive with experience in international trade, operations and logistics at international companies. In 2013, she founded Alimentos y Bebidas Gourmet S.A.C., ("Comma"), a Peruvian restaurant focused on healthy food and has since been its CEO. She has been a member of the Board of Directors of the Parent Guarantor since October 22, 2019, and is also currently a member of the Governance, Executive Compensation and Social Responsibility Committee of the Board of Directors. Ms. Dyer is a sister of Mr. Samuel Barnaby Dyer Coriat and Mr. Piero Martin Dyer Coriat and a cousin of Mr. William Paul Dyer Osorio.

William Paul Dyer Osorio, Director—Mr. Dyer obtained his degree in International Business Administration from Florida International University, Florida. He also has a specialization in Economy and a Master's in Business Administration from Thunderbird University and Instituto Tecnológico de Monterrey (Mexico). He has broad experience in the Peruvian fishing industry, having initiated his career at Copeinca as a plant assistant, and held various positions like warehouse assistant, purchase assistant, finance assistant, chief learning officer and superintendent of raw material purchase between 2002 and 2010. Currently, he holds the position of chief executive officer of Inka Comfort Hoteles del Perú S.A.C. Mr. Dyer is also a member of the board of directors and shareholder of Aceros y Techos S.A., Galvanizadora Peruana S.A. and Octagon Holding S.A.C., corporations that are part of the Suizo Duferco Business Group. Mr. Dyer has served as a director of the Parent Guarantor since October 22, 2019, and is also currently a member of the Governance, Executive Compensation and Social Responsibility Committee and of the Audit, Internal Control and Risks Committee of the Board of Directors. Mr. Dyer is a cousin of Mr. Samuel Barnaby Dyer Coriat, Mr. Piero Martin Dyer Coriat and Ms. Sheyla Dyer Coriat.

Manuel del Rio Jiménez, Director—Mr. Del Rio is a mechanical engineer from the Pontificia Universidad Católica del Perú, who also received a Master's of Science Industrial Administration degree from the Krannert Graduate School of Management at Purdue University in Indiana, USA. He is currently Camposol's Director and Chairman of the Audit Committee, as well as Graña y Montero S.A.A.'s Director, Chairman of its Audit Committee, member of the Risk, Compliance and Sustainability Committee and member of several operational committees. He is also an independent member of the Grupo El Comercio's Audit and Risk Committee, and member of the Board of Directors of CARE Perú and Chairman of the Finance Committee. Del Rio is also an associate consultant at LHH DBM Peru. He was partner at KPMG in Peru for 12 years and was responsible for the Transfer Pricing Division; after that he was leader of the Advisory practice and, finally, was the partner responsible for Transactions, Transfer Pricing, Corporate Finances and Business Development. Before joining KPMG he was head of the Financial Control area and CFO at Citibank Peru. During that same period, he was vice-chairman of Profuturo AFP, a member of its Executive Committee, and a director. Mr. Del Rio was, for eight years, head of the professional and medical equipment business unit at Philips in Peru and Chile, and, for ten years (three of which living in the Netherlands), he was in charge of several other responsibilities in the industrial and internal consulting sectors at Philips Peru.

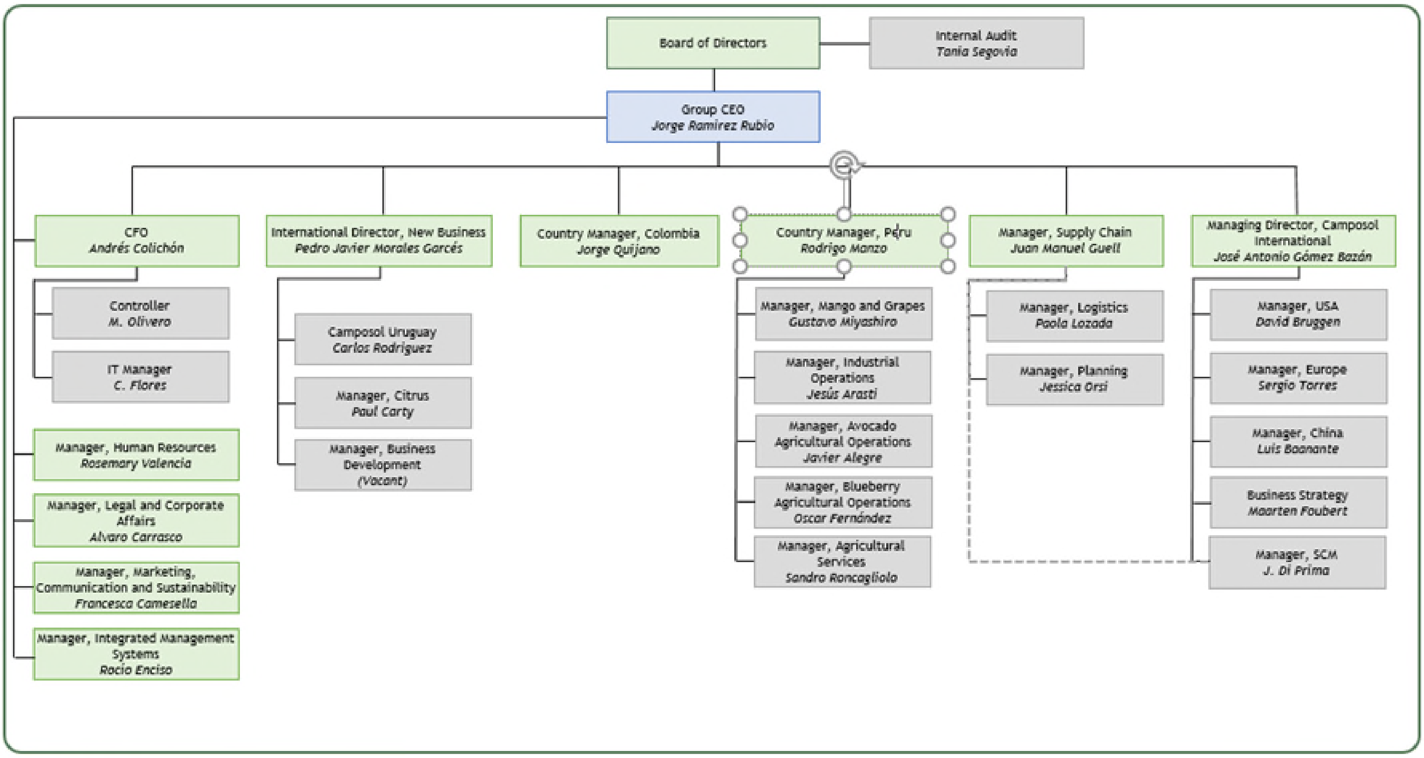
Management Team

In 2012, we started operating under a new matrix structure with Business Unit Directors for the Fresh Produce Unit, which oversees all processes of our fruit and vegetable products and ensures their profitability.

In 2012, we reinforced our commercial and marketing team, opened a new commercial office in the United States, and strengthened the existing one in Europe, thus allowing us to increase our direct sales rate, one of our main long-term objectives. In order to further strengthen our commercial presence worldwide, in August 2017 we opened an international office and distribution center in Shanghai, China.

Organizational Chart:

The following chart shows our Board of Directors and management structure.



Source: Company information

The following sets forth selected biographical information for members of Camposol, S.A.'s management team who are primarily responsible for the day-to-day management of our business and for implementing the general policies and directives established by our Board of Directors:

Name	Title
Jorge Ramirez Rubio	Chief Executive Officer
Andrés Colichón Sas	Chief Financial Officer
Pedro Javier Morales Garcés	International Director of New Business
Rodrigo Manzo Baeza	Country Managing Director, Peru
José Antonio Goméz Bazan	Managing Director, Camposol International
Juan Manuel Güel Camacho	Supply Chain Manager
Álvaro Carrasco Benavides	Legal & Corporate Affairs Manager
Francesca Carnesella Figuerola	Manager of Marketing, Communications, and Sustainability
Rosemary Valencia Villa	Manager of Human Capital
Tania Segovia Juarez	Internal Auditor

Jorge Ramirez Rubio, Chief Executive Officer—Mr. Ramirez holds a Bachelor in Business Administration with a major in Finance from Loyola University, New Orleans, Louisiana, and a Masters in Business Administration from ITESM (México)—ESPOL (Ecuador). He has vast international experience in strategic planning, corporate finance, mergers & acquisitions and international affairs. Mr. Ramirez previously worked for Amanco Group and Mexichem (1995-2008), holding various positions in Ecuador, Costa Rica and Brazil, his last one being Chief Financial Officer for Latin America. He has also served as Chief Financial Officer of Camposol S.A. (2008-2013), Copeinca ASA (2012) and Grupo EFE (October 2013-October 2015) and as Marinasol's Chief Executive Officer (October 2015-September 2016).

Andres Colichón Sas, Chief Financial Officer—Mr. Colichón holds a Bachelor of Science in Business Administration from Baldwin Wallace College, Berea, Ohio, United States, and a Masters in Business Administration specializing in finance and strategy from Boston University, Boston, Massachusetts, United States. He held the position of Chief Financial Officer of Graña & Montero for six years. He also worked for four years at McKinsey & Co., managing global projects in strategy, banking and mining operations.

After that, he was appointed Chief Financial Officer of Grupo El Comercio, and then performed the same function at Grupo San Fernando, successfully leading information technology initiatives specifically related to enterprise resource planning and legacy systems reimplementation at both. He was finally appointed Chief Financial and Strategy Officer by Corporación PRIMAX where he successfully led the company's listing on the Lima Stock Exchange with the largest corporate bond program to be placed in a single day in the local market by a non-financial entity.

Pedro Javier Morales Garcés, International Director of New Business —Mr. Morales holds a degree in Agricultural Engineering from the National Agrarian University in La Molina, Lima, and a Master's in Business Administration degree from ESAN University, in Lima. Mr. Morales has wide experience in the agro-industrial sector. He began his career at Camposol 19 years ago as head of parcels. He subsequently became head of farms and in 2004 was appointed superintendent of new areas, responsible for the planting of 2,000 hectares of asparagus. In 2009, he was appointed manager of new crops, responsible for 1,400 hectares of our plantations of avocado, grape and mandarin oranges in La Libertad. He was appointed Manager of the Asparagus Business Unit in 2011, and in 2013, he took charge of the management of the Blueberries Business Unit. He was Camposol's Deputy CEO until 2014, when he was appointed Camposol Fruits Managing Director.

Rodrigo Manzo Baeza, Country Managing Director, Peru— Mr. Manzo holds a degree in Agricultural Engineering with a major in fruit-growing from the Universidad de Chile. He worked as Assistant Business Manager at the company Del Monte Fresh Produce (former UTC) from 1992 to 2000. He then, from 2000 to 2014, worked as Business Manager at the company Exportadora Propal S.A., where he was responsible for the fresh fruit sales program, including avocado, citrus fruits and kiwi, among others. In 2014 he entered Camposol to work as the Blueberry Business Unit Manager, where he was responsible for the comprehensive analysis, operations control, logistics, packaging, national and international sales program planning, as well as unit performance and control. He was appointed as Camposol's Peru Country Manager in 2019.

José Antonio Goméz Bazan, Camposol International Managing Director—Mr. Gomez is a professional with extensive international experience in the food industry, with over 20 years of experience turning around established businesses, developing new businesses and developing company strategy. Mr. Gomez's previous experience includes senior management positions at Chiquita Brands International in USA, Costa Rica and Europe, and lastly as a General Manager at the headquarters in Florida. Prior to Chiquita, Mr. Gomez served as Director of Corporate Banking at Banco de Crédito del Perú and as a project manager at IBM. Mr. Gomez is also serving in the Produce Marketing Association (PMA) as a board member, and as vice chair of the Peruvian Avocado Commission (PAC). He was formerly a chair of the Peruvian Institute of Asparagus and vice chair of AGAP, Pro-Hass and Pro-Vid in Peru. Mr. Gomez holds an MBA from INCAE business school in Costa Rica, as well as a Masters in Six Sigma from Villanova University. He graduated as a Licentiate in business administration from Universidad de Lima.

Juan Manuel Güel Camacho, Supply Chain Manager— Mr. Güell has a Civil Engineering degree from the Universidad de Costa Rica, with a Master's and a Ph.D. in Transportation Engineering from the University of California, Berkeley, and M.B.A. studies with emphasis in Finance at the Universidad Interamericana de Costa Rica. His last job was as General Manager and Regional Product Head with DHL Global Forwarding based in Guatemala. In addition, he has more than 20 years of experience in the agroindustry sector in director level roles in logistics, operations, finance, quality and IT, with worldwide responsibilities in Chiquita Brands International and Dole Fresh Food International.

Álvaro Carrasco Benavides, Legal & Corporate Affairs Manager—Mr. Carrasco is an attorney who graduated from the Universidad de Lima (UL) with *magna cum laude* honors, and a Master of Law (LLM) degree from the London School of Economics and Political Science (LSE) School of Law in Corporate and Securities Law (with merit). He previously worked for almost 10 years in the most prestigious Peruvian law firms, as an associate at Rodrigo, Elias & Medrano Abogados and Delmar Ugarte Abogados (now part of Philippi Prietocarrizosa Ferrero DU & Uría – PPU) and as a senior associate at Payet, Rey, Cauvi, Perez Abogados. His excellence and performance in these law firms was recognized in the 2015 edition of the "The Legal 500 Latin America", an international magazine specialized in the research of the performance of law firms worldwide

Francesca Carnesella Figuerola, Manager of Marketing, Communications, and Sustainability— Mrs. Carnesella is an economist from the Universidad del Pacífico and has an MBA from the Universidad de Piura and post-graduate studies in communications and social responsibility at the Pontificia Universidad Católica del Peru and ESAN, respectively. She has served as counsellor to the Minister of Economy and Finance and the Minister of Energy and Mines, and Chairman of the Private Investment Promotion Commission. She was appointed Press & Communications Director of the Ministry of Foreign Affairs in Peru. She was the Image and Communications Manager at BBVA and also General Manager at the BBVA Foundation, as well as Corporate Image Manager at TIM Peru (now Claro).

Rosemary Valencia Villa, Manager of Human Capital— Ms. Valencia is an organizational psychologist who specialized in Human Resources from the Pontificia Universidad Católica del Perú (PUCP). She has 18 years of experience in all Personnel Management and Development procedures and, during the last 12 years, has been the Human Resources Manager at the Universidad del Pacífico and the AUNA Group, as well as Personnel Development Director.

Tania Segovia Juarez, Internal Auditor—Ms. Segovia holds a degree in Business Administration from *Universidad Peruana de Ciencias Aplicadas* - UPC, Lima. Ms. Segovia has over 10 years of experience in internal audit, risk assessment and fraud investigation, obtaining during that time deep knowledge and vast experience in preparing and conducting audit assignments, identifying risks and assessing control procedures. She has been trained in the investigation of fraud, bribery and corruption incidents and conducting fraud risk assessments from which she has developed a comprehensive understanding of fraud risk management practices of the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Her past professional experience includes working for major multinational corporations such as Tecnológica de Alimentos S.A. (TASA), a global leader in fish meal production, Austral Group S.A.A., an affiliate of Austevoll Seafood Company, Bellsouth Perú and Telefónica Móviles. Ms. Segovia has also served as head of fraud prevention of Camposol S.A. (January 2016 - December 2017) and as internal auditor of Camposol S.A (January 2015 - January 2016).

CERTAIN TRANSACTIONS WITH RELATED PARTIES

In the ordinary course of our business, we enter into commercial transactions with some of our affiliates. These transactions are entered into on an arm's length basis and are approved by the Audit, Internal Control and Risks Committee. The material transactions that we engage in with related parties are described below. See Note 36 to the audited consolidated financial statements.

Agreement with Transportes Ecobus S.A.C. (Ecobus)

On August 30, 2019, we entered into an agreement with Ecobus under which Ecobus undertook the obligation to provide us with transportation service for our employees in La Libertad region in exchange for the fees set forth in such agreement. Pursuant to its terms, this agreement shall expire on August 30, 2026.

Agreement with Corporación Refrigerados INY S.A.C. (INYSAC)

On July 1, 2019, we entered into an agreement with INYSAC under which we undertook the obligation to provide INYSAC with warehouse services in exchange for the fees set forth in such agreement. Pursuant to its terms, this agreement shall expire on June 30, 2026.

Agreement with Desarrollo Inmobiliario Marverde S.A.C. (Marverde)

On May 1, 2018, we entered into an agreement with INYSAC under which Marverde undertook the obligation to lease us 185.7 hectares of agricultural land in exchange for the rent set forth in such agreement. Pursuant to its terms, this agreement shall expire on April 30, 2028.

Agreement with Desarrollo D&C Inmobiaria S.A.C. (D&C)

On October 3, 2017, we entered into an agreement with D&C under which D&C undertook the obligation to lease us the administrative offices located in Avenida El Derby 250, Surco, Lima, in exchange for the rent set forth in such agreement. Pursuant to its terms, this agreement shall expire on October 3, 2027.

Agreement with Gestora del Pacífico S.A.C. (GDPSAC)

On October 1, 2016, we entered into an agreement with GDPSAC under which we undertook the obligation to lease to GDPSAC some areas of the administrative offices located in Avenida El Derby 250, Surco, Lima, in exchange for the rent set forth in such agreement. Pursuant to its terms, this agreement shall expire on August 1, 2021.

Agreement with Corporación Refrigerados INY S.A.C. (INYSAC)

On October 1, 2016, we entered into an agreement with INYSAC under which we undertook the obligation to lease to INYSAC some areas of the administrative offices located in Avenida El Derby 250, Surco, Lima, in exchange for the rent set forth in such agreement. Pursuant to its terms, this agreement shall expire on August 1, 2021.

Agreement with Ecopacking Cartones S.A.C. (Ecopacking)

On September 27, 2019, we entered into an agreement with Ecopacking under which we undertook the obligation to allow Ecopacking the shared use of water resources from our water use license. Pursuant to its terms, this agreement shall expire on September 26, 2020.

Agreement with Marinasol S.A. (Marinasol)

On July 18, 2019, Camposol Foods Trading (Shanghai) entered into an agreement with Marinasol under which we undertook the obligation to provide Marinasol with brokerage services for the fees set forth in such agreement. Pursuant to its terms, this agreement shall expire on December 31, 2020.

Planned Intercompany Agreements

As part of the post-reorganization process, Camposol S.A. will execute a number of intercompany service agreements negotiated at arm's length with Marinasol S.A., which have already been approved by the Board of Directors. These agreements will be for purposes of certain administrative, legal, IT and marketing services that will be provided by Camposol S.A. to Marinasol S.A.

DESCRIPTION OF CERTAIN MATERIAL AGREEMENTS

The following is a summary of certain material terms of our material agreements.

Senior Secured Term Loan Facility and Accordion Loan

On December 13, 2018, Camposol S.A., as borrower, entered into a U.S.$200 million Senior Secured Term Loan Facility and Accordion Loan with an optional U.S.$50 million additional disbursement with Cooperative Rabobank U.A. and Banco Santander S.A., as lenders, which will mature on December 13, 2025. The Senior Secured Term Loan Facility and Accordion Loan was amended on December 20, 2018. The use of proceeds of the Senior Secured Term Loan Facility will be for certain permitted uses as defined in the Credit Agreement. The Senior Secured Term Loan Facility and Accordion Loan is secured by a first priority security interest on certain agricultural properties and other properties of the Issuer. The terms and conditions of the security interest are set forth in the Peruvian Collateral Documents dated as of December 13, 2018, and amended on December 20, 2018 and on June 17, 2019. In addition to the Peruvian Collateral Documents, the obligations under the Senior Secured Term Loan Facility are jointly and severally guaranteed by Camposol Holding PLC and Marinasol S.A. (formerly Marinazul S.A.).

The Senior Secured Term Loan Facility and Accordion Loan contains customary representations and warranties, events of default and affirmative covenants, including covenants related to financial statements and other information, notices of material events, conduct of the business, payment of taxes, maintenance of properties, and insurance, submission to certain inspections, compliance with laws and agreements and further assurances. Among others, an event of default is triggered if Camposol S.A. (i) fails to pay when due; (ii) makes any incorrect representation or warranty or (iii) fails to observe or perform any covenant.

The Senior Secured Term Loan Facility and Accordion Loan also contains customary negative covenants that, subject to certain exceptions and baskets, generally limit the ability to: (i) subordinate the Senior Secured Term Loan Facility and Accordion Loan to any other indebtedness; (ii) enter into certain liens; (iii) make capital expenditures not in the ordinary course of business; (iv) distribute dividends or any other benefit to shareholders; (v) change Camposol S.A.'s line of business; (vi) give effect to or allow a substantial change in the composition of Camposol S.A.'s Board of Directors or a change in control in respect of Camposol S.A. and (vii) enter into certain transactions with affiliates.

The Senior Secured Term Loan Facility and Accordion Loan contains certain financial covenants under which (i) a Consolidated Leverage Ratio (as such term is defined in the Senior Secured Term Loan Facility and Accordion Loan) cannot exceed 3.5x; (ii) a Debt Service Coverage Ratio (as such term is defined in the Senior Secured Term Loan Facility and Accordion Loan) greater than 1.2x is required to be met and (iii) a Consolidated Liabilities to Tangible Net Worth Ratio (as such term is defined in the Senior Secured Term Loan Facility) cannot exceed 2.0x.

The Senior Secured Term Loan Facility and Accordion Loan contains mandatory prepayment provisions upon a (i) a change of control, (i) an event of default or (iii) diposition of collateral property, among other provisions.

Due to the global corporate reorganization, Camposol S.A. requested that lenders party to the Senior Secured Term Loan Facility waive the occurrence of any and all covenant violations, mandatory prepayments and/or Events of Default under the loan documents that would otherwise be triggered by the reorganization. Such waiver request was agreed to by the required lenders and acknowledged by the administrative agent by Waiver No. 2 to the Credit Agreement.

We intend to prepay amounts due under this facility with the proceeds of this offering.

Interbank Mid-Term Loan

On September 5, 2016, Camposol S.A. entered into a U.S.$15 million Mid-Term Loan with Banco Internacional del Peru S.A.A.—Interbank ("Interbank Loan"), which will mature and be payable in full after three years through twelve quarterly installments. The Interbank Loan was amended on January 10, 2018, and refinanced in December 28, 2018, increasing the amount to U.S.$68 million. The proceeds of the refinanced Interbank Loan were for the payment of the previous Interbank loan and to finance capex.

The Interbank Loan is secured by a first priority security interest in certain operational assets of Camposol S.A. and other related companies (as described below). Such operational assets include, but are not limited to, land, estate, plants, biological assets, irrigation systems, water use licenses. The terms and conditions of the security interest are set forth in the Trust Agreement, dated as of November 29, 2016, with Camposol S.A. as grantor; La Fiduciaria S.A. as Trustee and Interbank as Beneficiary, as amended from time to time. Pursuant to the Trust Agreement, Camposol S.A. and its related companies will keep the possession and economic use of

Trust Estate unless an event of default occurs, in which case the Beneficiary is entitled to require the Trustee to foreclose on the Trust Estate, and the proceeds coming therefrom will be used to pay any outstanding obligations under the Interbank Loan.

In addition to the Trust Agreement, the obligations under the Interbank Loan are jointly and severally guaranteed by Camposol Holding PLC and Marinasol S.A., and by the Company. These guarantees cover the full amount of the Interbank Loan.

Interest under the Interbank Loan is payable on a quarterly basis at 6.70% based on a 360-day year.

The Interbank Loan contains customary representations and warranties, events of default and affirmative covenants, including covenants related to financial statements and other information, notices of material events, conduct of the business, payment of taxes, maintenance of properties and insurance, submission to certain inspections, compliance with laws and agreements and further assurances. Among others, an event of default is triggered if Camposol S.A. breaches payment of any financial obligation.

The Interbank Loan also contains customary negative covenants that, subject to certain exceptions and baskets, generally limit the ability to: (i) subordinate the Interbank Loan to any other obligation; (ii) enter into transactions with affiliates to the extent they: (a) are not entered on an arms-length's basis, (b) entail the payment of loans owed to related parties, or (c) entail providing indebtedness to related parties over U.S.$80 million; (iii) change accounting policies; (iv) distribute dividends or any other benefit to shareholders; (v) change Camposol S.A.'s line of business; and (vi) give effect to or allow a substantial change in the composition of Camposol S.A.'s Board of Directors or a change in control in respect of Camposol S.A.

The Interbank Loan contains financial covenants under which (a) the Debt Service Coverage Ratio (as such term is defined in the Interbank Loan Agreement) cannot exceed 1.3x; and (b) the Consolidated Leveratio Ratio cannot exceed 3.5x.

Camposol S.A. may repay the Interbank Loan in advance, subject to payment of applicable mandatory prepayment fees. Prepayment is mandatory under the Interbank Loan if, among others: (i) Camposol S.A. or the other guarantors are subject to a change of control, or (ii) Camposol S.A. or the other guarantors take on unpermitted indebtedness. Mandatory prepayments are subject to payment of the same fees and costs applicable to voluntary prepayments.

On January 10, 2018, the Interbank Loan was amended to include certain mandatory prepayment provisions.

We intend to prepay amounts due under this facility with the proceeds of this offering.

BBVA Mid-Term Loan

On November 12, 2019, Camposol S.A. entered into a U.S.$20 million Mid-Term Loan with Banco BBVA Peru ("BBVA Loan") which will mature and be payable in full after six years. The use of proceeds of the BBVA Loan will be for certain permitted uses as defined in the Credit Agreement. The BBVA Loan is secured by a first priority mortgage on certain agricultural properties and other properties of the Issuer. The terms and conditions of the security interest are set forth in the Mortgage Agreement dated as of November 12, 2019. In addition to the Mortgage Agreement, the obligations under the BBVA Loan are jointly and severally guaranteed by Camposol Colombia S.A.S. An amendment was executed on November 26, 2019.

Interest under the BBVA Loan is payable on a quarterly basis at LIBOR + 3.20% based on a 360-day year.

The BBVA Loan contains customary representations and warranties, events of default and affirmative covenants, including covenants related to financial statements and other information, notices of material events, conduct of the business, payment of taxes, maintenance of properties, and insurance, submission to certain inspections, compliance with laws and agreements and further assurances. Among others, an event of default is triggered if Camposol S.A. (i) fails to pay when due; (ii) makes any incorrect representation or warranty and (iii) fails to observe or perform any covenant, among others.

The BBVA Loan also contains customary negative covenants that, subject to certain exceptions and baskets, generally limit the ability to: (i) subordinate the BBVA Loan to any other indebtedness; (ii) enter into certain liens; (iii) make capital expenditures not in the ordinary course of business; (iv) distribute dividends or any other benefit to shareholders; (v) change Camposol S.A.'s line of business; (vi) give effect to or allow a substantial change in the composition of Camposol S.A.'s Board of Directors or a change in control in respect of Camposol S.A. and (vii) enter into certain transactions with affiliates.

The BBVA Loan contains financial covenants under which (i) a Debt Service Coverage Ratio (as such term is defined in the BBVA Loan) equal to or higher than 1.25x is required to be met; and (ii) an Indebtedness Ratio (as such term is defined in the BBVA Loan) equal to or higher than 3.50x during the term of the BBVA Loan is required to be met.

Master Agreement with Sociedad Agrícola Virú S.A.

On December 17, 2015, Camposol S.A. entered into a Master Agreement with Sociedad Agrícola Virú S.A. ("Viru"). Under the Master Agreement, Camposol S.A. undertook the following obligations: (i) to sell to Viru its crops of asparagus at a price range of U.S.$0.50 to U.S.$2.30 plus the applicable value added tax per kilogram (depending on the time of year, their caliber and other quality metrics) and piquillo peppers at a price of U.S.$0.38 per kilogram, (ii) to lease to Viru the plant located in Piura, along with all the equipment required for the processing of piquillo peppers until December 17, 2020, at an annual rent of U.S.$320,000 plus the applicable value added tax and (iii) to sell to Viru all of its assets and machinery required for the processing of asparagus (including spare parts) for U.S.$1.8 million. For its part, Viru undertook the obligation to sell canned asparagus and *piquillo* pepper to Viru's clients and Camposol S.A.'s strategic and exclusive clients. The terms and conditions applicable to each of the obligations described above, and their respective considerations, are further detailed in the relevant commercial agreements entered into by Camposol S.A. and Viru under the scope of the Master Agreement.

The Master Agreement contains negative covenants that prohibit Camposol S.A. from, directly or indirectly (including through its shareholders), entering into the business of producing and commercializing canned asparagus, pepper, quinoa, palmito and/or artichoke, for at least five years from the date of the Master Agreement. If Camposol S.A. fails to comply with this restriction, a penalty equal to U.S.$50,000 by each sown area of the relevant plant, as applicable, will apply (such penalty not being lower than U.S.$1,000,000). Additionally, if Camposol S.A. fails to comply with its obligations either to lease to Viru the plant located in Piura and/or to lease to Viru its crops of asparagus and *piquillo* pepper, a penalty of U.S.$1,000,000 in favor of Viru will apply.

The Master Agreement contains negative covenants that prohibit Viru from, directly or indirectly, entering into the business of producing and commercializing blueberries, for at least five years from the date of the Master Agreement (except for the ability to sow 200 hectares of blueberries and to maintain the existing commercial relationship with Agroberries Perú S.A.C.). If Viru fails to comply with this restriction, a penalty equal to U.S.$50,000 by each sown hectare of blueberry will apply (such penalty not being lower than U.S.$1,000,000).

Agreements for the Acquisition of Hectares of Land in Uruguay

On April 11, 2018, Camposol Uruguay S.R.L., Jamilco S.A.and Citrícola Salteña S.A. executed certain agreements for the transfer of 1,518 hectares of land in Salto, Uruguay, for a total consideration of $18.5 million.

Indenture Agreement for Unsecured Short-term Debt Program

On March 27, 2018, the Company executed a master indenture agreement ("Acto Marco de Emisión") and placement agreement ("Contrato de Colocación") related to an upcoming unsecured short-term debt instrument program for up to U.S.$60 million or its equivalent in Soles (the "Program"). As set forth in the Acto Marco de Emisión, the Program will be valid for six years from the date of its registration with the SMV.

BBVA Banco Continental (now, Banco BBVA Perú) and Banco Internacional del Perú S.A.A. are acting as arrangers of the transaction and the relevant debt instruments are expected to be placed via a public offering.

The Program was registered with the SMV; nevertheless, Camposol decided to withdraw its registration as it has available other sources of financing and, therefore, the Program is currently suspended. As such, neither the Program, the Acto Marco de Emisión nor the Contrato de Colocación bind Camposol to any relevant obligation under Peruvian securities regulations unless (i) the Company makes a new registration filing with the SMV with regards to the Program; and (ii) once registration has been obtained, the Company makes a securities' public offering under the Program. In order for the Company to issue securities under this Program in a public offering, the Company must previously register the program with the SMV.

Given the above, and although Program will be valid until March, 2024, Camposol is no longer a reporting issuer in Peru and it is not subject to disclosure and transparency requirements under Peruvian securities regulations.

PRINCIPAL SHAREHOLDERS

Camposol S.A. was founded and began operations in 1997. In October 2007, Dyer Coriat Holding S.L. (a company controlled by the Dyer and Coriat families and since renamed Generación del Pacífico Grupo S.L.) and a group of investors acquired Camposol Holding PLC from its previous controlling shareholders with the proceeds from a U.S.$184.0 million private placement carried out by Camposol AS. Through a corporate reorganization that took place in 2008, Camposol Holding PLC became the holding company of the Camposol group of companies and also listed its shares on the Oslo Stock Exchange (Oslo Børs).

On December 12, 2013, following the settlement of the mandatory takeover bid offer dated September 24, 2013, the Cyprus Securities and Exchange Commission approved the application submitted by Dyer Coriat Holding S.L. (since renamed Generación del Pacífico Grupo S.L.) to acquire from the minority shareholders all the shares of the issued share capital of Camposol Holding PLC which Dyer Coriat Holding S.L. did not own (directly or indirectly) at that time. The squeeze-out was effective as of December 13, 2013. As of December 20, 2013, the shares of Camposol Holding PLC were delisted from Oslo Stock Exchange. In April 2014, the shareholders of Camposol Holding PLC voted to convert Camposol Holding PLC, from a "PLC" (a public company limited by shares) to a "Limited" company (a private company limited by shares). On August 7, 2017, the shareholders of Camposol Holding Ltd. voted to convert Camposol Holding Ltd. back to a "PLC".

On September 10, 2014, following a stock option purchase agreement entered on September 10, 2013, Osterlin Luis Dyer Ampudia, William Paul Dyer Osorio, Sergio Ivan Dyer Osorio, Rodrigo Israel Dyer Fernandez and Yazmin Ellie Dyer Osorio, executed their option to purchase shares from Generación del Pacífico Grupo S.L. After the execution of the stock option purchase, Generación del Pacífico Grupo S.L. owned 82.6% of the total outstanding shares of Camposol Holding PLC.

On December 14, 2017, the shareholders of Camposol Holding PLC approved a 2-to-1 forward stock split of its ordinary shares, by unanimous written consent, increasing the number of outstanding ordinary shares from 32,925,197 to 65,850,394 (the "Stock Split"). The nominal value of each ordinary share changed as a result of the Stock Split from U.S.$0.011797 per ordinary share to U.S.$0.0058985 per ordinary share.

In 2019, Camposol Holding PLC began implementing a new legal structure for its global business with the purpose of attracting new investments for Camposol Agribusiness. For the purpose of segregating the agricultural business from the shrimp farming business of Camposol Holding PLC and subsidiaries, on October 22, 2019, the Parent Guarantor was incorporated as a limited company under Cyprus law. As of the date of this listing memorandum, all of the main operating companies related to Camposol Agribusiness including the Issuer but not including Camposol Uruguay S.R.L., have been transferred to the Parent Guarantor.

The legal entites that have been combined and included in the carve-out financial statements included in this listing memorandum (except for certain related party balances that were not contributed to the Parent Guarantor and are not related to the Camposol Agribusiness) and their activities are as follows:

Company	Principal activity	Country of incorporation	Direct or indirect interest as of 31 December 2018	2017	2016
Camposol S.A.	Agribusiness	Peru	100%	100%	100%
Nor Agro Perú S.A.C.	Farmland owner	Peru	100%	100%	100%
Muelles y Servicios Paita S.R.L.	Farmland owner	Peru	100%	100%	100%
Inversiones Agrícolas Inmobiliarias S.A.C.	Farmland owner	Peru	99.99%	99.99%	99.99%
Camposol Europa S.L.	Distribution	Spain	100%	100%	100%
Camposol Fresh B.V.	Distribution	Netherlands	100%	100%	100%
Madoca S.A.C	Holding	Peru	100%	100%	100%
Grainlens S.A.C	Holding	Peru	100%	100%	100%
Blacklocust S.A.C.	Holding	Peru	100%	100%	100%
Persea, Inc.	Holding	USA	100%	100%	100%
Camposol Fresh U.S.A., Inc.	Distribution	USA	100%	100%	100%
Camposol Specialties, Inc.	Distribution	USA	100%	100%	100%
Camposol Colombia S.A.S.	Agriculture	Colombia	100%	100%	-
Camposol Foods Trading (Shangai) Co Ltd.	Distribution	China	100%	100%	-
Camposol Fresh Foods Trading Co Ltd.	Distribution	China	100%	100%	-
Camposol Uruguay S.R.L.	Agriculture	Uruguay	100%	-	-

The following table sets forth the share ownership of the Parent Guarantor, as adjusted to reflect the reorganization:

	Outstanding Shares
Samuel Barnaby Dyer Coriat[(1)]	33,037,345
Piero Martin Dyer Coriat	33,037,345
Sheyla Dyer Coriat	16,518,671
Osterlin Luis Dyer Ampudia	9,072,107
Sergio Dyer Osorio	2,911,357
William P. Dyer Osorio[(2)]	2,251,318
Yazmin Dyer Osorio	1,986,202
Rodrigo Dyer Fernandez	1,185,651
Risger SA	4
Total	10,000,000

(1) Samuel Barnaby Dyer Coriat, Piero Martin Coriat and Sheyla Dyer Coriat control the Parent Guarantor and each one serves as a director to it.

(2) William P. Dyer Osorio serves as a director of the Parent Guarantor.

As of the date of this listing memorandum, Camposol S.A. had a total of 289,690,478 common shares issued and outstanding, which were owned as follows:

	Outstanding Shares
Grainlens S.A.C.	1
Blacklocust S.A.C	289,690,477
Total	**289,690,478**

DESCRIPTION OF THE NOTES

For purposes of this "Description of the Notes," the term "Issuer" refers only to Camposol S.A., and any successor obligor to the Notes, and the term "Parent Guarantor" refers only to Csol Holding LTD and not to any of its subsidiaries and the term "Notes" means the notes. The Parent Guarantor's guarantee of the Notes is referred to as the "Parent Guarantee". Any subsidiary of the Parent Guarantor that guarantees the Notes will be referred to as a "Subsidiary Guarantor" and any such guarantee is referred to as a "Subsidiary Guarantee." The Parent Guarantee and the Subsidiary Guarantees are referred together as the "Note Guarantee". The term "Guarantor" refers to either the Parent Guarantor or any Subsidiary Guarantors, as the context requires. Certain terms used in this description are defined below under "—Definitions."

The Notes are to be issued under an indenture (the "Indenture"), to be dated as of the Issue Date, among the Issuer, the Parent Guarantor and The Bank of New York Mellon, as trustee (the "Trustee") registrar, paying agent and transfer agent. The Indenture is not required to be nor will it be qualified under the Trust Indenture Act.

The following is a summary of certain provisions of the Indenture, the Notes and the Note Guarantee. This summary does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Indenture, the Notes and the Note Guarantee. It does not restate those agreements in their entirety. Whenever particular defined terms of the Indenture not otherwise defined herein are referred to, such sections or defined terms are incorporated herein by reference. A copy of the Indenture will be available on or after the Issue Date at the corporate trust office of the Trustee.

Application will be made to list the Notes on the Singapore Stock Exchange. The Singapore Stock Exchange assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, and admission to the Official List of, and quotation of the Notes on, the Singapore Stock Exchange are not to be taken as an indication of the merits of the Issuer or the Notes.

General

The Notes:

- are obligations of the Issuer;
- rank at least pari passu in right of payment with all unsecured, unsubordinated Indebtedness of the Issuer (subject to any priority rights of such unsubordinated Indebtedness pursuant to applicable law);
- are senior in right of payment to any Indebtedness of the Issuer expressly subordinated in right of payment to the Notes (subject to any priority rights of such subordinated Indebtedness pursuant to applicable law);
- are fully and unconditionally guaranteed, on a joint and several basis, by the Parent Guarantor and the Subsidiary Guarantors;
- are effectively subordinated to existing and future obligations of the Issuer and the Guarantors secured by assets, to the extent of the value of assets serving as security therefor;
- are structurally subordinated to all existing and future obligations of the Non-Guarantor Subsidiaries; and
- are subordinated to liabilities preferred by statute and certain other obligations that in the event of liquidation of the Issuer are granted preferential treatment or priority under or pursuant to applicable law (such as tax, social security and labor obligations, among others).

As of December 31, 2019, the Issuer had U.S.$431.1 million of Indebtedness outstanding, U.S.$56.1 million of which was unsecured Indebtedness.

As of December 31, 2019, the Non-Guarantor Subsidiaries of Camposol S.A. had U.S.$3.8 million of Indebtedness outstanding (in the form of operative leases), none of which was unsecured Indebtedness.

The Notes will be issued in an initial aggregate principal amount of U.S.$ 350,000,000.

The Notes will mature on February 3, 2027 (the "Maturity Date") and shall be redeemed at their aggregate principal amount, unless earlier redeemed or repurchased pursuant to the terms thereof and the Indenture. The Indenture allows additional Notes to be issued from time to time (the "Additional Notes"), subject to certain limitations described under "—Further Issues." Unless the context requires otherwise, references to the "Notes" for all purposes of the Indenture and this "Description of the Notes" include any Additional Notes that are actually issued.

The Notes will bear interest at 6.000% per annum, payable semiannually in arrears on February 3 and August 3 of each year (each, an "Interest Payment Date"), commencing on August 3, 2020. Interest on the Notes will accrue from the Issue Date, February 3, 2020.

Interest will be paid to Holders of record at the close of business on February 1 or August 1 immediately preceding an Interest Payment Date whether or not a Business Day (each, a "Record Date"), notwithstanding any transfer, exchange or cancellation thereof after a Record Date and prior to the immediately following Interest Payment Date. In any case in which the date of the payment of principal of, premium, if any, or interest on the Notes (including any payment to be made on any date fixed for redemption or purchase of any Note) is not a Business Day in the relevant place of payment, then payment of principal, premium, if any, or interest need not be made in such place on such date but may be made on the next succeeding Business Day in such place. Any payment made on such Business Day will have the same force and effect as if made on the date on which such payment is due, and no interest on the Notes will accrue for the period after such date. Interest on the Notes will be calculated on the basis of a 360-day year comprised of twelve 30-day months.

The Notes will be issued only in fully registered form, without coupons, in denominations of U.S.$150,000 and integral multiples of U.S.$1,000 in excess thereof. No service charge will be made for any registration of transfer or exchange of Notes, but the Trustee may require payment of a sum sufficient to cover any transfer tax or other similar governmental charge payable in connection therewith.

All payments on the Notes will be made in U.S. dollars by the Issuer at the office or agency of the Issuer maintained for that purpose in the Borough of Manhattan, The City of New York (which initially will be the corporate trust office of the Trustee), and the Notes may be presented for registration of transfer or exchange at such office or agency; *provided* that, at the option of the Issuer, payment of interest may be made by check mailed to the address of the Holders as such address appears in the Note register; *provided further* that payments on the Notes held in global form will be made to DTC in accordance with its applicable procedures.

The Parent Guarantee

The Parent Guarantee:

- ranks and will rank at least pari passu in right of payment with all unsecured, unsubordinated Indebtedness of the Parent Guarantor (subject to any priority rights of such unsubordinated Indebtedness pursuant to applicable law);
- is and will be senior in right of payment to any obligations of the Parent Guarantor expressly subordinated in right of payment to the Notes (subject to any priority rights of such subordinated Indebtedness pursuant to applicable law);
- is and will be effectively subordinated to existing and future obligations of the Parent Guarantor secured by assets, to the extent of the value of assets serving as security therefor;
- is and will be structurally subordinated to all existing and future obligations of the Non-Guarantor Subsidiaries; and
- is and will be subordinated to liabilities preferred by statute and certain other obligations that in the event of liquidation of the Parent Guarantor are granted preferential treatment or priority under or pursuant to applicable law (such as tax, social security and labor obligations, among others).

As of December 31, 2019, the Parent Guarantor, on a consolidated basis, had U.S.$434.9 million of consolidated Indebtedness (as defined below) outstanding.

Under the Indenture, the Parent Guarantor will unconditionally and irrevocably guarantee the due and punctual payment of the principal of, premium, if any, and interest on, and all other amounts payable under, the Notes and the Indenture. To the extent permitted by law, the Parent Guarantor will (1) agree that its obligations under the Parent Guarantee will be enforceable irrespective of any invalidity, irregularity or unenforceability of the Notes or the Indenture and (2) waive its right to require the Trustee to pursue or exhaust its legal or equitable remedies against the Issuer prior to exercising its rights under the Parent Guarantee. Moreover, if at any time any amount paid under a Note or the Indenture is rescinded or must otherwise be restored, the rights of the Holders under the Parent Guarantee will be reinstated with respect to such payments as though such payment had not been made. All payments under the Parent Guarantee are required to be made in U.S. dollars.

Release of the Parent Guarantee

The Parent Guarantee may be released in certain circumstances, including:

- upon repayment in full of the Notes; and

- upon a defeasance as described under "—Defeasance."

The Subsidiary Guarantees

Although on the Issue Date all the Parent Guarantor's Subsidiaries will be Restricted Subsidiaries, none of the Parent Guarantor's Subsidiaries will provide a Subsidiary Guarantee on the Issue Date (the "Initial Non-Guarantor Subsidiaries" and, together with any other Restricted Subsidiary that has not executed a Subsidiary Guarantee, the "Non-Guarantor Subsidiaries"). In the event that any Non-Guarantor Subsidiary subsequently provides a Subsidiary Guarantee, such Subsidiary shall be excluded from the definition of Non-Guarantor Subsidiary and be added to the definition of Subsidiary Guarantor. Each Restricted Subsidiary that provides a Subsidiary Guarantee after the Issue Date is referred to as a "Future Subsidiary Guarantor" and upon execution of the applicable supplemental indenture to the Indenture will become a "Subsidiary Guarantor." Although the Indenture contains limitations on the amount of additional Indebtedness that Restricted Subsidiaries may incur, the amount of such additional Indebtedness could be substantial. If the Issuer designates any Subsidiary Guarantor as an Unrestricted Subsidiary, the Subsidiary Guarantee of such Subsidiary will be released as described under "—Release of Subsidiary Guarantees." In the event of a bankruptcy, liquidation or reorganization of any Non-Guarantor Subsidiary, the Non-Guarantor Subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to the Parent Guarantor.

The Subsidiary Guarantee of each Future Subsidiary Guarantor will be:

- at least pari passu in right of payment with all unsecured, unsubordinated Indebtedness of the relevant Future Subsidiary Guarantor (subject to any priority rights of such unsubordinated Indebtedness pursuant to applicable law);

- senior in right of payment to any obligations of the relevant Future Subsidiary Guarantor expressly subordinated in right of payment to the Notes (subject to any priority rights of such subordinated Indebtedness pursuant to applicable law)

- effectively subordinated to existing and future obligations of the relevant Future Subsidiary Guarantor secured by assets, to the extent of the value of assets serving as security therefor;

- structurally subordinated to all existing and future obligations of the Non-Guarantor Subsidiaries; and

- is subordinated to liabilities preferred by statute and certain other obligations that in the event of liquidation are granted preferential treatment under applicable law (such as tax, social security and labor obligations).

If any Restricted Subsidiary guarantees any Indebtedness of the Issuer or the Parent Guarantor after the Issue Date, such Restricted Subsidiary shall become a Subsidiary Guarantor and, upon such designation, shall execute and deliver to the Trustee a supplemental indenture to the Indenture by which such Restricted Subsidiary shall become a Subsidiary Guarantor.

The Board of Directors may designate any Restricted Subsidiary to be a Subsidiary Guarantor; *provided* that (i) such designation will not cause or result in a Default; (ii) any Indebtedness of such Restricted Subsidiary outstanding at the time of such designation which will be deemed to have been Incurred by such newly-designated Subsidiary Guarantor as a result of such designation would be permitted to be Incurred by the covenant described under the caption "—Limitation on Indebtedness and Disqualified Stock;" (iii) any Lien on the property of such Restricted Subsidiary at the time of such designation which will be deemed to have been Incurred by such newly-designated Subsidiary Guarantor as a result of such designation would be permitted to be Incurred by the covenant described under the caption "—Limitation on Liens;" and (iv) such Subsidiary Guarantor, upon such designation, executes and delivers to the Trustee a supplemental indenture to the Indenture by which such Restricted Subsidiary shall become a Subsidiary Guarantor. In addition, the Issuer and the Parent Guarantor will cause any Restricted Subsidiary of the Parent Guarantor that (A) as of the last date of any quarter and with respect to the Parent Guarantor and its Restricted Subsidiaries, individually represents at least 5% of the Consolidated Assets of the Parent Guarantor and its Restricted Subsidiaries as determined in accordance with IFRS, or (B) for the preceding twelve-month period, individually represents at least 5% of the Consolidated EBITDA of the Parent Guarantor and its Restricted Subsidiaries as determined in accordance with IFRS, to become a Subsidiary Guarantor, and execute a supplemental indenture and deliver an Opinion of Counsel; *provided, however,* that if (i) with respect to (A) above, as of the last date of the relevant quarter, the Parent Guarantor and the then existing Subsidiary Guarantors collectively represent at least 80% of the Consolidated Assets of the Parent Guarantor and its Restricted Subsidiaries, then such Restricted Subsidiary will not be required to become a Subsidiary Guarantor, and (ii) with respect to (B) above, for the relevant twelve-month period, the Issuer and the then existing Subsidiary Guarantors collectively represent at least 80% of the Consolidated EBITDA of the Parent Guarantor and its Restricted Subsidiaries, then such Restricted Subsidiary will not be required to become a Subsidiary Guarantor.

Under the Indenture, and any supplemental indenture to the Indenture, as applicable, each of the Subsidiary Guarantors will irrevocably and unconditionally, jointly and severally guarantee the due and punctual payment of the principal of, premium, if any, and interest on, and all other amounts payable under, the Notes, the Indenture and the Parent Guarantee. To the extent permitted by law, the Subsidiary Guarantors will (i) agree that their obligations under the Subsidiary Guarantees will be enforceable irrespective of any invalidity, irregularity or unenforceability of the Notes, the Indenture or the Parent Guarantee and (ii) waive their right to require the Trustee to pursue or exhaust its legal or equitable remedies against the Issuer prior to exercising its rights under the Subsidiary Guarantees. Moreover, if at any time any amount paid under a Note, the Parent Guarantee or the Indenture is rescinded or must otherwise be restored, the rights of the Holders under the Subsidiary Guarantees will be reinstated with respect to such payments as though such payment had not been made. All payments under the Subsidiary Guarantees are required to be made in U.S. dollars.

Under the Indenture, and any supplemental indenture to the Indenture, as applicable, each Subsidiary Guarantee will be limited to an amount not to exceed the maximum amount that can be guaranteed by the applicable Subsidiary Guarantor without rendering the Subsidiary Guarantee, as it relates to such Subsidiary Guarantor, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally. If a Subsidiary Guarantee were to be rendered voidable, it could be subordinated by a court to all other Indebtedness (including guarantees and other contingent liabilities) of the applicable Subsidiary Guarantor, and, depending on the amount of such Indebtedness, a Subsidiary Guarantor's liability on its Subsidiary Guarantee could be reduced to zero. The obligations of each Subsidiary Guarantor under its respective Subsidiary Guarantee may be limited, or possibly invalid, under applicable laws. See "Risk Factors—Risks Related to the Guarantees."

Release of the Subsidiary Guarantees

A Subsidiary Guarantee given by a Subsidiary Guarantor may be released in certain circumstances, including:

- upon repayment in full of the Notes;
- upon a Legal Defeasance or Covenant Defeasance as described under "—Defeasance;" or
- upon the sale or other disposition of a Subsidiary Guarantor in compliance with the terms of the Indenture (including the covenants under the captions "—Certain Covenants—Limitation on Asset Sales" and "—Consolidation, Merger and Sale of Assets") resulting in such Subsidiary Guarantor no longer being a Restricted Subsidiary, so long as (i) such Subsidiary Guarantor is simultaneously released from its obligations in respect of any of the Parent Guarantor's other Indebtedness or any Indebtedness of any other Restricted Subsidiary and (ii) the proceeds from such sale or disposition are used for the purposes permitted or required by the Indenture.

As of the Issue Date, all of the Parent Guarantor's Subsidiaries will be "Restricted Subsidiaries." Under the circumstances described below under the caption "—Certain Covenants—Designation of Restricted and Unrestricted Subsidiaries," the Parent Guarantor will be permitted to designate certain of its Subsidiaries as "Unrestricted Subsidiaries." If so designated, the Parent Guarantor's Unrestricted Subsidiaries will generally not be subject to the restrictive covenants in the Indenture.

Further Issues

Subject to the covenants described below, the Issuer may, from time to time, without notice to or the consent of the Holders, create and issue Additional Notes having the same terms and conditions as the Notes (including the benefit of the Parent Guarantee and any Subsidiary Guarantees) in all respects (or in all respects except for the issue date, issue price and the first Interest Payment Date on them and, to the extent necessary, certain temporary securities law transfer restrictions) (a "Further Issue") so that such Additional Notes may be consolidated and form a single class with the previously outstanding Notes and vote together as one class on all matters with respect to the Notes; *provided* that the issuance of any such Additional Notes will then be permitted under the covenant described under the caption "—Limitation on Indebtedness and Disqualified Stock" covenant described below; and provided further that any Additional Notes that are not fungible with the Notes for United States federal income tax purposes shall be issued under a separate CUSIP or other identifier number.

Optional Redemption

At any time prior to February 3, 2024 the Issuer may at its option redeem the Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the Notes *plus* the Applicable Premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date (a "Make-Whole Redemption"). The Issuer will give not less than 30 days' or more than 60 days' notice to Holders of any Make-Whole Redemption.

At any time and from time to time prior to February 3, 2023, the Issuer may redeem up to 40.0% of the aggregate principal amount of the Notes with the Net Cash Proceeds of one or more sales of Common Stock of the Parent Guarantor or the Issuer in an Equity Offering at a redemption price of 106.000% of the principal amount of the Notes, *plus* accrued and unpaid interest, if any, to (but not including) the redemption date (an "Equity Claw-Back Redemption"); *provided* that at least 60.0% of the aggregate principal amount of the Notes originally issued on the Issue Date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related Equity Offering.

The Issuer will give not less than 30 days' nor more than 60 days' notice to the Holders of any Equity Claw-Back Redemption.

At any time and from time to time on or after February 3, 2024, the Issuer may redeem the Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest, if any, to (but not including) the redemption date if redeemed during the twelve-month period beginning on February 3 of the years indicated below

Year	Percentage
2024	103.000%
2025	101.500%
2026 and thereafter.	100.000%

The Issuer will give not less than 30 days' nor more than 60 days' notice to the Holders of any redemption pursuant to the preceding paragraph.

In the event not all of the Notes are to be redeemed, the Notes will be selected for redemption pro rata, by lot or by such other method as the Trustee in its sole discretion shall deem to be fair and appropriate, subject to, in the case of Notes held in global form, the applicable procedures of DTC. A Note of U.S.$150,000 in principal amount or less shall not be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption relating to such Note will state the portion of the principal amount to be redeemed. A Note in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note. On and after the redemption date, interest will cease to accrue on Notes or portions thereof called for redemption and paid in full.

In addition, the Issuer must pay accrued and unpaid interest and Additional Amounts, if any, on the Notes redeemed.

Repurchase of Notes Upon a Change of Control Triggering Event

Not later than 30 days following a Change of Control Triggering Event, the Issuer or the Parent Guarantor will make an Offer to Purchase all outstanding Notes (a "Change of Control Offer") at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to (but not including) the Offer to Purchase Payment Date.

The Parent Guarantor and the Issuer will not be required to make a Change of Control Offer following a Change of Control Triggering Event if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer to be made by the Parent Guarantor or the Issuer and such third party purchases all Notes validly tendered and not withdrawn under such Change of Control Offer.

Certain of the events constituting a Change of Control Triggering Event under the Notes will also constitute an event of default under certain debt instruments of the Parent Guarantor and its Subsidiaries. Future debt of the Parent Guarantor or its Subsidiaries may also (i) prohibit the Issuer or the Parent Guarantor from purchasing Notes in the event of a Change of Control Triggering Event, (ii) provide that a Change of Control Triggering Event is a default or (iii) require the repurchase of such debt upon a Change of Control Triggering Event. Moreover, the exercise by Holders of their right to require the Issuer or the Parent Guarantor to purchase the Notes could cause a default under other Indebtedness, even if the Change of Control Triggering Event itself does not, due to the financial effect of the purchase on Issuer or Parent Guarantor. The ability of the Issuer or the Parent Guarantor to pay cash to Holders following the occurrence of a Change of Control Triggering Event may be limited by the Issuer' or the Parent Guarantor's then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make the required purchase of the Notes. See "Risk Factors—Risks Related to the Notes—We may not be able to fulfill our repurchase obligations with respect to the Notes upon a Change of Control Triggering Event." The provisions of the Indenture relevant to the Issuer's or the Parent Guarantor's obligation to make an Offer to Purchase the Notes as a result of a Change of Control Triggering Event may be waived or modified with the written consent of Holders of at least a majority in aggregate principal amount then outstanding.

Except as described above with respect to a Change of Control Triggering Event, the Indenture does not contain provisions that permit the Holders to require that the Issuer or the Parent Guarantor purchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

Additional Amounts

All payments of principal of, premium (if any) and interest on the Notes and all payments under the Note Guarantee will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or within Peru, any jurisdiction from or through which payment on the notes is made or any jurisdiction in which the Issuer or any applicable Guarantor is organized or resident for tax purposes (or any political subdivision or taxing authority thereof or therein) (each, as applicable, a "Relevant Jurisdiction"), unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In the event that any such withholding or deduction is so required, the Issuer or the applicable Guarantor, as the case may be, will make such deduction or withholding, make payment of the amount so withheld to the appropriate governmental authority and will pay such additional amounts ("Additional Amounts") as will result in receipt by the Holders of such amounts as would have been received by the Holders had no such withholding or deduction been required, except that no Additional Amounts will be payable:

I. for or on account of:

A. any tax, duty, assessment or other governmental charge that would not have been imposed but for:

1. the existence of any present or former connection between the Holder or beneficial owner of such Note or Note Guarantee, as the case may be, and the Relevant Jurisdiction, including, without limitation, such Holder or beneficial owner being or having been a citizen or resident of such Relevant Jurisdiction or treated as a resident thereof or being or having been physically present or engaged in a trade or business therein or having or having had a permanent establishment therein, other than merely holding such Note or the receipt of payments thereunder or under the Note Guarantee;

2. the presentation of such Note (where presentation is required) more than 30 days after the later of the date on which the payment of the principal of, premium, if any, or interest on, such Note became due and payable pursuant to the terms thereof or was made or duly provided for, except to the extent that the Holder thereof would have been entitled to such Additional Amounts if it had presented such Note for payment on any day within such 30-day period;

3. the failure of the Holder or beneficial owner to comply with a timely request of the Issuer or any Guarantor addressed to the Holder or beneficial owner, as the case may be, to provide information concerning such Holder's or beneficial owner's nationality, residence, identity or connection with any Relevant Jurisdiction, if and to the extent that due and timely compliance with such request under applicable law, regulation, administrative practice or treaty would have reduced or eliminated any withholding or deduction as to which Additional Amounts would have otherwise been payable to such Holder; or

4. the presentation of such Note (where presentation is required) for payment in the Relevant Jurisdiction, unless such Note could not have been presented for payment elsewhere;

B. any estate, inheritance, gift, sale, transfer, excise or personal property or similar tax, assessment or other governmental charge;

C. any tax, assessment or other governmental charge that is payable otherwise than by withholding or deduction from payments of principal, premium (if any) or interest on the Notes;

D. any tax, assessment or other governmental charge required to be withheld by any paying agent from any payment of principal, premium (if any) or interest on the Note, if such tax, assessment or other governmental charge results from the presentation of such Note for payment (where presentation is required) and the payment can be made without such withholding or deduction by the presentation of such Note for payment to at least one other paying agent; or

E. any combination of taxes, duties, assessments or other governmental charges referred to in the preceding clauses (A), (B), (C) and (D); or

II. with respect to any payment of the principal of, or premium, if any, or interest on, such Note or any payment under any Note Guarantee to a Holder, if the Holder is a fiduciary, partnership or person other than the sole beneficial owner of such payment to the extent that such payment would be required to be included in the income under the laws of a Relevant Jurisdiction, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, or a member of that partnership or another beneficial owner who would not have been entitled to such Additional Amounts had that beneficiary, settlor, partner, or beneficial owner been the Holder thereof.

Whenever there is mentioned in any context the payment of principal of, and any premium or interest on, any Note or under any Note Guarantee, such mention will be deemed to include payment of Additional Amounts provided for in the Indenture to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The Issuer intends to withhold Peruvian taxes from interest payments on the Notes at a rate of 4.99% and to pay Additional Amounts, subject to the conditions above, with respect thereto for so long as the Notes are held through DTC or its nominee. See "Taxation—Peruvian Income Taxation."

The Issuer will promptly furnish to the Trustee either certified copies of tax receipts evidencing the payment of any taxes so deducted or withheld pursuant to applicable law by the Issuer, or, if such receipts are not obtainable, other evidence of such payments by the Issuer reasonably satisfactory to the Trustee.

Redemption for Taxation Reasons

The Notes may be redeemed, at the option of the Issuer, as a whole but not in part, upon giving not less than 30 days' nor more than 60 days' notice to the Holders (which notice will be irrevocable), at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest (including any Additional Amounts), if any, to (but not including) the redemption date if, as a result of:

1. any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of a Relevant Jurisdiction affecting taxation; or

2. any change in, or amendment to, the official application or interpretation of such laws, regulations or rulings (including without limitation a holding, judgment or order by a court of competent jurisdiction or other governmental authority),

which change or amendment becomes effective (i) with respect to the Issuer or any applicable Guarantor, on or after the Issue Date and (ii) with respect to any successor of the Issuer or any applicable Guarantor, wherein any successor assumes the obligations of the Notes or the Note Guarantee, as the case may be, and the Indenture following a merger, consolidation or transfer, lease or conveyance of substantially all of the predecessor's assets (each a "Surviving Person"), on or after the day such Surviving Person becomes a Surviving Person, with respect to any payment due or to become due under the Notes, the Indenture or the Note Guarantee, and the Issuer or any applicable Guarantor, as the case may be, is, or on the next Interest Payment Date would be, required to pay Additional Amounts with respect to taxes of Peru or Cyprus at a rate in excess of 30% in the aggregate, and such requirement cannot be avoided by the Issuer or any applicable Guarantor, as the case may be, taking reasonable measures available to it; *provided* that for the avoidance of doubt changing the jurisdiction of the Issuer or any applicable Guarantor is not a reasonable measure for the purposes of this section; and provided further that no such notice of redemption will be given earlier than 30 days prior to the earliest date on which the Issuer or any applicable Guarantor, as the case may be, would be obligated to pay such Additional Amounts if a payment in respect of the Notes or the Note Guarantee were then due.

Prior to giving any notice of redemption of the Notes pursuant to the foregoing, the Issuer or any applicable Guarantor, as the case may be, will deliver to the Trustee:

1. an Officers' Certificate stating that such change or amendment referred to in the prior paragraph has occurred, and describing the facts related thereto and stating that such requirement cannot be avoided by the Issuer or the applicable Guarantor, as the case may be, taking reasonable measures available to it; and

2. an Opinion of Counsel or an opinion of a tax consultant, each of recognized standing with respect to tax matters in the Relevant Jurisdiction, as the case may be, stating that the requirement to pay such Additional Amounts results from such change or amendment referred to in the prior paragraph.

Such certificate and opinion shall constitute sufficient evidence of the satisfaction of the conditions precedent described above, in which event it will be conclusive and binding on the Holders. The notice of redemption, once delivered to the Holders, will be irrevocable.

Any Notes that are redeemed will be cancelled.

Mandatory Redemption or Sinking Fund

There will be no mandatory redemption or sinking fund payments for the Notes.

Certain Covenants

Pursuant to the Indenture, the Issuer, the Parent Guarantor and each of the Subsidiary Guarantors will agree to certain restrictive covenants.

During any period of time that (i) the Notes have Investment Grade ratings from two Rating Agencies and (ii) no payment default or Event of Default has occurred and is continuing (the occurrence of the events described in the foregoing clauses (i) and (ii) being collectively referred to as a "Covenant Suspension Event"), the Issuer, the Parent Guarantor and its Restricted Subsidiaries will not be subject to the following provisions (collectively, the "Suspended Covenants") of the Indenture:

- "—Limitation on Indebtedness and Disqualified Stock;"
- "—Limitation on Restricted Payments;"
- "—Limitation on Asset Sales;"
- "—Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries;"
- "—Limitation on Issuances of Guarantees by Restricted Subsidiaries;"
- "—Limitation on Transactions with Affiliates;"
- "—Limitation on Business Activities;" and
- "—Maintenance of Insurance."

In the event that the Issuer, the Parent Guarantor and its Restricted Subsidiaries are not subject to the Suspended Covenants for any period of time as a result of the foregoing, and on any subsequent date (the "Downgrade Date") one of the Rating Agencies withdraws its Investment Grade rating or downgrades its rating assigned to the Notes below an Investment Grade rating and as a result the Notes have an Investment Grade rating from fewer than two Rating Agencies for a period lasting more than 90 days after the Downgrade Date (such 90th day, the "Reversion Date"), then the Issuer, Parent Guarantor and its Restricted Subsidiaries will from the Reversion Date again be subject to the Suspended Covenants. The period of time between the Suspension Date and the Reversion Date is referred to as the "Suspension Period." Notwithstanding that the Suspended Covenants may be reinstated, no Default or Event of Default will be deemed to have occurred as a result of a failure to comply with the Suspended Covenants during the Suspension Period (or upon termination of the Suspension Period or after that time based solely on events that occurred during the Suspension Period). During the Suspension Period, the Issuer will not be entitled to make any designation of Restricted and Unrestricted Securities.

On the Reversion Date, all Indebtedness incurred during the Suspension Period will be classified to have been incurred pursuant to clause (I) of "—Limitation on Indebtedness and Disqualified Stock" below or one of the clauses set forth in clause (II) of "—Limitation on Indebtedness and Disqualified Stock" below (to the extent such Indebtedness would be permitted to be incurred thereunder as of the Reversion Date and after giving effect to Indebtedness incurred prior to the Suspension Period and outstanding on the Reversion Date). To the extent such Indebtedness would not be so permitted to be incurred pursuant to clause (a) or (b) of "—Limitation on Indebtedness and Disqualified Stock," such Indebtedness will be deemed to have been outstanding on the Issue Date, so that it is classified as permitted under sub-clause (ii) of clause (II) of "—Limitation on Indebtedness and Disqualified Stock." Calculations made after the Reversion Date of the amount available to be made as Restricted Payments under "— Limitation on Restricted Payments" will be made as though the covenant described under "—Limitation on Restricted Payments" had been in effect since the Issue Date and throughout the Suspension Period. Accordingly, Restricted Payments made during the Suspension Period will reduce the amount available to be made as Restricted Payments under the first paragraph of "—Limitation on Restricted Payments."

The Issuer shall give the Trustee written notice of any Covenant Suspension Event and in any event not later than five (5) Business Days after such Covenant Suspension Event has occurred. In the absence of such notice, the Trustee shall assume the Suspended Covenants apply and are in full force and effect. The Issuer shall give the Trustee written notice of any occurrence of a Reversion Date not later than five (5) Business Days after such Reversion Date. After receipt of any such notice of the occurrence of a Reversion Date, the Trustee shall assume the Suspended Covenants apply and are in full force and effect.

Limitation on Indebtedness and Disqualified Stock

I. The Parent Guarantor will not, and will not permit any of its Restricted Subsidiaries to, Incur any Indebtedness (including Acquired Indebtedness) or Disqualified Stock; *provided* that the Parent Guarantor, the Issuer and any Subsidiary Guarantor may Incur Indebtedness (including Acquired Indebtedness) if, immediately after giving effect on a pro forma basis to the Incurrence of such Indebtedness and the receipt and application of the proceeds therefrom, the Consolidated Leverage Ratio of the Parent Guarantor is less than 3.50 to 1.0.

II. Notwithstanding the foregoing, the Parent Guarantor, the Issuer, any Subsidiary Guarantor and, solely to the extent expressly provided below, any Non-Guarantor Subsidiary, may Incur each and all of the following ("Permitted Indebtedness"):

(i) Indebtedness under the Notes (excluding any Additional Notes) and the Note Guarantee;

(ii) Indebtedness of the Parent Guarantor, the Issuer, any Subsidiary Guarantor or any Non-Guarantor Subsidiary outstanding on the Issue Date, excluding short-term indebtedness that would be eligible to be incurred pursuant to clause (xii) below;

(iii) Indebtedness of the Parent Guarantor, the Issuer, any Subsidiary Guarantor or any Non-Guarantor Subsidiary owed to the Parent Guarantor or any Restricted Subsidiary; *provided* that (i) any event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any subsequent transfer of such Indebtedness (other than to the Parent Guarantor or any Restricted Subsidiary) will be deemed, in each case, to constitute an Incurrence of such Indebtedness not permitted by this clause (iii) and (ii) if the Issuer, the Parent Guarantor or any Subsidiary Guarantor is the obligor on such Indebtedness and the obligee is not the Issuer or a Guarantor, such Indebtedness must expressly be subordinated in right of payment to the Notes and Note Guarantee;

(iv) Indebtedness ("Permitted Refinancing Indebtedness") issued in exchange for, or the net proceeds of which are used to refinance or refund, then outstanding Indebtedness Incurred under the immediately preceding paragraph or clauses (i) or (ii) of this paragraph II and any refinancings thereof in an amount not to exceed the amount so refinanced or refunded (plus premiums, accrued interest, fees and expenses); *provided* that (i) Indebtedness the proceeds of which are used to refinance or refund the Notes or Indebtedness that is pari passu with, or subordinated in right of payment to, the Notes or Note Guarantee shall only be permitted under this clause (iv) if (x) in case the Notes are refinanced in part or the Indebtedness to be refinanced is pari passu with the Notes or Note Guarantee, such new Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which such new Indebtedness is outstanding, is expressly made pari passu with, or subordinated in right of payment to, the remaining Notes or such Note Guarantee, or (y) in case the Indebtedness to be refinanced is subordinated in right of payment to the Notes or Note Guarantee, such new Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which such new Indebtedness is issued or remains outstanding, is expressly made subordinate in right of payment to the Notes or such Note Guarantee at least to the extent that the Indebtedness to be refinanced is subordinated to the Notes or such Note Guarantee, (ii) such new Indebtedness, determined as of the date of Incurrence of such new Indebtedness, does not have a Stated Maturity prior to the Stated Maturity of the Indebtedness to be refinanced or refunded, and the Average Life of such new Indebtedness is at least equal to the remaining Average Life of the Indebtedness to be refinanced or refunded and (iii) in no event may Indebtedness of the Issuer or any Guarantor be refinanced pursuant to this clause by means of any Indebtedness of any Restricted Subsidiary (other than the Issuer) that is not a Guarantor;

(v) Hedging Obligations arising under Commodity Hedging Agreements, Currency Agreements or Interest Rate Agreements which, when entered into, were entered into in the ordinary course of business for the purpose of protecting the Parent Guarantor, the Issuer or any Restricted Subsidiary from fluctuations in interest rates, currency exchange rates or the price of commodities and not for speculation;

(vi) Indebtedness in respect of any obligations under workers' compensation claims, severance payment obligations, payment obligations in connection with health or other types of social security benefits, unemployment or other insurance or self-insurance obligations, reclamation, statutory obligations, regulatory or other legal obligations, bankers' acceptances, promissory notes, performance, surety or similar bonds, appeal or similar bonds, letters of credit or completion or performance guarantees and factoring and other financing of payables or receivables, or similar obligations in the ordinary course of business;

(vii) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business; *provided* that such Indebtedness is extinguished within five (5) Business Days of its Incurrence;

(viii) Indebtedness arising under agreements providing for indemnification, adjustment of purchase price or similar obligations, in each case Incurred or assumed in connection with the acquisition or disposition of a business, assets or Capital Stock of a Restricted Subsidiary; *provided* that, in the case of a disposition, the maximum aggregate liability in respect of such Indebtedness will at no time exceed the gross proceeds actually received by the Parent Guarantor, the Issuer or such Restricted Subsidiary in connection with such disposition;

(ix) Acquired Indebtedness; *provided* that immediately after giving effect on a pro forma basis to the Incurrence of such Indebtedness and the receipt and application of the proceeds therefrom, the Consolidated Leverage Ratio would be not greater than the Consolidated Leverage Ratio determined immediately before such Incurrence and the consummation of the related acquisition;

(x) Permitted Subsidiary Indebtedness;

(xi) Guarantees of any Indebtedness permitted to be Incurred under this "Limitation on Indebtedness and Disqualified Stock" covenant;

(xii) Indebtedness Incurred by the Issuer, the Parent Guarantor or any Subsidiary Guarantor for inventory or receivables financing in the ordinary course of business with a Stated Maturity not exceeding one year from the date of the Incurrence in an aggregate principal amount outstanding not to exceed 25.0% of the consolidated net sales of the Parent Guarantor and its Restricted Subsidiaries, calculated in accordance with IFRS, for the twelve-month period ended on the last day of the most recent fiscal quarter ending prior to the date of such Incurrence; and

(xiii) Other Indebtedness Incurred by the Issuer, the Parent Guarantor or any Subsidiary Guarantor, in an aggregate principal amount, together with any other outstanding Indebtedness Incurred by the Issuer, the Parent Guarantor or any Subsidiary Guarantor since the Issue Date of the Notes, not to exceed the greater of (a) U.S.$65.0 million (or the Dollar Equivalent thereof) and (b) 10.0% of the Parent Guarantor's Consolidated Net Tangible Assets at any time outstanding.

For purposes of determining compliance with this "Limitation on Indebtedness and Disqualified Stock" covenant, in the event that an item of Indebtedness meets the criteria of more than one of the types of Indebtedness described above, including under the provision in the first paragraph of this covenant, the Parent Guarantor will be permitted to classify such item of Indebtedness on the date of its incurrence and may, in its sole discretion, divide and classify an item of Indebtedness in one or more of the types of Indebtedness and may later re-divide or reclassify all or a portion of such item of Indebtedness in any manner that complies with this covenant at such time. Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that may be Incurred pursuant to this covenant shall not be deemed to be exceeded as a result solely of fluctuations in exchange rates or currency values after the date of Incurrence of such Indebtedness. It is further understood that for purposes of determining any particular amount of Indebtedness under paragraphs (a) and (b) above, guarantees of (or obligations with respect to letters of credit supporting) Indebtedness otherwise included in the determination of such amount shall not also be included. Accrual of interest, accrual of dividends, payment of interest in the form of additional Indebtedness, payment of dividends in the form of shares of Preferred Stock, accretion or amortization of original issue discount will not be deemed to be an Incurrence of Indebtedness for purposes of the "—Limitation on Indebtedness and Disqualified Stock" covenant.

Limitation on Restricted Payments

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly (the payments or any other actions described in clauses (i) through (iv) below being collectively referred to as "Restricted Payments"):

(i) declare or pay any dividend or make any distribution on or with respect to the Parent Guarantor's or any Restricted Subsidiary's Capital Stock other than dividends or distributions payable in shares of the Parent Guarantor's or any Restricted Subsidiary's Capital Stock (other than Disqualified Stock) or in options, warrants or other rights to acquire shares of such Capital Stock;

(ii) purchase, redeem, retire or otherwise acquire for value any shares of Capital Stock of the Parent Guarantor or any Restricted Subsidiary (including options, warrants or other rights to acquire such shares of Capital Stock) held by any Persons other than the Parent Guarantor, the Issuer or any Restricted Subsidiary;

(iii) make any voluntary or optional principal payment, or voluntary or optional redemption, repurchase, defeasance, or other acquisition or retirement for value, of Indebtedness that is expressly subordinated in right of payment to the Notes or any Note Guarantee (excluding any intercompany Indebtedness between or among the Parent Guarantor, the Issuer and any Restricted Subsidiary); or

(iv) make any Investment, other than a Permitted Investment;

(v) if, at the time of, and after giving effect to, the proposed Restricted Payment:

1. a Default has occurred and is continuing or would occur as a result of such Restricted Payment;

2. the Parent Guarantor could not Incur at least U.S.$1.00 of Indebtedness under the provision in the first paragraph of the covenant under the caption "—Limitation on Indebtedness and Disqualified Stock;" or

3. such Restricted Payment, together with the aggregate amount of all Restricted Payments declared or made by the Parent Guarantor and its Restricted Subsidiaries after the Issue Date, (excluding Restricted Payments permitted by clauses (2), (3) and (6) of the succeeding paragraph) will exceed the sum of:

I. 50% of the aggregate amount of the Consolidated Net Income of the Parent Guarantor (or, if the Consolidated Net Income is a loss, minus 100% of the amount of such loss) accrued on a cumulative basis during the period (taken as one accounting period) beginning on the first day of the fiscal quarter immediately preceding the Issue Date and ending on the last day of the Parent Guarantor's most recently ended fiscal quarter for which consolidated financial statements of the Parent Guarantor are available and have been provided to the Trustee at the time of such Restricted Payment; *plus*

II. 100% of the aggregate Net Cash Proceeds received by the Parent Guarantor, the Issuer or any Restricted Subsidiary after the Issue Date as a capital contribution to its common equity by, or from the issuance and sale of its Capital Stock (other than Disqualified Stock) to, a Person who is not a Subsidiary of the Parent Guarantor, the Issuer or any Restricted Subsidiary, including any such Net Cash Proceeds received upon (x) the conversion of any Indebtedness (other than Subordinated Indebtedness) of the Parent Guarantor into Capital Stock (other than Disqualified Stock) of the Parent Guarantor, the Issuer or any Restricted Subsidiary, or (y) the exercise by a Person who is not a Subsidiary of the Parent Guarantor of any options, warrants or other rights to acquire Capital Stock of the Parent Guarantor (other than Disqualified Stock), in each case after deducting the amount of any such Net Cash Proceeds used to redeem, repurchase, defease or otherwise acquire or retire for value any Subordinated Indebtedness or Capital Stock of the Parent Guarantor, the Issuer or any Restricted Subsidiary; *plus*

III. an amount equal to the net reduction in Investments (other than reductions in Permitted Investments) that were made after the Issue Date in any Person resulting from (a) repurchases or redemptions of such Investments by such Person, proceeds realized upon the sale or other disposition and such Investments, releases of Guarantees, payments of interest on Indebtedness, dividends or repayments of loans or advances by such Person, in each case to the Parent Guarantor or any Restricted Subsidiary (except, in each case, to the extent any such payment or proceeds are included in the calculation of Consolidated Net Income), or (b) from redesignations of Unrestricted Subsidiaries as Restricted Subsidiaries, not to exceed, in each case, the amount of Investments made by the Parent Guarantor or a Restricted Subsidiary after the Issue Date in any such Person; *plus*

IV. the amount by which Indebtedness is reduced on the consolidated balance sheet of the Parent Guarantor upon the conversion or exchange subsequent to the Issue Date of any Indebtedness of the Parent Guarantor, the Issuer or any Restricted Subsidiary for Capital Stock (other than Disqualified Stock); *plus*

V. U.S.$30.0 million.

The foregoing provision will not be violated by reason of:

1. the payment of any dividend or redemption of any Capital Stock within 60 days after the related date of declaration or call for redemption if, at said date of declaration or call for redemption, such payment or redemption would comply with the preceding paragraph;

2. the redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Indebtedness of the Parent Guarantor, the Issuer or any of the Restricted Subsidiary with the Net Cash Proceeds of, or in exchange for, a substantially concurrent Incurrence of Permitted Refinancing Indebtedness;

3. any Restricted Payment made in exchange for, or out of the Net Cash Proceeds of, a substantially concurrent capital contribution or sale (other than a capital contribution by or sale to the Parent Guarantor or to a Subsidiary of the Parent Guarantor) of, shares of Capital Stock (other than Disqualified Stock) of the Parent Guarantor, the Issuer or any of the Restricted Subsidiaries (or options, warrants or other rights to acquire such Capital Stock); *provided* that the amount of any such Net Cash Proceeds that are utilized for any such Restricted Payment will be excluded from clause (C)(2) of the preceding paragraph;

4. the payment of any dividends or distributions declared, paid or made by a Restricted Subsidiary payable, on a pro rata basis or on a basis more favorable to the Parent Guarantor to all holders of any class of Capital Stock of such Restricted Subsidiary;

5. purchases deemed to occur as a result of cashless exercises of stock options or other payments under employee benefit plans of the Parent Guarantor or any Restricted Subsidiary; and

6. other Restricted Payments in an aggregate amount (together with all other Restricted Payments made pursuant to this clause (6)) not to exceed U.S.$20 million per year and US$40.0 million in the aggregate (or, in each case, the Dollar Equivalent thereof) since the Issue Date; *provided* that no Default shall have occurred and be continuing or would occur as a consequence of the relevant payment;

The amount of any Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the assets or securities proposed to be transferred or issued by the Parent Guarantor or the Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The value of any assets or securities that are required to be valued by this covenant will be the Fair Market Value. The Board of Directors' determination of the Fair Market Value of a Restricted Payment or any such assets or securities must be based upon an opinion or appraisal issued by an accounting, appraisal or investment banking firm of recognized standing.

Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

I. Except as provided below, the Parent Guarantor will not, and will not permit any Restricted Subsidiary to, create or otherwise cause or permit to exist or become effective any encumbrance or restriction on the ability of any Restricted Subsidiary to:

   (i) pay dividends or make any other distributions on any Capital Stock of such Restricted Subsidiary owned by the Parent Guarantor or any other Restricted Subsidiary;

   (ii) pay any Indebtedness owed to the Parent Guarantor or any other Restricted Subsidiary;

   (iii) make loans or advances to the Parent Guarantor or any other Restricted Subsidiary;

   (iv) sell, lease or transfer any of its property or assets to the Parent Guarantor or any Restricted Subsidiary.

II. The provisions of paragraph (I) do not apply to any encumbrances or restrictions:

   (i) existing in agreements as in effect on the Issue Date, in the Notes, the Note Guarantee, or the Indenture, and any extensions, refinancings, supplements, amendments, renewals or replacements of any of the foregoing agreements; *provided* that the encumbrances and restrictions in any such extension, refinancing, renewal or replacement, taken as a whole, are no less favorable in any material respect to the Holders than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, supplemented, amended, renewed or replaced;

   (ii) existing under or by reason of applicable law, rule, regulation, license, concession, approval, decree or order applicable to the relevant Restricted Subsidiary;

   (iii) resulting from restrictions on cash or other deposits or other customary requirements imposed by customers or suppliers under contracts entered into in the ordinary course of business;

   (iv) existing with respect to any Person or the property or assets of such Person, or relating to or existing under any Indebtedness or other obligations acquired or incurred by the Parent Guarantor or any Restricted Subsidiary, at the time of such acquisition and not incurred in contemplation thereof, which encumbrances or restrictions are not applicable to any Person or the property or assets of any Person other than such Person or the property or assets of such Person so acquired, and any extensions, refinancings, supplements, amendments, renewals or replacements thereof; *provided* that the encumbrances and restrictions in any such extension, refinancing, renewal or replacement, taken as a whole, are not materially less favorable to the Holders than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, supplemented, amended, renewed or replaced;

(v) that (x) otherwise would be prohibited by the provision described in clause (I)(iv) of this covenant if they arise or are agreed to in the ordinary course of business, (y) (i) restrict in a customary manner the subletting, assignment or other transfer of any property or asset that is subject to a lease or license, (ii) exist by virtue of any Indebtedness, Lien, agreement to transfer, option or similar right with respect to any property or assets of the Parent Guarantor or any Restricted Subsidiary not otherwise prohibited by the Indenture or (iii) do not relate to any Indebtedness, or (z) do not, individually or in the aggregate, detract from the value of property or assets of the Parent Guarantor or any Restricted Subsidiary in any manner material to the Parent Guarantor or its Restricted Subsidiaries taken as a whole;

(vi) contained in any agreement pursuant to which Indebtedness not otherwise prohibited by this Indenture was Incurred; *provided* that the encumbrance or restriction applies only in the event of a default with respect to a covenant contained in such Indebtedness; or

(vii) imposed pursuant to an agreement that has been entered into for a sale or disposition that is permitted by the "—Limitation on Asset Sales" covenant.

Limitation on Issuances of Guarantees by Restricted Subsidiaries

The Parent Guarantor will not permit any Restricted Subsidiary (other than the Issuer) which is not a Subsidiary Guarantor, directly or indirectly, to Guarantee any Indebtedness ("Guaranteed Indebtedness") of the Parent Guarantor or any other Subsidiary, unless (1) (a) such Restricted Subsidiary, simultaneously executes and delivers a supplemental indenture to the Indenture providing for an unsubordinated Subsidiary Guarantee of payment of the Notes by such Restricted Subsidiary and (b) such Restricted Subsidiary waives and will not in any manner whatsoever claim or take the benefit or advantage of, any rights of reimbursement, indemnity or subrogation or any other rights against the Parent Guarantor or any other Restricted Subsidiary as a result of any payment by such Restricted Subsidiary under its Subsidiary Guarantee until the Notes have been paid in full or (2) such Guarantee and such Guaranteed Indebtedness are permitted by clauses (II) (ii), (iii) or (x) of the "—Limitation on Indebtedness and Disqualified Stock" covenant. Under the Indenture, and any supplemental indenture, as applicable, each Subsidiary Guarantee will be limited in an amount not to exceed the maximum amount that can be guaranteed by the applicable Subsidiary Guarantor without rendering the Subsidiary Guarantee, as it relates to such Subsidiary Guarantor, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally.

If the Guaranteed Indebtedness (A) ranks pari passu in right of payment with the Notes or any Subsidiary Guarantee, then the Guarantee of such Guaranteed Indebtedness shall rank pari passu in right of payment with, or subordinated to, the Subsidiary Guarantee or (B) is subordinated in right of payment to the Notes or any Subsidiary Guarantee, then the Guarantee of such Guaranteed Indebtedness shall be subordinated in right of payment to the Subsidiary Guarantee at least to the extent that the Guaranteed Indebtedness is subordinated to the Notes or the Subsidiary Guarantee.

Any Subsidiary Guarantee executed and delivered pursuant to the first paragraph of this covenant may provide that it shall automatically terminate upon the sale, exchange or transfer of all Capital Stock of the relevant Subsidiary Guarantor held by the Parent Guarantor or any Restricted Subsidiary, or all or substantially all the assets of such Subsidiary Guarantor, to a Person or Persons other than the Parent Guarantor or any Restricted Subsidiary. Any Subsidiary Guarantee executed and delivered pursuant to the first paragraph of this covenant may further provide that it shall automatically terminate upon termination of any and all obligations of the Subsidiary Guarantor under the Guarantee of the relevant Guaranteed Indebtedness.

Limitation on Transactions with Affiliates

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, enter into, renew or extend any transaction or arrangement (including, without limitation, the purchase, sale, lease or exchange of property or assets, or the rendering of any service) with any Affiliate of the Parent Guarantor or any Restricted Subsidiary (each an "Affiliate Transaction"), unless:

1. the Affiliate Transaction is on terms that are not materially less favorable to the Parent Guarantor or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Parent Guarantor

or the relevant Restricted Subsidiary with a Person that is not an Affiliate of the Parent Guarantor or such Restricted Subsidiary; and

2. the Parent Guarantor delivers to the Trustee:

   I. with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of U.S.$15 million (or the Dollar Equivalent thereof), a Board Resolution or an approval by the audit committee of the Parent Guarantor set forth in an Officers' Certificate certifying that such Affiliate Transaction complies with this covenant and such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors, or by a majority of the members of the audit committee, as applicable; and

   II. with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of U.S.$30 million (or the Dollar Equivalent thereof), in addition to the Board Resolution required in clause (2)(I) above, an opinion as to the fairness to the Parent Guarantor or such Restricted Subsidiary of such Affiliate Transaction from a financial point of view issued by an internationally recognized accounting, appraisal or investment banking firm; *provided* that the Parent Guarantor will not be required to obtain the fairness opinion set forth in this clause (ii) while at least 25% of the equity securities of the Parent Guarantor at such time is registered with the SEC and listed on the New York Stock Exchange or on the NASDAQ, directly or in the form of American Depositary Receipts.

The foregoing limitation does not limit, and will not apply to:

(i) the payment of reasonable fees, compensation, benefits or indemnity to officers, employees and directors of the Parent Guarantor or any of its Restricted Subsidiaries;

(ii) transactions between or among the Parent Guarantor, the Issuer and any Restricted Subsidiary or between or among Restricted Subsidiaries;

(iii) any Restricted Payment permitted by the covenant "—Limitation on Restricted Payments;"

(iv) transactions with customers, clients, suppliers, distributors, generators, transporters or purchasers or sellers of goods or services, in each case in the ordinary course of business;

(v) loans and advances to officers, directors and employees of the Parent Guarantor or any Subsidiary in the ordinary course of business in an aggregate principal amount not exceeding U.S.$2.0 million at any time; and

(vi) any issuance of securities, or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, employment agreements and other compensation arrangements, options to purchase Capital Stock, restricted stock plans, long-term incentive plans, stock appreciation rights plans, participation plans or similar employee benefits plans and/or indemnity provided on behalf of officers, directors and employees of the Parent Guarantor or any of its subsidiaries approved by the Board of Directors in an aggregate amount not to exceed U.S.$1.5 million (or the Dollar Equivalent thereof) during any fiscal year, calculated at the time of such award or grant and without giving effect to subsequent changes in value.

Limitation on Liens

The Parent Guarantor will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly incur, assume or permit to exist any Lien of any nature whatsoever on any of its assets or properties of any kind, whether owned at the Issue Date or thereafter acquired securing any Indebtedness, except Permitted Liens, unless the Notes or the Note Guarantee are equally and ratably secured by (or, if the obligation so secured is subordinated in right of payment to the Notes or the Note Guarantee, prior to) such Lien for so long as such Indebtedness is so secured.

Limitation on Asset Sales

The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, consummate any Asset Sale, unless:

1. the consideration received by the Parent Guarantor or such Restricted Subsidiary, as the case may be, is at least equal to the Fair Market Value of the assets sold or disposed of;

2. at least 75% of the consideration received consists of cash or Temporary Cash Investments. For purposes of this provision, each of the following will be deemed to be cash:

    a. any liabilities, as shown on the Parent Guarantor's most recent consolidated balance sheet, of the Parent Guarantor or any Restricted Subsidiary that are assumed by the transferee of any such assets pursuant to a customary assumption, assignment, novation or similar agreement that releases the Parent Guarantor or such Restricted Subsidiary from further liability;

    b. any securities, notes or other obligations received by the Parent Guarantor or any Restricted Subsidiary from such transferee that are to be converted by the Parent Guarantor or such Restricted Subsidiary into cash within 360 days of closing; and

    c. the Fair Market Value of (i) any assets or rights (including without limitation a present or future interest in raw materials) received by the Parent Guarantor or any Restricted Subsidiary to be used by it in a Permitted Business, (ii) Capital Stock in a Person that is a Restricted Subsidiary or in a Person engaged in a Related Business that shall become a Restricted Subsidiary immediately upon the acquisition of such Person by the Parent Guarantor or any Restricted Subsidiary or (iii) a combination of (i) and (ii).

3. Within 360 days after the receipt of any Net Cash Proceeds from an Asset Sale, the Parent Guarantor (or the applicable Restricted Subsidiary, as the case may be) may apply such Net Cash Proceeds to:

    a. permanently repay Senior Indebtedness of the Parent Guarantor or a Subsidiary Guarantor or any Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor (and, if such Senior Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto) in each case owing to a Person other than the Parent Guarantor or a Restricted Subsidiary; and/or

    b. acquire properties or other assets that replace the properties and assets that were the subject of such Asset Sale or other properties or assets that will be used or useful in a Permitted Business ("Replacement Assets").

Any Net Cash Proceeds from Asset Sales that are not applied or invested (or irrevocably committed to be invested) as provided in clauses (1) and (2) in the paragraph above will constitute "Excess Proceeds." Excess Proceeds of less than U.S.$15.0 million (or the Dollar Equivalent thereof) will be carried forward and accumulated. When accumulated Excess Proceeds exceed U.S.$15.0 million (or the Dollar Equivalent thereof), within 30 days thereof, the Issuer must make an Offer to Purchase Notes having a principal amount equal to:

1. accumulated Excess Proceeds, multiplied by;

2. a fraction (x) the numerator of which is equal to the outstanding principal amount of the Notes and (y) the denominator of which is equal to the outstanding principal amount of the Notes and all *pari passu* Indebtedness similarly required to be repaid, redeemed or tendered for in connection with the Asset Sale, rounded down to the nearest U.S.$1,000.

The offer price in any Offer to Purchase will be equal to 100% of the principal amount plus accrued and unpaid interest, if any, to (but not including) the date of purchase, and will be payable in cash.

If any Excess Proceeds remain after consummation of an Offer to Purchase, the Parent Guarantor may use those Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes (and any other *pari passu* Indebtedness) tendered in such Offer to Purchase exceeds the amount of Excess Proceeds, the Issuer shall allocate the Excess Proceeds among the Notes and such other *pari passu* Indebtedness to be purchased on a pro rata basis on the basis of the aggregate principal amount of tendered Notes and *pari passu* Indebtedness. Upon completion of each Offer to Purchase, the amount of Excess Proceeds will be reset at zero.

The Issuer will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other applicable securities laws or regulations in connection with the repurchase of Notes pursuant to this covenant. To the extent that the provisions of any applicable securities laws or regulations conflict with provisions of this covenant, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue thereof.

Limitation on Business Activities

The Parent Guarantor and its Restricted Subsidiaries, taken as a whole, will continue to be primarily engaged in Permitted Businesses; *provided* that the Parent Guarantor or any Restricted Subsidiary may own Capital Stock of an Unrestricted Subsidiary or joint venture or other entity that is engaged in a business other than Permitted Businesses as long as any Investment therein was not prohibited when made by the covenant under the caption "— Limitation on Restricted Payments."

Maintenance of Insurance

The Parent Guarantor will cause all properties used or useful in the conduct of its business or the business of any of its Restricted Subsidiaries to be maintained and kept in good condition, repair and working order as in the judgment of the Parent Guarantor may be necessary so that the business of the Parent Guarantor and its Restricted Subsidiaries may be properly conducted at all times except to the extent the failure to do so would not have a material adverse effect on the business and results of operations of the Parent Guarantor and its Restricted Subsidiaries taken as a whole; *provided* that nothing in this section prevents the Parent Guarantor or any Restricted Subsidiary from discontinuing the use, operation or maintenance of any of such properties or disposing of any of them, if such discontinuance or disposal is, in the judgment of the Parent Guarantor, desirable in the conduct of the business of the Parent Guarantor or any of its Restricted Subsidiaries. The Parent Guarantor will, and will cause its Restricted Subsidiaries to, maintain property and casualty insurance or self-insurance with respect to its material operating assets against such risks and in such amounts as in the judgment of the Parent Guarantor is reasonable and appropriate for similarly-situated businesses.

Designation of Restricted and Unrestricted Subsidiaries

The Board of Directors may designate any Restricted Subsidiary to be an Unrestricted Subsidiary; *provided* that (i) such designation would not cause a Default and (ii) one of the following: (a) the Subsidiary to be so designated has total assets of U.S.$1,000 or less or (b) if such Subsidiary has total assets greater than U.S.$1,000, the Issuer would be permitted under the covenant described under "—Limitation on Restricted Payments" to make a Restricted Payment in the amount equal to the aggregate Fair Market Value of all Investments by the Parent Guarantor, the Issuer or any Restricted Subsidiary in such Subsidiary.

The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided* that (i) such designation will not cause or result in a Default; (ii) any Indebtedness of such Unrestricted Subsidiary outstanding at the time of such designation which will be deemed to have been Incurred by such newly-designated Restricted Subsidiary as a result of such designation would be permitted to be Incurred by the covenant described under the caption "—Limitation on Indebtedness and Disqualified Stock;" (iii) any Lien on the property of such Unrestricted Subsidiary at the time of such designation which will be deemed to have been incurred by such newly-designated Restricted Subsidiary as a result of such designation would be permitted to be incurred by the covenant described under the caption "—Limitation on Liens;" and (iv) such Unrestricted Subsidiary is not a Subsidiary of another Unrestricted Subsidiary (that is not concurrently being designated as a Restricted Subsidiary).

Government Approvals and Licenses; Compliance with Law

The Parent Guarantor will, and will cause each Restricted Subsidiary to, (i) obtain and maintain in full force and effect all governmental approvals, authorizations, consents, permits, concessions and licenses as are necessary to engage in the Permitted Businesses, *provided* that nothing in this section prevents the Parent Guarantor or any Restricted Subsidiary from discontinuing any approvals, authorizations, consents, permits, concessions or licenses if such discontinuance is, in the judgment of the Parent Guarantor, desirable in the conduct of the business of the Parent Guarantor or any of its Restricted Subsidiaries and (ii) comply with all laws, regulations, orders, judgments and decrees of any governmental body, except in each case to the extent that failure so to obtain, maintain and comply would not have a material adverse effect on the business and results of operations of the Parent Guarantor and its Restricted Subsidiaries taken as a whole.

Provision of Financial Statements and Reports

a. So long as any of the Notes remain outstanding, the Parent Guarantor will make available in the English language on its website, and will also file with the Trustee:

    i. within 120 calendar days after the end of the fiscal year of the Parent Guarantor, copies of its consolidated financial statements in respect of such fiscal year (including a statement of income, balance sheet and cash flow statement), audited by a member firm of an internationally-recognized firm of independent accountants; and

ii. within 60 calendar days after the end of each of the first three fiscal quarters of the Parent Guarantor, copies of its unaudited financial statements (on a consolidated basis), including a statement of income, balance sheet and cash flow statement, prepared on a basis consistent with the audited financial statements of the Parent Guarantor.

b. So long as any of the Notes remain outstanding, the Parent Guarantor will provide to the Trustee concurrently with the delivery of consolidated financial statements pursuant to (a)(i) above, an Officers' Certificate stating (A) the Consolidated Leverage Ratio with respect to the four most recent fiscal quarters and showing in reasonable detail the calculation made in respect thereof, including the arithmetic computations of each component of the Consolidated Leverage Ratio and (B) that no Event of Default has occurred and is continuing, or, if an Event of Default has occurred and is continuing, specifying each such Event of Default and the nature and status thereof. The Parent Guarantor will also be obligated to notify the Trustee in writing of any Event of Default that has occurred and is continuing in respect of the performance of any material covenants or agreements under the Indenture within 30 days of the occurrence of such Event of Default specifying the nature and status thereof.

Further, the Issuer and the Parent Guarantor have agreed that, for as long as any Notes are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, during any period in which the Issuer or the Parent Guarantor is neither subject to Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, the Issuer or the Parent Guarantor, as the case may be, shall supply to (i) any Holder or beneficial owner of a Note or (ii) a prospective purchaser of a Note or a beneficial interest therein designated by such Holder or beneficial owner, the information specified in, and meeting the requirements of Rule 144A(d)(4) under the U.S. Securities Act upon the request of any Holder or beneficial owner of a Note.

Events of Default

Each of the following events will be defined as an "Event of Default" in the Indenture:

I. default in the payment of principal of (or premium, if any, on) the Notes when the same becomes due and payable at maturity, upon acceleration, redemption or otherwise;

II. default in the payment of interest (or Additional Amounts, if any) on any Note when the same becomes due and payable, and such default continues for a period of 30 days;

III. default in the performance or breach of the provisions of the covenant described under "— Consolidation, Merger and Sale of Assets;"

IV. default in the performance or breach of the obligations described under the caption "—Repurchase of Notes upon a Change of Control Triggering Event", and such default or breach continues for a period of 30 consecutive days after written notice is received by the Parent Guarantor from the Trustee at the request of the Holders or from the Holders of 25% or more in aggregate principal amount of the outstanding Notes;

V. default in the performance or breach of any other material covenant or agreement in the Indenture (other than a default specified in clause (I), (II) or (III) above) and such default or breach continues for a period of 90 consecutive days after written notice is received by the Parent Guarantor from the Trustee at the written request of the Holders or from the Holders of 25% or more in aggregate principal amount of the outstanding Notes;

VI. default by the Parent Guarantor or any Restricted Subsidiary under any Indebtedness (whether such Indebtedness now exists or is created after the Issue Date) which:

(i) is caused by a failure to pay, at the final scheduled maturity thereof, principal of such Indebtedness and such failure continues following the expiration of any applicable grace period provided in such Indebtedness and such failure has not been cured or waived; or

(ii) results in the acceleration of such Indebtedness prior to its Stated Maturity;

and the principal amount of Indebtedness covered by clause (i) or (ii) at the relevant time, aggregates U.S.$20.0 million (or the Dollar Equivalent thereof) or more;

VII. one or more final judgments or orders for the payment of money are rendered against the Parent Guarantor or any Restricted Subsidiary and are not paid or discharged, and there is a period of 90 consecutive days following entry of the final judgment or order that causes the aggregate amount for all such final judgments or orders outstanding and not paid or discharged against all such Persons to exceed U.S.$20.0 million (or the Dollar Equivalent thereof) (to the extent not covered by insurance or self-insurance) during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect;

VIII. an involuntary case or other proceeding is commenced against the Parent Guarantor, the Issuer or a Subsidiary Guarantor with respect to it or its debts under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect seeking the appointment of a receiver, liquidator, assignee, custodian, bankruptcy, trustee, sequestrator or similar official of the Parent Guarantor, the Issuer or a Subsidiary Guarantor or for all or substantially all of the property and assets of the Parent Guarantor or the Issuer and such involuntary case or other proceeding remains undismissed and unstayed for a period of 90 consecutive days; or an order for relief is entered against the Parent Guarantor, the Issuer or a Subsidiary Guarantor under any applicable bankruptcy, insolvency or other similar law as now or hereafter in effect;

IX. the Parent Guarantor, the Issuer or a Subsidiary Guarantor (A) commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under any such law, (B) consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Parent Guarantor, the Issuer or a Subsidiary Guarantor or for all or substantially all of the property and assets of the Parent Guarantor, the Issuer or a Subsidiary Guarantor or (C) effects any general assignment for the benefit of creditors; or

X. the Parent Guarantor or any Subsidiary Guarantor denies in writing its obligations under its Note Guarantee or, except as permitted by the Indenture, such Note Guarantee is determined to be unenforceable or invalid.

If an Event of Default (other than an Event of Default specified in clause (VIII) or (IX) above) occurs and is continuing under the Indenture, the Trustee or the Holders of at least 25% in aggregate principal amount of the Notes, then outstanding, by written notice to the Issuer (and to the Trustee if such notice is given by the Holders), may, and the Trustee at the written request of such Holders will, declare the principal of, premium, if any, and accrued and unpaid interest on the Notes to be immediately due and payable, subject always to the Trustee having been indemnified and/or provided security to its satisfaction. Upon a declaration of acceleration, such principal of, premium, if any, and accrued and unpaid interest will be immediately due and payable. If an Event of Default set forth in clause (VI) above occurs, such Event of Default shall be automatically rescinded and annulled once the event of default triggering such Event of Default is remedied or cured or is waived by the holders of the relevant Indebtedness; provided, however, that no acceleration of the principal amount of the Notes shall be rescinded or annulled upon the happening of any such events. No such rescission and annulment shall affect any subsequent Event of Default or impair any right consequent thereto. If an Event of Default specified in clause (VIII) or (IX) above occurs with respect to the Parent Guarantor, the Issuer or any Subsidiary Guarantor, the principal of, premium, if any, and accrued and unpaid interest on the Notes then outstanding will automatically become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.

The Holders of at least a majority in principal amount of the outstanding Notes by written notice to the Issuer and to the Trustee, may waive all past defaults and rescind and annul a declaration of acceleration and its consequences if:

(x) all existing Events of Default (other than the nonpayment of the principal of, premium, if any, and interest on the Notes that have become due solely by such declaration of acceleration) have been cured or waived; and

(y) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction.

Upon such waiver, the Default will cease to exist, and any Event of Default arising therefrom will be deemed to have been cured, but no such waiver will extend to any subsequent or other Default or impair any right consequent thereon.

The Holders of at least a majority in aggregate principal amount of the outstanding Notes may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee. However, the Trustee may refuse to follow any direction that conflicts with law or the Indenture, or for which it is not indemnified or offered security to its satisfaction, or that may involve the Trustee in personal liability, or that the Trustee determines in good faith may be unduly prejudicial to the rights of Holders not joining in the giving of such direction and may take any other action it deems proper that is not inconsistent with any such direction received from Holders. A Holder may not institute any proceeding, judicial or otherwise, with respect to the Indenture or the Notes, or for the appointment of a receiver or trustee, or pursue any remedy with respect to the Indenture or the Notes, unless:

1. the Holder has previously given the Trustee written notice of a continuing Event of Default;

2. the Holders of at least 25% in aggregate principal amount of outstanding Notes make a written request to the Trustee to pursue the remedy;

3. such Holder or Holders offer the Trustee security and/or indemnity satisfactory to the Trustee against any loss, costs, liability or expense to be incurred in compliance with such request;

4. the Trustee does not comply with the request within 60 days after receipt of the request and the offer of security and/or indemnity; and

5. during such 60-day period, the Holders of a majority in aggregate principal amount of the outstanding Notes do not give the Trustee a direction that, in the opinion of the Trustee, is inconsistent with such request.

However, such limitations set forth in 1 through 5 above do not apply to the right of any Holder to bring suit for the enforcement of any payment of the principal of, premium, if any, or interest, and Additional Amounts, if any, on, such Note, which contractual right will not be affected without the consent of the Holder.

Consolidation, Merger and Sale of Assets

I. The Parent Guarantor will not consolidate with, merge with or into another Person, permit any Person to merge with or into it, or sell, convey, transfer, lease or otherwise dispose of all or substantially all of its and its Restricted Subsidiaries' properties and assets (computed on a consolidated basis) (as an entirety or substantially an entirety in one transaction or a series of related transactions), unless:

(i) the Parent Guarantor will be the continuing Person, or the Person (if other than it) formed by such consolidation or merger or that acquired or leased such property and assets (the "Parent Guarantor Surviving Person") shall be a corporation organized and validly existing under the laws of the Cyprus, Peru, the United States of America, any state thereof or the District of Columbia or any other country that is a member country of the European Union and will expressly assume or guarantee, by a supplemental indenture to the Indenture, executed and delivered to the Trustee, all the obligations of the Parent Guarantor under the Indenture and the Parent Guarantee, as the case may be, and the Indenture and the Parent Guarantee, as the case may be, will remain in full force and effect;

(ii) immediately after giving effect to such transaction, no Event of Default will have occurred and be continuing;

(iii) immediately after giving effect to such transaction on a *pro forma* basis, the Parent Guarantor or the Parent Guarantor Surviving Person, as the case may be, shall have a Consolidated Net Worth equal to or greater than the Consolidated Net Worth of the Parent Guarantor immediately prior to such transaction; and

(iv) the Parent Guarantor delivers to the Trustee (x) an Officers' Certificate (attaching the arithmetic computations to demonstrate compliance with clause (iii)) and (y) an Opinion of Counsel, in each case stating that such consolidation, merger or transfer and the relevant supplemental indenture (if any) complies with the Indenture.

II. The Issuer will not consolidate with, merge with or into another Person, permit any Person to merge with or into it, or sell, convey, transfer, lease or otherwise dispose of all or substantially all of its and its Restricted Subsidiaries' properties and assets (computed on a consolidated basis) (as an entirety or substantially an entirety in one transaction or a series of related transactions), unless:

(i) the Issuer will be the continuing Person, or the Person (if other than it) formed by such consolidation or merger or that acquired or leased such property and assets (the "Issuer Surviving Person") shall be a corporation organized and validly existing under the laws of Peru, Cyprus, the United States of America, any state thereof or the District of Columbia or any other country that is a member country of the European Union and will expressly assume, by a supplemental indenture to the Indenture, executed and delivered to the Trustee, all the obligations of Issuer under the Indenture and the Notes, and the Indenture and the Notes will remain in full force and effect;

(ii) immediately after giving effect to such transaction, no Event of Default will have occurred and be continuing;

(iii) immediately after giving effect to such transaction on a pro forma basis, the Issuer or the Issuer Surviving Person, as the case may be, shall have a Consolidated Net Worth equal to or greater than the Consolidated Net Worth of the Issuer immediately prior to such transaction; and

(iv) the Issuer delivers to the Trustee (x) an Officers' Certificate (attaching the arithmetic computations to demonstrate compliance with clause (iii) and (y) an Opinion of Counsel, in each case stating that such consolidation, merger or transfer and the relevant supplemental indenture (if any) complies with the Indenture.

III. The foregoing provisions would not necessarily afford Holders protection in the event of highly-leveraged or other transactions involving the Parent Guarantor that may adversely affect Holders.

No Payments for Consents

The Parent Guarantor will not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise, to any Holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indenture, the Notes or any Note Guarantee unless such consideration is offered to be paid or is paid to all Holders that consent, waive or agree to amend such term or provision within the time period set forth in the solicitation documents relating to such consent, waiver or amendment.

Redeemed or Repurchased Notes

A Note does not cease to be outstanding because the Parent Guarantor or any Affiliate of the Parent Guarantor holds the Note, *provided* that in determining whether the Holders of the requisite amount of outstanding Notes have given any request, demand, authorization, direction, notice, consent or waiver under the Indenture, Notes owned by the Issuer, Parent Guarantor or any Affiliate of the Parent Guarantor shall be disregarded and deemed not to be outstanding, except that, for the purpose of determining whether the Trustee shall be protected in relying on any such request, demand, authorization, direction, notice, consent or waiver, only Notes which a responsible officer of the Trustee actually knows are so owned shall be so disregarded. Notes so owned that have been pledged in good faith may be regarded as outstanding if the pledgee establishes that the pledgee's right to act with respect to such Notes and that the pledgee is not the Parent Guarantor or an Affiliate of the Parent Guarantor.

The Parent Guarantor or any Affiliate of the Issuer or Parent Guarantor (including the Issuer) may, at any time, purchase any Note in the open market, negotiated transactions or otherwise at any price. Any Note so purchased may be surrendered to the Trustee, and if so surrendered shall be cancelled by the Trustee.

Defeasance

The Issuer may, at its option and at any time, elect to have the obligations of the Issuer discharged with respect to the Notes ("Legal Defeasance"). Such Legal Defeasance means that the Issuer shall be deemed to have paid and discharged the entire Indebtedness represented by the Notes, except for:

(i) the rights of the Holders to receive payments in respect of the principal of, premium, if any, interest and Additional Amounts, if any, on the Notes when such payments are due;

(ii) the Issuer's obligations with respect to the Notes concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payments;

(iii) the rights, powers, trust, duties and immunities of the Trustee, as set forth in the Indenture, and the Issuer's and Guarantor's obligations in connection therewith; and

(iv) the Legal Defeasance provisions of the Indenture.

In addition, the Issuer may, at its option and at any time, elect to have the obligations of the Issuer released with respect to certain covenants that are described in the Indenture ("Covenant Defeasance") and thereafter the failure by the Issuer or any Restricted Subsidiary to comply with such obligations shall not constitute an Event of Default with respect to the Notes. In the event Covenant Defeasance occurs, certain events (not including nonpayment, bankruptcy, receivership and insolvency events) described under "—Events of Default" will no longer constitute an Event of Default with respect to the Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance:

1. the Issuer must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders cash in U.S. dollars, non-callable U.S. Government Obligations, or a combination thereof, in such amounts and at such times as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, premium, if any, interest and Additional Amounts, if any, on the Notes on the stated date for payment thereof or on the applicable redemption date, as the case may be;

2. in the case of Legal Defeasance, the Issuer shall have delivered to the Trustee an opinion of counsel reasonably acceptable to the Trustee, confirming that:

   I. the Issuer has received from, or there has been published by, the Internal Revenue Service a ruling; or

   II. since the date of the Indenture, there has been a change in the applicable United States federal income tax law;

in either case to the effect that, and based thereon such opinion of counsel shall confirm that, the Holders will not recognize income, gain or loss for United States federal income tax purposes as a result of such Legal Defeasance and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

1. in the case of Covenant Defeasance, the Issuer shall have delivered to the Trustee an opinion of counsel in the United States confirming that the Holders will not recognize income, gain or loss for United States federal income tax purposes as a result of such Covenant Defeasance and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

2. in the case of Legal Defeasance or Covenant Defeasance, the Issuer shall have delivered to the Trustee (i) an opinion of counsel to the effect that, based upon Peruvian law then in effect, the Holders will not recognize income, gain or loss for Peruvian tax purposes, including withholding tax except for withholding tax then payable on interest payments due, and the amounts to be payable shall not be subject to any deposit or temporary freezing of funds, as a result of such Legal Defeasance or Covenant Defeasance, as the case may be, and will be subject to Peruvian taxes on the same amounts and in the same manner and at the same time as would have been the case if such Legal Defeasance or Covenant Defeasance, as the case may be, had not occurred or (ii) a ruling directed to the Trustee received from tax authorities of Peru to the same effect as the opinion of counsel described in clause (i) above;

3. no Default or Event of Default shall have occurred and be continuing on the date of such deposit pursuant to clause (a) of this paragraph (except such Default or Event of Default resulting from the failure to comply with "—Limitation on Indebtedness and Disqualified Stock" as a result of the borrowing of funds required to effect such deposit);

4. such Legal Defeasance or Covenant Defeasance shall not result in a breach of, or constitute a default under, the Indenture or any other material agreement or instrument to which the Issuer or any of its Subsidiaries is a party or by which the Issuer or any of its Subsidiaries is bound;

5. the Trustee shall have received an Officers' Certificate of the Issuer stating that the deposit was not made with the intent of preferring the Holders over any other creditors of the Issuer or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Issuer or others;

6. the Trustee shall have received an Officers' Certificate of the Issuer and an Opinion of Counsel, each stating that all conditions precedent provided for or relating to the Legal Defeasance or the Covenant Defeasance have been complied with; and

7. the Trustee shall have received an Opinion of Counsel (subject to customary qualifications and exclusions) to the effect that the trust resulting from the deposit does not constitute a regulated investment company under the Investment Company Act of 1940.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect (except as to surviving rights of registration of transfer or exchange of the Notes and the rights and immunities of the Trustee, as set forth in the Indenture, and the Issuer's and Guarantors' obligations in connection therewith, in each case, as expressly provided for in the Indenture) when:

1. the Issuer has irrevocably deposited or caused to be deposited with the Trustee as funds in trust for such purpose an amount in U.S. dollars or U.S. Government Obligations, or a combination thereof in such amounts and at such times as will be sufficient to pay and discharge the entire Indebtedness on the Notes that have not, prior to such time, been delivered to the Trustee for cancellation, for principal of, premium, if any, and any Additional Amounts and accrued and unpaid interest on the Notes to the date of such deposit (in the case of Notes which have become due and payable) or to the redemption date or Maturity Date, as the case may be, and the Issuer has delivered irrevocable instructions to the Trustee under the Indenture to apply the deposited money toward the payment of the Notes at the applicable installment date or on the redemption date, as the case may be, and either:

   I. all Notes that have been authenticated and delivered (other than destroyed, lost or stolen Notes that have been replaced or paid and Notes for whose payment money has been deposited in trust or segregated and held in trust by the Issuer and thereafter repaid to the Issuer or discharged from such trust as provided for in the Indenture) have been delivered to the Trustee for cancellation; or

   II. all Notes that have not been delivered to the Trustee for cancellation (x) have become due and payable (by reason of the mailing of a notice of redemption or otherwise), (y) will become due and payable at the Maturity Date within one year or (z) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the Issuer's name, and at our expense;

2. the Issuer has paid or caused to be paid all sums payable by the Issuer under the Indenture; and

3. the Issuer has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that:

   I. all conditions precedent provided in the Indenture relating to the satisfaction and discharge of the Indenture have been satisfied; and

   II. such satisfaction and discharge will not result in a breach or violation of, or constitute an Event of Default under, the Indenture or any other agreement or instrument to which the Parent Guarantor, the Issuer or any Restricted Subsidiary is a party or by which the Parent Guarantor, the Issuer or any Restricted Subsidiary is bound.

Amendments and Waiver

Amendments Without Consent of Holders

The Indenture, the Notes or any Note Guarantee may be amended by the Issuer, the Parent Guarantor, the Subsidiary Guarantors and the Trustee, as the case may be, without the consent of any Holder, to:

1. cure any ambiguity, or to correct or supplement any provision in the Indenture or the Notes that may be defective or inconsistent with any other provision in the Indenture, the Notes or this description in this listing memorandum;

2. add to the Issuer's and the Parent Guarantor's covenants and those of any other obligor of the Notes for the benefit of the Holders or to surrender any right or power conferred upon the Issuer or any other obligor of the Notes, as applicable, in the Indenture or in the Notes for the benefit of the Holders of the Notes;

3. comply with the provisions described under "—Consolidation, Merger and Sale of Assets;"

4. evidence and provide for the acceptance of appointment by a successor Trustee;

5. add any Guarantor or any Note Guarantee or release any Guarantor from any Note Guarantee as provided or permitted by the terms of the Indenture;

6. provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture;

7. in any other case where a supplemental indenture to the Indenture is expressly required or permitted to be entered into pursuant to the provisions of the Indenture without the consent of any Holder;

8. to secure the obligations of the Issuer, the Parent Guarantor and the Subsidiary Guarantors under the Indenture, the Notes and the Note Guarantee;

9. effect any changes to the Indenture or the Notes in a manner necessary to comply with the procedures of DTC; or

10 make any other change that does not materially and adversely affect the rights of the Holders.

Amendments With Consent of Holders

Amendments of the Indenture, the Notes or any Note Guarantee may be made by the Issuer, the Parent Guarantor, the Subsidiary Guarantors and the Trustee, as the case may be, with the consent of the Holders of not less than a majority in aggregate principal amount of the outstanding Notes, and the Holders of a majority in principal amount of the outstanding Notes may waive future compliance by the Issuer, the Parent Guarantor or any Subsidiary Guarantor with any provision of the Indenture, the Notes or any Note Guarantee; provided that no such modification or amendment may, without the consent of each Holder directly and adversely affected thereby:

1. change the Stated Maturity of the principal of, or any installment of interest on, any Note;

2. reduce the principal amount of, or premium, if any, or stated rate of interest on, any Note;

3. change the currency of payment of principal of, or premium, if any, or interest on, any Note;

4. impair the right to institute suit for the enforcement of any payment on or after the Stated Maturity (or in the case of a redemption, on or after the redemption date) of any Note or Note Guarantee;

5. reduce the above-stated percentage of outstanding Notes the consent of whose Holders is necessary to modify or amend the Indenture, the Notes or any Note Guarantee;

6. waive a default in the payment of principal of, premium, if any, or interest on the Notes;

7. release the Parent Guarantee, except as provided in the Indenture;

8. reduce the percentage or aggregate principal amount of outstanding Notes the consent of whose Holders is necessary for waiver of compliance with certain provisions of the Indenture or for waiver of certain defaults; or

9. change or extend the redemption date or reduce the stated redemption price of the Notes from that stated under the captions "—Optional Redemption" and "—Redemption for Taxation Reasons".

In addition, any amendment to, or waiver of, the provisions of the Indenture, the Notes or any Note Guarantee that releases any Subsidiary Guarantee shall require the consent of the Holders of at least 75% in aggregate principal amount of the Notes then outstanding, except as provided in the Indenture.

The Trustee

The Bank of New York Mellon is to be appointed as Trustee, registrar, paying agent and transfer agent under the Indenture. Except during the continuance of an Event of Default, the Trustee will not be liable, except for the performance of such duties as are specifically set forth in the Indenture. If an Event of Default has occurred and is continuing and the Trustee will use the same degree of care and skill in its exercise of the rights and powers vested in it under the Indenture as a prudent person would exercise under the circumstances in the conduct of such person's own affairs.

Payments; Registration of Transfer

The Trustee will be responsible for (among other things) (a) maintaining a record of the aggregate holdings of Notes represented by the Global Notes and accepting Notes for exchange and registration of transfer, (b) making payments in respect of the

Notes to the Holders to the extent funds are available therefore (as contemplated by the Indenture) and (c) transmitting notices to Holders and from Holders to the Issuer (in each case as contemplated by the Indenture).

The Trustee, in its capacity as registrar, will keep at its office a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Trustee will provide for the registration of the Notes and registration of transfers and exchanges of the Notes. In the event of a partial transfer of a certificated Note, Notes will be obtainable at the office of the Trustee in connection with such transfer. In accordance with the Indenture, the Issuer may terminate the appointment of the Trustee or appoint additional trustees or other such agents. The Issuer will cause notice of any resignation, termination or appointment of the Trustee, and of any change in the office through which any such agent will act, to be provided to Holders in accordance with "—Notices" below.

Appointment to Fill Vacancy in Office of Trustee

If the Trustee resigns or is removed or if a vacancy exists in the office of the Trustee for any reason, the Issuer will promptly appoint a successor Trustee meeting certain eligibility requirements by notifying the Trustee in writing. Within one year after the successor Trustee takes office, Holders representing at least a majority of the aggregate principal amount of the Notes then outstanding may appoint a successor Trustee reasonably acceptable to the Issuer to replace the successor Trustee appointed by the Issuer and the failure of the Holders to do so will constitute acceptance of the successor Trustee appointed by the Issuer.

Each successor Trustee shall execute, acknowledge and deliver to the Holders, the Issuer and to its predecessor Trustee an instrument accepting such appointment and, upon the resignation or removal of the predecessor Trustee, and payment of all amounts due under the Indenture, such appointment shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor, with like effect as if originally named as Trustee. Upon written request of any such successor Trustee, the Holders and the Issuer shall execute any and all instruments in writing for fully and certainly vesting in and confirming to such successor Trustee all such rights and powers.

If no successor Trustee is appointed, the Trustee may petition a court of competent jurisdiction (at the sole cost of the Issuer) to appoint a successor Trustee.

Book-Entry; Delivery and Form

The certificates representing the Notes will be issued in fully registered form without interest coupons. Notes sold in reliance on Regulation S under the Securities Act will initially be represented by one or more permanent global notes in definitive, fully registered form without interest coupons (each, a "Regulation S Global Note") and will be deposited with the Trustee as custodian for, and registered in the name of a nominee of, DTC for the accounts of Euroclear and Clearstream.

Notes sold in reliance on Rule 144A will be represented by one or more permanent global notes in definitive, fully registered form without interest coupons (each, a "144A Global Note", and together with the Regulation S Global Notes, the "Global Notes") and will be deposited with the Trustee as custodian for, and registered in the name of a nominee of, DTC.

Each 144A Global Note (and any Notes issued for exchange therefore) will be subject to certain restrictions on transfer set forth therein as described under "Transfer Restrictions."

Ownership of beneficial interests in a Global Note will be limited to persons who have accounts with DTC ("participants") or persons who hold interests through participants. Ownership of beneficial interests in a Global Note will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC or its nominee (with respect to interests of participants) and the records of participants (with respect to interests of persons other than participants). Qualified institutional buyers may hold their interests in a 144A Global Note directly through DTC if they are participants in such system, or indirectly through organizations which are participants in such system.

Investors may hold their interests in a Regulation S Global Note directly through Euroclear or Clearstream, if they are participants in such systems, or indirectly through organizations that are participants in such system. Euroclear and Clearstream will hold interests in the Regulation S Global Notes on behalf of their participants through DTC.

So long as DTC, or its nominee, is the registered owner or holder of a Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Global Note for all purposes under the Indenture and the Notes. No beneficial owner of an interest in a Global Note will be able to transfer that interest except in accordance with DTC' s applicable procedures, in addition to those provided for under the Indenture and, if applicable, those of Euroclear and Clearstream.

Payments of the principal of, and interest on, a Global Note will be made to DTC or its nominee, as the case may be, as the registered owner thereof. Neither the Issuer, nor any of the Guarantors, the Trustee nor any paying agent (nor any of their respective agents) will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Global Note or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

The Issuer expects that DTC or its nominee, upon receipt of any payment of principal or interest in respect of a Global Note, will credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of such Global Note as shown on the records of DTC or its nominee. The Issuer also expects that payments by participants to owners of beneficial interests in such Global Note held through such participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such participants.

Transfers between participants in DTC will be effected in the ordinary way in accordance with DTC rules and will be settled in same-day funds. Transfers between participants in Euroclear and Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures.

The Issuer expects that DTC will take any action permitted to be taken by a Holder of Notes (including the presentation of Notes for exchange as described below) only at the direction of one or more participants to whose account the DTC interests in a Global Note is credited and only in respect of such portion of the aggregate principal amount of Notes as to which such participant or participants has or have given such direction. However, if there is an Event of Default under the Notes, DTC will exchange the applicable Global Note for certificated Notes, which it will distribute to its participants and which may be legended as set forth under the heading "Transfer Restrictions."

Although DTC, Euroclear and Clearstream are expected to follow the foregoing procedures in order to facilitate transfers of interests in a Global Note among participants of DTC, Euroclear and Clearstream, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Parent Guarantor, any of the Subsidiary Guarantors, the Trustee or any of their respective agents will have any responsibility or liability for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

If DTC is at any time unwilling or unable to continue as a depositary for the Global Notes, the Issuer will use reasonable efforts to appoint a successor depositary within 90 days. If a successor depositary is not appointed by the Issuer within 90 days, the Issuer will issue certificated Notes in registered form, which may bear the legend referred to under "Transfer Restrictions," in exchange for the Global Notes. Holders of an interest in a Global Note may receive certificated Notes, which may bear the legend referred to under "Transfer Restrictions," in accordance with the DTC's rules and procedures in addition to those provided for under the Indenture.

Upon redemption of any certificated Note, the Issuer may request certain information from the Holder to establish the Holder's tax basis in its certificated Note in order to calculate the Peruvian capital gains tax withholding obligation the Issuer may have with respect to any capital gain realized by the Holder. Regardless of whether the Holder provides the requested information, the Issuer will, subject to the exceptions listed under the heading "Additional Amounts", be required to pay Additional Amounts with respect to any amounts withheld or deducted to pay Peruvian taxes on such capital gain.

Listing

Application will be made to list the Notes on the Singapore Stock Exchange and the Issuer will use its reasonable best efforts to list and maintain the listing of the Notes on the Singapore Stock Exchange. We will comply with any undertakings assumed or undertaken by us from time to time to the Singapore Stock Exchange in connection with the Notes, and we will furnish to them all such information as the rules of the Singapore Stock Exchange may require in connection with the listing of the Notes. The Issuer may elect to de-list the Notes if statutory requirements become, in the view of the Issuer, impracticable or unduly burdensome.

The Notes will be traded in a minimum board lot size of S$200,000 (or its equivalent in foreign currencies).

Paying Agents, Transfer Agent and Registrar

The Bank of New York Mellon will initially act as paying agent, transfer agent and registrar for the Notes. The Issuer may appoint other paying agents. For the purposes of the listing and quotation of the Notes on the Singapore Stock Exchange, a paying agent in Singapore will be appointed upon the issue of the Notes in definitive form. In addition, for so long as the Notes are listed on the Singapore Stock Exchange and the rules of the Singapore Stock Exchange so require, the issuer shall appoint and maintain a paying agent in Singapore, where the Notes may be presented or surrendered for payment or redemption. In the event that any of the Global Notes is exchanged for definitive Notes, announcement of such exchange shall be made by or on behalf of the issuer through the Singapore Stock Exchange and such announcement will include all material information with respect to the delivery of the definitive Notes, including details of the paying agent in Singapore. Upon any change in the paying agent or registrar, we will make an announcement through the Singapore Stock Exchange and publish a notice in a leading daily newspaper of general circulation in Singapore, which is expected to be The Business Times, Singapore Edition.

Lost, Stolen and Mutilated Notes

In case any Note shall become mutilated, defaced, destroyed, lost or stolen, the Issuer will execute and the Trustee will, upon direction by the Issuer, authenticate, register and deliver a new definitive Note of like tenor (including the same date of issuance) and equal principal amount registered in the same manner, dated the date of its authentication and bearing interest from the date to which interest has been paid on such Note, in exchange and substitution for such Note (upon surrender and cancellation thereof in the case of mutilated or defaced notes) or in lieu of and in substitution for such Note. In case a Note is destroyed, lost or stolen, the applicant for a substitute Note shall furnish the Issuer and the Trustee (a) such security or indemnity as may be required by them to save each of them harmless and (b) satisfactory evidence of the destruction, loss or theft of such Note and of the ownership thereof. Upon the issuance of any substituted Note, the Trustee may require the payment by the registered Holder thereof of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any fees and expenses (including those of the Trustee and its counsel) connected therewith.

With respect to mutilated, defaced, destroyed, lost or stolen definitive Notes, a Holder thereof may obtain new certificated registered Notes from the office of the registrar.

Notwithstanding any statement herein, the Issuer and the Trustee reserve the right to impose such transfer, certificate, exchange or other requirements, and to require such restrictive legends on Notes, as the Issuer may determine are necessary to ensure compliance with the securities laws of the United States and the states therein and any other applicable laws.

The Clearing Systems

General

The Issuer understands as follows:

DTC. DTC is a limited-purpose trust company organized under the laws of the State of New York, a “banking organization” within the meaning of New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities of its participants and to facilitate the clearance and settlement of securities transactions among its participants in such securities through electronic book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of securities certificates. DTC’s participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations, some of whom own DTC, and may include the Initial purchasers. Indirect access to the DTC system is also available to others that clear through or maintain a custodial relationship with a DTC participant, either directly or indirectly (“indirect participants”). Transfers of ownership or other interests in Notes in DTC may be made only through DTC participants. In addition, beneficial owners of Notes in DTC will receive all distributions of principal of and interest on the Notes from the Trustee through such DTC participant.

Euroclear and Clearstream. Euroclear and Clearstream hold securities for participating organizations and facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide to their participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream interface with domestic securities markets. Euroclear and Clearstream participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organizations. Indirect access to Euroclear or Clearstream is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Initial Settlement

Initial settlement for the Notes will be made in immediately available funds. All Notes issued in the form of global notes will be deposited with the Trustee, as custodian for DTC. Investors’ interests in Notes held in book-entry form by DTC will be represented through financial institutions acting on their behalf as direct and indirect participants in DTC. As a result, Euroclear and Clearstream will initially hold positions on behalf of their participants through DTC.

Investors electing to hold their Notes through DTC (other than through accounts at Euroclear or Clearstream) must follow the settlement practices applicable to United States corporate debt obligations. The securities custody accounts of investors will be credited with their holdings against payment in same day funds on the settlement date.

Investors electing to hold their Notes through Euroclear or Clearstream accounts will follow the settlement procedures applicable to conventional Eurobonds in registered form. Notes will be credited to the securities custody accounts of Euroclear Holders and of Clearstream Holders on the Business Day Following the settlement date against payment for value on the settlement date.

Secondary Market Trading

Because the purchaser determines the place of delivery, it is important to establish at the time of trading of any Notes where both the purchaser's and seller's accounts are located to ensure that settlement can be made on the desired value date.

Trading between DTC Participants. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled using the procedures applicable to United States corporate debt obligations in same-day funds using DTC's Same Day Funds Settlement System.

Trading between Euroclear and Clearstream Participants. Secondary market trading between Euroclear participants and Clearstream participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream and Euroclear and will be settled using the procedures applicable to conventional Eurobonds in same-day funds.

Trading between DTC Seller and Euroclear or Clearstream Purchaser. When Notes are to be transferred from the account of a DTC participant to the account of a Euroclear participant or a Clearstream participant, the purchaser must send instructions to Euroclear or Clearstream through a participant at least one Business Day prior to settlement. Euroclear or Clearstream, as the case may be, will receive the Notes against payment. Payment will then be made to the DTC participant's account against delivery of the Notes. Payment will include interest accrued on the Notes from and including the last interest payment date to and excluding the settlement date, on the basis of a calendar year consisting of twelve 30-day calendar months. For transactions settling on the 31st day of the month, payment will include interest accrued to and excluding the first day of the following month. Payment will then be made to the DTC participant's account against delivery of the Notes. After settlement has been completed, the Notes will be credited to the respective clearing system and by the clearing system, in accordance with its usual procedures, to the Euroclear participant's or Clearstream participant's account. Credit for the Notes will appear on the next day (European time) and cash debit will be back-valued to, and the interest on the Notes will accrue from, the value date (which would be the preceding day when settlement occurs in New York). If settlement is not completed on the intended value date (i.e., the trade date fails), the Euroclear or Clearstream cash debit will be valued instead as of the actual settlement date.

Euroclear participants or Clearstream participants will need to make available to the respective clearing systems the funds necessary to process same-day funds settlement. The most direct means of doing so is to pre-position funds for settlement, either from cash on hand or existing lines of credit, as they would for any settlement occurring within Euroclear or Clearstream. Under this approach, they may take on credit exposure to Euroclear or Clearstream until the Notes are credited to their accounts one day later.

As an alternative, if Euroclear or Clearstream has extended a line of credit to them, participants can elect not to pre-position funds and allow that credit line to be drawn upon to finance settlement. Under this procedure, Euroclear participants or Clearstream participants purchasing Notes would incur overdraft charges for one day, assuming they cleared the overdraft when the Notes were credited to their accounts. However, interest on the Notes would accrue from the value date. Therefore, in many cases, the investment income on Notes earned during that one-day period may substantially reduce or offset the amount of such overdraft charges, although this result will depend on each participant's particular cost of funds.

The sale proceeds will be available to the DTC seller on the settlement date. Thus, to the DTC participant, a cross-market transaction will settle no differently than a trade between two DTC participants.

Finally, day traders that use Euroclear or Clearstream and that purchase Notes from DTC participants for credit to Euroclear participants or Clearstream participants should note that these trades will automatically fail on the sale side unless affirmative action is taken. At least three techniques should be readily available to eliminate this potential problem:

1. borrowing through Euroclear or Clearstream for one day (until the purchase side of the day trade is reflected in their Euroclear account or Clearstream account) in accordance with the clearing system's customary procedures;

2. borrowing the Notes in the United States from a DTC participant no later than one day prior to settlement, which would give the Notes sufficient time to be reflected in the borrower's Euroclear account or Clearstream account in order to settle the sale side of the trade; or

3. staggering the value dates for the buy and sell sides of the trade so that the value date for the purchase from the DTC participant is at least one day prior to the value date for the sale to the Euroclear participants or Clearstream participants.

Trading between Euroclear or Clearstream Seller and DTC Purchaser. Due to the time zone differences in their favor, Euroclear participants or Clearstream participants may employ their customary procedures for transactions in which Notes are to be transferred by the respective clearing system to another DTC participant. The seller must send instructions to Euroclear or Clearstream through a participant at least one Business Day prior to settlement. In these cases, Euroclear or Clearstream will credit the Notes to the DTC participant's account against payment. Payment will include interest accrued on the Notes from and including the last interest payment date to and excluding the settlement date, on the basis of a calendar year consisting of twelve 30-day calendar months. For transactions settling on the 31st day of the month, payment will included interest accrued to the Notes excluding the first day of the following month. Payment will then be made to the DTC participant's account against delivery of the Notes. The payment will then be reflected in the account of the Euroclear participant or Clearstream participant the following day, and receipt of the cash proceeds in the Euroclear or Clearstream participant's account will be back-valued to the value date (which would be the preceding day when settlement occurs in New York). If the Euroclear participant or Clearstream participant has a line of credit with its respective clearing system and elects to draw on such line of credit in anticipation of receipt of the sale proceeds in its account, the back-valuation may substantially reduce or offset any overdraft charges incurred over the one-day period. If settlement is not completed on the intended value date (i.e., the trade fails), receipt of the cash proceeds in the Euroclear or Clearstream participant's account would instead be valued as of the actual settlement date.

As in the case with respect to sales by a DTC participant to a Euroclear or Clearstream participant, participants in Euroclear and Clearstream will have their accounts credited the day after their settlement date. See "—Trading between DTC Seller and Euroclear or Clearstream Purchaser" above.

Notices

Notices to Holders (i) of certificated Notes will be mailed to them at their registered addresses and (ii) of Global Notes will be delivered to DTC in accordance with its applicable procedures. For so long as any Notes are listed on the Singapore Stock Exchange and in accordance with the rules and regulations of the Singapore Stock Exchange, we will publish all notices to holders in a newspaper with general circulation in Singapore, which is expected to be the Business Times, Singapore Edition.

Notices will be deemed to have been given on the date of delivery, mailing or of publication as aforesaid or, if published on different dates, on the date of the first such publication.

Consent to Jurisdiction; Service of Process

The Issuer, the Parent Guarantor and each of the Subsidiary Guarantors will irrevocably (i) submit to the non-exclusive jurisdiction of any U.S. Federal or New York State court located in the Borough of Manhattan, The City of New York in connection with any suit, action or proceeding arising out of, or relating to, the Notes, any Note Guarantee, the Indenture, or any transaction contemplated thereby and (ii) designate and appoint Cogency Global Inc. for receipt of service of process in any such suit, action or proceeding.

Governing Law

Each of the Notes, the Note Guarantee and the Indenture will be governed by, and construed in accordance with, the laws of the State of New York.

Immunity Waiver

The Issuer and each of the Guarantors will waive any immunity (including sovereign immunity), to the fullest extent permitted by applicable law, from suit, action, proceeding or jurisdiction to which it might otherwise be entitled in any such suit, action or proceeding in any U.S. federal or New York State court in the Borough of Manhattan, the City of New York or in any competent court in Peru or Cyprus.

Prescription

Claims against the Issuer or any Guarantor for the payment of principal or interest and Additional Amounts in respect of the Notes or the Note Guarantee, as the case may be, will be prescribed unless made within six years of the due date for payment of such principal or interest and Additional Amounts.

Definitions

Set forth below are defined terms used in the covenants and other provisions of the Indenture. Reference is made to the Indenture for other capitalized terms used in this "Description of the Notes" for which no definition is provided.

"144A Global Note" has the meaning given to it under "—Book-Entry; Delivery and Form."

"Acquired Indebtedness" means Indebtedness of a Person existing at the time such Person becomes a Restricted Subsidiary or Indebtedness of a Restricted Subsidiary assumed in connection with an Asset Acquisition by such Restricted Subsidiary whether or not Incurred in connection with, or in contemplation of, the Person merging with or into or becoming a Restricted Subsidiary, *provided* that Indebtedness of such Person which is redeemed, defeased, retired or otherwise repaid at the time of or promptly upon consummation of such Asset Acquisition or the transactions by which such Person is merged or consolidated with or into the Parent Guarantor or any Restricted Subsidiary or becomes a Restricted Subsidiary shall not constitute Acquired Indebtedness.

"Additional Amounts" has the meaning given to it under "—Additional Amounts." "Additional Notes" has the meaning given to it under "—General."

"Adjusted Treasury Rate" means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Affiliate Transaction" has the meaning given to it under "—Limitation on Transactions with Affiliates."

"Applicable Premium" means with respect to a Note at any redemption date, the excess of:

(A) the present value at such redemption date of (i) the redemption price of such Note at February 3, 2024, multiplied by the principal amount of such Note (such redemption price being set forth in the table appearing under the caption "—Optional Redemption") plus (ii) all required interest payments due on such Note through February 3, 2024 (excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the Adjusted Treasury Rate plus 50 basis points; over

(B) the principal amount of such Note.

"Asset Acquisition" means (1) an investment by the Parent Guarantor or any of its Restricted Subsidiaries in any other Person pursuant to which such Person shall become a Restricted Subsidiary or will be merged into or consolidated with the Parent Guarantor or any of its Restricted Subsidiaries, or (2) an acquisition by the Parent Guarantor or any of its Restricted Subsidiaries of the property and assets of any Person other than the Parent Guarantor or any of its Restricted Subsidiaries that constitute substantially all of a division or line of business of such Person.

"Asset Disposition" means the sale or other disposition by the Parent Guarantor or any of its Restricted Subsidiaries (other than to the Parent Guarantor or another Restricted Subsidiary) of (1) all or substantially all of the Capital Stock of any Restricted Subsidiary that constitutes a division of the business of the Parent Guarantor and its Restricted Subsidiaries, taken as a whole or (2) all or substantially all of the assets that constitute a division or line of business of the Parent Guarantor and its Restricted Subsidiaries, taken as a whole.

"Asset Sale" means any sale, transfer or other disposition (including by way of merger, consolidation or Sale and Leaseback Transaction) of any of its property or assets (including Capital Stock of any Subsidiary) in one transaction or a series of related transactions by the Parent Guarantor or any of its Restricted Subsidiaries to any Person (other than the Parent Guarantor or any Restricted Subsidiary); *provided* that "Asset Sale" will not include:

1. sales or other dispositions of inventory, receivables and other assets in the ordinary course of business;

2. sales, transfers or other dispositions of assets constituting a Permitted Investment or Restricted Payment permitted to be made under the "Limitation on Restricted Payments" covenant;

3. any sales, transfers or other dispositions of assets with a Fair Market Value not in excess of U.S.$2.0 million (or the Dollar Equivalent thereof) in any transaction or series of related transactions;

4. any sale, transfer, assignment or other disposition of any property, or equipment that has become damaged, worn out, obsolete or otherwise unsuitable for use in connection with the business of the Parent Guarantor or its Restricted Subsidiaries;

5. any transfer, assignment or other disposition deemed to occur in connection with creating or granting any Permitted Lien;

6. a transaction permitted by the covenant under the caption "—Consolidation, Merger and, Sale of Assets;" and

7. a sale, transfer or other disposition to the Parent Guarantor or a Restricted Subsidiary, including the sale or issuance by the Parent Guarantor or any Restricted Subsidiary of any Capital Stock of any Restricted Subsidiary to the Parent Guarantor or any Restricted Subsidiary.

"Attributable Indebtedness" means, in respect of a Sale and Leaseback Transaction, the present value, discounted at the interest rate implicit in the Sale and Leaseback Transaction, of the total obligations of the lessee for rental payments during the remaining term of the lease in the Sale and Leaseback Transaction.

"Average Life" means, at any date of determination with respect to any Indebtedness, the quotient obtained by dividing (1) the sum of the products of (a) the number of years from such date of determination to the dates of each successive scheduled principal payment (including, without limitation, any sinking fund requirements) of such Indebtedness and (b) the amount of such principal payment by (2) the sum of all such principal payments.

"Board of Directors" means the board of directors elected or appointed by the stockholders of the Parent Guarantor to manage the business of the Parent Guarantor or any committee of such board duly authorized to take the action purported to be taken by such committee.

"Board Resolution" means any resolution of the Board of Directors taking an action which it is authorized to take and adopted at a meeting duly called and held at which a quorum of disinterested members (if so required) was present and acting throughout or adopted by written resolution executed by every member of the Board of Directors in accordance with the articles of association of the Parent Guarantor.

"Business Day" means any day which is not a Saturday, Sunday, legal holiday or other day on which banking institutions in The City of New York or in Lima, Peru are authorized by law or governmental regulation to close.

"Capitalized Lease" means, with respect to any Person, any lease of any property (whether real, personal or mixed) which, in conformity with IFRS, is required to be capitalized on the balance sheet of such Person, except for any lease that would have been considered an operating lease under IFRS as in effect immediately prior to the adoption of IFRS 16 (Leases).

"Capitalized Lease Obligations" means the discounted present value of the rental obligations under a Capitalized Lease.

"Capital Stock" means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) in equity of such Person, whether outstanding on the Issue Date or issued thereafter, including, without limitation, all Common Stock and Preferred Stock.

"Change of Control" means the occurrence of one or more of the following events:

1. the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger, amalgamation or consolidation), in one or a series of related transactions, of all or substantially all of the assets of the Parent Guarantor and its Subsidiaries (including the Issuer) taken as a whole to any "person" (within the meaning of Section 13(d)(3) of the Exchange Act) or "group" (within the meaning of Rule 13d-5 of the Exchange Act), other than to one or more of the Issuer, any of its Subsidiaries, any one or more Permitted Holders or a "group" controlled by one or more Permitted Holders; or

2. the consummation of any transaction (including without limitation, any merger, consolidation or amalgamation) the result of which is that (A) any "person" (within the meaning of Section 13(d)(3) of the Exchange Act) or "group" (within the meaning of Rule 13d-5 of the Exchange Act) (other than any Permitted Holder or "group" controlled by one or more Permitted Holders)) becomes the "beneficial owner" (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the outstanding Voting Stock of the Parent Guarantor (or its successor by merger, consolidation or amalgamation), measured by voting power rather than number of shares, and (B) the Permitted Holders (including any "group" controlled by one or more Permitted Holders) "beneficially own" (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act), directly and indirectly, in the aggregate a lesser percentage of the outstanding Voting Stock of the Parent Guarantor (or its successor by merger, consolidation or amalgamation), measured by voting power rather than number of shares, than such other "person" or "group" and do not have the right or ability by voting power, contract or otherwise to elect or designate for election a majority of the board of directors of the Parent Guarantor (or its successor by merger, consolidation or amalgamation).

"Change of Control Offer" has the meaning given to it under "—Repurchase of Notes Upon a Change of Control Triggering Event."

"Change of Control Triggering Event" means the occurrence of both a Change of Control and a Rating Decline.

"Clearstream" means Clearstream Banking, société anonyme, Luxembourg or any successor securities clearing agency.

"Commodity Hedging Agreement" means any spot, forward or option commodity price protection agreements or other similar agreement or arrangement designed to protect against fluctuations in commodity prices.

"Common Stock" means, with respect to any Person, any and all shares, interests or other participations in, and other equivalents (however designated and whether voting or non-voting) of such Person's common stock or ordinary shares, whether or not outstanding at the date of the Indenture, and include, without limitation, all series and classes of such common stock or ordinary shares.

"Comparable Treasury Issue" means the U.S. Treasury security having a maturity comparable to February 3, 2024 that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities with a maturity comparable to February 3, 2024.

"Comparable Treasury Price" means, with respect to any redemption date:

1. the average of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) on the third Business Day preceding such redemption date, as set forth in the daily statistical release (or any successor release) published by the Federal Reserve Bank of New York and designated "Composite 3:30 p.m. Quotations for U.S. Government Securities;" or

2. if such release (or any successor release) is not published or does not contain such prices on such Business Day, (a) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or (b) if fewer than three such Reference Treasury Dealer Quotations are available, the average of all such quotations.

"Consolidated Assets" means with respect to the Parent Guarantor and its Restricted Subsidiaries, as of any date of determination, the total consolidated assets of the Parent Guarantor and its Restricted Subsidiaries as set forth on the consolidated balance sheet of the Parent Guarantor pursuant to IFRS as of the most recent fiscal quarter.

"Consolidated EBITDA" means sales minus cost of sales minus administrative expenses minus selling expenses plus depreciation plus amortization of intangibles plus stock options expense, and excluding the effect (positive or negative) of net change in fair value of biological assets.

"Consolidated Interest Expense" means, for any period, the amount that would be reflected as "Interest Expense," net of interest income, on a consolidated income statement prepared in accordance with IFRS for such period of the Parent Guarantor and its Restricted Subsidiaries; *provided* that interest expense attributable to interest on any Indebtedness bearing a floating interest rate will be computed on a pro forma basis as if the rate in effect on the date of determination had been the applicable rate for the entire relevant period.

"Consolidated Leverage Ratio" means, on any Transaction Date, the ratio of (i) Consolidated Net Indebtedness to (ii) Consolidated EBITDA for the then most recent four fiscal quarters ending on or prior to the Transaction Date for which consolidated financial statements of the Parent Guarantor (which Parent Guarantor shall use its reasonable best efforts to compile in a timely manner) are available (the "Four Quarter Period").

In making the foregoing calculation:

(A) *pro forma* effect will be given to any Indebtedness, Disqualified Stock or Preferred Stock Incurred, repaid or redeemed during the period (the "Reference Period") commencing on and including the first day of the Four Quarter Period and ending on and including the Transaction Date (other than Indebtedness Incurred or repaid under a revolving credit or similar arrangement (or under any predecessor revolving credit or similar arrangement) in effect on the last day of such Four Quarter Period), in each case as if such Indebtedness, Disqualified Stock or Preferred Stock had been Incurred, repaid or redeemed on the first day of such Reference Period; *provided* that, in the event of any such repayment or redemption, EBITDA for such period will be calculated as if the Parent Guarantor or such Restricted Subsidiary had not earned any interest income actually earned during such period in respect of the funds used to repay such Indebtedness;

(B) Consolidated Interest Expense attributable to interest on any Indebtedness (whether existing or being Incurred) computed on a *pro forma* basis and bearing a floating interest rate will be computed as if the rate in effect on the Transaction Date (taking into account any Interest Rate Agreement applicable to such Indebtedness if such Interest Rate Agreement has a remaining term in excess of 12 months or, if shorter, at least equal to the remaining term of such Indebtedness) had been the applicable rate for the entire period;

(C) *pro forma* effect will be given to the creation, designation or redesignation of Restricted Subsidiaries and Unrestricted Subsidiaries during the Reference Period as if such creation, designation or redesignation would have occurred on the first day of the relevant Four Quarter Period;

(D) *pro forma* effect will be given to Asset Dispositions and Asset Acquisitions (including giving pro forma effect to the application of proceeds of any Asset Disposition) that occur during such Reference Period as if they had occurred and such proceeds had been applied on the first day of such Reference Period; and

(E) *pro forma* effect shall be given to Asset Dispositions and Asset Acquisitions (including giving *pro forma* effect to the application of proceeds of any Asset Disposition) that have been made by any Person that has become a Restricted Subsidiary or has been merged with or into the Parent Guarantor or any Restricted Subsidiary during such Reference Period and that would have constituted Asset Dispositions or Asset Acquisitions had such transactions occurred when such Person was a Restricted Subsidiary as if such Asset Dispositions or Asset Acquisitions were Asset Dispositions or Asset Acquisitions that occurred on the first day of such Reference Period; *provided* that to the extent that clause (D) or (E) of this sentence requires that *pro forma* effect be given to an Asset Acquisition or Asset Disposition, such *pro forma* calculation will be based upon the four full fiscal quarters immediately preceding the Transaction Date of the Person, or division or line of business of the Person, that is acquired or disposed for which financial information is available.

"Consolidated Net Income" means, with respect to any specified Person for any period, the aggregate of the net income (or loss) of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with IFRS.

"Consolidated Net Tangible Assets" means the Consolidated Assets of the Parent Guarantor and its Restricted Subsidiaries less goodwill and intangibles, in each case calculated in accordance with IFRS, less current liabilities (other than current maturities of long-term debt); *provided* that in the event that the Parent Guarantor or any of its Restricted Subsidiaries assumes liabilities or acquires any assets in connection with the acquisition by the Parent Guarantor or any of its Restricted Subsidiaries of another Person subsequent to the commencement of the period for which the Consolidated Net Tangible Assets is being calculated but prior to the event for which the calculation of the Consolidated Net Tangible Assets is made, then the Consolidated Net Tangible Assets shall be calculated giving *pro forma* effect to such assumption of liabilities or acquisition of assets, as if the same had occurred at the beginning of the applicable period.

"Consolidated Net Worth" means, at any date of determination, stockholders' equity as set forth on the most recently available quarterly or annual consolidated balance sheet of the Parent Guarantor and its Restricted Subsidiaries, each item to be determined in conformity with IFRS.

"Consolidated Net Indebtedness" means, the sum of the total principal amount of Indebtedness (or, in the case of Indebtedness issued at less than its principal amount at maturity, the accreted value thereof) and the total amount of Disqualified Stock outstanding of the Parent Guarantor and its Restricted Subsidiaries on a consolidated basis and determined in accordance with IFRS on the Transaction Date, less the amount of cash, cash equivalents as determined in accordance with IFRS and Temporary Cash Investments held by the Parent Guarantor and its Restricted Subsidiaries on the Transaction Date.

"Covenant Suspension" has the meaning given to it under "—Defeasance."

"Covenant Suspension Event" has the meaning given to it under "—Certain Covenants."

"Currency Agreement" means any foreign exchange forward contract, currency swap agreement or other similar agreement or arrangement designed to protect against fluctuations in foreign exchange rates.

"Default" means any event that is, or after notice or passage of time or both would be, an Event of Default.

"Disqualified Stock" means any class or series of Capital Stock of any Person that by its terms is (1) required to be redeemed prior to the Stated Maturity of the Notes, (2) redeemable at the option of the holder of such class or series of Capital Stock at any time prior to the Stated Maturity of the Notes or (3) convertible into or exchangeable for, at the option of the holder of such class or series of Capital Stock, Capital Stock referred to in clause (1) or (2) above or Indebtedness having a Stated Maturity prior to the Stated Maturity of the Notes; *provided* that any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof the right to require such Person to repurchase or redeem such Capital Stock upon the occurrence of an "asset sale" or "change of control" occurring prior to the Stated Maturity of the Notes will not constitute Disqualified Stock if the "asset sale" or "change of control" provisions applicable to such Capital Stock are no more favorable to the holders of such Capital Stock than the provisions contained in the "—Limitation on Asset Sales" and "—Repurchase of Notes upon a Change of Control Triggering Event" covenants and such Capital Stock specifically provides that such Person will not repurchase or redeem any such stock pursuant to such provision prior to the Issuer's repurchase of such Notes as are required to be repurchased pursuant to the "—Limitation on Asset Sales" and "—Repurchase of Notes upon a Change of Control Triggering Event" covenants.

"Dollar Equivalent" means, with respect to any monetary amount in a currency other than U.S. dollars, at any time for the determination thereof, the amount of U.S. dollars obtained by converting such foreign currency involved in such computation into U.S. dollars at the base rate for the purchase of U.S. dollars with the applicable foreign currency as quoted by the Federal Reserve Bank of New York on the date of determination.

"DTC" means The Depository Trust Company and its successors.

"Equity Claw-Back Redemption" has the meaning given to it under "—Optional Redemption."

"Equity Offering" means any underwritten primary public or private offering of Common Stock of the Parent Guarantor or the Issuer (to a person who is not the Parent Guarantor or a Subsidiary of the Parent Guarantor) after the Issue Date; *provided* that the aggregate gross cash proceeds received by the Parent Guarantor or the Issuer, as the case may be, from the primary component of such offering (excluding amounts received from the Parent Guarantor or any Subsidiary of the Parent Guarantor) being not less than U.S.$10.0 million (or the Dollar Equivalent thereof).

"Euroclear" means Euroclear Bank SA/NV, as operator of the Euroclear System or any successor securities clearing agency.

"Excess Proceeds" has the meaning given to it under "—Limitation on Asset Sales."

"Fair Market Value" means the price that would be paid in an arm's-length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy, as determined in good faith by the Board of Directors, whose determination shall be conclusive if evidenced by a Board Resolution.

"Fitch" means Fitch Ratings Ltd. and its Affiliates.

"Further Issue" has the meaning given to it under "—Further Issues."

"Global Notes" has the meaning given to it under "—Book-Entry; Delivery and Form."

"Guarantee" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (1) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness of such other Person (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise) or (2) entered into for purposes of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part); *provided* that the term "guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. The term "guarantee" used as a verb has a corresponding meaning.

"Hedging Obligations" of any Person means the payment obligations of such Person pursuant to any Commodity Hedging Agreement, Currency Agreement or Interest Rate Agreement.

"Holder" means the Person in whose name a Note is registered in the Register.

"IFRS" means International Financial Reporting Standards, as issued and interpreted by the International Accounting Standards Board (IASB), as in effect from time to time. All ratios and computations contained or referred to in the Indenture shall be computed in conformity with IFRS applied on a consistent basis.

"Incur" means, with respect to any Indebtedness or Capital Stock, to incur, create, issue, assume, guarantee or otherwise become liable for or with respect to, or become responsible for, the payment of, contingently or otherwise, such Indebtedness or Capital Stock; *provided* that (1) any Indebtedness or Capital Stock of a Person existing at the time such Person becomes a Restricted Subsidiary (or fails to meet the qualifications necessary to remain an Unrestricted Subsidiary) will be deemed to be Incurred by such Restricted Subsidiary at the time it becomes a Restricted Subsidiary, (2) the accretion of original issue discount shall not be considered an Incurrence of Indebtedness. The terms "Incurrence," "Incurred" and "Incurring" have meanings correlative with the foregoing.

"Indebtedness" means, with respect to any Person at any date of determination (without duplication):

1. all indebtedness of such Person for borrowed money;

2. all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;

3. all obligations of such Person in respect of letters of credit and bankers' acceptances;

4. all obligations of such Person to pay the deferred and unpaid purchase price of property or services which purchase price is due more than nine months after the date of placing such property in service or taking delivery and title thereto or such services are completed, except Trade Payables;

5. all Capitalized Lease Obligations;

6. all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; *provided* that the amount of such Indebtedness will be the lesser of (A) the Fair Market Value of such asset at such date of determination and (B) the amount of such Indebtedness;

7. all Indebtedness of other Persons to the extent such Indebtedness is guaranteed by such Person; and

8. to the extent not otherwise included in this definition, Hedging Obligations.

The amount of Indebtedness of any Person at any date will be the outstanding balance at such date of all unconditional obligations as described above and, with respect to contingent obligations, the maximum liability upon the occurrence of the contingency giving rise to the obligations; provided

(A) that the amount outstanding at any time of any Indebtedness issued with original issue discount is the face amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with IFRS;

(B) that money borrowed and set aside at the time of the Incurrence of any Indebtedness in order to prefund the payment of the interest on such Indebtedness shall not be deemed to be "Indebtedness" so long as such money is held to secure the payment of such interest; and

(C) that the amount of Indebtedness with respect to any Hedging Obligation will be equal to the net amount due and payable if such Hedging Obligation terminated at that time due to default by such Person.

"Indenture" has the meaning given to it in the preamble.

"Initial Non-Guarantor Subsidiaries" has the meaning given to it under "—The Subsidiary Guarantors." "Interest Payment Date" has the meaning given to it under "—General."

"Interest Rate Agreement" means any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement, option or future contract or other similar agreement or arrangement designed to protect against fluctuations in interest rates.

"Investment" means:

1. any direct or indirect advance, loan or other extension of credit (including a guarantee) to another Person;

2. any capital contribution to another Person (by means of any transfer of cash or other property to others or any payment for property or services for the account or use of others); or

3. any purchase or acquisition of Capital Stock, Indebtedness, bonds, notes, debentures or other similar instruments or securities issued by another Person.

For the purposes of the provisions of the "Designation of Restricted and Unrestricted Subsidiaries" and "Limitation on Restricted Payments" covenants: (1) the Parent Guarantor will be deemed to have made an Investment in an Unrestricted Subsidiary in an amount equal to the Fair Market Value of the assets (net of liabilities owed to any Person other than the Parent Guarantor or a Restricted Subsidiary and that are not guaranteed by the Parent Guarantor or a Restricted Subsidiary) of a Restricted Subsidiary that is designated an Unrestricted Subsidiary at the time of such designation, and (2) any property transferred to or from any Person will be valued at its Fair Market Value at the time of such transfer, as determined in good faith by the Board of Directors.

"Investment Grade" means a rating of "AAA," "AA," "A" or "BBB," as modified by a "+" or "—" indication, or an equivalent rating representing one of the four highest rating categories, by Fitch or any of its successors or assigns or a rating of "Aaa," or "Aa," "A" or "Baa," as modified by a "1 ," "2" or "3" indication, or an equivalent rating representing one of the four highest rating categories, by Moody's, or any of its successors or assigns or the equivalent ratings of any internationally recognized rating agency or agencies, as the case may be, which will have been designated by the Parent Guarantor as having been substituted for Fitch or Moody's or both, as the case may be.

"Issue Date" means the date on which the Notes are originally issued under the Indenture.

"Issuer" means Camposol S.A.

"Legal Defeasance" has the meaning given to it under "—Defeasance."

"Lien" means any mortgage, pledge, security interest, lien, charge or similar encumbrance.

"Make-Whole Redemption" has the meaning given to it under "—Optional Redemption."

"Maturity Date" has the meaning given to it under "—General."

"Moody's" means Moody's Investors Service, Inc. and its Affiliates.

"Net Cash Proceeds" means, with respect to any Asset Sale, the proceeds of such Asset Sale in the form of cash or Temporary Cash Investments, including payments in respect of deferred payment obligations (to the extent corresponding to the principal, but not interest, component thereof) when received in the form of cash or Temporary Cash Investments and proceeds from the conversion of other property received when converted to cash or Temporary Cash Investments, in each case net of:

1. brokerage commissions and all accounting, legal, investment banking, title and recording tax expenses, commissions and other fees and expenses related to such Asset Sale;

2. provisions for all taxes (whether or not such taxes will actually be paid or are payable) as a result of such Asset Sale without regard to the consolidated results of operations of the Parent Guarantor and its Restricted Subsidiaries, taken as a whole;

3. payments made to repay Indebtedness or any other obligation outstanding at the time of such Asset Sale that either (x) is secured by a Lien on the property or assets sold or (y) is required to be paid as a result of such sale;

4. appropriate amounts to be provided by the Parent Guarantor or any Restricted Subsidiary as a reserve against any liabilities associated with such Asset Sale, including, without limitation, pension and other post-employment benefit liabilities, liabilities related to environmental matters and liabilities under any indemnification obligations associated with such Asset Sale, all as determined in conformity with IFRS; and

5. with respect to any issuance or sale of Capital Stock, the proceeds of such issuance or sale in the form of cash or Temporary Cash Investments, including payments in respect of deferred payment obligations (to the extent corresponding to the principal, but not interest, component thereof) when received in the form of cash or Temporary Cash Investments and proceeds from the conversion of other property received when converted to cash or Temporary Cash Investments, net of counsel, accountant, underwriter or placement agent fees, discounts or commissions and brokerage, consultant and other fees incurred in connection with such issuance or sale and net of taxes paid or payable as a result thereof.

"Non-Guarantor Subsidiary" has the meaning given to it under "—The Subsidiary Guarantors."

"Offer to Purchase" means an offer to purchase Notes by the Issuer or the Parent Guarantor from the Holders commenced by the Issuer or the Parent Guarantor giving a notice as described under "—Notices" to each Holder (with a copy to the Trustee) stating:

1. the covenant pursuant to which the offer is being made and that all Notes validly tendered will be accepted for payment (which, in the case of an Offer to Purchase due to an Asset Sale, shall be on a pro rata basis to the extent an aggregate principal amount of Notes in excess of the Excess Proceeds) are tendered;

2. the purchase price and the date of purchase (which will be a Business Day no earlier than 30 days nor later than 60 days from the date such notice is given) (the "Offer to Purchase Payment Date");

3. that any Note not tendered will continue to accrue interest pursuant to its terms;

4. that, unless the Issuer or the Parent Guarantor defaults in the payment of the purchase price, any Note accepted for payment pursuant to the Offer to Purchase will cease to accrue interest on and after the Offer to Purchase Payment Date;

5. that Holders electing to have a Note purchased pursuant to the Offer to Purchase will be required to surrender the Note, together with the form entitled "Option of the Holder to Elect Purchase" on the reverse side of the Note completed, in accordance with the procedures of DTC as specified in the notice prior to the close of business on the third Business Day immediately preceding the Offer to Purchase Payment Date;

6. that Holders will be entitled to withdraw their election if, not later than the close of business on the second Business Day immediately preceding the Offer to Purchase Payment Date, a notice of withdrawal setting forth the name of such Holder, the principal amount of Notes delivered for purchase and a statement that such Holder is withdrawing his election to have such Notes purchased is delivered to DTC in accordance with its applicable procedures; and

7. that Holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered; *provided* that each Note purchased and each new Note issued will be in a principal amount of U.S.$150,000 and integral multiples of U.S.$1,000 in excess thereof.

On the Business Day immediately preceding the Offer to Purchase Payment Date, the Issuer or the Parent Guarantor will deposit with the Paying Agent money sufficient to pay the purchase price of all Notes or portions of Notes accepted for payment.

On the Offer to Purchase Payment Date, the Issuer or the Parent Guarantor will (a) accept for payment on a *pro rata* basis Notes or portions thereof tendered pursuant to an Offer to Purchase; and (b) deliver, or cause to be delivered, to the Trustee all Notes or portions thereof so accepted together with an Officers' Certificate specifying the Notes or portions thereof accepted for payment by the Issuer or the Parent Guarantor. The Paying Agent will promptly deliver to the Holders so accepted payment in an amount equal to the purchase price, and the Trustee will promptly authenticate and deliver to such Holders a Note equal in principal amount to any unpurchased portion of the Note surrendered; *provided* that each Note purchased and each Note issued will be in a principal amount of U.S.$150,000 and integral multiples of U.S.$1,000 in excess thereof.

To the extent that the provisions of any securities laws or regulations conflict with the requirements of the relevant Offer to Purchase, the Parent Guarantor and the Issuer will comply with the applicable securities laws and regulations and shall not be deemed to have breached their obligations under the Notes, the Note Guarantees and the Indenture by virtue of their compliance with such securities laws or regulations.

"Officer" means, in the case of the Issuer or the Parent Guarantor, one of its respective executive officers, or, in the case of a Subsidiary Guarantor, one of the directors or officers of such Subsidiary Guarantor.

"Officers' Certificate" means, with respect to any Person, a certificate signed by two duly authorized Officers of such Person and delivered to the Trustee.

"Opinion of Counsel" means a written opinion in a form satisfactory to the Trustee from counsel. The counsel may be internal counsel of the Parent Guarantor or the Issuer. The Trustee may require an opinion under New York law.

"Parent Guarantor" means Csol Holding LTD.

"Parent Guarantor Surviving Person" has the meaning given to it under "—Consolidation, Merger and Sale of Assets."

"Permitted Businesses" means any business which is the same as or related, ancillary or complementary to any of the businesses of the Parent Guarantor or its Restricted Subsidiaries on the Issue Date.

"Permitted Holder" means (a) any "person" (within the meaning of Section 13(d)(3) of the Exchange Act) or "group" (within the meaning of Rule 13d-5 of the Exchange Act), holding beneficially and/or of record, as of the Issue Date, at least 25% of the Voting Stock of the Parent Guarantor (measured by voting power rather than number of shares), outstanding as of the Issue Date, (b) each of the parents, spouses, brothers, sisters, children and other family members, descendants, heirs, legatees and successors of such "persons", and the respective spouses, descendants, heirs, legatees and successors of each of the foregoing (and any trust or other entity organized for the benefit of any one or more of the foregoing), (c) the executor, administrator or other personal representative of any "person" described in (a) or (b) above who is deceased or incompetent and (d) any Affiliate of any one or more of the "persons" described in (a), (b) or (c) above.

"Permitted Indebtedness" has the meaning given to it under "—Limitation on Indebtedness and Disqualified Stock."

"Permitted Investment" means:

1. any Investment in the Parent Guarantor or any of its Restricted Subsidiaries or a Person which will, upon the making of such Investment, become a Restricted Subsidiary or to be merged with or into or transfer or convey all or substantially all its assets to, or as a result the financial statements will be consolidated with, the Parent Guarantor or any of its Restricted Subsidiaries;

2. any investment in Temporary Cash Investments;

3. payroll, travel and similar advances in the ordinary course of business and not in excess of U.S.$2.0 million (or the Dollar Equivalent thereof) outstanding at any time;

4. any Investment received in compromise, settlement or resolution of (or foreclosure with respect to) (a) obligations created in the ordinary course of business and owing to the Issuer or any Restricted Subsidiary or in satisfaction of judgments including as a result of the bankruptcy or reorganization of any Person or (b) litigation, arbitration or other disputes;

5. any Investment existing on the Issue Date and any extension, modification or renewal of any such Investments (but not any such extension, modification or renewal to the extent it involves additional advances, contributions or other investments of cash or property, other than reasonable expenses incidental to the structuring, negotiation and consummation of such extension, modification or renewal);

6. any Investment pursuant to a Hedging Obligation permitted to be entered into under the covenant described under the caption "—Limitation on Indebtedness and Disqualified Stock;"

7. receivables owing to the Parent Guarantor or any Restricted Subsidiary, if created or acquired in the ordinary course of business;

8. extensions of credit to suppliers and customers in the ordinary course of business in accordance with customary trade terms in the industry;

9. any securities or other Investments received as consideration in, or retained in connection with, sales or other dispositions of property or assets, including Asset Sales made in compliance with the covenant described under "—Limitation on Asset Sales;"

10. pledges or deposits (x) with respect to leases or utilities provided to third parties in the ordinary course of business or (y) otherwise described in the definition of "Permitted Liens" or made in connection with Liens permitted under the covenant described under "—Limitation on Liens;"

11. any Investment to the extent the consideration therefore consists of Capital Stock (other than Disqualified Stock) of the Parent Guarantor or a Restricted Subsidiary;

12. guarantees permitted to be incurred under the covenant described under the caption "—Limitation on Indebtedness and Disqualified Stock;"

13. Investments held by a Person at the time such Person becomes a Restricted Subsidiary of the Parent Guarantor or is merged with or into the Parent Guarantor or any Restricted Subsidiary and not made in contemplation of such Person becoming a Restricted Subsidiary;

14. Investments in any Person engaged in a Permitted Business the Fair Market Value of which, when taken together with all other Investments made pursuant to this clause (14), do not exceed 10% of the total assets of the Parent Guarantor and its Restricted Subsidiaries, calculated as of the end of the most recent fiscal quarter ending prior to the date of such Investment;

15. Investments in Camposol Uruguay S.R.L. not to exceed U.S.$25 million prior to it being transferred from Camposol Holding PLC to the Parent Guarantor, as such transfer is contemplated under the Reorganization; and

16. in addition to the Investments permitted in clauses (1)-(15) above, additional Investments which, when taken together with other Investments made pursuant to this clause (16), do not exceed U.S.$10.0 million when made.

"Permitted Liens" means:

1. Liens for taxes, assessments, governmental charges or claims that are being contested in good faith and for which a reserve or other appropriate provision, if any, to the extent required by IFRS, has been made;

2. statutory and common law Liens of landlords and carriers, warehousemen, mechanics, suppliers, repairmen or other Liens imposed by law;

3. Liens incurred or deposits made to secure the performance of tenders, bids, leases, statutory or regulatory obligations, bankers' acceptances, letters of credit, surety and appeal bonds, government contracts, performance and return-of-money bonds and other obligations of a similar nature incurred in the ordinary course of business (exclusive of obligations for the payment of borrowed money);

4. leases or subleases granted to others that do not materially interfere with the ordinary course of business of the Parent Guarantor and its Restricted Subsidiaries, taken as a whole;

5. Liens encumbering property or assets under construction arising from progress or partial payments by a customer of the Parent Guarantor or its Restricted Subsidiaries relating to such property or assets;

6. Liens securing Indebtedness permitted to be Incurred under clause (ix) of paragraph (II) of the covenant described under the caption entitled "—Limitation on Indebtedness and Disqualified Stock"; *provided* that such Liens do not

extend to or cover any property or assets of the Parent Guarantor or any Restricted Subsidiary other than the property or assets acquired; *provided further* that such Liens were not created in contemplation of or in connection with the transactions or series of transactions pursuant to which such Person became a Restricted Subsidiary;

7. Liens in favor of the Parent Guarantor or any Restricted Subsidiary;

8. Liens arising from the rendering of a judgment or order against the Parent Guarantor or any Restricted Subsidiary that does not give rise to an Event of Default;

9. Liens securing reimbursement obligations with respect to letters of credit that encumber documents and other property relating to such letters of credit and the products and proceeds thereof;

10. Liens existing on the Issue Date;

11. Liens securing Indebtedness which is Incurred to refinance secured Indebtedness which is permitted to be Incurred under clause (iv) of paragraph (II) of the covenant described under the caption entitled "— Limitation on Indebtedness and Disqualified Stock"; *provided* that such Liens do not extend to or cover any property or assets of the Parent Guarantor or any Restricted Subsidiary other than the property or assets securing the Indebtedness being refinanced;

12. Encumbrances, ground leases, easements or reservations of, or right of others for, licenses, rights of way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning, building codes or other restrictions (including, without limitation, minor defects or irregularities in title and similar encumbrances) as to the use of real properties or liens incidental to the conduct of the business of the Parent Guarantor or any Subsidiary of the Parent Guarantor or to the ownership of its properties which do not individually or in the aggregate materially and adversely affect the value of such properties or materially impair their use in the operation of the business of the Parent Guarantor or any Subsidiary of the Parent Guarantor;

13. Liens for the purpose of securing the payment of all or a part of the purchase price of, purchase money obligations or other Indebtedness Incurred to finance the acquisition, lease, improvement or construction of, assets or property acquired, leased, improved or constructed in the ordinary course of business to the extent permitted under the covenant described under the caption "—Limitation on Indebtedness and Disqualified Stock;"

14. Liens securing Indebtedness under Hedging Obligations permitted to be Incurred under the covenant described under the caption "—Limitation on Indebtedness and Disqualified Stock;"

15. Liens arising under any retention of title, hire, purchase or conditional sale arrangement or arrangements having similar effect in respects of goods supplied to the Parent Guarantor or a Restricted Subsidiary in the ordinary course of business;

16. Liens securing Indebtedness which is permitted to be Incurred under clause (xii) of paragraph (II) of the covenant described under the caption "—Limitation on Indebtedness and Disqualified Stock;" and

17. in addition to Liens permitted in clauses (1)-(16) above, Liens securing Indebtedness permitted to be Incurred under the covenant described under "—Limitation on Indebtedness and Disqualified Stock" in an aggregate principal amount outstanding not to exceed 10.0% of the total assets of the Parent Guarantor and its Restricted Subsidiaries, calculated in accordance with IFRS, as of the end of the most recent fiscal quarter ending prior to the date of such Incurrence.

"Permitted Refinancing Indebtedness" has the meaning given to it under "—Limitation on Indebtedness and Disqualified Stock."

"Permitted Subsidiary Indebtedness" means Indebtedness of Restricted Subsidiaries, other than the Issuer or a Subsidiary Guarantor, (but excluding the amount of any Indebtedness of any Restricted Subsidiary permitted under clauses (b) (1), (3), (4) and (9) and any guarantees permitted under clause (xi) of paragraph (II) of the covenant described under the caption "—Limitation on Indebtedness and Disqualified Stock"); *provided* that, on the date of the Incurrence of such Indebtedness and after giving effect thereto and the application of the proceeds thereof, the aggregate principal amount outstanding of all such Indebtedness does not exceed an amount equal to 10% of the total assets of the Parent Guarantor and its Restricted Subsidiaries on a consolidated basis measured in accordance with IFRS for the most recent quarterly or annual consolidated balance sheet of the Parent Guarantor and its Restricted Subsidiaries are available.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Peru" means the Republic of Peru.

"Peruvian Government Obligations" means securities that are (1) direct obligations of Peru for the payment of which its full faith and credit is pledged or (2) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of Peru the payment of which is unconditionally guaranteed as a full faith and credit obligation by Peru, which, will also include a depository receipt issued by a bank or trust company as custodian with respect to any such Peruvian Government Obligation or a specific payment of interest on or principal of any such Peruvian Government Obligation held by such custodian for the account of the holder of a depository receipt.

"Preferred Stock" as applied to the Capital Stock of any Person means Capital Stock of any class or classes that by its term is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

"Rating Agencies" means (1) S&P, (2) Moody's and (3) Fitch. In the event that S&P, Moody's or Fitch is no longer in existence or issuing ratings, such organization may be replaced by an internationally recognized statistical rating organization designated by the Parent Guarantor with written notice to the Trustee.

"Rating Category" means (1) with respect to S&P and Fitch, any of the following categories: "BB," "B," "CCC," "CC," "C" and "D" (or equivalent successor categories); (2) with respect to Moody's, any of the following categories: "Ba," "B," "Caa," "Ca," "C" and "D" (or equivalent successor categories); and (3) the equivalent of any such category of S&P, Fitch or Moody's used by another Rating Agency. In determining whether the rating of the Notes has decreased by one or more gradations, gradations within Rating Categories ("+" and "–" for S&P and Fitch; "1," "2" and "3" for Moody's; or the equivalent gradations for another Rating Agency) shall be taken into account (e.g., with respect to S&P and Fitch, a decline in a rating from "BB+" to "BB," as well as from "BB-" to "B+," will constitute a decrease of one gradation).

"Rating Date" means in connection with a Change of Control Triggering Event, that date which is 90 days prior to the earlier of (x) a Change of Control and (y) a public notice of the occurrence of a Change of Control or of the intention by the Parent Guarantor or any other Person or Persons to effect a Change of Control.

"Rating Decline" means in connection with a Change of Control Triggering Event, the occurrence, on or within 90 days after the earlier to occur of public notice of (i) the occurrence of a Change of Control or (ii) the intention by the Parent Guarantor or any other Person or Persons to effect a Change of Control (which period will be extended for an additional 90 days so long as the rating of the Notes is under publicly announced consideration for possible downgrade by any of the Rating Agencies expressly as a result of the Change of Control Triggering Event) of any of the events listed below, in each case expressly as a result of such Change of Control:

(a) in the event the Notes are rated by both Moody's and Fitch on the Rating Date as Investment Grade, the rating of the Notes by either Rating Agency will be changed to below Investment Grade;

(b) in the event the Notes are rated by either, but not both, of the Rating Agencies on the Rating Date as Investment Grade, the rating of the Notes by such Rating Agency will be changed to below Investment Grade; or

(c) in the event the Notes are rated below Investment Grade by both Rating Agencies on the Rating Date, the rating of the Notes by either Rating Agency will be decreased by one or more gradations (including gradations within Rating Categories as well as between Rating Categories).

"Record Date" has the meaning given to it under "—General."

"Reference Treasury Dealer" means each of any three investment banks of recognized standing that is a primary U.S. Government securities dealer in The City of New York, selected by the Parent Guarantor in good faith.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any redemption date, the average as determined by the Issuer, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Issuer by such Reference Treasury Dealer at 5:00 p.m. on the third Business Day preceding such redemption date.

"Relevant Jurisdiction" has the meaning given to it under "—Additional Amounts."

"Reorganization" means the reorganization under which the Parent Guarantor was incorporated and certain Subsidiaries of Camposol Holding PLC have been and are subsequently being transferred to the Parent Guarantor as further described under "Business—Corporate Structure" in this listing memorandum.

"Replacement Assets" has the meaning given to it under "—Limitation on Asset Sales."

"Restricted Subsidiary" means any Subsidiary of the Parent Guarantor other than an Unrestricted Subsidiary.

"Reversion Date" has the meaning given to it under "—Certain Covenants." "S&P" means Standard & Poor's Ratings Services and its Affiliates.

"Sale and Leaseback Transaction" means any direct or indirect arrangement relating to property (whether real, personal or mixed), now owned or hereafter acquired whereby the Parent Guarantor or any of its Restricted Subsidiaries transfers such property to another Person and the Parent Guarantor or any of its Restricted Subsidiaries leases it from such Person. No transaction solely between the Parent Guarantor and any of its Wholly Owned Subsidiary Guarantors or between any of the Subsidiary Guarantors Wholly Owned by the Parent Guarantor shall be considered a Sale and Leaseback Transaction.

"Senior Indebtedness" of the Parent Guarantor or a Restricted Subsidiary, as the case may be, means any Indebtedness of the Parent Guarantor or the Restricted Subsidiary, as relevant, whether outstanding on the Issue Date or thereafter created, except for Subordinated Indebtedness; *provided* that Senior Indebtedness does not include (1) any obligation to the Parent Guarantor or any Restricted Subsidiary or (2) Indebtedness Incurred in violation of the Indenture.

"Stated Maturity" means, with respect to any Indebtedness, the date specified in such debt security as the fixed date on which the final installment of principal of such Indebtedness is due and payable as set forth in the documentation governing such Indebtedness.

"Subordinated Indebtedness" means any Indebtedness of the Issuer, the Parent Guarantor or any Subsidiary Guarantor which is contractually subordinated or junior in right of payment to the Notes, the Parent Guarantee or any Subsidiary Guarantee, as applicable, pursuant to a written agreement to such effect.

"Subsidiary" means, with respect to any Person, any corporation, association or other business entity of which more than 50% of the voting power of the outstanding Voting Stock is owned, directly or indirectly, by such Person and one or more other Subsidiaries of such Person.

"Suspended Covenant" has the meaning given to it under "—Certain Covenants."

"Suspension Period" has the meaning given to it under "—Certain Covenants."

"Surviving Person" has the meaning given to it under "—Redemption for Taxation Reasons."

"Temporary Cash Investment" means investments in any of the following:

1. U.S. Government Obligations or certificates representing an ownership interest in U.S. Government Obligations, or securities issued directly and fully guaranteed or insured by any member of the European Union, or any agency or instrumentality thereof *provided* that (the full faith and credit of such member is pledged in support of those securities or other sovereign debt obligations (other than those of Argentina) rated "A" or higher or such similar equivalent or higher rating by at least one nationally recognized statistical rating organization as contemplated in Rule 436 under the Securities Act, in each case with maturities not exceeding one year from the date of acquisition;

2. Peruvian Government Obligations (including those of the Central Bank) or certificates representing an ownership interest in Peruvian Government Obligations (including those of the Central Bank) with maturities not exceeding one year from the date of acquisition;

3. (a) demand deposits, (b) time deposits and certificates of deposit with maturities of one year or less from the date of acquisition, (c) bankers' acceptance with maturities not exceeding one year from the date of acquisition, and (d) overnight bank deposits, in each case with any bank or trust company organized or licensed under the laws of (x) Peru or any political subdivision thereof or (y) the United States, any state thereof or member state of the European Union whose short-term debt is rated "investment grade" or higher or such the local equivalent thereof by at least one recognized statistical rating organization;

4. repurchase obligations with a term of not more than 30 days for underlying securities of the type described in clauses (1) and (2) above entered into with any financial institution meeting the qualifications specified in clause (3) above;

5. commercial paper rated “A-2” or higher or such similar equivalent or higher rating by at least one nationally recognized statistical rating organization as contemplated in Rule 436 under the Securities Act and maturing within six months after the date of acquisition;

6. money market funds at least 90% of the assets of which consist of investments of the type described in clauses (1) through (5) above; and

7. similar investments of comparable credit quality, denominated in the currency of any jurisdiction in which such Person conducts business.

“Trade Payables” means, with respect to any Person, any accounts payable or any other indebtedness or monetary obligation to trade creditors created, assumed or guaranteed by such Person or any of its Subsidiaries arising in the ordinary course of business in connection with the acquisition of goods or services.

“Transaction Date” means, with respect to the Incurrence of any Indebtedness, the date such Indebtedness is to be Incurred and, with respect to any Restricted Payment, the date such Restricted Payment is to be made.

“Unrestricted Subsidiary” means (1) any Subsidiary of the Parent Guarantor that at the time of determination shall be designated an Unrestricted Subsidiary by the Board of Directors in the manner provided in the Indenture; and (2) any Subsidiary of an Unrestricted Subsidiary.

“U.S. Government Obligations” means securities that are (1) direct obligations of the United States of America for the payment of which its full faith and credit is pledged or (2) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which, in either case, are not callable or redeemable at the option of the issuer thereof at any time prior to the Stated Maturity of the Notes, and will also include a depository receipt issued by a bank or trust company as custodian with respect to any such U.S. Government Obligation or a specific payment of interest on or principal of any such U.S. Government Obligation held by such custodian for the account of the holder of a depository receipt; *provided* that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of interest on or principal of the U.S. Government Obligation evidenced by such depository receipt.

“Voting Stock” means, with respect to any Person, Capital Stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such Person.

“Wholly Owned” means, with respect to any Subsidiary of any Person, the ownership, directly or indirectly, of all of the outstanding Capital Stock of such Subsidiary (other than any director’s qualifying shares or *de minimis* Investments by particular residents or citizens mandated by applicable law) by such Person or one or more Wholly Owned Subsidiaries of such Person.

TAXATION

Peruvian Tax Disclosure

The discussion in this listing memorandum regarding Peruvian tax considerations is not intended or written to be used, and cannot be used or relied upon by any person, for the purpose of avoiding Peruvian taxation, and was written to support the promotion or marketing of this offering. Prospective investors should consult an independent tax advisor with respect to the Peruvian tax consequences of acquiring, owning or disposing of the notes.

The following is a general summary of certain material Peruvian tax consequences that may be relevant with respect to the purchase, ownership or disposition of the notes by non-Peruvian holders. This summary is not intended to be a comprehensive description of all of the Peruvian tax considerations that may be relevant to a decision by non-Peruvian holders to make an investment in the notes.

For purposes of this section, "non-Peruvian holder" means (i) any individual who is not domiciled in Peru; and (ii) any legal entity incorporated outside of Peru, *provided* that it does not conduct any trade or business through a permanent establishment in Peru or hold the notes through a Peruvian branch. A non-Peruvian individual will be deemed domiciled in Peru for tax purposes if such individual has resided or has remained in Peru for more than 183 calendar days during any 12-month period. The change on the condition of residence will be effective as of January 1 of the following calendar year.

The following considerations are general and consequences may vary if a tax treaty signed by Peru is applicable. The tax treaties currently in force are those signed with Chile, Canada, Brazil, Portugal, Mexico, Korea, Switzerland and the Decision 578 applicable to countries that are members of the Andean Community (Colombia, Ecuador, Bolivia and Peru). If a non-Peruvian holder of the notes is a resident of any of those countries, we recommend consulting an independent tax advisor.

Income Tax

Payment of interest on the notes

Interest paid on the notes to non-Peruvian holders (which, in the case of global notes, will be DTC) will be treated as Peruvian-source income and will be subject to a Peruvian withholding income tax at a rate of 4.99%, unless the non-Peruvian holder (which, in the case of global notes, will be DTC) is considered to be related to us under Peruvian tax laws or if the non-Peruvian holder is an individual and the interest derives from or passes through a tax haven jurisdiction, in which cases the withholding income tax rate will be 30%.

We are required to act as the withholding agent for the income tax payable in connection with interest paid on the notes to non-Peruvian holders.

Sale of beneficial interest in a global note and sale of certificated note

So long as the notes are issued in global form and are held by DTC (or its nominee), proceeds received by a non-Peruvian beneficial owner on a sale, repurchase, exchange or disposition of a beneficial interest in the global notes will not be subject to any Peruvian withholding or capital gains tax.

In the event that the beneficial interests in the global notes are exchanged for certificated notes, any capital gain arising from the sale, repurchase, exchange or other disposition of these certificated notes by non-Peruvian holders would be subject to Peruvian income tax at a preferential rate of 5% if the following requirements are satisfied: (i) the certificated notes are registered with the Peruvian Securities Public Registry, and (ii) the certificated notes are negotiated in a Peruvian Stock Market. Otherwise, capital gains will be taxable at a 30% rate.

A capital gain will be equal to the difference between (i) the amount realized on the sale, exchange or disposition of the certificated notes, and (ii) the purchase price paid for the notes, which must be certified by the Peruvian tax administration pursuant to a form submitted by the seller along with back-up documentation evidencing, among others, that the purchase price has been paid in a Peruvian bank account, unless the sale, exchange or disposition is made through the Peruvian Stock Exchange.

Redemption of the notes

Under Peruvian Income Tax Law, the income obtained by the redemption of the notes qualify as capital gains (as any sale of the beneficial interest on the global note).

Any premium received by non-Peruvian holders upon redemption of the notes in accordance with the indenture will be subject to a withholding tax at a rate of either 4.99% or 30% depending on whether the premium is characterized as interest or capital gain. However, a 30% withholding tax rate will apply to any premium received if the non-Peruvian holder (which, in the case of global notes, will be DTC) of the notes is considered to be related to us.

We have agreed, subject to specific exceptions and limitations, to pay Additional Amounts in respect of certain Peruvian income taxes mentioned above. See "Description of the Notes."

Value Added Tax

Interest paid on the notes is not subject to Peruvian value added tax (*Impuesto General a las Ventas*) ("VAT").

The sale, exchange or disposition of the notes is not subject to VAT.

Financial Transactions Tax

In Peru, there is a financial transactions tax ("FTT"), which taxes at a rate of 0.005% any debit or credit made in an account opened with a Peruvian bank or any other financial institution, either in Peruvian or foreign currency. Therefore, if the issue price paid for the notes is deposited in a Peruvian Financial System ("PFS") bank account, such credit will be subject to FTT, and also the subsequent withdrawal of such amount. Likewise, interest and principal paid from or deposited in a PFS bank account will also be subject to the FTT. The taxpayer of the FTT is the holder of the PFS bank account.

U.S. Taxation

The following describes certain U.S. federal income tax consequences of the purchase, ownership and disposition of a note acquired pursuant to this offering. This summary is based on the Internal Revenue Code of 1986, as amended (the “Code”), its legislative history, existing and proposed U.S. Department of the Treasury regulations promulgated thereunder (the “Regulations”), published rulings and court decisions, all as in effect on the date of this listing memorandum. All of these laws and authorities are subject to change at any time, perhaps with retroactive effect. No assurances can be given that any changes in these laws or authorities will not affect the accuracy of the discussions set forth in this summary. This summary does not cover any U.S. state, U.S. local, non-U.S. or other tax issues, nor does it cover issues under the U.S. federal estate or gift tax laws.

We intend to treat the notes as debt for U.S. federal income tax purposes. This summary assumes that the U.S. Internal Revenue Service (the “IRS”) will respect this classification. No ruling has been sought from the IRS with respect to the statements made and the conclusions reached in this discussion, and there can be no assurance that the IRS will agree with all of such statements and conclusions. A different treatment from that described below could adversely affect the amount, timing, and character of income, gain or loss in respect of an investment in the notes.

This summary deals only with holders that hold a note as a capital asset for U.S. federal income tax purposes (generally, property held for investment). This summary does not purport to deal with all aspects of U.S. federal income taxation that may be relevant to a particular holder in light of the holder’s circumstances (for example, persons subject to the alternative minimum tax provisions of the Code). Also, this summary does not address tax considerations applicable to special classes of holders, such as:

- investors who do not purchase the notes in the offering at the offering price;
- dealers in securities or currencies, certain securities traders, banks, regulated investment companies, real estate investment trusts, tax-exempt organizations and life insurance companies;
- traders in securities that elect to mark to market their securities holdings;
- persons that purchase or sell the notes as part of a wash sale for U.S. federal income tax purposes;
- persons that hold the notes as part of a hedging transaction or as a position in a straddle or conversion transaction, or as part of a “synthetic security” or other integrated financial transaction;
- persons that purchase or sell notes as part of a wash sale for U.S. federal income tax purposes;
- U.S. expatriates;
- nonresident alien individuals present in the United States for more than 182 days in a taxable year;
- partnerships or other entities classified as partnerships for U.S. federal income tax purposes, or persons holding the notes

through partnerships or other pass-through entities; and

- U.S. Holders (as defined below) whose functional currency for U.S. federal income tax purposes is not the U.S. dollar.

If a partnership (including any entity classified as a partnership for U.S. federal income tax purposes) is a beneficial owner of a note, the tax treatment of a partner in that partnership generally will depend on the status of the partner and the activities of the partnership. Holders of notes that are partnerships and partners in those partnerships should consult their own tax advisors regarding the U.S. federal income tax consequences of the purchase, ownership and disposition of notes.

In certain circumstances (See Description of Notes - Optional Redemption, Repurchase of Notes Upon a Change of Control Triggering Event), we may be obligated to pay amounts on the notes that are in excess of stated interest or principal on the notes. These potential payments may implicate the provisions of the Regulations relating to "contingent payment debt instruments." Under these Regulations, however, one or more contingencies will not cause a debt instrument to be treated as a contingent payment debt instrument if, as of the issue date, such contingencies in the aggregate are considered "remote" or "incidental" or, in certain circumstances, either it is significantly more likely than not that none of the contingencies will occur or the contingency results from an option of the issuer which, if exercised, would increase the yield to maturity of the note. We believe that these contingencies should not cause the notes to be treated as contingent payment debt instruments for U.S. federal income tax purposes. Accordingly, we do not intend to treat the possibility of paying such additional amounts as causing the notes to be treated as contingent payment debt instruments. Our determination generally is binding on a holder unless such holder discloses its contrary position in the manner required by the applicable Regulations. It is possible that the IRS may take a different position, in which case, if such position is sustained, the timing and amount of income included and the character of the income recognized with respect to the notes may be materially and adversely different from the consequences discussed herein. The remainder of this discussion assumes that the notes will not be treated as contingent payment debt instruments. You should consult your own tax advisors regarding the possible application of the contingent payment debt instrument rules to the notes.

We expect, and the remainder of this summary assumes, that the notes will not be issued with greater than a *de minimis* amount of "original issue discount" for U.S. federal income tax purposes.

You should consult your own tax advisors regarding the U.S. federal income tax consequences of the purchase, ownership and disposition of the notes in light of your particular circumstances, as well as the effect of any relevant U.S. state, U.S. local, non-U.S. or other tax laws.

U.S. Holders

The following discussion applies to you if you are a U.S. Holder. As used herein, a "U.S. Holder" means a beneficial owner of a note who or that is for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States for U.S. federal income tax purposes;
- a corporation (or other entity classified as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States or any state thereof, or the District of Columbia;
- an estate the income of which is subject to U.S. federal income tax without regard to its source; or
- a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons as defined in the Code (each a "U.S. Person") have the authority to control all substantial decisions of the trust, or that was in existence on August 20, 1996 and that has made a valid election under the applicable Regulations to be treated as a U.S. trust.

If you are not a U.S. Holder, this discussion does not apply to you, and you should refer to "—Non-U.S. Holders" below.

Book/Tax Conformity. U.S. Holders that use an accrual method of accounting for tax purposes ("accrual method holders") generally are required to include certain amounts in income no later than the time such amounts are reflected on certain financial statements (the "book/tax conformity rule"). The application of the book/tax conformity rule thus may require the accrual of income earlier than would be the case under the general tax rules described below. It is not entirely clear to what types of income the book/tax conformity rule applies, or, in some cases, how the rule is to be applied if it is applicable. However, recently released proposed regulations generally would exclude, among other items, original issue discount (whether or not *de minimis*) from the applicability of the book/tax conformity rule. Although the proposed regulations generally will not be effective until taxable years beginning after the date on which they are issued in final form, taxpayers generally are permitted to elect to rely on their provisions currently. Accrual method holders should consult with their tax advisors regarding the potential applicability of the book/tax conformity rule to their particular situation.

Interest on a Note. Payments or accruals of stated interest on a note generally will be taxable to you as ordinary income at the time they are accrued or actually or constructively received, depending on your regular method of accounting for U.S. federal income tax purposes. In addition to interest on the notes, you will be required to include any tax withheld from the interest payment as ordinary income, even though you did not in fact receive it, and any additional amounts paid in respect of such tax withheld. You may be entitled to deduct or credit this tax, subject to applicable limits. Interest paid on a note will constitute income from sources outside the United States and, under the "foreign tax credit" rules, that interest will, depending on your circumstances, be "passive" or another category income for purposes of computing the foreign tax credit allowable to you under the U.S. federal income tax laws. The rules governing the foreign tax credit are complex. You are urged to consult your independent tax advisor regarding the availability of the foreign tax credit under your particular circumstances.

Sale, Exchange, Retirement, Redemption or Other Disposition of a Note. You generally will recognize capital gain or loss on the sale, exchange, retirement, redemption or other taxable disposition of a note equal to the difference between the amount realized on the sale, exchange, retirement, redemption or other taxable disposition of a note (not including any amounts attributable to accrued but unpaid interest, which will be taxed as ordinary income to the extent not previously included in income) and your adjusted tax basis in the note. Your amount realized is the sum of cash plus the fair market value of any property received upon the sale, exchange, retirement, redemption or other taxable disposition of a note. Your adjusted tax basis in a note generally will equal its cost to you decreased (but not below zero) by any amortized bond premium. Such capital gain or loss will be long-term capital gain or loss if the note was held for more than one year, and will be short-term capital gain or loss if you held the note for one year or less. Under the Code, long-term capital gains of individuals generally will be taxed at lower rates than items of ordinary income. Your ability to offset capital losses against ordinary income is limited. Any gain or loss you recognize on the sale, exchange, retirement, redemption or other taxable disposition of a note generally will be treated as income from sources within the United States or loss allocable to income from sources within the United States for foreign tax credit limitation purposes. Consequently, if any such gain is subject to non-U.S. tax, a U.S. Holder may not be able to credit the tax against its U.S. federal income tax liability unless the credit can be applied (subject to applicable limitations) against tax due on other income treated as derived from non-U.S. sources. You should consult your own tax advisors as to the foreign tax credit implications of a disposition, including a redemption, of the notes.

Medicare Tax. If you are a U.S. Holder that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, you are subject to a 3.8% Medicare tax on the lesser of (i) your "net investment income" (or, in the case of an estate or trust, the "undistributed net investment income") for the relevant taxable year and (ii) the excess of your modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals is between $125,000 and $250,000, depending on the individual's circumstances). Your net investment income generally includes your interest income and your net gains from the disposition of a note, unless such interest income or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). If you are an individual, estate or trust, you should consult your own tax advisors regarding the applicability of the Medicare tax to your income and gains in respect of your investment in the notes.

Information with Respect to Foreign Financial Assets. Owners of "specified foreign financial assets" with an aggregate value in excess of $50,000 on the last day of the taxable year, or $75,000 at any time during the taxable year may be required to file information reports with respect to such assets with their U.S. federal income tax returns. Depending on your circumstances, higher threshold amounts may apply. "Specified foreign financial assets" include any financial accounts maintained by non-U.S. financial institutions, as well as any of the following, but only if they are held for investment and not held in accounts maintained by certain financial institutions: (i) stocks and securities issued by non-U.S. persons, (ii) financial instruments and contracts that have non-U.S. issuers or counterparties and (iii) interests in non-U.S. entities. The notes may be treated as specified foreign financial assets and you may be subject to this information reporting regime. Failure to file information reports may subject you to penalties. In addition, the statute of limitations for assessment of tax would be suspended, in whole or part. You should consult your own tax advisors regarding your obligation to file information reports with respect to the notes.

Non-U.S. Holders

The following discussion applies to you if you are a beneficial owner of a note that is an individual, corporation, estate or trust for U.S. federal income tax purposes and are not a U.S. Holder as defined above ("Non-U.S. Holder").

Interest on a Note. Subject to the discussion of backup withholding and information reporting below, you generally will not be subject to U.S. federal income tax, including withholding tax, on payments of interest and any Additional Amounts on a note unless the interest is "effectively connected" with your conduct of a trade or business within the United States (and in addition, if an applicable income tax treaty requires, the interest is attributable to a permanent establishment or fixed place of business maintained by you within the United States.). In that case, you generally will be subject to U.S. federal income tax in respect of such interest in the same manner as a U.S. Holder, as described above. If you are treated as a corporation for U.S. federal income tax purposes you may, in certain circumstances, also be subject to an additional U.S. "branch profits tax" in respect of any such effectively connected interest income currently imposed at a 30% rate (or a lower rate under an applicable tax treaty).

Sale, Exchange, Retirement, Redemption or Other Disposition of a Note. Subject to the discussion of backup withholding and information reporting below, you generally will not be subject to U.S. federal income tax on any capital gain realized on the sale, exchange, retirement, redemption or other taxable disposition of a note unless the gain is effectively connected with your conduct of a trade or business within the United States (and in addition, if an applicable income tax treaty requires, the gain is attributable to a permanent establishment or fixed place of business maintained by you within the United States.), in which case you generally will be subject to U.S. federal income tax on such gain in the same manner as a U.S. Holder and, if you are treated as a corporation for U.S. federal income tax purposes, you may also be subject to the U.S. branch profits tax as described above. Any amount attributable to accrued but unpaid interest on a note generally will be treated in the same manner as payments of interest made to you, as described above under "—Interest on a Note."

Backup Withholding and Information Reporting

If you are a U.S. Holder, and unless you prove that you are exempt, information reporting requirements generally will apply to payments of principal and interest on a note if such payments are made within the United States. Such payments will be considered made within the United States if transferred to an account maintained in the United States or mailed to a United States address, and the amount is paid by or through a custodian, nominee or other agent that is a U.S. Controlled Person, as defined below. Backup withholding will apply to such payments if you (i) fail to provide an accurate taxpayer identification number, (ii) in the case of interest payments, fail to certify that you are not subject to backup withholding, or (iii) are notified by the IRS that you have failed to report all interest and dividends required to be shown on your U.S. federal income tax returns.

If you are a Non-U.S. Holder, backup withholding and information reporting (assuming that the gain or income otherwise is exempt from U.S. federal income tax) generally will not apply to payments of principal and interest on a note, but you may be required to comply with certification and identification procedures or otherwise establish an exemption. The payment of proceeds of a sale or redemption of a note effected at the U.S. office of a broker will generally be subject to the information reporting and backup withholding rules. In addition, the information reporting rules will apply to payments of proceeds of a sale effected at a non-U.S. office of a broker that is a U.S. Controlled Person, unless the broker has documentary evidence that you are not a U.S. Person (and has no actual knowledge or reason to know to the contrary) or you otherwise establish an exemption. The backup withholding rules will apply to such payments if the broker has actual knowledge that you are a U.S. Person.

A "U.S. Controlled Person" is:

- a U.S. Person;
- a "controlled foreign corporation" for U.S. federal income tax purposes;
- a non-U.S. person 50% or more of whose gross income is derived for U.S. federal income tax purposes from a U.S. trade or business for a specified three-year period; or
- a non-U.S. partnership in which U.S. Persons hold, at any time during the non-U.S. partnership's tax year, more than 50% of the income or capital interests or which is engaged in a U.S. trade or business.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a holder of a note generally will be allowed as a refund or a credit against the holder's U.S. federal income tax liability as long as the holder provides the required information to the IRS in a timely manner.

Certain Tax Considerations in Cyprus Relevant to Noteholders

The following is a summary based on the laws and practices currently in force in the Republic of Cyprus and should be treated with appropriate caution. Particular rules may apply to certain classes of taxpayers holding notes. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

Definition of tax residency for corporate tax purposes

A company is considered to be tax resident of Cyprus if its management and control is exercised in Cyprus. There is no definition in the Cyprus income tax laws as to what constitutes "management and control". However, the Cypriot Tax Authorities issued Circular 2015/19 on October 30, 2015 describing the process through which a company applies for a tax residency certificate. This entails the completion of a detailed questionnaire (T.D. 98 Form) which requires the applicant to provide extensive information about the company, such as the tax residency status of the directors, place where board and shareholder meetings take place, whether broad power of attorneys have been issued and other information.

It is generally accepted and in line with international tax practices/principles that the following conditions should be considered to determine if a company qualifies as a resident of Cyprus for tax purposes:

1. The Board of Directors exercise control and make key/strategic (and preferably day-to-day) management and decisions necessary for the relevant entity’s operations and general policies from Cyprus. This is achieved by having meetings of the Board of Directors take place in Cyprus and signing written resolutions, contracts, agreements and other relevant company documents relating to the management, control and administrative functions of the company in Cyprus;

2. The majority of the directors are tax resident of Cyprus and exercise their office from Cyprus;

3. The accounting records of the relevant entity are prepared and kept in Cyprus;

4. Bank accounts are operated from Cyprus, even if the accounts are maintained with banks established outside Cyprus;

5. An administrative office is maintained in Cyprus where actual management and control of the business of the relevant entity shall be exercised;

6. No broad/general powers of attorneys are granted to individuals based outside Cyprus effectively empowering them to manage the business affairs of the company outside Cyprus

7. Hard copies of commercial documentation (agreements, invoices, etc.) are stored in the office facilities of the Cypriot entity.

Definition of tax residency for personal tax purposes

As per the Income Tax Law, an individual is considered to be a tax resident of Cyprus if he or she is physically present in Cyprus for a period or periods in aggregate exceeding 183 days in a tax year (tax year being the same as the calendar year).

Additionally, as of January 1, 2017, the definition of tax resident includes an individual who does not stay in any other state for one or more periods exceeding in aggregate 183 days in the same tax year and who is not considered a resident for tax purposes in any other state for the same tax year, provided that the individual cumulatively meets the following conditions:

- Stays in Cyprus for at least 60 days in the year of assessment;
- Exercises any business in Cyprus and/or is employed in Cyprus and/or holds an office for a person who is tax resident in Cyprus at any time during the tax year;
- Maintains a permanent residence in Cyprus which is owned or rented by him

It is further provided that an individual, who cumulatively fulfils the aforementioned conditions, is not considered to be a resident for tax purposes in Cyprus in a tax year, if during the said tax year the exercise of any business in Cyprus and/ or the employment in Cyprus and/or the holding of an office for a person tax resident in Cyprus is terminated.

The Special Contribution for the Defence Fund of the Republic Law contains the following term and definition:

"Resident in the Republic", when applied to an individual, means a person who is resident in Cyprus as defined in accordance with the provisions of the Income Tax Law, and who also has domicile in Cyprus.

For the purposes of this Law a person has "domicile in Cyprus" if he or she has Cypriot domicile of origin based on the provisions of the Wills and Succession Law, except for:

(i) an individual who has acquired and maintains domicile of choice outside of Cyprus based on the provisions of the Wills and Succession Law, provided that he or she was not resident of Cyprus or was resident outside of Cyprus as defined in accordance with the provisions of the Income Tax Law for any period of at least 20 consecutive years before the tax year, or

(ii) an individual who was not resident of Cyprus or was resident outside of Cyprus as defined in accordance with the provisions of the Income Tax Law for a period of at least 20 consecutive years prior to July 16, 2015.

It is provided that regardless of the domicile of origin, any individual who is resident Cyprus, as defined in accordance with the provisions of the Income Tax Law, for at least 17 out of the last 20 years before the tax year, is deemed to have his/her domicile in Cyprus for the purposes of this Law.

Cypriot Withholding Tax on Guarantee Payments

It is not entirely clear as to how payments made under the guarantees to be paid by the Parent Guarantor, which is a Cyprus tax resident company, to the noteholders could be legally characterised for Cypriot withholding tax purposes. To the extent that payments made under the guarantees represent interest payments, such payments should be subject to withholding tax treatment in Cyprus similarly to interest income. On that basis:

- any payments to be made to the noteholders not being resident of Cyprus for income tax purposes should not be subject to any withholding tax in Cyprus;
- any payments to be made to the noteholders, being individuals who are residents of Cyprus for income tax purposes and who are, however, not considered to have their domicile in Cyprus, should not be subject to any withholding tax in Cyprus;
- any payments be made to noteholders, being legal entities whose management and control is exercised from Cyprus, should not be subject to any withholding tax in Cyprus, provided that the interest is accruing from the ordinary carrying on of their business or is closely connected with the ordinary carrying of their business;
- any payments to noteholders, being individuals who are resident of Cyprus for income tax purposes and who additionally have their domicile in Cyprus, should be subject to withholding tax in Cyprus at the rate of 3 per cent on the gross amount of interest;
- any payments to noteholders, being legal entities whose management and control is exercised from Cyprus, should be subject to a withholding tax at a rate of 30 per cent on the gross amount of interest, provided that the interest is neither accruing from the ordinary carrying on of their business nor is closely connected with the ordinary carrying of their business.

Although there is no official guidance in Cyprus, it is expected that gross-up provisions should be applicable in practice with respect to the portion of payments under the guarantee relating to interest on the notes. Such additional amounts should be subject to the withholding tax in Cyprus similarly as interest income, as set out above.

Any payments under the guarantees relating to payment of principal on the notes should not be subject to any withholding taxes in Cyprus.

To the extent that in the future the Parent Guarantor will have to make payments under the guarantees to any Cyprus tax resident and domiciled individual or a Cyprus tax resident company, the intention is to apply for an advance ruling from the Cypriot Tax Authorities in order to establish the obligation or lack thereof of the Parent Guarantor to withhold at source any Special Contribution for the Defence Fund from such payments.

Cypriot Indirect Tax on Guarantee Payments

It is not entirely clear as to how payments made under the guarantees to be paid by the Parent Guarantor, which is a Cyprus tax resident company, to the noteholders could be legally characterised for Cypriot VAT purposes.

We are of the opinion that such payments should be outside the scope of the Cypriot VAT legislation, since such payments cannot be regarded as constituting consideration for any supply of goods or services falling within the VAT scope by the noteholder or a 3rd party to and for the benefit of the Parent Guarantor.

Even if such payments made by the Parent Guarantor to the noteholders are considered to represent interest payments, no Cypriot VAT implications should arise since interest from granting of finance is exempt from VAT.

PLAN OF DISTRIBUTION

Subject to the terms and conditions contained in a purchase agreement between us and the initial purchasers named in the table below, the Issuer has agreed to sell to the initial purchasers, and the initial purchasers have, severally and not jointly, agreed to purchase from the Issuer, the principal amount of the notes that appears opposite its name in the table below.

Initial purchasers	Principal amount of notes
BofA Securities, Inc.	U.S.$153,125,000
Santander Investment Securities Inc.	U.S.$ 65,625,000
Scotia Capital (USA) Inc.	U.S.$ 65,625,000
UBS Securities LLC	U.S.$ 43,750,000
BBVA Securities Inc.	U.S.$ 21,875,000
Total	U.S.$350,000,000

The purchase agreement provides that the obligations of the initial purchasers to purchase the notes offered hereby are subject to certain conditions precedent and that the initial purchasers will purchase all of the notes offered hereby if any of the notes are purchased. The initial purchasers may offer and sell notes through certain of its affiliates.

The Issuer and the Parent Guarantor have agreed to indemnify the initial purchasers and their controlling persons against certain liabilities, including liabilities under the Securities Act, and to contribute to payments the initial purchasers may be required to make in respect of any of these liabilities. The initial purchasers propose initially to offer the notes at the offering price set forth on the cover page of this listing memorandum. After the initial offering, the initial purchasers may change the offering price and other selling terms of the notes.

The notes offered hereby have not been and will not be registered under the Securities Act or any state securities laws. The initial purchasers have agreed that they will offer or sell the notes only in transactions not requiring registration under the Securities Act or any state securities laws, including resales (a) in the United States to persons that they reasonably believe are qualified institutional buyers in reliance on Rule 144A or (b) in offshore transactions to non-U.S. persons in reliance on Regulation S. In addition, until 40 days following the commencement of this offering, an offer or sale of notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act unless the dealer makes the offer or sale in compliance with Rule 144A or another exemption from registration under the Securities Act. Each purchaser will be deemed to have made acknowledgments, representations and agreements as described under “Transfer Restrictions.”

No Sale of Similar Securities

The Issuer has agreed that, during the period commencing on the date of this listing memorandum and ending 180 days thereafter, the Issuer will not, directly or indirectly, issue, sell, offer, contract or grant any option to sell, pledge, transfer or establish an open “put equivalent position” within the meaning of Rule 16a-1 under the Exchange Act, or otherwise dispose of or transfer, or announce the offering of, or file any registration statement under the Securities Act or the securities laws of any jurisdiction in respect of, any debt securities of the Issuer or securities exchangeable for or convertible into debt securities of the Issuer (other than the notes and debt securities or securities exchangeable for or convertible into debt securities of the Issuer issued in offerings in Peru).

New Issue of Securities

The notes are a new issue of securities with no established trading market. The initial purchasers may make a market in the notes after completion of the offering, but will not be obligated to do so, and may discontinue any market-making activities at any time without notice. Neither we nor the initial purchasers can provide any assurance as to the liquidity of the trading market for the notes or that an active public market for the notes will develop. If an active public trading market for the notes does not develop, the market price and liquidity of the notes may be adversely affected.

Stabilization Transactions

In connection with the offering of the notes, the initial purchasers may engage in over-allotment and stabilizing transactions. Over-allotment involves sales in excess of the offering size, which creates a short position for the initial purchasers. Stabilizing transactions involve bids to purchase the notes in the open market for the purpose of pegging, fixing or maintaining the price of the notes. If the initial purchasers engage in stabilizing covering transactions, they may discontinue them at any time. Stabilizing transactions may cause the price of the notes to be higher than it would otherwise be in the absence of those transactions.

Short Positions

In connection with the offering, the initial purchasers may purchase and sell the notes in the open market. These transactions may include short sales and purchases on the open market to cover positions created by short sales. Short sales involve the sale by the initial purchasers of a greater principal amount of notes than they are required to purchase in the offering. The initial purchasers must close out any short position by purchasing notes in the open market. A short position is more likely to be created if the initial purchasers are concerned that there may be downward pressure on the price of the notes in the open market after pricing that could adversely affect investors who purchase in the offering.

Similar to other purchase transactions, the initial purchasers' purchases to cover the short sales may have the effect of raising or maintaining the market price of the notes or preventing or retarding a decline in the market price of the notes. As a result, the price of the notes may be higher than the price that might otherwise exist in the open market.

Neither we nor the initial purchasers makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the notes. In addition, neither we nor any of the initial purchasers makes any representation that the representatives will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Settlement

We expect that the delivery of the notes will be made against payment therefore on or about February 3, 2020, which will be the fourth business day following the date of this listing memorandum (such settlement being referred to as "T+4"). Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in two business days, or "T+2," unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the notes prior to the settlement date may be required, by virtue of the fact that the notes initially will settle in "T+4 ", to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade the Notes prior to the settlement date should consult their own advisor.

Relationship with the Initial Purchasers

The initial purchasers and their respective affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer and its affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions. Certain of the initial purchasers are lenders under certain of the Issuer's existing credit facilities that will be repaid from the proceeds of this offering. UBS Securities LLC is currently engaged by the Parent Guarantor as a financial advisor in connection with a possible capital transaction involving its equity interests.

In addition, in the ordinary course of its business activities, the initial purchasers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer and its affiliates. If any of the initial purchasers or their affiliates has a lending relationship with us, certain of those initial purchasers or their affiliates routinely hedge, and certain other of those initial purchasers or their affiliates may hedge, their credit exposure to us consistent with their customary risk management policies. Typically, these initial purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the notes offered hereby.

The initial purchasers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Sales Outside the United States

None of the Issuer, the Parent Guarantor or the initial purchasers are making an offer to sell, or seeking offers to buy, the notes in any jurisdiction where the offer and sale is not permitted. You must comply with all applicable laws and regulations in force in any jurisdiction in which you purchase, offer or sell the notes or possess or distribute this listing memorandum, and you must obtain any consent, approval or permission required for your purchase, offer or sale of the notes under the laws and regulations in force in any jurisdiction to which you are subject or in which you make such purchases, offers or sales. Neither we nor the initial purchasers will have any responsibility therefor.

Peru

The notes and this listing memorandum have not been, and will not be, registered with or approved by the Superintendency of the Securities Market (*Superintendencia del Mercado de Valores*) or the Lima Stock Exchange (*Bolsa de Valores de Lima*). Accordingly, the notes cannot be offered or sold in Peru, except if (i) such notes were previously registered with the SMV, or (ii) such offering is considered a private offering under the Peruvian securities laws and regulations. The Peruvian securities laws establish, among other things, that an offer directed exclusively to Institutional Investors (as defined by Peruvian law) qualifies as a private offering. In making an investment decision, Institutional Investors (as defined by Peruvian law) must rely on their own examination of the terms of the offering of the notes to determine their ability to invest in the notes.

No offer or invitation to subscribe for or sell the notes or beneficial interests therein can be made in the Republic of Peru except in compliance with the Peruvian securities laws and regulations.

Chile

Pursuant to Law No. 18,045 of Chile (the securities market law of Chile) and Rule (*Norma de Carácter General*) No. 336, dated June 27, 2012, issued by the CMF, the notes may be privately offered in Chile to certain "qualified investors" identified as such by CMF Rule 336 (which in turn are further described in Rule N°. 216, dated June 12, 2008, of the CMF).

CMF Rule 336 requires the following information to be provided to prospective investors in Chile:

1. Date of commencement of the offer: January 28, 2020. The offer of the notes is subject to Rule (*Norma de Carácter General*) No. 336, dated June 27, 2012, issued by the CMF.

2. The subject matter of this offer are securities not registered with the Securities Registry (*Registro de Valores*) of the CMF, nor with the foreign securities registry (*Registro de Valores Extranjeros*) of the CMF, due to the notes not being subject to the oversight of the CMF.

3. Since the notes are not registered in Chile there is no obligation by the issuer to make publicly available information about the notes in Chile.

4. The notes shall not be subject to public offering in Chile unless registered with the relevant Securities Registry of the CMF.

Información a los Inversionistas Chilenos

De conformidad con la ley N° 18.045, de mercado de valores y la Norma de Carácter General N° 336 (la "NCG 336"), de 27 de junio de 2012, de la CMF, los bonos pueden ser ofrecidos privadamente a ciertos "inversionistas calificados," a los que se refiere la NCG 336 y que se definen como tales en la Norma de Carácter General N° 216, de 12 de junio de 2008, de la CMF.

La siguiente información se proporciona a potenciales inversionistas de conformidad con la NCG 336:

2. *La oferta de los bonos comienza el* 28 de enero del 2020*, y se encuentra acogida a la Norma de Carácter General N° 336, de fecha 27 de junio de 2012, de la CMF.*

3. *La oferta versa sobre valores no inscritos en el Registro de Valores o en el Registro de Valores Extranjeros que lleva la CMF, por lo que tales valores no están sujetos a la fiscalización de esa Superintendencia.*

4. *Por tratarse de valores no inscritos en Chile no existe la obligación por parte del emisor de entregar en Chile información pública sobre los mismos.*

5. *Estos valores no podrán ser objeto de oferta pública en Chile mientras no sean inscritos en el Registro de Valores correspondiente.*

Canada

The notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this listing memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts ("NI 33-105"), the initial purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Prohibition of Sales to EEA Retail Investors

The notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation. This listing memorandum has been prepared on the basis that any offer of notes in any Member State of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of notes. This listing memorandum is not a prospectus for the purposes of the Prospectus Regulation.

The above selling restriction is in addition to any other selling restrictions set out below.

United Kingdom

This listing memorandum is only being distributed to, and is only directed at, persons in the United Kingdom that are qualified investors within the meaning of Article 2(e) of the Prospectus Regulation that are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (ii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (each such person being referred to as a "relevant person"). This listing memorandum and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this listing memorandum or any of its contents.

Cyprus

The notes will not be offered, sold or delivered in, and nothing in this listing memorandum shall be interpreted as containing an offer or invitation to, or solicitation of, any such circulation, distribution, placement, sale or other transfer of any securities in the territory of, the Republic of Cyprus. In case any document and/or action is required in Cyprus, no document, circular, advertisement or other offering material will be offered or distributed in Cyprus except under circumstances which will result in compliance with the Public Offer and Prospectus Law 2005, as amended, (the "Prospectus Law") and any other applicable laws and regulations in effect at the relevant time. This Offer shall not constitute an "offer of securities to the public" or "public offer" or "invitation to the public" for the purposes of the Prospectus Law.

The Republic of Italy

The offering of the notes has not been cleared by CONSOB pursuant to Italian securities legislation. Accordingly, no notes may be offered, sold or delivered, directly or indirectly, nor may copies of this listing memorandum or any other document relating to the notes be distributed in the Republic of Italy, except:

(i) to qualified investors (*investitori qualificati*), as defined under Article 100 of the Legislative Decree No. 58 of February 24, 1998, as amended (the "Italian Securities Act"), as implemented by Article 26, paragraph 1, letter (d) of CONSOB Regulation No. 16190 of October 27, 2007, as amended ("Regulation 16190"), pursuant to Article 34-*ter*, paragraph 1, letter (b), of CONSOB Regulation No. 11971 of May 14, 1999, as amended ("Regulation 11971"); or

(ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Italian Securities Act and its implementing CONSOB regulations, including Regulation No. 11971.

Any such offer, sale or delivery of the notes or distribution of copies of this listing memorandum or any other document relating to the notes in the Republic of Italy must be in compliance with the selling restriction under (i) and (ii) above and:

(a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the relevant provisions of the Italian Securities Act, Regulation No. 16190 and Legislative Decree No. 385 of September 1, 1993, as amended (the "Italian Banking Act");

(b) in compliance with Article 129 of the Italian Banking Act and the implementing guidelines of the Bank of Italy, as amended, pursuant to which the Bank of Italy may request information on the offering or issue of securities in Italy; and

(c) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or the Bank of Italy or any other Italian authority.

Any investor purchasing the notes is solely responsible for ensuring that any offer or resale of the notes by such investor occurs in compliance with the applicable Italian laws and regulations.

Please note that in accordance with Article 100-bis of the Italian Securities Act, either the subsequent resale on the secondary market in Italy of the notes (which were part of a public offer made pursuant to an exemption from the obligation to publish a prospectus) or the subsequent systematic resale on the secondary market in Italy to investors that are not qualified investors within 12 months of completion of the offer reserved to qualified investors only, constitutes a distinct and autonomous offer that must be made in compliance with the public offer and the prospectus requirement rules provided under the Italian Securities Act and Regulation No. 11971, unless an exemption applies. Failure to comply with such rules may result in the subsequent resale of such notes being declared null and void and in the liability of the intermediary transferring the notes for any damages suffered by the investors.

Switzerland

This listing memorandum does not constitute an issue prospectus pursuant to Article 652a or Article 1156 of the Swiss Code of Obligations and the notes will not be listed on the SIX Swiss Exchange. Therefore, this listing memorandum may not comply with the disclosure standards of the listing rules (including any additional listing rules or prospectus schemes) of the SIX Swiss Exchange. Accordingly, the notes may not be offered for exchange to the public in or from Switzerland, but only to a selected and limited circle of investors who do not subscribe to the notes with a view to distribution. Any such investors will be individually approached by the initial purchasers from time to time.

Colombia

Neither the notes nor this listing memorandum have been or will be registered with or approved by the Superintendency of Finance of Colombia (*Superintendencia Financiera de Colombia*) or the Colombian Stock Exchange (*Bolsa de Valores de Colombia*). Accordingly, the notes cannot be offered or sold in Colombia except in compliance with the applicable Colombian securities regulations.

Brazil

The notes have not been and will not be issued nor publicly placed, distributed, offered or negotiated in the Brazilian capital markets. The issuance of the notes has not been nor will be registered with the CVM. Any public offering or distribution, as defined under Brazilian laws and regulations, of the notes in Brazil is not legal without prior registration under Law No. 6,385/76, as amended, and Instruction No. 400, issued by the CVM on December 29, 2003, as amended. Documents relating to the offering of the notes, as well as information contained therein, may not be supplied to the public in Brazil (as the offering of the notes is not a public offering of securities in Brazil), nor be used in connection with any offer for subscription or sale of the notes to the public in Brazil. The notes will not be offered or sold in Brazil, except in circumstances which do not constitute a public offering, placement, distribution or negotiation of securities in the Brazilian capital markets regulated by Brazilian laws and regulations. Persons wishing to offer or acquire the notes within Brazil should consult with their own counsel as to the applicability of registration requirements or any exemption therefrom.

Hong Kong

This listing memorandum has not been approved by or registered with the Securities and Futures Commission of Hong Kong or the Registrar of Companies of Hong Kong. The notes will not be offered or sold in Hong Kong other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the notes which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) has been issued or will be issued in Hong Kong or elsewhere other than with respect to securities which are or are intended to be disposed of only to persons outside of Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Japan

The notes offered in this listing memorandum have not been registered under the Financial Instruments and Exchange Law of Japan. The notes have not been offered or sold and will not be offered or sold, directly or indirectly, in Japan or to or for the account of any resident of Japan, except: (i) pursuant to an exemption from the registration requirements of the Financial Instruments and Exchange Law; and (ii) in compliance with any other applicable requirements of Japanese law.

Singapore

This listing memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this listing memorandum and any other document or material in connection with the offering may not be circulated or distributed, nor may the notes be offered, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act (Chapter 289) (the "SFA"), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Where the notes are subscribed for under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, then securities, debentures and units of securities and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired the notes under Section 275 except: (i) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA; (ii) where no consideration is given for the transfer; or (iii) by operation of law.

Solely for the purposes of its obligations pursuant to Sections 309B(1)(a) and 309B(1)(c) of the SFA, the Company has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the notes are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Cayman Islands

No invitation, whether directly or indirectly, may be made to the public in the Cayman Islands to subscribe for the notes unless the Issuer is listed on the Cayman Islands Stock Exchange.

TRANSFER RESTRICTIONS

The notes have not been registered, and will not be registered, under the Securities Act or any other applicable securities laws, and the notes may not be offered or sold except pursuant to an effective registration statement or pursuant to transactions exempt from, or not subject to, registration under the Securities Act. Accordingly, the notes are being offered and sold only:

- in the United States to qualified institutional buyers (as defined in Rule 144A) in reliance on Rule 144A under the Securities Act; and
- outside of the United States, to certain persons, other than U.S. persons, in offshore transactions meeting the requirements of Rule 903 of Regulation S under the Securities Act.

Purchaser's Representation and Restrictions on Resale and Transfer

Each purchaser of notes (other than the initial purchasers in connection with the initial issuance and sale of notes) and each owner of any beneficial interest therein will be deemed, by its acceptance or purchase thereof, to have represented and agreed as follows:

- It is purchasing the notes for its own account or an account with respect to which it exercises sole investment discretion and it and any such account is either (a) a qualified institutional buyer and is aware that the sale to it is being made in reliance on Rule 144A or (b) a non-U.S. person that is outside the United States.
- It acknowledges that the notes have not been registered under the Securities Act or with any securities regulatory authority of any jurisdiction and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below.
- It understands and agrees that notes initially offered in the United States to qualified institutional buyers will be represented by one or more global notes and that notes offered outside the United States in reliance on Regulation S will also be represented by one or more global notes.
- It will not resell or otherwise transfer any of such notes except (a) to us, (b) within the United States to a qualified institutional buyer in a transaction complying with Rule 144A under the Securities Act, (c) outside the United States in compliance with Rule 903 or 904 under the Securities Act, (d) pursuant to another exemption from registration under the Securities Act (if available) or (e) pursuant to an effective registration statement under the Securities Act.
- It agrees that it will give to each person to whom it transfers the notes notice of any restrictions on transfer of such notes.
- It acknowledges that prior to any proposed transfer of notes (other than pursuant to an effective registration statement or in respect of notes sold or transferred either pursuant to (a) Rule 144A or (b) Regulation S) the holder of such notes may be required to provide certifications relating to the manner of such transfer as provided in the Indenture.
- It acknowledges that the trustee, registrar or transfer agent for the notes will not be required to accept for registration transfer of any notes acquired by it, except upon presentation of evidence satisfactory to us and the trustee, registrar or transfer agent that the restrictions set forth herein have been complied with.
- It acknowledges that we, the initial purchasers and other persons will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of the acknowledgements, representations and agreements deemed to have been made by its purchase of the notes are no longer accurate, it will promptly notify us and the initial purchasers. If it is acquiring the notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgements, representations, and agreements on behalf of each account.

The following is the form of restrictive legend which will appear on the face of the Rule 144A Global Note, and which will be used to notify transferees of the foregoing restrictions on transfer:

"This Note has not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any other securities laws. The holder hereof, by purchasing this Note, agrees that this Note or any interest or participation herein may be offered, resold, pledged or otherwise transferred only (1) to us, (2) so long as this Note is eligible for resale pursuant to Rule 144A under the Securities Act ("Rule 144A"), to a person who the seller reasonably believes is a qualified institutional buyer (as defined in Rule 144A) in accordance with Rule 144A, (3) in an offshore transaction in accordance with Rule 903 or 904 of Regulation S under the Securities Act, (4) pursuant to another exemption from registration under the Securities Act (if

available) or (5) pursuant to an effective registration statement under the Securities Act, and in each of such cases in accordance with any applicable securities laws of any state of the United States or other applicable jurisdiction. The holder hereof, by purchasing this Note, represents and agrees that it will notify any purchaser of this Note from it of the resale restrictions referred to above.

The foregoing legend may be removed only at the option of the Issuer."

The following is the form of restrictive legend which will appear on the face of the Regulation S Global Note and which will be used to notify transferees of the foregoing restrictions on transfer:

"This Note has not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any other securities laws. The holder hereof, by purchasing this Note, agrees that neither this Note nor any interest or participation herein may be offered, resold, pledged or otherwise transferred in the absence of such registration unless such transaction is exempt from, or not subject to, such registration.

The foregoing legend may be removed from this Note after 40 days beginning on and including the later of (a) the date on which the notes are offered to persons other than distributors (as defined in Regulation S under the Securities Act) and (b) the original issue date of this Note."

LEGAL MATTERS

Certain legal matters in connection with this offering will be passed upon with respect to New York law by Arnold & Porter Kaye Scholer LLP, with respect to Cypriot law by EY Law - Prountzos & Prountzos LLC**,** and with respect to Peruvian law by Rebaza, Alcazar & De las Casas Abogados Financieros. Certain legal matters in connection with the offering will be passed upon for the initial purchasers with respect to New York law by Cleary Gottlieb Steen & Hamilton LLP, and with respect to Peruvian law by Estudio Echecopar, a member firm of Baker & McKenzie International.

INDEPENDENT ACCOUNTANTS

The carve-out financial statements of the Camposol Agribusiness of Camposol Holding PLC as of December 31, 2018 and December 31, 2017 and for each of the three years in the period ended December 31, 2018, included in this listing memorandum, have been audited by Gaveglio, Aparicio y Asociados Sociedad Civil de Responsabilidad Limitada, independent accountants, as stated in their report appearing herein.

Gaveglio, Aparicio y Asociados Sociedad Civil de Responsabilidad Limitada, a member firm of PricewaterhouseCoopers International Limited, has registered offices at Av. Santo Toribio No. 143, Piso 7, San Isidro, Lima, Perú, and is registered with the Public Company Accounting Oversight Board (PCAOB) in the United States.

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Camposol Agribusiness
Report and Carve-Out Financial Statements as of December 31, 2018, 2017 and 2016 for each of the three years in the period ended December 31, 2018

Camposol Agribusiness
Unaudited Condensed Interim Carve-Out Financial Statements as of September 30, 2019

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CAMPOSOL AGRIBUSINESS

CARVE-OUT FINANCIAL STATEMENTS
31 DECEMBER 2018, 2017 AND 2016

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CAMPOSOL AGRIBUSINESS

CARVE-OUT FINANCIAL STATEMENTS
31 DECEMBER 2018, 2017 AND 2016

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USD = United States dollar
PEN = Sol
€ = Euros

CAMPOSOL AGRIBUSINESS

OVERVIEW OF NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS
31 DECEMBER 2018

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Note

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the board of directors of Camposol Holding PLC

Opinion on the Financial Statements

We have audited the accompanying carve-out statement of financial position of Camposol Agribusiness (the "Group") of Camposol Holding PLC as of December 31, 2018, 2017 and 2016, and the related carve-out statements of comprehensive income (loss), changes in parent's net investment and cash flows for each of the three years in the period ended December 31, 2018, including the related notes (collectively referred to as the "carve-out financial statements"). In our opinion, the carve-out financial statements present fairly, in all material respects, the financial position of the Group as of December 31, 2018, 2017 and 2016, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2018 in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

These carve-out financial statements are the responsibility of the Group's management. Our responsibility is to express an opinion on the Group's carve-out financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with relevant ethical requirements relating to our audit, which include the standards of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants.

We conducted our audits of these carve-out financial statements in accordance with the auditing standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the carve-out financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the carve-out financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the carve-out financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the carve-out financial statements. We believe that our audits provide a reasonable basis for our opinion.

Gaveglio Aparicio y Asociados

Lima, Perú
December 3, 2019

We have served as the Company's auditor since 2017.

Gaveglio Aparicio y Asociados Sociedad Civil de Responsabilidad Limitada.
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CAMPOSOL AGRIBUSINESS

CARVE-OUT STATEMENT OF FINANCIAL POSITION
(IN THOUSANDS OF U.S. DOLLARS)

	Note	At 31 December 2018	2017	2016
ASSETS				
NON-CURRENT ASSETS				
Property, plant, equipment and bearer plants	6	358,970	301,173	304,345
Right of use asset	9	37,193	-	-
Investments accounted for using the equity method	7	3,280	2,054	2,764
Intangible assets	8	5,180	3,824	3,626
Deferred tax assets	18	286	-	1,178
Total non-current assets		404,909	307,051	311,913
CURRENT ASSETS				
Prepaid expenses		481	470	672
Biological assets	10	120,525	85,225	59,058
Inventories	13	26,422	21,127	21,058
Other accounts receivable	14	8,161	5,561	6,552
Trade accounts receivable	15	67,674	39,576	36,820
Cash subject to restriction	16	-	1,227	-
Cash and cash equivalents	16	32,505	30,554	76,313
		255,768	183,740	200,473
Assets classified as held for sale		-	-	2,145
Total current assets		255,768	183,740	202,618
Total assets		660,677	490,791	514,531
Total parent's net investment	17	211,224	225,698	177,573
LIABILITIES				
NON-CURRENT LIABILITIES				
Long - term debt	20	231,841	149,934	154,997
Lease liability	24	26,523	-	-
Deferred tax liabilities	18	53,884	42,705	41,118
Total non-current liabilities		312,248	192,639	196,115
CURRENT LIABILITIES				
Accounts payable to related companies	36	50,831	3,875	2,638
Current portion of long-term debt	20	3,811	12,228	61,985
Current portion of lease liability	24	5,415	-	-
Trade accounts payable	21	47,382	21,782	28,822
Other accounts payable	22	13,254	11,481	4,365
Current tax liabilities		11,835	7,360	2,811
Provisions	23	4,677	5,711	7,072
Bank loans	25	-	10,017	33,150
Total current liabilities		137,205	72,454	140,843
Total liabilities		449,453	265,093	336,958
Total equity and liabilities		660,677	490,791	514,531

The notes on pages from 7 to 78 are an integral part of these carve-out financial statements.

CAMPOSOL AGRIBUSINESS

CARVE-OUT STATEMENT OF COMPREHENSIVE INCOME (LOSS)
(IN THOUSANDS OF U.S. DOLLARS)

		For the year ended 31 December		
	Note	2018	2017	2016
Continuing operations				
Revenue	26	374,165	285,845	206,517
Cost of sales:	27			
Cost of sales		(162,457)	(134,727)	(95,864)
Depreciation of bearer plants		(17,968)	(16,366)	(19,578)
Impaiment of fixed assets		-	-	(2,501)
Gross profit before adjustment for biological assets		193,740	134,752	88,574
Net gain arising from changes in fair value of biological assets	10	31,548	26,847	7,424
Gross profit after adjustment for biological assets		225,288	161,599	95,998
Selling expenses	28	(46,323)	(31,335)	(24,685)
Administrative expenses	29	(23,389)	(28,845)	(23,506)
Other income	31	1,327	671	1,951
Other expenses	31	(7,150)	(2,247)	(16,854)
Net foreign exchange transactions losses		(4,336)	(1,010)	(3,476)
Operating profit		145,417	98,833	29,428
Share of (loss) profit of investments accounted for using the equity method	7	1,225	(390)	728
Financial income	32	91	87	301
Financial cost	32	(33,617)	(22,428)	(23,731)
Profit before income tax		113,116	76,102	6,726
Income tax expense	34	(26,405)	(11,706)	(8,033)
Profit (loss) for the year from continuing operations (attributable to equity holders of the parent		86,711	64,396	(1,307)
Discontinued operations:				
Loss for the year from discontinued operations net of tax	37	-	(915)	(12,394)
Profit (loss) for the year		86,711	63,481	(13,701)
Other comprehensive income (loss):				
Item that may be reclassified to profit or loss				
Currency translation adjustment		2,755	-	-
Total comprehensive income (loss) for the year		89,466	63,481	(13,701)
Profit (loss) attributable to owners:				
Continuing operations		86,711	64,396	(1,307)
Discontinued operations		-	(915)	(12,394)
		86,711	63,481	(13,701)
Total comprehensive income (loss) for the year attributable to:				
Owners of the parent		89,466	63,481	(13,701)
Non-controlling interests		-	-	-
		89,466	63,481	(13,701)
Total comprehensive income (loss) attributable to owners of the parent arises from:				
Continuing operations		89,466	64,396	(1,307)
Discontinued operations		-	(915)	(12,394)
		89,466	63,481	(13,701)

Items in other comprehensive income above are disclosed net of tax.

The notes on pages from 7 to 78 are an integral part of these carve-out financial statements

CAMPOSOL AGRIBUSINESS

CARVE-OUT STATEMENT OF CHANGES IN PARENT'S NET INVESTMENT
for the years ended 31 December 2018, 2017 and 2016
(IN THOUSANDS OF U.S. DOLLARS)

	Notes	Total parent net investment
Balance at 1 January 2016		190,762
Comprehensive income (loss):		
Loss for the year		(13,701)
Net contributions from parent	17	512
Total comprehensive income		(13,189)
Balance as of 31 December 2016		177,573
Balance at 1 January 2017		177,573
Comprehensive income:		
Profit for the year		63,481
Total comprehensive income		63,481
Transactions with owners:		
Dividends distribution	17	(24,489)
Net distributions to parent	17	9,133
Total transactions with owners		(15,356)
Balance as of 31 December 2017		225,698
Balance at 1 January 2018		225,698
Adjustment on adoption of IFRS 16 (net of tax)	2.2	(173)
Balance at 1 January 2018 (restated)		225,525
Comprehensive income (loss):		
Profit for the year		86,711
Other comprehensive income:		
Currency translation adjustment		2,755
Total comprehensive income		89,466
Transactions with owners:		
Capital contribution	17	22,065
Reduction of initial contribution	17	(50,000)
Net distributions to parent	17	(75,832)
Total transactions with owners		(103,767)
Balance as of 31 December 2018		211,224

The notes on pages from 7 to 78 are an integral part of these carve-out financial statements.

CAMPOSOL AGRIBUSINESS

CARVE-OUT STATEMENT OF CASH FLOWS
(IN THOUSANDS OF U.S. DOLLARS)

	Note	For the year ended 31 December 2018	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from customers		326,958	306,219	206,517
Cash paid to suppliers and employees		(195,932)	(202,381)	(139,361)
Interest paid		(35,619)	(19,613)	(19,395)
Income tax paid		(4,412)	(590)	(398)
Custom duties refund collections	14	2,032	3,454	3,785
Other collections		-	1,849	4,834
Other payments		(634)	-	-
Net cash generated from operating activities	33	92,393	88,938	55,982
CASH FLOWS FROM INVESTING ACTIVITIES				
Transfer to/from cash subject to restriction		1,227	(1,227)	-
Purchases of property, plant and equipment	6	(38,607)	(11,543)	(1,377)
Investment in bearer plants	6	(64,193)	(27,441)	(12,680)
Purchase of intangibles, excluding goodwill	8	(2,402)	(682)	(712)
Proceeds from sale of property, plant and equipment	6	1,277	128	2,146
Net cash used in investing activities		(102,698)	(40,765)	(12,623)
CASH FLOWS FROM FINANCING ACTIVITIES				
Bank loans proceeds	25	109,250	62,757	81,950
Bank loans payments	25	(119,250)	(85,890)	(75,300)
Capital contribution	17	22,065	-	-
Contributions from (distributions to) parents	17	(75,832)	9,133	512
Payments of dividends	17	-	(24,489)	-
Principal elements of lease liabilities payments	24	(2,553)	-	-
Repurchase of bonds	20	-	-	(5,663)
Transaction costs		(1,886)	(1,513)	(5,381)
Long-term debt proceeds	20	278,278	-	15,000
Payment of bonds	20	(147,490)	(46,947)	-
Payments of long-term debt	20	(50,326)	(6,983)	(2,597)
Net cash generated from (used in) financing activities		12,256	(93,932)	8,521
Net increase (decrease) in cash and cash equivalents		1,951	(45,759)	51,880
Cash and cash equivalents at beginning of year		30,554	76,313	24,433
Cash and cash equivalents at end of year	16	32,505	30,554	76,313
Non-cash transactions:				
Acquisition of property, plant and equipment by means of finance lease	20	-	-	63
Right of use asset acquired under finance lease	24	16,489	-	-
Accrued interest	20	391	7,152	9,202
Purchases of property, plant, equipment and investment in bearer plant through an increase in accounts payable		-	12,129	15,221
Purchases of intangibles through an increase in accounts payable		-	286	-

The notes on pages from 7 to 78 are an integral part of these carve-out financial statements

(IN THOUSANDS OF U.S. DOLLARS UNLESS OTHERWISE STATED)

1 GENERAL INFORMATION

a) Business activities -

The Camposol Agribusiness (hereinafter “the Group”) of Camposol Holding PLC is engaged in investing in the agriculture business and managing the export of agricultural products mainly to the United States, China and to the European Union. To face the global competitive environment, Camposol Holding PLC have decided to implement a new legal structure for their global business with the purpose of attracting new investments for the agricultural business as well as simplifying the corporate governance and isolate the risks associated with each of its businesses. For the purpose of segregating the agricultural business from the shrimp farming business (excluded from this carve-out financial statements) of Camposol Holding PLC and subsidiaries, on 22 October 2019, a new holding company named Csol Holding Limited (hereinafter “The Company”) was incorporated in accordance with the provisions of the Cyprus Companies Law, Cap 113 with an initial capital contribution of USD10 million.

The legal address of the Company is Kanika International Business Center, 6th Floor, Profiti Ilia No 4 Germasogeia, Limassol 4046, Cyprus. The legal address of the historical parent (Camposol Holding PLC) is Kanika International Business Center, 6th Floor, Profiti Ilia No 4 Germasogeia, Limassol 4046, Cyprus.

The Dyer-Coriat family (comprised by Samuel Barnaby Dyer Coriat, Piero Martin Dyer Coriat and Sheyla Dyer Coriat) is ultimate controlling party and has 82.59% of the shares of the Company. Certain members of the Dyer family own the remainder of the Company.

As of November 22, Camposol Holding PLC is in process of transferring the main operating companies related to Camposol Agribusiness to Csol Holding Limited, which will allow to begin with the implementation of the group reorganization. The legal entities that have been combined and included in the carve-out financial statements (except for certain related party balances that were not contributed to CSOL and are not related to the Agribusiness) and their activities are as follows:

Company	Principal activity	Country of incorporation	Direct or indirect interest as of 31 December 2018	2017	2016
Camposol S.A.	Agribusiness	Peru	100%	100%	100%
Nor Agro Perú S.A.C.	Farmland owner	Peru	100%	100%	100%
Muelles y Servicios Paita S.R.L.	Farmland owner	Peru	100%	100%	100%
Inversiones Agrícolas Inmobiliarias S.A.C.	Farmland owner	Peru	99.99%	99.99%	99.99%
Camposol Europa S.L.	Distribution	Spain	100%	100%	100%
Camposol Fresh B.V.	Distribution	Netherlands	100%	100%	100%
Madoca S.A.C	Holding	Peru	100%	100%	100%
Grainlens S.A.C	Holding	Peru	100%	100%	100%
Blacklocust S.A.C.	Holding	Peru	100%	100%	100%
Persea, Inc.	Holding	USA	100%	100%	100%
Camposol Fresh U.S.A., Inc.	Distribution	USA	100%	100%	100%
Camposol Specialties, Inc.	Distribution	USA	100%	100%	100%
Camposol Colombia S.A.S.	Agriculture	Colombia	100%	100%	-
Camposol Foods Trading (Shangai) Co Ltd.	Distribution	China	100%	100%	-
Camposol Fresh Foods Trading Co Ltd.	Distribution	China	100%	100%	-
Camposol Uruguay S.R.L	Agriculture	Uruguay	100%	-	-

Camposol S.A. is one of the subsidiaries of the Group which is a Peruvian agribusiness corporation incorporated in the city of Lima on 31 January 1997.

The legal address of Camposol S.A. is Avenida El Derby 250, Urbanización El Derby de Monterrico, Santiago de Surco, Lima, Peru; its operating and commercial office is located in Carretera Panamericana Norte Km.497.5, Chao, Viru, La Libertad. Three production establishments or agricultural lands are located in Carretera Panamericana Norte Kms. 510, 512 and 527 in the department of La Libertad, Peru. In addition, Camposol S.A. operates one administrative office in the department of Piura.

In addition, the Company has an associate, Empacadora de Frutos Tropicales S.A.C. which is engaged in the processing and commercialization of fresh fruit products (Note 7).

In 2016, the Board decided to discontinue operations of Asparagus. By the end of 2016 the Group retired the crops of asparagus and ceased the production process and industrial activity of all the asparagus line; lands and other property, plant and equipment were transferred to other segments (mainly blueberry), and the personnel and management were retired. The results from operations of this segment is shown under discontinued operations in the carve-out statement of comprehensive income (loss).

The subsidiaries Camposol Colombia S.A.S. (an entity that will be engaged in the production of fresh produce in the future), Camposol Foods Trading Shangai Co Ltd and Camposol Fresh Foods Trading Co Ltd. (commercial offices destined to distribution process) were incorporated in 2017.

The subsidiary Camposol Uruguay S.R.L., an entity that will be engaged in the production of fresh produce in the future, was incorporated in 2018.

The table below presents details of the owned agricultural land by the Group:

		Area in Hectares (Has)		
Land	**Country / region**	**2018**	**2017**	**2016**
Mar Verde	Peru / La Libertad	2,496	2,496	2,496
Agricultor	Peru / La Libertad	1,570	1,570	1,570
Gloria	Peru / La Libertad	1,018	1,018	1,018
Agromás	Peru / La Libertad	414	414	414
Virú - San José	Peru / La Libertad	318	313	313
Compositan	Peru / La Libertad	3,778	3,778	3,778
Yakuy Minka	Peru / La Libertad	2,761	2,761	2,761
INAIN	Peru / La Libertad	22	22	22
Huangala - Terra	Peru / Piura	2,549	2,549	2,549
Citricola Salteña/El Tero	Uruguay/Salto	837	-	-
Jamilco/El Tero	Uruguay/Salto	681	-	-
Florida	Colombia / Caldas	1,031	110	-
Finca la Estrella	Colombia / Caldas	-	12	-
		17,475	15,043	14,921

In March 2018, The Group acquired 1,518 hectares through its subsidiary Camposol Uruguay S.R.L. for USD9,623 and 909 hectares through its subsidiary Camposol Colombia S.A.S. for USD7,191.

The Group carries out its activities over the following planted areas:

	Area in Hectares (HS)		
	2018	**2017**	**2016**
Avocados	2,951	2,655	2,653
Blueberries	2,168	1,862	1,460
Others	1,855	1,086	1,006
	6,974	5,603	5,119

b) Approval of the financial statements –

The 2018 carve-out financial statements of the Group were approved by the Board of Directors' Meeting held in the offices of the Company in Lima on December 3, 2019.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these carve-out financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation -

The accompanying carve-out financial statements of Camposol Agribusiness Group have been prepared for a bonds issuance transaction. Camposol Agribusiness Group is primarily operated by Camposol S.A. and certain of its wholly owned subsidiaries, but excluding subsidiaries of Camposol S.A. that relate to the shrimp farming business. Certain costs incurred by Camposol Holding PLC and related to the Camposol Agribusiness Group, primarily related to the compensation of certain members of senior management and its supervisory board, have been allocated accordingly to the Agribusiness Group (See note 30). The allocations have primarily been made based on percentage of time usage by senior management and supervisory board, which management believes represents a reasonable allocation methodology.

The carve-out financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRIC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the IASB. During 2016, 2017 and 2018, the costs incurred by Camposol Holding PLC that have been allocated to the Group for the purposes of preparing the carve-out financial statements are based on a specific identification basis where possible. Management believes that the assumptions used in determining these allocations are reasonable. However, the financial statements may not necessarily reflect the Carve-out Group's financial position, results of operations, or cash flows in the future, or what its financial position, results of operations, or cash flows would have been if it had been a stand-alone entity during the periods presented.

The carve-out financial statements have been prepared under the historical cost convention, as modified by biological assets recognized at fair value and investment in associate recognized under the equity method accounting. The financial statements are expressed in thousands of United States Dollars, unless otherwise stated.

The Group has not published carve-out financial statements in the past. As a result, these carve-out financial statements have been derived from the Camposol Holding PLC accounting records, which were prepared in accordance with IFRS. Accordingly, the Group has recorded its assets and liabilities at the carrying amounts included in the consolidated financial statements of Camposol Holdings PLC. As it is the first time that the Group is applying IFRS for the preparation of these carve-out financial statements, IFRS 1 ("First-time Adoption of International Financial Reporting Standards") was required to be applied, however, the footnotes exclude the various reconciliation disclosures otherwise required by IFRS 1 as they are not applicable.

IFRS does not provide principles for the preparation of combined financial statements for carve-out financial statements, and accordingly in preparing the combined financial statements certain accounting and allocation conventions commonly used in practice for the preparation of carve-out financial statements were applied. The assets and liabilities included in the combined statements of financial position were measured at the carrying amounts recorded in the Camposol Holding PLC consolidated financial statements.

At 31 December 2017 and 2016, the Group presented as discontinued operations asparagus and artichoke operations, since they met the criteria for the classification. The results from operations of these segments are shown under discontinued operations in the combined statement of comprehensive income. See Note 2.7 and Note 37.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the carve-out financial statements are disclosed in Note 4.

2.2 Adoption of new and revised IFRSs

a) *New standards, amendments and interpretations effective for financial statements of annual periods beginning on or after January 1, 2018, which have been adopted by the Group.*

The Group have applied the following standards and interpretations for the first time to financial reporting periods commencing on or after 1 January 2018:

- IFRS 9 Financial Instruments
- IFRS 15 Revenue from contracts with customers
- Classification and measurement of Share-based payment transactions - Amendments to IFRS 2
- Annual improvements 2014 - 2016 cycle
- Transfers of Investment Property - Amendments to IAS 40
- Interpretation 22 Foreign Currency Transactions and Advance Consideration

During the current year the Group adopted IFRS 9 and IFRS 15 that are relevant to its operations and are effective for accounting periods beginning on 1 January 2018. These adoptions did not have a material effect on the accounting policies of the Group.

The adoption of the others standards did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

- IFRS 9 Financial instruments:

  IFRS 9, addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 on the classification and measurement of financial instruments. This adoption did not have a material effect on the accounting policies of the Group.

  Classification and measurement -

  The Group's management has assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate IFRS 9 categories.

  Financial assets mainly consist of loans and receivable (trade receivables, receivables from related parties and other financial assets) that are recorded at the amortized cost. These assets are kept for the business purpose of obtaining profits from contractual cash flows which are only payments of the principal and interest on the amount outstanding. These financial assets are measured at the amortized cost upon adoption of IFRS 9, which is the current measurement methodology; therefore, the implementation of this standard did not have an impact.

Financial liabilities continue to be measured on the same basis of accounting presently applied under IAS 39; therefore, the implementation of this standard did not have any impact.

Impairment -

The standard introduces a new model for the recognition of impairment losses – the expected credit losses (ECL) model. There is a ‘three stage’ approach which is based on the change in credit quality of financial assets since initial recognition. In practice, the new rules mean that entities will have to record an immediate loss equal to the 12-month ECL on initial recognition of financial assets that are not credit impaired (or lifetime ECL for trade receivables). Where there has been a significant increase in credit risk, impairment is measured using lifetime ECL rather than 12-month ECL. The model includes operational simplifications for lease and trade receivables.

The Group has two types of financial assets that are subject to the new model of the expected credit loss introduced by IFRS 9:

- Trade receivable for sales of inventory
- Other financial assets measured at amortized cost

These financial assets measured at the amortized cost are required to be tested for impairment prescribed by IFRS 9. The Group concluded that the adoption of the expected credit losses model prescribed by IFRS 9 will not have a significant impact on its carve-out financial statements as a result of the early recognition of the respective items, since no assets have a significant risk of default; there was no impact upon implementation of this standard.

The Group applies the simplified approach of IFRS 9 to measure expected credit losses using an estimate of the expected loss for the life of the instrument for all its trade accounts receivables. Some indicators that there is not reasonable expectation of recovery include, that a buyer does not commit to a payment plan with the Group and fails with its contractual payments for a period greater than 180 days from the due date.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

- IFRS 15 Revenue from contracts with customers -

  The Group has adopted IFRS 15 Revenue from Contracts with Customers from 1 January 2018 which resulted in changes in accounting policies. In accordance with the transition provisions in IFRS 15, the group has adopted the modified retrospective basis, however, has not modified the opening balances as of January 1, 2018 since the adjustments were non material. The Group evaluated the changes introduced by this new standard and, based on analyses, did not identify any changes that cause any significant impact on its financial statements, given that: (i) all the revenue recognition criteria are already met; and (ii) the Group does not have performance obligations after the delivery of assets, that is, the Group meets the performance obligation by transferring the asset promised to the customer in a specific moment. This procedure is applicable to the Group for the domestic and export markets.

  The main changes in accounting policies are explained in Note 2.23.

b) *New standards, amendments and interpretations effective for financial statements of annual periods beginning on or after January 1, 2019, which have been early adopted by the Group.*

- IFRS 16 “Leases” -

  This standard replaces the current rules relating to the treatment of leases IAS 17 "Leases" and IFRIC 4 "Contracts may contain a lease" and other related interpretations.

  IFRS 16, “Leases” (IFRS 16) requires the recognition of almost all leases in the statement of financial position. The standard removes the distinction between finance and operating leases and requires lessees to recognize an asset representing its right of use of the leased asset and a liability for the obligation of future contractual payments, except for lease contracts of less than 12 months (considering in this determination the likelihood of contract extension) and low-value asset lease contracts.

  In the cash flow statement, operating cash flows are higher as cash payments for the principal portion of the lease liability are classified within financing activities. Only the part of the payments that reflects interest can continue to be presented as operating cash flows.

  The accounting by lessors did not significantly change.

  IFRS 16 is effective for financial periods beginning on or after January 1, 2019; early application is permitted provided IFRS 15 is adopted. The Group has early adopted IFRS 16 retrospectively with the cumulative effect of initially applying the Standard recognised as of January 1, 2018 as an adjustment to the opening balance of retained earnings. The Group has elected to apply the practical expedient not to recognized right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The Group also elected to apply the practical expedient to account for each lease component and non-lease component as a single lease component.

  Impact of transition -

  The Group has elected to apply IFRS 16 leases from 1 January 2018, but has not restated comparatives for the 2017 and 2016 reporting periods as permitted under the specific transition provisions in the standard.

  On adoption of IFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as ‘operating leases’ under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as of 1 January 2018. The weighted average lessee’s incremental borrowing rate applied to the lease liabilities on 1 January 2018 was 4.87%.

The following table shows the adjustments recognized for each individual line item in the carve-out statement of financial position. Line items that were not affected by the changes have not been included, and as a result, the subtotals and totals cannot be calculated from the numbers provided.

	As adjusted 1 January 2018	**Adjustments**	**As previously reported 1 January 2018**
ASSETS			
NON-CURRENT ASSETS			
Property, plant, equipment and bearer plant	294,437	(6,736)	301,173
Right of use asset	23,441	23,441	-
Deferred tax assets	25	25	-
Total non-current assets	323,781	16,730	307,051
CURRENT ASSETS			
Prepaid expenses	381	(89)	470
Total current assets	183,651	(89)	183,740
Total assets	507,432	16,641	490,791
PARENT'S NET INVESTMENT			
Total parent's net investment	225,525	(173)	225,698
LIABILITIES			
NON-CURRENT LIABILITIES			
Long - term debt	149,890	(44)	149,934
Lease liability	16,258	16,258	-
Total non-liability	208,853	16,214	192,639
CURRENT LIABILITIES			
Current portion of long-term debt	11,075	(1,153)	12,228
Lease liability	1,753	1,753	-
Total current liability	73,054	600	72,454
Total liability	281,907	16,814	265,093
Total equity and liabilities	507,432	16,641	490,791

The following table reconciles the Group's operating lease obligations at December 31, 2017 to the lease obligations recognized on initial application of IFRS 16 at January 1, 2018:

- Operating leases commitments at December 31, 2017
- Discounted using the incremental borrowing rate.

	2018 USD000
Operating lease commitments as at 31 December 2017	5,496
Discounted using the group's incremental borrowing rate of 4.87%	4,946
Finance lease liabilities recognised as at 31 December 2017	5,890
Extension options reasonably certain to be exercised	8,464
Low-value leases recognised on a straight-line basis as expense	(813)
Short-term leases recognised on a straight-line basis as expense	(476)
Lease liability recognised as at 1 January 2018	18,011

At December 31, 2017, the Group leased various apartments for manager and supervisors abroad, administrative offices and warehouses under non-cancellable operating leases expiring within one to 5 years. The following table shows the minimum lease payments:

	2017
	USD000
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:	
Within one year	1,124
Later than one year but not later than three years	3,986
Later than three years	386
	5,496

c) *New standards, amendments and interpretations effective for financial statements of annual periods beginning on or after January 1, 2019, which have not been early adopted -*

- IFRIC 23, “Uncertainty over Income Tax Treatments” -

The interpretation explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

- How to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty.
- That the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, in that detection risk should be ignored.
- That the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment.
- That the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty, and
- That the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

While there are no new disclosure requirements, entities are reminded of the general requirement to provide information about judgements and estimates made in preparing the financial statements.

This interpretation is effective for financial periods beginning on or after January 1, 2019; early application is permitted.

The Group does not expect the new guidance to have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

- Long-term interests in Associates and Joint Ventures - Amendments to IAS 28

The amendments clarify the accounting for long-term interests in an associate or joint venture, which in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. Entities must account for such interests under IFRS 9 Financial Instruments before applying the loss allocation and impairment requirements in IAS 28 Investments in Associates and Joint Ventures.

The Group does not expect the new guidance to have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

- Annual improvements to IFRS Standards 2015 - 2017 Cycle

  The following improvements were finalised in December 2017:

  - IFRS 3 - clarified that obtaining control of a business that is a joint operation is a business combination achieved in stages.

  - IFRS 11 - clarified that the party obtaining joint control of a business that is a joint operation should not remeasure its previously held interest in the joint operation.

  - IAS 12 - clarified that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.

  - IAS 23 - clarified that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

  The Group does not expect the new guidance to have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.3 Consolidation -

The carve-out financial statements include the assets, liabilities, results and cash flows of the Group, including the legal entities detailed in Note 1-(a).

a) Subsidiaries -

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully combined from the date on which control is transferred to the group. They are decombined from the date that control ceases.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill (note 2.8). If the total of consideration transferred, non-controlling interest recognized and previously held interest measured is less than the fair value of the net assets of the business acquired, these cases are defined as a bargain purchase, the difference is recognized directly in the carve-out statement of comprehensive income.

Inter-company transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group’s accounting policies.

b) Associates -

Associates are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor’s share of the profit or loss of the investee after the date of acquisition. The Group’s investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income is reclassified to profit or loss, where appropriate.

The Group's share of post-acquisition profit or loss of an associate, is recognized in the carve-out statement of comprehensive income, and its share of post-acquisition movements in other comprehensive income of the associate is recognized in other comprehensive income of the Group with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize its share of further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising from changes in the interest on investments in associates are recognized in the carve-out statement of comprehensive income.

The carrying amount of equity-accounted investments in associates is tested for impairment in accordance with the policy described in Note 2.9.

2.4 Segment information -

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources, assess performance of the operating segments and makes strategic decisions has been identified as the Board of Directors.

2.5 Foreign currency translation -

a) Functional and presentation currency -

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which each entity operates ('the functional currency'). The carve-out financial statements are presented in US Dollars, which is the Group's presentation currency.

b) Transactions and balances -

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the carve-out statement of comprehensive income.

Foreign exchange gains and losses that relate to borrowings, cash and cash equivalents and other accounts are presented in the carve-out statement of comprehensive income within 'net foreign exchange transactions losses'.

c) Group companies -

The results and financial position of all the Group entities (none of which has the currency of a hyper inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that carve-out statement of financial position;
(b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions);
(c) equity balances, except for retained earnings, are translated at the historical exchange rates; and
(d) all resulting exchange differences are recognized in other comprehensive income and included in retained earnings.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.6 Property, plant, equipment and bearer plants -

Property, plant and equipment -

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Historical cost comprises the purchase price and any cost directly attributable to bringing the asset into working condition for its intended use. Cost of replacing part of the plant and equipment is recognized in the carrying amount of the plant and equipment if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amounts of replaced parts are derecognized.

The cost less the residual value of each item of property, plant and equipment is depreciated over its useful life.

Land is not depreciated. Depreciation is calculated using the straight-line method over the estimated useful life of individual assets, as follows:

	Years
Buildings and other constructions	Between 10 and 33
Irrigation structure	70
Plant and equipment	Between 5 and 10
Furniture and fixtures	10
Other equipment	Between 3 and 10
Vehicles	5

Bearer Plants -

A bearer plant is a living plant that is used in producing or growing agricultural produce; is expected to be productive for more than one year; and has a remote probability they will be sold as agricultural produce, except for incidental scrap sales. The incidental scrap sales will not prevent a plant to meet the definition of bearer plant. The produce grown on bearer plants is a biological asset.

Upon the adoption of the amendments to IAS 16 and IAS 41 on January 1, 2015, the Group measured bearer plants at deemed cost. Fair value was concluded to be equivalent to deemed cost upon adoption of the amendments.

Costs related to the planting and growth of bearer plants which include seedlings, sowing, irrigation, agrochemicals and fertilizers are capitalized up to the point of maturity. Administrative, selling and other expenses not related to the production of the bearer plants are expensed in the carve-out statement of comprehensive income.

The production plants that are in growing phase before maturity (permanent investment period) are recognized at historical costs and classified as bearer plants (immature), their growing phase before maturity takes from 6 to 36 months depending on the type of plant.

A bearer plant reaches maturity when it is in the location and condition necessary for it to be capable of bearing produce in the manner intended by management (after the permanent investment period ends). The permanent investment period is defined by Management as the plantation growth stage, which starts one day after the transplant to the plot until its first harvest.

At the point that the production plants reach maturity, they are reclassified to bearer plants (mature), and depreciation commences. Any subsequent costs are expensed unless they enhance the future economic benefits of the assets.

Bearer plants are depreciated under the straight-line method over their estimated useful lives. This method considers the actual curves of production which are basically linear over their estimated useful lives, as follows:

	Years
Bearer plants:	
- Avocado	18
- Mangoes	20
- Grapes	20
- Blueberries	10
- Tangerine	18
- Asparagus	10

Depreciation commences when assets are available for use as intended by Management.

The assets residual values and useful lives are reviewed, and adjusted prospectively if appropriate, at each financial year-end. At 31 December 2018, 2017 and 2016, there were no changes resulting from the review.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Management determined one year as substantial period of time. The capitalization rate used to determine the amount of borrowing costs to be capitalized is the weighted average interest rate applicable to the entity’s general borrowings during the year.

An assets’ carrying amount is writen-down immediately to its recoverable amount, if the asset’s carrying amount is greater than its estimated recoverable amount (Note 2.9).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within ‘other income’ or ‘other expenses’, respectively, in the carve-out statement of comprehensive income.

2.7 Discontinued operations -

Non-current assets classified as held for sale and the assets of a disposal group are presented separately from the other assets in the carve-out statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the carve-out statement of financial position. At 2015 the Group present as assets held for sale the assets related to the line of preserved asparagus and artichoke, and the assets from Agroindustrial Santa Angela as met the criteria. At 2016 the Group present as assets held for sale, mainly other immaterial remaining inventory of asparagus, which was sold in the first half of 2017.

Non-current assets held for sale (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of comprehensive income.

2.8 Intangible assets -

a) Software -

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives of ten years.

b) Trademark -

Trademark are capitalized on the basis of the costs incurred to acquire and distinguish a product name. These costs are amortized over their estimated useful lives of four years.

c) Licenses -

Acquired production license is capitalized on basis of the cost incurred to acquire the authorization of use the Tango tangerine. These costs are amortized over their estimated useful lives of twenty years.

d) Customer relationships -

Customer relationships acquired in a business combination are initially recognized at fair value at the date of the acquisition and subsequently at cost less amortization over their estimated useful lives of four years.

The intangible asset is valued using an income approach and the “multi-period excess earnings” method. The excess of earnings is defined as the difference between after-tax operating cash flows generated by the existing customers at the acquisition date; and, the contribution costs required by the remaining assets (tangible and intangible) for maintaining the relationships with the customer. The application of the “multi-period excess earnings” requires the following estimations:

- Future sales attributable to the existing customer list at the acquisition date, excluding any sales from other customers without an established and clear relationship. The sales forecast for each customer, or customer category, takes into consideration organic sales growth as well as the deterioration rate for this customer list.
- Calculation of operating margins (EBIT), taking into account only costs related to the existing customer base at the acquisition date.

e) Goodwill -

Goodwill is initially measured as the excess of the consideration transferred over the fair value of the net acquirer's identifiable assets, liabilities, contingent liabilities and non-controlling interest at the date of acquisition. When the accounting for a business combination is not completed by the end of the reporting period in which the business combination took place, the Group reports provisional amounts for those items with valuation process still incomplete.

The net identifiable assets acquired and liabilities assumed accounted at provisional fair values at acquisition date may be retroactively adjusted to reflect additional information gathered on facts and circumstances existing at acquisition date which, if known, would have affected the measurement of the amounts originally recognized. The period allowed by IFRS 3 for the amendment of provisional amounts recognized should not exceed one year from the acquisition date.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU which goodwill is allocated to is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognized immediately as an expense and is not subsequently reversed.

2.9 Impairment of non-financial assets -

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Fair value is the price received to sell an asset in an orderly transaction between market participants at measurement date. In assessing the value in use of an asset, its estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

2.10 Financial assets -

Classification -

On 1 January 2018 (the date of initial application of IFRS 9), the Group's management has assessed which business models apply to the financial assets held by the group and has classified its financial instruments into the appropriate IFRS 9 categories.

According to IFRS 9 on initial recognition, a financial asset is classified into one of two primary measurement categories:

- Amortized cost
- Fair value through profit or loss or other comprehensive income

A financial asset is measured at amortized cost only if it meets both of the following conditions:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Recognition and derecognition -

Financial assets are initially recognized at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Measurement -

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset.

Financial assets at amortised cost

Financial assets at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. Financial assets at amortised cost comprise ‘trade accounts receivable’, ‘other accounts receivable’ and ‘cash and cash equivalents and cash subject to restriction’ in the carve-out statement of financial position (Notes 14, 15 and 16, respectively).

The Group holds financial assests at amortised cost with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

2.11 Impairment of financial assets -

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivable and contract assets.

To measure the expected credit losses, trade receivables and other accounts receivable have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on historical data. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivable and other accounts receivable are writen off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 180 days past due.

Impairment losses on trade receivables. These are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously writen off are credited against the same line item.

Previous Accounting policy for impairment of trade receivable -

The Group assessed at the end of each reporting period whether there was objective evidence that a financial asset or group of financial assets was impaired. A financial asset or a group of financial assets was impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) had an impact on the estimated future cash flows of the financial asset or group of financial assets that could be reliably estimated.

Evidence of impairment might include indications that the debtors or a group of debtors was experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization, and where observable data indicate that there was a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

The amount of the loss of loans and receivables category was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset was reduced and the amount of the loss was recognized in the carve-out income statement. If a loan or held-to-maturity investment had a variable interest rate, the discount rate for measuring any impairment loss was the current effective interest rate determined under the contract. As a practical expedient, the Group might measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreased and the decrease could be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss was recognized in the carve-out statement of comprehensive income.

2.12 Biological assets -

Produce grown on fruit bearer plants are biological assets.

Biological assets are growing produce on all bearer plants managed by the Group for sale. These are growing avocados, mangoes, grapes, tangerines and blueberries which are to be harvested as agricultural produce.

Biological assets are measured at fair value less costs to sell on initial recognition and at each statement of financial position date. The fair value of biological assets excludes the land and the bearer plant upon which the biological assets are harvested.

Costs to sell include all incremental costs directly attributable to the sale of the biological assets, excluding finance costs and income taxes. The fair value of a biological asset in its present location and condition is determined based on the present value of expected net cash flows from the biological asset discounted at a current market-determined pre-tax rate.

In determining the fair value of a biological asset based on the expected net discounted cash flows, the following factors have been taken into account:

i) The expected future sales price;
ii) The cost expected to arise through the growth of the asset;
iii) A pre-tax discount rate; and
iv) Volume produced.

The application of factors mentioned above requires the use of estimates and judgments by Management (Note 4).

Expected future sale prices for all biological assets are determined by reference to observable data in the relevant market of the harvested produce. Costs expected to arise through the growth of the biological assets are estimated based on historical data.

The gain or loss arising from initial recognition of a biological asset at fair value less costs to sell and from a change in fair value less costs to sell of a biological asset is recognized in the carve-out statement of comprehensive income in the period in which they arise.

Agricultural produce harvested from the Group's biological assets is initially measured at its fair value less costs to sell at the point of harvest. The fair value of agricultural produce is determined based on market prices. The cost of the agricultural produce included in inventories for subsequent sale is deemed to be the fair value of produce less costs to sell at the point of harvest in the local market.

2.13 Inventories -

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the average cost method.

The cost of biological products is determined as the fair value less estimated point of sale costs at the time of harvest (Note 2.12).

Net realizable value is the estimated sale price in the ordinary course of business, less estimated cost to place inventories in selling conditions and commercialization and distributions expenses.

The cost of inventories may not be recovered if: i) the inventories are damaged or become wholly or partially obsolete; or ii) their selling prices decline or the estimated necessary costs to be incurred to produce their sale increase. In such circumstances, inventories are writen-off to their net realizable value. The Group determines the provision for obsolescence as follows:

Fresh and frozen products	100% of cost at expiration
Preserved products	50% of cost after 2 years

The provision for obsolescence is estimated on an item by item basis or for groups of items with similar characteristics (with same crop, market and similar other characteristics).

2.14 Trade accounts receivable -

Trade accounts receivable are amounts due from customers for goods sold in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade accounts receivable are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

A provision for impairment of trade receivables was estimated following expected credit losses method (Note 2.11). The amount of the provision is recognized in the carve-out statement of comprehensive income in "other expenses". Accounts receivable provided for are writen-off when they are assessed as uncollectible.

2.15 Cash and cash equivalents -

In the carve-out statement of cash flows, cash and cash equivalents includes cash at banks and in hand, deposits held at call with banks, short-term, highly liquid investments funds, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturities of three months or less. Cash and cash equivalents exclude cash subject to restriction, which are subject to regulatory restrictions and therefore are not available for general use by the other entities within the Group.

2.16 Parent's net investment -

Parent's net investment includes the initial capital contribution of the shareholders of the Company, retained earnings and contributions/distributions from parent entity.

Statement of comprehensive income allocations to carve-out financial statements reflect all costs of doing business, whereas the statement of financial position of a carve-out entity should include the assets currently or formerly owned by the carve-out entity and those liabilities for which the carve-out entity was or is legally responsible. Differences between statement of comprehensive income and statement of financial position allocations are reflected as part of the parent's net investment in the carve-out entity (as contributions to the carve-out entity or distributions from the carve-out entity) unless an arrangement between the parent and the carve-out entity requires cash settlement (in which case, differences would be reflected as a net payable to, or net receivable from, the parent).

2.17 Trade accounts payable -

Trade accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade accounts payable are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.18 Bank loans and long-term debt -

Bank loans and long-term debt are recognized initially at fair value, net of transaction costs incurred. Bank loans and long-term debt are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the carve-out statement of comprehensive income over the period of the borrowing using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Long-term debts are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the carve-out statement of financial position date.

Bank loans for working capital uses are classified as current liabilities as the settlement of these liabilities are in the short-term.

2.19 Leases -

At inception of a contract, the Group assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group (as lessee) has elected to apply the practical expedient to account for each lease component and non-lease components as a single lease component.

As lessee the Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred. The assets are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term, using the straight-line method as this most closely reflects the expected pattern of consumption of the economic future benefits. The lease term includes periods covered by an option to extend if the Group is reasonably certain to exercise that option. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company`s incremental borrowing rate.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group`s estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it is reasonably certain that it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset.

The Group has elected to apply the practical expedient not to recognized right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases is recognized as an expense on a straight-line basis over the lease term included in administrative expenses and cost of sales.

Previous accounting treatment for leases -

IAS 17 establishes one unified accounting treatment for lessors and lessees.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in long-term debt. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset and the lease term.

When assets are leased out under a finance lease, the present value of the lease payments is recognized as a receivable. The difference between the gross receivable and the present value of the receivable is recognized as unearned finance income. The unearned finance income is recognized as income over the term of the lease on a straight-line basis.

2.20 Current and deferred income tax -

Income tax expense for the period comprises current and deferred income tax. Income tax is recognized in the carve-out statement of comprehensive income, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the income tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted at the carve-out statement of financial position date in the countries where the Company and its subsidiaries operate and generate taxable income. Management applies the separate tax return method which aggregates the tax position of the individual entities of the new reporting entity. Current tax expense and tax assets and liabilities are accounted for in accordance with the tax returns. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the carve-out financial statements. However, the deferred income tax is not accounted for when it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the date of the carve-out statement of financial position and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred tax assets and liabilities arise from the individual book tax differences.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax liabilities are provided on temporary differences arising on investments in associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only where there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference it is not recognized.

Deferred income tax assets are recognized on deductible temporary differences, only to the extent that is it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.21 Provisions -

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures at fair value expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

2.22 Employee benefits -

Workers' profit sharing and other employee benefits -

In accordance with Peruvian Legislation, Peruvian entities of the Group are required to provide for workers' profit sharing equivalent to 5% (10% in 2017 and 2016, divided 5% legal and up to 5% voluntary) of taxable income in Peru of each year. This amount is charged to the carve-out statement of comprehensive income (distributed among cost of sales, administrative expenses and selling expenses, as appropriate). This charge is a deductible expense for income tax purposes.

Statutory bonuses -

The Peruvian Group Companies recognizes the expense in bonuses and the related liabilities under Peruvian legal tax regulations. Statutory bonuses consist of two (2) annual one-month salaries paid in July and December every year.

Employees' severance indemnities -

Employees' severance indemnities of Peruvian Group Companies personnel comprise indemnities determined under Peruvian laws and regulations and which has to be credited to bank accounts selected by employees in May and November every year. The annual employees' severance indemnities equal one-month salary. The Group does not have obligations of additional payments once these annual deposits, to which each worker is entitled to, are made.

2.23 Revenue recognition -

Revenue is measured at the transaction price equivalent to the amount of consideration to which the Group expects to be entitled in exchange for transferring goods to a customer. Group estimates the transaction at contract inception, including any variable consideration (like discounts, returns and price adjustments) and updates the estimate each reporting period for any changes in circumstances.

Revenue is recognized at a point in time when the control of goods has been transferred to the buyer.

An entity has control of a good when it has the ability to direct the use of, and obtain substantially all of the remaining benefits from the good.

The following specific recognition criteria must also be met before revenue is recognized:

a) *Sale of goods -*

The Group's agro-industrial activities comprise the selling (exports) of fresh, frozen and preserved agricultural products. Sales are recognized when control of the products has transferred, being when the terms and conditions of the sale agreement with the buyer have been completely met, the buyer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the buyer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the buyer, and either the buyer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Frozen exports are invoiced at a fixed price while fresh exports on a preliminary liquidation basis (provisionally priced). In the case of sales invoiced in a preliminary liquidation basis, the value of the provisionally priced fresh products is re-measured using Management's best-estimated price that is expected to be settled with the customer. The selling price of fresh products can be measured reliably as these products are actively traded on international markets.

No element of financing is deemed present as the sales are made with a credit term between of 30 and 120 days, which is consistent with market practice. A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

b) Financing components -

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

2.24 Costs and expenses -

Cost of sales corresponds to the cost of production of goods sold, and is recorded simultaneously with the recognition of revenue. Other costs and expenses are recognized on an accrual basis and recorded in the periods to which they are related.

2.25 Contingent liabilities and assets -

Contingent liabilities are not recognized in the financial statements but disclosed in notes to the financial statements unless their occurrence is estimated as remote. Contingent assets are not recognized in the financial statements, unless virtually certain, and are disclosed only if their realization is assessed as probable.

2.26 Custom duties refunds -

Custom duties refunds (drawback) correspond to a tax benefit granted by the Peruvian Government by means of which the Group is reimbursed for the custom duties paid on the importation of goods that are a component of the FOB value of exported products. The refund of these custom duties is credited to the cost of sales in the carve-out statement of comprehensive income when the Group has the right to claim the refund (when the export is completed).

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors -

The Group's activities expose it to risks arising from climatic changes and financing risks (including foreign exchange risk, fair value interest rate risk, cash flows interest rate risk and price risk), credit risk and liquidity risk.

The Group's geographic spread of agricultural lands allows a high degree of mitigation against adverse climatic conditions such as droughts and temperature changes as result of climatic events. The Group has strong environmental policies and procedures in place to mitigate climatic risk.

The seasonal nature of the agricultural products of the Group requires a high level of cash flow in the second half of the year. The Group actively manages the working capital requirements and has sufficient credit facilities to meet the cash flow requirements.

a) Market risk -

i) Foreign exchange risk -

The Group's entities operate locally and internationally and are exposed to foreign exchange risk arising from other currency exposures, primarily with respect to the Sol and Euros. The Group's entities buy and sell its products and services and obtain funding for its working capital and investments mainly in its functional currency. Some costs are incurred in Sol and some sales are made in Euros. The Group does not carry out a hedging strategy with derivative financial instruments to cover its exchange risk.

As of 31 December 2018, 2017 and 2016, the Group had the following assets and liabilities in Sol (PEN) and Euros (€) (expressed in USD000):

	2018		Total	2017		Total	2016		Total
	PEN	€	USD	PEN	€	USD	PEN	€	USD
Assets -									
Cash and cash equivalents	549	1,313	1,862	1,760	1,585	3,345	376	2,156	2,532
Trade and other accounts receivable	3,377	9,841	13,218	3,672	16,406	20,078	8,962	11,467	20,429
	3,926	11,154	15,080	5,432	17,991	23,423	9,338	13,623	22,961
Liabilities -									
Accounts payable	24,436	2,779	27,215	25,498	1,539	27,037	12,388	1,154	13,542
(Liability) asset position, net	(20,510)	8,375	(12,135)	(20,066)	16,452	(3,614)	(3,050)	12,469	9,419

The remaining balance of cash and cash equivalents, trade and other accounts receivable amounting to USD93,260 relates to balances denominated in United States Dollar (2017 USD53,495 and 2016 USD96,724).

The remaining balance of liabilities, except for the deferred income tax, amounting to USD361,980 relates to balances denominated principally in United States Dollar (2017 USD195,598 and 2016 USD281,965).

The following table demonstrates the sensitivity to a reasonable possible change in Sol exchange rate and Euro exchange rate for twelve months against the US Dollar, with all other variables held constant, on the Group's pre-tax profit:

	Increase/ decrease PEN rate	**Effect on profit before tax**	**Increase/ decrease € rate**	**Effect on profit before tax**
2018	+2%	121	+2%	(136)
	-2%	(121)	-2%	136
2017	+2%	124	+2%	(271)
	-2%	(124)	-2%	271
2016	+8%	73	+8%	(931)
	-8%	(73)	-8%	931

ii) Fair value interest rate risk and cash flows interest rate risk -

Changes in interest rates impact primarily loans and long-term borrowings by changing either their fair value (fixed rate debt) or their future cash flows (variable rate debt).

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the group to cash flow interest rate risk. The risk of the interest rate of the Group arises from its long-term borrowings. Long-term borrowings at variable rates exposes the Group to the interest risk in cash flows. Long-term borrowings at fixed rates exposes the Group to the fair value risk at interest rates.

In the case of variable rates, the Group reviews periodically the movement of interest rates and the potential impact on its long-term borrowings and, therefore, on its statement of comprehensive income; based on that, Management considers that it does not have significant exposure to the interest rate risk.

The variable interest rates are presented at market value since they are calculated based on LIBOR plus a Spread, which is a daily reference rate based on the interest rate at which the banks offer non-insured funds to other banks in the wholesale monetary market or interbank market.

Fixed rate borrowings of the Group are negotiated at market rates on a timely basis, in order to reduce the Group´s exposure to fair value interest rate risk.

The Management considers that the risk of the fair value of the interest rates is not important because the interest rates of the financing contracts are not different from the market interest that is available to the Group.

The Group is exposed to interest rate risk on fair value and cash flow interest rate risk of its borrowings. The Group assumes both risks; therefore it does not carry out a hedging strategy with derivative financial instruments to cover its fair value interest rate risk nor cash flow interest rate risk. The fair value of borrowings is disclosed in Note 20.

iii) Price risk -

The Group is exposed to the risk of price changes of fresh products. The Group assumes this risk and does not use hedge instruments to manage its price risks.

b) Credit risk -

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract leading to a financial loss. The Group is exposed to credit risk on trade and other receivables and deposits in banks.

The maximum exposure to credit risk is the carrying amount of accounts receivable and its deposits in financial institutions (Note 15 and 16) as shown on the carve-out statement of financial position. Sales transactions are carried out with a number of different counterparties, which mitigates credit risk concentration. The Group seeks for external assistance to evaluate the rating of the possible new customer. With this information, a credit limit for the customer is set. Management makes efforts in building long-lasting relationships with customers (over 6 months). As of 31 December 2018, 2017 and 2016, no credit limits were exceeded during the reporting period, and Management does not expect significant losses from non-performance by these counterparties.

The accounts receivable from a single customer represent approximately 14.5 percent of the balance as of 31 December 2018 (12.6 percent as of 31 December 2017 and 6.9 percent as of 31 December 2016). All new transactions with this customer are being executed through credit insurance.

In addition, the Group has a multimarket credit insurance coverage over the exports of fresh and preserved products in an aggregate amount up to USD324,217 at 31 December 2018 (USD180,894 in 2017 and USD214,078 in 2016).

c) Liquidity risk -

The Group has sufficient credit capacity to have access to credit lines with top-ranked financial institutions (institutions with no history of default and prestigious locally) under market terms. In addition, the Group develops new bank relationships in order to have adequate funding available at all times. However, with the current global political uncertainty there is a risk that banks may revise the terms of the lines of credit (short-term financing which might not be able to be refinanced). The Group assumes this risk.

As of 31 December 2018, lines of credit available but not used amount to USD51,800 (USD34,255 as of 31 December 2017 and USD6,413 as of 31 December 2016).

On 2 February 2017, the Group made the maturity payment of its 9.875% Senior Secured Notes due in 2017 for USD46,947 and significant decrease of bank loans as a consequence of the higher liquidity generated in 2017 from the increase in the Company's financial performance.

On 20 December 2018, the Group delivered an irrevocable Notice of Redemption relating to all its outstanding New Notes (USD 147,490 10.5% Senior Secured Notes due 2021 – Note 20) and irrevocably deposited, with The Bank of New York Mellon (The Trustee) as trust funds for the solely benefit if the bond holders, cash in U.S. dollars for the payment and discharge of the entire indebtedness of the New Notes. On 20 December 2018, the Group received a Satisfaction and Discharge of Indenture Notice, where The Trustee acknowledges that Camposol S.A.'s obligation under the Indenture have been satisfied and the Indenture was discharge and cease to be of further effect. Accordingly, there was no outstanding liability related to the New Notes as of December 31, 2018.

The table below analyses the Group's non-derivative financial liabilities and allocates them into relevant maturity groupings based on the remaining period at the date of the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months (with the exception of borrowings) equal their carrying balances as the impact of discounting is not significant.

	Within 1 year USD	Between 1 and 2 years USD	Between 2 and 6 years USD	Total USD
31 December 2018 -				
Long - term debt (**)	18,500	18,119	294,458	331,077
Lease liability (*)	6,688	6,771	23,679	37,138
Trade accounts payable (Note 21)	47,382			47,382
Accounts payable to related companies	50,831	-	-	50,831
Other accounts payable (Note 11)	1,376	-	-	1,376
	124,777	24,890	318,137	467,804
31 December 2017 -				
Long - term debt (*)	28,299	19,917	169,555	217,771
Trade accounts payable (Note 21)	21,782	-	-	21,782
Other accounts payable (Note 11)	882	-	-	882
Accounts payable to related companies	3,875	-	-	3,875
Bank loans (*)	10,017	-	-	10,017
	64,855	19,917	169,555	254,327
31 December 2016 -				
Long - term debt (*)	71,240	21,141	189,466	281,847
Trade accounts payable (Note 21)	28,822	-	-	28,822
Other accounts payable (Note 11)	877	-	-	877
Accounts payable to related companies	2,638	-	-	2,638
Bank loans (*)	33,150	-	-	33,150
	136,727	21,141	189,466	347,334

(*) Long - term debt, lease liability and bank loans include interest to be accrued.
(**) Long - term debt with variable interest rate is based on rates applicable at year-end.

3.2 Capital risk management -

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the carve-out statement of financial position), less cash and cash equivalents. Total capital is calculated as equity as shown in the carve-out statement of financial position plus net debt.

The Group's strategy was to maintain the gearing ratio not to exceed 0.55. The gearing ratios were as follows:

	At 31 December		
	2018	2017	2016
	USD	USD	USD
Bank loans (Note 25)	-	10,017	33,150
Long - term debt (Note 20)	235,652	162,162	216,982
Lease liability (Note 24)	31,938	-	-
Less cash and cash equivalents (Note 16)	(32,505)	(30,554)	(76,313)
Net debt (a)	235,085	141,625	173,819
Total equity as per statement of financial position (b)	211,224	225,698	177,573
Total capital as defined by management (a) + (b)	446,309	367,323	351,392
Gearing ratio (a) / (a) + (b)	0.53	0.39	0.49

At 2018 the increase in the gearing ratio compared to 31 December 2017 is mainly due to the acquisition of new financial obligations. At 2017 the decrease in the gearing ratio compared to 31 December 2016 is mainly due to the net effect of the payments of financial obligations and the increase in the total equity due to profits for the year.

3.3 Fair value estimation -

The carrying amount of trade accounts receivable and trade accounts payable are similar to their fair values, as the impact of discounting is not significant. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The information used by the Group to estimate the fair value is categorized in following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

See Note 10 for disclosures of the measurement of biological assets.

As of 31 December 2018, 2017 and 2016, the Group does not maintain any other financial assets or liabilities measured at fair value since they are measured at amortized cost.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

4.1 Critical accounting estimates and assumptions -

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical accounting estimates made by management are continually evaluated and are based on historical experience and other factors, including expectation of future foreseeable events that are believed to be reasonable under the circumstances. Management performs sensitivity analysis as a way of determining the potential impact of the changes of estimates on the fair value of biological assets.

The most significant use of judgment is the estimation of the fair value of biological assets, including growing produce (asparagus, avocados, mangos, grapes, tangerine and blueberries). The inputs to the valuation models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. The valuation of biological assets is described in more detail in Note 10.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

- Estimation of fair value of biological assets - Notes 2.12 and 10.

To assess the fair value of biological assets the Group takes into account the criteria set out in IAS 41 and IFRS 13, which requires that a biological asset should be measured at its fair value. The fair value indicated is determined by using the present value of net cash flows expected to be obtained from the assets. Determining the fair value of an asset requires the application of judgment to decide on the way in which biological asset will be recovered and assumptions to be used in its determination.

In this regard, in determining fair value, the Management uses estimates for plantation volumes, sales prices, weather conditions on expected yields, discount rate and cost per hectare. The changes in assumptions or estimates used in the calculations could influence the outcome thereof.

The model inputs involve estimates that are calculated for every growing produce to be harvested. The fair value has been determined in US dollars and the discounted net cash flows included in estimates of management consider a risk adjusted discount rate affected by the specific industry and market risks; therefore it represents the rate that a market participant would use. The Group uses a short-term discount rate for biological assets.

The Group carries out a sensitivity analysis of the biological assets taking into consideration volatility levels that would give rise to a material effect in profit before tax. The variables used in the determination of the fair values of the biological assets that may be subject to variance are: i) the forecast of revenue and costs, and ii) determination of the discount rate.

With respect to the revenue and costs forecasts, it should be noted that it has been determined based on the harvest and investment forecast for the next campaign, which Management considers their changes of estimates depend on quality factors of the produce. These quality factors are monitored by Management through a detailed ongoing follow-up. With respect to the discount rate that is used for the calculation of the fair value of biological assets, a sensitivity analysis has been performed by increasing/decreasing it by 5% as follows:

	Increase/ decrease rate	**Effect on profit before tax USD**
2018	+5%	488
	-5%	(488)
2017	+5%	847
	-5%	(847)
2016	+5%	371
	-5%	(371)

Sensitivity analysis for all other variables is included in Note 10.

- Review of long lived assets carrying amounts and impairment charges - Notes 6 and 8.

The Group assesses annually whether a provision for impairment is required to be made under the accounting policy described in Note 2. This determination requires Management's judgment in analyzing evidence of impairment as well as in determining value in use. For the latter, judgment is required in preparing the expected future cash flows, including forecasts of the Group's future operation, forecasts of economic factors that may impact revenue and costs as well as in determining the discount rate to be applied to those cash flows.

Estimates used in determining the recoverable amount of avocado's CGU relates to Management's consideration of prior-years events in the market and operations, which affected production and prices of avocado negatively, resulted in a change in the Group's strategy. These considerations were relevant to estimate the expected future cash flows and have been factored into the coming years. In 2016 an impairment was recognized in the goodwill (Note 8) for the change in the estimations of Management.

- Estimation of income tax - Notes 2.20, 18 and 35.

Determination of the tax obligations and expenses requires interpretations of the applicable tax laws and regulations. The Group receives advice from its professional legal tax counsel before making any decision on tax matters. Even though Management considers its estimates are prudent and appropriate, differences of interpretation may arise with Tax Authorities that may require future tax adjustments. The Group recognizes liabilities for situations observed in preliminary tax audits based on estimates as to whether the payment of additional taxes is required. When the final tax result of these situations is different from the amounts that were initially recorded, the differences are charged to the current and deferred income tax assets and liabilities in the period in which this fact is determined. The Group performed sensitivity analysis on the possibility of inappropriate interpretations of tax law. In this it has assessed the probability of change of estimates to quantify its impact on the financial statements.

Where the actual final outcome (on the judgment areas) differs by 10% from management's estimates, the Group would need to:

	Effect on income tax		
	2018	**2017**	**2016**
	USD	**USD**	**USD**
Decrease the income tax liability	(476)	(283)	(193)
Increase the income tax liability	476	283	193

4.2 Critical judgments in applying the Group´s accounting policies -

Determination of functional currency - (Note 2.5).

Management has determined the functional currency of the Group's principal operating entities to be the US Dollar. These entities sell their products in international markets to customers in a number of countries and sales are influenced by a number of currencies. Most operating costs are incurred in Peru but many are invoiced in US Dollars and the price of some raw materials and supplies are influenced by the US Dollar. The borrowings and cash balances of these entities are held in US Dollars. Management has used its judgment to determine the functional currency, taking into account the secondary factors and concluded that the currency that most faithfully represents the economic environment and conditions of these entities is the United States Dollar.

Bearer plants (Note 2.6 and 6).

Critical judgement is applied when Management establishes when bearer plants are available for use, which is the end of the permanent investment period (point of maturity), and they are transferred to Bearer plants (mature) and depreciation commences. The permanent investment period starts one day after the transplant to the plot until the first harvest.

Lease liability (Note 24)

In determining the lease term, Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

5 SEGMENT INFORMATION

The Group has three reportable segments namely blueberries, avocados and others. The segment of others includes those products relevant to the business whose sales occur in months and seasons in which blueberries and avocados generally do not export products, due to seasonality of the harvest.

The three reportable operating segments are engaged in producing, processing and commercializing a number of agricultural products, presented in fresh and frozen, which are mainly exported to European markets and the United States of America.

Production and related assets are in Peru, Colombia and Uruguay.

The following shows sales from continuing operations based on the country/area in which the customer is located:

	2018 USD	2017 USD	2016 USD
USA	203,757	126,268	97,131
Europe	120,656	114,320	77,267
Asia	38,454	21,561	13,495
South America	6,359	7,880	4,538
Canada	4,426	13,736	12,871
Other	513	2,080	1,215
	374,165	285,845	206,517

The following table shows revenues, gross profit and profit (loss) after adjustment for biological assets by segment, from continuing operations, excluding the unallocated revenues and costs of products not reviewed separately by the CODM:

	Blueberries USD	Avocados USD	Others USD	Total USD
2018 -				
Revenues	205,208	112,294	52,169	369,671
Cost of sales	(91,535)	(53,727)	(31,287)	(176,549)
Gross profit before adjustment for biological assets	113,673	58,567	20,882	193,122
Gain (loss) arising from changes in fair value of biological assets	52,507	(24,749)	3,790	31,548
Gross profit (loss) after adjustment for biological assets by segment	166,180	33,818	24,672	224,670

	Blueberries USD	Avocados USD	Others USD	Total USD
2017 -				
Revenues	121,064	122,042	37,561	280,667
Cost of sales	(56,516)	(55,647)	(33,079)	(145,242)
Gross profit before adjustment for biological assets	64,548	66,395	4,482	135,425
Gain arising from changes in fair value of biological assets	1,617	24,601	629	26,847
Gross profit after adjustment for biological assets by segment	66,165	90,996	5,111	162,272
2016 -				
Revenues	100,202	53,413	47,454	201,069
Cost of sales	(34,371)	(39,745)	(38,473)	(112,589)
Gross profit before adjustment for biological assets	65,831	13,668	8,981	88,480
(Loss) gain arising from changes in fair value of biological assets	(1,090)	7,207	1,307	7,424
Gross profit after adjustment for biological assets by segment	64,741	20,875	10,288	95,904

The following table shows assets by segment, excluding unallocated assets:

	Blueberries USD	Avocados USD	Others USD	Total USD
31 December 2018 -				
Biological assets	93,616	15,205	11,704	120,525
Finished products	12,162	1,075	5,090	18,327
Property, plant and equipment	148,139	133,645	86,410	368,194
Total assets by segment	253,917	149,925	103,204	507,046
Area (Has)	2,168	2,951	1,855	6,974
Impairment of assets	-	-	-	-
Write-off of bearer plants	-	626	88	714
31 December 2017 -				
Biological assets	40,717	38,596	5,912	85,225
Finished products	10,436	221	3,246	13,903
Property, plant and equipment	100,037	128,838	63,151	292,026
Total assets by segment	151,190	167,655	72,309	391,154
Area (Has)	1,862	2,655	1,086	5,603
Impairment of assets	-	-	-	-
Write-off of bearer plants	-	7,781	6,115	13,895
31 December 2016 -				
Biological assets	39,209	14,636	5,213	59,058
Finished products	7,139	562	5,774	13,475
Property, plant and equipment	87,612	144,284	65,573	297,469
Total assets by segment	133,960	159,482	76,560	370,002
Area (Has)	1,460	2,653	1,006	5,119
Impairment of assets	-	1,871	630	2.501
Write-off of bearer plants	-	10,137	836	10,973

At 31 December 2018, 2017 and 2016, no transactions between reportable segments are carried out.

Disclosure of segment profit measurement is made using the gross profit and profit and loss after adjustment for biological assets, which is used in assessing the performance of each segment.

Administrative expenses, selling expenses, other income and other expenses are not considered as expenses and income of the segments, and therefore are not allocated to any segment.

Unallocated revenues and cost of sales correspond to minor products not reported to the CODM. Total assets presented by segment include the asset information provided to the CODM, namely biological assets, goodwill, finished products inventory and property, plant and equipment.

Following is a reconciliation of revenue from continuing operations of reportable segments with the total revenue from continuing operations of the Group:

	2018 USD	2017 USD	2016 USD
Total revenue of reportable segments	369,671	280,667	201,069
Unallocated revenue (i)	4,494	5,178	5,448
Total revenue of the Group	374,165	285,845	206,517

(i) Unallocated items correspond to minor activities not reported to the chief operating decision maker, such as packaging and other minor services provided by the Company.

Following is a reconciliation of profit after adjustment for biological assets by segments with the profit after adjustment for biological assets from continuing operations:

	2018 USD	2017 USD	2016 USD
Profit after adjustment for biological assets by segments	224,670	162,272	95,904
Unallocated revenue	4,494	5,178	5,448
Unallocated cost of sales	(3,876)	(5,851)	(5,354)
Profit after adjustment for biological assets	225,288	161,599	95,998

Following is a reconciliation of total assets by segments with total assets:

	31 December		
	2018 USD	2017 USD	2016 USD
Total assets by segments	507,046	391,154	370,002
Unallocated inventories	8,095	7,224	7,583
Unallocated property, plant and equipment	12,832	9,147	6,876
Unallocated intangible assets	5,180	3,824	3,626
Right of use asset	15,137	-	-
Investment in associate	3,280	2,054	2,764
Deferred tax assets	286	-	1,178
Assets classified as held for sale	-	-	2,145
Prepaid expenses	481	470	672
Other accounts receivable	8,161	5,561	6,552
Trade accounts receivable	67,674	39,576	36,820
Cash subject to restriction	-	1,227	-
Cash and cash equivalents	32,505	30,554	76,313
Total assets	660,677	490,791	514,531

The following table shows revenues and gross profit by customer from continuing operations:

	Major 10 customers USD	Major 11 to 20 customers USD	Major 21 to 28 customers USD	Other customers USD	Total USD
Year 2018					
Revenues	179,426	52,705	25,096	116,938	374,165
Gross profit	103,606	30,505	11,445	48,184	193,740
Year 2017					
Revenues	146,463	36,942	20,811	81,629	285,845
Gross profit	78,166	17,806	11,754	27,026	134,752
Year 2016					
Revenues	87,387	36,254	12,471	70,405	206,517
Gross profit	56,056	20,118	6,931	5,469	88,574

Gross profit before adjustment for biological assets by type of produce from continuing operations for the year ended 31 December is as follows:

	2018			2017			2016		
	Revenue USD	Cost of sales USD	Gross profit USD	Revenue USD	Cost of sales USD	Gross profit USD	Revenue USD	Cost of sales USD	Gross profit USD
Fresh	348,251	(159,257)	188,994	262,531	(126,677)	135,854	179,611	(87,559)	92,052
Preserved	-	-	-	109	(178)	(69)	2,620	(3,328)	(708)
Frozen	21,975	(17,859)	4,116	19,045	(19,180)	(135)	17,619	(20,970)	(3,351)
Others	3,939	(3,309)	630	4,160	(5,058)	(898)	6,667	(6,086)	581
	374,165	(180,690)	193,740	285,845	(151,093)	134,752	206,517	(117,943)	88,574

6 PROPERTY, PLANT, EQUIPMENT AND BEARER PLANTS

	Land	Building and other construction	Plant and equipment	Furniture, fixtures and equipment	Vehicles	Bearer plants (mature)	Bearer plants (immature)	Construction in progress	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD
Year ended 31 December 2016									
Opening net book amount	30,074	42,166	31,542	8,142	450	191,245	13,212	4,527	321,358
Additions	-	-	-	2	-	-	6,675	15,564	22,241
Transfers of bearer plants	-	-	-	-	-	16,273	(16,273)	-	-
Transfers of other assets	-	3,058	2,259	744	105	-	-	(6,166)	-
Write off	-	(3,753)	(799)	3,616	(154)	(2,225)	-	2,164	(1,151)
Transferred to disposal group classified as held for sale	-	-	(1,385)	-	-	-	-	-	(1,385)
Impairment charge	-	-	(617)	-	-	(1,884)	-	-	(2,501)
Depreciation charge	-	(2,229)	(6,035)	(1,149)	(103)	(24,701)	-	-	(34,217)
Closing net book amount	30,074	39,242	24,965	11,355	298	178,708	3,614	16,089	304,345
At 31 December 2016									
Cost	30,074	49,530	76,246	14,164	2,321	238,799	3,614	16,089	430,837
Accumulated impairment	-	-	(1,236)	-	-	(8,100)	-	-	(9,336)
Accumulated depreciation	-	(10,288)	(50,045)	(2,809)	(2,023)	(51,991)	-	-	(117,156)
Net book amount	30,074	39,242	24,965	11,355	298	178,708	3,614	16,089	304,345
Year ended 31 December 2017									
Opening net book amount	30,074	39,242	24,965	11,355	298	178,708	3,614	16,089	304,345
Additions	414	2,337	3,363	839	39	-	11,671	17,229	35,892
Transfers of bearer plants	-	-	-	-	-	12,047	(12,047)	-	-
Transfers of other assets	-	844	3,162	762	10	-	9,870	(14,648)	-
Write off	-	-	(126)	(4)	(6)	(13,895)	-	-	(14,031)
Depreciation charge	-	(2,042)	(5,410)	(1,098)	(117)	(16,366)	-	-	(25,033)
Closing net book amount	30,488	40,381	25,954	11,854	224	160,494	13,108	18,670	301,173
At 31 December 2017									
Cost	30,488	52,707	81,675	15,759	2,334	230,561	13,108	18,670	445,302
Accumulated impairment	-	-	(1,236)	-	-	(8,100)	-	-	(9,336)
Accumulated depreciation	-	(12,326)	(54,485)	(3,905)	(2,110)	(61,967)	-	-	(134,793)
Net book amount	30,488	40,381	25,954	11,854	224	160,494	13,108	18,670	301,173

	Land	Building and other construction	Plant and equipment	Furniture, fixtures and equipment	Vehicles	Bearer plants (mature)	Bearer plants (immature)	Construction in progress	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD
Year ended 31 December 2018									
Opening net book amount	30,488	40,381	25,954	11,854	224	160,494	13,108	18,670	301,173
Transference to right of use asset		(2,405)	(3,746)	(558)	(27)	-	-	-	(6,736)
Additions	16,814	3,702	1,554	303	132	4,052	46,717	17,397	90,671
Transfers of bearer plants	-	-	-	-	-	8,825	(8,825)	-	-
Transfers of other assets	35	1,384	1,660	143	-	-	13,424	(16,646)	-
Write off	-	(35)	(45)	(4)	(26)	(714)	-	-	(824)
Depreciation charge		(2,006)	(3,402)	(1,022)	(84)	(17,968)	-	-	(24,482)
Closing net book amount	47,337	40,859	21,305	10,716	219	154,689	64,424	19,421	358,970
At 31 December 2018									
Cost	47,337	54,200	77,141	15,149	2,104	242,452	64,424	19,421	522,228
Accumulated impairment	-	-	(1,236)	-	-	(8,100)	-	-	(9,336)
Accumulated depreciation	-	(13,341)	(54,600)	(4,433)	(1,885)	(79,663)	-	-	(153,922)
Net book amount	(47,337)	40,859	21,305	10,716	219	154,689	64,424	19,421	358,970

For the year ended 31 December 2018 loss on write-off of property, plant and equipment (not included bearer plants) amounts to USD110 (loss of USD132 as of 31 December 2017 and loss of USD4,028 as of 31 December 2016). For the year ended 31 December 2018 loss on disposals of property, plant and equipment amounts to USD143 (no disposals in 2017 and loss on disposals of USD746 in 2016) (Note 31).

a) The additions of land mainly corresponds to acquisition of 1,518 hectares in Uruguay for USD9,623 through Camposol Uruguay and 909 hectares in Colombia for USD7,191 through Camposol Colombia.

b) The carrying amount of property, plant and equipment acquired under finance leases is as follows:

	At 31 December		
	2018	2017	2016
	USD	USD	USD
Building and other constructions	-	2,405	2,872
Plant and equipment	-	3,746	3,942
Furniture, fixtures and equipment	-	558	747
Vehicles	-	27	127
	-	6,736	7,688

The payments of these obligations are secured with the assets acquired under the lease contracts. These amounts have been reclassified to right of use assets upon adoption of IFRS 16.

c) As of 31 December 2018 property, plant and equipment are insured up to a value of USD60,000 (USD 60,000 in 2017). Management believes that this policy is consistent with international practices in the industry and takes into account the risk of eventual losses due to the nature of the assets.

d) The allocation of the depreciation charge is as follows:

	2018	2017	2016
	USD	USD	USD
Cost of sales (Note 27)	5,888	8,064	6,397
Depreciation of continued bearer plant (Note 27)	17,968	16,366	19,578
Depreciation of discontinued bearer plant (Note 37)	-	-	5,123
Administrative expenses (Note 29)	626	603	552
Depreciation of discontinued equipment (Note 37)	-	-	2,567
	24,482	25,033	34,217

e) Bank borrowings are secured by fixed assets with a total amount of USD72,882 in 2018 (USD65,467 in 2017 and USD77,752 in 2016).

Bearer Plants -

During 2018, 2017 and 2016, the Company prepared 8,201 and 6,591 hectares land for cultivation, respectively (6,122 hectares in 2016). During 2018 the Company planted 1,393 hectares (578 hectares of tangerines, 306 hectares of blueberry, 193 hectares of grapes, and 316 hectares of avocado); and write off from 22 hectares (20 hectares of avocado and 2 hectares of grapes). During 2017 planted 484 hectares, primarily in blueberry (write off from 769 hectares during 2016).

The depreciation charge for the bearer plant in 2018 amounts to USD17,968 (USD16,366 for 2017 and USD24,701 for 2016). The increase in the depreciation charge is mainly explained by acquisition of tangerine bearer plants in Uruguay.

Bearer plant additions in 2018 are related to investments in blueberry, tangerine and grapes (blueberry, tangerine and avocado in 2017 and blueberry and grapes in 2016).

Write-offs in 2018 and 2017 are related mainly to avocado and grape bearer plants, based on decision by management to replace plantations in order to increase yields in future harvests. Write-offs in 2016 correspond to asparagus for discontinued operations.

The allocation of the write-off bearer plant is as follow:

	2018 USD	2017 USD	2016 USD
Write-off continued bearer plant (Note 27)	714	13,895	-
Write-off discontinued bearer plant (Note 37)	-	-	3,212
	714	13,895	3,212

7 INVESTMENT IN ASSOCIATE

	2018 USD	% share in the capital %	2017 USD	% share in the capital	2016 USD	% share in the capital %
Empacadora de Frutos Tropicales S.A.C	3,280	35.00	2,054	35.00	2,764	40.00

On 30 September 2006 the Company participated in the incorporation of Empacadora de Frutos Tropicales S.A.C (Empafrut), a Peruvian company engaged in the processing and commercialization of fresh fruit products, mainly mangos. The cost of the investment amounted to USD600. Empafrut is not a listed entity.

The Group's share in the 2018 income of this company amounted to USD1,225 (loss of USD390 in 2017 and income of USD728 in 2016) which are shown separately in the carve-out statement of comprehensive income.

The summarized financial information at 100% for this associated company as follows:

	At 31 December		
	2018 USD	2017 USD	2016 USD
Total assets	11,817	9,341	9,641
Total liabilities	2,448	3,474	2,732
Total revenue	10,121	4,731	7,086
Profit for the year	3,572	455	2,560
Total equity	9,369	5,867	6,909

8 INTANGIBLE ASSETS

The movement of the cost and the accumulated amortization of intangibles assets is as follows:

	Goodwill USD	Software USD	Licenses USD	Total USD
As at 1 January 2016				
Cost	11,950	6,670	-	18,620
Accumulated impairment	(3,478)	-	-	(3,478)
Accumulated amortization	-	(3,036)	-	(3,036)
Net book amount	8,472	3,634	-	12,106
Year ended 31 December 2016				
Opening net book amount	8,472	3,634	-	12,106
Additions	-	712	-	712
Impairment change	(8,472)		-	(8,472)
Amortization charge	-	(720)	-	(720)
Closing net book amount	-	3,626	-	3,626
As at 1 January 2017				
Cost	11,950	7,382	-	19,332
Accumulated amortization	(11,950)	(3,756)	-	(15,706)
Net book amount	-	3,626	-	3,626
Year ended 31 December 2017				
Opening net book amount	-	3,626	-	3,626
Additions	-	968	-	968
Amortization charge	-	(770)	-	(770)
Closing net book amount	-	3,824	-	3,824
As at 1 December 2018				
Cost	11,950	8,350	-	20,300
Accumulated amortization	(11,950)	(4,526)	-	(16,476)
Net book amount	-	3,824	-	3,824
Year ended 31 December 2018				
Opening net book amount	-	3,824	-	3,824
Additions	-	629	1,487	2,116
Amortization charge	-	(720)	(40)	(760)
Closing net book amount	-	3,733	1,447	5,180
As at 31 December 2018				
Cost	11,950	8,979	1,487	22,416
Accumulated amortization	(11,950)	(5,246)	(40)	(17,236)
Net book amount	-	3,733	1,447	5,180

The allocation of the amortization charge is as follows:

	2018 USD	2017 USD	2016 USD
Cost of sales (Note 27)	14	23	17
Selling expenses (Note 28)	44	-	-
Administrative expenses (Note 29)	702	747	703
	760	770	720

Impairment test on goodwill - avocado CGU:

An impairment test on goodwill of avocado CGU was performed in 2016 by comparing the recoverable amount of the cash-generating unit (value in use) and their carrying amount (including goodwill). To estimate the value in use, the Group has used the following assumptions:

- Projections are based on the Group's forecasts approved by management.

- 5-year term of cash flows has been used in the calculation, as the forecasted cash flows can be based on reasonable and reliable assumptions. Management changed in 2016 the forecasted cash flows term from 7 to 5, because management believes that all relevant assumptions that affect the projections can be factored in the 5 years terms and the perpetuity. The change from using the 7-year term to a 5-year term did not have a material impact.

- Projections do not include cash inflows or outflows from financing activities.

- Future cash flows are real pre-tax.

- The risk adjusted rate is affected by the specific industry and market risks; therefore it represents the rate that a market participant would use.

- In 2016 Goodwill of US8,472 was mainly allocated to the cash-generating unit of avocado.

- Cash flows projections comprise the entire cash flows expected to be generated in the normal course of business, including the cash flows that relate to biological assets. All relevant non-current assets have been allocated to the CGU.

- The CGU of avocado corresponds to the smallest identifiable group of assets, capable to generate cash flows in favor of the Group. These assets are related to the production and processing as follows: Bearer Plants, lands, machinery and equipment, industrial plant, biological assets, irrigations structure.

- Perpetuity cash-flows for avocado for 2016 period are extrapolated using the estimated growth rates of 0%. The growth rate does not exceed the long-term average growth rate for the industry in which the CGU operates.

The key assumptions used for value in use calculations for avocado CGU are as follows:

	At 31 December 2016
Compound annual growth rate (%)	(3)
Budgeted gross margin (%)	48
Export prices (USD)	1.6
Risk adjusted rate (%)	13.8
Recoverable amount of the CGU	167,984

The annual growth rate corresponds to the average growth rate in revenue of the initial five year. In 2016 this assumption decreased compared to 2015 because of the results of unexpected climatic conditions occurred during the last months of 2016 which reduced and delayed the production as well as increased maintenance costs that change the estimations of Management regarding to prices and production.

Management identified the recoverable amount is below the carrying amount of the CGU that leads to an impairment in the CGU. The recoverable amount corresponds to the Value in use of the CGU.

The impairment of the avocado CGU in 2016 occurred as a result of unexpected climatic conditions which reduced and delayed the production as well as increased maintenance costs for bearer plants during the year. These events affected the value in use model by including the risk of higher costs as well as decreasing the volume to be harvested in next year.

Management recognized an impairment in avocado CGU of USD10,973 in 2016 in the carve-out statement of comprehensive income as follows:

	2016 Avocados USD
Goodwill (Other expenses Note 29)	8,472
Bearer plants (Cost of sales Note 27)	1,884
Plant and equipment (Cost of sales Note 27)	617
	10,973

Compound annual growth rate, budgeted gross margin, export prices and risk adjusted rate disclosure above corresponds to the initial five-year avocado.

These assumptions have been used for the analysis of each CGU within the operating segment.

Management determined budgeted gross margin based on past performance and its expectations of market development.

The average growth rates used are consistent with the actual performance in the avocado CGU and with the forecasts included in industry reports.

Export prices are the average in the initial five-year period for avocado. Management determined budgeted export prices based on past performance, current industry trends and its expectations of market development.

The risk adjusted rates used are pre-tax and reflect specific risks relating to the relevant operating segment.

9 RIGHT-OF-USE ASSETS

The following table presents the right-of-use assets for the Company:

	Property USD	Building and other construction USD	Plant and equipment USD	Furniture, fixtures and equipment	Vehicles USD	Construction in progress USD	Total USD
At 1 January 2018							
Transference of Property, plant, equipment and bearer plant upon adoption of IFRS 16	-	2,405	3,746	558	27	-	6,736
Additions	8,743	5,864	5,838	109	3,800	9,373	33,727
Transfers	-	2	3	-	-	(5)	-
Write off	(7)	(235)	-	-	(6)	-	(248)
Depreciation charge	(800)	(942)	(556)	(103)	(621)	-	(3,022)
Closing net book amount	7,936	7,094	9,031	564	3,200	9,368	37,193
At 31 December 2018							
Cost	9,332	9,634	12,224	1,153	3,883	9,368	45,594
Accumulated depreciation	(1,396)	(2,540)	(3,193)	(589)	(683)	-	(8,401)
Net book amount	7,936	7,094	9,031	564	3,200	9,368	37,193

The Group leases various properties, equipment, furniture and vehicles. Rental contracts are typically made for fixed periods but may have extension. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Each lease payment is allocated between the liability and finance cost. The liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate, the weighted average lessee's incremental borrowing rate applied to the lease liabilities was 4.87%. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The allocation of the depreciation charge is as follows:

	2018	2017	2016
	USD	USD	USD
Cost of sales (Note 27)	2,352	-	-
Selling expenses (Note 28)	72	-	-
Administrative expenses (Note 29)	475	-	-
Other expenses (Note 31)	123	-	-
	3,022	-	-

10 BIOLOGICAL ASSETS

The Group measures the value of biological assets using the expected cash flows for the production of each of them. The cash flows included in the projections are discounted at the risk adjusted rates between the range of 7.04% and 7.75% over different products for 2018 (between 9.37% and 10.11% for 2017 / between 8.86% and 10.33% for 2016).

The movement for the period in the fair value of biological assets is as follows:

	Opening balance		Additions and deductions		Closing balance	
	Area	Market value	Area	Market value	Area	Final balance
	Has	USD	Has	USD	Has	USD
31 December 2018						
Avocados	2,655	38,596	296	(23,391)	2,951	15,205
Mangos	562	472	-	804	562	1,276
Grapes	198	2,944	191	2,646	389	5,590
Tangerines	326	2,496	578	2,342	904	4,838
Blueberries	1,862	40,717	306	52,899	2,168	93,616
	5,603	85,225	1,371	35,300	6,974	120,525
31 December 2017						
Avocados	2,653	14,636	2	23,960	2,655	38,596
Mangos	448	2,469	114	(1,997)	562	472
Grapes	391	668	(193)	2,276	198	2,944
Tangerines	167	2,076	159	420	326	2,496
Blueberries	1,460	39,209	402	1,508	1,862	40,717
	5,119	59,058	484	26,167	5,603	85,225
31 December 2016						
Asparagus	1,261	1,550	(1,261)	(1,550)	-	-
Avocados	2,655	6,970	(2)	7,666	2,653	14,636
Mangos	450	1,573	(2)	896	448	2,469
Grapes	327	1,356	64	(688)	391	668
Tangerines	145	2,697	22	(621)	167	2,076
Blueberries	1,050	40,766	410	(1,557)	1,460	39,209
	5,888	54,912	(769)	4,146	5,119	59,058

The main assumptions used to estimate the fair values of the biological assets were as follows:

Asparagus:

- 0 producing plots in 2016 in Mar Verde, Agricultor, and Sincromax.
- Each harvest cycle lasts 6 months for 2016.
- Risk adjusted rate of 0% for 2016. In 2016, Asparagus segment was discontinued.
- The harvest period is mainly during the months of January to March.

Avocados:

- 59 plots in Agromás, Marverde, Frusol, Terra, Agricultor, Yakuy Minka, La Moravia, Salento, La Bretaña and El Castillo. (53 plots in 2017 and 55 plots in 2016).
- Every harvest cycle lasts 1 year for 2018, 2017 and 2016.
- Risk adjusted rate of 8.11% for 2018 (10.11% for 2017 and 9.59% for 2016).
- The harvest period is mainly during the months of April to August.

Mangos:

- 9 plots in Atypsa, Balfass and Dunas (11 plots in 2017 and 9 plots in 2016).
- Every harvest cycle lasts 1 year for 2018, 2017 and 2016.
- Risk adjusted rate of 7.28% for 2018 (9.56% for 2017 and 9.04% for 2016).
- The harvest period is mainly during January to March.

Grapes:

- 18 plots in Agroalegre (8 plots in 2017 and 12 plots in 2016).
- Each harvest cycle last 1 year for 2018, 2017 and 2016.
- Risk adjusted rate of 8.46% for 2018 (10.85% for 2017 and 10.33% for 2016).
- The harvest period is mainly during the months of November and December.

Blueberries:

- 50 plots in Agromas, Marverde, Gloria, Agricultor, Oro azul and Yakuy Minka (37 plots in 2017 and 29 plots in 2016).
- Each harvest cycle last 1 year for 2018, 2017 and 2016.
- Risk adjusted rate of 7.04 % for 2018 (9.37% for 2017 and 8.86% for 2016).
- The harvest period is during all the year.

Tangerines:

- 64 plots in Yakuy Minka and El Tero (10 plots in 2017 and 6 plots in 2016).
- Each harvest cycle last 1 year for 2018, 2017 and 2016.
- Risk adjusted rate of 8.11% for 2018 (10.11% for 2017 and 9.59% for 2016).
- The harvest period is mainly during the months of June to August.

The following table demonstrates the sensitivity to a reasonably possible change in the projected volume production, with all other variables held constant, on the Group's pre-tax profit:

Increase/decrease production	Effect on profit before tax USD
2018	
+2%	3,655
-2%	(3,655)
2017	
+2%	2,694
-2%	(2,694)
2016	
+2%	2,011
-2%	(2,011)

The following table demonstrates the sensitivity to a reasonably possible change in the projected prices for each biological asset, with all other variables held constant, on the Group's pre-tax profit:

Increase/decrease prices	Effect on profit before tax USD
2018	
+2%	4,765
-2%	(4,765)
2017	
+2%	3,327
-2%	(3,327)
2016	
+2%	2,819
-2%	(2,819)

The following table demonstrates the sensitivity to a reasonably possible change in the projected maintenance costs of growing and harvesting, with all other variables held constant, on the Group's pre-tax profit:

Increase/decrease costs	Effect on profit before tax USD
2018	
+2%	(1,875)
-2%	1,875
2017	
+2%	(1,408)
-2%	1,408
2016	
+2%	(1,038)
-2%	1,038

-

The reconciliation in the fair value of the biological assets within level 3 of the hierarchy is as follows:

	Asparagus USD	Avocados USD	Mangos USD	Grapes USD	Tangerines USD	Blueberries USD	Total USD
31 December 2018							
Initial balance of fair value	-	38,596	472	2,944	2,496	40,717	85,225
Harvest	-	(18,396)	(2,755)	(2,004)	(1,549)	(24,165)	(48,869)
Price change	-	(583)	131	214	(35)	(11,132)	(11,405)
Change in fair value due to biological transformation	-	(24,166)	660	1,741	1,079	63,639	42,953
Increase due to purchases	-	19,754	2,768	2,695	2,847	24,557	52,621
Final balance of fair value	-	15,205	1,276	5,590	4,838	93,616	120,525
Total gains or losses for the year included in profit or loss for assets held at the end of the reporting period, under net gain arising from changes in, fair value of biological assets	-	(24,749)	791	1,955	1,044	52,507	31,548
31 December 2017							
Initial balance of fair value	-	14,636	2,469	668	2,076	39,209	59,058
Harvest	-	(17,257)	(1,981)	(4,113)	(1,331)	(15,202)	(39,884)
Price change	-	16,732	(12)	2,608	(141)	563	19,750
Change in fair value due to biological transformation	-	7,869	(2,441)	47	568	1,054	7,097
Increase due to purchases	-	16,616	2,437	3,734	1,324	15,093	39,204
Final balance of fair value	-	38,596	472	2,944	2,496	40,717	85,225
Total gains or losses for the year included in profit or loss for assets held at the end of the reporting period, under net gain arising from changes in fair value of biological assets	-	24,601	(2,453)	2,655	427	1,617	26,847
31 December 2016							
Initial balance of fair value	1,550	6,970	1,573	1,356	2,697	40,766	54,912
Harvest	(10,358)	(14,540)	(3,272)	(8,062)	(1,244)	(6,618)	(44,094)
Price change	(1,550)	72	(557)	(1,240)	229	17,877	14,831
Change in fair value due to biological transformation	7,889	7,139	2,115	1,583	(827)	(18,967)	(1,068)
Increase due to purchases	2,469	14,995	2,610	7,031	1,221	6,151	34,477
Final balance of fair value	-	14,636	2,469	668	2,076	39,209	59,058
Total gains or losses for the Year included in profit or loss for assets held at the end of the reporting period, under net gain arising from changes in fair value of biological assets	6,339	7,211	1,558	343	(598)	(1,090)	13,763

Change in fair value of biological assets related to asparagus is presented as discontinued operations (Note 37).

	2018 USD	2017 USD	2016 USD
Net gain arising from change in fair value of biological assets from:			
Continuing operations	31,548	26,847	7,424
Discontinued operations	-	-	6,339
Net gain arising from change in fair value of biological assets	31,548	26,847	13,763

Valuation processes of the Group -

The Group’s finance department includes a team that performs the valuations of biological assets required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee (AC).

Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least once every quarter, in line with the Group's quarterly reporting dates. Valuation inputs for biological assets correspond to level 3 of the hierarchy defined in Note 3.3. There were no transfers between any levels during the year.

The following unobservable inputs were used to measure the Group's biological assets:

Description	Fair value at 31 December 2018 USD	 2017 USD	 2016 USD	Valuation technique	Unobservable inputs	Range of unobservable inputs probability-(weighted average)	Relationship of unobservable inputs to fair value
Avocados produce	15,205	38,596	14,636	Discounted cash flows	Crop yield - tonnes Per hectare (*)	3.7 - 18.2 (6.6) in 2018 (16.3 in 2017)	The higher the crop yield, the higher the fair value
					Avocados average price	31.12.2018 (1,337) 31.12.2017 (1,449) 31.12.2016 (940) per tonne	The higher the market price, the higher the fair value
					Discounted rate	31.12.18 (8.11%) 31.12.17 (10.11%) 31.12.16 (9.59%)	The higher the discount rate the lower the fair value
Mangos produce	1,276	472	2,469	Discounted cash flows	Crop yield - tonnes Per hectare (*)	2.9 - 34 (20.6) in 2018 (19.4 in 2017)	The higher the crop yield, the higher the fair value
					Mangoes average price	31.12.2018 (410) 31.12.2017 (416) 31.12.2016 (417) per tonne	The higher the market price, the higher the fair value
					Discounted rate	31.12.18 (7.28%) 31.12.17 (9.56%) 31.12.16 (9.04%)	The higher the discount rate the lower the fair value
Grapes produce	5,590	2,944	668	Discounted cash flows	Crop yield - tonnes Per hectare (*)	22 - 30 (29.4) in 2018 (29.1 in 2017)	The higher the crop yield, the higher the fair value
					Grapes average price	31.12.2018 (1,612) 31.12.2017 (1,593) 31.12.2016 (1,265) per tonne	The higher the market price, the higher the fair value
					Discounted rate	31.12.18 (8.46%) 31.12.17 (10.85%) 31.12.16 (10.33%)	The higher the discount rate, the lower the fair value
Tangerines produce	4,838	2,496	2,076	Discounted cash flows	Crop yield - tonnes Per hectare (*)	2.3 - 75 (46.8) per year (46.1 in 2017)	The higher the crop yield, the higher the fair value
					Tangerine average price	31.12.2018 (700) 31.12.2017 (697) 31.12.2016 (726) per tonne	The higher the market price, the higher the fair value
					Discounted rate	31.12.18 (8.11%) 31.12.17 (10.11%) 31.12.16 (9.59%)	The higher the discount rate, the lower the fair value
Blueberries produce	93,616	40,717	39,209	Discounted cash flows	Crop yield - tonnes Per hectare (*)	8.8 – 20.0 (15.8) per year (10.2 in 2017)	The higher the crop yield, the higher the fair value
					Blueberry average price	31.12.2018 (5,042) 31.12.2017 (5,876) 31.12.2016 (5,930) per tonne	The higher the market price, the higher the fair value
					Discounted rate	31.12.18 (7.04%) 31.12.17 (9.37%) 31.12.16 (8.86%)	The higher the discount rate, the lower the fair value
	120,525	85,225	59,058				

(*) The amounts in brackets correspond to the weighted average of crop yields for all hectares.

11 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets as per the statement of financial position as of 31 December 2018, 2017 and 2016 are as follows:

	At 31 December		
	2018	2017	2016
	USD	USD	USD
Financial assets at amortized cost:			
Trade accounts receivable (Note 15)	67,674	39,576	36,820
Other accounts receivable (excluding prepayments and statutory obligations) (Note 14)	1,614	2,208	2,406
Cash and cash equivalents (Note 16)	32,505	31,781	76,313
	101,793	73,565	115,539

Financial liabilities as per the carve-out financial position as of 31 December 2018, 2017 and 2016 are as follow:

	At 31 December		
	2018	2017	2016
	USD	USD	USD
Financial liabilities at amortized cost:			
Trade accounts payable (Note 21)	47,382	21,782	28,822
Other accounts payable (excluding statutory liabilities and non-financial liabilities) (Note 22)	1,376	882	877
Bank loans (Note 25)	-	10,017	33,150
Lease liability (Note 24)	31,938	-	-
Long-term debt (Note 20)	235,652	162,162	216,982
	316,348	194,843	279,831

12 CREDIT QUALITY OF FINANCIAL ASSETS

The Group assesses the credit quality of its accounts receivable by reference to historical information about the counterparties' default rates as follows:

	At 31 December		
	2018	2017	2016
	USD	USD	USD
Trade accounts receivable			
New customers (less than 6 months as a customer)	9,275	4,528	1,598
Existing customers (more than 6 months) without non-compliance experience in the past	57,725	33,793	29,401
Existing customers (more than 6 months) with some non-compliance experience in the past	674	1,255	5,821
	67,674	39,576	36,820
Other accounts receivable			
New customers (less than 6 months as a customer)	45	150	-
Existing customers (more than 6 months) without non-compliance experience in the past	1,536	1,407	2,406
Existing customers (more than 6 months) with some non-compliance experience in the past	33	651	-
	1,614	2,208	2,406

See credit quality of deposits in banks in Note 16.

13 INVENTORIES

	At 31 December		
	2018	2017	2016
	USD	USD	USD
Finished products:			
- Avocados	1,075	221	562
- Mangos	4,195	1,751	3,481
- Grapes	840	1,495	1,843
- Blueberries	12,162	10,436	7,139
- Tangerine	55	-	-
- Peppers	-	-	450
Product in process	-	162	113
Supplies	4,327	7,874	7,533
Packs	4,373	2,147	3,867
Seeds, seedlings and others	517	664	1,008
In-transit raw material and supplies	35	204	785
	27,579	24,954	26,781
Provision for obsolescence of inventories	(1,157)	(3,827)	(5,723)
	26,422	21,127	21,058

Finished products by type of produce for the year ended 31 December is as follows:

	At 31 December		
	2018	2017	2016
	USD	USD	USD
Fresh	13,963	12,560	10,623
Preserved	-	-	289
Frozen	4,364	1,343	2,563
	18,327	13,903	13,475

As of 31 December 2018 and 2017 inventories are free of any pledges as guarantee on liabilities.

The cost of inventories of continued operations recognized as expense and included in the cost of sales amounted to USD95,475 (2017: USD75,036 and for 2016: USD54,854) (Note 27).

The cost of inventories of discontinued operations recognized as expense and included in the cost of sales amounted to USD0 (2017: USD2,334 and for 2016: USD26,505) (Note 37).

Movement in the provision for obsolescence of inventories:

	At 31 December		
	2018	2017	2016
	USD	USD	USD
Opening balance	(3,827)	(5,723)	(8,517)
Additions	(189)	(360)	(3,501)
Net realizable value reversal (impairment)	(180)	779	1,906
Write-off	3,039	1,477	4,393
Reclassifications	-	-	(4)
Balance at the end of the year	(1,157)	(3,827)	(5,723)

The additions correspond mainly to impaired supplies and net realizable value impairment is related to finished products. The additions from continued operations recognized in other expenses amounts to USD189 (2017: USD360 and for 2016: USD3,501) (Note 31).

14 OTHER ACCOUNTS RECEIVABLE

	At 31 December		
	2018	2017	2016
	USD	USD	USD
Value added tax (IGV in Perú)	3,646	2,936	3,101
Custom duties refund (Drawback in Perú)	2,121	279	509
Services rendered to third parties	1,690	1,694	1,786
Prepayments to suppliers	730	55	162
Loans to third parties	488	1,032	1,134
Rental of the pepper plant	378	378	378
Claims to third parties	374	448	657
Receivables from government health entity	211	197	269
Due from employees	163	154	196
Related companies (Note 36)	19	46	74
Other	31	36	300
	9,851	7,255	8,566
Less: Provision for impairment of other accounts receivable	(1,690)	(1,694)	(2,014)
	8,161	5,561	6,552

Loans to third parties corresponds to loans granted to minor farmers, that Camposol makes to incentivize the agro in the region. These loans are short term and are not guaranteed.

The movement of the provision for impairment of other accounts receivable is as follows:

	At 31 December		
	2018	2017	2016
	USD	USD	USD
Opening balance	(1,694)	(2,014)	(1,376)
Additions (Note 31 and 33)	(1)	(2)	(1,147)
Write-off	-	234	392
Recoveries (Nota 32)	4	93	-
Reclassification	1	(5)	2
Balance at the end of the year	(1,690)	(1,694)	(2,014)

The additions of provisions for impairment for 2018 is USD1 (USD2 in 2017 and USD1,147 in 2016 from continued operation (Note 31) and USD637 from discontinued operations (Note 37).

Other accounts receivables not provisioned are current and are not impaired.

The drawback (custom duties refund) recovered during the year 2018 amounted to USD2,032 (USD3,454 in 2017 and USD3,785 in 2016). Receivables from employees are not interest-bearing and are unsecured.

The rental of the pepper plant corresponds to a contract signed with Sociedad Agricola Virú S.A. for the lease of the Nor Agro plant and equipment located in Piura, Peru with a 3-year term contract until December 16, 2018. On November 5, 2018 the contract was renewed until December 31, 2020. The minimum lease payments receivable on the lease of the plant are as follows:

	2018 USD	2017 USD	2016 USD
Minimum lease payments under non-cancellable operating lease of the plant not recognised in the financial statements as receivables are as follows: -			
Within one year	320	320	320
Later than one year but not later than 5 years	320	-	320
	640	320	640

15 TRADE ACCOUNTS RECEIVABLE

	At 31 December 2018 USD	2017 USD	2016 USD
Third parties	68,328	40,371	37,521
Less: Provision for impairment of trade accounts receivable	(654)	(795)	(701)
	67,674	39,576	36,820

Trade accounts receivable mainly comprise invoices for the sale of fresh and frozen products. Turnover ranges between 30 and 120 days and are not interest - bearing.

Trade accounts receivable in foreign currency amounts to USD18,753 in Euros (2017 USD16,406 and 2016 USD11,163 in Euros) and USD17 in Sol (2017 and 2016 USD0 in Sol).

The remaining balances are denominated in US Dollars.

The movement of the provision for impairment of trade accounts receivable is as follows:

	At 31 December 2018 USD	2018 USD	2016 USD
Opening balance	(795)	(701)	(5,568)
Additions (Notes 31 and 33)	(468)	(295)	(229)
Recoveries (Note 32)	18	22	-
Write-off (a)	594	180	5,337
Reclassification	(3)	(1)	(241)
Balance at the end of the year	(654)	(795)	(701)

(a) In 2016, the write-off is mainly due to trade receivables from former client ACICO, from which all the available resources to recover the provisioned amount in prior years were spent.

The Group does not ask for collaterals to secure the full collection of its trade accounts receivable.

As of 31 December 2018, 2017 and 2016, the ageing analysis of trade accounts receivable, net of provision is as follows:

	Total	Current	31-90 days	91-180 days	181-360 days	More than 360 days
	USD	USD	USD	USD	USD	USD
At 31 December 2018	67,674	65,784	1,868	-	-	22
At 31 December 2017	39,576	39,230	268	-	78	-
At 31 December 2016	36,820	33,536	2,876	-	262	146

As of 31 December 2018, trade accounts receivable amounting to USD22 (USD0 in 2017 and USD146 in 2016) although past due for more than one year, are not impaired; therefore, no provision for impairment on these accounts has been accounted for.

As of 31 December 2018, trade accounts receivable amounting to USD654 (USD795 in 2017 and USD701 in 2016) are impaired; for which the Group has recognized a provision for impairment. The individually impaired accounts relate to customers who are in unexpected difficult economic situations or / and under litigation. These accounts are past due for more than a year.

As of 31 December 2018, 2017 and 2016 these impaired customers have not pledged any security for their debt.

The fair value of accounts receivable approximates their carrying amounts due to their short-term maturities.

16 CASH AND CASH EQUIVALENTS AND CASH SUBJECT TO RESTRICTION

	At 31 December		
	2018	2017	2016
	USD	USD	USD
Cash in hand	19	21	17
Cash at banks	17,336	13,210	34,034
Short-term deposits	12,900	15,000	40,001
Short-term investments	2,250	2,323	2,261
Cash and cash equivalents	32,505	30,554	76,313
Cash subject to restriction	-	1,227	-
	32,505	31,781	76,313

The Group’s cash at bank amounts to USD30,643, USD549 and USD1,313 (in 2017 USD28,436, USD1,760 and USD1,585; in 2016 USD73,781, USD376 and USD2,156) in U.S. Dollars, Sol and Euros, respectively. The 2018 and 2017 short-term deposits are denominated in U.S. Dollars.

The short-term deposits as of 31 December 2018 and 2017 comprise balance in banks with maturities of less than three months. As of 31 December 2018 the time deposits have generated interest of USD69 (USD57 to 31 December 2017 and USD10 to 31 December 2016) (Note 32).

The short-term investments correspond to a fixed portfolio of highly liquid short-term high-quality instruments and debt instruments which can be withdrawn upon demand with insignificant potential change in value.

The cash subject to restriction as 31 December 2017 mainly comprises USD1,227 of a bank certificate for a lease contract that is not available for general use; the maturity of this certificate was February 2018, when the restricted cash was released to the Company.

The credit classification of cash and cash equivalents are as follows:

	At 31 December		
	2018	2017	2016
	USD	USD	USD
Bank deposits			
Classification AAA	2,613	2,535	910
Classification A +	23,695	26,139	54,468
Classification A	6,020	1,703	20,800
Others	158	156	118
	32,486	30,533	76,296

The balances above do not include the balance of cash in hand.

17 PARENT'S NET INVESTMENT

As a direct ownership relationship did not exist among the various entities comprising the Camposol Agribusiness prior to the completion of a legal reorganization of Camposol Holding PLC Group, Camposol's investments in and advances to the Camposol Agribusiness represent the Group's interest in the recorded net assets of the Camposol Agribusiness, and are shown as Parent's net investment in the carve-out financial statements. Prior to the legal reorganization, net income (loss) of the Camposol Agribusiness forms part of Parent's net investment. Parent's net investment includes the initial contribution of the shareholders of the Company as well as the cost allocations related to compensation of certain members of senior management and its supervisory board.

Certain related party balances of Camposol S.A. have been excluded from the carve-out because they are not being contributed to CSOL, and instead have been shown within the changes in net parent investment

During 2018, Camposol Holding PLC made a capital contribution to Camposol Uruguay S.R.L. of USD22,065 thousand.

Dividends -

During 2017, the Group distributed dividends for a total amount of USD24,489 to the owners of the Company.

Movements in Parent's net investment -

The movements in Parent's net investment consist of the following:

	At 31 December		
	2018	2017	2016
	USD	USD	USD
Contributions from (distributions to) parents	(75,832)	9,133	512
Reduction of initial contribution	(50,000)	-	-
	(125,832)	9,133	512

On May 21, 2018, in accordance to Shareholders' meeting resolution, there was a reduction of the initial contribution, generating an account payable to Siboure Holdings S.A.C. (subsidiary of Camposol Holding PLC, which is not included in the carve-out group) for an amount of USD 50 million (see note 36). The Group has already paid USD42 million and the remaining balance is expected to be paid before the end of 2019.

18 DEFERRED INCOME TAX

The net movement in the deferred income tax liabilities is as follows:

	2018 USD	2017 USD	2016 USD
Opening balance	42,705	39,940	33,037
Expense for the year (Note 34)	10,924	2,765	6,903
Equity	(31)	-	-
Balance at the end of the year	53,598	42,705	39,940

Deferred tax relates to the following items:

	Opening balance USD	Income statement USD	Equity USD	Closing balance USD
2018 -				
Deferred tax assets -				
Tax losses carried-forward	-	282	-	282
Provisions	(734)	260	-	(474)
Effect IFRS 16	-	87	31	118
Trade accounts receivable	273	43	-	316
	(461)	672	31	242
Deferred tax liabilities				
Withholding tax on dividends	-	3,455	-	3,455
Fair value of biological assets	10,752	5,369	-	16,121
Deemed cost bearer plants	26,146	3,517	-	29,663
Fair value of fixed assets	6,172	(1,271)	-	4,901
Gain on investments in associates	80	140	-	220
Fair value of inventories (NRV)	(906)	386	-	(520)
	42,244	11,596	-	53,840
Deferred tax	(42,705)	(10,924)	31	(53,598)
2017 -				
Deferred tax assets -				
Tax losses carried-forward	3,631	(3,631)	-	-
Provisions	(541)	(193)	-	(734)
Trade accounts receivable	290	(17)	-	273
	3,380	(3,841)	-	(461)
Deferred tax liabilities				
Fair value of biological assets	6,871	3,881	-	10,752
Deemed cost bearer plants	31,236	(5,090)	-	26,146
Fair value of fixed assets	6,767	(595)	-	6,172
Gain on investments in associates	(469)	549	-	80
Fair value of inventories (NRV)	(1,085)	179	-	(906)
	43,320	(1,076)	-	42,244
Deferred tax	(39,940)	(2,765)	-	(42,705)

	Opening balance USD	Income statement USD	Equity USD	Closing balance USD
2016 -				
Deferred tax assets -				
Tax losses carried-forward	8,543	(4,912)	-	3,631
Provisions	(231)	(310)	-	(541)
Trade accounts receivable	822	(532)	-	290
	9,134	(5,754)	-	3,380
Deferred tax liabilities				
Fair value of biological assets	5,070	1,801	-	6,871
Deemed cost bearer plants	32,671	(1,435)	-	31,236
Fair value of fixed assets	5,378	1,389	-	6,767
Gain on investments in associates	(578)	109	-	(469)
Fair value of inventories (NRV)	(370)	(715)	-	(1,085)
	42,171	1,149	-	43,320
Deferred tax	(33,037)	(6,903)	-	(39,940)

Deferred income tax assets are recognized for tax losses carried-forward to the extent that the realization of the related tax benefit through future taxable profits is probable.

Despite the Group generated loss during 2016, the Group generated taxable income that made it able to recover tax loss. This occurred since depreciation of bearer plants do not generate an important deductible effect for tax purposes.

Management expects that remaining balance of tax loss will be recovered in the coming year considering the projections of taxable income.

In 2018 the Group recognized USD3,455 as deferred income tax liability for unremitted earnings from Peruvian subsidiaries to Cyprus companies.

The deferred income tax from tax losses carried-forward is expected to be applied to taxable income to be generated in the coming years, as follows:

	2018 USD	2017 USD	2016 USD
2019	282	-	-
2018	-	-	-
2017	-	-	3,631
	282	-	3,631

In Peru, tax losses can be carried forward by choosing one of the two tax-loss offsetting regimes available; by one of them, tax losses may be carried forward over 4 consecutive years after the year in which they have been obtained and then they expire; by the second offsetting regime; tax losses are offset at a 50% of the taxable income obtained year after year and they do not expire. The Group has selected the first regime; and at the reporting date; based on Management's estimate of its future tax losses, no tax loss would expire.

19 WORKERS' PROFIT SHARING

In accordance with Peruvian Legislation, Camposol S.A. recorded a provision for workers' profit sharing equivalent of 5% of the taxable income of the subsidiaries for 2018 (In 2017: 5% legal and up to 5% voluntary). The profit sharing was communicated to the affected employees prior to year-end. The amount of the workers' profit sharing must be paid during the second quarter of the following year of its determination (Note 2.22).

The distribution is as follow:

	2018 USD	2017 USD	2016 USD
Cost of sales (Note 27)	4,508	5,118	-
Selling expenses (Note 28)	23	53	-
Administrative expenses (Note 29)	567	731	-
	5,098	5,902	-

20 LONG-TERM DEBT

Type of debt	Guarantee	Annual interest rate	31 December 2018 USD	2017 USD	2016 USD
Bonds	Camposol S.A.	10.5%	-	150,975	199,030
Bank borrowings		6.7%	37,807	9,990	14,745
Syndicated loans	Camposol S.A.	3.25%+LIBOR (each 3 months)	197,844	-	-
Finance lease liabilities	Property subject to financial lease	Between 4.30% and 8.72%	-	1,197	3,207
			235,652	162,162	216,982
Less-current portion			(3,811)	(12,228)	(61,985)
			231,841	149,934	154,997

All loans are denominated in United States Dollars.

For purposes of reconciliation with the information provided in the statement of cash flows, following is the movement of long-term borrowings:

	Bonds USD	Bank borrowings USD	Syndicated loans USD	Finance lease liabilities USD	Total long-term debt USD
Balance as of 1 January 2016	206,708	564	-	5,826	213,098
Cash transactions					
Repayment of long-term borrowings	(5,663)	-	-	(2,597)	(8,260)
Borrowings received	-	15,000	-	-	15,000
Transactions costs	(4,837)	(544)	-	-	(5,381)
Payment of interest	-	(275)	-	(22)	(297)
Non-cash transactions					
Amortization of transaction costs	2,822	-	-	-	2,822
Balance as of 31 December 2016	199,030	14,745	-	3,207	216,982
Balance as of 1 January 2017	199,030	14,745	-	3,207	216,982
Cash transactions					
Repayment of long-term borrowings	(46,947)	(4,963)	-	(2,020)	(53,930)
Payment of interest	(9,073)	(78)	-	(22)	(9,173)
Non-cash transactions					
Amortization of transaction costs	923	208	-	-	1,131
Accrued interest	7,042	78	-	32	7,152
Balance as of 31 December 2017	150,975	9,990	-	1,197	162,162
Balance as of 1 January 2018	150,975	9,990	-	1,197	162,162
Cash transactions					
Transference to lease liabilities	-	-	-	(1,197)	(1,197)
Repayment of long-term borrowings	-	(50,326)	-	-	(50,326)
Prepayment of bonds	(147,490)	-	-	-	(147,490)
Borrowings received	-	78,278	200,000	-	278,278
Transactions costs	-	(1,206)	(2,535)	-	(3,741)
Payment of interest	(7,141)	(107)	-	-	(7,248)
Non-cash transactions					
Amortization of transaction costs	3,656	1,158	9	-	4,823
Accrued interest	-	21	370	-	391
Balance as of 31 December 2018	-	37,808	197,844	-	235,652

Transaction costs are related to the issuance of new debt. No significant transaction cost raised from the acquisition of other borrowings.

The maturity of the non - current portion of long-term debt is as follows:

	2018 USD	2017 USD	2016 USD
1 - 2 years	3,649	4,210	5,069
2 - 3 years	30,564	-	4,190
3 - 4 years	30,824	145,724	9
More than 4 years	166,804	-	145,729
	231,841	149,934	154,997

Fair values -

The carrying amounts and fair value of the non-current borrowings are as follows:

	Carrying amount			Fair value		
	2018 USD	2017 USD	2016 USD	2018 USD	2017 USD	2016 USD
Bank borrowings	34,064	5,163	9,965	32,819	4,836	9,393
Bonds	-	144,727	143,842	-	126,605	125,838
Syndicated loans	197,777	-	-	208,218	-	-
Other borrowings	-	44	1,190	-	40	1,099
	231,841	149,934	154,997	241,037	131,481	136,330

At 31 December 2018 and 2017 valuation inputs for calculating fair value of long-term debt correspond to level 2 of the hierarchy defined in Note 3.3. There were no transfers between any levels during the year.

a) Bonds -

USD46,947 9.875% Senior Unsecured Notes due 2017 -

On 26 January 2012, Camposol S.A. and its guarantors Camposol Holding PLC, Marinasol S.A. and Campoinca S.A. agreed with Credit Suisse Securities (USA) LLC and Santander Investment Securities Inc., as representatives of several purchasers, to issue and sell to the several purchasers, USD125,000 of the principal of its 9.875% Senior Notes due in 2017 to be issued under an indenture dated 2 February 2012, signed between Camposol S.A., the Guarantors, and Wells Fargo Bank, National Association, as trustee, guaranteed on an unsecured senior basis by Camposol Holding PLC, Marinasol S.A. and Campoinca S.A. Coupons bear a 9.875% interest and are payable on a semi-annual basis.

Marinasol S.A. is a subsidiary of Camposol Holding PLC engaged in the shrimp farming and managing exporting of aquaculture products to US and Europe.

Cash proceeds were used to pay the long term debt obtained to finance capital expenditures and for general corporate uses. The bonds are listed on the Luxembourg Stock Exchange.

On 30 April 2014, Camposol S.A., Camposol Holding PLC's subsidiary, successfully reopened its 9.875% USD125,000 senior Notes due 2017 raising proceeds of USD75,000, guaranteed by Camposol Holding PLC (formerly Camposol Holding Limited) as parent guarantor and Marinasol S.A. and Campoinca S.A. as subsidiary guarantors. The net proceeds from the bond issue were used for capital expenditures, mainly for the expansion of the blueberries.

The Senior Unsecured Notes were issued as additional notes of, and form a single issue with, the USD125,000 9.875% Notes due 2017 issued on February 2, 2012. The total aggregate principal amount of the 9.875% Notes due 2017 that were outstanding following this reopening was USD200,000.

On December 3, 2016, Camposol S.A., Camposol Holding PLC's subsidiary, notified Wells Fargo Bank, as Trustee of the 9.875% Senior Secured Notes due 2017, that Camposol S.A. had purchased bonds for its own account of USD5,663 and authorized and instructed Wells Fargo Bank to accept the withdrawal instruction through the Depositary Trust Company and finally cancel on Wells Fargo books and records these notes. The transaction costs of USD13 related to the repurchased debt were writen-off and recorded as financial expenses in the carve-out statements of comprehensive income. Following the cancellation order, a total of USD46,947 principal amount of the 9.875% Senior Unsecured Notes due 2017 remained outstanding.

The issue of these bonds includes certain restrictive covenants.

If during any period of time the Notes obtain Investment Grade Ratings from two Rating Agencies and no payment default or Event of Default has occurred and is continuing, the Issuer, the Parent Guarantor and its Restricted Subsidiaries will not be subject to the following provisions of the Indenture:

i. Change of control: Putable at 101% of principal plus accrued and unpaid interest.

ii. Limitation on indebtedness and Disqualified Stock:

   a. The Leverage Ratio (net financial debt as a percentage of shareholders' equity) is less than (i) 3.5 to 1.0 during the period from the Original Issue Date through June 30, 2013 and (ii) 3.25 to 1.0 from July 1, 2013 through the Maturity Date.
   b. Working capital shall not exceed 25% of net sales if the Leverage Ratio is more than 3.25.
   c. Other Indebtedness shall not exceed the greater of USD 20,000 and 5% of the total assets if the Leverage Ratio is more than 3.25.

iii. Limitation on Restricted Payments:

   If the Leverage Ratio is more than 3.25, Camposol S.A. shall not:

   a. Declare or pay any dividend or make any distribution
   b. Purchase, redeem, retire or otherwise acquire for value any shares of Capital Stock.
   c. Dividends up to USD 10,000 for fiscal year up to 2010.
   d. Year 2011, 50% of net income if leverage is equal or greater than 1.5 to 1.
   e. 75% of net income is lower than 1.5 to 1
   f. Other restricted payments no to exceed USD 15,000 since the original issue date.

iv. Limitation on Issuances of Guarantees by Restricted Subsidiaries

   a. Loans and advances to officers, directors and employees of the Parent Guarantor or any Subsidiary in the ordinary course of business in an aggregate principal amount not exceeding USD 2,000 at any time.

v. Limitation on Liens

   b. Not to exceed 10% of the total assets.

vi. Limitation on Asset Sales

   c. At least 75% is paid in cash or temporary cash investments.

vii. Limitation on Business Activities

    d. Only permitted Businesses.

On January 25, 2017 Camposol S.A., made the maturity payment of the outstanding USD46,947 of the 9.875% Senior Unsecured Notes.

USD 147,490 10.5% Senior Secured Notes due 2021 -

On May 27, 2016, Camposol S.A., Camposol Holding PLC's subsidiary, announced the successful settlement of the Exchange Offer announced on April 22, 2016, to exchange any and all of its outstanding 9.875% Senior Notes due 2017 for newly issued 10.50% Senior Secured Notes due 2021. The Company received valid tenders that were not withdrawn from 73.75% of the holders of the 9.875% Senior Unsecured Notes due in 2017, representing USD147,490 of the aggregate USD200,000 principal amount of the notes outstanding.

This transaction has been accounted for as an extinguishment of the original debt. Transaction costs of US783 related to the extinguished debt were writen-off and recorded as financial expenses in the carve-out statements of comprehensive income. Following the settlement of the exchange, a total USD52,510 principal amount of the 9.875% Senior Unsecured Notes due 2017 remained outstanding.

The New Notes included certain restrictive covenants based on the consolidated financial statements of Camposol Holding PLC.

If during any period of time the Notes obtain Investment Grade Ratings from two Rating Agencies and no payment default or Event of Default has occurred and is continuing, the Issuer, the Parent Guarantor and its Restricted Subsidiaries will not be subject to the following provisions of the Indenture:

i. Change of control: Puttable at 105.25% of principal plus accrued and unpaid interest.

ii. Limitation on indebtedness and Disqualified Stock:

    a. The Leverage Ratio (net financial debt as a percentage of shareholders' equity) is less than 3.25 to 1.0 during the period from the Original Issue Date through the Maturity Date.
    b. Working capital shall not to exceed 25% of net sales if the Leverage Ratio is more than 3.25.
    c. Other Indebtedness shall not exceed the greater of USD 30,000 and 5% of the total assets if the Leverage Ratio is more than 3.25.

iii. Limitation on Restricted Payments:

    If the Leverage Ratio is more than 3.25, Camposol S.A. shall not:

    a. Declare or pay any dividend or make any distribution.
    b. Purchase, redeem, retire or otherwise acquire for value any shares of Capital Stock.
    c. 75% of net income is lower than 1.5 to 1.
    d. Other restricted payments not to exceed USD 15,000 since the original issue date.

iv. Limitation on Issuances of Guarantees by Restricted Subsidiaries

    a. Loans and advances to officers, directors and employees of the Parent Guarantor or any Subsidiary in the ordinary course of business in an aggregate principal amount not exceeding USD 2,000 at any time.

v. Limitation on Liens

    a. Not to exceed 10% of the total assets.

vi. Limitation on Asset Sales

    b. At least 75% is paid in cash or temporary cash investments.

vii. Limitation on Business Activities

    c. Only permitted Businesses.

According to the income tax regime currently in force in Peru, Camposol S.A. has to withhold from the payment of coupons 6.8% as the income tax of non-domiciled entities. Since the bond purchase agreement does not contemplate the payment of the withholding tax by the holders, Camposol S.A. will assume it as its own expense.

According to Management evaluation at December 31, 2017, the Group was in compliance of the covenants.

On December 20, 2018, Camposol S.A. delivered an irrevocable Notice of Redemption relating to all its outstanding New Notes and irrevocably deposited, with The Bank of New York Mellon (The Trustee) as trust funds for the solely benefit of the bond holders, cash in U.S. dollars for the payment and discharge of the entire indebtedness of the New Notes. On December 20, 2018, Camposol S.A. received a Satisfaction and Discharge of Indenture Notice, where The Trustee acknowledges that Camposol S.A.'s obligation under the Indenture have been satisfied and the Indenture was discharge and cease to be of further effect.

b) Bank borrowings -

USD 15,000 6.7% Interbank Mid-Term Loan due 2019

On December 28, 2016, Camposol S.A. obtained a borrowing from Interbank for US D15,000 (Mid-Term Loan) at an Annual Interest Rate of 6.7% due December 2019. This borrowing was used for paying part of the balance of the 9.875% Senior Unsecured Notes due 2017.

The Interbank Mid-Term Loan includes certain restrictive covenants:

If during any period of time no payment default or Event of Default has occurred and is continuing, the Camposol S.A. will not be subject to the following covenants:

a. The payment of any dividends or distributions declared, paid or made by a Restricted Subsidiary payable, on a pro rata basis or on a basis more favorable to the Parent Guarantor to all holders of any class of Capital Stock of such Restricted Subsidiary.
b. Provide indebtedness to related parties above USD2,500.
c. Other Restricted Payments in an aggregate amount not to exceed USD15,000 (or the Dollar).

Equivalent thereof since the Original Issue Date; provided that no Default shall have occurred and be continuing or would occur as a consequence of the relevant payment.

According to Management evaluation at December 31, 2017, the Group was in compliance of the covenants.

On July 20, 2018, Camposol S.A. made an early prepayment of the remain balance of indebtedness of the Interbank Mid-Term Loan due 2019. In order to make this early prepayment, a new loan was issued with Interbank.

USD 40,000 6.3% Interbank Mid-Term Loan due 2023

On 20 July 2018, Camposol S.A. obtained a borrowing from Interbank for up to USD40,000 (The New Interbank Mid-Term Loan) at an Annual Interest Rate of 6.3% due June 2023. The disbursement of USD40,000 was made on July 20, 2018, these procedures were used for the early prepayment of the remaining balance of the USD15,000 6.7% Interbank Mid-Term Loan due 2019 and other corporate purposes.

The New Interbank Mid-Term Loan includes certain restrictive covenants:

a. If during any period of time no payment default or Event of Default has occurred and is continuing, Camposol S.A. will not be restricted to the payment of any dividends or distributions as defined on the Interbank Mid-Term Loan.
b. Do not provide indebtedness to related parties for a total amount up to USD80,000.

On 28 December 2018, Camposol S.A. made an early prepayment of the remaining balance of indebtedness of the Interbank Mid-Term Loan due 2023. In order to make this early prepayment, a new loan was issued with Interbank.

USD 68,277 6.6% Interbank Long-Term Loan due 2026

On December 28, 2018, Camposol S.A. obtained a borrowing from Interbank for up to USD 68,277 (The New Interbank Mid-Term Loan) at an Annual Interest Rate of 6.6% due November 2026. A first disbursement of USD 38,277 was made on December 28, 2018, these procedures were used for the early prepayment of the remain balance of the USD 40,000 6.6% Interbank Mid-Term Loan due 2023 and other corporate purposes. A second disbursement of USD 30,000 will be available to be executed when precedent conditions are accomplished. Precedent Conditions includes a) the execution of a Due Diligence over the lands to be incorporated on the assets trust, b) the incorporation of the new lands on the asset trust, c) no presence of an event of default or adverse effect, among others. The precedent conditions were finally accomplished in February 28, 2019.

The New Interbank Long-Term Loan includes certain restrictive covenants:

a. If during any period of time no payment default or Event of Default has occurred and is continuing, Camposol S.A. will not be restricted to the payment of any dividends or distributions as defined on the Interbank Mid-Term Loan.
b. Do not provide indebtedness to related parties for a total amount up to USD 80,000.

According to Management evaluation at December 31, 2018, the Group was in compliance of the covenants.

c) Syndicated Loans.-

USD 250,000 3.25% LIBOR Rate plus Applicable Margin Syndicated Loan due 2025

On December 13, 2018, Camposol S.A. obtained a borrowing for up to USD 250,000 (The Syndicated Loan) at an Annual Interest Rate of Libo Rate for a period equal to three months plus 3.25% due December 2025. A first disbursement of USD 200,000 was made on December 20, 2018, these procedures were used for the redemption of the USD 147,490 10.5% Senior Secured Notes due 2021 and other corporate purposes. A second disbursement of USD 50,000 could be executed if the company decides to obtain a subsequent loan under this facility and if precedent conditions are accomplished. Precedent Conditions includes a) the execution of Subsequent Loan Documents by all parties, b) Subsequent Notice of Borrowing, Legal opinion from the lawyers and all corporate documents must had been delivered to the Administrative Agent, c) the execution of a Due Diligence over the lands to be incorporated on the assets trust, d) the incorporation of the new lands on the asset trust, e) no presence of an event of default or adverse effect, among others. Precedent conditions have not been met yet.

The Syndicated Loan includes certain restrictive covenants:

a. Combined Leverage Ratio maximum level of 3.50 to 1.0.
b. Combined Liabilities to Tangible Net Worth Ratio maximum level of 2.0 to 1.0
c. Debt Service Coverage Ratio minimum level of 1.20 to 1.0.

According to Management evaluation at December 31, 2018, the Group was in compliance of the covenants.

d) Finance leases -

The future minimum lease payments under finance leases together with the present value of net minimum lease payments are as follows:

	At 31 December					
	2018		2017		2016	
	Minimum payments USD	Present value of payments USD	Minimum payments USD	Present value of payments USD	Minimum payments	Present value of payments
Within one year	-	-	1,190	1,153	2,142	2,017
After one year but no more than seven years	-	-	45	44	1,229	1,190
Total minimum lease payments	-	-	1,235	1,197	3,371	3,207
less amounts representing finance charges	-		(38)		(164)	
Present value of minimum lease payments	-		1,197		3,207	

Finance lease payments have been combined with other lease liabilities following the adoption of IFRS 16 (See note 24).

21 TRADE ACCOUNTS PAYABLE

	At 31 December		
	2018	2017	2016
	USD	USD	USD
Suppliers	41,859	18,890	23,225
Bills of exchange payable	1,646	1,522	3,480
Payables to related parties (Note 36)	3,877	1,370	2,117
	47,382	21,782	28,822

Trade accounts payables to suppliers are mainly in US Dollars, are due within 12 months and are not interest-bearing.

Bills of exchange represent payables to suppliers mainly in U.S dollars (USD 1,646 as of 31 December 2018, USD 1,522 as of 31 December 2017, and USD 3,480 as of 31 December 2016), which are due within 3 months and bear interest at an annual average rate of 9%.

The average payment terms of trade payables are between 30 to 60 days.

22 OTHER ACCOUNTS PAYABLE

	At 31 December		
	2018	2017	2016
	USD	USD	USD
Vacations and other payables to employees	6,780	4,697	3,488
Workers profit sharing (Note 19)	5,098	5,902	-
Worker's pension fund payable	1,031	531	486
Other	345	351	391
	13,254	11,481	4,365

Other accounts payable are due within 12 months, not interest-bearing and are mainly denominated in Sol.

23 PROVISIONS

	Legal claims	Other provisions	Total
	USD	USD	USD
At 1 January 2016	547	1,481	2,028
Additional provisions (a)	453	5,638	6,091
Payments	-	(1,047)	(1,047)
At 31 December 2016	1,000	6,072	7,072
At 1 January 2017	1,000	6,072	7,072
Additional provisions (a)	911	9,138	10,049
Payments	(549)	(10,861)	(11,410)
At 31 December 2017	1,362	4,349	5,711
At 1 January 2018	1,362	4,349	5,711
Additional provisions	832	722	1,554
Payments	(166)	(2,422)	(2,588)
At 31 December 2018	2,028	2,649	4,677

	At 31 December		
	2018	2017	2016
	USD	USD	USD
Current	4,677	5,711	7,072
Total	4,677	5,711	7,072

(a) New provisions of USD722 correspond to bonus performance to employees and management for results of the year in 2018 (USD9,138 in 2017 and USD5,638 in 2016) and legal claims for employee benefits were increased by USD832 in 2018 (USD911 in 2017 and USD453 in 2916).

24 LEASE LIABILITY

Type of debt	Guarantee	Annual interest rate	31 December 2018	2017	2016
			USD	USD	
Lease liabilities	Property subject to financial lease	Between 3.70% and 8.72%	31,938	-	-
Less - current portion			(5,415)	-	-
			26,523	-	-

All leases are denominated in United States Dollars.

For purposes of reconciliation with the information provided in the statement of cash flows, following is the movement of leases liabilities:

	Total lease liability USD
Balance as of 31 December 2017	
Adoption of IFRS 16	18,011
Balance as of 1 January 2018	
Cash transactions	
Repayment of leases liabilities	(2,553)
Payment of interest	(620)
Non-cash transactions	
Accrued interest	611
Right-of-use assets	16,489
Balance as of 31 December 2018	31,938

The maturity of the non - current portion of lease liability is as follows:

	2018 USD
1 - 2 years	5,676
2 - 3 years	6,106
3 - 4 years	5,569
More than 4 years	9,172
	26,523

The future minimum lease payments under finance leases together with the present value of net minimum lease payments are as follows:

	At 31 December			
	2018		2017	
	Minimum payments USD	Present value of payments USD	Minimum payments USD	Present value of payments USD
Within one year	6,759	5,415	-	-
After one year but no more than seven years	30,449	26,523	-	-
Total minimum lease payments	37,208	31,938	-	
less amounts representing finance charges	(5,270)		-	
Present value of minimum lease payments	31,938		-	

25 BANK LOANS

	At 31 December		
	2018	2017	2016
	USD	USD	USD
Loans -			
Banco Continental (Peru)	-	10,000	10,000
Banco Interbank (Peru)	-	-	10,000
Banco Scotiabank (Peru)	-	-	8,150
Multibank, Inc (Panama)	-	-	5,000
Accrued interest to pay	-	- 17	-
	-	10,017	33,150

For purposes of reconciliation with the information provided in the carve-out statement of cash flows, following is the movement of bank loans for the years ended 31 December:

	At 31 December		
	2018	2017	2016
	USD	USD	USD
Initial balance	10,017	33,150	26,500
Accrued interest in the year	905	361	456
Bank loans proceeds	109,250	62,757	81,950
Bank loans payments	(119,250)	(85,890)	(75,300)
Interest paid in the year	(922)	(361)	(456)
Closing balance	-	10,017	33,150

Bank loans represent promissory notes with maturities up to 90 days, which were obtained for working capital. These loans bear fixed annual interest rates that are between 1.40 per cent and 3.75 per cent (between 1.40 per cent and 2.54 per cent in 2017, and between 1.85 per cent and 3.29 per cent in 2016). As of 31 December 2017, these loans are guaranteed by lands of the Group for the similar amounts of the loans; as of 31 December 2016 these loans were guaranteed by inventories and lands of the Group for the similar amounts of the loans.

26 REVENUE

Revenue represents the sale of fresh, preserved and frozen biological products.

For the years ended 31 December, comprise the following (Note 5):

	2018	2017	2016
	USD	USD	USD
Blueberries	205,208	121,064	100,202
Avocado	112,294	122,042	53,413
Mangos	24,644	21,006	21,495
Grapes	16,230	6,116	13,583
Tangerine	9,115	8,326	8,206
Peppers	2,180	2,113	4,170
Others	4,494	5,178	5,448
	374,165	285,845	206,517

27 COST OF SALES

	2018 USD	2017 USD	2016 USD
Cost of inventories recognized as expenses (Note 13)	95,475	75,036	54,854
Personnel expenses (Note 30)	61,852	40,891	37,460
Depreciation of bearer plants (Note 6)	17,968	16,366	19,578
Depreciation of property, plant and equipment (Note 6)	5,888	8,064	6,397
Depreciation of right of use asset (Note 9)	2,352	-	-
Write-off of bearer plant (Note 6)	714	13,895	-
Amortization of computer software (Note 8)	14	23	17
Impairment of fixed assets (Note 6)	-	-	2,501
Custom duties refund	(3,838)	(3,182)	(2,864)
	180,425	151,093	117,943

In Peru, Camposol S.A. is beneficiare of a simplified procedure for custom duties refunding (Drawback), at a rate of 4.0% of FOB value of exports.

The cost of inventories recognized as expenses include amortization of software of USD119 for 2018 (USD69 for 2017 and USD11 for 2016) (Note 8).

Personal expenses include USD 4,508 of workers profit sharing (USD5,118 in 2017).

At 2018 the Group recognized in cost of sale a reduction in the book value of the inventories by carrying them at the net realizable value amounting to USD180, and a reversal in book value of USD779 and USD1,906 in 2017 and 2016, respectively (Note 13 and 32).

28 SELLING EXPENSES

Selling expenses for the years ended December 31 comprise the following:

	2018 USD	2017 USD	2016 USD
Freight	25,957	15,734	11,324
Exportation custom duties	8,833	7,402	5,101
Personnel expenses (Note 30)	4,040	3,728	3,130
Selling commissions	1,402	659	623
Consulting services	1,364	757	695
Insurances	1,364	987	1,778
Travel and business expenses	962	677	741
Analysis and quality control	474	286	276
Subscriptions to associations	161	229	244
Depreciation of right of use asset (Note 9)	72	-	-
Amortization of computer software (Note 8)	44	-	-
Other expenses	1,650	876	773
	46,323	31,335	24,685

Personal expenses include USD23 of workers profit sharing (USD53 in 2017).

29 ADMINISTRATIVE EXPENSES

Administrative expenses for the years ended December 31 are comprised of the following:

	2018 USD	2017 USD	2016 USD
Personnel expenses (Note 30)	10,059	17,720	13,324
Professional fees	5,422	3,743	2,605
Renting of machinery and equipment	1,028	1,308	1,259
Travel and business expenses	929	774	470
Amortization of computer software (Note 8)	702	747	703
Depreciation (Note 6)	626	603	552
Materials and supplies	583	464	539
Depreciation of right of use asset (Note 9)	475	-	-
Audit services and others	458	452	336
Directors' remuneration (Note 30)	280	286	418
Maintenance	271	256	580
Subscriptions to associations	139	97	134
Utilities	92	92	93
Other taxes	61	1	4
Insurances	63	59	56
Transport and telecommunications	59	80	650
Other expenses	2,142	2,163	1,783
	23,389	28,845	23,506

Personal expenses include USD567 of workers profit sharing (USD731 in 2017).

30 PERSONNEL EXPENSES

	2018 USD	2017 USD	2016 USD
Salaries and wages	64,146	53,536	47,608
Vacations	2,694	2,082	1,534
Other employees' benefits	6,763	5,195	4,124
Other expenses	2,628	1,812	1,066
	76,231	62,625	54,332
Average number of staff employed during the year	13,103	10,893	7,811

Personnel expenses are allocated as follows:

	2018 USD	2017 USD	2016 USD
Cost of sales (Note 27)	61,852	40,891	37,460
Selling expenses (Note 28)	4,040	3,728	3,130
Administrative expenses (Note 29)	10,059	17,720	13,324
Directors' remuneration (Note 29)	280	286	418
	76,231	62,625	54,332

Costs related to the compensation of certain members of senior management and its supervisory board of Camposol Holding PLC, have been allocated to personnel expenses within other expenses based on actual costs incurred, without a markup, for an amount of USD 294 in 2018 (USD301 in 2017 and USD439 in 2016).

31 OTHER INCOME AND EXPENSES

	2018 USD	2017 USD	2016 USD
Other income -			
Indemnity of insurance	341	556	547
Gain on sale of supplies	291	-	-
Services to third parties	281	-	585
Gain on sale of property, plant and equipment (Note 33)	143	-	-
Other	249	-	819
Recovery of writen-off accounts receivable (Note 14 and 15)	22	115	-
	1,327	671	1,951
Other expenses -			
Contingencies (Notes 23)	(1,254)	(362)	(500)
Default interest and fines	(2,631)	(11)	(106)
Impairment of trade and other receivable (Notes 14 and 15)	(469)	(297)	(1,376)
Obsolescence of inventories (Notes 13)	(189)	(360)	(3,501)
Donations and samples	(166)	(181)	(270)
Depreciation of Right of use asset (Note 9)	(123)	-	-
Impairment of goodwill (Note 8)	-	-	(8,472)
Write-off of fixed assets (Note 6)	(110)	(132)	-
Loss on sale of property, plant and equipment (Note 33)	-	-	(746)
Loss on sale of supplies	-	(904)	(771)
Other	(2,208)	-)	(1,112)
	(7,150)	(2,247)	(16,854)

At December 31, 2018 the Group recognized the offering costs as other expenses due to offering suspension for a total of USD1,430.

32 FINANCIAL INCOME AND COSTS

	2018 USD	2017 USD	2016 USD
Income -			
Interest (Note 16)	69	57	10
Interest to shareholder	22	2	137
Gain in investment funds	-	28	154
	91	87	301

	2018 USD	2017 USD	2016 USD
Costs -			
Interest on bonds and bank loans	(31,431)	(18,239)	(22,718)
Tax on financial transactions	(1,026)	(830)	(1,013)
Interest on lease liability	(1,001)	(298)	( )
Loss in investment funds	(73)	-	-
Interest on accounts payable to suppliers	(20)	(4)	-)
Other finance costs	(66)	(3,057)	-)
	(33,617)	(22,428)	(23,731)

33 CASH GENERATED FROM OPERATIONS

	Note	2018 USD	2017 USD	2016 USD
Reconciliation of profit for the year to net cash generated from operating activities:				
Profit before income tax		113,116	76,102	6,726
Depreciation	6	24,482	25,033	34,217
Depreciation of right of use asset	9	3,022	-	-
Amortization	8	760	770	720
Impairment of accounts receivable	14 and 15	469	297	1,376
Obsolescence of inventories	13	189	360	3,501
Write off of avocado, grapes and tangerine		714	13,895	-
Net gain in change of fair value of biological assets	10	(31,548)	(26,847)	(7,424)
Loss on sale of fixed assets	31	(143)	-	746
Operating loss for the year from discontinued operations		-	(999)	(19,450)
(Loss) gain attributable to associate	7	(1,225)	390	(728)
Net exchange difference		4,312	982	-
Net realizable value of inventories	13 and 27	180	(779)	(1,906)
Workers' profit sharing		5,098	5,902	
Impairment of goodwill	8	-	-	8,472
Impairment of fixed assets	6 and 27	-	-	2,501
Increase (decrease) of cash flows from operations due to changes in assets and liabilities:				
Trade accounts receivable and related parties		(28,098)	(6,885)	(1,356)
Other accounts receivable and current tax assets		(1,537)	(248)	8,357
Inventories		(9,742)	3,526	14,300
Prepaid expenses		(11)	202	(201)
Trade accounts payable and related parties		3,535	(7,040)	1,953
Other accounts payable		8,820	4,277	4,178
Net cash generated from operating activities		92,393	88,938	55,982

34 INCOME TAX EXPENSE

a) According to the Peruvian tax legislation in force the income tax is determined on separate basis. Management has determined the taxable income under the general income tax regime, which requires adding to and deducting from the result derived from the accounting records maintained in Sol those items considered as taxable and non-taxable, respectively.

As established under Law No.27360 dated 30 October 2000, that amends the Income Tax Law of individuals and legal persons engaged in the growing of crops and /or cattle as well as in industrial agriculture, the applicable income tax rate is 15%. This income tax regulations is applicable until 31 December 31 2021.

The standard rate for the Peruvian subsidiaries, it ranges between 29.5% and 15% for 2018, 2017 and 2016.

	2018 USD	2017 USD	2016 USD
Current income tax	15,481	8,941	1,130
Deferred income tax (Note 18)	10,924	2,765	6,903
Income tax expense	26,405	11,706	8,033
Income tax expense is attributable to:			
Expense from continuing operations	26,405	11,706	8,033
Profit from discontinued operation	-	(84)	(717)
	26,405	11,622	7,316

b) For the years 2018, 2017 and 2016 the income tax credited to income differs from the theoretical amount that would arise using the tax rate applicable to profit before workers' profit sharing and income tax as follows:

	2018 USD	2017 USD	2016 USD
Profit before income tax	113,116	76,102	6,726
Relevant theoretical income tax 15%	16,967	11,415	1,009
Income not subject to tax	(558)	(1,432)	(493)
Expenses not deductible for tax purposes	2,297	359	441
Impairment of goodwill	-	-	1,270
Foreign exchange differences	1,346	356	3,701
Impact of change in tax rate	2,112	-	1,703
Difference in tax rates from other jurisdictions	3,864	297	502
Income tax from discontinued operations	-	(84)	(717)
Other	377	711	(100)
Income tax expense	26,405	11,622	7,316

At December 31, 2015, deferred income tax assets have been impaired due to the maturity of tax losses which amount to USD2,501. No impairment in 2018 and 2017 was recorded, since the Group recover tax loss with fiscal earnings in 2017 and 2016.

c) On December 10, 2016 Legislative Decree No.1261 was enacted amending the income tax rate with an increase in the income tax rate applicable to corporate income earners from 28% to 29.5% effective from fiscal 2017. Also, such a decree sets forth a decrease in the income tax rate applicable to the income tax rate applicable to corporate income earners, from the current rate of 6.8% to 5% for dividends agreed or paid out in fiscal year 2017.

d) The Peruvian Tax Authority may review and, if required, amend the income tax or the tax loss carry forward determined by the Company and its subsidiaries for four years, as from January 1 of the following year in which the tax return of the corresponding income tax was filed (years open to examination). Since discrepancies may arise over the proper interpretation of the tax law applicable to the Group, it is not possible to anticipate at this date whether additional tax liabilities will arise as a result of eventual examinations. Additional tax, fines and interest, if any, will be recognized in results of the period in which the disagreement with the Peruvian tax authorities arises and they will be probable to be settled. Management considers that no significant liabilities will arise as a result of any eventual tax examinations.

The following table shows the income tax and value-added tax returns subject to review by the Tax Authority corresponding to the Company and its subsidiaries.

Company	Years open to tax review Income Tax	Value Added Tax
Camposol S.A.	2013-2018	December 2013-2018
Muelles y Servicios Paita S.A.C.	2013-2018	December 2013-2018
Nor Agro Perú S.A.	2013-2018	December 2013-2018
Camposol Europa S.L.	2013-2018	December 2013-2018
Camposol Fresh B.V.	2013-2018	December 2013-2018
Inversiones Agrícolas Inmobiliarias S.A.C.	2013-2018	December 2014-2018
Persea, Inc	2012-2018	December 2013-2018
Camposol Fresh U.S.A Inc	2012-2018	December 2013-2018
Camposol Specialities, Inc	2012-2018	December 2013-2018
Blacklocust S.A.C.	2018	December 2018
Grainlens Limited	2018	December 2018
Camposol Fresh Foods Trading Co., Limited	2018	December 2018
Camposol Foods Trading (Shanghai) Co., Ltd.	2018	December 2018
Camposol Colombia S.A.S.	2018	December 2018
Camposol Uruguay, S.R.L.	2018	December 2018

35 CONTINGENT LIABILITIES

As of 31 December 2018 the Group has labor-related contingencies and other claims amounting to USD1,960 (USD1,858 in 2017 and USD2,354 in 2016). No provision has been made since legal advice indicates that it is not probable that a significant liability will arise.

36 TRANSACTIONS WITH SHAREHOLDERS AND OTHER RELATED PARTIES

a) Transactions -

The main transactions carried out between the Group and its related parties are as follows:

	2018 USD	2017 USD	2016 USD
i) Associate -			
Empacadora de Frutos Tropicales S.A.C. -			
Sale of services	2	1	3
Sale of finish product	4	4	-
Purchase of services	3,258	2,751	3,149
ii) Entities related to Directors -			
Gestora del Pacífico S.A.C -			
Sale of services	213	146	77
Sale of finish product	1	1	-
Purchase of services and others	720	969	861
Purchase of fixed assets	-	-	291
Asoc. para la Certif. de Productores Agricolas Proveedores Camposol -			
Purchase of raw material	16	51	111
Desarrollo Inmobiliario Mar Verde S.A.C.-			
Sale of fixed assets	-	-	13

	2018 USD	2017 USD	2016 USD
Integrity Packaging S.A.-			
Sale of services	-	1	2
Purchase of services	43	-	25
Purchase of supplies	1,580	2,651	1,574
Veggie Pizza S.A.C.-			
Sale of services	-	-	23
Purchase of services	-	-	3
Dividend distribution:			
Generación del Pacífico S.L. -	-	20,203	-
Other shareholders	-	4,286	-
Camposol Holding PLC -			
Capital contribution (Note 17)	22,065	-	-

b) Amounts due from/to related parties –

Other accounts receivable (Note 14)

	At December 31		
	2018 USD	2017 USD	2016 USD
i) Associate -			
Empacadora de Frutos Tropicales S.A.C.	-	1	29
ii) Entities related to Directors -			
Gestión del Pacífico S.A.C.	19	-	-
Desarrollo Inmobiliario Mar Verde S.A.C.	-	45	45
	19	46	74

Accounts payable to related companies

	2018	2017	2016
i) Subsidiary of Camposol Holding PLC -			
Siboure Holdings S.A.C. (*)	50,831	3,875	2,638
	50,831	3,875	2,638

(*) In 2018, includes the accounts payable of USD50 million, originated from the reduction on the initial contribution of Camposol Agribusiness (Note 17).

Trade payables (Note 21)

	2018	2017	2016
i) Associates			
Empacadora de Frutos Tropicales S.A.C.	508	297	1,072
ii) Entities related to Directors			
Gestora del Pacífico S.A.C. (*)	186	-	93
Agricola proveedores Camposol (*)	-	-	65
Integrity Packaging S.A.	3,183	1,073	887
	3,877	1,370	2,117

c) Compensation of the Group key management

	2018 USD	2017 USD	2016 USD
Short-term employee benefits			
Salaries of key management (excluding remuneration of Directors)	5,871	6,103	6,318
Remuneration of Directors (all of which are non - executives)	280	286	418
Post-employment benefits			
Employees' severance indemnities of Key management	43	152	202

There were no other post-employment benefits, long-term benefits, termination benefits and share-based payments in 2018 and 2017.

There are no management services provided by a related party to the Group.

37 DISCONTINUED OPERATIONS

In 2016, the Board decided to discontinue all of the operations of Asparagus. By the end of 2016 the Group retired the crops of asparagus and ceased the production process and industrial activity of all the asparagus line; lands and other property, plant and equipment were transferred to other segments (mainly blueberry), and the personnel and management were retired. The results from operations of this segment is shown under discontinued operations in the carve-out statement of comprehensive income.

A summary of the results of artichoke and asparagus is shown below:

	2018 USD	2017 USD	2016 USD
Profit and loss			
Revenue	-	1,449	23,856
Cost of sales	-	(2,334)	(26,505)
Depreciation of equipment (Note 6)	-	-	(2,567)
Depreciation of bearer plant (Note 6)	-	-	(5,123)
Changes in fair value of biological (Note 10)	-	-	6,339
Gross loss	-	(885)	(4,000)
Administrative expenses	-	(78)	(186)
Selling expenses	-	(36)	(720)
Other income	-	-	1,540
Other expenses	-	-	(9,745)
Operating loss	-	(999)	(13,111)
Loss before income tax	-	(999)	(13,111)
Deferred income tax	-	84	717
Loss for the year from discontinued operations	-	(915)	(12,394)
Cash flows			
Operating activities	-	1,291	(3,871)
Investing activities	-	-	2,156
	-	1,291	(1,715)

38 COMMITMENTS AND GUARANTEES

Commitments and guarantees in respect of the bonds and bank borrowings are banks set out in Note 20.

39 EVENTS AFTER THE REPORTING PERIOD

- During 2019, Camposol Holding PLC have decided to implement a new legal structure for their global business, excluding the shrimp farming business (Note 1-a)
- On 22 October 2019, a new holding company named Csol Holding Limited (hereinafter "The Company") was incorporated in accordance with the provisions of the Cyprus Companies Law, Cap 113 with an initial capital contribution of USD10 million (Note 1-a)
- As of November 22, Camposol Holding PLC is in process of transferring the main operating companies related to Camposol Agribusiness to Csol Holding Limited (Note 1-a)

Between December 31, 2018 and the approval date of the financial statements, besides the above mentioned, there have been no subsequent events that may have a significant impact on the reasonableness of the financial statements issued and/or that require to be disclosed in notes.

CAMPOSOL AGRIBUSINESS

CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS (UNAUDITED) AS OF 30 SEPTEMBER 2019

CAMPOSOL AGRIBUSINESS

CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS
(UNAUDITED) AS OF 30 SEPTEMBER 2019

CONTENTS Pages

USD = United States dollar
PEN = Sol
€ = Euros

CAMPOSOL AGRIBUSINESS

CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS
(UNAUDITED) AS OF 30 SEPTEMBER 2019

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Note

CAMPOSOL AGRIBUSINESS

CONDENSED INTERIM CARVE-OUT STATEMENT OF FINANCIAL POSITION
(IN THOUSANDS OF U.S. DOLLARS)

	Note	At 30 September 2019 (Unaudited)	At 31 December 2018
ASSETS			
NON-CURRENT ASSETS			
Property, plant, equipment and bearer plants	9	392,777	358,970
Right of use assets	9	63,364	37,193
Investments accounted for using the equity method		2,381	3,280
Intangible assets	9	5,489	5,180
Deferred tax assets		919	286
Total non-current assets		464,930	404,909
CURRENT ASSETS			
Prepaid expenses		1,468	481
Biological assets	10	133,190	120,525
Inventories	11	33,556	26,422
Other accounts receivable	12	13,800	8,161
Trade accounts receivable	13	54,715	67,674
Cash and cash equivalents		35,277	32,505
Total current assets		272,006	255,768
Total assets		736,936	660,677
Total parent's net investment	14	219,407	211,224
LIABILITIES			
NON-CURRENT LIABILITIES			
Long - term debt	15	304,341	231,841
Lease liability	18	47,680	26,523
Deferred tax liabilities		54,889	53,884
Total non-current liabilities		406,910	312,248
CURRENT LIABILITIES			
Accounts payable to related companies	29	14,000	50,831
Current portion of long-term debt	15	5,155	3,811
Current portion of lease liability	18	10,944	5,415
Trade accounts payable	16	41,723	47,382
Other accounts payable		8,223	13,254
Current tax liabilities		308	11,835
Provisions	17	4,728	4,677
Bank loans	19	25,538	-
Total current liabilities		110,619	137,205
Total liabilities		517,529	449,453
Total parent's net investment and liabilities		736,936	660,677

The notes on pages from 6 to 30 are an integral part of these condensed interim carve-out financial statements.

CAMPOSOL AGRIBUSINESS

UNAUDITED CONDENSED INTERIM CARVE-OUT STATEMENT OF COMPREHENSIVE INCOME
(IN THOUSANDS OF U.S. DOLLARS)

	Note	For the nine-month period ended 30 September 2019	2018
Continuing operations			
Revenue	20	199,917	227,755
Cost of sales:	21		
Cost of sales		(113,577)	(101,774)
Depreciation of bearer plants		(14,432)	(13,286)
Gross profit before adjustment for biological assets		71,908	112,695
Net gain arising from changes in fair value of biological assets	10	544	6,381
Gross profit after adjustment for biological assets		72,452	119,076
Selling expenses	22	(25,206)	(28,379)
Administrative expenses	23	(18,365)	(16,860)
Other income	25	1,703	885
Other expenses	25	(3,445)	(3,703)
Net foreign exchange transactions losses		1,183	785
Operating profit		28,322	71,804
Share of (loss) profit of investments accounted for using the equity method		(898)	455
Financial income	26	392	56
Financial cost	26	(15,404)	(15,313)
Profit before income tax		12,412	57,002
Income tax expense		(2,265)	(16,034)
Profit for the period from continuing operations (attributable to equity holders of the parent)		10,147	40,968
Other comprehensive income:			
Item that may be reclassified to profit or loss:			
Currency translation adjustment		(1,165)	896
Total comprehensive income for the period		8,982	41,864

Items in other comprehensive income above are disclosed net of tax.

The notes on pages from 6 to 30 are an integral part of these condensed interim carve-out financial statements.

CAMPOSOL AGRIBUSINESS

UNAUDITED CONDENSED INTERIM CARVE-OUT STATEMENT OF CHANGES IN PARENT'S NET INVESTMENT
for the nine-month period ended 30 September 2019 and 2018
(IN THOUSANDS OF U.S. DOLLARS)

	Notes	Total parent's net investment
Balances at 1 January 2018		225,698
Adjustment on adoption of IFRS 16 (net of tax)		(173)
Balances at 1 January 2018 (restated)		225,525
Comprehensive income:		
Profit for the period		40,968
Other comprehensive income:		
Currency translation adjustment		896
Total comprehensive income		41,864
Transactions with owners:		
Capital contribution	14	22,065
Reduction of initial contribution	14	(50,000)
Distributions to parents	14	(34,502)
Total transactions with owners		(62,437)
Balances as of 30 September 2018		204,952
Balances at 1 January 2019		211,224
Comprehensive income:		
Profit for the period		10,147
Other comprehensive income:		
Currency translation adjustment		(1,165)
Total comprehensive income		8,982
Transactions with owners:		
Distributions to parents	14	(799)
Total transactions with owners		(799)
Balances as of 30 September 2019		219,407

The notes on pages from 6 to 30 are an integral part of these condensed interim carve-out financial statements.

CAMPOSOL AGRIBUSINESS

UNAUDITED CONDENSED INTERIM CARVE-OUT STATEMENT OF CASH FLOWS
(IN THOUSANDS OF U.S. DOLLARS)

	Note	For the nine-month period ended 30 September 2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		190,810	256,542
Cash paid to suppliers and employees		(176,500)	(199,468)
Interest paid		(14,961)	(16,660)
Income tax paid		(4,018)	(4,515)
Custom duties refund collections		1,492	369
Other collections		322	622
Net cash (used in) generated from operating activities		(2,855)	36,890
CASH FLOWS FROM INVESTING ACTIVITIES			
Transfer to/from cash subject to restriction		-	1,285
Purchases of property, plant and equipment	9	(20,623)	(27,951)
Investment in bearer plants	9	(33,313)	(53,151)
Purchase of intangibles, excluding goodwill	9	(776)	(2,245)
Net cash used in investing activities		(54,712)	(82,062)
CASH FLOWS FROM FINANCING ACTIVITIES			
Bank loans proceeds	19	63,500	99,450
Bank loans payments	19	(38,000)	(65,150)
Payments to related parties	29	(36,000)	-
Capital contribution	14	-	22,065
Distributions to parents	14	(799)	(34,502)
Principal elements of lease liabilities payments	18	(1,862)	(1,032)
Transaction costs		(1,378)	(715)
Long-term debt proceeds	15	79,000	40,000
Payments of long-term debt	15	(4,122)	(11,358)
Net cash generated from financing activities		60,339	48,758
Net increase in cash and cash equivalents		2,772	3,586
Cash and cash equivalents at beginning of the period		32,505	30,554
Cash and cash equivalents at end of the period		35,277	34,140
Non-cash transactions:			
Right of use asset acquired under finance lease	18	28,548	11,368
Accrued interest	15	460	3,763

The notes on pages from 6 to 30 are an integral part of these condensed interim carve-out financial statements.

(IN THOUSANDS OF U.S. DOLLARS UNLESS OTHERWISE STATED)

1 GENERAL INFORMATION

a) Business activities -

The Camposol Agribusiness (hereinafter “the Group”) of Camposol Holding PLC is engaged in investing in the agriculture business and managing the export of agricultural products mainly to the United States, China and to the European Union. To face the global competitive environment, Camposol Holding PLC have decided to implement a new legal structure for their global business with the purpose of attracting new investments for the agricultural business as well as simplifying the corporate governance and isolate the risks associated with each of its businesses. For the purpose of segregating the agricultural business from the shrimp farming business (excluded from this carve-out financial statements) of Camposol Holding PLC and subsidiaries, on 22 October 2019, a new holding company named Csol Holding Limited (hereinafter “The Company”) was incorporated in accordance with the provisions of the Cyprus Companies Law, Cap 113 with an initial capital contribution of USD10 million.

The legal address of the Company is Kanika International Business Center, 6th Floor, Profiti Ilia No 4 Germasogeia, Limassol 4046, Cyprus. The legal address of the historical parent (Camposol Holding PLC) is Kanika International Business Center, 6th Floor, Profiti Ilia No 4 Germasogeia, Limassol 4046, Cyprus.

The Dyer-Coriat family (comprised by Samuel Barnaby Dyer Coriat, Piero Martin Dyer Coriat and Sheyla Dyer Coriat) is ultimate controlling party and has 82.59% of the shares of the Company. Certain members of the Dyer family own the remainder of the Company.

As of January 15, 2020 Camposol Holding PLC has already transferred the main operating companies related to Camposol Agribusiness to Csol Holding Limited, which will allow to begin with the implementation of the group reorganization.

As of 30 September 2019 and 31 December 2018, the table below presents details of the owned agricultural land by the Group:

		Area in Hectares (Has)	
Land	**Country/region**	**2019**	**2018**
		(Unaudited)	
Mar Verde	Peru / La Libertad	2,496	2,496
Agricultor	Peru / La Libertad	1,570	1,570
Gloria	Peru / La Libertad	1,018	1,018
Agromás	Peru / La Libertad	414	414
Virú - San José	Peru / La Libertad	318	318
Compositan	Peru / La Libertad	3,778	3,778
Yakuy Minka	Peru / La Libertad	2,761	2,761
INAIN	Peru / La Libertad	-	22
Huangala - Terra	Peru / Piura	2,549	2,549
Citricola Salteña - El Tero	Uruguay / Salto	838	837
Jamilco - El Tero	Uruguay / Salto	684	681
La Florida	Colombia / Caldas	1,850	1,031
		18,276	17,475

During 2019, the Group acquired 819 hectares through its subsidiary Camposol Colombia S.A.S. for USD16,087.

As of 30 September 2019 and 31 December 2018, the Group carries out its activities over the following planted areas:

	Area in Hectares (Ha)	
	2019 (Unaudited)	2018
Avocados	4,056	2,951
Blueberries	2,422	2,168
Others	1,769	1,855
	8,247	6,974

b) Approval of the financial statements -

These condensed interim carve-out financial statements of the Group were approved by the Management on January 16, 2020.

These condensed interim carve-out financial statements are unaudited.

2 BASIS OF PREPARATION

The condensed interim carve-out financial statements does not include all the notes of the type normally included in an annual carve-out financial statements. Accordingly, these condensed interim carve-out financial statements should be read in conjunction with the annual carve-out financial statements for the year ended 31 December 2018.

These condensed interim carve-out financial statements for the nine-month period ended September 30,2019 and 2018 of Camposol Agribusiness Group have been prepared for a bonds issuance transaction in accordance with International Accounting Standard (“IAS”) 34, “Interim financial reporting”. The information of the condensed interim carve-out statement of financial position as of 31 December 2018 and the related notes were derived from the audited carve-out financial statements as of that date. Camposol Agribusiness Group is primarily operated by Camposol S.A. and certain of its wholly owned subsidiaries, but excluding subsidiaries of Camposol S.A. that relate to the shrimp farming business. Certain costs incurred by Camposol Holding PLC and related to the Camposol Agribusiness Group, primarily related to the compensation of certain members of senior management and its supervisory board, have been allocated accordingly to the Agribusiness Group (See note 24). The allocations have primarily been made based on percentage of time usage by senior management and supervisory board, which management believes represents a reasonable allocation methodology.

During the nine months ended 30 September 2018 and 2019, the costs incurred by Camposol Holding PLC that have been allocated to the Group for the purposes of preparing the unaudited condensed interim carve-out financial statements are based on a specific identification basis where possible. Management believes that the assumptions used in determining these allocations are reasonable. However, the financial statements may not necessarily reflect the carve-out Group’s financial position, results of operations, or cash flows in the future, or what its financial position, results of operations, or cash flows would have been if it had been a stand-alone entity during the periods presented.

IFRS does not provide principles for the preparation of combined financial statements for carve-out financial statements, and accordingly in preparing the unaudited condensed interim carve-out financial statements certain accounting and allocation conventions commonly used in practice for the preparation of carve-out financial statements were applied. The assets and liabilities included in the unaudited condensed interim carve-out financial statements position were measured at the carrying amounts recorded in the Camposol Holding PLC condensed interim carve-out financial statement.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the changes in accounting policies related to the adoption of new accounting standards adopted as of January 1, 2019 as described in Note 3.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the annual carve-out financial statements for the year ended December 31, 2018, as described in those annual carve-out financial statements except for the items related to the adoption of the new standards, amendments and interpretations issued by IASB, as detailed in this Note 3 as well as for the accounting treatment given to income taxes in the interim periods, which are accrued using the tax rate that would be applicable to the expected total annual profit or loss (see Note 4 and Note 27). The income tax expense is recognized in each interim period based on the best estimate of the weighted average annual income tax rate expected for the full financial year. The management of the Group (hereinafter, “Management”) considers that the amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes.

Standards, amendments and interpretations adopted by the group in 2019

During the current period, the Group adopted International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2019.

- IFRIC 23, “Uncertainty over Income Tax Treatments”
- Amendments to IFRS 3, IAS 11, IAS 12, IAS 23
- Amendments to IAS 19

The Group has assessed the accounting standards effective after 1 January 2019 and determined that none have a material impact on the unaudited condensed interim carve-out financial statements.

4 ESTIMATES

The preparation of interim carve-out financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these unaudited condensed interim carve-out financial statements, the significant judgements made by management in applying the group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the carve-out financial statements for the year ended December 31, 2018, with the exception of changes in estimates that are required in determining the provision for income taxes.

To determine the interim income tax Management uses the effective tax rate that would be applicable to the expected total annual profit or loss (see Note 4 and Note 27), which requires Management's judgment in determining the expected results for tax purposes.

The Group performed a sensitivity analysis of the interim income tax expense based of the estimation of the effective tax rate.

If the effective tax rate would be +/-1% different from management’s estimates, the Group would need to increase/decrease income tax expense by USD248 in the first nine months of 2019 (USD 1,140 for the same period in 2018).

5 FINANCIAL RISK MANAGEMENT

5.1 Financial risk factors -

The Group's activities expose it to risks arising from climatic changes and financing risks (including foreign exchange risk, fair value interest rate risk, cash flows interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim carve-out financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's annual carve-out financial statements as at December 31, 2018, since there have been no changes in the related assessments of the financial risks since year end.

There have been no changes in the risk management department or in any risk management policies since the year end.

5.2 Liquidity risks -

The Group has sufficient credit capacity to have access to credit lines with top-ranked financial institutions (institutions with no history of default and prestigious locally) under market terms. In addition, the Group develops new bank relationships in order to have adequate funding available at all times. However, with the current global political uncertainty there is a risk that banks may revise the terms of the lines of credit (short-term financing which might not be able to be refinanced). The Group assumes this risk.

As of 30 September 2019, the Group maintains lines of credit available but not used for an amount of USD36,000 (USD 51,800 as of 31 December 2018).

5.3 Capital risk management -

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the carve-out statement of financial position), less cash and cash equivalents. Total capital is calculated as parent's net investment as shown in the carve-out statement of financial position plus net debt.

The Group's strategy was to maintain the gearing ratio not to exceed 0.65. The gearing ratios as of September 30, 2019 and December 31, 2018 were as follows:

	2019 USD (Unaudited)	2018 USD
Bank loans (Note 19)	25,538	-
Long - term debt (Note 15)	309,496	235,652
Lease liability (Note 18)	58,624	31,938
Less cash and cash equivalents	(35,277)	(32,505)
Net debt (a)	358,381	235,085
Total parent's net investment as per statement of financial position (b)	219,407	211,224
Total capital as defined by management (a) + (b)	577,788	446,309
Gearing ratio (a) / (a) + (b)	0.62	0.53

At 30 September 2019 the increase in the gearing ratio compared to 31 December 2018 is mainly due to the acquisition of new financial obligations.

5.4 Fair value estimation -

The carrying amount of trade accounts receivable and trade accounts payable are similar to their fair values, as the impact of discounting is not significant. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The information used by the Group to estimate the fair value is categorized in following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

See Note 10 for disclosures of the measurement of biological assets.

As of 30 September 2019 and 31 December 2018, the Group does not maintain any other financial assets or liabilities measured at fair value since they are measured at amortized cost.

6 SEASONALITY OF OPERATIONS

Due to the nature of the agricultural business carried out by the Group, the results of its operations depend on the harvests of the different crops grown during the course of the year and their subsequent sales, because crops are not harvested every month of the year.

In general terms, Management seeks to offset the seasonality of certain produce with alternative crops that enable it to keep constant cash inflows during the year. Nevertheless, the Group sales and production are subject to seasonal fluctuations, with peak production and sales between the third and fourth quarters of the year as well. This is due to seasonal weather conditions that affect production.

7 SIGNIFICANT CHANGES IN THE CURRENT REPORTING PERIOD

The financial position and performance of the Group was particularly affected by the following events and transactions during the nine months to 30 September 2019:

- Decrease in revenues (Note 20) mainly due to lower volumes in avocados.
- Increase in property, plant, equipment and bearer plants mainly driven by the investments on bearer plants (blueberry, avocado, tangerine and grape) and purchase of 819 hectares in Colombia through its subsidiary Camposol Colombia S.A.S. (Note 9).
- Increase in right of use asset are related to contracts signed with suppliers and banks for leased assets such as edifications, computer equipment, irrigation systems, machinery, electric substation system, blueberry refrigeration and calibration system. (Note 9 and Note 18).
- Increase in long-term debt mainly due to an additional disbursement of the Syndicated loan and a borrowing from Interbank (Note 15).
- Increase in short- term bank loans which were obtained for working capital purposes (Note 19).
- Decrease in accouts payable to related parties due to payments to Siboure Holdings (Note 29).

8 SEGMENT INFORMATION

The Group has three reportable segments namely blueberries, avocados and others. The segment of others includes those products relevant to the business whose sales occur in months and seasons in which blueberries and avocados generally do not export products, due to seasonality of the harvest.

The three reportable operating segments are engaged in producing, processing and commercializing a number of agricultural products, presented in fresh and frozen, which are mainly exported to European markets and the United States of America.

All production and related assets are in Peru, Colombia and Uruguay.

For the nine-month period ended 30 September, the analysis of sales from continuing operations below are based on the country/area in which the customer is located:

	2019 USD (Unaudited)	2018 USD (Unaudited)
USA	99,418	110,627
Europe	60,217	79,487
Asia	24,105	29,225
Canada	10,318	2,964
South America	4,692	5,034
Other	1,167	418
	199,917	227,755

The following table shows revenues, gross profit and gross profit after adjustment for biological assets by segment, from continuing operations, excluding the unallocated revenues and costs of products not reviewed separately by the CODM:

	Blueberries USD (Unaudited)	Avocado USD (Unaudited)	Others USD (Unaudited)	Total USD (Unaudited)
For the nine-month period ended 30 September 2019 -				
Revenues	92,310	70,569	36,055	198,934
Cost of sales	(51,744)	(46,440)	(28,984)	(127,168)
Gross profit before adjustment for biological assets	40,566	24,129	7,071	71,766
Gain (loss) arising from changes in fair value of biological assets	(5,447)	12,821	(6,830)	544
Gross profit after adjustment for biological assets by segment	35,119	36,950	241	72,310

	Blueberries USD (Unaudited)	Avocado USD (Unaudited)	Others USD (Unaudited)	Total USD (Unaudited)
For the nine-month period ended 30 September 2018 –				
Revenues	77,548	106,199	39,964	223,711
Cost of sales	(41,057)	(45,842)	(24,739)	(111,638)
Gross profit before adjustment for biological assets	36,491	60,357	15,225	112,073
Gain (loss) arising from changes in fair value of biological assets	14,105	(2,281)	(5,443)	6,381
Gross profit after adjustment for biological assets by segment	50,596	58,076	9,782	118,454

The following table shows assets by segment:

	Blueberries USD (Unaudited)	Avocado USD (Unaudited)	Others USD (Unaudited)	Total USD (Unaudited)
30 September 2019 -				
Biological assets	100,441	24,325	8,424	133,190
Finished products	17,034	2,231	1,241	20,506
Property, plant and equipment	147,379	143,021	92,362	382,762
Right of use asset	20,245	9,176	6,406	35,827
Total assets by segment	285,099	178,754	108,432	572,285
Area (Has)	2,422	4,056	1,769	8,247
31 December 2018 –				
Biological assets	93,616	15,205	11,704	120,525
Finished products	12,162	1,075	5,090	18,327
Property, plant and equipment	135,676	127,996	82,467	346,139
Right of use asset	12,463	5,649	3,943	22,055
Total assets by segment	253,917	149,925	103,204	507,046
Area (Has)	2,168	2,951	1,855	6,974
Write-off bearer plants	-	626	88	714

At 31 September 2019 and 31 December 2018, no transactions between reportable segments are carried out.

Disclosure of segment profit measurement is made using the gross profit and profit after adjustment for biological assets, which is used in assessing the performance of each segment.

Administrative expenses, selling expenses, other income and other expenses are not considered as expenses and income of the segments, and therefore are not allocated to any segment.

Unallocated revenues and cost of sales correspond to minor products not reported to the CODM. Total assets presented by segment include the asset information provided to the CODM, namely biological assets, finished products inventory and property, plant and equipment.

Following is a reconciliation of revenue from continuing operations of reportable segments with the total revenue from continuing operations of the Group:

	2019 USD (Unaudited)	2018 USD (Unaudited)
Total revenue of reportable segments	198,934	223,711
Unallocated revenue (i)	983	4,044
Total revenue of the Group	199,917	227,755

(i) Unallocated items correspond to minor activities not reported to the chief operating decision maker, such as packaging and other minor services provided by the Company.

Following is a reconciliation of profit after adjustment for biological assets by segments with the profit after adjustment for biological assets from continuing operations:

	2019 USD (Unaudited)	2018 USD (Unaudited)
Profit after adjustment for biological assets by segments	72,310	118,454
Unallocated revenue	983	4,044
Unallocated cost of sales	(841)	(3,422)
Profit after adjustment for biological assets	72,452	119,076

Following is a reconciliation of total assets by segments with total assets:

	30 September 2019 USD (Unaudited)	31 December 2018 USD
Total assets by segments	572,285	507,046
Unallocated inventories	13,050	8,095
Unallocated property, plant and equipment	10,015	12,832
Unallocated Intangible assets	5,489	5,180
Right of use assets	27,537	15,137
Investment accounted for using the equity method	2,381	3,280
Deferred income tax	919	286
Prepaid expenses	1,468	481
Other accounts receivable	13,800	8,161
Trade accounts receivable	54,715	67,674
Cash and cash equivalents	35,277	32,505
Total assets	736,936	660,677

The following table shows revenues and gross profit by customer from continuing operations:

	Major 10 customers USD	Major 11 to 20 customers USD	Major 21 to 28 customers USD	Other customers USD	Total USD
For the nine-month period ended 30 September 2019 (Unaudited) -					
Revenues	91,926	28,570	13,363	66,058	199,917
Gross profit	44,460	9,169	6,253	12,026	71,908
For the nine-month period ended 30 September 2018 (Unaudited) -					
Revenues	116,053	27,514	15,727	68,461	227,755
Gross profit	63,698	13,244	5,817	29,936	112,695

Gross profit before adjustment for biological assets by type of produce from continuing operations for the nine-month period ended 30 September is as follows:

	2019			2018		
	Revenue USD (Unaudited)	Cost of sales USD (Unaudited)	Gross profit USD (Unaudited)	Revenue USD (Unaudited)	Cost of sales USD (Unaudited)	Gross profit USD (Unaudited)
Fresh	173,051	(105,615)	67,436	207,570	(99,711)	107,859
Frozen	24,724	(20,412)	4,312	17,540	(12,903)	4,637
Others	2,142	(1,982)	160	2,645	(2,446)	199
	199,917	(128,009)	71,908	227,755	(115,060)	112,695

9 PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND RIGHT OF USE ASSETS

	Property, plant and equipment				
	Bearer plants	Other property, plant and equipment	Total	Intangibles assets	Right of use assets
	USD	USD	USD	USD	USD
For the nine-month period ended 30 September 2019					
Opening net book amount	219,113	139,857	358,970	5,180	37,193
Additions	33,313	20,623	53,936	776	29,829
Disposals	-	(93)	(93)	-	(68)
Transfers	4,278	(4,278)	-	-	-
Depreciation charge	(14,432)	(5,604)	(20,036)	(467)	(3,590)
Closing net book amount (Unaudited)	242,272	150,505	392,777	5,489	63,364
For the year ended 31 December 2018					
Cost	306,876	215,352	522,228	22,416	45,594
Accumulated impairment	(8,100)	(1,236)	(9,336)	-	-
Accumulated depreciation/amortization	(79,663)	(74,259)	(153,922)	(17,236)	(8,401)
Closing net book amount	219,113	139,857	358,970	5,180	37,193

Bearer plants additions in 2019 are related to investments in blueberry, tangerine, grape and avocado. Other additions of property, plant and equipment in 2019 are related to acquisition of 819 hectares in Colombia through its subsidiary Camposol Colombia S.A.S. for USD16,087. Right of use assets in 2019 are related to contracts signed with suppliers and banks for leased assets such as edifications, computer equipment, irrigation systems, machinery, electric substation system, blueberry refrigeration and calibration system.

10 BIOLOGICAL ASSETS

The Group measures the value of agricultural plants using the expected cash flows for the production of each of its biological assets. The cash flows included in the projections are discounted at the risk adjusted rates between 7.04% and 8.46%.

The movement for the period in the fair value of biological assets is as follows:

	Opening balance		Additions and deductions		Closing balance	
	Area	Market value	Area	Market value	Area	Market value
	Has	USD	Has	USD	Has	USD (Unaudited)
30 September 2019						
Avocados	2,951	15,205	1,105	9,120	4,056	24,325
Mangos	562	1,276	-	2,069	562	3,345
Grapes	389	5,590	-	(4,510)	389	1,080
Tangerines	904	4,838	(86)	(839)	818	3,999
Blueberries	2,168	93,616	254	6,825	2,422	100,441
	6,974	120,525	1,273	12,665	8,247	133,190

	Opening balance		Additions and deductions		Closing balance	
	Area	Market value	Area	Market value	Area	Market value
	Has	USD	Has	USD	Has	USD
31 December 2018						
Avocados	2,655	38,596	296	(23,391)	2,951	15,205
Mangos	562	472	-	804	562	1,276
Grapes	198	2,944	191	2,646	389	5,590
Tangerines	326	2,496	578	2,342	904	4,838
Blueberries	1,862	40,717	306	52,899	2,168	93,616
	5,603	85,225	1,371	35,300	6,974	120,525

There has been no material change in the main assumptions used to estimate the fair values of the biological assets from the amounts disclosed in the last annual carve-out financial statements.

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The reconciliation in the fair value of the biological assets within level 3 of the hierarchy is as follows:

	Avocados USD	Mangos USD	Grapes USD	Tangerines USD	Blueberries USD	Total USD
30 September 2019						
Initial balance of fair value	15,205	1,276	5,590	4,838	93,616	120,525
Harvest	(12,977)	(2,172)	(5,115)	(1,743)	(24,970)	(46,977)
Price change	3,186	371	(1,633)	515	(864)	1,575
Change in fair value due to biological transformation	9,635	2,416	(7,844)	(655)	(4,583)	(1,031)
Increase due to purchases	9,276	1,454	10,082	1,044	37,242	59,098
Final balance of fair value	24,325	3,345	1,080	3,999	100,441	133,190
Total gains or losses for the period included in profit or loss for assets held at the end of the reporting period, under net gain arising from changes in fair value of biological assets	12,821	2,787	(9,477)	(140)	(5,447)	544
30 September 2018						
Initial balance of fair value	38,596	472	2,944	2,496	40,717	85,225
Harvest	(18,396)	(2,531)	(8)	(1,322)	(16,288)	(38,545)
Price change	919	369	(18)	(936)	(92)	242
Change in fair value due to biological transformation	(3,200)	383	(3,626)	(1,615)	14,197	6,139
Increase due to purchases	14,860	2,023	1,869	1,400	18,444	38,596
Final balance of fair value	32,779	716	1,161	23	56,978	91,657
Total gains or losses for the period included in profit or loss for assets held at the end of the reporting period, under net gain arising from changes in fair value of biological assets	(2,281)	752	(3,644)	(2,551)	14,105	6,381

Valuation processes of the Group -

The Group's finance department includes a team that performs the valuations of biological assets required for financial reporting purposes, including level 3 fair values.

This team reports directly to the chief financial officer (CFO) and the audit committee (AC).

Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least once every quarter, in line with the Group's quarterly reporting dates.

At 30 September 2019 and 31 December 2018 valuation inputs for biological assets correspond to level 3 of the hierarchy defined in Note 5.4. There were no transfers between any levels during the period.

The following unobservable inputs were used to measure the Group's biological assets:

Description	Fair value at 30 September 2019 USD	Fair value at 31 December 2018 USD	Valuation technique	Unobservable inputs	Range of unobservable inputs (probability-weighted average)	Relationship of unobservable inputs to fair value
Avocados produce	24,325	15,205	Discounted cash flows	Crop yield - tonnes Per hectare (*)	3.7 – 18.2 (6.6) in 2019 and 2018	The higher the crop yield, the higher the fair value
				Avocados average price	30.09.2019 (1,453) 31.12.2018 (1,337) per tonne	The higher the market price, the higher the fair value
				Discounted rate	30.09.19 (8.11%) 31.12.18 (8.11%)	The higher the discount rate the lower the fair value
Mangos produce	3,345	1,276	Discounted cash flows	Crop yield - tonnes Per hectare (*)	2.9 – 34 (20.6) in 2019 and 2018	The higher the crop yield, the higher the fair value
				Mangos average price	30.09.19 (438) 31.12.18 (410) per tonne	The higher the market price, the higher the fair value
				Discounted rate	30.09.19 (7.28%) 31.12.18 (7.28%)	The higher the discount rate the lower the fair value
Grapes produce	1,080	5,590	Discounted cash flows	Crop yield - tonnes Per hectare (*)	22 – 30 (29.4) in 2019 and 2018	The higher the crop yield, the higher the fair value
				Grapes average price	30.09.19 (1.388) 31.12.18 (1,612) per tonne	The higher the market price, the higher the fair value the higher the fair value
				Discounted rate	30.09.19 (8,46%) 31.12.18 (8.46%)	The higher the discount rate, the lower the fair value
Tangerines produce	3,999	4,838	Discounted cash flows	Crop yield - tonnes Per hectare (*)	2.3 -75 (46.8) in 2019 and 2018	The higher the crop yield, the higher the fair value
				Tangerine average price	30.09.19 (727) 31.12.2018 (700) per tonne	The higher the market price, the higher the fair value the higher the fair value
				Discounted rate	30.09.19 (8.11%) 31.12.18 (8.11%)	The higher the discount rate, the lower the fair value
Blueberries produce	100,441	93,616	Discounted cash flows	Crop yield - tonnes Per hectare (*)	8.8 – 20.0 (15.8) in 2019 and 2018	The higher the crop yield, the higher the fair value
				Blueberry average price	30.09.2019 (5,016) 31.12.2018 (5,042) per tonne	The higher the market price, the higher the fair value the higher the fair value
				Discounted rate	30.09.19 (7.04%) 31.12.18 (7.04%)	The higher the discount rate, the lower the fair value
	133,190	120,525				

(*) The amounts in brackets correspond to the weighted average of crop yields for all hectares.

11 INVENTORIES

	As of 30 September 2019	As of 31 December 2018
	USD (Unaudited)	USD
Finished products:		
- Avocados	2,231	1,075
- Mangos	189	4,195
- Grapes	516	840
- Blueberries	17,034	12,162
- Tangerine	536	55
Supplies	7,312	4,327
Packs	5,753	4,373
Seeds, seedlings and others	287	517
In-transit raw material and supplies	394	35
	34,252	27,579
Provision for obsolescence of inventories	(696)	(1,157)
	33,556	26,422

Finished products by type of produce is as follows:

	As of 30 September 2019	As of 31 December 2018
	USD (Unaudited)	USD
Fresh	18,231	13,963
Frozen	2,275	4,364
	20,506	18,327

As of 30 September 2019 and 31 December 2018, inventories are free of any pledges as guarantee on liabilities.

For the nine-months period ended 30 September 2019, the cost of inventories of continued operations recognized as expense and included in the cost of sales amounted to USD 62,848 (At 30 September 2018 USD 62,486) (Note 21).

	As of 30 September 2019	As of 31 December 2018
	USD (Unaudited)	USD
Movement in the provision for obsolescence of inventories:		
Opening balance	(1,157)	(3,827)
Additions (Note 25)	(99)	(189)
Net realizable value reversal	78	(180)
Write-off	483	3,039
Others	(2)	-
Balance at the end of the period / year	(696)	(1,157)

At 30 September 2019, USD 99 of the additions were recognized in other expenses (Note 25) (2018: USD189)

12 OTHER ACCOUNTS RECEIVABLE

	At 30 September 2019 USD (Unaudited)	At 31 December 2018 USD
Value added tax (IGV in Perú)	8,367	3,646
Custom duties refund (Drawback in Perú)	3,004	2,121
Services rendered to third parties	1,681	1,690
Prepayments to suppliers	669	730
Loans to third parties	616	488
Rental of the pepper plant	434	378
Claims to third parties	239	374
Receivables from government health entity	203	211
Due from employees	203	163
Related companies (Note29)	39	19
Other	26	31
	15,481	9,851
Less: Provision for impairment of other accounts receivable	(1,681)	(1,690)
	13,800	8,161

Loans to third parties corresponds to loans granted to minor farmers, that Camposol makes to incentivize the agro in the region. These loans are short term and are not guaranteed.

Other accounts receivables not provisioned are current and are not impaired.

The drawback (custom duties refund) recovered during the year 2019 amounted to USD1,492 (USD2,032 in 2018). Receivables from employees are not interest-bearing and are unsecured.

The rental of the pepper plant corresponds to a contract signed with Sociedad Agricola Virú S.A. for the lease of the Nor Agro plant and equipment located in Piura, Peru with a 3-year term contract until December 16, 2018. On November 5, 2018 the contract was renewed until December 31, 2020.

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13 TRADE ACCOUNTS RECEIVABLE

	As of September 2019 USD (Unaudited)	As of 31 December 2018 USD
Third parties	55,646	68,328
Less:		
Provision for impairment of trade accounts receivable	(931)	(654)
	54,715	67,674

Trade accounts receivable mainly comprise invoices for the sale of fresh and frozen products. Turnover ranges between 30 and 120 days and are not interest-bearing.

Trade accounts receivable in foreign currency amounts to USD11,015 in Euros (at December 31, 2018 USD 18,753 in Euros). The remaining balances for both periods are denominated in US Dollars.

The movement of the provision for impairment of trade accounts receivable is as follows:

	As of September 2019 USD (Unaudited)	As of 31 December 2018 USD
Opening balance	(654)	(795)
Additions (Note 25)	(618)	(468)
Recoveries	252	18
Write-Off	84	594
Reclassification	5	(3)
Balance at the end of the period / year	(931)	(654)

The Group does not ask for collaterals to secure the full collection of its trade accounts receivable.

As of 30 September 2019 and 31 December 2018, the aging analysis of trade accounts receivable, net of provision is as follows:

	Total USD	Current USD	31-90 days USD	91-180 days USD	181-360 days USD	More than 360 days USD
At 30 September 2019 (Unaudited)	54,715	53,695	1,020	-	-	-
At 31 December 2018	67,674	65,784	1,868	-	-	22

As of 31 December 2018, trade accounts receivable amounting to USD22 although past due for more than one year, are not impaired; therefore, no provision for impairment on these accounts has been accounted for.

As of 30 September 2019, trade accounts receivable amounting to USD 931 (USD 654 as of 31 December 2018) are impaired; for which the Group has recognized a provision for impairment. The individually impaired accounts relate to customers who are in unexpected difficult economic situations or / and under litigation.

As of 30 September 2019 and 31 December 2018 these impaired customers have not pledged any security for their debt.

The fair value of accounts receivable approximates their carrying amounts due to their short-term maturities.

14 PARENT'S NET INVESTMENT

As a direct ownership relationship did not exist among the various entities comprising the Camposol Agribusiness prior to the completion of a legal reorganization of Camposol Holding PLC Group, Camposol's investments in and advances to the Camposol Agribusiness represent the Group's interest in the recorded net assets of the Camposol Agribusiness and are shown as Parent's net investment in the carve-out financial statements. Prior to the legal reorganization, net income (loss) of the Camposol Agribusiness forms part of Parent's net investment. Parent's net investment includes the initial contribution of the shareholders of the Company as well as the cost allocations related to compensation of certain members of senior management and its supervisory board.

During 2018, Camposol Holding PLC made a capital contribution to Camposol Uruguay S.R.L. of USD22,065 thousand.

Movements in Parent's net investment -

The movements in Parent's net investment consist of the following:

	At 30 September	
	2019	**2018**
	USD (Unaudited)	**USD (Unaudited)**
Reduction of initial contribution	-	(50,000)
Distributions to parents	(799)	(34,502)
	(799)	(84,502)

On May 21, 2018, in accordance to Shareholders' meeting resolution, there was a reduction of the initial contribution, generating an account payable to Siboure Holdings S.A.C. (subsidiary of Camposol Holding PLC, which is not included in the carve-out group) for an amount of USD 50 million (see note 36). The Group has paid USD36 million as of September 2019 and paid an additional USD6 million between October and November 2019. The remaining balance is expected to be paid in the first quarter of 2020.

15 LONG-TERM DEBT

This item includes:

Type of debt	Guarantee	Annual interest rate	As of 30 September 2019	As of 31 December 2018
			USD (Unaudited)	USD
Bank borrowings	Camposol S.A.	6.7%	63,441	37,807
Syndicated loans	Camposol S.A.	3.25%+LIBOR (each 3 months)	246,055	197,884
			309,496	235,652
Less-current portion			(5,155)	(3,811)
			304,341	231,841

All loans are denominated in United States Dollars.

For purposes of reconciliation with the information provided in the statement of cash flows, following is the movement of long-term borrowings for the nine-month period ended 30 September 2019:

	Bank borrowings USD	Syndicate loans USD	Total long-term debt USD
Balance as of 1 January 2019	37,808	197,844	235,652
Cash transactions			
Repayment of long-term borrowings	(4,122)	-	(4,122)
Borrowings received	30,000	49,000	79,000
Transactions costs	(367)	(1,011)	(1,378)
Payment of interest	(21)	(371)	(392)
Non-cash transactions			
Amortization of transaction costs	74	202	276
Accrued interest	69	391	460
Balance as of 30 September 2019	63,441	246,055	309,496

There has been no material change in the estimation of the fair values of the long-term debt from the amounts disclosed in the last annual carve-out financial statements.

a) Bank borrowings –

USD 68,277 6.6% Interbank Long-Term Loan due 2026

On December 28, 2018, Camposol S.A. obtained a borrowing from Interbank for up to USD 68,277 (The New Interbank Mid-Term Loan) at an Annual Interest Rate of 6.6% due November 2026. A first disbursement of USD 38,277 was made on December 28, 2018, these procedures were used for the early prepayment of the remain balance of the USD 40,000 6.6% Interbank Mid-Term Loan due 2023 and other corporate purposes. A second disbursement of USD 30,000 was made on February 28, 2019.

The New Interbank Long-Term Loan includes certain restrictive covenants:

a. If during any period of time no payment default or Event of Default has occurred and is continuing, Camposol S.A. will not be restricted to the payment of any dividends or distributions as defined on the Interbank Mid-Term Loan.
b. Do not provide indebtedness to related parties for a total amount up to USD 80,000.

According to Management evaluation at September 30, 2019, the Group was in compliance of the covenants.

b) Syndicated Loans –

On December 13, 2018, Camposol S.A. obtained a borrowing for up to USD 250,000 (The Syndicated Loan) at an Annual Interest Rate of Libo Rate for a period equal to three months plus 3.25% due December 2025. A first disbursement of USD 200,000 was made on December 20, 2018, these procedures were used for the redemption of the USD 147,490 10.5% Senior Secured Notes due 2021 and other corporate purposes. A second disbursement of USD 49,000 was made on June 20, 2019.

The Syndicated Loan includes certain restrictive covenants:

i. Financial covenants:

d. Consolidated Leverage Ratio maximum level of 3.50 to 1.0.
e. Consolidated Liabilities to Tangible Net Worth Ratio maximum level of 2.0 to 1.0
f. Debt Service Coverage Ratio minimum level of 1.20 to 1.0.

According to Management evaluation at September 30, 2019, the Group was in compliance of the Covenants.

16 TRADE ACCOUNTS PAYABLE

	As of 30 September 2019 USD (Unaudited)	As of 31 December 2018 USD
Suppliers	38,588	41,859
Bills of exchange payable	2,276	1,646
Payables to related parties (Note 29)	859	3,877
	41,723	47,382

Trade accounts payables to suppliers are mainly in US dollars, are due within 12 months and are not interest-bearing.

Bills of exchange represent payables to suppliers mainly in U.S dollars (USD2,276 as of 30 September 2019, USD1,646 as of 31 December 2018), which are due within 3 months and bear interest at an annual average rate of 9%.

The average payment terms of trade payables are between 30 to 60 days.

17 PROVISIONS

The Group is subject to several laws, regulations and business practices and laboral bonds. In the ordinary course of business, the Group is subject to certain contingent liabilities with respect to existing or potential claims, law suits and other proceedings, including those involving labor and social security, and civil. The Group accrues liabilities when it is probable that future costs will be incurred and their amounts can be reasonably estimated. The Group bases its accruals on up to-date developments, estimates of the outcomes of the matters and legal counsel experience in contesting, litigating and setting matters. As the scope of the liabilities becomes better defined or more information is available, the Group may require to change its estimates of future costs, which could have a material effect on its results of operations and financial condition or liquidity.

18 LEASE LIABILITY

Type of debt	Guarantee	Annual interest rate	30 September 2019 USD (Unaudited)	31 de December 2018 USD
Lease liabilities	Property subject to finance lease	Between 3.70% and 8.72%	58,624	31,938
Less - current portion			(10,944)	(5,415)
			47,680)	26,523

All leases are denominated in United States Dollars.

For purposes of reconciliation with the information provided in the statement of cash flows, following is the movement of leases liabilities:

	Total lease liability USD
Balance as of 1 January 2019	31,938
Cash transactions	
Repayment of leases liabilities	(1,862)
Payment of interest	(621)
Non-cash transactions	
Accrued interest	621
Right-of-use assets	28,548
Balance as of 30 September 2019	58,624

The maturity of the non - current portion of lease liability is as follows:

	2019 USD
1 - 2 years	10,883
2 - 3 years	10,854
3 - 4 years	9,308
More than 4 years	16,635
	47,680

The future minimum lease payments under finance leases together with the present value of net minimum lease payments are as follows:

	At 30 September 2019		At 31 December 2018 2018	
	Minimum payments USD	Present value of payments USD	Minimum payments USD	Present value of payments USD
Within one year	12,930	10,944	6,759	5,415
After one year but no more than seven years	52,463	47,680	30,449	26,523
Total minimum lease payments	65,393	58,624	37,208	31,938
less amounts representing finance charges	(6,769)		(5,270)	
Present value of minimum lease payments	58,624		31,938	

19 BANK LOANS

	As of 30 September 2019 USD (Unaudited)	As of 31 December 2018 USD
Loans -		
BBVA Bank (Peru)	15,500	-
Santander Bank (Peru)	10,000	-
Accrued interest to pay (Peru)	38	-
	25,538	-

For purposes of reconciliation with the information provided in the carve-out statement of cash flows, following is the movement of bank loans for the period ended as of 30 September 2019:

	As 30 September 2019 USD (Unaudited)
Initial balance	-
Accrued interest in the period (Unaudited)	148
Bank loans proceeds (Unaudited)	63,500
Bank loans payments (Unaudited)	(38,000)
Interest paid in the period (Unaudited)	(110)
Closing balance	25,538

Bank loans represent promissory notes with maturities up to 120 days from BBVA and Santander banks, which are obtained for working capital during the period to be used in the commercial campaign mainly of avocado and blueberries. These loans bear fixed annual interest rates are between 1.80 per cent and 3.20 per cent in 2019 (between 1.40 per cent and 3.75 per cent in 2018). As of September 2019 and December 2018, these loans are guaranteed by lands of the Group for the similar amounts of the loans.

20 REVENUE

Revenues for the nine-month period ended 30 September are comprised of the following:

	2019 USD (Unaudited)	2018 USD (Unaudited)
Blueberry	92,310	77,548
Avocado	70,569	106,199
Mangos	25,472	24,419
Tangerine	9,992	11,378
Grapes	591	2,639
Peppers	-	1,528
Other	983	4,044
	199,917	227,755

21 COST OF SALES

Cost of sales for the nine-month period ended 30 September are comprised of the following:

	2019 USD (Unaudited)	2018 USD (Unaudited)
Cost of inventories recognized as expenses (Note 11)	62,848	62,486
Personnel expenses (Note 24)	44,648	35,470
Depreciation of property, plant and equipment (Note 9)	5,072	5,054
Depreciation of right of use assets. (Note 9)	3,310	1,248
Depreciation of bearer plants (Note 9)	14,432	13,286
Amortization of computer software (Note 9)	74	52
Writte-off of bearer plant (Note 9)	-	626
Custom duties refund	(2,375)	(3,162)

	128,009	115,060

22 SELLING EXPENSES

Selling expenses for the nine-month period ended 30 September are comprised of the following:

	2019 USD (Unaudited)	2018 USD (Unaudited)
Freight	12,625	14,432
Custom duties	4,982	6,637
Personnel expenses (Note 24)	3,424	3,190
Consulting services	975	1,206
Insurances	938	834
Travel and business expenses	622	699
Analysis and quality control	423	296
Subscriptions to associations	158	161
Selling commissions	133	431
Depreciation (Note 9)	52	33
Depreciation of right of use asset (Nota 9)	36	-
Other expenses	838	460
	25,206	28,379

23 ADMINISTRATIVE EXPENSES

Administrative expenses for the nine-month period ended 30 September are comprised of the following:

	2019 USD (Unaudited)	2018 USD (Unaudited)
Personnel expenses (Note 24)	9,476	8,051
Professional fees	3,365	3,413
Renting of machinery and equipment	1,039	1,033
Travel and business expenses	896	628
Materials and supplies	432	383
Audit services and others	227	230
Maintenance	224	220
Transport and telecommunications	87	64
Utilities	82	66
Insurances	25	50
Other taxes	13	6
Depreciation (Note 9)	480	472
Depreciation of right of use asset (Note 9)	244	238
Amortization of computer software (Note 9)	393	561
Other expenses	1,382	1,445
	18,365	16,860

24 PERSONNEL EXPENSES

Personnel expenses for the nine-month period ended 30 September are comprised of the following:

	2019 USD (Unaudited)	2018 USD (Unaudited)
Salaries and wages	49,888	39,673
Vacations	1,337	1,642
Other employees' benefits	5,030	4,246
Other expenses	1,293	1,150
	57,548	46,711
Average number of staff employed during the period	13,618	10,224

Personnel expenses are allocated as follows:

	2019 USD (Unaudited)	2018 USD (Unaudited)
Cost of sales (Note 21)	44,648	35,470
Selling expenses (Note 22)	3,424	3,190
Administrative expenses (Note 23)	9,310	7,844
Directors' remuneration (Note 23)	166	207
	57,548	46,711

Costs related to the compensation of certain members of senior management and its supervisory board of Camposol Holding PLC, have been allocated to personnel expenses within other expenses based on actual costs incurred, without a markup, for an amount of USD 172 in 2019 (USD214 in 2018).

25 OTHER INCOME AND EXPENSES

	2019 USD (Unaudited)	2018 USD (Unaudited)
Other income -		
Indemnity of insurance	1,052	181
Recovery of written-off accounts receivable	261	14
Gain of sales supplies	115	-
Services to third parties	67	128
Other	208	562
	1,703	885

	2019 USD (Unaudited)	2018 USD (Unaudited)
Other expenses -		
Legal claims expenses	(1,438)	(872)
Impairment of trade and other receivable (Note 13)	(618)	(451)
Donations and samples	(348)	(20)
Initial offer of share expenses	(177)	(1,253)
Loss on sale of property, plant and equipment	(57)	(116)
Obsolescence of inventories (Note 11)	(99)	(281)
Loss on sale of supplies	-	(88)
Administrative penalties	-	(212)
Other	(708)	(410)
	(3,445)	(3,703)

26 FINANCIAL INCOME AND COSTS

	2019 USD (Unaudited)	2018 USD (Unaudited)
Income -		
Gain in investment funds	134	3
Interest	258	53
	392	56
Costs -		
Interest on bonds and bank loans	(13,137)	(13,929)
Interest on lease liability	(1,592)	(690)
Tax on financial transactions	(627)	(604)
Interest on accounts payable to suppliers	(1)	(19)
Other finance costs	(47)	(71)
	(15,404)	(15,313)

27 INCOME TAX EXPENSE

Income tax expense is recognized based on management's estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the nine-month period to 30 September 2019 is 20% (the estimated tax rate used as of 30 September 2018 for the full financial year as of 31 December 2018 was 23%).

28 CONTINGENT LIABILITIES

As of 30 September 2019 the Group has labor-related contingencies and other claims amounting to USD 2,001 (USD 1,960 as of 31 December 2018). No provision has been made since legal advice indicates that it is not probable that a significant liability will arise.

29 TRANSACTIONS WITH SHAREHOLDERS AND OTHER RELATED PARTIES

a) Transactions -

The main transactions carried out between the Group and its related parties for the nine-month period ended 30 September are as follows:

	2019 USD (Unaudited)	2018 USD (Unaudited)
i) Associate -		
Empacadora de Frutos Tropicales S.A.C. -		
Sale of services	4	2
Sale of finished produce	-	4
Purchase of services	1,468	3,258
ii) Entities related to Directors -		
Gestora del Pacifico S.A.C -		
Sale of services	148	164
Sales of finished products	1	1
Purchase of services and others	809	720
Asoc. para la certif. de productores agricolas proveedores Camposol -		
Purchase of raw material	-	16
Ecopacking Clasmshells S.A. (formerly Integrity Packing) -		
Purchase of services	-	59
Purchase of supplies	3,727	2,198
Camposol Holding PLC.-		
Capital contribution	-	22,065

b) Amounts due from/to related parties –

	As of 30 September 2019 USD (Unaudited)	As of 31 December 2018 USD
Other accounts receivable:		
i) Entities related to Directors -		
Gestora del Pacífico S.A.C.	39	19
	39	19
Accounts payable to related companies:		
ii) Subsidiary of camposol holding PLC		
Siboure Holdings S.A.C. (*)	14,000	50,831
	14,000	50,831

(*) In 2018, includes the accounts payable of USD50 million, originated from the reduction on the initial contribution of Camposol Agribusiness (Note 14). The Group has paid USD36 million as of September 2019.

Trade payables:

i) Associates		
Empacadora de Frutos Tropicales S.A.C.	107	508
ii) Entities related to Directors		
Gestora del Pacifico S.A.C.	6	186
Ecopacking Clasmshells S.A. (formerly Integrity Packing S.A.C.)	746	3,183
	859	3,877

c) Compensation of the Group key management for the nine-month period ended 30 September are as follows:

	2019	**2018**
	USD	**USD**
	(Unaudited)	**(Unaudited)**
Short-term employee benefits		
Salaries of key management (excluding remuneration of Directors)	6,153	4,882
Remuneration of Directors (all of which are non - executives)	166	207
Post-employment benefits		
Employees' severance indemnities of Key management	94	43

There were no other post-employment benefits, long-term benefits, termination benefits and share-based payments in 2019 and 2018.

There are no management services provided by a related party to the Group.

30 EVENTS AFTER THE REPORTING PERIOD

- During 2019, Camposol Holding PLC have decided to implement a new legal structure for their global business, excluding the shrimp farming business (Note 1-a)
- On 22 October 2019, a new holding company named Csol Holding Limited (hereinafter "The Company") was incorporated in accordance with the provisions of the Cyprus Companies Law, Cap 113 with an initial capital contribution of USD10 million (Note 1-a)
- As of November 22, Camposol Holding PLC is in process of transferring the main operating companies related to Camposol Agribusiness to Csol Holding Limited (Note 1-a)

Between September 30, 2019 and the approval date of the financial statements, besides the above mentioned, there have been no subsequent events that may have a significant impact on the reasonableness of the carve-out financial statements issued and/or that require to be disclosed in notes.

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